

Working Together
We've come a long way.



Sustainability Report 2023

Index

About this Report Recognitions Messages Senior Management

Good Corporate Governance.....	7
1.1 Company Profile	11
1.2 Corporate Governance	12
1.3 Risk Management	18
1.4 Sustainability Strategy	20
1.5 Ethics and Compliance	24

Collaborator Well-Being	33
2.1 Payroll and Growth	34
2.2 Onboarding Program	37
2.3 Well-Being Program	38
2.4 Organizational Culture	39
2.5 Diversity, Equity and Inclusion	40
2.6 Collaborator Well-Being	43
2.7 Ficohsa Corporate University	45
2.8 Main Achievements	48

Client-Centered Culture	49
3.1 Service Points	50
3.2 Quality and Cliente Experience	50
3.3 Evolution and Digital Transformation ...	57
3.4 Responsible Banking	58
3.5 Entrepreneurship, Education, and Financial Inclusion	60
3.6 Data Security	71
3.7 Transparency and Client Satisfaction ..	72

Promoters of Enviromental and Social Change	74
4.1 Community	75
4.1.1 Ficohsa Foundation	75
4.1.2 More Sustainability Initiatives.....	80
4.2 Enviroment	83
4.2.1 Enviromental Management	84
4.2.2 Energy and Emissions	85
4.2.3 Other Environmental Issues	87

Solvency and Economic Performance..	90
5.1 Relevant Group Data	91
5.2 Relevant Data by Country	92
5.3 Economic Value Generated and Distributed	100

Annexes	101
I Management Details	102
II Verifications	114
III Index GRIII Contents	116
IV Index SASB Parameters	118

About this Report

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



Over fourteen years, the Ficohsa Group (FG) has published annual sustainability reports as part of the accountability to the different groups of stakeholders. The integrated annual report 2023 considers the most relevant issues for FG and its stakeholders, reflects the work of all those who contribute to the implementation of the business model and the new sustainability strategy, aligned to the criteria of Environment, Society and Governance (ESG), covering 4 pillars of action under which this document is built:

- Good Corporate**
- Governance Client-Centered**
- Collaborator Well-Being**
- Promoters of Environmental and Social Change**

The contents of the following report have been validated in the first instance by the Corporate Social Responsibility Committee and Senior Management, with the support of all the areas involved. In addition, we have external verification by an independent third party, such as the Honduran Foundation of Social Responsibility (FUNDAHRSE), who through the verification letter has established the declaration of compliance with GRI Universal Standard on the present contents of this report.

The information presented reports the main results obtained during the fiscal year, which runs from January 1 to December 31, 2023.

International Standards

of sustainability as the basis of this report



Qualitative and quantitative data of our extra-financial performance are presented, using the international standards of the Global Reporting Initiative (GRI), with special emphasis on general contents related to our organization, activities, governance, strategy, and interest groups



It incorporates for the fourth consecutive year the Sustainability Accounting Standards Board (SASB), for the sectors: Commercial Banks, Consumer Financing, Asset Custody Management activities, Mortgage Financing, Investment Banking, Brokerage House, and Insurance. This methodology responds to the information requirements of investors on ESG issues that affect the financial stability of the company.



Main contributions to the United Nations' objectives for the 2030 Agenda Goals are reported.



We remain committed to the Principles of the United Nations Global Compact of which Ficohsa Honduras has been a member since 2018. For the presentation of this report, new updates for the Communication of Progress (COP) were adopted.

How to Read the Contents of this Report?

The contents of the GRI Standards and SASB metrics are referenced at the beginning of each section and below the titles.

In the annexes section of this report, you will find the list of GRI and SASB standards and Global Compact Principles.

Ficohsa Group keeps an eye on the evolution of the reporting ecosystem for early adoption of International Financial Reporting Standards (IFRS).

Recognitions



LatinFinance

Bank of the year in Honduras.



Global Business Magazine

Most Innovative Bank of Honduras



Best CSR Bank of Honduras



World Economic Magazine Awards 2023 recognized Ficohsa in three categories:

Best Banking Group of Honduras

Best CSR Banking Group of Honduras

Best Digital Bank of Honduras



FUNDAHRSE 2023

17 consecutive years recognized for promoting sustainable development in the region.



Federación Internacional del Automovilismo (FIA)

For creating road safety campaigns to raise awareness among citizens



Global Business & Finance Magazine



Camilo Atala Faraj President Ficohsa Group

I am honored to address you at this crucial time in the history of the Ficohsa Group as we reflect on our commitment to sustainability.

Since our inception 30 years ago, we have been a company guided by the fundamental family values. The principles of solidarity, empathy, and responsibility towards our communities and collaborators have been the central focus of our mission. During this time, we have kept alive the legacy of our parents, Juan and Toya Atala Faraj, who instilled in us the importance of contributing to social welfare, particularly through inclusive and quality education.

These values are part of the essence of the Ficohsa Group, thus defining our identity as a company that goes beyond. Our business objectives are aligned with sustainability goals, adopting environmental, social and governance criteria that reflect global trends, where integrity and transparency are fundamental pillars in all our actions. So, when we go far, we all go far

In this regard, we are proud to share with you the significant progress we have made in our path toward sustainability over the past year. Among these milestones, we highlight regional growth through the acquisition of America Insurance in Nicaragua and Asesuisa in El Salvador; we continue to promote banking and financial inclusion initiatives, entrepreneurship, gender, and transforming banking with innovative financial products to meet the needs of our clients in the new digital age. These achievements testify to our continued commitment to sustainable development and the positive impact on our communities.

In the coming years, we see the Group in the future consolidated as one of the most important groups in Central America and we assume it with the responsibility it carries of having a positive impact on the region. That is why this transformation that we are living in considers sustainable development as a basic and fundamental input.

We are confident that, with the support of our collaborators, clients, and partners, we will achieve these objectives and continue to grow with solidity and responsibility, strengthening our regional presence. I would like to express my sincere thanks to all our collaborators, whose tireless dedication is the driving force behind our shared achievements. Their commitment and passion to make the world a better place is inspiring and fundamental to our continued progress.

At Ficohsa Group, we firmly believe that when we move forward together, we achieve great things. Let us continue to work together on this path towards a more prosperous, supportive and sustainable future for all.

Thank you and let's move forward!



Luis Atala Faraj Vice-President Ficohsa Group

Dear colleagues and friends,

It is with great satisfaction that we present the sustainability report of the Ficohsa Group. Our vision is that people will go far, understanding success as something that not only benefits our organization but positively impacts all the people and communities we serve. We strongly believe that when a business grows sustainably, everyone can move forward together towards a prosperous future.

Education has been and will continue to be one of our fundamental pillars, through educational programs and projects implemented by the Ficohsa Foundation, which recently celebrated its 25th anniversary. We work tirelessly to provide children and young people with the necessary tools to build a promising future. We highlight this year the accompaniment with USAID and the Secretary of Education, through the Alliance for Education program, our the commitment to restore 25 basic educational centers with a reach of 10,500 students at the end of the project. We keep alive the legacy of our father, Juan Atala, who always believed that quality education builds prosperous societies, with opportunities for all.

In addition, we promote entrepreneurship as an engine of economic development and employment generation in the region. We believe in the power of effort and creativity to positively transform realities and build a better future. Paying special attention to women entrepreneurs who are an engine for the economy of our region. The promotion of banking through financial inclusion is another of our key commitments. One example is our recent addition to the Partnership for Central America (PCA), in which we are committed to support the economic and social development of the Northern Triangle through investment in digital banking fermenting financial inclusion, and support for entrepreneurship.

In the coming years, we will focus on environmental issues such as carbon 0, sustainable finance, social issues in worker welfare, and socio-economic empowerment, under governance with leadership and long-term growth vision always with integrity and transparency. All this will be achieved thanks to the excellent human talent that makes up the Ficohsa Group. Our more than 6,700 collaborators are the heart of our organization and represent the fundamental pillar for our success and sustainable growth.

Throughout our 30 years, we have upheld our values and principles, guided by an unwavering commitment to the development of Honduras and the region. Our pillars of sustainability are the basis of our management, allowing us to generate economic, social, and environmental value in the places where we operate.

We appreciate the continued support of all those who have been part of this journey, and we look forward to continuing to work together to build a more just, prosperous, and sustainable future for all.

Good Corporate Governance



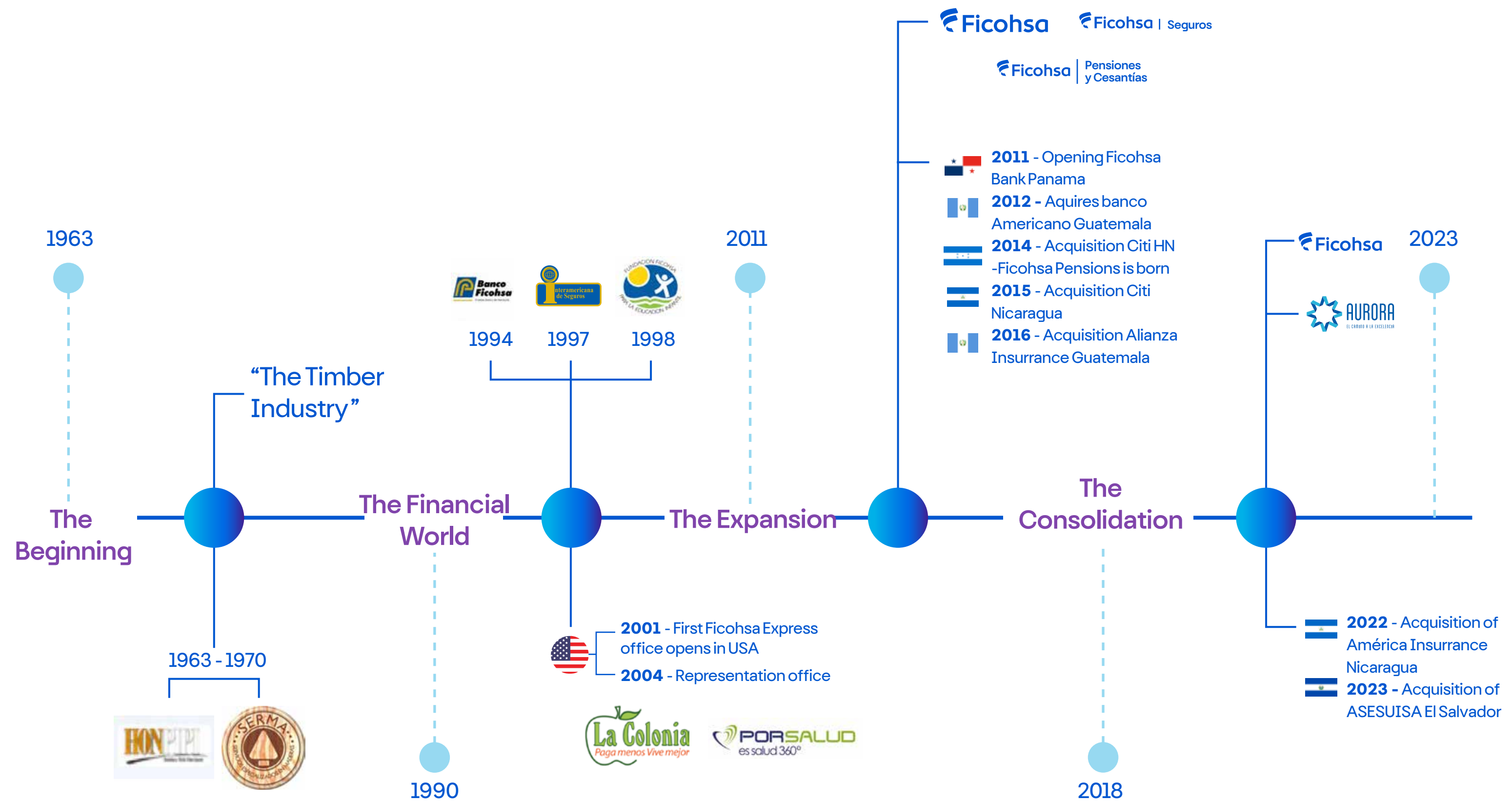
History and Evolution

The story begins in 1958 with the arrival of a man with a very clear purpose in life: to transcend from the business and human point of view. He dreamed of laying the foundations of a thriving business and impacting people's lives in a meaningful way. For him, both goals were equally important.

Mr. Juan Atala, a visionary man who came to Honduras, began his business career in the timber industry, focusing on importing timber and timber products. He always accompanied his business efforts with a strong social commitment, especially in education, an element that would mark the history of the group in a particular way.

In 1994, Mr. Juan, together with his wife Mrs. Toya Atala, and his children, founded Banco Ficohsa, thus initiating our incursion into the financial world. During the first decade, the group's efforts were focused on Honduras and here we diversified our activities, venturing into the insurance sector and creating the Ficohsa Foundation, shaping Mr. Juan's dream. In the following years, we also expanded into other non-financial businesses.

In 2011, a new phase of expansion began in Central America, covering banking and insurance businesses. This expansion led us to cross borders, and today we have operations in Honduras, Guatemala, Nicaragua, Panama, El Salvador, and the United States.



1.1 Company Profile

(GRI 2-1, 2-2, 2-6, FS6)

The Group's performance is built on principles and values based on transparency, always betting on ethics, integrity, and excellence in management that supports our organizational culture and provides confidence to our clients and other stakeholders.

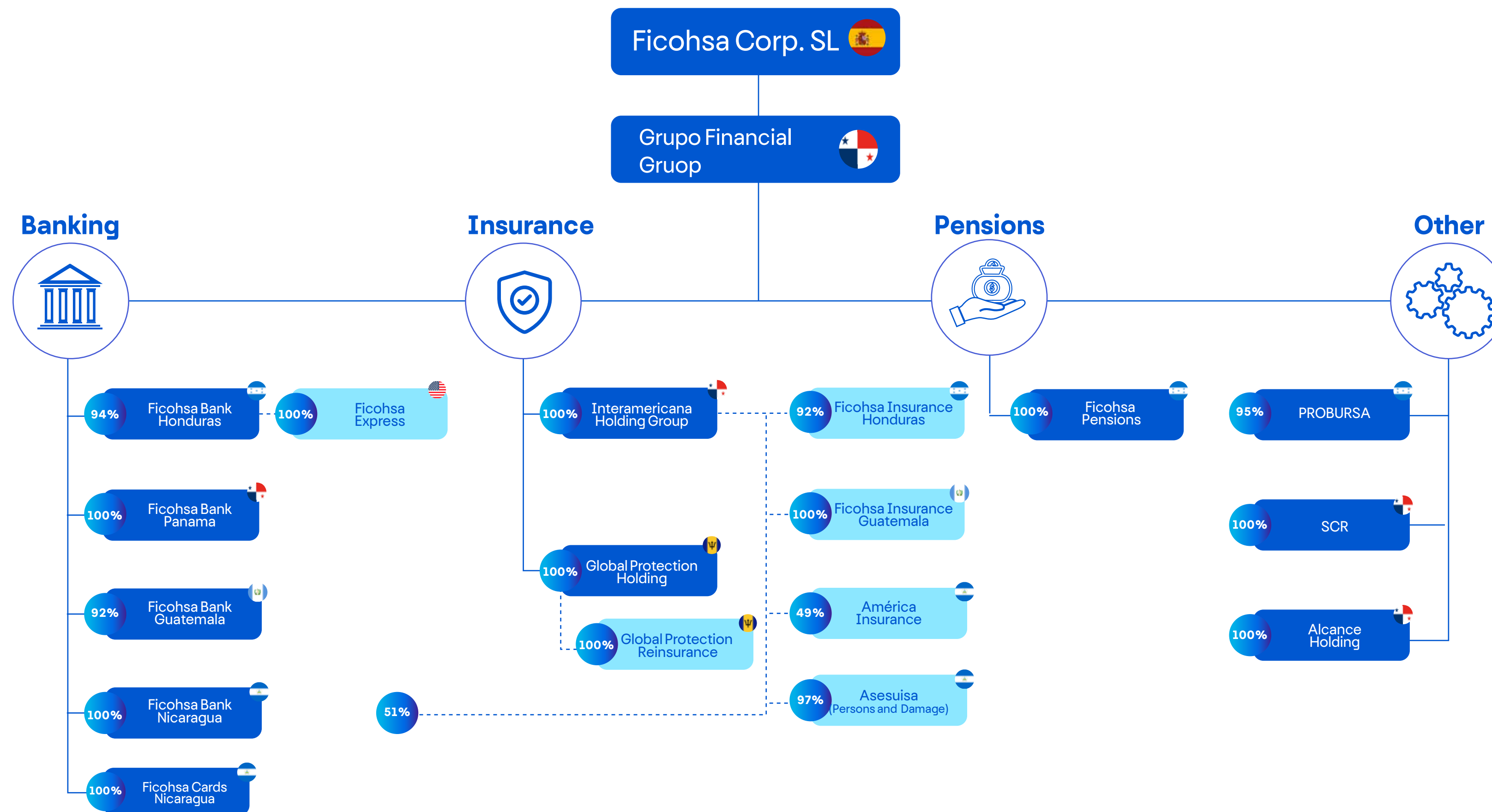
Mission: To provide the most innovative financial products and services with high-quality standards and the best technology, provided by a qualified human resource; generating security and satisfaction in those who have given us their trust, always committed to being a socially responsible company.

Vision: Ficohsa will be recognized as a solid and reliable group committed to the development of the countries where we have a presence, and where our clients will find effective, agile, and innovative financial solutions.



1.1.1 Structure and Society

FICOHSA FINANCIAL GROUP, S.A. is formed as a joint-stock company, with a majority fraction of the property in the hands of Honduran capital. The registered office is in Panama City (Panama) and the operational headquarters is in Tegucigalpa (Honduras). With operations also in Guatemala, Nicaragua, El Salvador, and the USA. We operate under an organizational structure led by Corporate Governance that promotes the efficiency and specialization of teams by service and country.



*The percentages represent the participation or ownership of Grupo Financiero S.A in each of the companies.

1.1.2 Details of the Business

Our products and services offer innovative financial solutions of the highest quality, according to the needs of both people and micro, small, medium, and large companies to achieve the loyalty and trust of our clients in the countries where we operate



Presence of Businesses by country

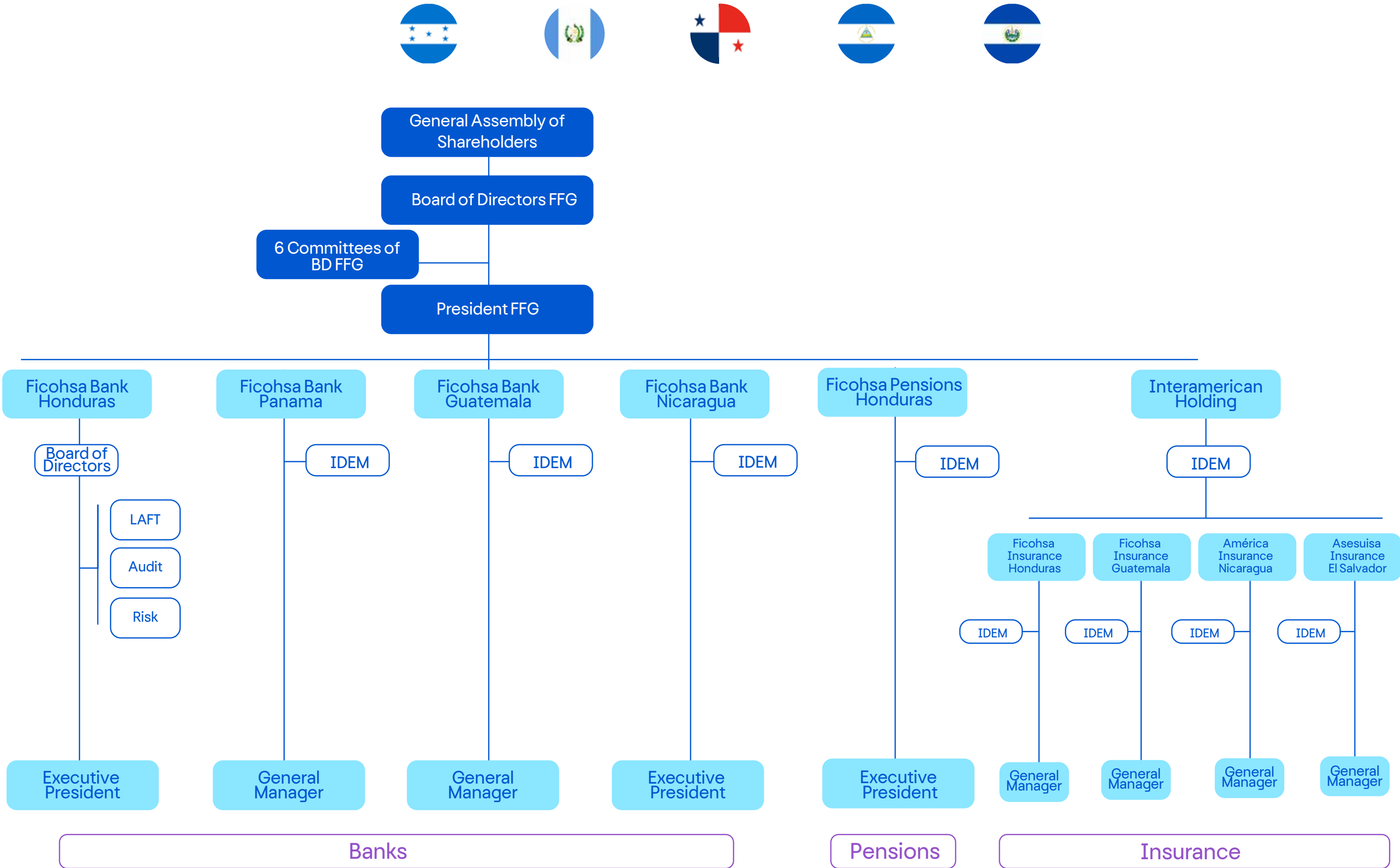
	Honduras	Guatemala	Panama	Nicaragua	El Salvador	USA
Financial Services	Present	Present	Present	Present	Present	Present
Ficohsa Insurance	Present	Present	Present	Present	Present	Present
Ficohsa Pensions and Severances	Present	Present	Present	Present	Present	Present
Ficohsa Brokerage House	Present	Present	Present	Present	Present	Present

1.2 Ficohsa Corporate Governance

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-17, 2-18, 2-20, 2-21)

Aware that the basis for promoting sustainable social and economic development that will have a positive impact on society, as a whole, is having a solid corporate governance, with a vision to generate a positive impact with the operation, working hand in hand with stakeholders in relation to their expectations and needs as a focal point for good business performance.

Corporate Governance Structure



Competencies and guidelines of Good Corporate Governance

Responsible and sustainable leadership.

Development and vision of long-term growth, on firm foundations.

Respect for the requirements imposed by the legal framework.

Fulfillment of commitments to different stakeholders.

1.2.1 General Assembly of Shareholders

It is the supreme and sovereign organ of FG and brings together the holders of our titles in a collegiate manner, articulating their right to intervene in decision-making. It is responsible for approving the financial statements, the destination of profits, and the payment of dividends. Appoints the external auditor and approves or ratifies certain strategic or extraordinary operations.

The sessions of the Assemblies can be ordinary or extraordinary, in the case of the ordinary ones the first one must be convened within 120 calendar days after the close of the fiscal year.

The Shareholders' General Assembly meets at least once a year ordinarily, with the possibility of extraordinary sessions as determined by the Board of Directors. These are developed as determined by the Social Pact in compliance with the applicable law.

In 2023 100% of the members of the Assembly attended the ordinary sessions held.



1.2.2 The Board of Directors of Ficohsa Group

Followed by the Shareholders' Meeting, the Board of Directors is the highest body responsible for the management of the Group. Its functions include establishing the corporate strategy and authorizing the annual budget, as well as approving and enforcing internal policies and procedures, including the operation of internal control systems.

We present the composition of the Board of Directors of FFG, reelected in the Ordinary Assembly of 2023.

	Position	Audit and Regulatory Compliance Committee	Risk Committee	Nominations and Compensations Committee	LA-FT Compliance Committee	Financial Committee	Corporate Governance Committee
Camilo Atala F.	President					President	
Luis Atala F.	VicePresident					Member	
Jorge Faraj F.	Director						
Juan Atala F.	Director			Member			Member
Diana Asfura M.	Director						
José Alejandro Piedrahita	Director		President			Member	Member
Juan José Daboub A.	Director			Member			President
Richard Aitkenheada C.	Director					Member	
Bruce M. Burdett	Director	Member		President	Member		
Agustín Gutierrez	Director		Member				

Each subsidiary has its own Board of Directors. The average length of service of its directors is 10 years.

The remuneration of the Board of Directors and its committees is the responsibility of the General Shareholders' Meeting, which consists of monthly fixed allowances for attendance.

On the Appointment and Evaluation of Board Members

For their appointment, both the Shareholders' Assemblies and Boards of Directors have the power to propose their candidates, supported by the Corporate Governance Committee charged with evaluating, according to the needs of the business, the competencies and knowledge of these.

Directors should therefore have a professional profile with extensive experience in positions in the banking industry and knowledge of the trends to which the sector is headed.

Internal or Executive Directors

Their participation may be for periods of three years with the option of re-election without limitations.

External Directors of Assets

Owners of shares and do not work in the Group's companies.

Independent External Directors

Those whose membership in the Ficohsa Group is solely and exclusively as a member of the Board of Directors.

Their participation can be for periods of three years with the option of re-election without limitations



1.2.3 Committees Ficohsa Group and their Functions

The Board is supported by a series of Steering Committees, with support, study, and proposal functions. It is the Board itself that establishes the members of the committees according to their professional training, integrity, competencies, and experience, which are represented by experienced Directors according to the functions and objectives of each of the committees

Comittee	Description	Members
Audit and Regulatory Compliance Committee	Responsible for assisting the Board in the performance of its supervision responsibilities in internal control systems, internal and external audit services, compliance, conflicts of interest, and operation with related parties.	Colin Dore Veater Walter President Nico Klaas Gerardus Pijl Member Bruce Malcolm Burdett Member
Risk Management Committee	Serves as support to the Board of Directors in monitoring potential risks to the business. It is responsible for overseeing the integrity and adequacy of the risk management function of FG and Member Companies. In this regard, the planning and implementation of the strategy rests fully with the members of Senior Management.	José Alejandro Piedrahita President Javier Eduardo Atala Faraj Member Agustín Gutiérrez Member
Nomination and Compensation Committee	Supports the Board of Directors in defining and organizing the development of the Group's human talent, as well as reviewing and proposing remuneration structures for Group officials and providing a planned succession or replacement of the Executive President and other senior management members.	Bruce Malcolm Burdett José President Leonel Giannini Kafie Member Juan Carlos Atala Faraj Member Juan José Daboub Abdala Member
LA-FT Compliance Committee	Its function is to assist the Board of Directors in managing the compliance system aimed at preventing and identifying crimes related to money laundering, terrorist financing, and anti-corruption. Together with the Corporate Compliance Unit, it ensures the implementation and effectiveness of the different prevention programs existing in the Group.	Colin Dore Veater Walter President Nico Klaas Gerardus Pijl Member Bruce Malcolm Burdett Member

The structure of Board Committees of the Ficohsa Financial Group is organized in a staggered manner in the following two (2) levels or components:

1. Committees of the Board of Directors of Ficohsa Group, S.A.
2. Country Committees for Audit, Risk, and LA-FT

Committee

Description

Miembros

Financial
Committee

Advises the Board of Directors to maintain a coordinated financial policy regarding the investment and financing structure of the Group following its strategic plan.

Camilo Alejandro Atala Faraj	President
Luis Alberto Atala Faraj	Member
Javier Eduardo Atala Faraj	Member
Richard Aitkenhead Castillo	Member
José Alejandro Piedrahita Tello	Member
Humberto Sangiovanni	Member
José Arturo Alvarado Cortés	Guest
Colin Dore Veater Walter	Corporate Secretary

Corporate
Governance
Committee

It supports the Board of Directors in the periodic evaluation of the compliance of the Corporate Governance practices included in the Bylaws, Regulations, and Code of Government. In turn, it evaluates the experience of the members of the Board of Directors, Committees, and Member Companies. It is also responsible for reviewing and approving the Annual Corporate Governance Report.

Juan José Daboub	President
José Alejandro Piedrahita	Member
Juan Carlos Atala Faraj	Member

Under this scheme, the structure of the Board of Directors Committees always originates in the Board of Directors of the parent company, Ficohsa Financial Group, and for some specific areas, such as Audit, Risks, and LA-FT, descends at the country level.

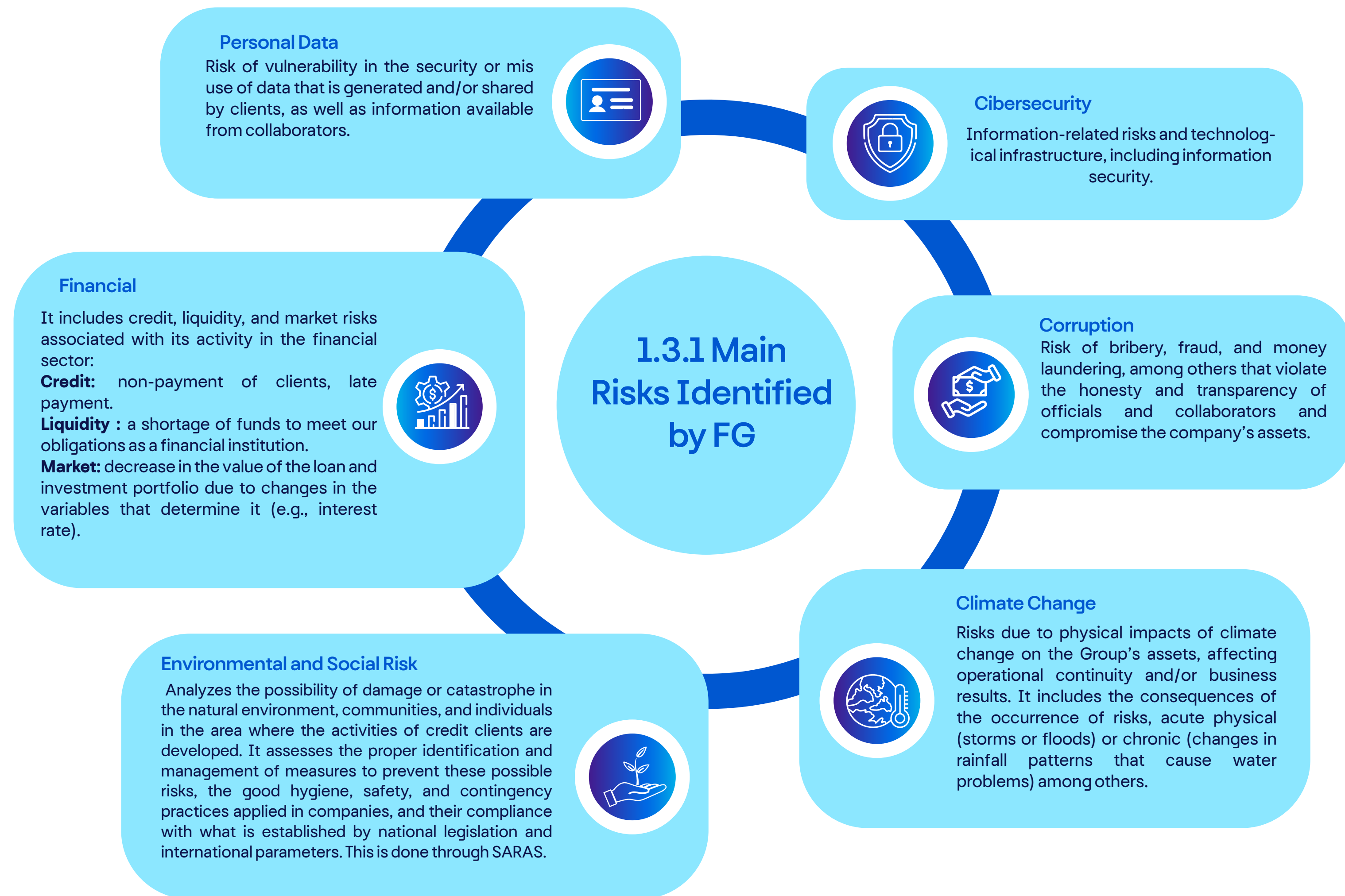


1.3 Risk Management

(GRI 2-12; 2-13; 2-15) (SASB FN-IN-450a.1; FN-IN-450a.2; FN-MF-450a.3)

The Board of Directors is responsible for ensuring an adequate environment for risk management, as well as for fostering an internal environment that facilitates its development. In addition, it is responsible for overseeing the implementation of the relevant prevention, control and response activities, always supported by the regional Risk Committee, as well as by the country's local committees. Senior Management is responsible for planning and monitoring risks through specialized teams by subsidiary and country.

FG has a regional Risk Committee and local committees by country





1.3.2 Progress in the Risks of Climate Change

As a financial institution, we are directly exposed to climate and opportunity risks, through operations and the use of natural resources, and indirectly, through financial intermediation activities with borrowers, clients, and counterparties.

Transition risks : The transition to a low-carbon economy can entail major political, legal, technological, and market changes to address climate change-related mitigation and adaptation requirements. Depending on the nature, speed, and approach of these changes, transition risks can pose financial and reputational risks at different levels for organizations.

Physical Risks: Physical risks from climate change can lead to (acute) events or long-term (chronic) changes in climate patterns. They may have financial implications for organizations such as direct asset damage or indirect impacts from production chain disruptions, for example.

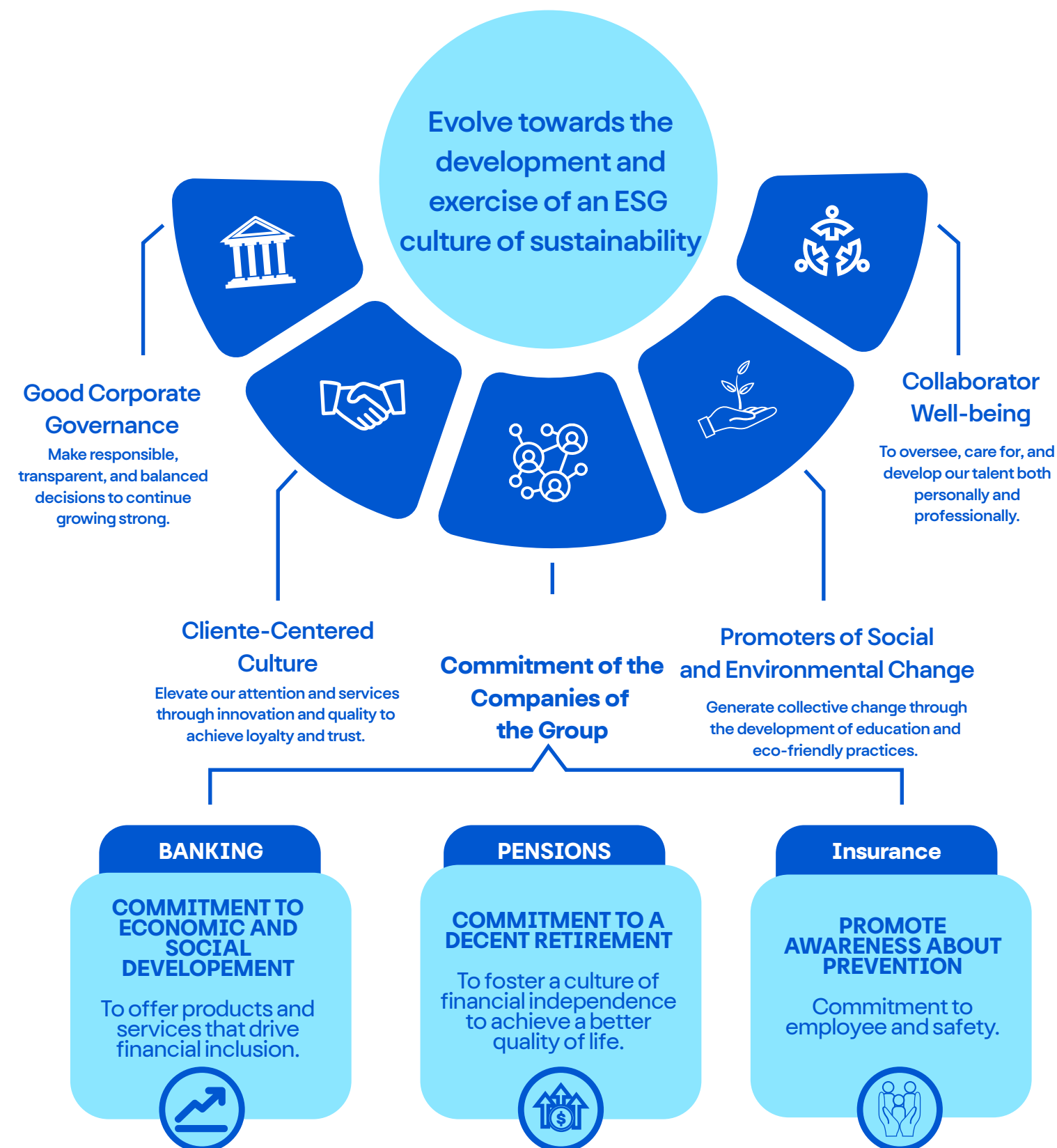
During 2024 we will work on the International Financial Reporting Standards (IFRS), which will begin with the implementation of the technological tool that will help to have a better quality process, automation of flows, and a better process control environment.

1.4 Sustainability Strategy

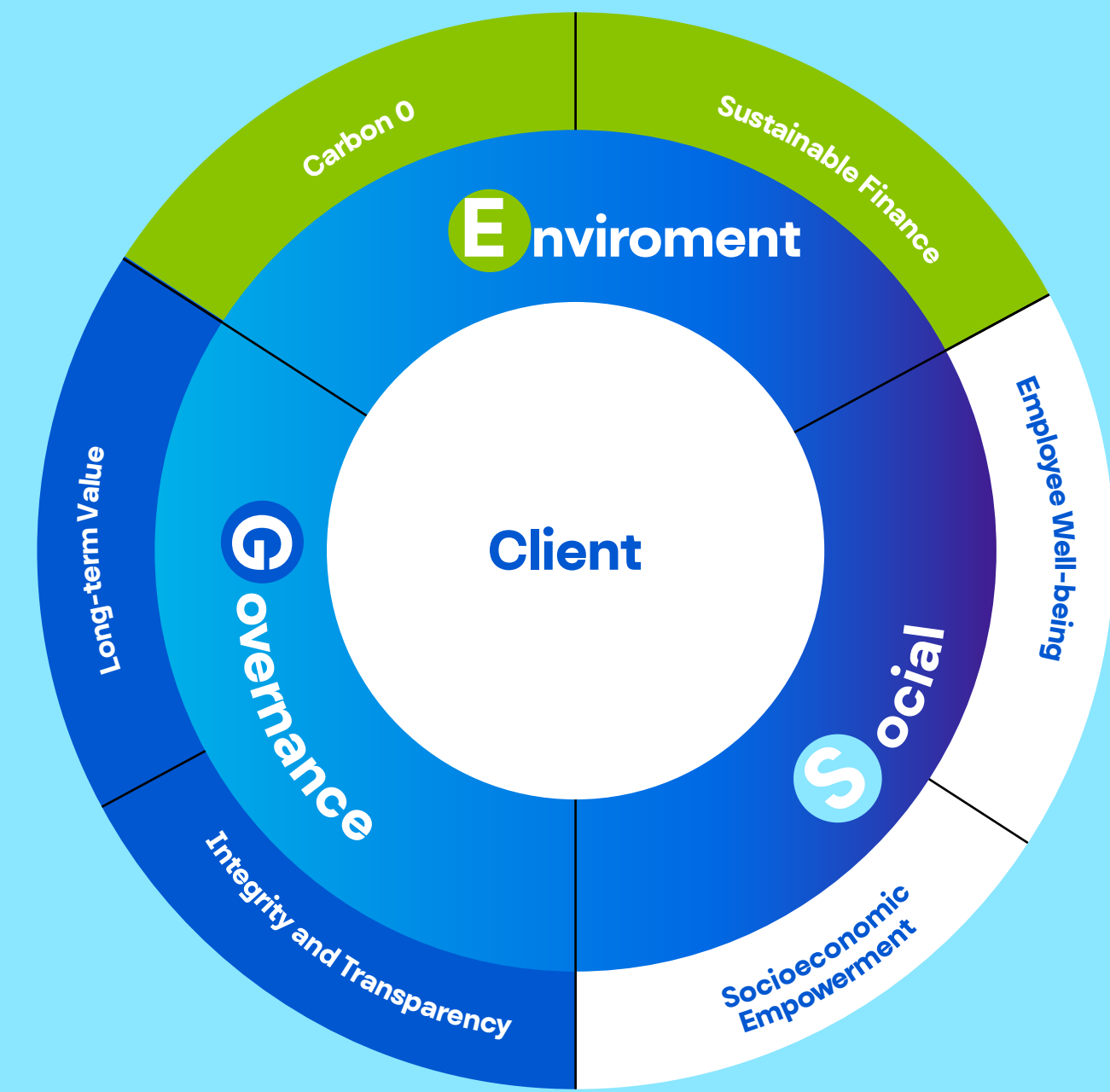
(GRI 2-22, 2-30)

In Ficohsa Group we promote sustainable development so that together we go far, we transform ourselves every day to respond to the economic, environmental, and social challenges to which we are exposed as a sector, working with the global agenda framed in the Sustainable Development Goals and the principles of the UN Global Compact.

FG adopted its 2023-2028 sustainability model, consisting of four pillars of action and an additional one for each business unit.



During this year we strengthened our sustainability strategy with the purpose of focusing on the criteria of Environment, Society, Governance (ESG), and economical, aligning the execution of internal activities with the purpose of positively impacting our environment with sustainable practices from our operations, through responsible and transparent decision making.



For Ficohsa sustainability is framed in its corporate purpose to facilitate solutions that transform lives, which represents a collective commitment to generate value to stakeholders so that through its products and services they can materialize their dreams, goals and objectives. Beyond financial alternatives, it is a step forward to accompany them in their daily lives with comprehensive solutions to their needs.

Contributing to the Sustainable Development Goals (SDGs) through sustainable projects

Job Generation



Meta 5.5



Meta 8.5



Quality Education



Meta 2.1



Meta 4.2



Meta 17.17

Education and Financial Inclusion



Meta 4.2



Meta 17.17

6,780 collaborators at the regional level
2,198 new collaborators joined the Ficohsa family in 2023
58% of collaborators are women and **42%** men
507 women hold leadership positions
229 women in science, technology, engineering, and mathematics (STEM) positions

+157,000 children benefited from 2000 to date from preschool education in Honduras, Nicaragua, Guatemala, and Panama
151 preschool centers supported to date at the regional level
+300 teachers trained to date
+ 10,000 young people benefited from elementary education in Honduras through the Alliance for Education with USAID/ Ministry of Education
220 young people sponsored to date through HONDUFUTURO scholarships for postgraduate studies at universities abroad
+ 835,000 indirect beneficiary families at the regional level

The financial inclusion of **60,000** people through TENGO was achieved in 2023, representing 8 million digital transactions, as part of the commitment to the alliance with Partnership for Central America (PCA)
+3,290 bank-backed youth to date from vulnerable areas of Honduras through the partnership with Glasswing Honduras/Young Impact Leaders for Central America program
+10 million people reached with the Your Financial Awareness program at the regional level
+ 190 clients reached with the regional financial education program

De Mi Tierra Program



+USD \$7.8 millions in agricultural financing to date
 +2,700 credits granted to date in 11 departments of HN, benefiting +100 communities for the production of +40 products
 +33.6 millions in purchases to date by Supermarkets La Colonia to producers of the program
 84 million pounds of products marketed to date
 +14% participation of women in the program

Mujeres Adelante Program



3,000 women users registered on the Mujeres Adelante platform to date
 +550 spaces generated in different entrepreneurship fairs
 +15% new female customers for Entrepreneurial Banking

Corporate Volunteering Program



94% participated in at least 1 volunteer activity by Ficohsa collaborators
 + 11,000 hours of corporate volunteering invested regionally in social projects in the communities where Ficohsa operates
 +1,000 collaborators at the regional level joined "A Day to Give" donating basic staple food and cash supporting vulnerable families, an activity promoted annually



Environment

12 PRODUCCIÓN Y CONSUMO RESPONSABLES

Meta 12.2, 12.5, 12.6

13 ACCIÓN POR EL CLIMA

Meta 13.3

15 VIDA DE ECOSISTEMAS TERRESTRES

Meta 15.2

+70,500 trees planted to date in the region in different reforestation days
+1,450 cases analyzed through the Environmental and Social Risk Analysis System (ESRAS) during 2023
+USD \$229.2 millions disbursed to date for green financing of 15 renewable energy projects (solar, wind, hydro, biomass)
 The main buildings in Honduras, Nicaragua, and Panama, in addition to 11 agencies work with solar panel power (5,499 mt2 of solar panels)
549,600 kg CO2 CO2 is not generated annually by producing solar energy, with the production of 1,200,000 megawatt hours

Ethics, Human Rights, Anti-corruption and Bribery

16 PAZ, JUSTICIA E INSTITUCIONES SÓLIDAS

Meta 16.5, 16.10

98% of collaborators at the regional level have been trained in 2023 in Corruption and Bribery
100% Compliance with the activities in the training and awareness plan of the Anti-corruption and Bribery Management System (ABMS)
+170 reports received and attended to in a timely manner during 2023 through the reporting channel; the system is operated by a third party, an independent specialist in the management of reports called EthicsGlobal

1.5 Ethics and Compliance

1.5.1 Ethical Conduct

(GRI 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 206-1, 410-1, 412-1, 412-2, 412-3, 414-1) (SASB FN-CB-510a.2, FN-AC-510a.2)

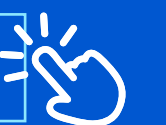


FG is committed to acting under ethical conduct attached to its corporate values and compliance with the mechanisms of self-regulation which we have, as well as the regulations and legislation of the countries where it has a presence. We have voluntarily adopted measures that strengthen good practices, such as the implementation of the Anti-Corruption and Bribery Management System (ABMS) to prevent and detect irregular practices. We also incorporate good practices in business management through our Human Rights policy, including the design of Due Diligence processes.

The group continues to promote a business culture based on sound ethical principles and transparency, contributing positively to the progress and welfare of society.

FG has a Code of Ethics and Conduct which is periodically updated according to the needs of the Group and its environment, applicable at the regional level. In addition, they have Codes for Suppliers and Customers, which set the guidelines expected in the business relationships that take place.

Refer to the Customer Code of Conduct



Refer to the Supplier Code of Conduct



Also, there is a Conflict of Interest Policy, which is part of the Corporate Governance Manual, which applies to clients and collaborators.

Refer to page 62 of the Corporate Governance Manual policy for conflicts of interest



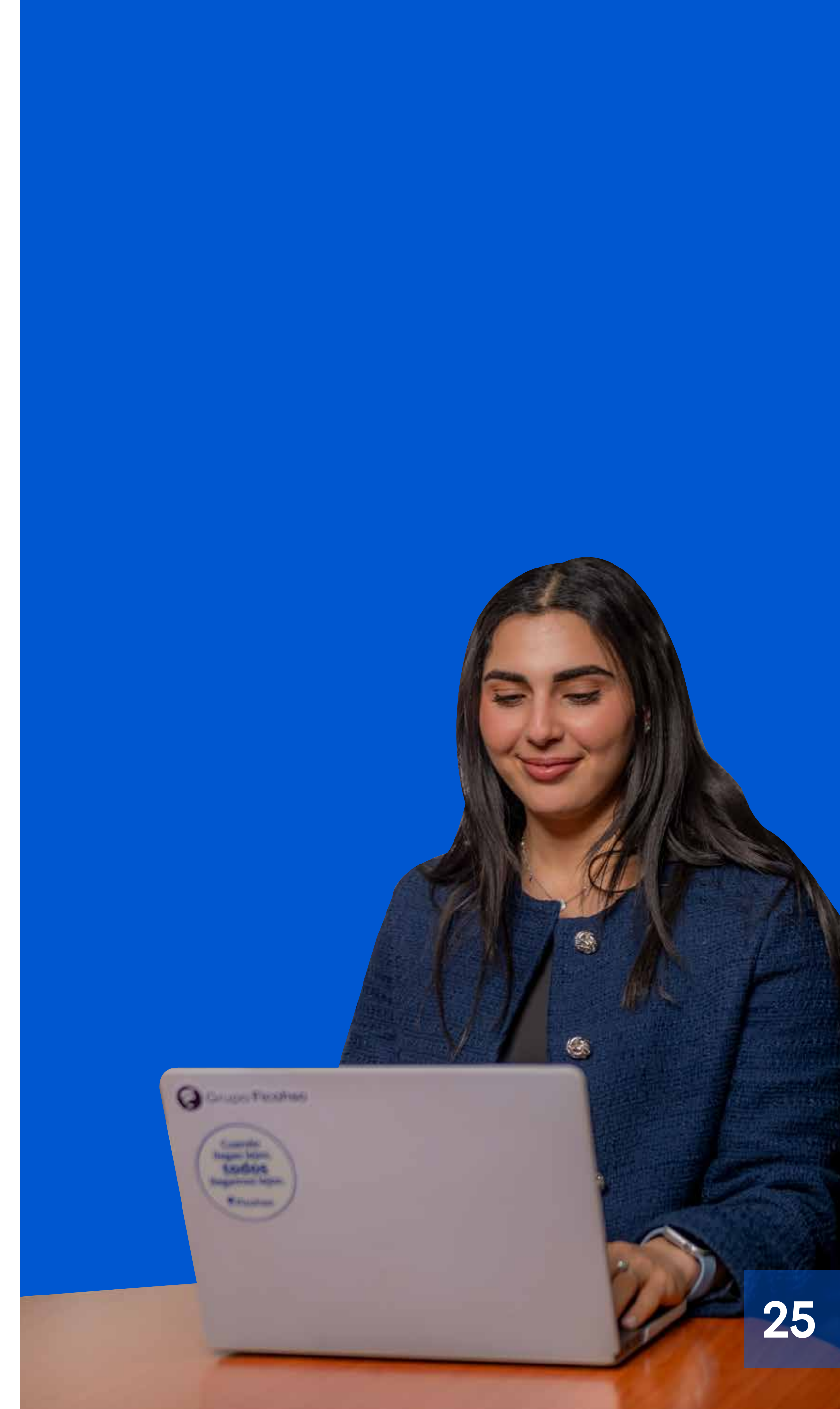
1.5.1.1 Reports and Concerns Channel

A Reporting System is available; a secure, easy, confidential and anonymous platform for reporting unethical conduct or integrity. The system is operated by a third party, an independent report management specialist called EthicsGlobal. There are also other anonymous and private reporting channels that strengthen confidentiality, such as:

- Web Portal: <https://eticaficohsa.com>
- Mobile App: Ethics Global
- Toll-free telephone line (one for each country)
- WhatsApp Messaging: (52) (55) 65385504
- E-mail: etica@ficohsa.com

To learn about the means of reporting, visit:

[HERE](#)



Follow-up of identified cases is carried out by the Ethics Committee, an advisory and adjudicative body, with functional independence and reporting only to the Board of Directors; whose sole purpose is to ensure compliance with the code of ethics and conduct by all officials and collaborators of all companies in the group; consists of five full members, five alternate members and a secretary. This body is responsible for evaluating possible sanctions, according to each of the offenses.

To follow up cases with groups outside the organization, there is the support of a third party for the analysis of them, who report to the Ethics Committee.

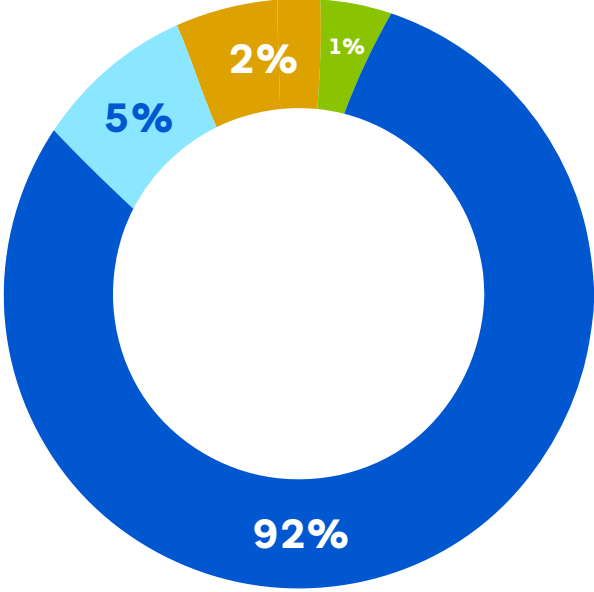
Mayor Activities

An environment -free violence and harrassment course was held for members of the Ethics Committee and the Diversity, Equity, and Inclusion Committee (DE+I) at the regional level. This course reinforced and updated capacities to identify various types of violent, thus helping to have a more inclusive and harassment-free environment.

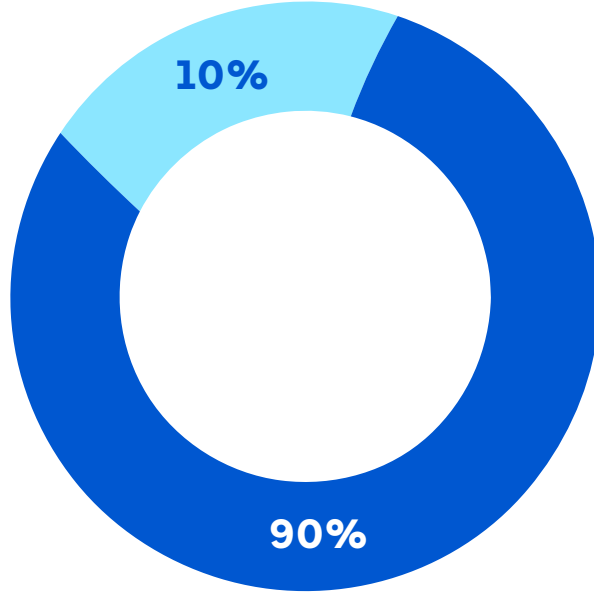
Selection of Ethics Ambassadors: This year also awarded collaborators who live ethical culture at the regional level. In each country where FG has a presence, the collaborators nominated other colleagues through the platform of reports and ethical concerns, later the Regional Committee of each country reviewed each nomination and chose a collaborator to represent each value of FG, appointing them ambassadors of FG's ethical values.

174 reports received during 2023, 100% were received through the EthicsGlobal system.

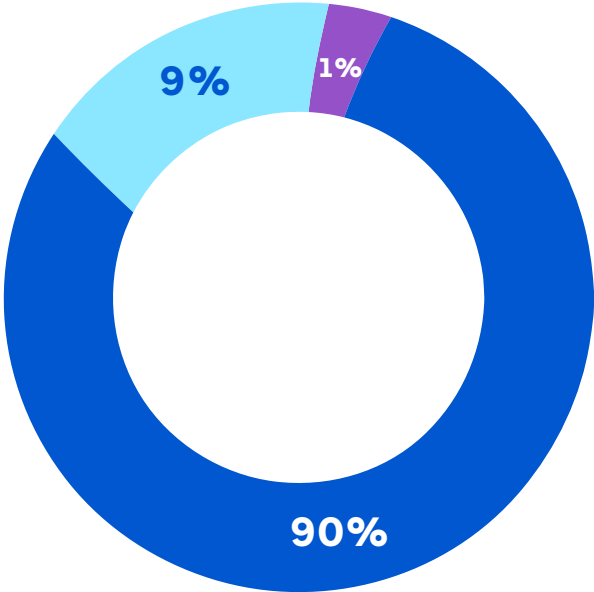
Total reports in 2023



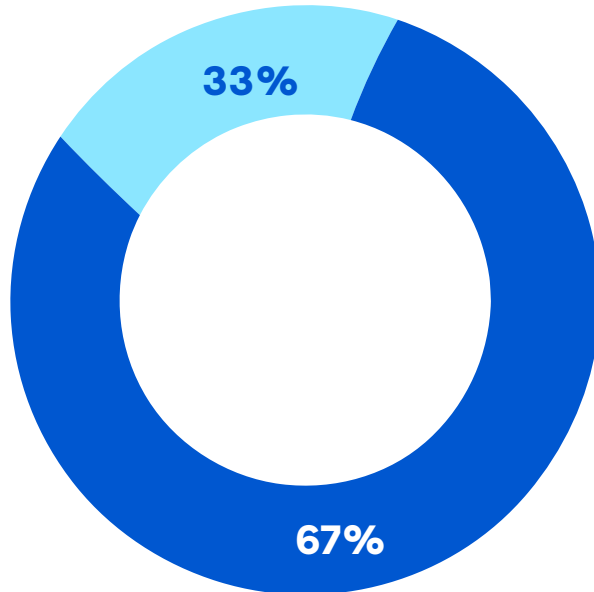
Type of Report



Type of report



Reports by gender



1.5.1.2 Anti-Corruption and Bribery Management System (ABMS)

Ficohsa Group as a voluntary adoption has implemented the ABMS, this system contributes in mitigating the risks of corruption and bribery, It also integrates and strengthens the compliance program for the prevention of money laundering and financing of terrorism and proliferation financing (LAFTFP). The design of the ABMS is inspired by the requirements of the ISO anti-bribery standard.

It is a regional model that strengthens business growth based on transparency, FG promotes a multiplier effect in the national and regional environment with the adoption of good practices in responsible management of anti-corruption risks.

Among the components of ABMS is the anti-corruption and bribery policy, which sets out guidelines for the expected conduct of directors, officials, collaborators and counterparts. This document is available on the internal information portal, as well as a version of it available on the group's public information portal.

[Anti-Corruption and Bribery Policy here](#)



Internally, there is a permanent training and awareness program to strengthen the observance of the program, it is based on a schedule that is deployed around the year, disseminated through internal training channels, two important interactive events at the regional level that are part of activities to commemorate the anniversary of the ABMS (first half of the year) and the International Week against Corruption (in commemoration of the international day designated by the UN).

To ensure the execution of processes and the proper identification of risks, a risk matrix has been implemented as part of the system to identify possible corruption and bribery events in the execution or operation of FG processes. The matrix has a methodology to identify and evaluate controls to mitigate possible detected events; periodic review of events and controls to ensure that they continue to be effective.



The operational pillar of ABMS is the Integrity Committee, which aims to ensure system-wide implementation, execution, and maintenance,

Responsibilities of the Integrity Committee:

- Reception, investigation and resolution of complaints.
- Manage appropriate disciplinary measures or actions as appropriate.
- Ensure all staff know and access confidential reporting procedures.
- Coordinate and promote ongoing training on ABMS.
- Reputational Risk Analysis of Potential Business with Politically Exposed Persons in Funding Applications.

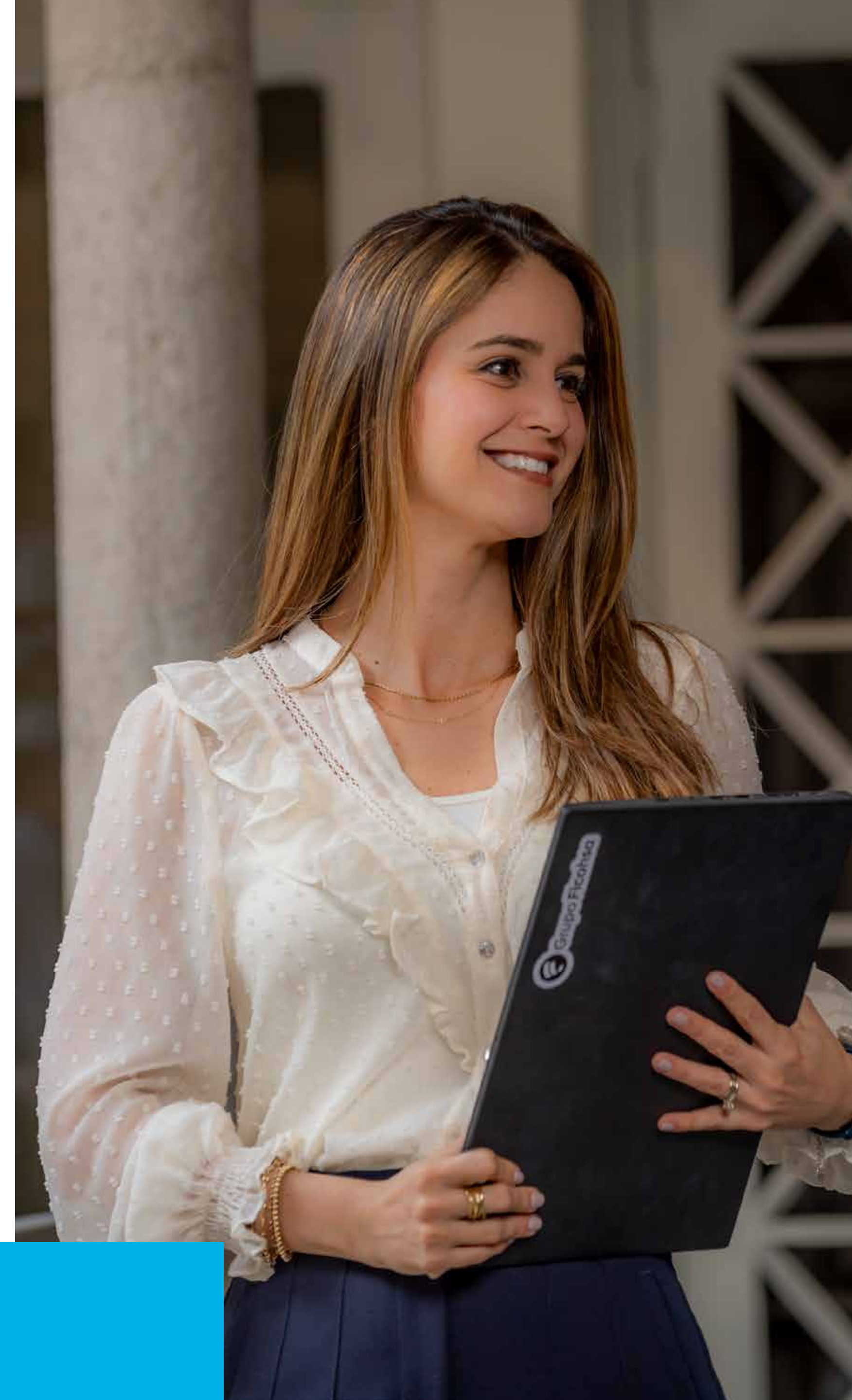
All system components are continuously updated and reviewed, scaling changes to Board of Directors.

Main Activities

FG's signing with Transparency International (TI) on the Anti-Corruption and Transparency initiative (September 2023).

ABMS presentation at the Amcham Forum on Good Corporate Governance Practices (October 2023).

Signature of Ficohsa Bank Honduras with FUNDAHRSE on Anti-corruption Declaration (December 2023).



Governance of ABMS



Integrity Committee:
It aims to ensure system-wide implementation, execution and maintenance.

ISO 37301:2021 Compliance Management System (CMS)

In follow-up to the certification process of the Compliance Management System (CMS) under ISO 37301:2021 for Ficohsa Bank Honduras, in 2023 different activities were developed aligned with the deployment and implementation of the system, aimed at meeting the compliance requirements of the standard, preparing for the external audit to be carried out in 2024 by the certifying body.

Below are the details of the **Compliance Management System (CMS) Policy of Ficohsa Bank Honduras:**

Ficohsa Bank provides the most innovative financial products and services with high quality standards and the best technology, provided by a qualified human talent; generating security and satisfaction on those who have given us their trust, always committed to being a socially responsible company.

Commitment of the Ficohsa Group:

- Comply with and enforce applicable requirements including compliance obligations.
- Continuously improve the Compliance Management System.
- Promote the raising of concerns, prohibiting any form of retaliation.

The Vicepresidency of Compliance is responsible for monitoring the operation of the Compliance Management System and has been appointed by the Steering Board to ensure its authority, autonomy and independence in the exercise of its functions; is provided with the necessary resources to acquire appropriate skills and has direct access to the governing body.

Non-compliance with obligations, policies, processes and procedures of the Compliance Management System could generate consequences related to integral risks.

1.5.2 Compliance

(GRI 419-1) (SASB FN-CF-220a.2, FN-CF-270a.5, FN-MF-270a.3, FN-CB-510a.1, FN-AC-510a.1, FN-IB-510b.4)



During the year 2023, there were no sanctions with respect to non-compliance with national and local regulations, within the countries where we operate.

FG's commitment is reflected in the development of all its activities and businesses in strict compliance with current laws and ethical behavior. To achieve this, all our policies, codes, processes and the Anti-Corruption and Bribery Management System (ABMS) itself aim to strengthen us as an organization and ensure transparency in each of its operations by preventing fraud, money laundering and data protection.

At the regional level, there is a Vice President of Compliance who works hand in hand with the Group's Audit and Compliance Committee. Also involved are those responsible in each country, this is key to monitor the implementation of our rules and the effectiveness of internal controls.

As an organization that seeks to mitigate and maintain efficiency in its processes, the compliance program is periodically evaluated by an independent firm specialized in risk management with a global scope, which supports us in the adoption of first level procedures.

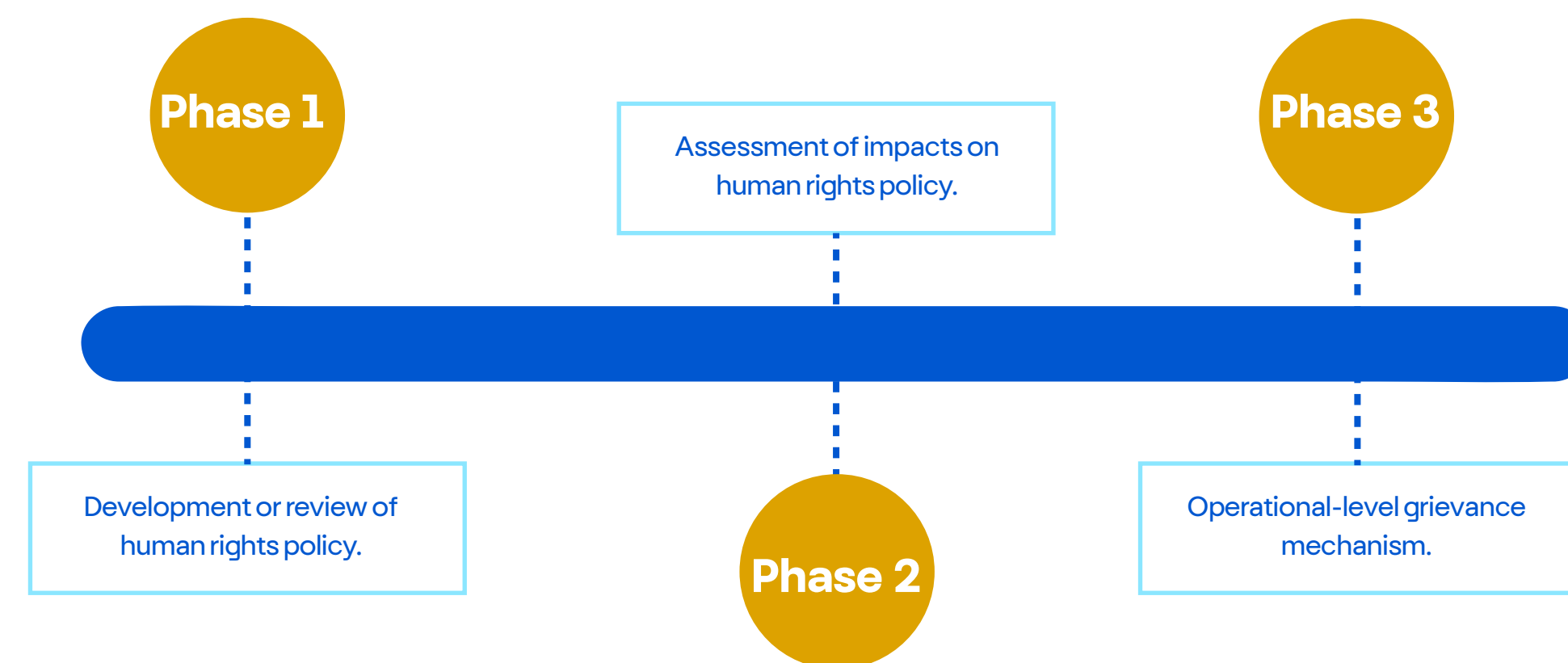
A commitment to client compliance is maintained by offering financial products under the highest standards of transparency. To this end, a marketing, communication and marketing strategy is developed that highlights the qualities and specifications of each of its products, such as tariffs, interest rates, restriction clauses, to name a few.

1.5.2.1 Compliance with Human Rights

Aligned with ethical conduct, principles and values, FG is committed to strengthening a human rights culture in all its companies and countries where they operate, this is a fundamental element in the Group's vision that strengthens the practices of responsible and sustainable business conduct.

Ficohsa has a Human Rights policy, due diligence is implemented in its operations and processes, as well as with its suppliers, clients, and other business relationships; in order to identify, prevent, mitigate, respond and take appropriate measures to manage impacts.

FG was part of the pilot project "Human Rights Management" led by the Honduran Council of Private Enterprise (COHEP), with the purpose of strengthening Human Rights actions, which has 3 phases:



During the first phase, FG carried out a thorough review of its human rights policy, which incorporated due diligence processes, Human Rights impact assessment and complaint mechanisms to strengthen the issues on assessment, monitoring and reporting of Human Rights cases.

In the second phase, a Human Rights impact assessment was carried out for the creation of the risk matrix.

Recommendations obtained during the process were incorporated, updates were made to the Human Rights Policy, incorporating the due diligence matrix and the establishment of reporting procedures (using the ethics platform) and remediation mechanisms, with the aim of aligning the actions of its officials, collaborators, business partners, suppliers and clients to a culture of respect for human rights, by reporting or denouncing any violation to these.

We will continue to work day by day improving our business practices to ensure compliance with and respect for Human Rights.

During 2023, the third and final phase was successfully completed where each of the complaint mechanisms was reviewed to strengthen the processes to prevent and, where appropriate, minimize or remedy any Human Rights violations that occur.



1.5.2.2 Relation with the Value Chain

(GRI 204-1, 205-1)

This year closed with achievements, mainly in supporting the value chain with its domestic and foreign suppliers, who have become the main allies and with whom the group has grown.

Continuing together to promote the economic development of the countries of the region, always supporting the generation of jobs.

For FG its stakeholders must have a sense of responsibility on the issues of anti-corruption and bribery, business continuity, money laundering and terrorist financing, which is why supplier certification policies are tacitly governed by government standards. This practice has been strengthened through the due diligence process in the value chain for all contracting parties.

From the purchasing department, a significant process has been developed in the value chain for all local and regional corporate companies, under the standards of "friendly" processes, always seeking efficiency, in order to achieve improvements in services, delivery times, product quality, and fair prices.

Purchases	2022	2023
Annual Purchase value	USD \$120,898,068.22	USD \$138,386,307.73
Total Suppliers	1250	1300
% of domestic suppliers	79%	80%
% of foreign suppliers	21%	20%



Collaborator Well-being



FG collaborators represent the foundation for the organization’s success and sustainable growth. Their talent, dedication and commitment are recognized and valued in each of the areas in which they work.

2.1 Organizational Talent Growth Sheet

(GRI 2-7, 2-8, 2-20, 201-3, 401-1, 401-2, 401-3, 403-1, 405-1)
(SASB FN-AC-330a.1)

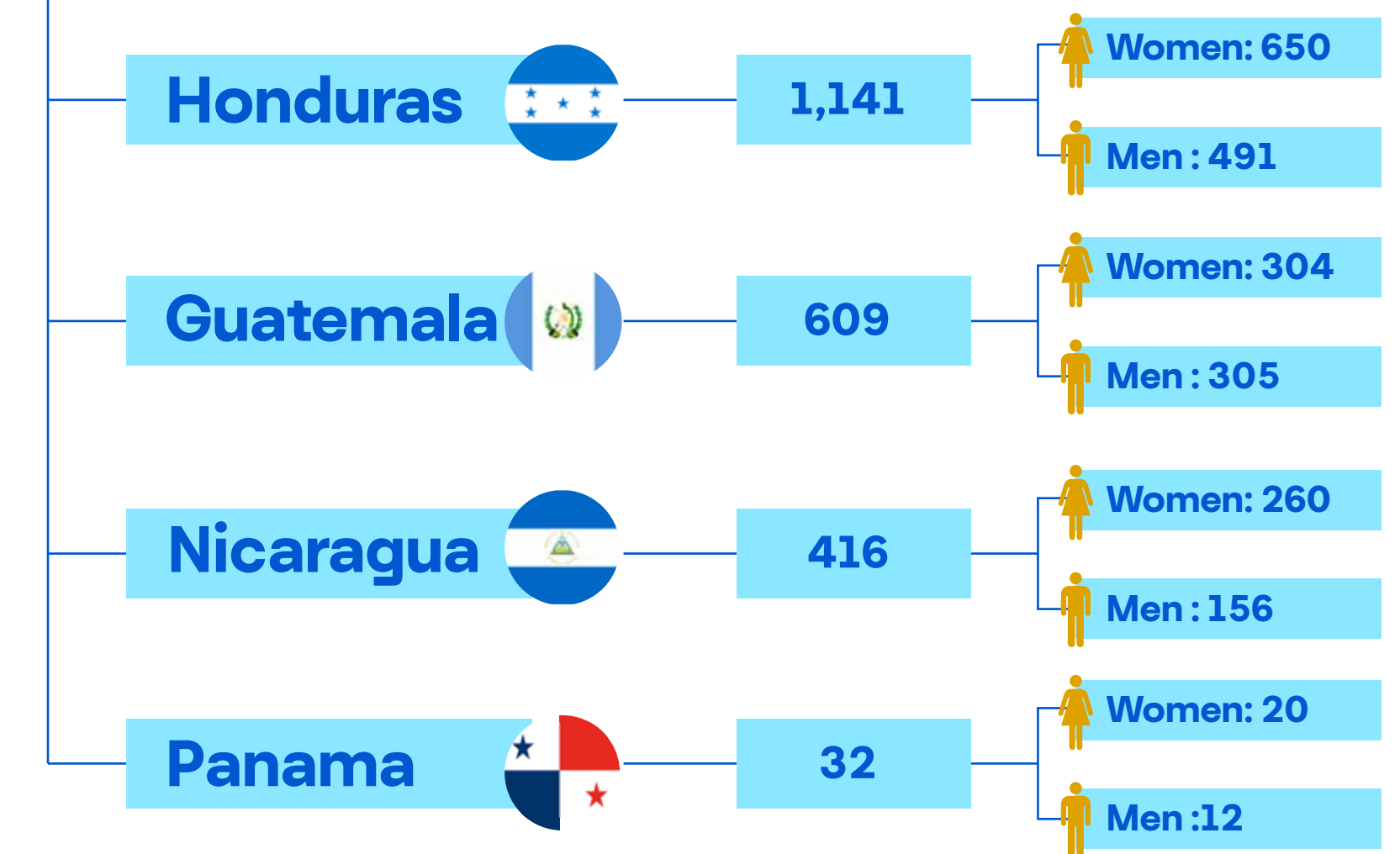
Attributes as an employing brand allow FG to excel in the labor market, we understand the needs of talent, its search for constant learning and the opportunity to be part of innovation for its clients.



Below, we share some of the main initiatives to attract talent in 2023:

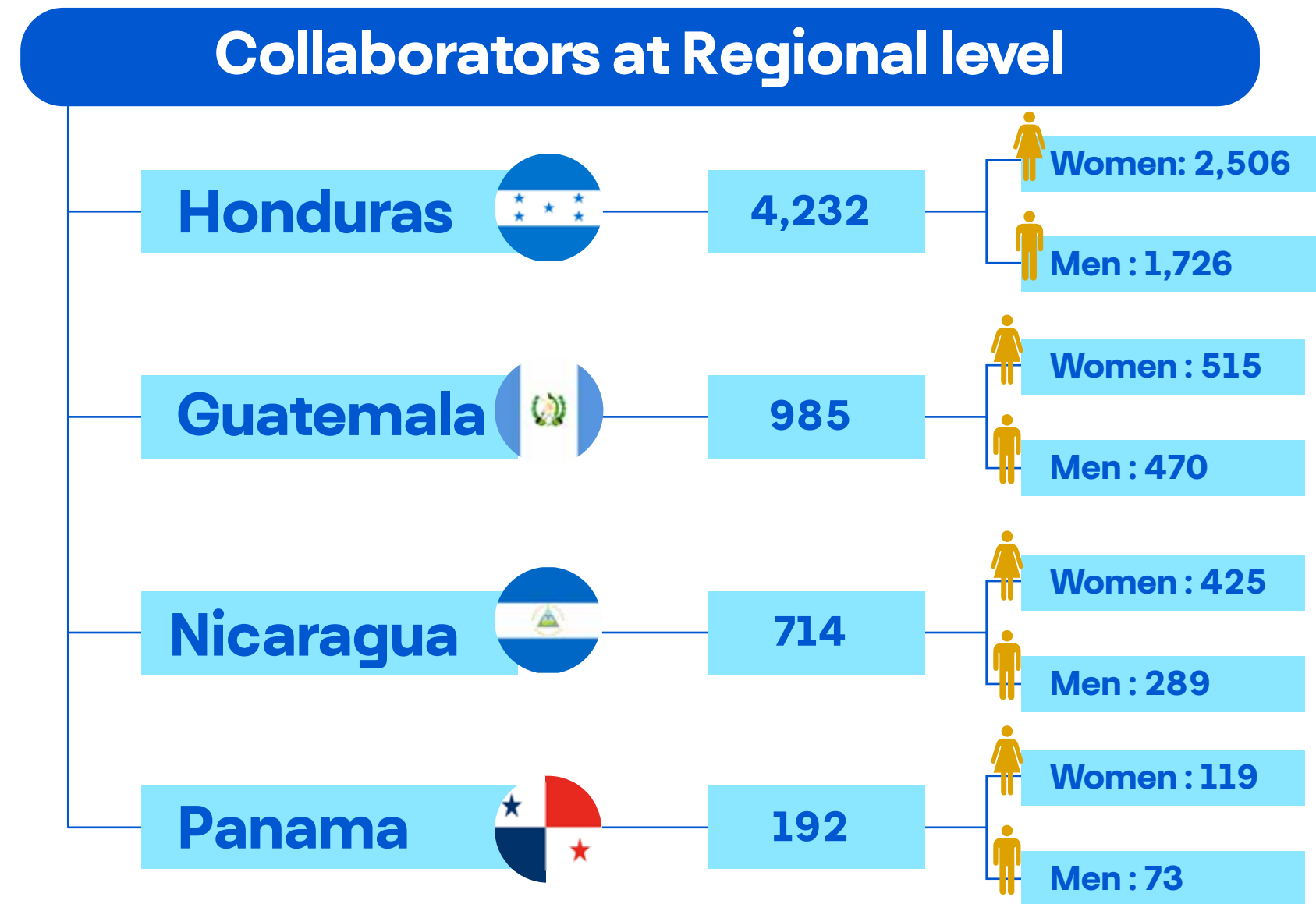
1. Strategic partnership with USAID’s "Creando Mi Futuro Aquí" program, seeking to increase employment opportunities in the country so that young people have more options and thus reduce the risk of migrating.
2. Job Fairs, where job options are offered to potential candidates and at the same time we advise them to know the skills necessary for employment.

New Recruitments at Regional level:



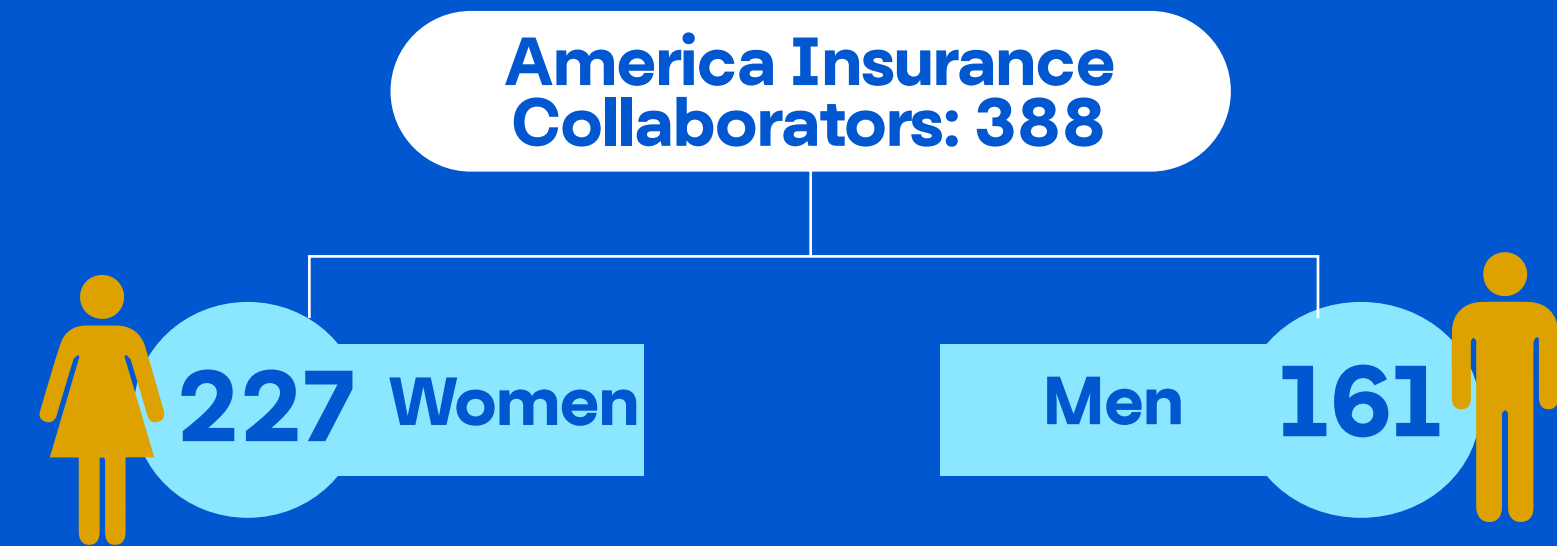
2,198 new collaborators were part of the Ficohsa Family in 2023.

These new recruitments increased the talent of the organization, while contributing to the economic growth of the region through the generation of jobs.

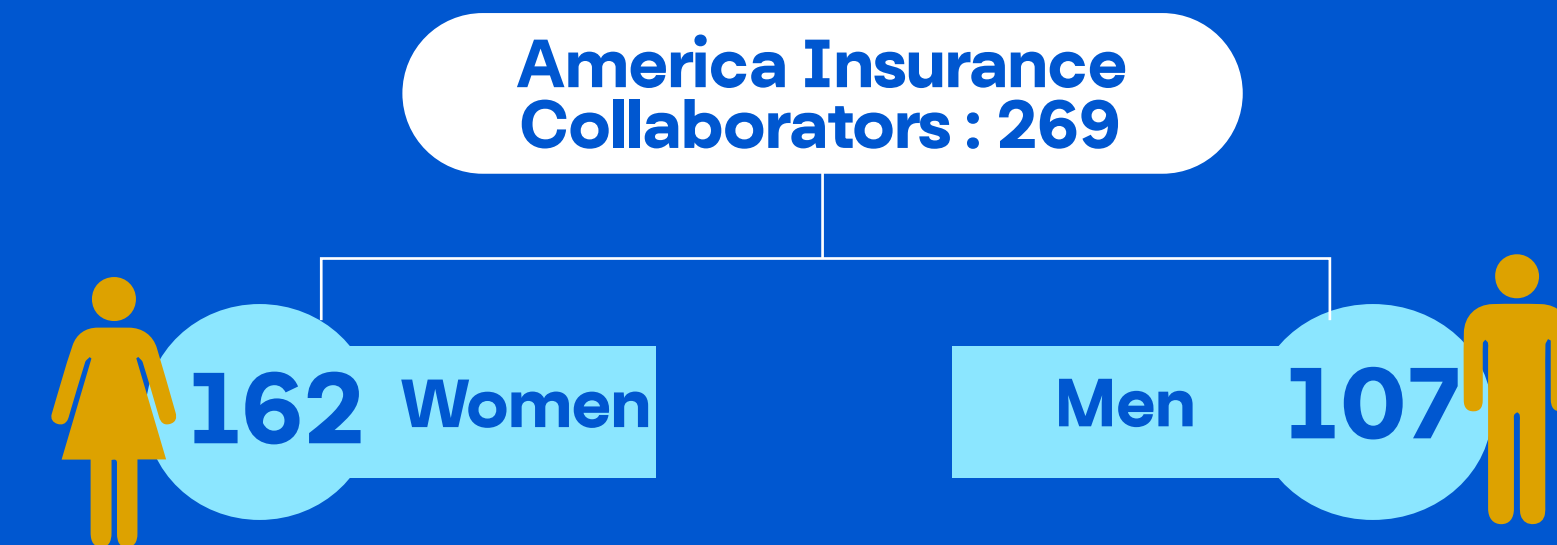


6,780 collaborators are part of the Group at the end of 2023,

There is a clear commitment to the development of all of Central America and that is the key to its success in each of the countries of the region where Ficohsa Group has been present. In this way, a big step was taken with the acquisition of America Insurance, a leading company in the Nicaraguan insurance market.

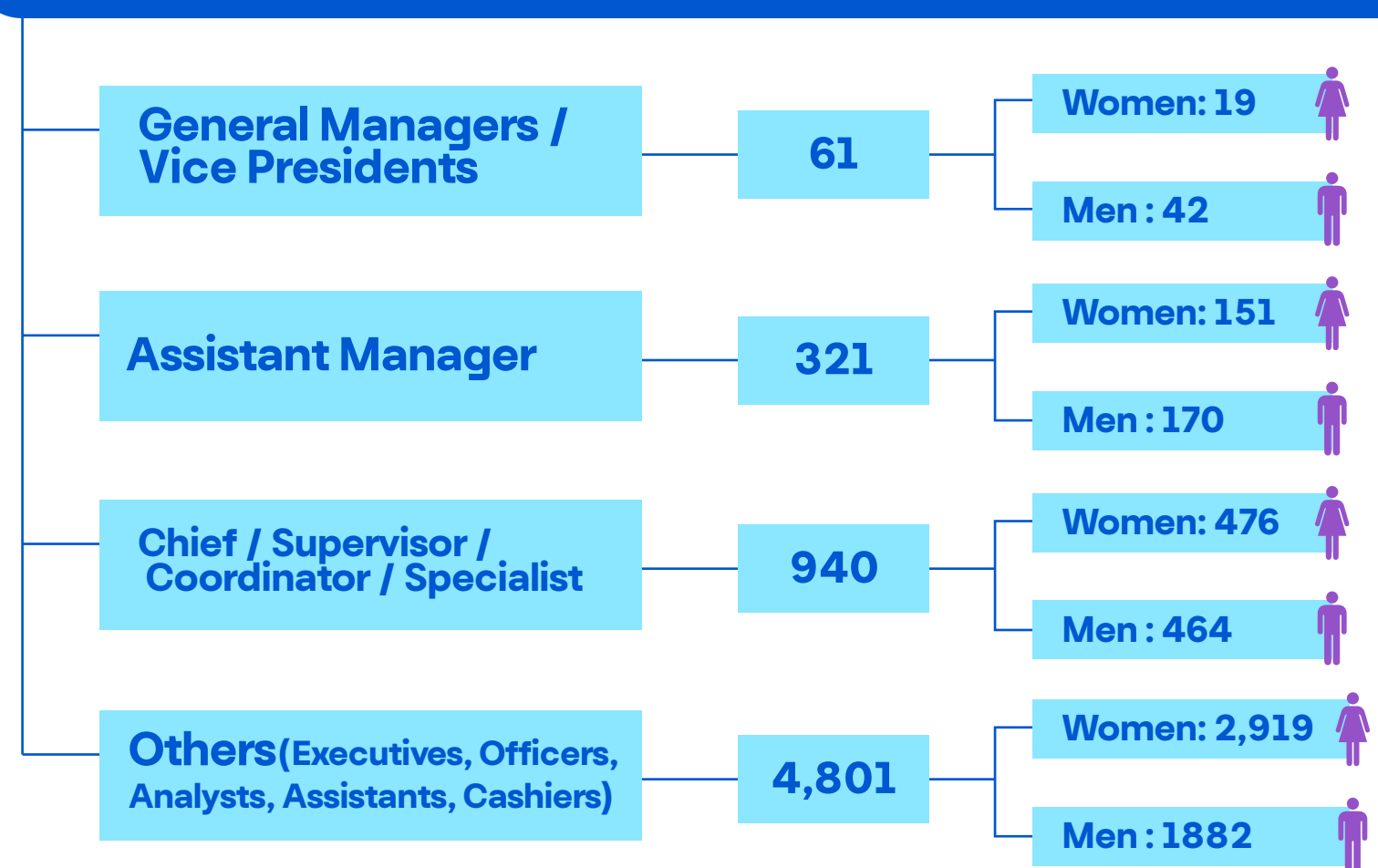


Also, during 2023 the integration of the insurance company Aseuisa in El Salvador was carried out with the determination that in this new stage, the company will continue its growth along with its valuable team of collaborators, advisors and allies, always focused on offering a comprehensive portfolio and exceptional service to clients.





Collaborators by position category at regional level:



7% reduction in overall collaborator turnover in the organization

Collaborator departures by:



*These departures include voluntary and involuntary departures.

2.2 Onboarding Program

This program was born in 2023 with the aim of providing new collaborators the best experience by being part of Ficohsa Group. It is for this reason that, from the first contact with the company, wishing to offer an experience of approach that is based on actively listening to their opinion, offering:

Attraction processes with an inclusive approach.

Close and personalized in-person organizational induction where the foundations that form the company's culture, values and strategy are shared.

Generating a memorable experience through participation in their first corporate volunteering activity.

Provision of tools that facilitate and standardize the induction plan in the area.

Active listening to the voice of the collaborator through surveys, focus groups and individual interviews to improve the approach experiences.

Accompaniment to help them build their purpose through the IKIGAI technique, which seeks the realization of what one wants and desires in life



2.3 Well-being Program

It is a strategic initiative whose objective is to generate a memorable experience, involving fundamental elements that are integral to the life of our collaborators such as the reconciliation between personal, family and work life.

Each activity of this program is carried out thinking of offering the best experiences, with the intention of generating emotions in our collaborators and leave a mark in their lives. This brings us together as an organization in one same feeling.

Health and Security: Ficohsa Group has an approach to meet the specific health and safety needs of our collaborators, in order to protect the physical, social and psychological integrity.

During 2023, health fairs were held in partnership with PorSalud, Ficohsa Insurance and companies that provide health services, impacting collaborators in their care and well-being. During this year no occupational accidents were reported.

8,239 health care for regional staff at the various medical clinics located in the Group's main buildings during 2023.

Social Well-being: The environment plays an important role for collaborators, which is why the development of positive relationships between peers is encouraged, performing different activities and celebrations that allow them to get out of the routine and share, among which the following stand out:

- Celebration of anniversary Ficohsa Bank
- Recognition of the trayectoria by years of service
- Central American Independence day
- Gastronomic Festival of Nationalities
- Recognition Day

Physical and Mental Well being: For Ficohsa Group, physical and mental health are closely linked, which is why it healthy competences have been held to promote the physical and emotional well-being of collaborators such as:

- Advice with a Health Coach and motivational talks, exercises, dance classes and fitness challenges.
- Basketball Banking League Tournament, Champion of Champions, Soccer Tournament, Blue Run Race.

2,206 psychological assistances at the regional level as part of the integral well-being of its collaborators.



2.4 Organizational Culture

Organizational culture was one of the main focuses of work during 2023, aiming to align cultural elements to ensure that each regional collaborator is an active part of the organization's life.

To achieve this, programs were implemented to strengthen learning, closeness, and communication between leaders and collaborators.

2.4.1 Leadership Program

- FicoTalks: A space where our leaders share their personal stories to generate guidance to their collaborators for their learning and growth.
- Knowing You: Through a card game, group leaders reinforce closeness and create spaces to share stories, dreams, experiences and meet their team individually and uniquely.
- Conversations: A space where senior management discusses with collaborators from different areas, ages and hierarchical levels, issues of high impact and interest to them and the organization.



2.5 Diversity, Equity, and Inclusion

Diversity, equity, inclusion, and equal opportunities as well as good treatment for all collaborators regardless of any condition, is a daily ethical practice promoted to support the most vulnerable, becoming essential elements within the organization, this ensures that we have a more representative workforce and strengthens the processes of innovation, creativity, technology, agility and the ability to adapt to change among many other benefits.

The organizational strategy of Diversity, Equity and Inclusion is "Transforming lives through a culture that fosters the value of our differences to deliver a memorable and sustainable experience."

Ficohsa Group has a regional diversity, equity and inclusion committee.

In 2023, a Regional Policy on diversity, equity and Inclusion was created, which aims to achieve a favorable environment that facilitates and enhances equal opportunities and treatment, non-discrimination, diversity, equity and inclusion for all the Ficohsa Group staff.

Ficohsa Bank Honduras signed a Declaration of Support for the Principles for the Empowerment of Women, which formally confirms that FG will continue its work and commitment to attract and promote the greatest number of talents, and promote economic and social conditions that create opportunities for women at the regional level.



With the support of the internal areas of human talent, procurement, corporate communication, strategy and regulations and corporate social responsibility, significant progress was made in meeting the indicators of the Principles for the Empowerment of Women, generating job opportunities and ensuring the inclusion and participation of women in the labor market.

58% of collaborators are women and 42% men
507 women in leadership positions
229 women in STEM positions

It has a diverse generational population that leads us to build synergy and take advantage of the strengths and uniqueness of each generation.

Baby Boomers (1946 - 1964)	1%
Generation X (1964 - 1980)	13%
Millennials (1981 - 1996)	64%
Centennials (1997 - 2010)	22%

Ficohsa Group promotes co-responsibility in the family and through a balance between employees and family life. Ficohsa Group offers paid maternity and paternity leave and encourages the enjoyment of this right.

Collaborators that took their maternity/paternity leave:

Country	Women	Men
Honduras	109	N/A
Guatemala	30	N/A
Nicaragua	14	5
Panama	4	2

Ficohsa has **6 lactation** rooms at regional level, private, hygienic, conditioned and accessible so that collaborators in their period of lactation can make use of them. **3** in **Honduras**, **2** in **Panama** and **1** in **Guatemala**.

+2,270 hours invested in training aimed at sensitizing and raising awareness, promoting a culture that protects and practices diversity, equity, inclusion, non-discrimination and equal opportunities in selection and recruitment processes, communication and marketing without stereotypes, gender-sensitive acquisitions in the value chain and the strengthening of an environment free from violence and harassment.

The Sign Language Program was created with the aim of facilitating communication with deaf people, strengthening their inclusion in the organization, the work team and interaction with clients to provide a memorable and sustainable experience.





40 regional collaborators have some kind of **disability**.





Within the gender equality strategy, significant progress has been made in reducing the wage gap between men and women in the Ficohsa Group from one year to the next, reaching 10.34% by 2023. The wage gap indicates the difference between the average salary of women and the average salary of men by professional category, during the same period and in similar work positions.

Below, we present the data for the year 2023, by country and according to each of the positions.

Country	Positions	Total General
 Honduras		11.03%
	Official	5.77%
	Chief	8.90%
	Officer Assistant	17.80%
 Guatemala		12.77%
	Official	-0.45%
	Chief	12.08%
	Officer Assistant	36.54%
 Nicaragua		11.96%
	Official	5.46%
	Chief	7.62%
	Officer Assistant	18.29%
 Panama		-1.22%
	Official	1.55%
	Chief	-8.87%
	Officer Assistant	112.57%
		-33.54%

2.6 Collaborator Experience Survey



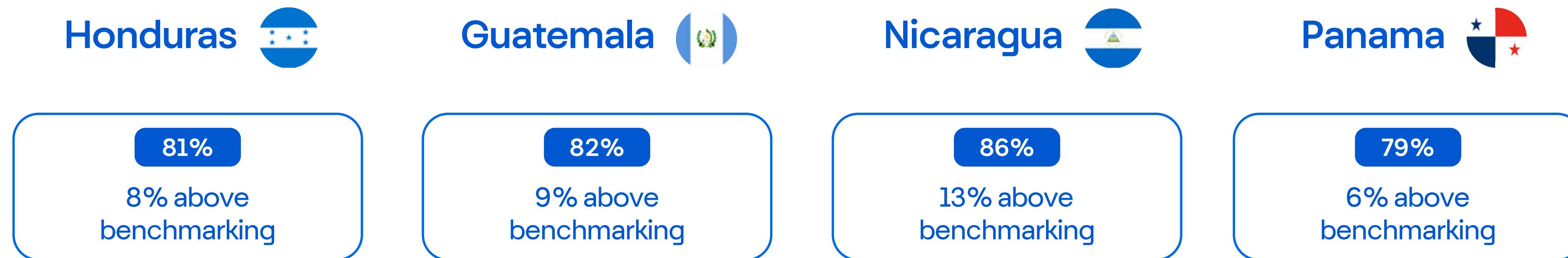
Thanks to the opinion of the collaborators and the high participation in the survey, a **favorability of 82% was achieved, this represents an increase of 3% compared to the score achieved in 2021, 9 points above world level in 2023.**

In Ficohsa Group listening to the voice of its collaborators is an important element to understand the perception, opinions and experiences that are lived within the organization, from the individual perspective of each collaborator. Through this listening tool, it is possible to compare the experience versus the expectations of collaborators in FG, allowing the identification of strengths and opportunities for improvement at the regional, country, company, and work teams, in various topics such as: commitment, well-being, permanence, inclusion, among others.

In 2023, our collaborator experience survey was applied, with a **91% participation across the region.** This high participation rate reflects a strong intention on the part of the employees to contribute to the growth of the organization and a solid commitment to FG.

The favorability rating (82%) reflects a high degree of approval, confidence and satisfaction on the part of the collaborators in relation to their experience in FG and is also an indication that the organization has made significant efforts that positively influence the organizational culture and the commitment of the collaborators.

Favorability 2023 per country:



In general, the results indicate that FG collaborators are satisfied with their experience in the company and most feel that they are given an experience that meets and goes beyond what they expect, evidenced through:

- Collaborators believe in the Ficohsa values.
- Collaborators establish a clear link between their contributions and FG's strategic objectives.
- Collaborators are proud of FG's efforts to have a positive impact on the world.
- FG collaborators demonstrate an extremely positive response to the commitment factor, which is crucial for organizational results.

We are convinced that the voice of the collaborators will allow us to continue promoting actions and strategies where memorable experiences are created for all, in their life cycle within the organization.

2.6.1 Creating an Internal Community, We Are Ficohsa

In 2023, the objective was to increase the sense of belonging and the participation of collaborators in the activities carried out internally by Human Talent; and under this objective in December 2022 an internal network was created in an instagram profile with the name We Are Ficohsa, which in January 2023 was promoted significantly, seeking to increase the number of collaborators attached to it.

During the process, two more channels emerged expanding the positioning of the internal brand We Are Ficohsa, a digital magazine and a Whatsapp Community.

2.7 Ficohsa Corporate University (UCF)

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

The purpose is to ensure the leadership of Ficohsa Group through learning and development activities that fit its strategy and culture to face current and future challenges.

2.7.1 Ficohsa Schools

The schools aim to provide professional technical training to collaborators who are integrated into the areas of Business, Cashier, and Customer Service.

Total hours and collaborators trained:

Honduras	2022	2023
Collaborators	233	350
Hours	39,261	74,300
Guatemala	2022	2023
Collaborators	316	311
Hours	19,622	14,796
Nicaragua	2022	2023
Collaborators	33	48
Hours	4,721	8,328



2.7.2 Other Training and Career Development Programs

Regulatory Courses: They aim to train and update collaborators in regulation for financial institutions and are mandatory.

Institutional Courses: Aim to update collaborators on FG projects, standards and organizational culture.

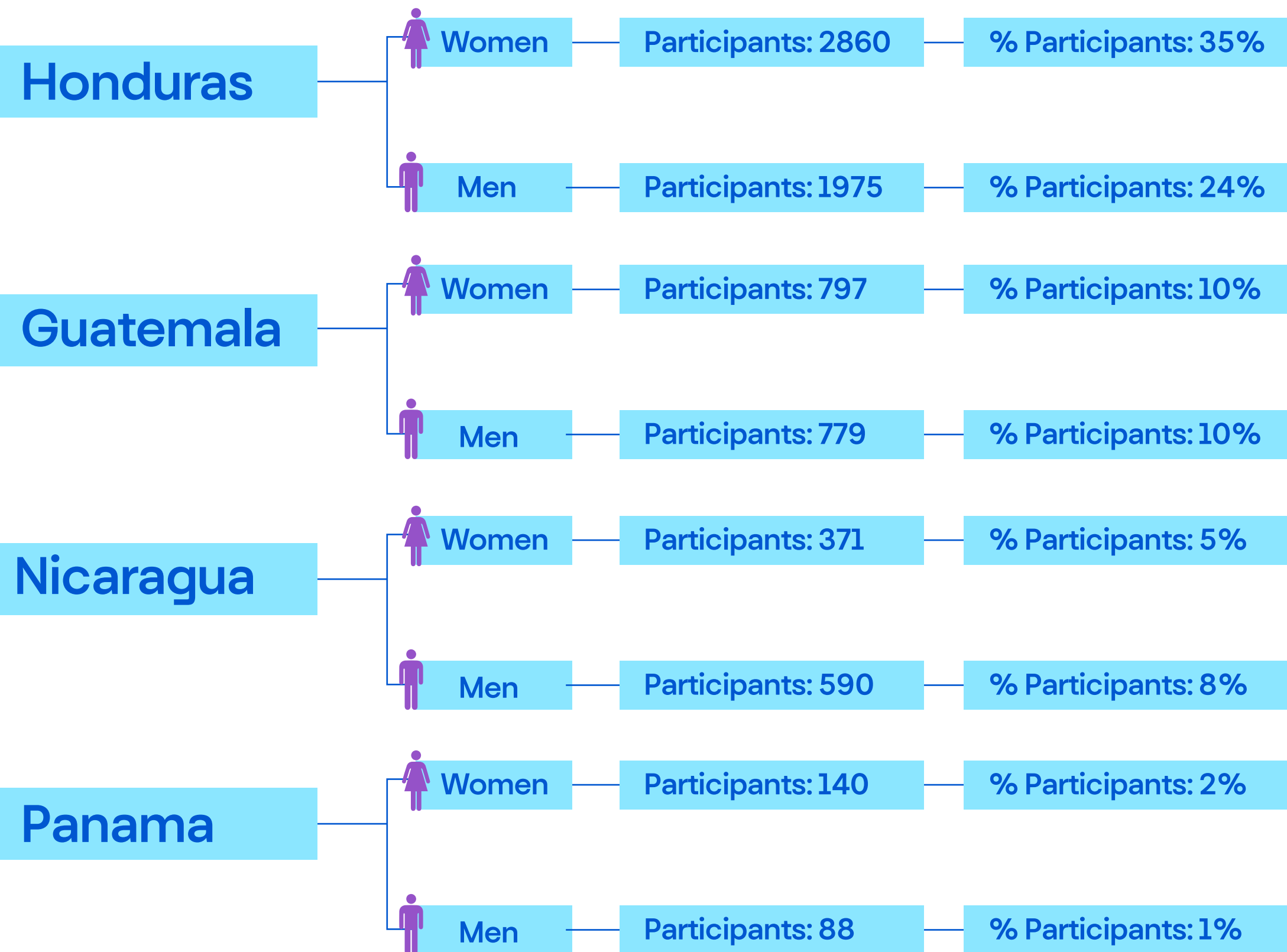
Team coaching: A team development program focused on improving people's performance, collaboration and efficiency, helping them achieve their goals, overcome challenges and improve their teamwork skills.

Coaching: : A personal and professional development program that involves a collaborative relationship between a coach (coach) and a coachee (collaborator). The goal of coaching is to help the coachees achieve their goals, improve their performance and maximize their potential. This approach involves a series of structured and strategic conversations designed to promote reflection, awareness and action.

UCF Sessions: Virtual training events that address current issues in order for collaborators to expand their knowledge on specific topics.

Continuous training: This type of training aims to maintain and improve the skills, knowledge and competences of collaborators throughout their professional lives and can take various forms, such as courses, workshops, seminars, conferences, online programs, certifications and other professional development activities.

Total number of trained collaborators at the regional level, by gender:



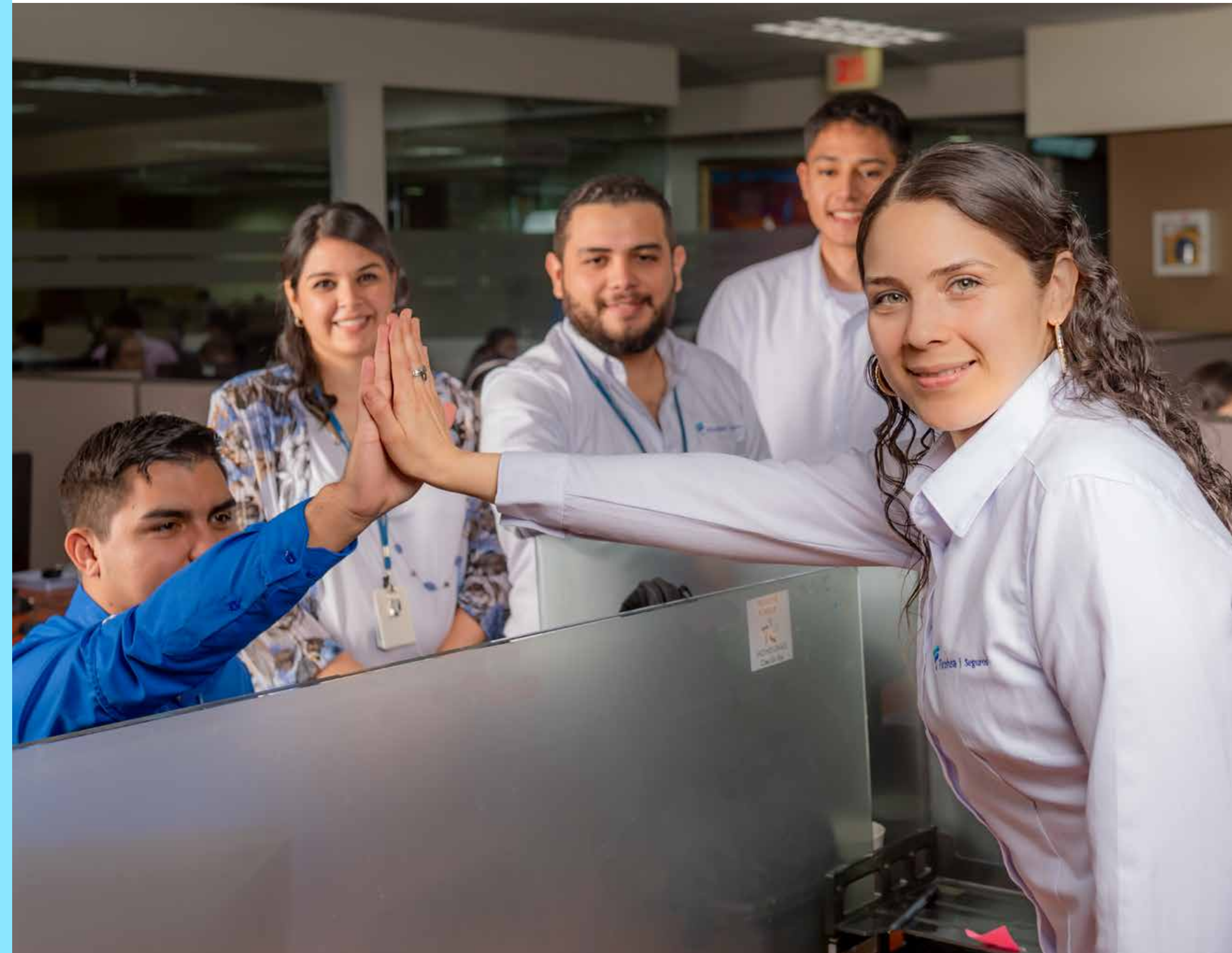
Data on training hours during 2023

	2022		2023	
	Total Hours	Average hours collaborator	Total Hours	Average hours collaborator
Honduras	183,266	44.42	216,572	50.05
Guatemala	53,376	59.11	48,326	48.86
Nicaragua	23,755	36.21	34,692	46.82
Panama	4,962	28.03	7,368	38.10
TOTAL	265,358	41.94	306,959	45.98

15.6% increment in average training in 2023.

2.8 Main Achievements

1. UCF initiated the implementation of a new more intuitive navigation format for regulatory and institutional courses, which is adapted to the implementation of the microlearning modality.
2. Implemented the "Academy of Human Talent", a program focused on providing training and development to collaborators in areas related to the management and development of FG personnel. The introductory modules were developed in partnership with ADEN Business School through its Acropolis Lab platform.
3. We are committed to regulatory compliance throughout the region, achieving, in a shorter time, to maintain this indicator at more than 98% by changing policies, deploying regular courses clinics in four blocks in the year, and rewarding collaborators by implementing the "UCF Challenge", which recognizes the areas that completed the courses of each block, as well as the first collaborator to complete the courses.
4. UCF developed a certification program for regional facilitators using the SAP learning platform, with the aim of making training processes more efficient and ensuring both the quality of training and the integrity of the information uploaded to the system.



Client-Centered Culture



Ficohsa Group strives to offer an experience focused on the needs of each of its clients, understanding that each of them has different expectations, therefore a wide range of increasingly innovative and quality products and services is available to help them achieve their life goals and objectives.

3.1 Ficohsa points of service and digital channels

(GRI 2-29, SASB FN-IN-270a.4, FN-IN-410b.2, FS13)

Interbanking, App Ficohsa and the Agile Service of Automatic Response (SARA), are the main points of non-physical attention for the administration of accounts and/or contracting of services.






Ficohsa always innovating with digital points, in addition to continuing with the incorporation of new physical agencies; at regional level we have at our disposal our official social networks to attend any questions and queries of our clients.








3.2 Client Quality and Experience Client


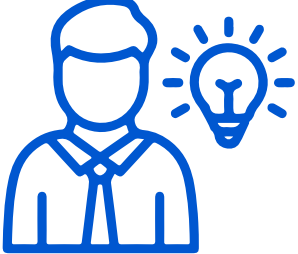
Always in constant transformation, evolving every day to improve the client experience, to offer the best attention and services through innovation and quality to achieve their loyalty and trust.

One of the main elements of the business model is client segmentation, which allows us to provide specialized care through each of the business units, dedicated to the development of products and services focused on the needs of each client.

Points of Service 2023	 Honduras	 Guatemala	 Nicaragua	 Panama	 USA
Agencies	80	10	13	2	12
TENGO	5000	-	-	-	-
ATM	541	-	96	2	-
Kiosks	32	-	-	3	-
Multipayments	-	30	-	80	-
Drive-Thru	10	-	3	-	-
Cashiers	81	-	1	-	-
Extended payment network	-	-	867	-	-
Total	5744	40	980	89	12

-  +16.3 k
-  +717.13 k
-  +51.2 k
-  +124.5 k
-  +33.5 k

3.2.1 Business Details

Business Unit	Details	Segment	Products y Services	Achievements
 <p>Corporate en Business Banking</p>	<p>It offers support and financial solutions that meet the specific needs of customers with sales greater than USD\$2.2 M, each of the products and services have been developed to support companies with the efficient management of their treasury.</p> <p>Presence in Honduras, Guatemala, Nicaragua and Panama.</p>	<ul style="list-style-type: none"> • Large Corporate • Corporate • Business • Institutional 	<ul style="list-style-type: none"> • Treasury: Savings and checking accounts, Trusts, Investments, Cash Management • Credit Solutions: Corporate and Business Credit, Factoring, Leasing, Bank Guarantees • Payment Solutions: Providers and/or third parties, Credit Cards, Confirmed Check, Services, Taxes • Collection Solutions: FicoPOS, Securities Collection, Corporate Windows, Collections, Effective Payroll • International Services: Foreign Exchange Purchase and Sale, International Transfers, SWIFT Statement Submission, Factoring International/Local, Foreign Trade • Integration Solutions: Host to Host, Swift to Host • Digital Services 	<ul style="list-style-type: none"> • CEPROBAN authorized Banco Ficohsa as an intermediary agent and liquidator of the service for Indirect participants in ACH, therefore, they provide support and work hand in hand with their Cooperative and Financial clients to be integrated in this service. • Expansion of the collection service network with Inversiones La Paz Group, allowing clients to make payments from any of the Ficohsa electronic channels.
 <p>Entrepreneur Banking</p>	<p>It offers an extensive portfolio of products and financial services for companies with annual sales of up to USD\$2.04M.</p> <p>Presence in Honduras and Nicaragua.</p>	<ul style="list-style-type: none"> • Individual trader • Legal Persons 	<ul style="list-style-type: none"> • Savings and Checking Accounts • Small Entrepreneurs Savings Account Ficohsa • Entrepreneur Credit Card • Lines of Credit • Letters of Credit • Loans for fixed investment, machinery, vehicle fleet. • Securities collection • Payment of payroll/suppliers • Tax payment • International transfers • Buying and selling foreign exchange • Confirmed cheque • Programmed saving • FicoIntegra software • Automatic disbursement under line of credit by Interbanca • Entrepreneurial multi-stakeholder • Entrepreneurial health • Ficomall/ Catracha Shop 	<ul style="list-style-type: none"> • Growth in the portfolio of credit balances was achieved by 24%, which represents a greater financial inclusion by supporting the SME sector by contributing to job creation. • Launched the new service Enterprising Health

Business Unit

Details

Segment

Products y Services

Achievements



Personal Banking

Characterized by being an innovative bank, able to offer services according to the needs of individuals, through channels increasingly accessible. It serves:
 -Banking + (= \$2.5M)
 -Remittance client
 -Payroll client
 -Mass Customer

Presence in Honduras, Guatemala, Nicaragua and Panama.

- **Natural Persons**
- **Employees in private Enterprise**

- Accounts and deposits
- Remittances
- Savings accounts
- Checking accounts
- Credit and debit cards
- Lending
- Banking Insurance
- Digital Services (Mobile Banking, Interbanking, SARA, FICOTICKET, App Ficohsa)
- Certificates of term deposits

•Launch of the first loyalty plan in Honduras with the product of Remesa+, which provides benefits in stores, free recharges and unique promotions aimed at the Remesas customer.
 •It was possible to expand the channels of attention through the CLAROPLAY projects and the payment of remittances at the cashiers of Supermarkets La Colonia, providing extended hours.
 Broadened the scope of financial products through their digitization to encourage greater inclusion of the Honduran population in banking.



Private Banking

Specially designed to offer integral financial solutions to clients. To be part of this segment, you must have liabilities at Banco Ficohsa of +USD\$5,000 - +USD\$75,000 or its equivalent in lempiras and excellent credit performance.

Presence in Honduras, Guatemala, Nicaragua and Panama

- **Natural Persons**

- Savings accounts
- Certificates of deposit
- Insurance
- Credit and debit cards
- Financial adviser assigned
- Checking account
- Lending
- Digital services

• A preferential hotline is available 24 hours a day, 365 days a year.
 • For the convenience of its clients in their face-to-face transactions, in Honduras there are two exclusive attention agencies, located in Tegucigalpa.



Mortgage Banking

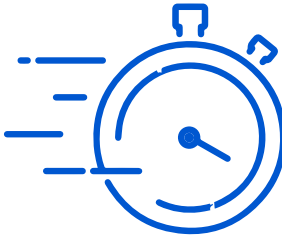

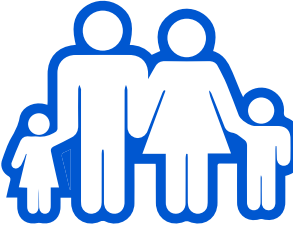

It provides the best housing financing options and facilitates access to decent housing for the population in the region.

Presence in Honduras, Nicaragua and Panama.

- **Natural Persons**
- **Legal Persons**
- **Institutional Clients**

- Housing loans
- Contingent assets

•Leadership in housing finance continues to be consolidated in Honduras closing the year with a portfolio balance of USD 562 MM
 •Thanks to the trust provided by its clients, the growth of the mortgage portfolio with respect to 2022 was 23%.
 •1,914 credits were disbursed, reflecting a 13% increase in the number of clients served, that made their dream of owning their own home possible.

Business Unit	Details	Segment	Products y Services	Achievements				
 <p>Ficohsa Express</p>	<p>It is our service unit dedicated to providing attention to the Hispanic community and especially to Hondurans living in the United States.</p>	<ul style="list-style-type: none"> • Natural Persons 	<ul style="list-style-type: none"> • Remittance shipments and payments • Payments on account • Payment at the counter • Recharges to mobile phones • Payments for utilities • Payments to universities 	<ul style="list-style-type: none"> • It facilitates the sending of remittances throughout Latin America and the payment of basic services in Honduras. • 2023 was dedicated to consolidate the growth of the digital platform with the FicoSend product. 				
 <p>Ficohsa Insurance</p>	<p>Consolidated as the leading insurance company in Honduras, Guatemala and El Salvador, it provides peace of mind to its insured, taking care of their tangible and nontangible goods through a wide range of products and services.</p> <p>Presence in Honduras, Guatemala, Nicaragua and El Salvador.</p>	<ul style="list-style-type: none"> • Institutional Clients • Natural Clients 	<table border="0"> <tr> <td data-bbox="1852 664 2202 840"> LIFE INSURANCE <ul style="list-style-type: none"> • Individual insurance • Personal accident insurance • (individual or collective) </td> <td data-bbox="2242 664 2568 877"> DAMAGE INSURANCE <ul style="list-style-type: none"> • Any risk of fire and/or lightning • Civil liability • Maritime area • Aviation • Pet insurance </td> </tr> <tr> <td colspan="2" data-bbox="1852 844 2119 990"> AUTO INSURANCE <ul style="list-style-type: none"> • Individual • Collective • Civil liability • Bicycle insurance </td> </tr> </table>	LIFE INSURANCE <ul style="list-style-type: none"> • Individual insurance • Personal accident insurance • (individual or collective) 	DAMAGE INSURANCE <ul style="list-style-type: none"> • Any risk of fire and/or lightning • Civil liability • Maritime area • Aviation • Pet insurance 	AUTO INSURANCE <ul style="list-style-type: none"> • Individual • Collective • Civil liability • Bicycle insurance 		<p>More than 66 years maintained in a process of continuous improvement, high standards of service and added values for its insured, with the creation of products that meet the needs of its customers, development of new digital platforms of attention, purchase and sale of insurance.</p>
LIFE INSURANCE <ul style="list-style-type: none"> • Individual insurance • Personal accident insurance • (individual or collective) 	DAMAGE INSURANCE <ul style="list-style-type: none"> • Any risk of fire and/or lightning • Civil liability • Maritime area • Aviation • Pet insurance 							
AUTO INSURANCE <ul style="list-style-type: none"> • Individual • Collective • Civil liability • Bicycle insurance 								
 <p>Ficohsa Pensions and Severances</p>	<p>It was created with the aim of offering a new option that allows Hondurans to save on a pension fund through an individual account owned exclusively by each member, offering a better return on their money and the assurance that when the time comes for retirement, they will be guaranteed a peaceful future life.</p>	<ul style="list-style-type: none"> • Natural Persons • Legal Persons • Institutional Clients 	<ul style="list-style-type: none"> • Individual Pension Fund • Business Pension Fund • Comprehensive Protection Plan • Business layoff • Guaranteed loans • Ficohsa Future Credit Card 	<p>It has more than 71,100 members, with more than 20% market share.</p>				
 <p>Ficohsa Brokerage House</p>	<p>Innovating in the domestic market with the negotiation of international bonds offering the client portfolio such instruments, being the first stock exchange to trade foreign securities. Member of FFG, active in the Honduran stock market since 1993.</p>	<ul style="list-style-type: none"> • Legal Persons • Institutional Clients 	<ul style="list-style-type: none"> • Advice and intermediation in the purchase of securities (primary and secondary markets) • Emissions Subscription • Emission Design, Structuring and Registration 	<ul style="list-style-type: none"> • Innovating with the implementation of a system for the registration of clients and their investment negotiations, mitigating the risk of error in the operation of the brokerage house. • Managed to place in secondary market USD \$114 M in government bonds trading mostly international sovereign bonds and private issuers, which has positioned us for the 4th consecutive year as the #1 brokerage house in negotiations in this market. 				

3.2.2 Ficohsa Group's Response to Trends in the Financial Sector

Process digitization and remote attention	Digital transformation through technology implementation is how FG makes a difference in the financial sector, providing the best solutions for clients
Digital Products	Offers the first 100% digital products in Honduras, savings accounts, credit cards and personal loans, oriented to meet the needs and expectations of its clients, built with a vision of regional deployment.
Cibersecurity	Internal security levels are constantly updated and always aligned to international best practices. In addition, different strategies are implemented to generate awareness among its collaborators, clients and the community in general, promoting a cybersecurity culture for the prevention and identification of possible cyber threats.
Customization based on client data	Aligned to the internal system in security management, information is used following its values and reciprocity given the trust provided by clients. It has different mechanisms to prevent abusive commercial practices or invasive and unnecessary communication.
Diversification of the commercial portfolio	It has a wide portfolio of clients who, in turn, represent various economic sectors. Aware of this, it has teams of specialized collaborators by sector, who are developed and kept in constant training to make solid assessments that allows them to offer a personalized experience based on the needs of clients.
Credit assessment with environmental criteria	Through the Environmental and Social Risk Management System (SARAS), they evaluate the credits they grant taking into account the mainly environmental performance of their commercial clients. While encouraging and supporting their training for the adoption of sustainable best practices.
Financial Inclusion	Through Fintech TENGO we provide access to financial services connecting communities through innovation and technology, improving people's quality of life. They continue to advance financial inclusion for specific sectors in the region, such as Entrepreneurial Banking and the Women Forward program. Initiatives continue to be implemented for the banking of young people from vulnerable areas in Honduras.

3.3 Evolution and Digital Transformation

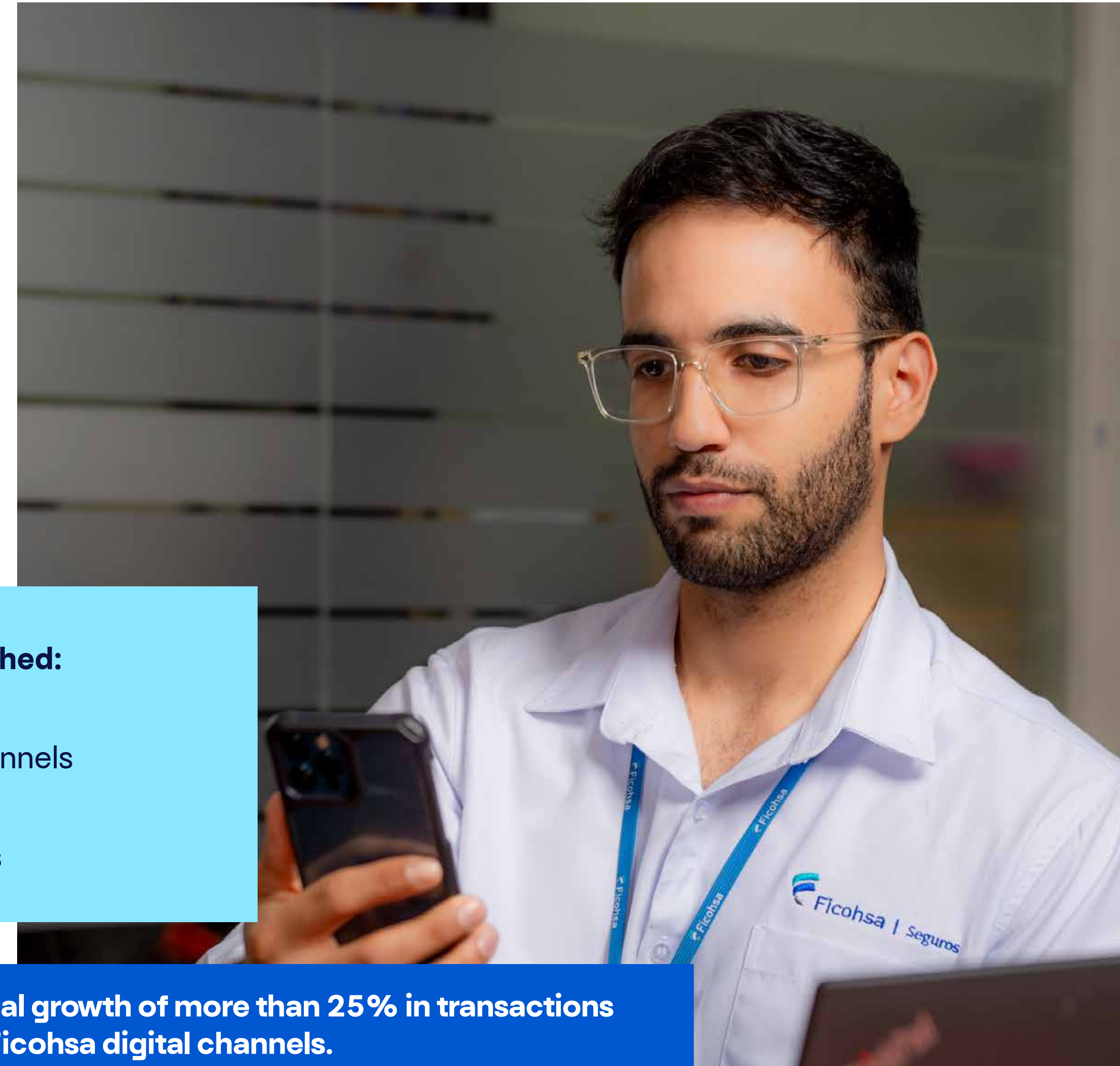
(GRI 203-1; FS13)

FG continues to innovate in the digital age, offering products and digital services designed to meet the needs of customers, facilitating access quickly, safely and conveniently. Connecting communities through innovation and technology.

To this end, the following organizational business objectives have been established:

- Positioning as pioneers in digital channels
- Distinction for delivering a unique and superior experience for clients on digital channels
- Use digital channels as a central asset in client acquisition and product sales
- Capture operational and commercial efficiencies by increased use of digital assets

All this is reflected in an annual growth of more than 25% in transactions made through the different Ficohsa digital channels.



With the implementation of new agility methodologies, more than 30 new platform functionalities have been implemented during 2023.

Compared to previous years, the Group accelerated its digital transformation, releasing and developing with 30% more speed. The new features in Apple Pay and Online Management through Digital Channels stand out.

We highlight the incorporation of new technologies in the safekeeping and security of transactions, having the fraud monitoring capacity to comply with the regulation of cyber fraud in Honduras (internally we call it VU Phase 2).

3.3.1 Digital Factory

After an exhaustive evaluation for a digital transformation, in 2022 the Ficohsa digital factory was created, it was born to generate products, services, and channels 100% digital for all countries where we have a presence: Honduras, Guatemala, Nicaragua, Panama, and the United States.

By 2023, Honduras already had the first 100% Digital Products, being these: savings accounts and personal loans, oriented to meet the needs and expectations of clients. During the same year, the offer was expanded by incorporating 100% digital credit cards and a new chatbot for the collection of remittances. Additionally, the development of 100% Digital Insurance was initiated.

Digital Loan



Digital Savings Account



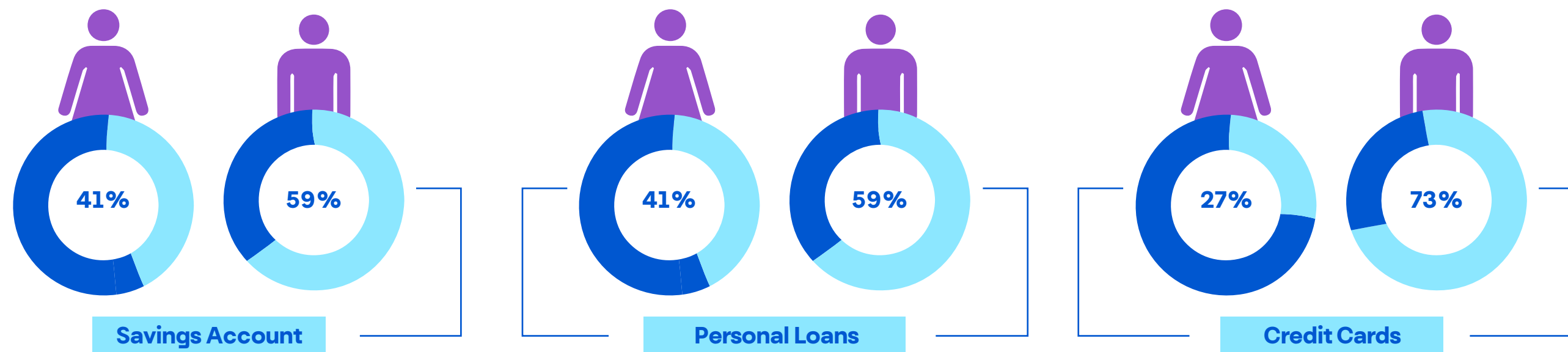
Digital Credit Card



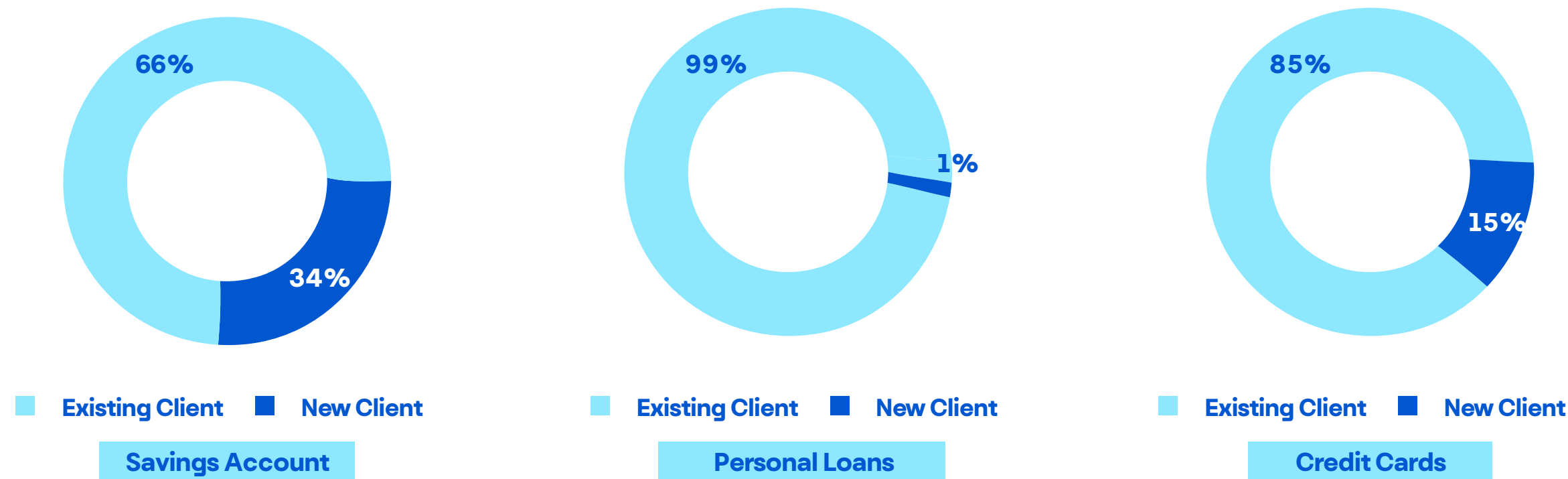
One of Ficohsa's main objectives is to expand the reach of financial products to encourage greater coverage and access to banking. Digital products, prevent people from moving to agencies, give new populations the opportunity to access products and services.

Scope of digital product:

Departament	Product		
	Saving Account	Loans	Credit Card
FRANCISCO MORAZÁN	37%	43%	45%
CORTÉS	32%	33%	29%
YORO	4%	3%	4%
ATLÁNTIDA	5%	4%	6%
COMAYAGUA	4%	4%	1%
EL PARAÍSO	3%	1%	5%
CHOLUTECA	3%	3%	3%
SANTA BÁRBARA	2%	2%	1%
OLANCHO	2%	1%	0%
COPÁN	2%	1%	2%
COLÓN	2%	1%	0%
LA PAZ	1%	1%	1%
ISLAS DE LA BAHÍA	1%	1%	1%
INTIBUCÁ	1%	0%	0%
VALLE	1%	0%	0%
LEMPIRA	1%	0%	0%
OCOTEPEQUE	0%	0%	1%
GRACIAS A DIOS	0%	0%	0%
TOTAL	100%	100%	100%



Men dominate the acquisition of digital products, opening an important opportunity to promote their acquisition in women. Groups between 18 and 44 years old have obtained the most digital products.



We can highlight this initiative with banking data with the participation of new customers acquiring financial products through digital alternatives.

3.3.2 Data Protection Law Initiative

In 2023 Ficohsa participated actively in the Financial Innovation Roundtable of Honduras (MIF), in different discussions with experts on the Law for Data Protection and Sandbox initiative, where representatives of the Central Bank of Honduras, National Commission of Banks and Insurance, Cooperatives, Fintechs and other cooperating institutions also participate. During these talks, the need was exposed that Honduras commands a data protection law that promotes its digital transformation processes, ensuring the integrity of citizens and their information.

As a result, and with the support of the regulatory bodies, MIF and its members were integrated into the public consultation process of the Draft Data Law on the Protection for Honduras, led by authorities of the Directorate of Management by Results (DIGER). MIF members actively contributed suggestions to the draft bill, which will be presented to the National Congress in 2024

In 2023, the SARAS system also incorporates socio-environmental due diligence to real estate received as collateral for the credit operations of clients subject to evaluation, according to the requirements of the National Commission of Banks and Insurance (CNBS).

3.4 Responsible Bank

(GRI 2-16, FS1, FS15)

Committed to generate value to our stakeholders, so that through our products and services they can achieve their dreams, goals and purposes, and build a better future for themselves and their families.

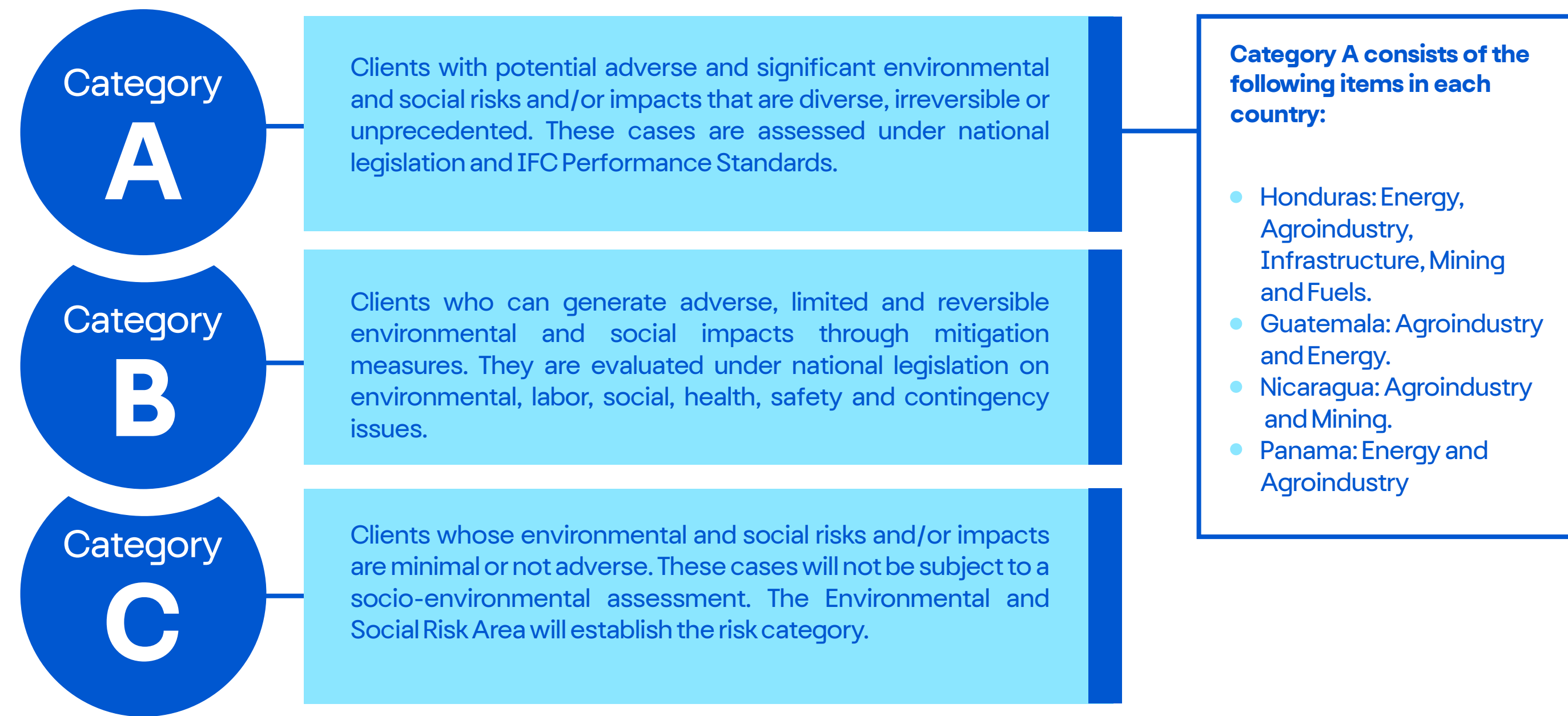
3.4.1 Environmental and Social Credit Assessment

(FS2, FS3, FS4, FS5, FS9, FS10, FS11) (SASB FN-CB-410a.2)





Under the commitment to responsible banking, environmental and social assessment continues to be implemented through the Environmental and Social Risk Analysis System (SARAS) to the Business, Corporate, and high-risk sectors of the Entrepreneur Banking (SME) loan portfolio to mitigate the impacts on the communities where the projects are developed.

The due diligence of this system is based on the requirements of national legislation, and for higher risk cases, the International Financial Markets Standards apply.

Categories of Environmental Risk Classification



Environmental Assessments Conducted at the Regional Level

	2022	2023	2023-2022
 Honduras (Total analyzed cases)	501	1194	138%
A%	10%	3%	-70%
B%	37%	11%	-70%
C%	53%	86%	62%
 Guatemala (Total analyzed cases)	65	90	38%
A%	8%	7%	-12.5%
B%	28%	29%	3.5%
C%	64%	64%	0%
 Nicaragua (Total analyzed cases)	49	67	36.7%
A%	8%	4%	-50%
B%	43%	19%	-55.8%
C%	49%	76%	-55.1%
 Panama (Total analyzed cases)	146	106	-27.4%
A%	8%	5%	-37.5%
B%	39%	49%	25.6%
C%	53%	46%	-13.2%
Total analyzed cases at the regional level	761	1457	91.5%

91.5% increment of the total number of cases analyzed at the regional level compared to 2022.

In 2023, all the members of the Boards of Directors were trained in each country, and more than 220 collaborators at the regional level from the areas involved in the SARAS process.

By 2024 the approach will be:

- Consolidate the process of evaluating assets submitted as collateral for cases subject to SARAS.
- Integrate future updates established by CNBS socio-environmental management regulations and international parameters that can enrich the implementation of SARAS and support the development of sustainable banking.
- Integrate SARAS with a regional perspective on climate change risk.

3.4.2 Green Funding

(FS8)

Playing a key role in engaging and guiding investors and entities, offering financial solutions that positively impact the environment and society as part of the commitment to responsible banking.

15 projects of renewable energy (solar, wind, hydroelectric, biomass) financed. Adding to date a disbursement of : **USD\$229.2 MM**

3.5 Entrepreneurship, Education, And Financial Inclusion

(GRI 203-2, FS1, FS7, FS8, FS14, FS15) (SASB FN-CB-240a.1)

Ficohsa Group committed to the personal and economic growth of different sectors of society, promoting entrepreneurship as an engine of development and job creation, accompanied by education and financial inclusion.



During 2023 Entrepreneur Banking achieved a 24% growth in

Its credit balance portfolio, which represents a commitment to support the SME sector with Access to financing.

To improve the experience of Entrepreneur Banking's legal clients, the online self-management portal was made available, from which they can make credit card requests and procedures in a faster and more convenient way:

[Click for Online Transactions](#)



Within the actions to be carried you can find:

- Redemption and transfer of points
- Unrecognized purchases and
- Card replacements
- Pin Reset

Also, the new service Entrepreneurial Health Assistance was made available to clients through which they can have medical assistance and a series of modular health-related assistance. They are aimed for the use of the entrepreneur and his family nucleus.

Asistance offered:

- Dental Asistance
- Assitance for the elderly
- Funeral Assitance

Learn more about entrepreneur banking:

[HERE](#)



3.5.1 Mujeres Adelante



This program was born for clients in Honduras and Guatemala in 2022, to provide support to professional women, housewives, entrepreneurs, and businesswomen, it translates into stronger economic development and sustainable growth in our communities, promoting gender equality and opportunities.

This year new benefits were added to the value proposition, highlighting the referral program for Banca+ clients and the Made for You assistance, thus strengthening the supply of financial products offered to Honduran women.

Products and services offered by the program

Savings Account Disfruta+	Referrals Banca+	Consumer Loan/debt consolidation	Credit and Debit Card	Mortgage Loan	Entrepreneur Banking	Acquisition Service	Pension Fund	insurance and Attentions

- The confidence of women in Honduras is reflected in the growth of:
- +15%** in consumer deposit balances
- +53.8%** in the growth of consumer loan balances / debt consolidation
- +19%** growth in pension fund savings
- +19%** in new customers in Entrepreneur Banking compared to 2022

During 2023 the Mujeres Adelante Ficohsa Program transcended borders reaching Panama.

Complementary Non-Financial Services

Flash Mentoring program continues with Vital Voices.

Sponsorship of spaces such as Mom Talks, which brought together **+600** mothers and heads of households.

+500 spaces generated in different fairs and bazaars for entrepreneurs of the program.

43 capsules recorded and broadcast on radio, television and social networks to promote women entrepreneurs.

Mujeres Adelante Award

During 2023 the second edition of the Mujeres Adelante Award was held, an event aimed at celebrating and supporting the fighting spirit of Honduran women, resulting in winners:

Category	Name	Company
Business Leadership	Kathia Yacaman	Grupo GK
Economic Empowerment	Lidia Sandoval	La Campaña Gastro Lodge
Entrepreneur without Borders	Jolibeth Sánchez	Orquídea de Oro
Disruptive Entrepreneurship	Martha Benavides	Green Energy Honduras

Aliances

- Sustainability Academy of the eco.business Fund: Development of a training program aimed at all clients in companies in the agricultural, forestry, aquaculture and fisheries sectors.
- iSmart Comply: They provided space for 30 Honduran entrepreneurs in an innovative BootCamp specially designed to address the normative and regulatory challenges faced by these companies, strengthening their risk management and promote sustainable growth.
- Norfund: The Norwegian Investment Fund contributed to the launch of the educational platform Mujeres Adelante, which has +3000 registered users at the end of 2023. Visit our portal www.ficohsamujeresadelante.com
- INCAE EMPRO Program: We participate in the "Al Banco" pillar, which focuses on supporting women entrepreneurs to improve and/or ensure access to capital for national financial institutions.
- Agora Partnerships with its "Juntas Contamos" program co-designed and financed by IDB-Lab and WeFi: This partnership involves 700 companies led by women, with the aim of promoting initiatives that promote gender equity, women's empowerment and sustainable development.



3.5.2 Hecho en Casa



Hecho en Casa

This program was born in 2013, to promote initiatives that encourage productive activities, entrepreneurship, innovation, and the growth of micro, small, and medium enterprises (MSME).

Currently, more than 1,500 entrepreneurs/businesspeople are supported to reinforce the concept of buying what is made at home, to support them and boost their growth, generating a sense of pride about the consumption of local products and awareness in the buying habits by preferring products 100% made by Honduran hands, since when we consume local, we grow all

Aliances

Saturday Bazaar: Offering spaces for the sale and promotion of products and services of these entrepreneurs.

TENGO: Offering exclusive benefits and promotions on its channels.



3.5.3 De Mi Tierra



In partnership with Supermercados la Colonia and the Foundation for Rural Business Development (FUNDER), Ficohsa continues to promote this program of support to the agricultural sector in Honduras, contributing to the integral development of small and medium farmers.

In August 2023 we celebrated 15 years contributing to the agricultural development of Honduras.

To date +2,700 credits have been granted in 11 departments of the country, benefiting +100 communities for the production of +40 products.

- +USD \$7.8 Millions in agricultural financing to date,**
- +USD \$978,000 during 2023**
- +USD 33.6 Millions in purchases to date by Supermercados la Colonia to producers of the program, +USD 4 Million only in 2023**
- +14% participation of women in the program**
- +85 producers trained in Financial Education**

Awards and Recognitions

- De Mi Tierra's case study was selected as the "Best teaching case" at the conference of the "International Food & Agribusiness Management Association (IFAMA) held in New Zealand.
- The case study on De Mi Tierra was selected as the "Best teaching case" at the conference of the "Business Association of Latin American Studies (BALAS) held in Mexico.
- Honorable mention in Corporate Citizen of the Americas Award 2023 awarded by the Organization of American States.

Success stories

Andrea Raudales: Producer of chili, tomato, and watermelon in Cuyulí, El Paraíso. Before the program, she produced about 1 chili block of land, and now Andrea produces 4 chili blocks of land and additionally diversified her crops producing red and yellow watermelon in an area of about 24 blocks of land annually.

Edy Zúniga: Producer of ginger, sweet potato, and turmeric in Gualala, Santa Barbara. Edy produced between 1 and 2 blocks of land before the Program and now produces + 8 blocks of land for crops.

Development along with growth like that of Edy and Andrea, as well as of many other producers represented here, are made posible by this program.



3.5.4 Other Entrepreneurial Initiatives

Since 2022, the "Young Impact Leaders for Central America" program has been supported through banking, and given the impacts and results achieved, it was decided to participate in the entrepreneurship component to continue promoting the growth, innovation and development of small and medium-sized enterprises in the country.

This resulted in a strategic alliance with the Chamber of Commerce and Industry of Tegucigalpa (CCIT), the International Organization for Migration (IOM) and Glasswing International to promote youth entrepreneurship in Tegucigalpa and contribute to the economic development of the communities.

Fifty young people will participate in the pilot of this program, who will be trained under the methodology implemented for the Initiate and Improve Your Business (IMESUN) training process, which is certified by the International Labor Organization (ILO). Ficohsa's commitment with this initiative is to provide financial education to entrepreneurs and seed capital for the entrepreneurship kits. In addition, the participating women will become part of the Ficohsa Women Forward Program and other programs promoted by the Group.



3.5.5 Financial Education

(FS16) (SASB FN-CB-240a.4)

**TU CONCIENCIA
FINANCIERA.COM**

Over the years, the Financial Education Program "Tu Conciencia Financiera" (Your Financial Conscience) has allowed us to promote good personal finance management through campaigns and different strategies so that financial users can have a better performance in the management of their income.

The program is built integrally with different initiatives and projects, such as: educational campaigns in social networks, conferences, content and tools in the Tuconcienciafinanciera.com, podcasts, capsules, talks on personal finance and entrepreneurship, financial education magazine and the internal financial education trainers program.

Results:

+10 million people reached at the regional level through social networks, talks and campaigns	+ 190 thousand customers reached at regional level
+25 thousand visits to the Tu Conciencia Financiera Portal	+17 000 hours of classroom and virtual training
+150 employees (86 women and 64 men) received personalized advice and support to improve their financial health.	

Projects and initiatives 2023

1. Launching of the podcast Tu Bienestar Financiero. A space hosted by the renowned financial advisor, Ali Kafie. A new format with audiovisual content on the Internet available on Spotify, Youtube, Google Podcast, Apple Podcast and the Tu Conciencia Financiera Portal, seeking to help listeners improve their finances, manage their resources and reflect on success stories and experiences.

1,699,272 users reached
71% are women
900 hours listened on Youtube

2. Financial Education Week organized by the CNBS: A face-to-face educational event with a gender focus, in which participants were provided with knowledge and tools on topics such as credit scoring, the importance of insurance and how to protect themselves from financial fraud through different workshops and the use of digital resources

400 people trained, including young people, adults, women and the general population.

3. Global Money Week 2023: Ten consecutive years as part of this global initiative, which seeks to generate financial awareness from an early age, ensuring knowledge and skills when making decisions that guarantee financial well-being and resilience.

265 adults through face-to-face lecture/conference 42 children participating in the Savings Club
Reach of 509, 425 in social networks

4. Cybersecurity Month organized by AHIBA: Awareness and education days for a Secure Digital Culture for all Hondurans. Throughout the year we maintained an active campaign aimed at our clients and the general public, providing information on the different types of financial fraud and how to prevent them.

+420,944 e-mails sent to customers and collaborators.
+7,500 messages sent to clients via whatsapp SARA with educational capsule on how to avoid becoming a victim of financial fraud, "Cuida tu Dinero".
Cybersecurity talk 90 face-to-face employees and 170 virtual employees.



3.5.6 Financial Inclusion

Financial education and inclusion is seen as an opportunity to promote the sustainable economic growth of countries, as well as a key element for poverty reduction and immigration.



A Fintech dedicated to transforming access to financial services in Honduras, with more than 100 types of payments that can be made from the TENGO App and more than 5,000 points of service, this allows them to reach and penetrate new markets and areas in order to bank more people through innovative financial services that adapt to the needs of their customers.

2023 was a year of evolution in the company's value proposition, moving from being a local closedloop solution to a payment solution with international standards; this was due to the launch of the TENGO Visa reloadable card, backed by Banco Ficohsa Honduras.

Nearly 8 million transactions were processed in total, growing +33% in coverage, mainly in foreign areas.

The TENGO Visa Reloadable Card is the most innovative and secure card in the market, since it has a physical and virtual mode, it is infoless and can be managed through the App. It has low barriers to entry as it does not require bank accounts or credit history, and can be purchased at convenience stores, pharmacies, supermarkets and many other businesses.

In the first 4 months of operation, +45,000 cards were placed, mostly to people in the unbanked segment, such as housewives, high school graduates, secretaries, workers, students and others. This confirms that TENGO has once again promoted financial inclusion through innovation in financial services.



Growth in our Physical Network

The expansion is the product of a strategy to reach more people, aligned with the objectives to promote financial inclusion.

+100 Allies

9 Financial Institutions
+100 trading companies

+14 Stirrers

International Remittances

3,332

Service Points Tengo

Visa Alliance

9 Financial Institutions
+100 trading companies

+1.1 MM

Unique customers in
Physical Network

400 K

Registered Users in APP
Tengo.

7 out of 10 registered **TENGO** users are unbanked, i.e. their first product or card, **71%** of them are non-professionals.



3.5.7 Other Financial Inclusion Initiatives:

- ✓ Access to all the general population to open savings accounts, without minimum balance management and account inactivity fees.
- ✓ Piggy bank account for children and youth account aimed at promoting savings at an early age.
- ✓ Opening savings accounts, personal loans and credit card applications through digital interfaces, facilitating access to financial products through technology.
- ✓ Banking for young people in areas that are considered economically and socially disadvantaged in the country, accompanied by financial education talks for a better management of their personal finances.
- ✓ The Mujeres Adelante program offers financial products and services, including savings and loan products.
- ✓ All our employees have a pension account in which they save 5% of their monthly salary.

Grupo Ficohsa official member of Partnership for Central America (PCA)

In 2023 Grupo Ficohsa became an official member of the Partnership for Central America (PCA)/Alianza para Centroamérica, joining a select group of companies and key players that seek to generate a positive impact in the region.

Advances

The SME loan portfolio in Honduras has increased by USD \$60 million, USD \$70 million in deposits, and has supported 8,500 new businesses. Over the next five years, the SME loan portfolio will be doubled, prioritizing the growth of women-led businesses with preferential loans, insurance and financial education.

We have achieved the financial inclusion of 60,000 people through TENGO, representing 8 million digital transactions. This is part of our commitment to include 200,000 vulnerable people in the financial system in the next 5 years.

In partnership with Glasswing International | Central American Services Corps supporting the "Jóvenes Líderes de Impacto por Centroamérica" project, an NGO that empowers youth and communities to address the root causes of poverty, violence and migration, we have banked more than 3,500 youth and will continue to move forward with the goal of reaching more than 7,000 Honduran youth.

Committed to increasing remittance banking penetration by at least 20% over the next five years. To date we have surpassed our goal by banking 39% of total remittances received, representing USD \$507 million with 32,500 new clients.



3.6 Information Security

(GRI 3-3, FN-CB-230a.1, FN-CB-230a.2, FN-CF-230a.1, FN-CF-230a.3)

Ficohsa continues to strengthen existing security controls and implement new technologies to enhance its cybersecurity posture and strengthen the confidence of its customers in the products and services provided. Working under the best cybersecurity and cyber resilience practices defined in the management framework, known as NIST SP 800-53 (National Institute of Standards and Technology), complying with the controls established in the maturity levels of the CMMI (Capability Maturity Model Integration) scale, so that operations remain protected and operational.

Ficohsa strengthens information security by including new initiatives to protect our clients' data, improved methodologies for evaluating third-party security controls, as well as controls for monitoring, restricting and auditing sensitive system files.

Improvements continue to be implemented in digital products, through twofactor authentication, with the use of OTP codes and passwords as controls that strengthen the security posture of the services offered. This constitutes the first layer of security, because they expire in a short time, are single-use and are compatible with most devices.

In the new 100% digital products offered in Honduras for natural persons (Savings Accounts, Personal Loans and Credit Cards) biometrics has been added, which captures the facial features of the customer and the document to validate the identity of the person. This new layer of validation prevents identity theft, reduces the risk of fraud and facilitates secure transactions. The combined use of OTPs and biometrics streamlines authentication processes, ensuring a seamless and secure experience that promotes customer trust and satisfaction while maintaining data integrity.

The objectives for 2024 are to continue strengthening our security governance, focusing on the inclusion of new cybersecurity solutions or technologies that help reduce vulnerabilities and ensure the protection of information in the digital era.



Internal and external awareness campaigns are maintained throughout the year for clients and collaborators on information security issues.

+800 thousand customers reached

+6 thousand employees reached

3.7 Transparency and Customer Satisfaction

(GRI 3-3, 416-1, 416-2, 417-1, 417-2, 417-3, FN-CF-270a.1, FN-CF-270a.3, FN-CF-270a.4, N-CF-270a.5, FN-IN-270a.1, FN-IN-270a.3, FN-IN-270a.4, FN-MF-270b.3, FN-IB-550b.1)

Always evolving and reinforcing internal regulation, as well as mitigation, control and monitoring frameworks in the field of client protection, also considering the priorities of the regulator and supervisor, working for our clients, incorporating the vision of protection from the creation and design of new products, as well as existing ones. Our actions are governed by ethical values and guidelines; consequently, we offer transparent and fair services.

Understanding that every word adds to the perception of users, the communication strategy is based on the following principles:

- Transparency of the information provided.
- Clarity in language, structure and design.
- Responsibility with the client's interests at all stages of their financial life.
- We establish communication standards to achieve uniformity and consistency in tones, styles, word usage and phrases across all FG platforms.

All customers are informed of the terms and conditions of the products offered. During the year, none of the Group's employees were involved in legal proceedings initiated by customers.



[Click to know our tariff](#)



To ensure the client experience, Ficohsa has been, for several years, constantly looking for feedback, monitoring the level of service offered using the Net Promoter Score NPS tool with Top Down and Bottom Up methodology to validate the alignment between customer needs and expectations and the initiatives implemented, this allows the establishment of plans that eliminate the detected gaps to provide the best experiences. Annually and every three months, the methodology is applied in our different lines of business/country to know the net recommendation index provided by clients. Thus, making sure the identification of possible areas for improvement.

Scores		
Country	Unit	Variation 2022 - 2023
Honduras	Consumer TD	+3%
	Business TD	+15%
Guatemala	Consumer TD	0%
Nicaragua	Consumer BU	+13%
Panama	Consumer BU	+17%

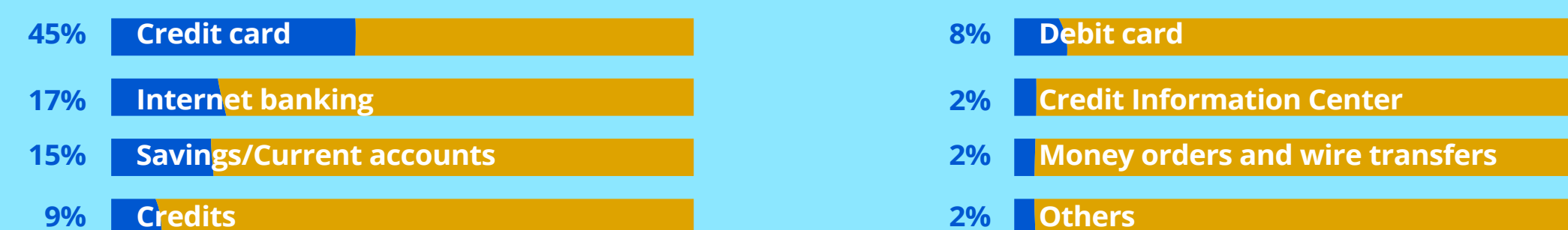
For Honduras in consumer, corporate banking, insurance, pensions and in Guatemala the NPS Top Down is measured, and for Nicaragua and Panama the Bottom Up

Details about claims by products (GRI 418-1)

Always attentive to the main claims and observations that occurred in the period of this report, aimed at achieving just resolutions in each of the cases.

	Total regulatory claims	% of favorable resolutions for the client
Honduras	709	27%
Guatemala	149	58%
Nicaragua	36	25%
Panama	12	33%
Ficohsa Seguros	18	22%

In Honduras, of the 709 financial user claims received during 2023, 27% were resolved in a client-friendly manner, with an average response of 9 business days. An extension was requested by 15% (107) of the claims received. The average number of claims received during 2023 was 59 per month.



A client-friendly resolution may be given for exception issues, enforcement of operating regulations, policies or regulations, however, they are not specifically recorded as operating losses. If the client does not agree with the resolution they can appeal, as a second instance to present their complaint, to the regulatory body of each country such as the National Commission of Banks and Insurance / Superintendence of Banks.

For Ficohsa, the best way to provide a quality service to the client is to listen to their recommendations, opinions, and proposals, so they are analyzed and managed in order to give a favorable resolution

Promoters Of Social and Environmental Change



Ficohsa Group is committed to generating value in the communities through programs that promote inclusive and sustainable growth. Establishing lines of action on ESG issues: Reducing inequalities, promoting entrepreneurship, creating opportunities for all through education, and promoting respect and care for the environment.

4.1 Community

(GRI 2-23, 2-25)

The commitment of Grupo Ficohsa materializes contributing to reduce the main problems associated with inequality through social investment and environmental programs for the sustainable development of the communities where the Group has a presence, including donations and volunteer activities.

In this way, including our collaborators, generating impact in a bi-directional way under the sense of social responsibility that characterizes them, we develop projects, programs and initiatives that generate a positive impact on communities, meeting their needs within the following areas of action:



+USD \$20 million invested in sustainable social projects during the last 11 years

4.1.1 Ficohsa Fundación



During 2023 Ficohsa Foundation (FF) celebrated 25 years of achievements, which reflect the commitment to sustainable development in each of the communities where it has a regional presence. Since its inception, efforts have been channelled into various educational programmes that make a significant difference in access to quality education for children and young people.

Educating Our Future: This is the flagship program, it is successfully developed in 19 cities in 11 departments in Honduras, extending its coverage regionally in the neighboring countries of Guatemala, Nicaragua and Panama, benefiting a total of 150 schools.

Among the benefits granted, a number of components can be mentioned, such as: rehabilitation or construction of public preschool centers, community organization where educational centers are located, teacher strengthening, provision of school meals, and school supplies and educational materials.

Benefits delivered in 2023:

150 pre-schools served at regional level

+USD \$240,000 invested in snacks and school supplies

+USD \$104,000 invested in 42 pre-schools for infrastructure improvements

+1.2 million food rations delivered

+7400 children benefited

The Sustainability of the program is achieved under a participatory model of actors who join their efforts and experience: Ficohsa Foundation, the State, as principal rector of the educational guidelines of the country, and the community, among other strategic partners

Coverage 2023

Regional Enrollment 2023;
7,417 boys and girls



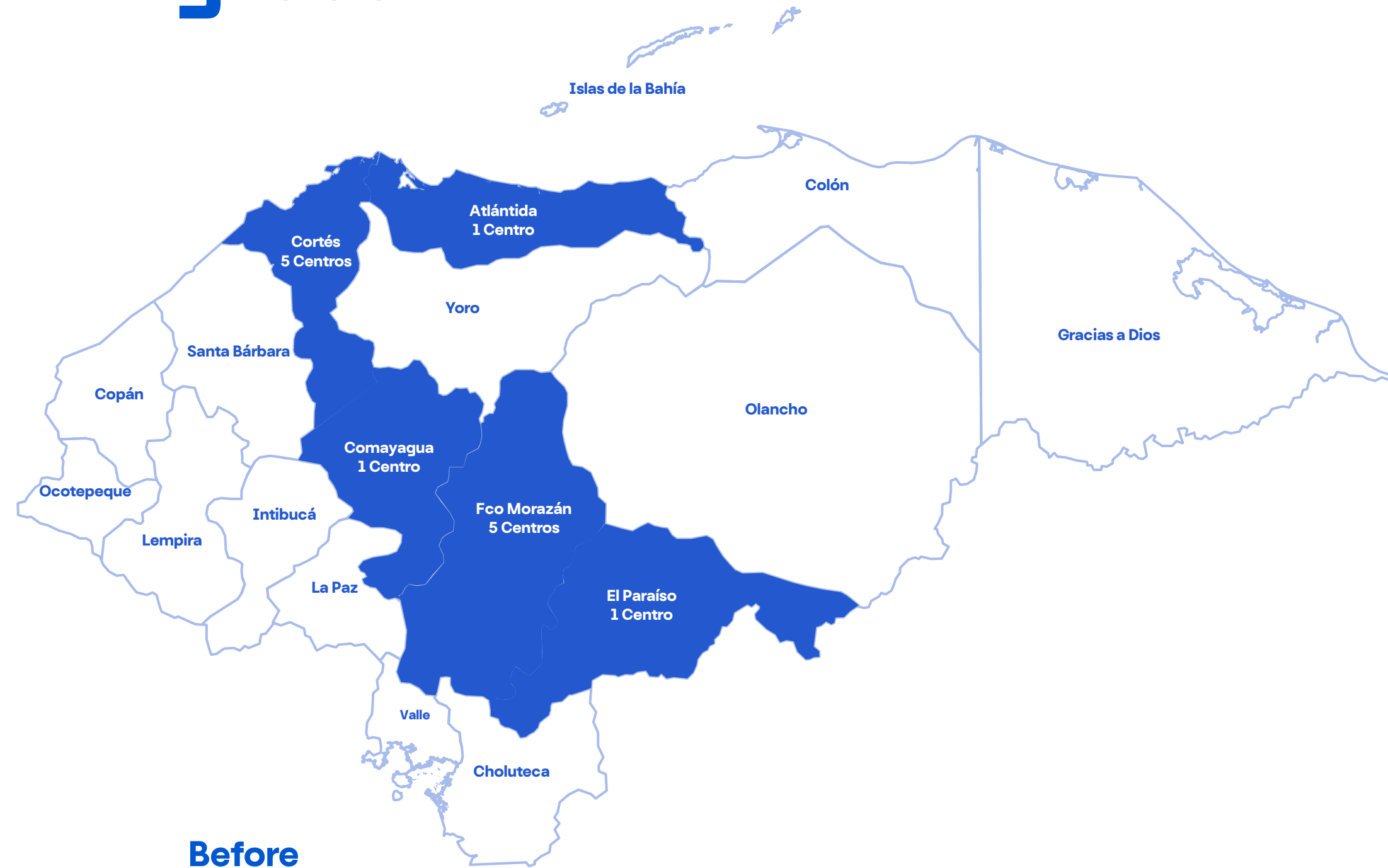
Strengthening Education Alliance For Education

This year we also had a direct impact on Basic Education in Honduras by being part of the alliance led by U.S. Ambassador Laura F. Dogu, a tripartite alliance with the participation of USAID, the Government of Honduras and the Private Sector.

Ficohsa Foundation joined this initiative by committing to invest USD \$1,000,000 in the next two years to renovate 25 basic education centers, 245 classrooms, and thus contribute to development by benefiting more than 10,500 children and youth.

Country	Teachers	Country	Teachers
Honduras	301	Nicaragua	13
Guatemala	307	Panama	11

Progress



Before



After



After



Before

**CEB Carlos Miranda -
Cerro el Nance, Comayagua**

Before



After



After



Before

**CEB Rafael Pineda Ponce -
Cerro Verde, Choloma**

After



Before



Before



After



Before



After

**CEB Roberto Hasbun -
San Antonio Oriente,
Francisco Morazán**

25 years of experience

This anniversary marks a path of commitment and dedication to education and the well-being of communities. This significant milestone was celebrated with a series of events that reflect the essence of its mission and the impact achieved over the years.

One of the main events was an emotional celebration with its strategic allies, who are affectionately called "Friends of the Foundation". Partnerships that have been fundamental to the success of projects and programs over the years, and this special occasion allowed us to recognize and thank their continued support and collaboration.

In addition, a special event was organized with the FG collaborators at the regional level, who have also been the pillar of the initiatives. Without neglecting the more than 300 teachers in the schools they support, and with whom they share a commitment to quality education.

This anniversary was not only a celebration of their past achievements, but also a reaffirmation of their commitment to the future.

International Recognition in the XIV edition of the Co-responsible Awards of Spain

Ficohsa Group was recognized as a finalist in the "Big Business" category for the work and impacts achieved through the Ficohsa Foundation in support of comprehensive quality education as an engine of development in the countries of the region.

The Joint Responsibility Foundation is an international organization that recognizes initiatives on sustainability, social responsibility and contribution to the SDGs

The recognition highlights the commitment of Ficohsa Group to promote sustainability in the region through its different initiatives, being a finalist in more than 800 applications from 13 countries in Latin America and Spain. The Latin American countries with the highest participation were Peru, Mexico and Argentina, Ficohsa was the only Honduran company present and recognized during this gala, was nominated among large companies, such as CEMEX, Iberdrola, DpWorld, Damm, Epson, Heineken, Banco Popular, among others.



4.1.1.1



10 años
abriendo puertas
a nuestros jóvenes

Continues to strengthen its commitment to promote the socio-economic development and competitiveness of Honduras. Promoting, guiding and financing Honduran professionals of academic excellence, wishing to pursue postgraduate studies at the best universities abroad, and thus contribute to enriching Honduran talent.

The call for the 2023 Credit-Scholarship Program closed in April, then the Academic Committee began with the work of evaluating each of the candidates. The Board of Directors, based on the evaluations and recommendations of the Academic Committee, selected 22 candidates to become the tenth generation of beneficiaries. Finally, those selected legalized the credit-scholarship and are already doing their postgraduates in different countries around the world.



220 talented hondurans benefited to date

+USD \$6 million invested

22 countries have been host countries for the development of these

12 elds of study

+ 55% beneficiaries have returned to Honduras after completing their studies

The commitment to education is reflected in close collaboration with local communities and educational authorities. Transparency in project implementation and the active participation of all stakeholders contributed to the success of these initiatives, generating a positive impact not only on infrastructure, but also in the educational quality and well-being of the children and young beneficiaries.

4.1.1.2 Other contributions in education

Education programs: Training programs for teachers developed through the portal www.portalfundacionficohsa.com and face-to-face trainings, acquisition of up-to-date teaching materials, and the promotion of innovative pedagogical practices were essential elements to enrich the educational experience of children in these centers.

Social and financial education program: Ficohsa Foundation has positively impacted more than 19,800 children through innovative programs that promote financial skills, entrepreneurship and essential social values.

4.1.2 More Sustainable Initiatives

4.1.2.1 Support to innovation

In 2023, the Tech4DevHN project was completed, an initiative that Ficohsa promoted as a contributing partner for 3 years (2020-2023). The objective of this program was to strengthen the entrepreneurship and innovation ecosystem of Honduras through the acceleration of technological startups in the areas of health, education, security, digital transformation and fintech, as well as creating a network of entrepreneurs trained to boost their businesses.

The project had a budget of USD \$2 million, thanks to its contributing partners. During the execution time, an acceleration program was developed that consisted of advanced advice for the consolidation of business models and technological products.

The advice, to promote the sustainability and scalability of the enterprise, followed three phases: conception, birth and persistence. Each of the phase was formed by training workshops and specialized mentoring to train the entrepreneur according to his needs and the maturity in which his startup was. Within this program, the tool of testing or technological validations was incorporated to obtain a greater effectiveness of the startup before its launch and consolidate future commercial links. The acceleration program is maintained through the Entrepreneurship HUB of our partner UNITEC, with the aim of continuing to be used by the entrepreneurial community of Honduras

Below we share the results of each Tech4DevHN project component:

1. Articulation of the entrepreneurial ecosystem

- 2,546 actors participated in the established national entrepreneurship network
- 633,194 visits to the virtual platform with resources for entrepreneurs
- 47 ecosystem outreach events including bootcamps, hackathons, tech talks, coffee entrepreneur, demo day, 2 editions of the technological innovation award, tech bazaar and 1 event with relevant actors from the investment ecosystem of Honduras

2. Identification, promotion and attraction of innovative enterprises

- 1,384 visits to the Innovation Lab
- 1,154 entrepreneurs participated in Entrepreneurship and Innovation MeetUps
- 1,346 entrepreneurs trained in digital and innovation skills
- 360 women trained on opportunities for women in technology industries

3. Acceleration of technological startups

- 110 ventures accelerated by the project
- 42 women-led ventures accelerated by the project 277 companies benefited
- from networking workshops and corporate hackathons

4. Strengthening the supply of financial services to entrepreneurs

- 59 business ventures financed by ángel investors or other funding sources

5. Innovative solution testing in education, health, security, digital transformation, and fintech

- 18 solutions tested in the education sector
- 12 solutions tested in the health sector
- 33 solutions tested in the security, fintech and digital transformation sector

Tech4DevHN's major accomplishments include:

- Adoption of an open innovation model between companies and startups
- Positioning the project and its contributing partners as allies of the entrepreneurial ecosystem
- Articulation of actors in the innovation and entrepreneurship ecosystem in the Central American region

More information available on:



4.1.2.2 Fundación creciendo con Diabetes



FG supports this non-profit organization that was founded in 2018 as an initiative to raise awareness about diabetes in Honduras. Through the different initiatives of the Foundation, it is intended that the patient and caregivers can have relevant information that allows them to empower and have a greater commitment in their treatment and therefore a better quality of life.

+ USD \$ 129,000 invested to date

Education: 11,126 people reached

Awareness raising and sensitization: 227,000 people reached

Diagnosis and prevention: 959 people served



Thanks to the sessions it is anticipated to identify diabetes in its initial stages to lead to an appropriate treatment that allows the control and prevention of long-term complications, leading to the adoption of healthy lifestyles.

Delivery of medical supplies: + 2,000 kits delivered to date

Support through the donation of quarterly kits for the measurement of glucose to patients of the Hospital Escuela who belong to the volunteer program, through the constant measurement of glucose it is intended that patients can have an adequate control, and treatment adjustments and the right decisions can be made to avoid complications.

For 3 consecutive years in the framework of World Diabetes Day we have held our sports event Blue Run, a space that promotes physical activities in family. With the participation of +1000 people.

For more information www.fccdhn.org 

4.1.2.3 Corporate Volunteering



Ficohsa Group has a corporate volunteer community made up of its collaborators and their families, who participate in social and environmental activities with a high impact in the communities at the regional level where it has a presence. Each member of the Ficohsa family becomes a champion of the people, being an ally who inspires, guides and supports others to become an agent of change to transform lives.

Corporate values define how volunteers act. Commitment drives them to be persistent in the pursuit of good. Service reminds them that their purpose goes beyond themselves, extending to the community they serve. Sustainability guides their actions towards lasting impact, building a better future for all.

Principles of Corporate Volunteering

- Liberty
- Solidarity
- Honesty
- Respect and equality of rights
- Inclusion
- Social commitment

Types of volunteering

Internal volunteering: Activities that have an impact in support of collaborators of the organization based on the guidelines of domestic calamity established by the Human Talent policies (accidents, diseases, natural disasters, among others).

External volunteering: Support for internal and external institutions, organizations, associations and NGOs that have an impact on the development and strengthening of communities. (health, education, entrepreneurship, environment, inclusion, among others).

Highlighted

94% participation of employees in at least 1 volunteer activity per year

+11,000 hours of corporate volunteering invested regionally in social projects in the communities where we operate

+1,000 regional collaborators joined A Day to Give by donating essential and effective supplies supporting vulnerable families, this is an activity that we promote annually.

+2,600 pounds of food donated as part of Good Deeds Day to Casa David in Honduras for families who need lodging and food in the country's hospitals

+1,575 volunteers celebrated 3,000+ children in commemoration of Children's Day in Honduras, Guatemala and Nicaragua

+850 collaborators participated in reforestation days in Honduras, Guatemala and Nicaragua

+USD20,000 invested in sustainable projects in Honduran communities through joint collaboration with corporate volunteer teams

This year saw a comprehensive update of the corporate volunteer program based on the needs of our communities.

The Onboarding Program began this year, in coordination with Human Talent, aimed at promoting the participation of new collaborators in its first corporate volunteer activity as part of its induction process.



4.2 Environment

4.2.1 Environmental Management

(GRI- 302-1, 302-3, 302-4, 303-1, 303-3, 305-1, 305-2, 305-3, 305-4, 305-5, 306-1, 306-3, 306-4, 306-5, 307-1)

As part of the environmental commitment, direct impacts and operation are managed in a responsible and sustainable manner over time. Aligned with a sustainability strategy, working with the institutional campaign "**Juntos por un Futuro más Verde**" where the promotion of good practices for the care and preservation of the environment is sought, its scope includes collaborators, customers and other stakeholders.

The environmental awareness of clients is strengthened, under the socio-environmental assessment that is carried out for investment and credit projects, aligned with a vision of sustainable banking.

Different initiatives seek to reduce energy consumption and increase the number of installations with new energy efficiency technologies and use of renewable energy, thus reducing the generation of greenhouse gas (GHG) emissions to the atmosphere.

***USD \$800,000 invested in eco-friendly furniture, lighting and air conditioning to date.**

In addition, FG carries out the measurement and verification of its ecological and carbon footprint, as well as the analysis of water consumption, paper and waste generation along with the recycling of the cards they issue.

The measurement of the ecological and carbon footprint in Honduras allows to identify and know where it is and how to advance in the reduction of CO2 emissions. This exercise is carried out under the methodology of international guidelines such as the Global Footprint Network (GFN). In turn, supported by international standards such as ISO 14040 and 14072 Life Cycle Analysis and ISO 14044 Environmental Management System.

Below we present the results of 2023 for Honduras and 2022 for the rest of the countries of the region:

Ecological footprint	 Honduras			 Guatemala	 Nicaragua
	2022	2023	Δ2023 -2022	2022	
SCOPE 1 (gha)					
Direct: Fuel consumption in transportation and emergency plants, in addition to the built-up area.	251.3	304.67	21.24%	64.12	11743.66
SCOPE 2 (gha)					
Indirect: Fuel consumption in transportation and emergency plants, in addition to the constructed area.	960.55	473.85	-50.61%	139.12	123.31
SCOPE 3 (gha)					
Food: Purchase of sugar and coffee for offices	0.0	0.0	0%	-	-
Office: Acquisition of office furniture and supplies of various materials, including electronic products, made of wood, plastic, paper and combinations thereof.	3418.4	3536.03	3.44%	-	-
Consumer goods: Purchase of uniforms for personnel, advertising material, first aid material, and cards.	142.3	31.63	-77.00%	-	-
Services: Potable water, supply transportation, business trips, employee transportation, waste disposal and treatment	917.1	941.22	2.63%	-	-
Total Scope 3	4477.8	4508.9	1.37%	248.09	1085.70

Negative signs in the variation represent a decrease, positive signs represent an increase.

In the case of Panama, no data is reported in the Ecological Footprint since they only measured emissions.

The environmental strategy has a direct impact on the following SDGs:



As part of the environmental initiatives in 2023, the scope of the analysis was extended to make the Ecological Footprint measurements with data from 2022 in Guatemala, Nicaragua, in the case of Panama, we worked on the Carbon Footprint with data for the year 2021 with the support of the Ministry of Environment of that country.

During 2024 we will be working on the carbon 0 roadmap.

- Scope 1: direct consumption of the operations related to fuel or refrigerants
- Scope 2: indirect consumption related to electricity supply
- Scope 3: consumption related to goods, services purchased, as well as activities of the collaborators

Ecological Footprint Honduras 2023

	2022	2023	Δ2023-2022
TOTAL	5689.62	5287.40	-7.07%
BY COLLABORATOR	1.53	1.25	-18.30%

Negative signs in the variation represent a decrease, positive signs represent an increase

7.7% of the Ecological Footprint in Honduras was reduced

18.30% of the Ecological Footprint was reduced by collaborator in Honduras

4.2.2 Energy and Emissions

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

There are two objectives for reducing energy consumption: 1) reducing consumption compared to the operation (measured in terms of intensity), 2) increasing the use of renewable sources, including self-generation by our side through solar panels.

Currently there are 11 agencies and 2 buildings with solar farms (5,499 m2 of solar panels)

71% of clean energy consumed in these buildings

1.2 million kilowatt hours (kWh) are produced annually

549,600kg CO2 are NOT generated annually by producing solar

+ USD \$59,000 invested in the farms of the 2 main buildings in the cities of Tegucigalpa and San Pedro Sula, in Honduras

The commitment is to continue working on the evaluation of new agencies and buildings for the installation of solar panels and opt for LED certifications..

Plaza Victoria Building, Tegucigalpa





Energy Consumption Honduras 2022-2023 (kwh)

	2022	2023	Δ2022-2023
Banks	8,365,033	8,310,973	-0.65%
Insurance	528,390	513,945	-2.73%
Cards	850,316	795,361	-6.46%
Total	9,743,739	9,620,279	-1.27%

*Negative signs in variation represent a reduction, positive signs represent an increase

Energy consumption in Honduras was reduced by 1.27%

Energy Consumption in the region 2022-2023 (kwh)

	2022	2023	Δ2023-2022
Guatemala	1,057,251	1,143,970	8%
Nicaragua	1,269,142	1,482,827	16.8%
Panama	287,734	344,636	19.77%
Total	2,614,130	2,971,433	13.7%

*Negative signs in variation represent a reduction, positive signs represent an increase

Energy intensity by regional collaborator (kwh/collaborators)

2022	2023	Δ2022-2023
2,259	2,056	-9%





Energy consumption per employee in the region was reduced by 9%.

Fossil fuels are used for the different power plants that are used in case of emergency in both corporate and agencies. Also, for deliveries of cards or mobile attention in the insurance part, to mention a few cases..

Fuel Consumption

Type of Fuel	Honduras		
	2022	2023	Δ2023-2022
Gasoline (Its)	256,285.66	275,290.64	7.42%
Diesel (Its)	39,449.15	54,067.36	37.06%

*Negative signs in variation represent a reduction, positive signs represent an increase

Emissions	Honduras 					
	2022	2023	Δ2023-2022	2022		2021
SCOPE 1 (ton CO2eq)						
Fixed Sources	52.70	82.13	55.84%		91.12	0.28
Mobile Sources	648.81	770.66	18.78%	182.51	523.07	1.75
Fugitive Sources	448.6	1344.42	199.69%	-	-	-
Total	1150.11	2197.22	91.00%	182.51	614.19	2.03
SCOPE 2 (ton CO2eq)						
Electric Grid	2734.09	1348.76	-50.67%	396.02	346.28	56.93
SCOPE 3 (ton CO2eq)						
Purchased Goods and Services	3249.59	3249.59	36.11%	12.82	287.31	-
Fuel and energy consumption not included in Scope 1 and Scope 2	-	-	-	-	1888.88	-
Waste generated in operations	16.40	18.01	9.82%	0.06	295.63	-
Business Travel	788.88	216.56	-72.55%	13.86	162.96	-
Employee Commuting	871.61	609.98	-30.34%	-	-	-
End of Life for Sold Products	3.00	0.50	-83.33%	0.1	0.08	-
Total	4933.47	5268.03	6.78%	26.84	2634.86	-

Negative signs in variation represent a reduction, positive signs represent an increase
 **This data varies depending on the sample of collaborators

Emissions: Annually, Greenhouse Gas (GHG) emissions are calculated in operations, analyzing the impact of measures implemented in terms of energy efficiency and use of renewable sources.

The inventory that constitutes our carbon footprint is generated by applying the Greenhouse Gas Protocol (GHG Protocol) developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). We report direct emissions scope 1, as well as indirect emissions of scope 2 and 3, in tonnes of carbon dioxide equivalent (ton CO2eq).

4.2.3 Other Environmental Issues

Responsible water consumption

Although the financial sector does not represent large water consumption compared to other industries and sectors, we know that the water resource is indispensable for life, so inside the facilities we constantly monitor water consumption and implement savings initiatives as part of our environmental commitment, we have installed fluxometers and faucet savers in the bathrooms of our buildings and agencies.

Water consumption (m3)*	2022	2023	Δ2023-2022
 Honduras (Bank)	38,197	37,779	-1.09%
 Nicaragua	9,930	13,741	38.4%
Regional (Total Sum)	48,114	52,125	8.4%
Regional (m3/colaborator)	10,989	10,538	-4.1%

* Negative signs in variation represent a reduction, positive signs represent an increase
 ** In Guatemala and Panama, water consumption is not included, as it does not appear on lease receipts

4.10% reduced water consumption by collaborator

Water discharge (m3)	2022	2023	Δ2023-2022
Discharged water	36,274	36,464	0.5%

Materials and Waste

Waste generated at the regional level

To achieve the use of waste that cannot be reduced or completely eliminated, we are making progress in the signing of agreements with certified and accredited suppliers that can ensure a second life through proper management of their recycling. This promotes a circular economy with a double benefit:

1) social, creating new Jobs.

2) environmental, avoiding pollution by not treating such waste.

The purpose is to reduce waste in general by promoting the recycling of paper, electronic waste and the proper disposal of plastics from credit cards.

Waste generated in pounds	
	2023
Solid Waist	76,858
Aluminum	30,521,10
Paper	45,315,50
Plastic	18,171
Electronic Waste	11,102
Total	181,967.6

Paper consumption at the regional level

Continuing with the digital transition, paper consumption is increasingly reduced as the main input of companies and financial services and campaigns are continuously generated internally and externally to reduce consumption. In addition, a quarterly report is generated to monitor the areas or departments that more or less consume paper.

	2022	2023	Δ2023-2022
Honduras	15,324	16,214	5.80%
Guatemala	4,216	2,934	-30.41%
Nicaragua	2,964	3,659	23.45%
Panama	733	1,027	39.29%
Total Regional	23,237	23,834	2.57%
Regional by Collaborator	4,25	24,05	-4.71

*Negative signs in variation represent a reduction, positive signs represent an increase

4.71% reduction in paper consumption by collaborator

We will continue to work and promote initiatives for the care and preservation of the environment. During 2023, 7,500 trees were planted to reforest the buffer zones surrounding La Tigra National Park in the city of Tegucigalpa and Los Olingos Park in San Pedro Sula. To date +70,500 trees have been planted.

+770 thousand people reached through different campaigns to generate environmental awareness through the different platforms and channels of FG.

For the second consecutive year Ficohsa Panama obtained the “Carbon Footprint Inventory” Recognition by the Climate Change Directorate (DCC) of the Ministry of Environment (MiAMBIENTE) of that country, in charge of the Reduce Your Foot Corporate-Carbon program.

Important Milestones

6,780 collaborators are part of the Group

58% of the Group's collaborators at the regional level are women, 42% are men

657 new collaborators are part of the Group with the acquisition of Seguros América in Nicaragua and Asesuisa in El Salvador

+10,400 medical and psychological services for collaborators at the regional level

64% of FG collaborators at the regional level are millennials

94% participation of collaborators in the Corporate Volunteering Program for the benefit of communities

15% of new bank clients with digital products, +32,000 new bank clients through remittances

+8.500 new SMEs have been supported with financing, +15% in new female clients in Entrepreneurial Banking as part of the Women Forward program

Forward program

+2,700 credits granted to agricultural producers through the De Mi Tierra program, represents +USD \$7.8 million in financing

+10.2 millions of people reached with the Your Financial Awareness program at the regional level

+60,000 people reached with financial inclusion through TENGO, representing 8 million digital transactions

+157,000 preschool children benefited at the regional level through the Ficohsa Foundation for 25 years

+1.3 million customers for Ficohsa Insurance at regional level with the acquisition of Insurance America and Asesuisa

7.7% reduced ecological footprint in Honduras -First carbon and ecological footprint measurement exercise for Guatemala, Nicaragua and Panama

1.2 million kilowatt hours (kWh) are produced through solar panels for FG installations

1.27% reduced energy consumption in Honduras

9% reduced energy consumption per collaborator in the region

4.10% reduced water consumption per collaborator in Honduras and Nicaragua

4.71% reduced paper consumption per collaborator in the region

1,457 cases analyzed through the Environmental and Social Risk Analysis System (SARAS), 91.5% more than the previous year

Social

Environment

Governance



50% internal members and 50% external members make up the structure of the Board of Directors

FG signs with Transparency International (TI), an Anti-corruption and Transparency initiative

98% of collaborators at the regional level were trained in Anti-corruption and Bribery issues

100% of the Boards of Directors in each country were trained in the Environmental and Social Risk Analysis System (Saras)

Concluded the update of the Human Rights Policy

80% of the Group's suppliers are domestic

Solvency and Economic Performance



5.1 Relevant Group Data

(GRI 2-28, 201-1) (SASB FN-CB-000.A)

For FG, strength, experience and good performance allow us to be the trusted financial partner for clients, shareholders and other stakeholders, this reflected in facilitating solutions that transform lives.

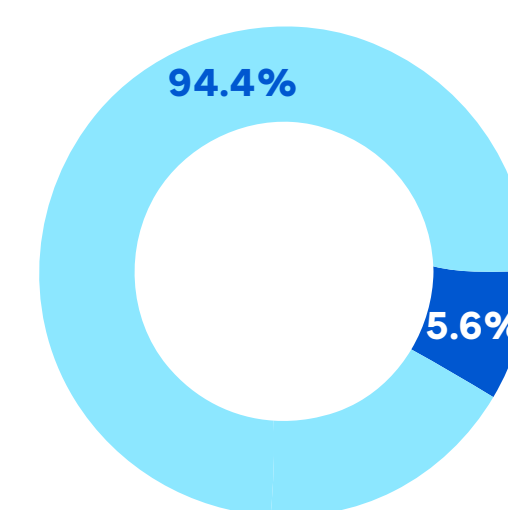
But the commitment does not end there, it is always sought to evolve every day to respond to the great economic, environmental and social challenges faced as a business and as a sector. It also contributes to economic development in the countries and communities where we operate.

Below are the main financial indicators at the Group level at the end of fiscal year 2023.

Indicators	2022	2023	2023-2022(%)
Net Assets (USD\$ MM)	7,910.58	8,835.42	11.70%
Loan Portfolio (USD\$ MM)	4,656.32	5,466.28	17%
Reposits (USD\$MM)	5,334.26	5,812.66	9%
ROE (%)	16.6%	15.72%	-0.88%
Capital adequacy ratio (%)	13.2%	12.53%	-0.67%
Delinquency rate (%)	1.82%	1.80%	-0.02%

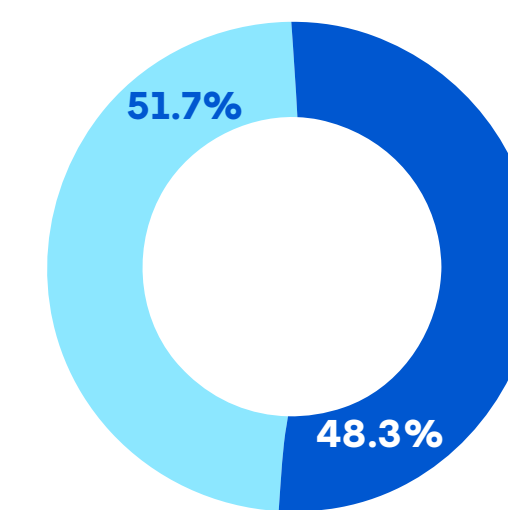
Breakdown of the credit portfolio (Regional)

(SASB FN-CB-000.B)



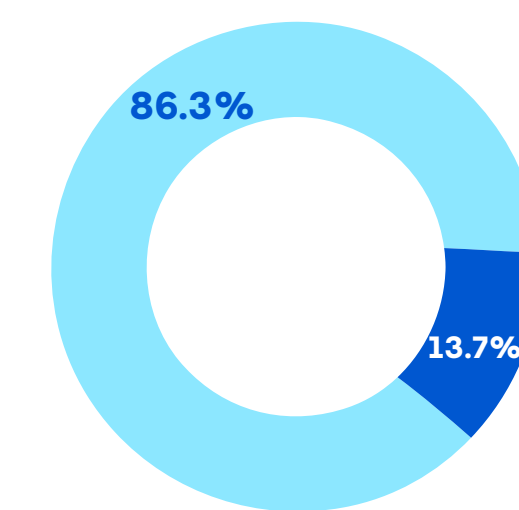
■ Persons ■ SMEs

Loans and credits (number)



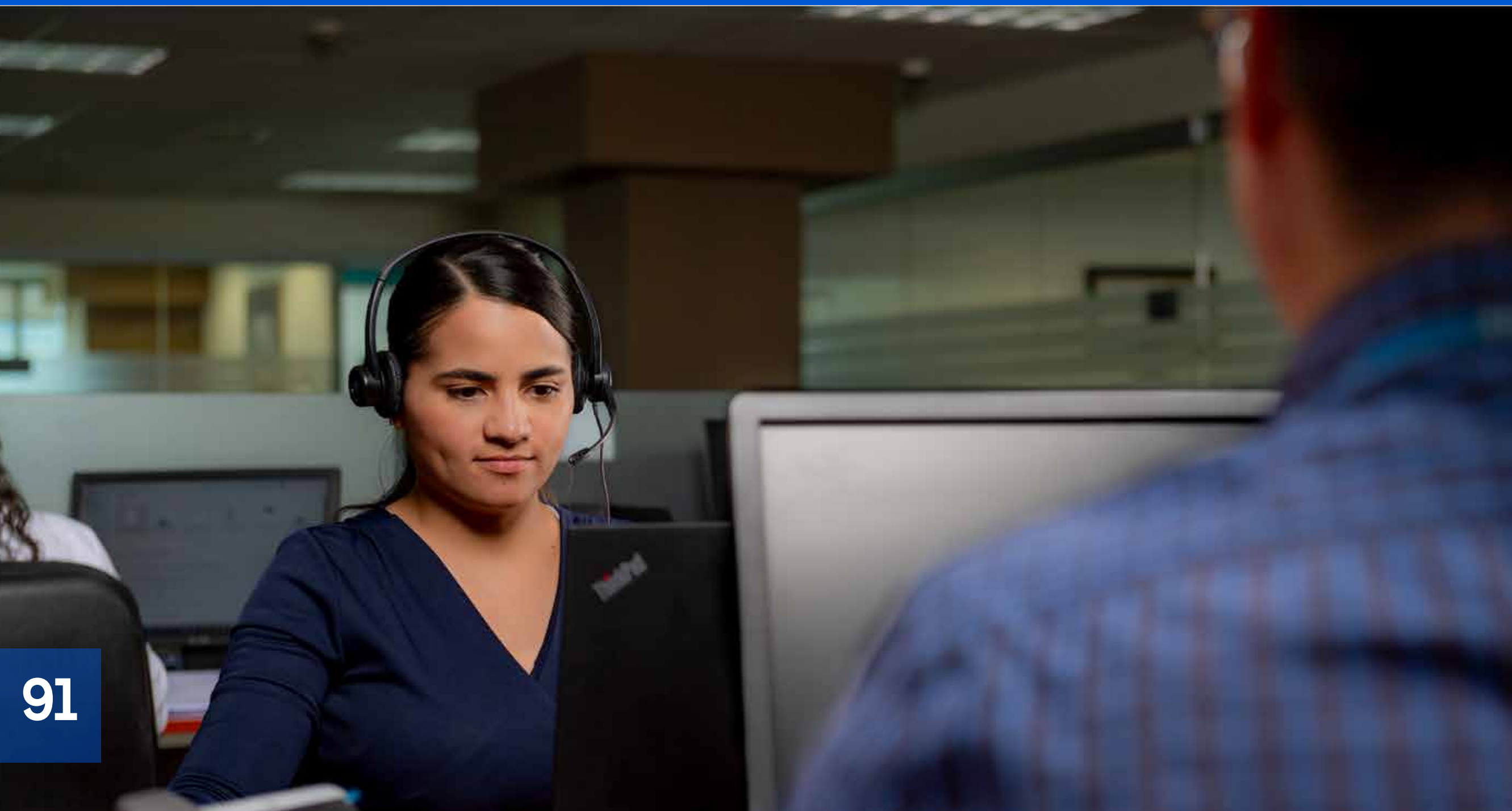
■ Persons ■ MSMEs

Loans and credits (value issued in MM USD\$)



■ Persons ■ MSMs

Balance in portfolio (USD\$)

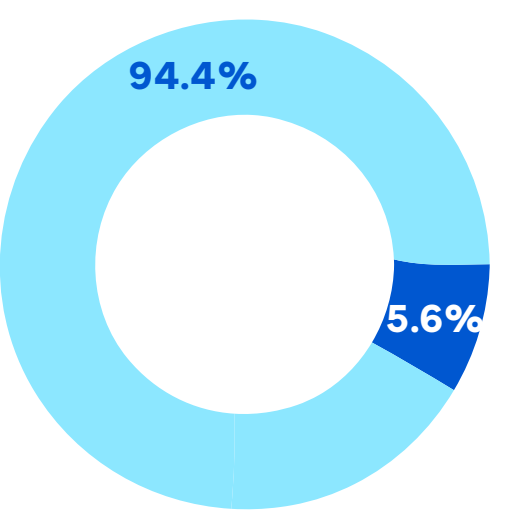


5.2 Relevant Data by Country

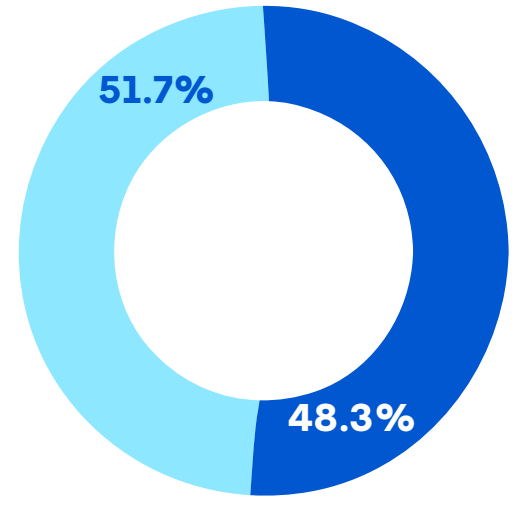
(FS6) (SASB FN-CB-000.A, FN-CB-410a.1)



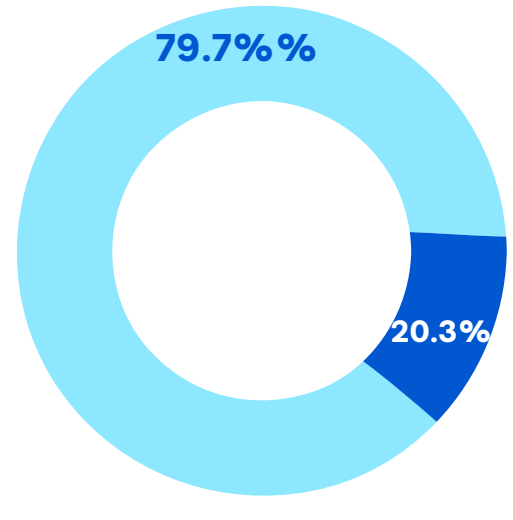
Indicators	2022	2023	2023-2022(%)
Net Assets (USD\$ MM)	5.575.86	6.092,15	9.26%
Loans (USD\$ MM)	3,452.10	3.989,9	15.58%
Market share of loans(%)	17.90%	17,40%	-0.50%
Deposits (USD\$ MM)	3,792.70	4.032,0	6.31%
Market share deposits (%)	17.6%	16,6%	-1%
ROE (%)	16%	14.7%	-1.30%
Capital adequacy rate (%)	12.9%	12.3%	-0.60%
Delinquency rate (%)	2%	1.9%	-0.10%



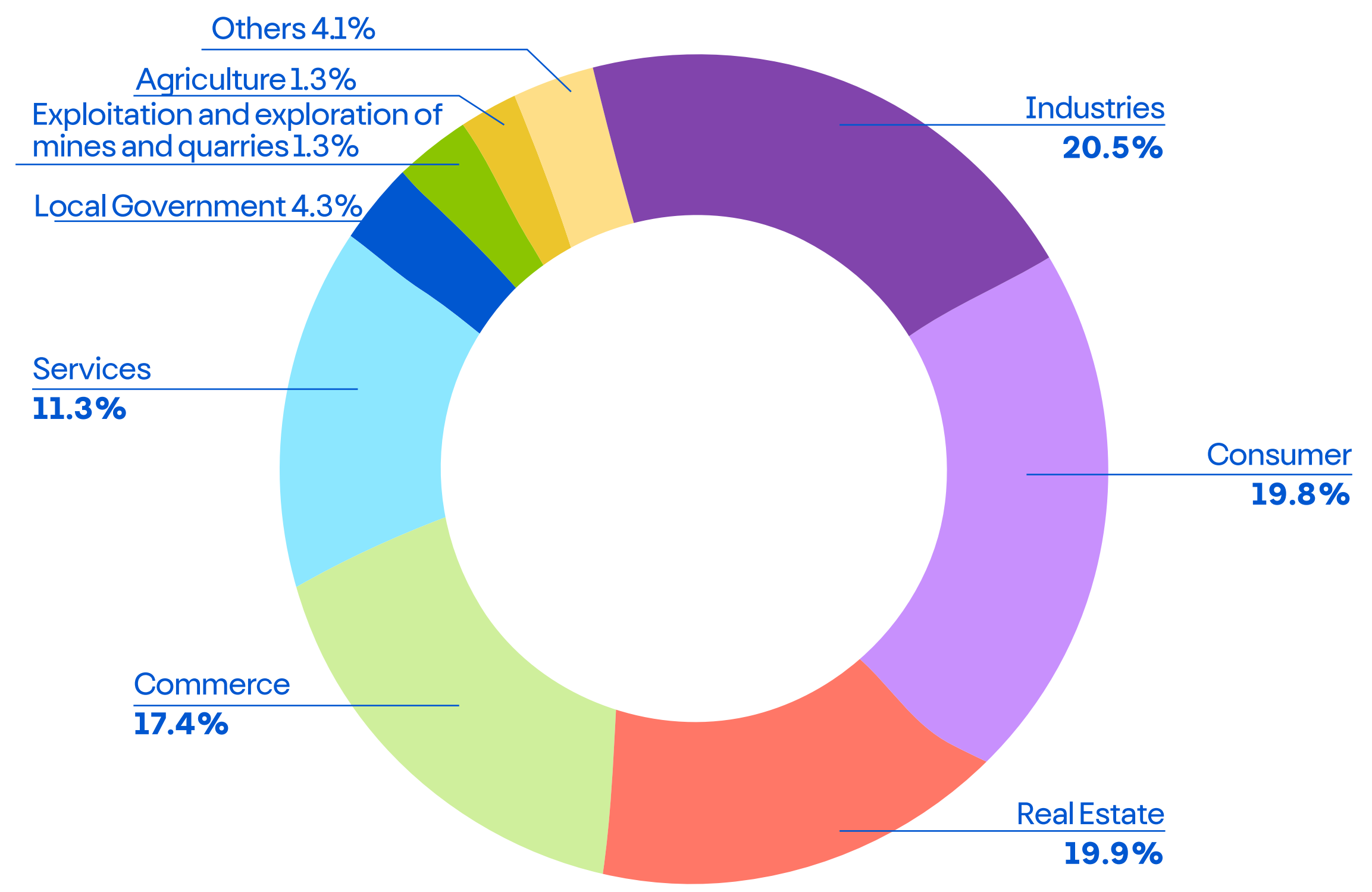
Loans and credits (number)



Loans and credits (value issued) (MM USD\$)



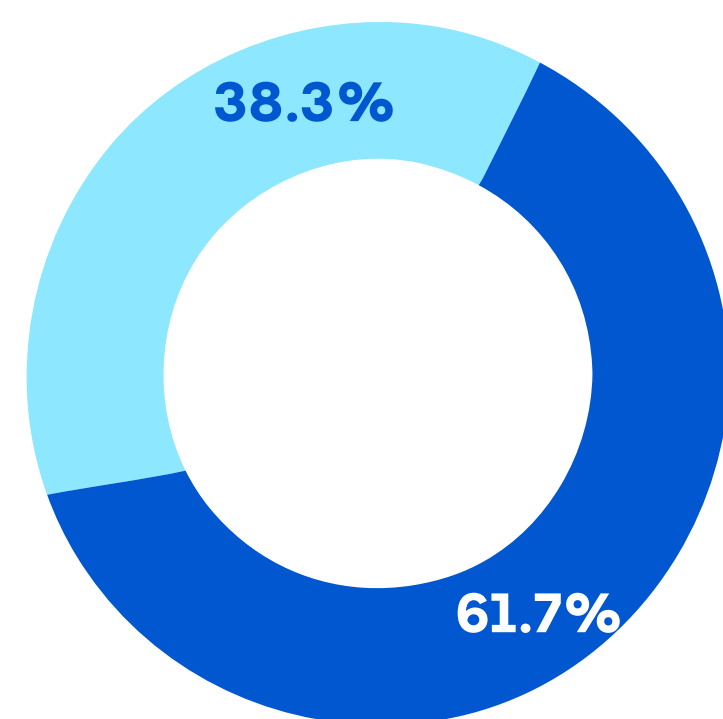
Portfolio balance (USD\$)



*Other: Poultry, fishing, livestock, transport, communications, export finance and decentralized institutions.

Guatemala 

Indicators	2022	2023	2023-2022(%)
Net Assets (USD\$ MM)	553.26	651.53	17.76%
Loans(USD\$ MM)	342.14	443.91	29.74%
ROE (%)	17.25%	6.87%	-10.38%
Capital adequacy ratio(%)	13.28%	13.03%	-0.25%
Delinquency rate (%)	1.39%	2.78%	1.39%



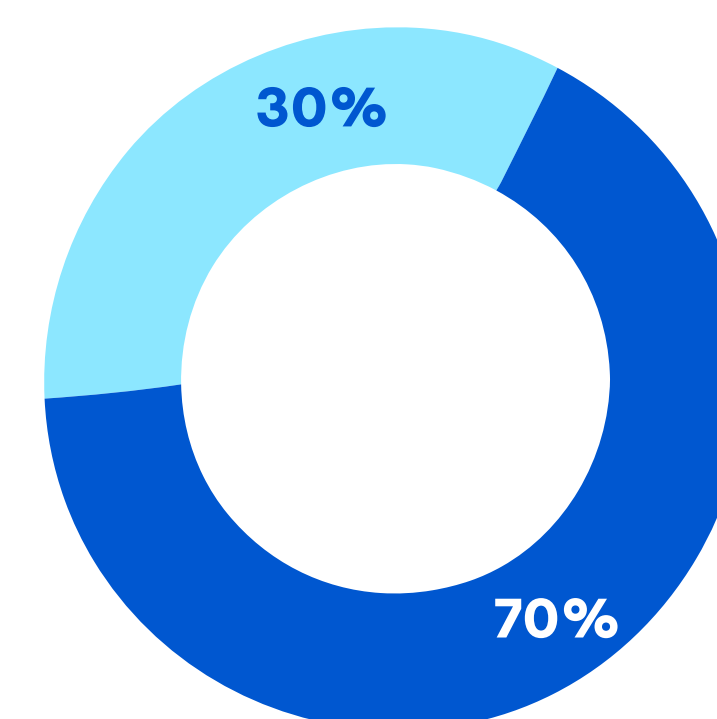
■ Other ■ Consumer

Breakdown of Credit delivered by sector

*Other: Construction, industry, services, trade, transport, storage and communication

Nicaragua 

Indicators	2022	2023	2023-2022(%)
Net Assets (USD\$ MM)	593.96	710.80	19.70%
Loans(USD\$ MM)	244.46	314.55	28.67%
ROE (%)	12.70%	17.10%	4.40%
Capital adequacy ratio(%)	17.63%	13.02%	-4.61%
Delinquency rate (%)	1.03%	0.93%	-0.10%



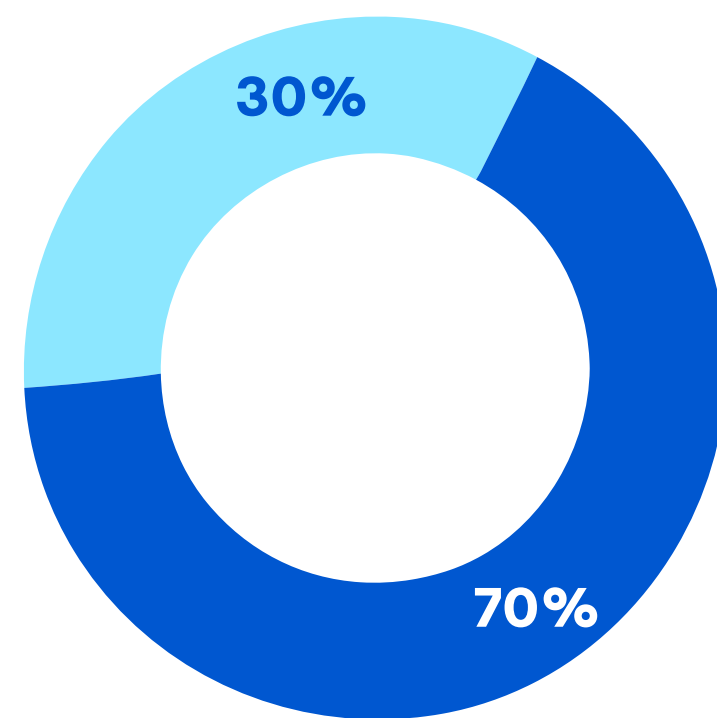
■ Other ■ Consumer

Breakdown of Credit delivered by sector

*Other: Transport and logistics, trade, manufacturing, construction, public administration and defence, financial and insurance activities, administrative service activities and support, real estate, agriculture, livestock, forestry, fishing, health care and social assistance activities, and other service activities.

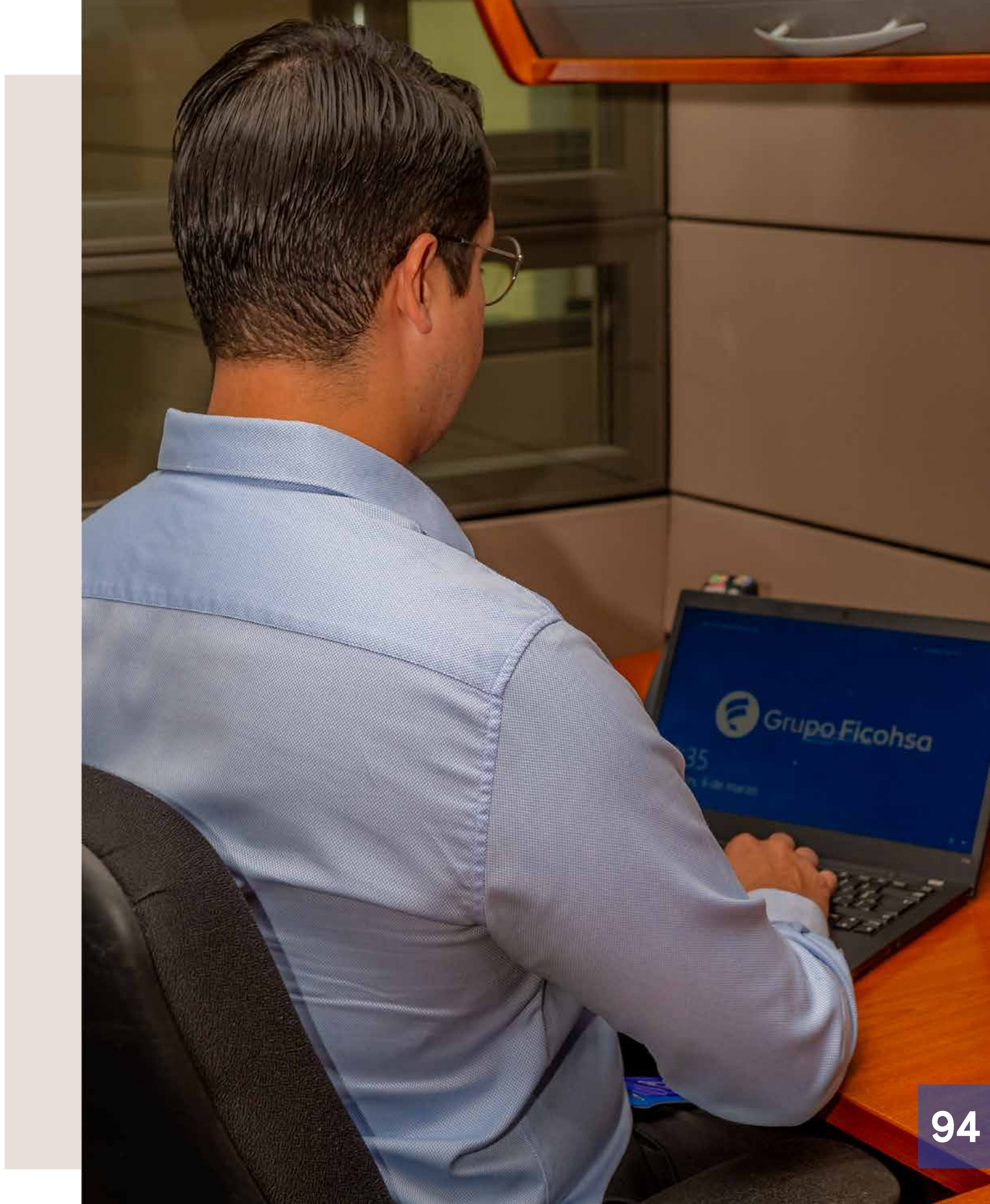
Panama 

Indicators	2022	2023	2023-2022(%)
Net Assets (USD\$ MM)	886.23	1,047.75	18.23%
Loans(USD\$ MM)	616.45	716.66	16.25%
ROE (%)	12.25%	16.24%	3.99%
Capital adequacy ratio(%)	13.03%	13.00%	-0.03%
Delinquency rate (%)	0.75%	1.02%	0.27%



■ Other ■ Consumer

Breakdown of Credit delivered by sector





Entrepreneurship Banking

(SASB FN-CB-240a.1)

We present the dimensions of our product portfolio by type of client within the entrepreneurial segment in Honduras at the close of 2022:

Product	Clients	Products	Total (\$USD)
Savings	21,204	30,777	156,796,429.97
CDS	473	553	125,119,547.63
Cheques	7,564	8,760	71,120,976.67
Total	29,241	40,090	253,036,954.27

Mortgage Banking

(SASB FN-MF-000.A, FN-MF-270b.1)

By 2023, the leadership in housing financing in Honduras continued to be consolidated, closing the year with a portfolio balance of USD \$562 MM, thanks to the trust provided by the clients, the growth of the mortgage portfolio with respect to 2022 was 23%, 1,914 loans were disbursed, reflecting an increase of 13% in the number of clients served, which made possible their dream of owning their own home.

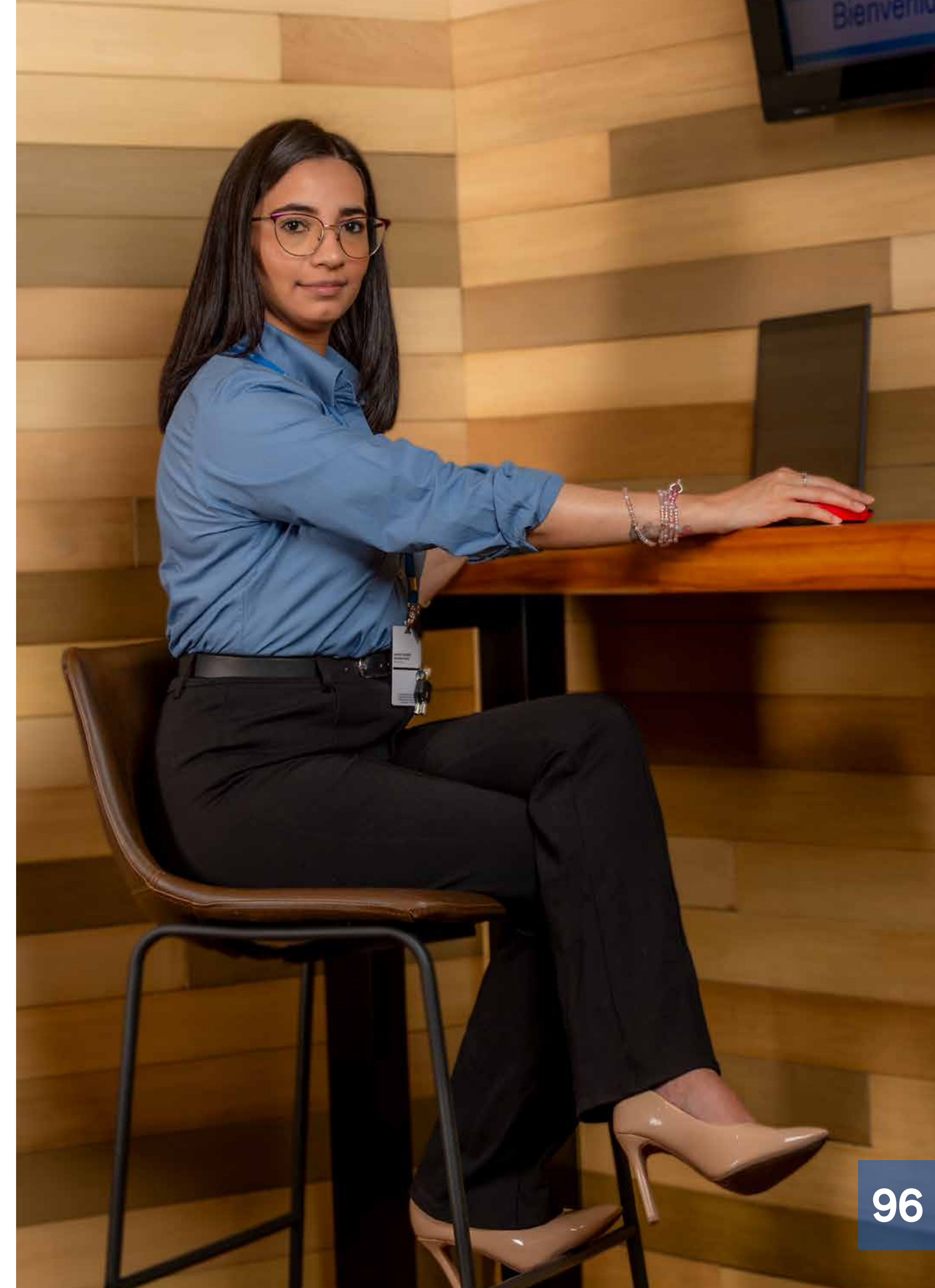
Description	Total (MM)
Homebuying	USD \$175.52
Commercial Premises	USD \$3.24
Total disbursed in 2023	USD \$178.77

Representative office in United States of America

The Representation Office remains the backbone of Ficohsa Bank's banking and financial inclusion strategy in the US. The portfolio of personal savings accounts of citizens resident in that country reached USD \$26.74M during 2023. Its focus on a better customer experience, of a non-face-to-face nature, led us to develop a process automation project in account opening. This project resulted in a substantial reduction in the "end to end" times, as well as a significant reduction in costs and resources, thus contributing to improve the institutional efficiency index.

The Housing Financing product for the purchase and development of properties in Honduras also achieved excellent results, historic for the management of Ficohsa Bank in the USA. The placement was USD \$4.93MM. At year-end, the active portfolio balance closed in USD \$18.71MM. The product of Vivienda USA is not only a sustainable and profitable service for the operation, but is a contributing element to the development of the country in the generation of direct jobs in the construction industry, indirect jobs and added value throughout the business chain.

During 2023, the Representation Office contributed USD \$1,289 MM of net margin to the results of Ficohsa Bank Honduras, thus contributing to the strengthening of the institutional patrimony of Ficohsa Bank Honduras and Ficohsa Financial Group in general.



Ficohsa Insurance

(SASB FN-IN-000.A, FN-IN-410a.1)

Premiums issued

Both Honduras and Guatemala obtained an increase in premiums issued during the year. Having the highest premium increase in the life segment for both countries.

Segment	2022	2023	Δ2023-2022
Life	34.6	40.6	17.34%
Accidents and Diseases	29.4	31.3	6.46%
General Insurance	55.8	64.1	14.87%
Other General Insurance	19.5	19.5	0%
Finance	1.2	1.2	0%
TOTAL	140.5	156.7	11.53%

During this year, Ficohsa Seguros acquired Seguros América in Nicaragua and Asesuisa in El Salvador.

400 million in premiums issued regionally during 2023.

Premiums issued-Honduras (MM USD\$)

Segment	2022	2023	Δ2023-2022
Life	2.29	2.86	24.89%
Accidents and Diseases	0.42	0.49	16.67%
General Insurance	12.07	17.98	48.96%
Other General Insurance	0.79	3.01	68.15%
Finance	1.79	1.93	7.82%
TOTAL	17.36	26.27	51.32%

Claims

Claims Honduras (MM USD\$)

Segment	2022	2023	Δ2023-2022
Individual Life	990,141.30	407,114.89	-58.88%
Group Life	10.214,205.52	12.432,650.19	21.71%
Health + personal accidents	18.606,617.55	21.298,005.63	14.46%
TOTAL	29.810,964.37	34.137,770.71	14.51%

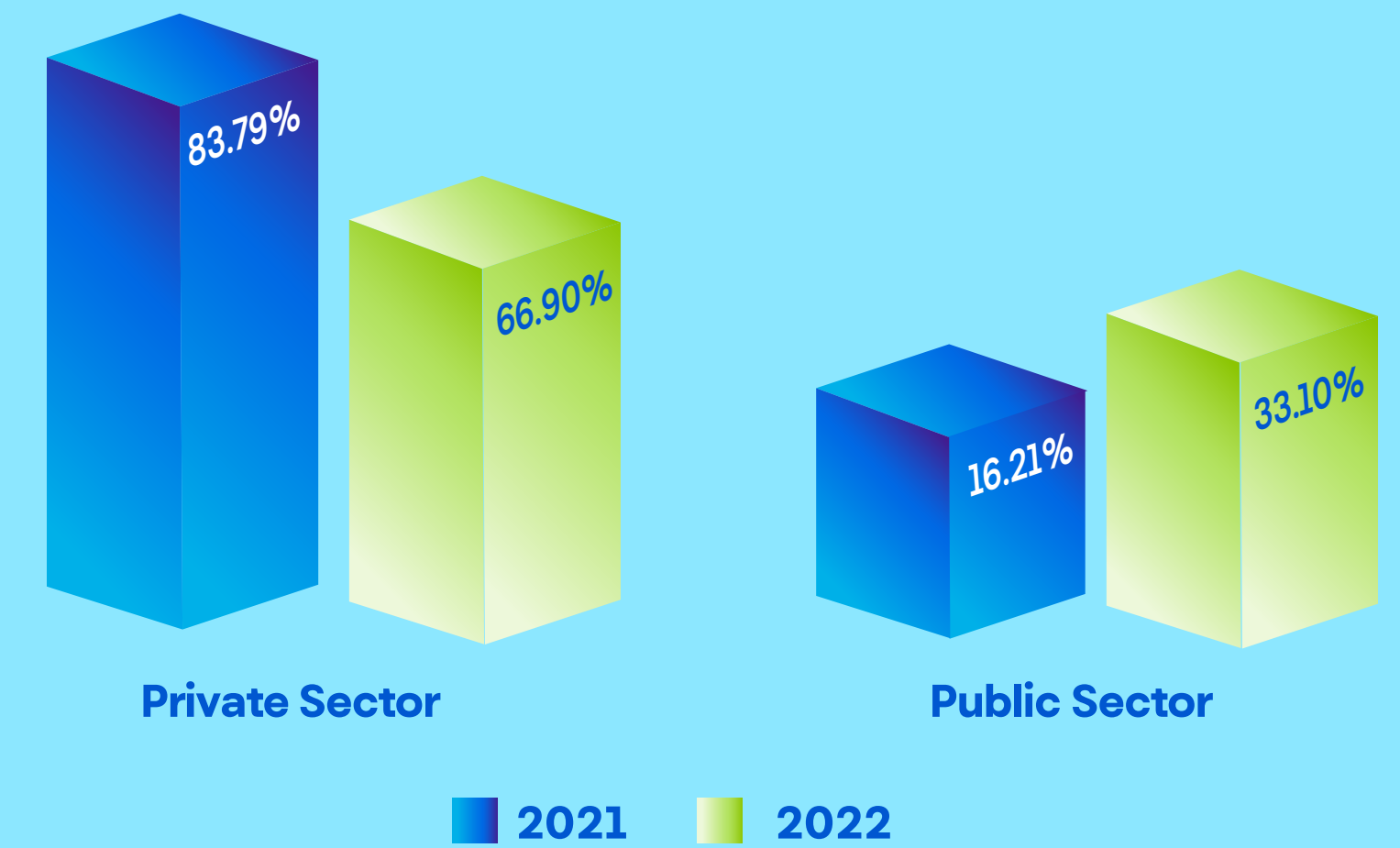
Claims Guatemala (MM USD\$)

Segment	2022	2023	Δ2023-2022
Life	0.16	0.1	-37.50
Accidents and Sickness	0.46	0.38	-17.39%
General Insurance	5.75	7.57	31.65%
Other General Insurances	0.43	1.28	197.67
Finance	0.22	0.1	-54.55
TOTAL	7.02	9.43	34.33%

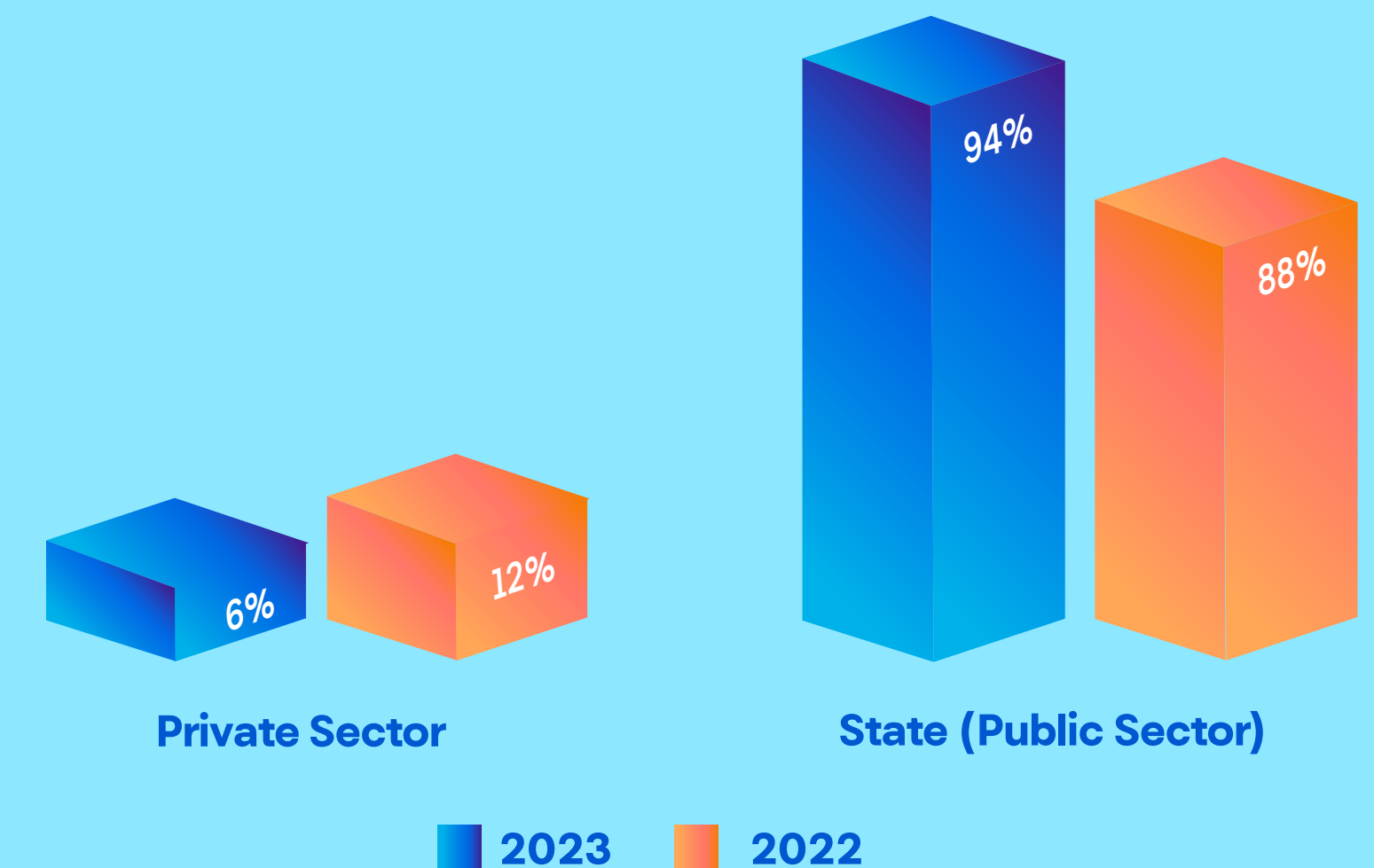
Investment breakdown

Insurance subsidiaries invest under a prudent strategy according to the fiduciary duty we have with the insured.

Investment Portfolio-Honduras



Investment Portfolio-Guatemala



Ficohsa Brokerage House

(SASB FN-IB-000.A, FN-IB-000.B)

Ficohsa Brokerage House contributes to the group's performance through the following operating and economic results.

Indicator	2022	2023	Δ2023-2022
Market share by product or service	58%	62%	4%
Monetary income generated	USD \$ 683.459,00	USD \$ 164,382.09	-75%
Number of clients served	22	23	4.55%
Securities in custody	USD\$ 351.758,00	USD\$ 322.654,31	-8.27%

97.7% of the investments of the brokerage house come from the public sector.

In 2023, Ficohsa Brokerage House innovated with the implementation of a system for client registration and investment negotiations, thus mitigating the risk of error in the operation of the brokerage house.

It managed to place in the secondary market USD\$ 114 M in government bond trading, mostly international sovereign bonds and private issuers, which has positioned us for 4th consecutive year as the #1 brokerage house in negotiations in this market.

Ficohsa Pensions and Severances

With more than 8 years in the Honduran market, it has performed with excellence and is positioned as a leading Brand in these services. Growth is associated with the evolution of the small contributor and to the progressive results of the education in the culture of social prevention.

Figures in USD \$ (MM)	2022	2023	2023-2022(%)
Managed Fund	397.20	420.00	5.74%

5.3 Economic Value Generated and Distributed

Below we present the distribution of income in different items that are distributed impacting on stakeholders: suppliers, collaborators, providers of capital, government and community.

Economic value generated and distributed (in thousands of USD\$)	2022	2023	VAR 2023-2022(%)
Income (Economic value generated, EVG)	565.105,98	614.507,76	8.74%
Expenses (Economic Value distributed, EVD)	370.126,36	406.171,00	9.74%
Operational Costs	199.541,52	219.759,24	10.13%
Salaries and Allowances	132.009,73	147.557,71	11.78%
Payment to providers of capital	120.898,06	128.386,31	6.19%
Payment to Government	37.384,37	37.430,57	0.12%
Social Investment	1.190,74	1.423,49	19.55%
EVG-EVD	194.979,62	208.336,76	6.85%



Annexes



Anexo I: Detail of a Sustainable Management

Alliances and Memberships

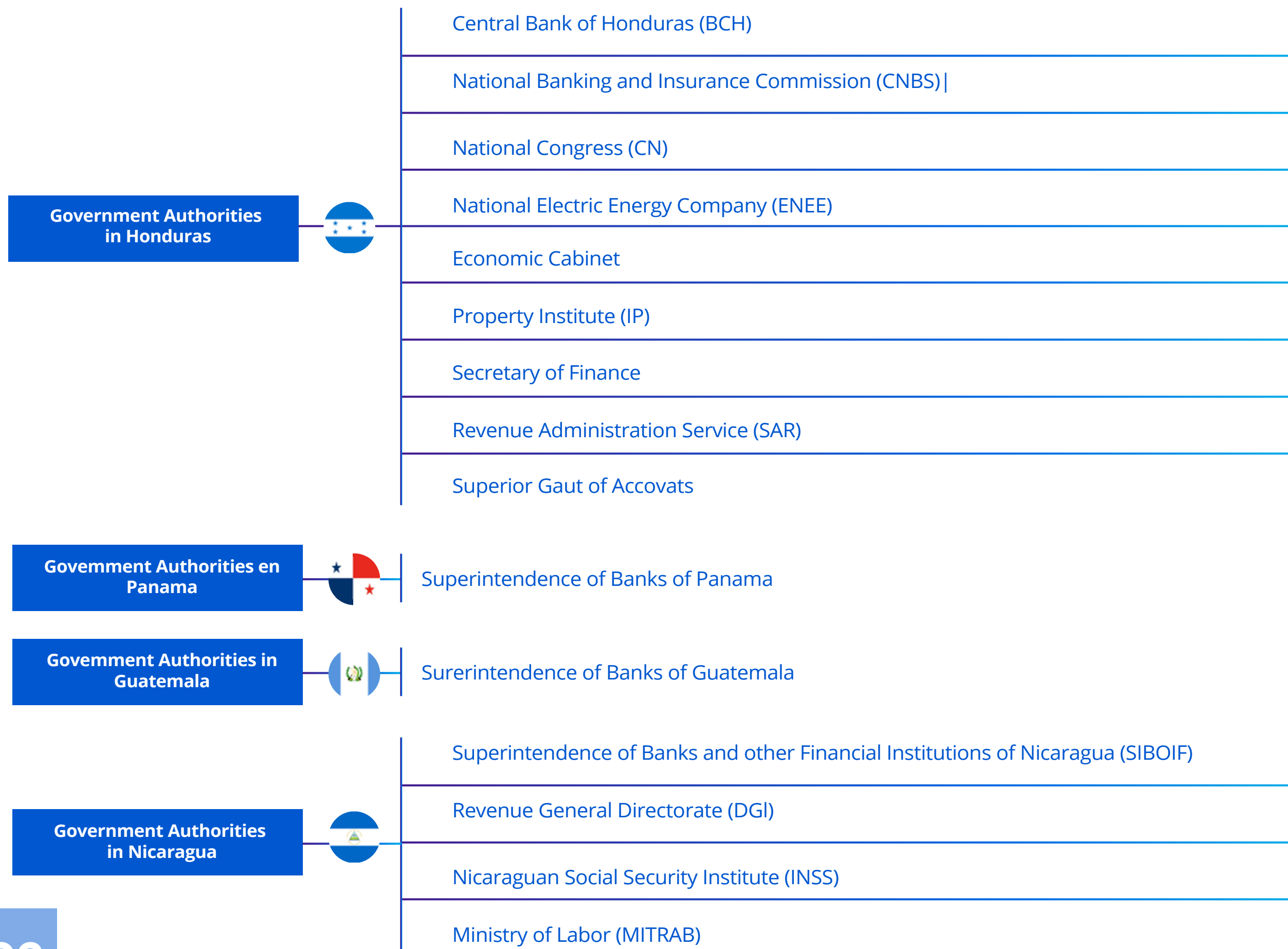
(GRI 2-28)

In order to generate value, share knowledge and anticipate the most important trends in the industry, we maintain a close relationship with different national and international organizations to promote together the development of the countries where we operate.

<p>Business Organizations in Honduras</p>	<ul style="list-style-type: none"> Honduran Association of Banking Institutions (AHIBA) Chamber of Commerce and Industry of Tegucigalpa (CCIT) Chamber of Commerce and Industries of Cortés (CCIC) Honduran Chamber of Insurance Companies (CAHDA) Honduran American Chamber of Commerce (AMCHAM) Association of Administrators of Pension Funds and Severances of Honduras "ASAFONDOH" Honduran Council of Private Enterprise (CHEP)
<p>Business Organizations in Guatemala</p>	<ul style="list-style-type: none"> Banking Association of Guatemala CentraRSE. American Chamber of Commerce of Nicaragua (AMCHAM)
<p>Business Organizations in Panama</p>	<ul style="list-style-type: none"> Banking Association of Panama
<p>International Business Organizations</p>	<ul style="list-style-type: none"> Latin American Business Council (CEAL) Latin American Bank Federation (FELABAN) International Insurance Network (RIDA) Inter-American Federation of Insurance Companies (FIDES)

Relations with Authorities

Ensuring and maintaining communication channels with governmental and regulatory entities in an open manner. In this way, a constant dialogue is maintained with the authorities.



Ficohsa Foundation Alliances

As part of the sustainability projects, alliances are established with different social organizations for the implementation of the programs, as well as with companies, business foundations and other organizations that contribute to them.



Stakeholders (GRI 2-29, 2-30)

For FG it is vital to identify the different interest groups with which we have a relationship. We try to maintain a constant and close communication, letting them know the main news and changes in the organization, but also to learn about their expectations or any concerns that may arise.

Stakehold	Subgroups Stakeh	Value Proposal	Communication by Stakeholders	Relevant Issues to Stakeholders
FFG Shareholders	<ul style="list-style-type: none"> •Shareholders • Investors • Board of Directors 	<p>We provide security in your investment, working on the financial stability of the company and the development of the business plan.</p> <p>We also promote a culture of control, ensure transparency of information, and achieve the company's performance objectives</p>	<ul style="list-style-type: none"> •Financial Reports. •Sustainability Report •Corporate presentations and relevant events. •Shareholders' Meeting. •Corporate Secretary 	<ul style="list-style-type: none"> •Structure and functioning of corporate governance •Culture of ethics and compliance •Economic performance (financial stability)
Suppliers	<p>Technology (Acquisition of equipment, infrastructure, telecommunications)</p> <ul style="list-style-type: none"> •Information security •Software development •Licensing •Promotional material •Marketing •Miscellaneous maintenance (ATM, POS, Hardware) Legal Advice (Legal Department) •Other services (Administrative, consultancy, telephone) •Transport of securities •Lessors •Miscellaneous supplies (Local) 	<p>We enable participation in the operation through the products and/or services they provide.</p> <p>We support their development through stable hiring and mutual benefit.</p> <p>We promote high-quality standards and innovation, favoring their competitiveness.</p>	<ul style="list-style-type: none"> •Performance Assessments •Procurement Department •Supplier Portal 	<ul style="list-style-type: none"> • Data Privacy and cybersecurity •Ethics and anti-corruption •Client experience •Prices and credit opportunity •Payment management and training
Collaborators	<ul style="list-style-type: none"> •Officials •Chiefdoms •Officers •Assistants •Consultants •Outsourcing •Advisers 	<p>We safeguard stability in employment and facilitate their development, including the delivery of training.</p> <p>We ensure their health and safety as well as wellness through different benefits.</p> <p>Fostering a culture of trust and mutual respect</p>	<ul style="list-style-type: none"> •Institutional Portal/Intranet •Ethical culture and complaint hotline •Café con Neto and other internal meetings •Work climate, diversity in employment, satisfaction surveys •Training instances •Performance assessments •Campaigns and internal communications 	<ul style="list-style-type: none"> •Health and security •Client Privacy (use of information) •Ethics and anti-corruption •Work climate and collaborator satisfaction •Economic performance (company financial stability)

Stakeholders

Subgroups Stakeholders

Value Proposal

Communication by Stakeholders

Relevant Issues to Stakeholders

Clients

- Consumers
- Entrepreneurs,
- Companies
- Groups and/ar Corporations

Steering the prosperity of industries and families, through access to finance and savings.
 We offer products relevant to different needs, through multiple channels that facilitate access.
 We are transparent in the conditions and seek the best use of the products.

- Advertising campaigns
- Social networks
- Surveys of satisfaction (NPS)
- Call Center: Channels of attention and suggestions.
- Customer service centers.
- ChatBot "SARA"
- Ficohsa Mobile App
- Service Points: ATMs,
- Tengo.
- Website.

- Client experience (attention and services)
- Education and financial inclusion
- Prevention culture (insurance)
- Client business development.
- Product and service innovation (product portfolio)
- Digitalization of processes.

Authorities and regulators

- Municipalities
- Central Bank of Honduras (BCH)
- National Banking and Insurance Commission (CNBS)
- Accounts : Secretary of State for Education of the countries
- Entamic Cabinet
- National Congress
- Superintendence of Banks
- Superintendence of Banks of Guatemala
- Superintendence of Banks and other Financial Institutions of Nicaragua (SIBOIF)
- Revenue General Directorate (DGI)
- Nicaraguan Social Security Institute (INSS)
- Ministry at Labor
- Regulation, Registry and Monitoring of Civil Associations Directorate (DIRRSAC)

Complying with the applicable local legislation, in each of the countries where we have presence. In this way, we protect the rights of customers and other stakeholders.

- Reports on results to regulatory agencies.
- Open dialogue
- Public alliances

- Corporate governance
- Regulatory compliance
- Experience/relation with the client

Stakeholders	Subgroups Stakeholders	Value Proposal	Communication by Stakeholders	Relevant Issues to Stakeholders
Certifiers and Verifiers/Auditors	<ul style="list-style-type: none"> • Fitch Ratings/Finanzas • Moody's/ Finanzas • Icontec • Deloitte & Touche S. de R.L • Horwath Central America • Grupo Gorico Advisory Group 	<p>Complying beyond the law with industry certifications as well as business-specific verifications. Ensuring Good management and governance of our operations inside and outside the company.</p>	<ul style="list-style-type: none"> • Reports and performance reports. • Open dialogue • Visits to headquarters and agencies • Public information on the web. • Online assessments and questionnaires 	<ul style="list-style-type: none"> • Corporate governance • Regulatory compliance • Experience/relation with the client • Quality of life • Cybersecurity and data privacy
Correspondent Banks	<ul style="list-style-type: none"> • JP Morgan • Wells Fargo • Citibank • Bank of America • BNY Mellon • Commerzbakn • Bladex • Cabej • Deuschebank • Morgan Stanley • Golman Sachs • US Bank • Sumitomo Mitsui Banking Corporation • Bradesco USA 	<p>Respecting and monitoring the collaboration agreements with the correspondent banks, with the aim of guaranteeing the operations and peace of mind of our clients.</p>	<ul style="list-style-type: none"> • Reports and performance reports. • Open dialogue • Web page • E-mail messages and communication. • Responsible of relation with the banks. 	<ul style="list-style-type: none"> • Client privacy (use of the information) • Ethics and anti-corruption • Economic results (business financial stability)
Development Banks	<ul style="list-style-type: none"> • FMO • Bid Invest • Norfund • DEG • Corporación Financiera Internacional (IFC) • OeEB • Finance in Motion • OFID • Proparco • CABEI 	<p>Guaranteeing the financing obtained by the Development Banks, through our good corporate governance and sustainability practices in the company's operations.</p>	<ul style="list-style-type: none"> • Reports and performance reports. • Open dialogue • Public information on the web. • Questionnaires and assessments 	<ul style="list-style-type: none"> • Corporate governance • Regulatory compliance • Experience/relation with client • Quality of life • Cybersecurity and data privacy • Environment • Social development

Stakehold

Sectoral organizations
(national and international)

Subgroups Stake

- Asociación Hondureña de Instituciones Bancarias (AHIBA)
- Consejo Hondureño de la Empresa Privada (COHEP)
- Cámara de Comercio e Industrias de Cortés (CCIC)
- Cámara de Comercio e Industria de Tegucigalpa (CCIT)
- Consejo Empresarial América Latina (CEAL)
- Cámara Hondureña de Aseguradoras (CAHDA)
- Cámara de Comercio Hondureña Americana (AMCHAM)
- Asociación Bancaria de Guatemala
- Asociación Bancaria de Panamá
- Asociación de Bancos Privados de Nicaragua (ASOBANP)
- Cámara de Comercio y Servicios de Nicaragua (CCSN)
- Cámara de Comercio Americana de Nicaragua (AMCHAM)
- Federación Latinoamericana de Bancos (FELABAN)
- Red Internacional de Aseguradoras (RIDA)
- Federación Interamericana de Empresas de Seguros (FIDES)

Value Proposal

Being part of the business guild, contributing with our participation in priority issues for the sector. Trying to be a benchmark in the region, we promote economic development and the promotion of policies and guidelines that strengthen the practices of the financial sector in the countries where we operate.

Communication by Stakeholders

- Reports and performance results.
- Open dialogue.
- Public information on the web.
- Participation in guild, sectoral, and business sessions.

Relevant Issues to Stakeholders

- Communication of best practices
- Expertise exchange in the sector
- Transparency and business

Stakehold	Subgroups Stakeh	Value Proposal	Communication by Stakeholders	Relevant Issues to Stakeholders
Diplomatic Relations	<ul style="list-style-type: none"> •American Embassy •Embassy of Panama •Embassy of Guatemala •Embassy of Nicaragua •Embassy of Honduras in DC •Embassy of the EU •Spanish Embassy •Embassy of Germany •Dutch Embassy 	<p>Seeking diplomatic relations based on cooperation with the different embassies representatives of the countries in which we operate and respond to requests or requirements.</p>	<ul style="list-style-type: none"> •Internal department of institutional relations •E-mail •Public documents •Públic events 	<ul style="list-style-type: none"> •Transparency and responsiveness to economic requests from countries. •Information on major changes in the bank's operations in the countries
Community	<ul style="list-style-type: none"> •Civil Society Organizations (NGOs) •Local communities (general population) •Donors (national and international agencies and/or companies) •Parents •Strategic allies •Academy •Teachers 	<p>Contributing to social development, through the promotion of inclusion and financial education. Attending to the main problems of our environment and support in emergencies, as part of our corporate citizenship and commitment to the environments where we are present. Working in a coordinated manner with different civil society organizations (CSOs).</p>	<ul style="list-style-type: none"> •Ficohsa Foundation Programs •Corporate Volunteer initiatives •Dialogue with NGOs and beneficiaries 	<ul style="list-style-type: none"> •Education, inclusion and financial health •Early childhood education •Health support •Generation of employment and opportunities •Social investment

Materiality Analysis

(GRI 2-29, 2-30, 3-1, 3-2, 3-3)

FG maintains as the basis of the strategy the materiality study that was carried out in early 2021. In this regard, it was possible to identify those aspects that are relevant to the Group and its stakeholders, which are discussed throughout this report

Below, we illustrate the process by which topics or material issues that are also recognized in the sustainability strategy were identified.



1. Identification / Revision

Identification of a set of potentially relevant topics, based on document reviews and a reference framework corresponding to companies in the sector.

Elaboration of the list of potentially relevant topics, with bibliography referring to:
-Sector priorities: references for investment criteria in the sector.
-Context of activity: Trends in business management, risks, and opportunities. Analysis of documents in response to the COVID-19 context and post-pandemic, both general and sector-specific.
-Pre-existing queries: Workplace climate survey, Internal Client Satisfaction Survey

1. Priorization

Prioritization of topics based on the opinions of various relevant stakeholder groups for FG, and the company's strategic perspective.

-Priority of stakeholders: Prepared through the implementation of surveys for employees and suppliers. For clients: interviews with those responsible for client relationships in the various businesses.
-Strategic Company Priority: interviews with Senior Senior management: Corporate and Strategy Managers

1. Validation

Construction of the matrix and the validation of relevant issues.

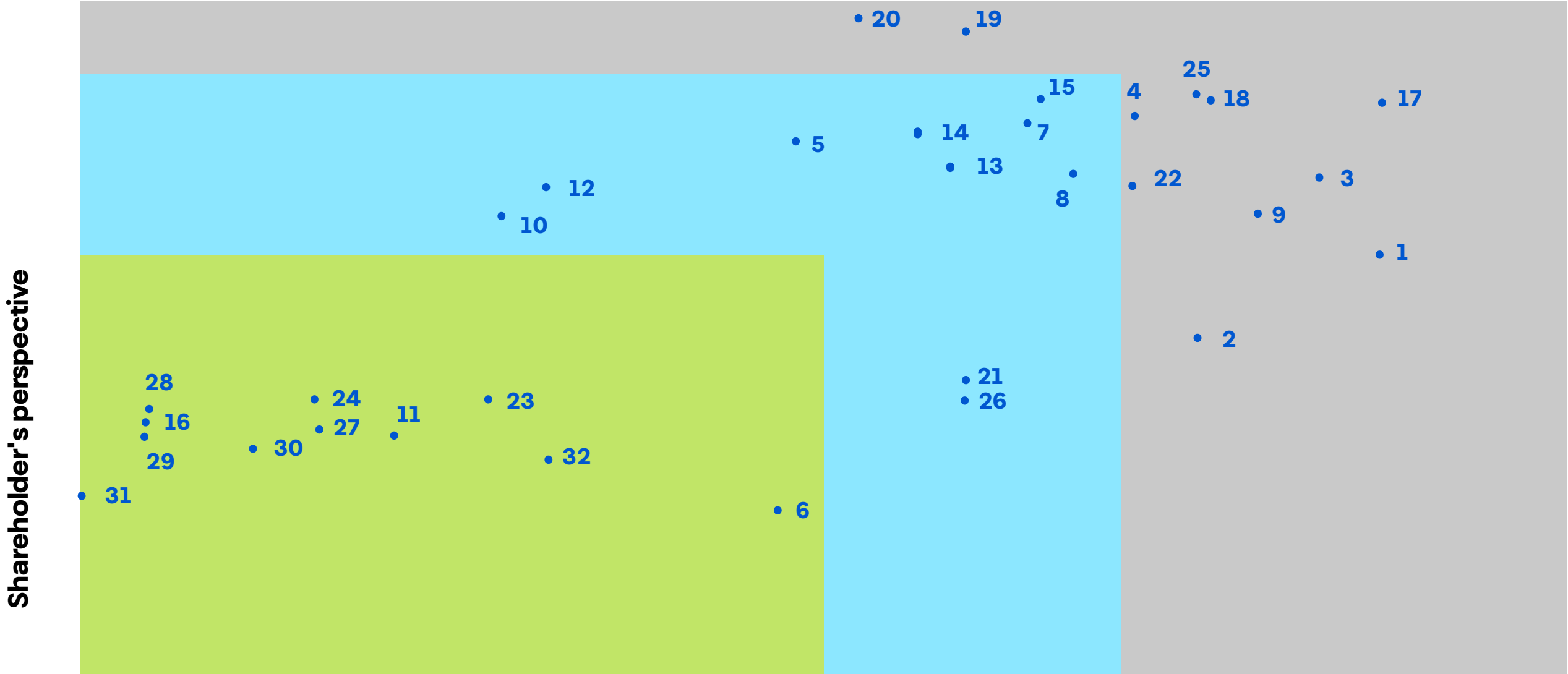
Elaboration of the materiality matrix Determination of the set of material correlation with SDGs and Validation session with FG

The following topics are classified into three main groups:

- Material issues:** those that are particularly critical, which form the basis for the sustainability strategy and this report.
- Emerging issues:** those that are not yet material but can be so quickly due to a change in the context and/or in our operation.
- Non-material topics:** those less relevant, on which we do not have to emphasize.

Materiality Matrix

It serves as a visual tool to identify those material issues that are of high importance for both the business and the stakeholders that were consulted and differentiate them from issues that are unlikely to have as much impact in the short and medium term.



Strategic focus of the company

Material issues	<ul style="list-style-type: none"> 1.Ethics and Anti-corruption 2.Regulatory Compliance 3.Corporate Governance 4.Económico Performance 5.Credit Risk Management 6.Relationship with Authorities 7.Brand Management 8.Financial Education 9.Financial Inclusion 10.ESG Credit Assessment 11.ESG Investment Assessment 12.Preventions Culture (insurance) 13.Business Development (clients) 14.Product and Service Innovation 15.Process Digitization 16.Responsible Supply Chain 17.Client Experience (customer service) 18.Transparency in Products and Services 	<ul style="list-style-type: none"> 19.Data Security (cybersecurity) 20.Client Privacy (use of the information) 21.Working Environment and Collaborator Satisfaction 22.Training and Development of Opportunities (collaborators) 23.Diversity and Equal Opportunities 24.Talent Attraction and Retention 25.Health and Safety of Collaborators 26.Social Investment 27.Energy Efficiency 28.Water Management 29.Waste Management 30.Resilience to Climate Change 31.Own GHG Emissions Management (Greenhouse Gases) Products and/or Services with Environmental Benefits
Emerging issues (can be material in the short term)		
Non-material issues		

Therefore we consider material issues as those that we will prioritize in our sustainability strategy, developing initiatives that allow us to reinforce our strengths in them and address opportunities for improvement.

At the same time, based on the ongoing dialogue we have with stakeholders, we will monitor emerging issues if they show signs of becoming material. See table below:

National	National	National	National	National
Material	Good Corporate Governance	Customer Experience	Welfare of the Collaborator/ Empowerment socio-economic	Carbon 0 and Finance Sustainable
Focused	Internal	Internal	Internal	Internal/External

By 2024, this exercise will be updated through a double impact materiality analysis that will identify the needs and those of different stakeholders, working in line with the sustainability strategy in ESG.

Contribution to the 10 principles of United Nations Global Compact

(GRI 102-12)

We remain committed to the Principles of the Global Compact of which we have been members since 2018. We continue to make efforts to promote initiatives through partnerships and contribute to the sustainable development of the region.

Human Rights		
Principle	Commitment	Actions
1. Companies should support and respect the protection of human rights	Committed to protect, respect and comply with the Declaration of Human Rights established by the United Nations General Assembly, in all its operations and areas of action, in the countries where it is present.	<ul style="list-style-type: none"> -The Ficohsa Code of Ethics establishes the institution's commitment to the principles of the Global Compact. -Ficohsa is a member of the Human Rights Committee of the Honduran Private Enterprise Council. -Ficohsa has a Human Rights policy
2. Companies should ensure that they are not involved in human rights violations	Ensuring that customers and suppliers are not involved in acts that may violate human rights.	<ul style="list-style-type: none"> -Ficohsa has the Ethical Requirement for Business Partners and Suppliers document. -Through the Environmental and Social Risk Analysis System (SARAS), the environmental and social risks of Banks credit portfolio are identified, evaluated and monitored. 1457 credits were evaluated this year. -Improving the system of certification and performance evaluation of suppliers, so as to identify those that represent a greater risk in ESG issues.

Labour

<p>3. Companies should defend freedom of association and the effective recognition of the right to collective negotiation.</p>	<p>Committed to compliance with all provisions governing the right of association, privacy, collective negotiation, immigration, working hours, wages, and hours in addition to legislation prohibiting child labour, forced or compulsory and discrimination in employment.</p>	<ul style="list-style-type: none"> -Through the Code of Ethics, the right of collaborators to freedom of association is respected, in accordance with the labour legislation of each country. -Over the years, benefit plans have been developed and adapted to provide working conditions well above those stipulated by law.
<p>4. Companies should advocate the elimination of all forms of forced or compulsory labour.</p>	<p>Under no circumstances is forced labour allowed, in line with the Code of Ethics and the Internal Labour Regulations, we establish the parameters by which collaborators will provide their services to the institution.</p>	<ul style="list-style-type: none"> -The Code of Ethics establishes the premises to eradicate forced labour both internally for collaborators, and in turn the "Ethical Requirement for Business Partners" establishes the commitment of suppliers and clients to eliminate all types of forced labour in its area of operation. -The Internal Labour Regulations establish the premises under which the employees will provide their services for the institution.
<p>5. Companies should advocate the effective abolition of child labour.</p>	<p>No child labour is allowed in FG operations.</p>	<ul style="list-style-type: none"> -The Code of Ethics for Employees and the "Ethical Requirement for Business Partners" states that under no circumstances will child labour be tolerated in the areas of operation of clients and suppliers. -In the recruitment and selection process, Ficohsa ensures that all contracted personnel are of legal age according to the legislation of each country. -Preschool education is promoted at the regional level, with more than 7,400 children attending classes, and basic education in Honduras with the rehabilitation of educational centers that will benefit more than 10,500 young people.
<p>6. Companies should advocate the elimination of discrimination with respect to employment and occupation</p>	<p>We promote a work environment that accepts diversity and respects and values differences. Discrimination and harassment is prohibited, whether by a supervisor, co-worker, client, supplier or visitor.</p>	<p>We hire without prejudice to gender, ethnicity, religion, etc.</p> <ul style="list-style-type: none"> -We promotes an environment of equity and the integral development of collaborators. -FG promotes with a regional diversity and inclusion committee.

Environment

<p>7. Companies should support a preventive approach to environmental challenges.</p>	<p>FG promotes corporate environmental responsibility actions with respect to administrative activities and facilities in Main Offices and branches.</p>	<p>-As part of our good practices, each year campaigns are carried out to create awareness and improve efficiency in the use of resources such as water, energy and paper, paper being one of the greatest inputs used by the business. This is why programs are implemented to reduce, reuse and recycle paper.</p> <p>-The main buildings in Tegucigalpa and San Pedro Sula in Honduras, the main building in Nicaragua and Panama, in addition to 11 agencies consume energy from solar panels, which represents 71% of clean energy.</p>
<p>8. Companies should take initiatives to promote greater environmental responsibility.</p>	<p>We take action of our environmental responsibility through a correct management of the resources we consume.</p>	<p>- Al cierre de 2023, se registra un total acumulado de inversión de para mitigar el consumo de energía eléctrica de + USD \$800,000</p>
<p>9. Companies should promote the development and dissemination of environmentally friendly technologies.</p>	<p>FG has the Environmental and Social Risk Management System applied at the regional level, based on a Socio-environmental credit policy and its respective</p>	<p>- Desde 2009 se apoya a los clientes para identificar y desarrollar los procesos y medidas que establece la legislación nacional, así como oportunidades de mejora, implementación de buenas prácticas y parámetros internacionales que conllevan a una operación más eficiente amigable con el ambiente.</p>

Anti-Corruption

<p>10. Companies should work against corruption in all its forms, such as extortion and bribery.</p>	<p>Under the Anti-Corruption and Bribery policy, prohibitions and approvals are established, to notify bribery or corruption cases and the means of investigation are specified to prevent these from happening within the institution.</p>	<p>-Consolidating a culture of integrity, transparency, honesty and compliance in business relationships as part of responsible finance practices, we have the Anti-Corruption and Bribery Management System (ABMS).</p> <p>-In 2023, training was provided to 99% of collaborators so that they could recognize and avoid the use of bribes by themselves and others.</p> <p>- Collaborators are encouraged to be alert and report any suspected bribery.</p> <p>-In addition, cases of alleged corruption are rigorously investigated and we assist the competent authorities.</p>
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Annex II: External Verification

External Verification Report To the stakeholders of the FICOHSA GROUP



Introduction

Fundación Hondureña de Responsabilidad Social Empresarial FUNDAHRSE is a private sector organization in Honduras. Created in 2004, it has a code of ethics to ensure high standards of transparency and integrity in order to prevent possible conflicts of interest. FUNDAHRSE, as an external verifier, has been in charge of conducting the analysis process of the Sustainability Report 2023 of GRUPO FICOHSA, for which a series of evaluation techniques were implemented.

Scope of the verification

FUNDAHRSE's main function was to provide a statement of veracity on the information contained in the Ficohsa Financial Group's Sustainability Report 2022 in accordance with the requirements of the International Norms and Standards:

- GRI-Standard Universal
- Sustainable Development Goals
- GLOBAL COMPACT
- ISO 26000:2010

In this sense, a methodology was defined following the GRI-Universal Standards process and that included the review of the contents of this report, the basic and specific content data such as the associated sectoral documents. The verified information is based on the operations of the Ficohsa Group and the data provided by the reporting organization.

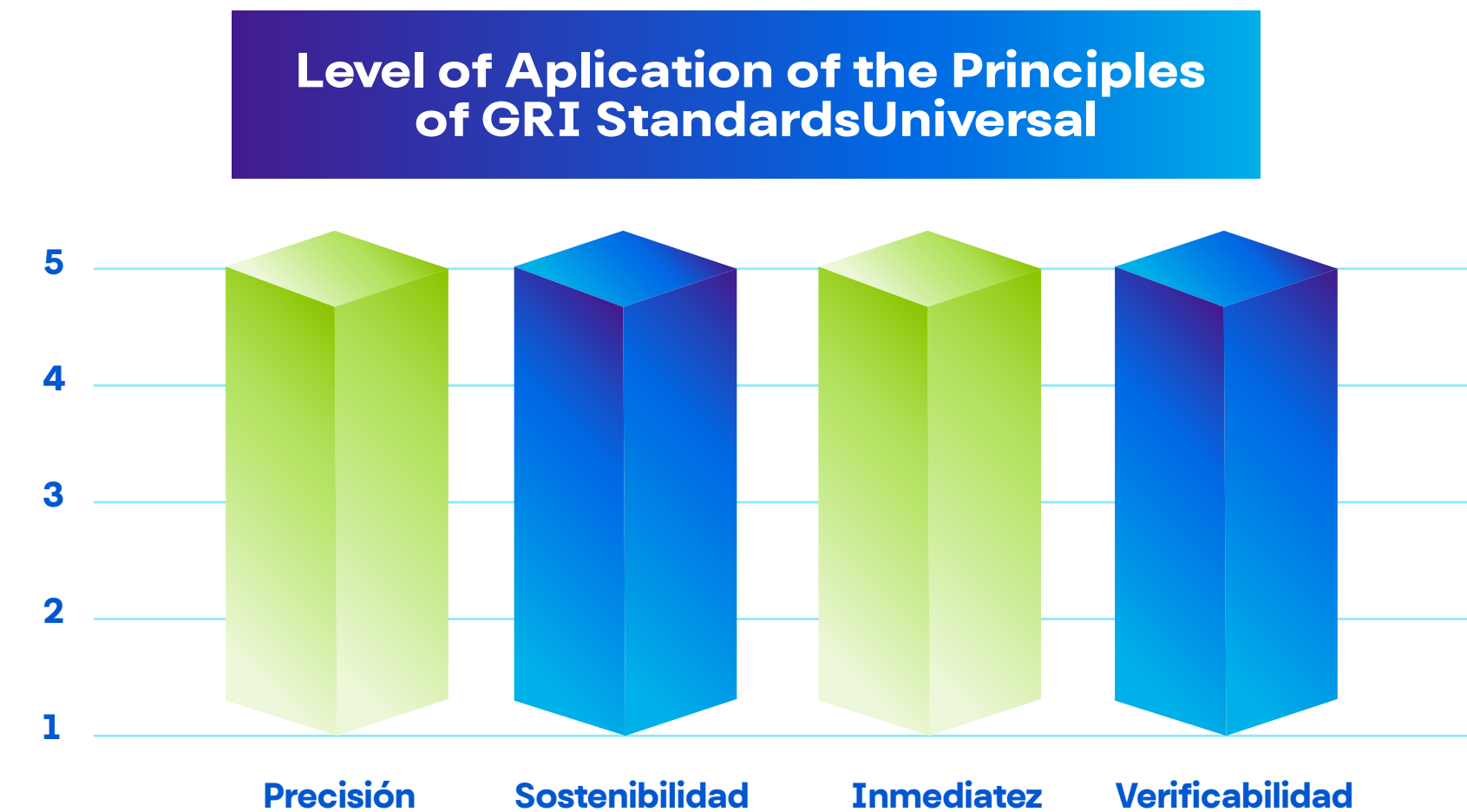
Methodology used

FUNDAHRSE verified the consistency of the information based on the principles to determine the contents of a GRI-Standards Universal memory and for this purpose it used the verification of the relevant and relevant documentation provided by the Ficohsa Group, interviews with key people for the generation of indicators, access to history, and testimonial records, analysis of sectoral documents, and sampling of the main performance indicators of the organization. A table detailing the methodology for the verification of indicators is attached.

Conclusions

Based on the verification work it has been concluded that the Ficohsa Financial Group Sustainability Report 2023 has been carried out in compliance with the "in accordance" criteria in conformity with the guidelines for the elaboration of the GRI Standards Universal Sustainability Reports and Quality Standards set above.

The following graph reflects the level of implementation of the principles established by the international criteria used. Application of the principles allowing consideration of the Ficohsa Group Sustainability Report 2023 in accordance with the criteria "in accordance" to the Universal Gri Standard.



Main Aspects

- Highlighted is the presence of the integration of the Ficohsa Group to the Sustainable Development Goals and its alignment with ISO Standard 26000 and the principles of the Global Compact as benchmarks for the organization's sustainable development management. Thus complying with the principles of sustainability and verifiability.
- The analysis of materiality and respect for the principles of the GRI standard Universal, above all, precision and verifiability is maintained.

Areas of improvement

- Renew actions for a new materiality process to be presented in the next Sustainability Report.
- Continue monitoring the commitments adopted by the organization and establishing a process of dissemination of the respective progress.

San Pedro Sula, 24 de mayo del 2024

Roberto Leiva
Executive Director FUNDAHRSE

Assurance Report

FICOHSA FINANCIAL GROUP, to report the Environmental Footprint (main issue) which includes the carbon and ecological footprint inventory 2023, for the period from January 1 to December 31, 2023, in the form of an independent limited safety conclusion, as to whether the Environmental Footprint developed by the FICOHSA Administration is prepared in all material respects, in accordance with the methodologies shared by the World Footprint Network and the accounting and reporting principles of GHG Protocol.

Responsibilities of the Administration

The Ficohsa Administration, through the Social Responsibility area, is responsible for the preparation of the 2023 Environmental Footprint, free of material deviations, in accordance with the applicable Voluntary Criteria and the information contained therein.

The Administration of FICOHSA FINANCIAL GROUP is responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the 2023 Environmental Footprint, which is free of material errors, either by fraud or error. Also that the information is prepared in all material aspects, in accordance with the methodologies that the World Footprint Network and the accounting and reporting principles of the GHG Protocol.

The Ficohsa Administration is responsible for preventing and detecting fraud and identifying and ensuring that Ficohsa complies with the laws and regulations applicable to its occupations. The Ficohsa Administration is responsible for ensuring that personnel involved in preparing the 2023 Environmental Footprint are properly trained, the systems are properly updated and the changes that could be made cover all significant reporting activities.

Our Responsibilities

Our responsibility is to examine the information concerning the Environmental Footprint of FICOHSA FINANCIAL GROUP, and report on it in the form of an independent conclusion of limited safety based on the evidence obtained. We perform our work in accordance with the International Standard on Insurance Work (ISAE) 3000, "Insurance Work Other than Audits or Revisions of Historical Financial Information", issued by the International Auditing and Assurance Board (International Auditing and Assurance Standards Board), such a standard requires that we plan and conduct our procedures to obtain a limited level of safety as to whether the Environmental Footprint is prepared in all material respects, in accordance with the applicable Regulatory Criteria, for the period from January 1 to December 31, 2023. The procedures selected depend on our judgment, including the assessment of risks of material error in the Environmental Footprint, due to fraud or error.

In conducting such risk assessments, we have considered the relevant control for the preparation of the Environmental Footprint in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of Ficohsa's internal control over the preparation of that document.

Our work also includes assessing the appropriateness of the Main Issue, the suitability of the criteria used by Ficohsa in preparing the Environmental Footprint, in the circumstances of the work, evaluating the appropriateness of the methods and procedures used in the preparation of the Environmental Footprint, and the reasonableness of the estimates made by FICOHSA FINANCIAL GROUP, and evaluating the overall presentation of the Environmental Footprint. Limited security is less than absolute security.

As part of this work, we have not performed any procedure by way of comprehensive audit, review or verification of the underlying records or other sources from which the Environmental Footprint was extracted.

Characteristics and limitations of Ficohsa Environmental Footprint information

Scope:

The scope of the review is for data pertaining to Ficohsa's operations in Honduras comprising from January 1 to December 31, 2023.

Final Values:

The final verified values are as follows:

Carbon Footprint	Verified emmissions (tCO2e)
Scope 1	2,197.22
Scope 2	1,348.76
Scope 3	5,268.03
Total	8,814.01

Ecologic Footprint	Verified values (gha)
Scope 1	304.67
Scope 2	473.85
Scope 3	4,508.88
Total	5,287.40

Criteria

The criteria on which the Environmental Footprint has been evaluated refer to the Voluntary Criteria.

Conclusion

Our conclusion is based on and subject to what is detailed in this report.

We consider that the evidence we have obtained provides a sufficient and adequate basis for our conclusion.

In our opinion, the Environmental Footprint, for the period from January 1 to December 31, 2023 of Administration of FICOHSA FINANCIAL GROUP, is prepared in all material respects, in accordance with the principles set forth in the GHG Protocol. As a result of the information submitted to Ficohsa, adjustments were made to ensure the reliability of the information.

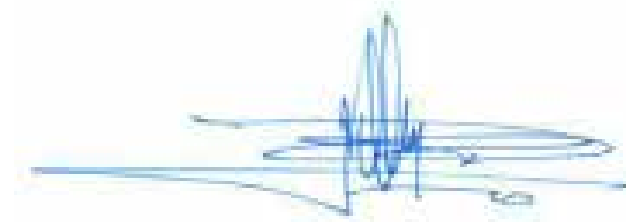
Restriction of use of our report and others

Our report should not be considered suitable for use or consideration by any of the parties wishing to acquire rights other than the Ficohsa Social Responsibility area, for any purpose or in any other context. Any part other than the Social Responsibility area of FICOHSA FINANCIAL GROUP, that obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the extent permitted by law, we do not accept or assume any responsibility and deny any responsibility for our work to any party other than Ficohsa, for this independent limited safety report or for the conclusions we have reached.

Our report is issued to Ficohsa on the understanding that this report should not be copied, referenced or disclosed in whole or in parts without our prior written consent.

Finally, this report does not attempt to provide, does not provide and does not provide any certification to Ficohsa in respect of ISO (International Organization for Standarization) 14064, 14040, 14044 or in respect of any other regulations related to ISO.

Valora Sostenibilidad e Innovación S.A. de CV.



Luis Miguel Villatela Riva
Representante Legal
Ciudad de México, 27 de Mayo del 2024.

Annexes III: Index of GRI contents

General Contents / January 1 to December 31, 2023

Section	GRI Content	Page	Commentary/Omission	SDGS & Goals
GRI 1: Fundaments 2021				
GRI 2: General Contents 2021				
Organization profile and reporting practices	2-1 2-2 2-3 2-4 2-5	pág. 2, pág. 9		
Activities and collaborators	2-6 2-7	pág.9, pág. 34		
Governance	2-9	pág.12		16,6
	2-10	pág.12		16,6
	2-11	pág.12		16,6
	2-12	pág.12		16,6
	2-13	pág.12		16,6
	2-14		The CSR Regional Committee reports progress to the Board of Directors	
	2-15	pág.12		16,6
	2-17	pág.12		16,6
	2-18	pág.12		16,6
	2-19	pág.12		16,6
	2-20	pág. 38		16,6
2-21		Confidential information		
Strategy, policies, and practices	2-22	pág. 20		13,2
	2-23	pág. 24, pág. 75		
	2-24	pág. 24		13,2
	2-25	pág. 24, pág. 75		
	2-26	pág. 24		13,2
	2-27	pág. 24		
2-28	pág. 75			
Stakeholders' Participation	2-29 2-30	pág. 104 pág. 20, pág. 104, pág. 109	No agreements are recorded	
RI 3: MATERIAL ISSUES 2022	3-1 3-2 3-3	pág. 45,pág. 71, pág.72, pág. 109		

Material issue contents from January 1 to December 31, 2023

Material Issue	Standard	Content	Page / response	Omission/Commentary	SDG & Goals
Ethics and Anti-corruption	GRI 3: Material Issues 2021	3-3	page 45, 71, 72, 109		16,5
	GRI 205 Anti-corruption 2016	205-1	page.24,32		16,5
		205-2	page4		16,5
	GRI 206 Anti-competitive behavior 2016	205-3	page24		16,3
	GRI 405: Diversity and Equal Opportunity 2016	206-1	page24		5.1, 5.5, 8.5
		405-1	page34		5.1, 8.5, 10.3
		405-2	page24		5.1, 8.8
	GRI 406: Non-discrimination 2016	406-1	page24		16,2
	GRI 410: Security Practices 2016	410-1	page24		16,5
	GRI 415: Pubia Palicx 2016	415-1	page24		
Regulatory Compliance	GRI 3: Material Issues 2021	3-3	page 45, 71, 72, 109		16,5
Corporate Governance	GRI 3: Material Issues 2021	3-3	pág. 45, 71, 72, 109		16,1
	GRI 201: Economic Performance 2016	FS1	pág. 58, 60		16,1
		FS2	pág. 58		16,1
		FS9	pág. 58		16,1
		FS10	pág. 58		
Economic Results	GRI 3: Material Issues 2021	3-3	Page 45, p. 71, 72, 109		8.1, 8.2, 9.1, 9.4,
	GRI 201: Economic Performance 2016	201-1	p. 91		9.5
		201-2	page 18		13,1
		201-3	p. 38		8,10
	GRI 203: Indirect Economic Impacts 2016	201-4	page 55	No financial support from the government	
		203-1	p. 60		9.1,9.4
	GRI 204: Acquisition Practices 2016	203-2	page 32		1.2,1.4,8.1,8.3,8.5
	GRI Sectoral.	204-1	page 58		8,3
		FS11			
Corporate Governance	GRI 3: Material Themes 2021	3-3	Page 45, p. 71, 72, 109		16,1
	GRI Sectoral	FS1	Page 58.60		16,1
		FS2	page 58		16,1
		FS9	page 58		16,1
		FS59	page 58		16,1

Contenidos por tema material del 1 de enero al 31 de diciembre del 2023

Material Issue	Standard	Content	Page / response	Omission/Commentary	SDG & Goals
Client Experience	GRI 3: Material Issues 2021 GRI 416 Client Health and Safety 2016 GRI Sectorial	3-3 416-1 416-2 FS3 FS5 FS6 FS7	Page 45, p. 71, 72, 109 p. 72 page 72 page 58 page 58 p. 9.92 page 60		16,3 8,10 8,10 8,10 1.4, 8.3, 8.10, 9.3, 10.2, 11.1
Transparency in products and services	GRI 3: Material Issues 2021 GRI 417: Marketing and labeling GRI Sectorial	3-3 417-1 417-2 417-3 FS4 FS8 FS15	p. 45,71,72,17 page 72 page 72 page 72 p.59,59 p.58,60		12,8 16,3 16,3 8,10 8,10 10,5
Data Security (cybersecurity)	GRI 3: Material Issues 2021 GRI 418 Client Privacy 2016	3-3 418-1	Page 45, p. 71, 72, 109 p. 73		16.3, 16.10
Privacy of the customer (use of information)	GRI 3: Material Issues 2021 GRI 418 Client Privacy 2016	3-3 418-1	Page 45, p. 71, 72, 109 p. 73		16.3, 16.10
Training and development of opportunities (collaborators)	GRI 3: Material Issues 2021 GRI 401: Employment 2016 GRI 404: Training and Education 2016 GRI Sectorial	3-3 401-1 401-2 401-3 404-1 404-2 404-3 FS4	p. 45,71,72,17 page 34 page 34 page 34 page 45 page 45 page 58		5.1, 8.5, 8.6, 10.3 3.2, 5.4, 8.5 5.1, 5.4, 8.5 "4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3" 8.2, 8.5 5.1, 8.5, 10.3
Health and safety of collaborators	GRI 3: Material Issues 2021 GRI 403 Occupational Health and Safety_ 2018	3-3 403-1 403-2 403-3 403-4 403-5 403-6 403-7 403-8 403-9 403-10	p. 45,71,72,17 page 38 page 38 page 38 page 38 page 38 page 38	<small>We do not have an occupational safety and health management system according to standardized standards, but we do have a defined process and prevention and response measures.</small> <small>We do not have an occupational safety and health management system according to standardized standards, but we do have a defined process and prevention and response measures.</small>	8,8 8,8 8,8 8.8, 16.7 8,8 3.3, 3.5, 3.7, 3.8, 8.8 8,8 3.6, 3.9, 8.8, 16.1 3.3, 3.4, 3.9, 8.8, 16.1

Complementary GRI Indicators

Estándar GRI	GRI Standard	Page	SDG & Goals
GRI: 302: Energy 2016	GRI 302-1 GRI 302-3 GRI 302-4	page 83 page 83 page 83	7.2, 7.3, 8.4, 12.2, 13.1 7.3, 8.4, 12.2, 13.1 7.3, 8.4, 12.2, 13.1
GRI 303: Water and effluents 2018	GRI 303-1 GRI 303-3	p. 87 page 87	12,4
GRI 305: Emissions 2016	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 GRI 305-5	Page 83, 85 Page 83, 85 Page 83, 85 Page 83, 85 Page 83, 85	3.9, 12.4, 13.1, 14.3, 15.2 3.9, 12.4, 13.1, 14.3, 15.2 3.9, 12.4, 13.1, 14.3, 15.2 13.1, 14.3, 15.2 13.1, 14.3, 15.2
GRI 305: Emissions 2016	GRI 306-1 GRI 306-3 GRI 306-4 GRI 306-5	p. 88 page 88 p. 88 page 88	3.9, 12.4, 12.5 3.9, 12.4, 12.5 3.9, 11.6, 12.4, 12.5 3.9, 11.6, 12.4, 12.5

IV: SASB Parameters Index

COMMERCIAL BANK STANDARD 2018

SASB TOPIC	CODE	DESCRIPTION	MEASURE UNIT	OMISSIONS Y/O MODIFICATIONS	PAGE / ANSWER
ACTIVITY METRICS					
Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Number, Reporting currency	We present the value of deposits by country Not publicly available	p. 91.92 p. 91.92
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Number, Reporting currency		
ACCOUNTING PARAMETERS					
Data security	FN-CB-230a.1	(1) Number of data breaches (2) percentage involving personally identifiable information (PII) (3) number of account holders affected	"Number, Percentage (%) "		p. 71 p. 71
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	N/A		
Financial inclusion and skills' development	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Number, Reporting currency	Not publicly available	Page 60, p. 61, p. 62, p. 63, p. 64, p. 65, p. 66, p. 67 page 46, p. 57, p. 69 , p. 70
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development Number of no-cost retail checking accounts provided to previously unbanked or underbanked clients	"Number, Reporting currency		
	FN-CB-240a.3	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved/unattended clients	Number	Not publicly available	
	FN-CB-240a.4		Number		
Incorporation of environmental, social, and governance actors in credit analysis	FN-CB-410a.1	Exposure to commercial and industrial credit, by industry	Reporting currency		Page 89.90 Page 1. Page 2 p. 49.59
	FN-CB-410a.2	Description of the approach to incorporating environmental, social and governance (ESG) factors in credit analysis	N/A		

ACCOUNTING PARAMETERS

Business ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Reporting currency	We did not have monetary losses as a result of legal proceedings.	page. 25,26
	FN-CB-510a.2	Description of whistleblower policies and procedures	N/A		
Systemic Risk Management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Basis points (bps)	Does not apply. None of the Ficohsa Bank companies in the countries, nor the financial group itself, are considered as a bank of global systemic importance (G-SIB) by the Basel Committee on Banking Supervision (BCBS) of the Bank for International Settlements (BIS).	
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	N/A		

CONSUMER FINANCE STANDARD 2018

SASB TOPIC	CODE	DESCRIPTION	MEASURE UNIT	OMISSIONS Y/O MODIFICATIONS	PAGE / ANSWER
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ACTIVITY PARAMETERS

Activity Parameters	FN-CF-000.A	Number of unique consumers with an active credit card account (1) and a prepaid debit card account (2)	Number	Not publicly available	
Activity Parameters	FN-CF-000.B	Number of (1) credit card accounts and (2) prepaid debit card accounts	Percentage (%)	Not publicly available	

ACCOUNTING PARAMETERS

Customer privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	Number	Not publicly available		
	FN-CF-220a.2	Total amount of monetary losses as a result of legal procedures associated with customer privacy	Reporting currency		Page 71	
Data security	FN-CF-230a.1	1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Number, Percentage (%)		Page 71	
	FN-CF-230a.2	Card-related fraud losses for (1) card not present fraud and (2) card present fraud and other fraud	Reporting currency	Not publicly available		
	FN-CF-230a.3	Description of the approach to identifying and addressing data security risks	N/A		Page 71	
Selling practices	FN-CF-270a.1	Percentage of total compensation of covered employees that is variable and linked to the quantity of products and services sold	Percentage (%)			
	FN-CF-270a.2	Approval rate for (1) credit and (2) prepaid products for applicants with FICO scores above and below 660	Percentage (%)			
	FN-CF-270a.3	(1) Average Additional Product Rates, (2) Average APR, (3) Average Account Age, (4) Average Number of Business Lines, and (5) Average Annual Rates for Prepaid Products, for Clients with FICO Scores Above and Below 660	Reporting currency, Percentage (%) , Months, Number			Page 73
	FN-CF-270a.4	(1) Number of complaints filed with the Consumer Financial Protection Office (CFPB), (2) percentage with monetary or non-monetary relief, (3) percentage disputed by the consumer, (4) percentage that resulted in an investigation by the CFPB	Number, Percentage (%)			Page 713
	FN-CF-270a.4	Total amount of monetary losses as a result of legal procedures associated with the sale and service of products	Reporting Currency			Page 72, 73

INSURANCE STANDARD 2018

SASB TOPIC

CODE

DESCRIPTION

MEASURE UNIT

OMISSIONS Y/O
MODIFICATIONS

PAGE /
ANSWER

ACTIVITY PARAMETERS

Activity Parameters

FN-IN-000.A

Number of policies in effect, by segment: (1) property and accidents, (2) life, (3) reinsurance assumed

Number

page 97

ACCOUNTING PARAMETERS

Transparent information
and fair advice for clients

FN-IN-270a.1

Total amount of monetary losses as a result of legal procedures associated with marketing and communication of information related to insurance products to new and recurring customers.

Reporting
currency

page.72

FN-IN-270a.2

Proportion of claims to claims

Rate

Not publicly available

FN-IN-270a.3

Client retention rate

Rate

Not publicly available

FN-IN-270a.4

Description of the approach to informing clients about products

N/A

page 50.72

Incorporation of
environmental, social and
governance factors in
investment management

FN-IN-410a.1

Total assets invested by sector and asset class

Reporting currency

page 75

FN-IN-410a.2

Description of the approach for incorporating environmental, social and governance (ESG) factors into investment management strategies and processes

N/A

Our insurance subsidiaries are working on incorporating ESG criteria into investment decisions.

Policies designed to
encourage
responsible behavior

FN-IN-410b.1

Net subscriptions related to energy efficiency and low-carbon technology

Reporting currency

Not publicly available

FN-IN-410b.2

Discussion of products and / or product characteristics that encourage actions and / or behaviors of health, safety and / or environmentally responsible.

n/A

We promote road safety and responsible driving as part of insurance.

ACCOUNTING PARAMETERS

Environmental risk exposure	FN-IN-450a.1	FN-IN-450a.1 FN-IN-450a.2 FN-IN-450a.3 Maximum probable loss (PML) of products insured for climate-related natural disasters	Reporting currency	Not publicly available	In the process of fixing the conditions of policies, accidents are considered, which may be conditioned by the occurrence of punctual and/or progressive extreme climatic events (e.g. temperature increase)
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payments of (1) modelled natural disasters and (2) non-modelled natural disasters by type of event and geographical segment (net and gross reinsurance).	Reporting currency	Not publicly available	
	FN-IN-450a.3	Description of the environmental risk mainstreaming approach in (1) the individual contract signing process and (2) enterprise-level risk management and capital adequacy.	N/A		
Exposure to environmental risk	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to centrally unsecured derivatives, (2) total fair value of acceptable collateral deposited with the Central Clearing House, and (3) total potential exposure to centrally compensated derivatives	Reporting currency	Not publicly available	
	FN-IN-550a.2	Total reasonable value of assets in collateral of securities	Reporting currency		
	FN-IN-550a.3	Description of the approach to managing capital and liquidity risks associated with systemic non-insurance activities	N/A		

Asset Management and Custody Activities 2018

SASB TOPIC

CODE

DESCRIPTION

MEASURE UNIT

OMISSIONS Y/O
MODIFICATIONS

PAGE /
ANSWER

ACTIVITY PARAMETERS

Activity Parameter

FN-AC-000.A
FN-AC-000.B

(1) Total recorded and (2) total unregistered assets under management (AUM)
Total de activos bajo custodia y supervisión

ACTIVITY PARAMETERS

Not publicly available

Page.99

ACCOUNTING PARAMETERS

Employee Diversity and
Incluon

FN-AC-330a.1

Percentage of gender and racial group representation / ethnic for (1) executive administration, (2) non-executive administration, (3) professional and (4) all other employees

Percentage (%)

Not publicly available

Page.34

Transparent information
and fair advice for
Customers

FN-AC-270a.1
FN-AC-270a.2
FN-AC-270a.3

(1) Number and (2) percentage of employees covered with a history of investment-related investigations, consumer complaints, private civil litigation or other regulatory procedures
Total amount of monetary losses as a result of legal procedures associated with marketing and communication of information related to financial products to new and recurring customers.
Description of the approach to informing customers about products and services

Number,
Percentage (%)
Reporting
currency
N/A

During 2023, there were no related investigations.
During 2023, no monetary losses were recorded.

Incorporation of
environmental, social and
governance factors in
investment management
and advice

FN-AC-410a.1
FN-AC-410a.2
FN-AC-410a.3

Number of assets under management, by asset class, employing (1) integration of environmental, social and governance (ESG), (2) thematic sustainability investment and (3) selection.
Description of the approach for the incorporation of environmental, social and governance factors (ESG) in investment processes and strategies and / or patrimony management
Description of voting by power and participation policies and procedures.

Reporting currency
N/A
N/A

Not publicly available

Active portfolio with ESG criteria is not yet available.
Ficohsa Pensiones is evaluating how to incorporate ESG criteria into the investment process.

Business ethics

FN-AC-510a.1
FN-AC-510a.2

Total amount of monetary losses resulting from legal proceedings associated with fraud, insider trading, antitrust, anti-competitive, market manipulation, negligence or other laws or regulations related to the financial industry.
Description of whistle-blowing policies and procedures

Reporting currency
N/A

Page30

Page.96

2018 MORTGAGE FINANCING STANDARD

SASB TOPIC	CODE	DESCRIPTION	MEASURE UNIT	OMISSIONS Y/O MODIFICATIONS	PAGE / ANSWER
Activity parameters	FN-MF-000.A	(1) Number and (2) value of mortgages originated by category:(a) residential and (b) commercial	Number, Reporting currency	Not publicly available	page.95
	FN-MF-000.B	(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	Number, Reporting currency		
Credit practices	FN-MF-270a.1	(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid mortgages or adjustable rate option (ARM), (b) Prepayment penalty, (c) Higher rate, (d) Total, by FICO scores above or below 660	Number, Reportin currency	Not publicly available	page.30
	FN-MF-270a.2	1) Number and (2) value of (a) modifications of residential mortgages, (b) foreclosures and (c) short sales or deeds instead of foreclosure, by FICO scores above and below 660	Number, Reportin currency		
	FN-MF-270a.3	Total amount of monetary losses as a result of legal procedures associated with communications to clients or remuneration of loan originators	Number, Reportin currency		
	FN-MF-270a.4	Description of the remuneration structure of loan originators	N/A		
Discriminatory loans	FN-MF-270b.1	((1) Number, (2) value and (3) loan-to-value ratio (LTV) weighted average of mortgages issued to (a) minorities and (b) all other borrowers, by FICO scores above and below 660	Number, Reporting currency, Percentage (%)		There have been no sanctions for this reason.
	FN-MF-270b.2	Total amount of monetary losses as a result of court proceedings associated with discriminatory mortgage loans	Reporting currency		
	FN-MF-270b.3	Description of policies and procedures to ensure mortgage origination without discrimination	N/A		
Environmental risk to Mortgaged properties	FN-MF-450a.1	(1) Number and (2) value of mortgage loans in 100-year flood zones	Number, Reporting currency		We do not yet have such an analysis. page.18,95
	FN-MF-450a.2	(1) Total expected loss and (2) Default loss (LGD) attributable to mortgage default and late payment due to climate-related natural disasters, by geographical region	Reporting currency, Percentage (%)		
	FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	N/A		

Annex V: STAKEHOLDERS CAPITALISM CONTENTS - WEF

Pillar: Governance

Topic	Metric	Central/Expanded	Description	Page
Governance Purpose	Setting a Purpose	Central	The purpose established by the company, as an expression of the means used by the company to propose solutions to economic, environmental and social problems. Corporate purpose should create value for all stakeholders, including shareholders.	page9
	Management driven by the purpose	Expanded	As the company's purpose is embedded in its strategies, policies and objectives.	page8
Quality of Corporate Governance	Composition of the Corporate Governance	Central	Composition of senior management and its committees.	page.12
Stakeholder' Commitment	Material issues that impact stakeholders	Central	List of issues that are materials for stakeholders and for the company, how these issues were identified and how stakeholders are engaged with them.	page104
Ethical Behaviour	Anti-corruption	Central	1) Percentage of Senior Management members, collaborators and business partners trained in the organization's anti-corruption policies and procedures by region.	page.24,28
		Central	1.a) Total number and nature of corruption incidents confirmed this year, but related to previous years.	page.26
		Central	1.b) Total number and nature of incidents of corruption confirmed during the current year, in relation to this year.	page.26
		Central	2. Discussion of initiatives and the commitment of stakeholders to improve the operating environment and its culture, to combat corruption.	page.28
	Ethical information and advisory mechanisms	Central	“An internal and external description of mechanisms for: 1. Seeking advice on ethical and legal behavior and organizational integrity. 2. Reporting concerns about unethical or illegal behavior and lack of organizational integrity”	page.24,28
	Monetary losses due to unethical behavior	Expanded	Total amount of monetary losses as a result of illegal procedures associated with fraud, trading in influence, anti-competitive behaviour, market manipulation, bad practices or violations of other related laws and regulations.	page.30
Monitoring risks and opportunities	Integrating risks and opportunities into business processes	Central	Information on risk factors and opportunities that the company clearly identifies in the main risks and material opportunities that it specifically faces (unlike generic risks in the sector), the appetite of the company with respect to these risks, how these risks have moved, opportunities over time and the response to those changes. These opportunities and risks must integrate economic, environmental and material social issues, including climate change and data management.	page.18,19

Pillar: People

Topic	Metric	Central/Expanded	Description	Page
Equality and Dignity	Diversity and Inclusion (%)	Central	Percentage of employees by employment category, age group, gender and other diversity indicators (e.g. ethnicity)	55, 56 y 57
	Equal pay (%)	Central	Relation/ratio between the base salary and the remuneration of each category of employee, by significant operating places for priority areas of equality: women to men, major majority and minority ethnic groups, and other relevant areas of equality.	Available the female-male wage ratio by professional category. (p. 59)
	Salary Gap	Expanded	Average wage gap of the base salary and remuneration of the relevant full-time employees according to gender (women to men) and diversity indicators at enterprise level or by significant operational location.	58
	Wage Level (%)	Central	1. Ratio of standard starting salary by gender to local minimum wage. 2. Ratio of the CEO's total annual remuneration to the median of the total annual remuneration of all his employees except the CEO."	Confidential content
	Incidents of discrimination and harassment (#) and the total number of monetary/economic losses	Expanded	1. Number of incidents of harassment and discrimination, status of incidents and actions taken. 2. Total amount of economic losses as a result of legal processes associated with: a) violations of the law b) Discrimination against employees "	31
	Freedom of association and collective bargaining at risk (%)	Expanded	1. Percentage of active workers under collective bargaining agreements. 2. An explanation of the assessment made to suppliers so that the right to freedom of association and collective bargaining is at risk, including the measures taken by the organization to address these risks"	The Bank ensures that the supplier fulfils his obligations in labour matters. (P,36)
	Risk of incidents of forced or compulsory child labor	Central	Explanation of operations and providers considered to be at significant risk of child, forced or compulsory labor.	101
	Human rights review, impact of injustices and modern slavery	Expanded	1. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. 2. Number and type of reported complaints associated with impacts related to a prominent human rights issue in the reporting period and an explanation of the type of impacts. 3. Number and percentage of operations and providers considered to have a significant risk of incidents involving child labour, forced or compulsory labor. "	101

Pillar: People

Topic	Metric	Central/Expanded	Description	Page
Health and Well-being	Health and Safety (%)	Central	" The number and rate of deaths as a result of work-related accidents, serious work-related injuries (excluding deaths); work-related registrable injuries; main types of work-related injuries; and the number of hours worked. An explanation of how the organization facilitates access to non-occupational health and medical services, and the extent of access provided to employees and workers. "	We recorded no fatalities in the year of this memory. (P. 64)"
	Collaborator well-being	Expanded	"1. The number of deaths as a result of work-related health problems, registrable work-related ill-health injuries and the main types of work-related diseases for all employees and workers. 2. a) Percentage of employees participating in health and welfare "best practice" programmes, and, b) Absenteeism rate (RA) of all employees."	"1) We did not record fatalities in the year of this report2) P. 64 3) Not Available
Skills for the Future	Training (#,\$)	Central	1.Average number of training hours per person that employees of the organization have completed during the reporting period, by gender and employee category (total number of training hours provided to employees, divided by number of employees).	60
			2. Average expenditure on training and development per full-time employee (total cost of employee training divided by number of employees).	Not Available

Pilar: Prosperity

Topic	Metric	Central/Expanded	Description	Page
Job and Wealth Creation	Absolute number and employment generation ratio	Central	"1. Total number and rate of new recruitment of employees during the reporting period, by age group, gender, and other diversity indicators and region. 2. Total number and turnover rate of employees during the reporting period by age group, gender and other diversity indicators and region "	"(1) p. 57 (2)Not yet available "
	Focanamic Coatribution	Central	"1. Direct economic value generated and distributed, on an accrual basis, covering the core components for the organization's overall operations. 2. Financial assistance received by the Government: total monetary value of financial assistance received by the organization of any Government during the reporting period "	"(1) p. 90 (2) We do not receive any financial assistance from governmental entities "
	Contribution per Financial Investment	Central	"1 - Total capital expenditures minus depreciation, supported by a narrative to describe the company's investment strategy. 2. Share repurchase plus dividend payment, backed by a narrative to describe the company's strategy for capital returns to shareholders. "	"(1)p.90 (2) No disponible todavía. "
	Investments in infrastructure and support services	Expanded	Qualitative information to describe the following components: 1.Scope of development of significant infrastructure investment and support services. 2.Current or expected impacts on local communities and economies, including positive and negative impacts where relevant. 3.If these investments and services are commercial, report commitments in kind or pro bono. "	"(1) p.68 y 75 (2) Thanks to the loans we provide to rural sectors, we have benefited more tan 850 producers
Innovation of better products and services	Total R&D expenditure (\$)	Central	Total expenditure related to research and development.	Not available
	Social Value Generated (%)	Expanded	Percentage of revenue from products and services designed to deliver specific social benefits or address sustainability challenges.	p. 40,41 y 42
Community and Social Vitalityl	Total taxes Raid (\$)	Central	The total global tax payable by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, payroll taxes paid by the employer and other taxes that constitute costs to the company, by tax category.	p. 22,23,24 y 25

Pilar: Planet

Topic	Metric	Central/Expanded	Description	Page/Response
Climate Change	Greenhouse Infective Gas (GHG) Emission	Central	For all relevant greenhouse gases (e.g., carbon dioxide, methane, nitrous oxide, F-gases, etc.), report in metric tons of carbon dioxide equivalent (tCO2e) Greenhouse Gas Protocol (GHG) Scope (Scope) 1 and Scope 2. Estimate and report material emissions upstream and downstream (Scope 3 GHG Protocol) as appropriate.	Ficohsa Financial Group has advanced in the calculation of its Scope 1 and 2 emissions, which are verified by external third parties. In the following years, it will incorporate the calculation of Scope 3 issues, including those corresponding to category 15 of those associated with the credit portfolio. (p.86)
	Implementation of the TFCD	Central	Fully implement the recommendations of the "Task Force on Climate-related Financial Disclosures" (TCFD)	<p>Regarding climate change, Ficohsa Financial Group has already started a series of action lines, which are described in the report and which we refer to below:</p> <ul style="list-style-type: none"> - Governance of energy and emissions issues as part of the sustainability strategy, which is first monitored in the Corporate Social Responsibility Committee, and elevated from the Corporate Vice Presidency (which chairs the Committee) to the Executive Presidency. - With clients, implementation of the Environmental and Social Risk Management System (SARAS), which promotes good environmental practices in clients and, therefore, a lower contribution of them to climate change (by generating GHG emissions). - Calculation and verification of the bank's own emissions, that is, consumption of fuels and electricity in administrative and commercial operations. From this, identification of eco-efficiency and other opportunities to reduce footprint, and implementation. <p>In the short term, Ficohsa Financial Group will make progress in identifying the risks and opportunities generated by climate change, according to the nomenclature of the Task Force on Climate-related Financial Disclosures (TCFD). In this way, it can develop the report in accordance to the recommendations.</p>
Loss of nature	Land use and ecological sensitivity	Central	Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBAs).	Due to the type of activity, in the financial sector, it is not a material issue for Ficohsa Financial Group. However, the Group is a pioneer in Central America in calculating its ecological footprint, which it also verifies. This allows it to dim the hectares necessary to cushion its activity, as it explains in the report. (p.70) Moreover, appropriations for larger projects are subject to the Environmental and Social Risk Analysis System (SARAS). (p.58 and 59)
Availability of fresh/drinking water	Water consumption and extraction in areas with water stress	Central	Report for operations where any material: extracted megaliters of water, megaliters of water consumed and the percentage of each in regions with high or extremely high reference water stress, according to the WRI Aqueduct Water Risk Atlas Tool. Estimate and report the same information for the entire value chain (upstream and downstream) when applicable.	Due to the type of activity, in the financial sector, it is not a material issue for Ficohsa Financial Group.



Working Together
We've come a long way.



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