

Integrated Sustainability Report 2020



Developed in accordance with the GRI and SASB Standards



Index

Letter from the Executive President . . .	2
How to read this Report?	4
Main response measures to COVID-19	6
Main figures	10

1

Profile and Context

Profile	12
Context	17
Capital	19

2

Corporate Governance

Corporate Governance	21
--------------------------------	----

3

Ethics and Compliance

Ethics and Compliance	26
---------------------------------	----

4

Strategy

Focus on the Customer	29
Comprehensive Sustainability	30
Responsible Banking	33

5

Financial Results Strategy

Relevant financial data	36
Profit and loss	38
Summary Balance Sheet	40
Credit delivered	41
Balance breakdown of the loan portfolio	42
Evaluation of Deposits	45
Distribution of Financial Value	46

6

Risk Management

Prevention and monitoring	48
Relationship with the supply chain	52

7

Strategic Advances

Customer relationship	54
Sustainable financing and investment	59
Financial culture and access to banking	61

8

Team

Template description	64
Training and career development . . .	66
Commitment and work environment	68

9

Environmental Management

Environmental Management	75
------------------------------------	----

Annex

Annex I Balance Sheet	79
Annex II ESG Management Detail . . .	80
Annex III Reporting Frameworks . . .	102



Letter from the Executive President

Dear readers,

We are a bank of people for people, and facing the impact of COVID, we turn from the first moment on our clients, employees and the Bancos del Barrio; all of them are the reason for the Bank's existence.

We support our clients with different economic measures, as well as we maintained the continuity of our operations, especially thanks to the advances that we had been making in digital channels, and the proximity that our network of Bancos del Barrio offers them. Safeguarding the health of our employees was a priority, with the challenge of maximizing teleworking and developing strict biosafety measures in the workplace. We are also committed to Ecuador, providing resources to attend the health emergency, with the support of our employee. We channel our contributions through the "Salvar Vidas EC" trust, for the purchase of supplies and necessary medical equipment, delivered to hospitals, as well as some health centers.

Continuing to do banking was essential for the development of the country and the recovery of its economy. The mipymes are key to job creation and local reactivation, and we obtained resources for their financing, with the issuance of the First Social Bond of Ecuador, in a US \$ 20 million operation underwritten by IDB Invest.

It is an outstanding example of our understanding of banking as a generator of positive social impact, in addition to protecting the environment. Our adherence to the UNEP_FI Principles for Responsible Banking carried out in 2019, together with other important international financial institutions, formalizes this approach.

During the year we made remarkable progress in the implementation of our Environmental and Social Risk Analysis System - SARAS, for credit evaluation, promoting the best internships among applicants. Likewise, we are working on the development of a credit line with an environmental objective, aimed at energy efficiency.

Our commitment to financial inclusion comes from far, having been pioneers in the implementation of the network model of non-bank correspondents in Ecuador, with our Bancos del Barrio which already add 9,259 points. This year we also define products for the inclusion of women, with credits for owners of mipymes and owners of bank correspondents, which will be launched in 2021.

Working on social and environmental impacts, from our portfolio of products and services, is part of the institution's Sustainability Strategy. We define it this year based on our trajectory and assuming the commitments acquired with the different international initiatives of which we are part.

The customer is more than ever at the center of our business. We understand that banking has to be empathetic, listen to them and attend your needs, be transparent in communication and maintain a close relationship of trust. We are promoting it under the "First You" concept, which materializes the efforts made in the last two years in the Central Project. We also redefine our purpose, "to work permanently to offer the best banking experience." We reached 2,631,056 clients and we continue to grow.

The context generated by COVID-19 accelerated our customers' preference for digital channels, and we introduced important new features to our mobile application. The 59% of the savings and checking accounts were opened online, as well as 27% of the multi-credits.

In financial terms, we reinforced our provisions, guaranteeing resources and levels of liquidity and solvency. In this way, we can continue to promote, through credit, the development of the Ecuadorian business sector, as well as employment, in this way we continue to support the economy of individuals and families.

We closed the year with US \$ 33 million, the second best record in the Ecuadorian financial system. All this is possible thanks to the trust of our clients, the commitment of the team and the soundness of the management, guaranteed by the strength of our corporate governance.

We are especially grateful this year for the efforts of our 2,840 employees. In the difficult context generated by the pandemic, we maintained employment, betting on job security and the commitment of all of them. We continue to advance in diversity, especially in the professional development of our employees; this year we committed to Principles for the Empowerment of Women (WEPs), initiative of the Global Compact and UN Women. We are proud to occupy in 2020 the First Place in the list of "The Best Places to Work" (GPTW, for its acronym in English) in Ecuador for companies with more than 500 employees.

We are an active part of the Global Compact Network in Ecuador, committed to its 10 principles, in the different dimensions of human rights, working conditions, respect for the environment and anti-corruption. Through our activities, we also contribute to the United Nations Sustainable Development Goals.

This year, we presented our First Integrated Report, which follows the annual sustainability reports that we have been publishing. It is a step forward in transparency, with which we present a comprehensive value proposition for all our stakeholders. We continue to use the Global Reporting Initiative (GRI) Standards to present our performance, but we also add the Standards of the Sustainability Accounting Standards Board (SASB), especially focused on the financial impacts for the company of the management of environmental, social and governance (ASG) issues. We are pioneers in using them in the country and we seek to deliver a more complete image in this way.

We invite you to consult the report.



Econ. Angelo Caputi Oyague
CEO

How to read this report?

(GRI 102-32, 102-45, 102-48, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56)

At Banco Guayaquil we have a strong commitment to the transparency of our activities and we want to inform the different interest groups. After making six sustainability reports, we developed our first integrated report.

This is the moment because the consideration of environmental and social criteria is gradually being incorporated into decision-making throughout the institution, together with the reinforcement of our corporate governance and the culture of compliance. Sustainability is already part of the way we understand the business, through products and services that facilitate financial inclusion and the protection of the environment.

The information presented reflects the main annual results in financial matters, as well as our social, environmental and corporate governance (ASG) performance.

To select the key content, we took as a basis the topics determined as materials in 2020.

This report has been prepared in accordance with the Comprehensive option of the GRI Standards. Additionally, we pioneered the Sustainability Accounting Standards Board (SASB) Standards for the financial industry sectors in which we operate.

The information included was compiled in accordance with the relevant measurement techniques and standards in each case, with the participation of different Bank units. The supervision of the Report corresponded to the Executive Vice Presidency of Finance and Management Control, being also validated by the Corporate Governance Committee and the Board of Directors. It should be noted that this time we do not have external verification.

For more information on the materiality process and resulting issues: See Annex II



How to identify the contents:

- On the cover of each chapter: reference to the ODS.
- At the beginning of each section: reference to the contents of the GRI Standards and the metrics of the SASB Standards.
- Specific indices at the end of the report: GRI and SASB, as well as the principles of Responsible Banking.

Keys to the report

(GRI 102-32, 102-45, 102-48, 102-50, 102-51, 102-52, 102-53, 102-54, 102- 56)

Global Reporting Initiative (GRI) Standards, a reference methodology for the communication of extra-financial performance. Additionally, we use the GRI Sector Supplement for Financial Services.

It is the benchmark methodology for communicating non-financial performance with a multi-stakeholder approach.

We report the Standards of the Sustainability Accounting Standards Board (SASB), for the sectors: Commercial Banks, Consumer Finance, and Mortgage Finance.

The methodology responds to the information requirements of investors on ASG issues that affect the financial stability of the company.

We report our contribution to the Sustainable Development Goals (SDG), a global roadmap proposed by the UN to address the great challenges of society.

This report serves as our Communication on Progress (COP) for the Global Compact and we report on progress in the implementation of its 10 Principles.

We report our progress on the Principles of Responsible Banking, promoted by the Finance Initiative of the United Nations Environment Program (UNEP_FI).

If you have any questions about the contents of the report, please contact:
Tania Tamariz / Corporate Governance Manager - Sustainability / ttamariz@bancoguayaquil.com

Main response measures to COVID-19

(GRI 102-15)

Below we will introduce you to our main initiatives developed during the year:

Continuity in customer service

2020 has been a year full of challenges, but also of learning and transformation. At Banco Guayaquil we have sought to continue generating value for our different interest groups, being proactive to guarantee operability, as well as safeguarding the health of our employees, clients, and neighborhood bankers.

The continuity of the operation has been possible thanks to the advances that we have been working hard in recent years, in the incorporation of technology into the processes and the availability of our remote services. In the same way, we were able to be next to our clients' homes, in their own community, with the wide range of services and operations managed by the Banqueros del Barrio.

You can find out about our initial response to COVID in a special section of the 2019 Sustainability Report.

We wanted to continue offering the best experience, safe and that would resolve their needs emphasizing in:

- **Encourage our clients to use digital channels.** At the Bank we were already experiencing a digital transformation, in our processes and how clients operate with us. In 2020, we expand the options offered by the web and the mobile app. Customers made prominent use, with the number of transactions made through the app growing 114% compared to the previous year.
- **Continuity of customer service in agencies,** even with reduced hours and in accordance with what is established by the authority, for those cases in which clients need to attend personally. We implement strict biosecurity and distancing measures, as well as intensify cleaning and disinfection.

- **Adaptation of face-to-face care processes to new safety and hygiene protocols,** in accordance with the recommendations of the World Health Organization (WHO) and national authorities. We train our agency employees in the new protocols.

Financial support to our clients

. We offered alternatives to alleviate the finances of our clients, from March to November, with measures for US \$ 1,273 million, which represented 37% of our gross portfolio.





- On consumer loans and microcredit: deferral of loan installments, extension of term and possibility of prepayment without cost, until June.
- On credit cards: deferral of the minimum payment during the months of March and June, refinancing of the balance and the possibility of prepaying at no cost.
- On credit to companies: design of refinancing plans by case, with solutions tailored to different needs.
- From June to November we extended the payment terms for consumer and SME loans up to 24 months in addition to the original term, and up to 36 months for credit card and home loan payments.

Despite the end of the provisions established by regulations in November, we wanted to extend our support, with an additional program to refinance credit obligations.

Safeguarding the health of our employees

We avoid layoffs and salary reductions, despite the operational limitations in the agency network and the existing economic uncertainty. We support the job security of our employees and we appreciate their commitment.

Regarding health and safety measures: we activated the Contingency Plan for Pandemics, where we review the emergency and biosafety protocols in our facilities, we promoted prevention and self-care, and we facilitated remote work. We had previous experience in telecommuting development, with pilots in some teams. In response to the contingency, we generalize its use to personnel whose responsibilities allow it; 62% of employees have switched to telecommuting since March.

Contingency Plan for Pandemics

Prepare

- Telecommuting strategies (home office) and staff distribution).
- Hiring specialized cleaning services.
- Work protocols for agencies and health care.

Answer

- Signaling in offices and agencies.
- Health control protocols for employees, suppliers, clients.
- Virtual training of the plan and biosafety measures.
- Continuous communication of the importance of prevention.
- Specialized medical attention line.
- Psychological support with external specialists, including care for employees relatives.
- Development of online programs to promote sports, health and well-being of employees and their families.

Resume

- Delivery of biosecurity implements to all staff.
- Protocols for the use and implementation of security measures in physical work environments.
- Redesign of workspaces to facilitate physical distance.
- Monitoring of the provisions and regulations established by the authorities.
- Establishment of a program of remote work modalities, total, flexible / partial and mobile telecommuting.



Work with the Banqueros del Barrio and support suppliers

The Banqueros del Barrio have been key in serving our clients during the pandemic, due to their proximity to homes and for continuing services. As small businesses serving basic needs, they are also essential for operations and financial services, especially for those customers who cannot move from their places.

The number of Banqueros del Barrio has continued to grow, by 29% in the year; and in 2020 they reached 9,259 points.

From the Bank, we have supported them to apply security measures in their establishments. We also provide biosafety training, which includes recommendations for customer service, interaction with providers, care in transportation and prevention measures in homes. We held 16 virtual conferences with 8,500 Banqueros del Barrio.

In relation to suppliers, the continuity of our operations and the financial stability of the Bank, guarantee the continuity in the payment according to the contracts. This has a special impact on those who are SMEs.

Commitment to society

As a supportive institution and committed to the country and the citizens, we support the care of the health emergency. Initially, we contributed US \$ 1 million in March for initiatives aimed at feeding the most impacted families. Likewise, we acquired and delivered 27 respirators to Intensive Care Units of private health institutions.

Subsequently, we channeled our support through the “Save EC Lives” initiative. It is a trust with the participation of different citizens and companies, which collected donations to, in coordination with the Ministry of Health, acquire supplies and necessary medical equipment (respirators, medicines, Covid-19 tests, protective equipment and other supplies) ; these donations have been audited.

From Banco Guayaquil we contributed US \$ 5 million. Our employees made additional voluntary contributions for US \$ 192,767. The “Save EC Lives” (Salvar VidasEC) initiative managed to raise around US \$ 10 million, collaborating with 340 hospitals in 221 cantons across the country.

Main figures

(GRI 102-7)

Governance and Ethics

Update of the ARLAFDT manual
International certifications in
information security
(ex. PCI-DSS)



Financial culture and access to banking

9,259 Bancos del Barrio (+ 29%)
Financing of more than 14 thousand
microentrepreneurs (microcredit) (-45%)
More than 20,000 people trained in financial education
(children, youth and adults) (similar to 2019)



Internal commitment

2,840 employees (similar to 2019)
56% women on the workforce (similar to 2019)
US \$ 347,264 in training for employees
62% of employees telecommuting
14% reduction in energy consumption (main
buildings)
11% reduction in GHG emissions (main buildings).



Customer connection

2,631,056 customers (+ 2%)
283,518 active users in Mobile Banking (+ 64%)
59% of accounts (Savings and Current) opened
via digital



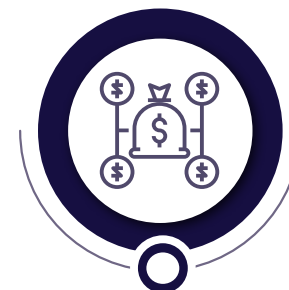
Financing and sustainable investment

Carrying out environmental and social due
diligence on 65 clients.
Training for 321 clients in good environmental and
social practices.



Business results

US \$ 3,699 million of commercial credit
(companies) (+ 31%)
US \$ 665 million in deposits (+ 18%)
US \$ 33 million of accumulated profit



1. Profile and Context

8 DECENT WORK AND
ECONOMIC GROWTH



 **Banco
Guayaquil**

1.1 Profile

Introduction

(GRI 102-16)

We are a bank focused on the client, a maxim that guides every decision-making.

We have been working for the last two years in a transformation process to enhance this understanding of banking activity: Central Project¹, obtaining feedback from customers in the different segments.

As a result of these efforts, in 2020 we redefined our purpose “to work permanently to offer the best banking experience”. We are committed to empathizing more with our clients.

1. More information in the Strategy chapter.



Purpose

**“To work permanently
to offer the best
banking experience”**

Central Project

- Focus on each segment
- Gain national projection
- Bet on digital integration
- Be a bank of relationships

Our Values

- Passion
- Empathy
- Flexibility
- Innovation

Employee profile

- Strong predisposition to persevere
- Understand others
- Adapt to changes
- Idea new solutions



Clients



Employees



Government



Shareholders



NGOs



Media



**Suppliers and
contractors**



**Bancos del
Barrio**

Closeness and empathy

It is also worth highlighting the solidity of our management, adequate risk management and profitability.

In the context generated by the pandemic, our policies to guarantee liquidity, solvency and supply capacity have also been decisive.

All this is possible due to the solid management guidelines and the commitment and experience of our employees.



Products and services

(GRI 102-2, 102-6)

We offer relevant products and services for every need, supporting the development of our clients, both in their personal and business finances.

We also bet on financial inclusion. It should be noted that we are working on new products with an environmental and social focus, which add to our experience in inclusive products.

In 2021 we will launch a microcredit for women, especially in rural areas, and a credit for self-employed women. Regarding products with an environmental focus, we will also launch a loan for energy efficiency projects, started by the shrimp sector².

Here's a look at our offering³.

People*

Accounts:

- Savings account
- Current account
- Friend account

Cards:

- Debit Card
- Credit cards

Investments:

- Investment policies
- Shares

Financing:

- Educative credit
- AutoFácil
- CasaFácil
- Multi-credit

Transactional Services:

- Payment of Collections
- Tax payment
- Transfers to other banks and abroad
- Remittances
- Foreign Exchange

Companies

Accounts:

- Business Checking Account
- Business Savings

Account Cards:

- Business Credit Cards

Investment:

- Investment Policies

Financing:

- Credit For Working Capital
- Credit For Investment Capital
- Agricultural Credit
- Confirming⁴
- Factoring
- Credit to Distributor
- Voucher Credit

Foreign trade:

- Finance And Guarantees
- Import Letter of Credit

- Import Collections
- Export Letter of Credit
- Export Collections
- Foreign Credit Line: BNDES
- Correspondents

Treasury:

- Buying And Selling Coins
- Transfers Abroad

Transactional Services:

- Business Digital Channels
- Electronic Check Deposit
- Redicheck
- Recovery
- Payment of payroll
- Payments to third parties

Microfinance

- Savings and checking account
- Credit
- **Services:** Remittances

2. More information in the sub-chapter on Financing and sustainable investment (chapter on Strategic advances).

3. In the Economic Results chapter, you can find out the dimensions of the products and services in our balance sheet.

4. Confirming is an administrative-financial agreement, which is offered to large companies, in which Banco Guayaquil takes charge of making payments to suppliers of its corporate clients. The benefit is that they can extend their payment term.

Presence and channels

(GRI 102-4, 102-10)

We are available to our clients online at all times.

Additionally, we put at your disposal a wide network of contact points, made up of our agencies and ATMs, and the network of Bancos del Barrio. The latter grew by 29% in 2020 and, together with online and mobile banking, has been key to preventing the displacement of our customers during the pandemic.

208

Bank Branches

(139 branches; 69 cashier windows)

1,105

ATMs and multifunction machines

9,259

Bancos del Barrio



1.2 Context

(GRI 102-15)

Our management seeks to deliver value for the different interest groups, with financial strength being key, the result of adequate guidelines and the ability to respond to the macroeconomic scenario of our context. International context

International Context

The global pandemic that emerged in China has brought serious social consequences, especially the death of people and the collapse of health systems.

The economy contracted 4.4% worldwide and 8.1% in Latin America according to data from the International Monetary Fund. The confinement measures led to a drastic reduction in consumption, especially in sectors such as tourism, leisure and restaurants. Companies had to stop investments and cut expenses, which led to cuts in staff and lower wages, causing the collapse of lower consumption.

The confinement and slowdown of the economy, starting with China, followed by Europe and North America, drastically decreased the demand for fuels and the price of oil fell; the WIT (West Texas Intermediate) (world benchmark for setting oil prices) averaged US \$ 39 per barrel, down US \$ 18 from the previous year.

The dollar depreciated 6.5% in 2020, as a result of the drop in the interest rate and the stimulus programs of the US government.

Scenario in Ecuador

The evolution of oil prices is the main determining factor for the country's economy and does not allow its recovery. The year began weak, as a result of the stagnation in 2019, and the measures to restrict productive activities and mobility had a drastic impact. An 8.9% contraction in GDP is estimated, the worst result since statistics are available.

No economic sector performed well. The best, however, was the shrimp sector, with growth of 2.7%, although affected by China's import restrictions (the main market). The fishing sector (excluding shrimp) also grew, by 0.3%, despite international restrictions on catching tuna in the Pacific.

For the rest of the sectors, the forecasts are for a fall, especially in the sectors of transport (-21%) and accommodation and food (-20%), due to the restrictions imposed on citizens. Construction decreased by -16%, with the paralysis of projects and investments by the public sector, and the fall in the demand for real estate for the private sector. The financial sector only fell by -0.9%, being an essential activity for the continuity of the economy and the activity of companies and citizens.

Exports were also down, by -10.7% in the first ten months of the year, a fall that amounts to -45% in the case of oil companies, due to lower demand, lower prices and lower production. Agricultural and fishing exports of the most important items (bananas, flowers, shrimp and other seafood) did grow.

The prices of goods and services fell by -0.3% as an average for the year, ending at -0.9%: this fall, however, did not allow us to gain competitiveness due to the greater declines at the international level.

The increase in unemployment was exponential from March to June, although jobs were recovered in the second semester. This has been possible due to the resumption of activities and labor measures contemplated in the Humanitarian Support Law.

Evolution of the financial sector

Customer confidence in the financial sector has been a determining factor and a differential compared to previous economic crises. Proof of this is that deposits increased 11.43%, despite the economic contraction. Customers have also accompanied the entities in the accelerated transition to new means of remote operation.

Credit decreased 2.23%, the result of a contraction. However, from the entities we apply exceptional measures to support our clients, with deferral of payments, extension of terms and refinancing. The financial relief provided by the banking system in Ecuador was close to US \$ 9,496 million, which represents 33% of the total portfolio.

On the other hand, as a precaution against the uncertain scenario and the deterioration of the portfolio, provisions increased.



1.3. Capital

(GRI 102-5, 102-10)

At the end of 2020, it had 7,170 shareholders; 96% natural persons. 80.80% of the capital is owned by Corporación MultiBG SA, an Ecuadorian capital company, which is also listed on the Guayaquil and Quito Stock Exchanges.

The capitalization value at the end of 2020 was US \$ 428,256,000.

Committed to our shareholders, the Bank distributed a cash dividend for US \$ 8,325,000, which corresponds to 28.7% of the profits generated in fiscal year 2020; according to the authorization granted by the Superintendency of Banks. We appreciate their trust in the institution, even in such a complex environment.

It is worth highlighting the external financing received, with a credit line for US \$ 100 million from the International Development Finance Corporation of the United States (DFC), which we will allocate especially to loans for small and medium-sized companies.

In addition, we issued the First Social Bond of Ecuador, for US \$ 20 million. It was structured with the support of IDB Invest, which also signed it. In this way, we obtained resources to finance MSMEs especially affected by COVID-19⁵.

5. More information in the Responsible Banking sub-chapter (Strategy chapter).

Distribution by rank of shareholders' capital:

Shareholder Capital Range	% Shares
Shares <1,000	0%
Shares >= 1,000 to <= 5,000	1%
Shares >= 5,000 to <= 10,000	1%
Shares >= 10,000 to <= 50,000	5%
Shares >= 50,000 to <= 100,000	3%
Shares > 100,000	90%
TOTAL	100%

Classification of shareholders by time of permanence:

Years Range	Number of Shareholders	% Shares
<1 year	118	1.65%
>= 1 <= 3 years	497	6.93%
> 3 <= 5 years	142	1.98%
> 5 years	6,413	89.44%
TOTAL	7,170	100%

2. Corporate Governance

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



2. Corporate Governance

(GRI 102-18, 102-19, 102-20, 102-22, 102-23, 102-24, 102-26, 102-27, 102-28, 102-31, 102-33, 102-34, 102-35, 102-36, 102-37, 205-2, 405-1)

We align our Corporate Governance under the principles of integrity, transparency, responsibility and justice, always being aligned with the current legislation of Ecuador and the best international practices. We specify the guidelines in the Corporate Governance Code, which is available to the public.

The purpose of this structure is to guarantee compliance with the Bank's strategic objectives and to generate value for all of our shareholders and other stakeholders.

For its proper functioning, the General Shareholders' Meeting, the Board of Directors, and Senior Management participate, each with their respective responsibilities: The General Shareholders' Meeting is the highest governing body of the Bank, being in charge of Appointing the Principal and Alternate Directors; approve the Financial Statements, the Report of the External Auditors and the

Internal Auditor, and the Report of the Commissioner; approve the destination of the profits proposed by the Board of Directors; approve the authorized capital increase and any amendment to the Bylaws, among others. It meets ordinarily within 90 days after the close of the annual fiscal year, and extraordinarily when it is legally called.

The Commissioner's report, the destination of the profits and the payment of dividends for the financial year. It is convened once a year in an ordinary way.

The Board of Directors is the highest body responsible for the administration of the Bank, having among its functions:

- Defining the financial and credit policy, and supervising its application;
- Approve the main policies and procedures, ensure their compliance and the operation of the Bank's internal control systems;

- Approve the corporate strategy;
- Authorize the annual budget;
- Evaluate the performance of the Bank and Senior Management, based on the management report presented by the Executive President.

It is made up of principal and alternate managing directors elected by the General Shareholders' Meeting. The terms of office are two years, with the possibility of re-election. For his part, the Chairman of the Board is elected in turn by all the members of said collegiate body.

The Board of Directors meets once a month, with the possibility of making extraordinary calls if necessary.

Its members receive remuneration for each session they attend, proposed by the Remuneration Committee and approved by the Ordinary General Shareholders' Meeting.



The current composition of the Board corresponds to the period 2020-2022, elected in February 2020, and has five main directors and three alternates⁶. At the end of 2020, the CPA was incorporated as Alternate Director. Víctor Hugo Alcívar Alava, after ceasing to act as Executive Vice President of the institution.



Econ. Danilo Carrera Drouet
President
2020 - 2022
Elected in 1995



Dr. José Ayala Lasso
Principal Director
2018 - 2022
Elected in 2005



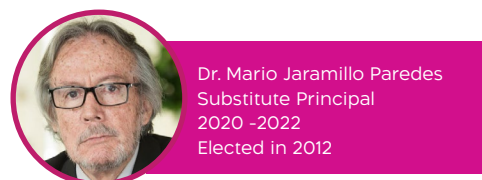
Dr. Galo García Feraud
Principal Director
2020 - 2022
Elected in 1998



Ab. Raúl Gómez Ordeñana
Principal Director
2020 - 2022
Elected in 2004



Alm. Fernando Donoso Morán
Principal Director
2020 - 2022
Elected in 2005



Dr. Mario Jaramillo Paredes
Substitute Principal
2020 - 2022
Elected in 2012



Ing. Leonardo Moreira Luzuriaga
Substitute Principal
2020 - 2022
Elected in 2018



CPA. Víctor Hugo Alcívar
Substitute Principal
2020 - 2022
Elected in 2020

6. The initial composition for the 2018-2020 mandate, elected in February 2018, was 9 members. In March 2020 Econ. Elsa Romo-Leroux Chávez de Mena, bastion of integrity and service passed away. Econ. Elsa de Mena spent ten years in the position of Director. We deeply regret her passing away.

The average seniority of the directors in the exercise of the position is 12 years; none of them work for the Bank. They are professionals with proven financial, legal, commercial and operations experience.

We also support their acquired knowledge with the Financial and Regulatory Update Program, which includes training on the country's regulations and emerging trends in the sector.

In 2020, we conducted the following trainings:

Month	Subject
May	Financial and political analysis of Ecuador and the world
July	Deals with cryptocurrencies
September	Cybersecurity theme

We highlight that 100% of the members also receive training on anti-corruption and fraud policies and procedures.

Name	Position	Elected	Last Election
Econ. Danilo Carrera Drouet	President	1995	2020 - 2022
Dr. José Ayala Lasso	Principal Director	2005	2020 - 2022
Dr. Galo García Feraud	Principal Director	1998	2020 - 2022
Ab. Raúl Gómez Ordeñana	Principal Director	2004	2020 - 2022
Alm. Fernando Donoso Morán	Principal Director	2005	2020 - 2022
Dr. Mario Jaramillo Paredes	Principal Director	2012	2020 - 2022
Ing. Leonardo Moreira Luzuriaga	Principal Director	2018	2020 - 2022
CPA. Víctor Hugo Alcívar Alava	Principal Director	2020	2020 - 2022
Average Stay	12 years		



ECON. JULIO MACKLIFF ELIZALDE
Executive Vice-President



ECON. GUILLERMO LASSO ALCÍVAR
Executive Vice-President

Senior Management

Senior Management is responsible for implementing the strategy and guidelines approved by the Board of Directors. It is made up of the Executive President and two Executive Vice Presidents - General Managers, who are elected by the Board for 5-year terms, with the possibility of re-election. They are joined by the General Proxy, officials who represent the Bank in both public and private acts by appointment of the Executive President with prior Board authorization.

In November 2020, Víctor Hugo Alcívar Álava stopped serving as Executive Vice President of the institution, but now joining as a member of the Board of Directors, which allows us to continue to rely on his experience and knowledge.

The members of the Board of Directors and Senior Management participate in the structure of committees that are part of the Bank's control bodies, as well as necessary

for making consensus and specific decisions. These include normative committees, required by legislation, and managerial committees as a complement to strengthen decision-making.

The Board of Directors is kept informed of the actions carried out within the committees directly through the participation of directors in both structures, in addition to having periodic presentations and having consolidated information received on the Bank's performance and management committees as a complement to strengthen decision-making.

Committee functions

In accordance with the Organic, Monetary and Financial Code, the External Auditor of the institution also exercises the position of Commissioner, who fulfills the functions provided for in said legal body. The external auditor is appointed annually by the General Shareholders' Meeting, to whom he informs his report on the financial statements.

Similarly, the Bank has its internal control and especially highlights the work of the compliance officer, who is in charge of the Risk Management of Money Laundering and Financing of Crimes such as Terrorism (ARLAFDT) and of the internal auditor, who report directly to the Board of Directors.

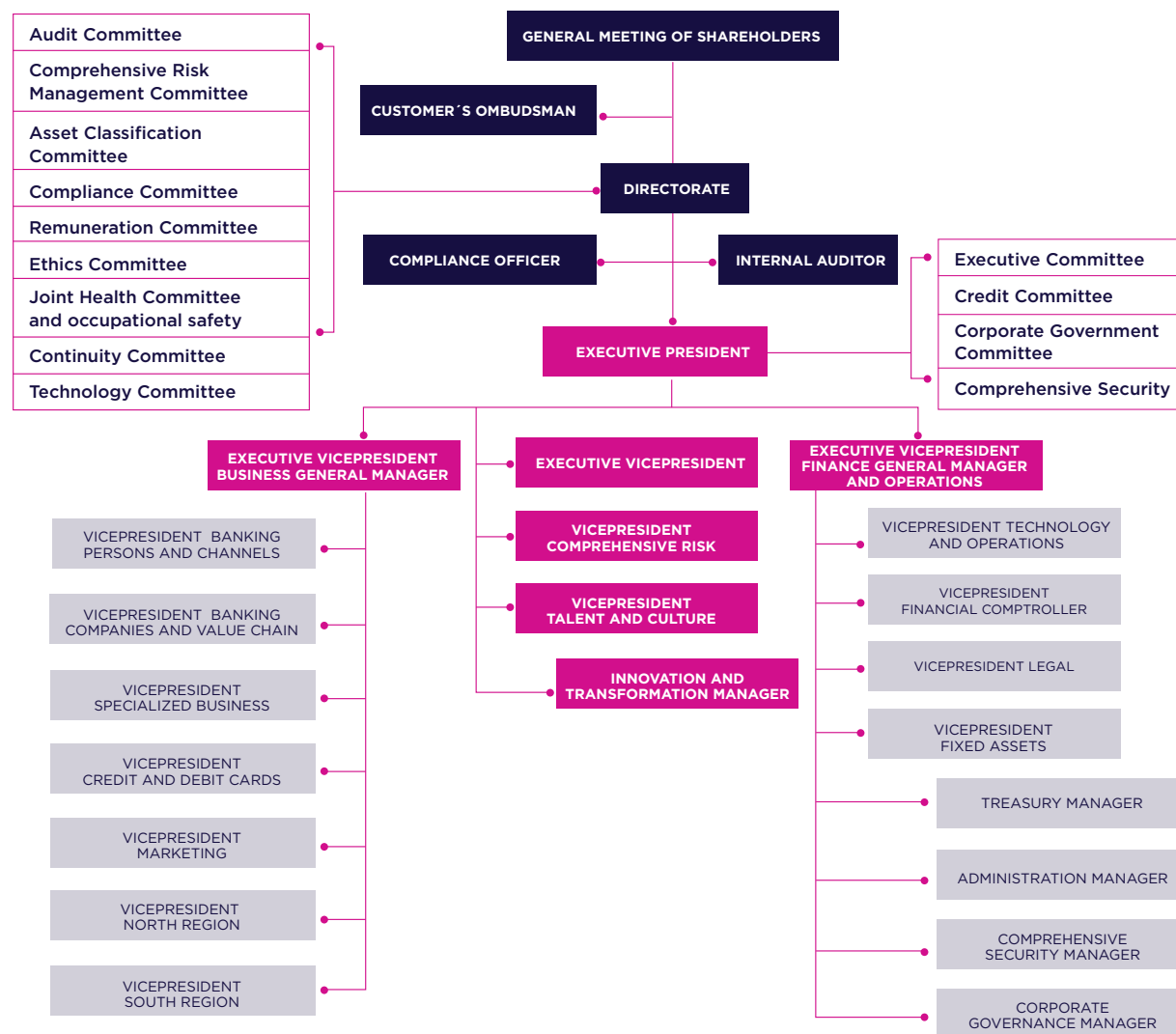
Regulatory Committees:

- Audit Committee
- Comprehensive Risk Management Committee
- Risk Assets Rating Committee
- Compliance Committee
- Remuneration Committee
- Ethics Committee
- Joint Committee on Occupational Health and Safety
- Continuity Committee
- Technology Committee

Management Committees:

- Comité Ejecutivo
- Comité de Crédito
- Comité de Gobierno Corporativo y Sostenibilidad

Organization Chart



Regarding our Internal Audit area, after obtaining the Activity Quality Certificate in 2019, we focus this year on the continuous improvement of processes, carrying out internal quality evaluations and ensuring general compliance with internal and external regulations when applicable. The certification was granted by the Institute of Internal Auditors of Spain in conjunction with the Institute of Internal Auditors of Ecuador. In this way, the commitment of the Administration of Banco Guayaquil in strengthening its Internal Control System is reaffirmed.

On the other hand, the Bank is complemented by the Customer Ombudsman, an external and independent figure, appointed by the Government who collaborates with the Superintendency of Banks of Ecuador and annually reports its performance to the General Shareholders' Meeting.

3. Ethics and Compliance

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



3. Ethics and Compliance

(GRI 102-16, 102-17, 102-25, 205-1, 205-2, 205-3, 206-1, 415-1, 416-2, 417-2, 417-3, 419-1) (SASB FN-MF-270a.3, FN-CB-510a.1, FN-CB-510a.2)

As part of the updating of the Code of Ethics, we address Telecommuting, establishing the right to digital disconnection. At Banco Guayaquil we promote an organizational culture based on ethical management and compliance with our self-regulation and external regulations.

The Code of Ethics governs the way in which employees interact, and they with stakeholders. It includes the main guidelines to avoid conflicts of interest, corruption practices and money laundering; It also promotes respect for diversity and non-discrimination. It was updated this year to incorporate the necessary guidelines in the new context of Telecommuting and the provisions of the authority for everything related to the Risk Management of Money Laundering

and Financing of Crimes such as Terrorism (ARLAFDT).

As part of the updating of the Code of Ethics, we address telecommuting, establishing the right to digital disconnection.

The Code applies to all of our employees and is complemented by the Internal Work Regulations and other policies that we have at the Bank. We also require compliance with the members of the Board of Directors, as well as our suppliers and the Banqueros del Barrio, in order to perform aligned.

For our staff, we disseminate the policies through our intranet platform called "Vamos", and we send their updates via email. Likewise, they are informed about it in the induction when they join the Bank.

In order to reinforce the ethical guidelines within the Bank, during 2020 we were able to train 99% of our staff in comprehensive security issues, in specific training on:

- Physical security, which includes prevention and physical integrity advice for our Employees and Clients.

- Regulations and external and internal control, details of the Anti-Bribery Management System (SGAS), the Ethics Line and how to proceed with bank secrecy.

- External fraud, explanation of concepts and general recommendations.

- Information Security, explanation of cybersecurity concepts and recommendations.

- Compliance, which includes concepts of illicit typologies, as well as general recommendations.

Together with the training of our employees, we inform and train 100% of the members of the Board of Directors on our different policies.

On the other hand, we have an Ethics Line that all employees can access through the Bank's Intranet, that allows anonymous complaints to be generated about bad practices and non-compliance with the Bank's policies and Code of Ethics.

In addition, we have an open line to the rest of our stakeholders, as part of the "Prevenir depende de ti"⁷ program. This information is supplemented by findings that we proactively identify through internal audits.

As part of the updating of the Code of Ethics, we address telecommuting, establishing the right to digital disconnection.

7. Complaints mailbox: prevenirdependedetibancoguayaquil.com



cases of corruption in the course of the Bank's activities during 2020.

Additionally, due to the Bank and our employees' adherence to the law, including the Organic Monetary and Financial Code, as well as the rest of the legislation and regulations that apply to us, we had no sanctions for non-compliance or arbitration cases.

The reported cases are evaluated by the Vice Presidency of Talent and Culture and by the Vice Presidency corresponding to the area involved. Those of greater severity and / or that require sanctions are analyzed by the Ethics Committee, also in cases where senior management is involved. Additionally, the Committee takes care of the knowledge of the Code of Ethics by the employees and informs the Board of Directors thereof.

The composition and responsibilities of the Ethics Committee correspond to what is established by legal provisions. The members are approved by the Board of Directors and must be qualified by the Superintendency of Banks. Its members include a representative of the shareholders, the Board of Directors and

the employees, as well as the Executive President of the Bank.

Compliance

We adhere to the Organic Law on Prevention of Money Laundering and Financing of Crimes such as Terrorism and the ARLAFDT Standard, whose focus is Risk Management of Money Laundering and Financing of Crimes such as Terrorism. On the other hand, we have an ARLAFDT Institutional Program, which is based on government, internal regulation, culture and technology.

Delving into the ARLAFDT model, the organizational structure is robust, specialized and in accordance with the

highest international standards. Added to this are our internal policies and procedures, integrated in the ARLAFDT Manual. It should be noted that the performance of the management model is internally and externally audited.

We also have an Anti-Bribery Management System, for the process of selecting, evaluating and paying suppliers, certified in accordance with the ISO 37001 standard.

As part of our performance to avoid any corrupt practice, including bribery, we do not make contributions to parties politicians.

As a result of all the aforementioned management, as well as the commitment of our employees, we had no confirmed

4. Strategy

17 PARTNERSHIPS
FOR THE GOALS



4.1 Focus on the customer

At Banco Guayaquil we want to meet the different needs of our clients, through a simple, close and transparent model.

With the Céntrico project, we work on the main changes necessary to generate a more digital model, with a range of products and services relevant to the needs of customers and a comprehensive and trustworthy experience.

Based on the project, we design the 2018-2020 Strategic Plan, with the following lines of work:

1) Be focused on each segment: reinforce the value delivered to each client through product and service proposals designed specifically for the segment; specificity also extends to attracting customers and serving in accordance with different needs.

2) Gain national projection: From our regional origin and the current position of strength in the central and southern regions, advance especially in the northern region in infrastructure and business volume.

3) Bet on digital integration: after being pioneers in the digital transformation of banking in the country, continue to lead this change with a focus on customer experience (including omnichannel) and process efficiency, as well as impact on both that data analytics delivers. Promote the adoption of technology by customers and the information in this regard for their use.

4) Be a bank of relationships. Including the customer at the center, putting the focus on the experience over the products and their placement, this hand in hand with technology and the greater specificity of products and service thanks to segmentation and knowledge of the client through data analytics.

In 2020, we launched “Primero Tú”, which represents an evolution of the banking concept with the customer at the center, is based on the achievements made in two years of implementation of the Central project and materializes the focus on relationships. It is the concept that projects the aforementioned advances publicly and for the client.



4.2 Comprehensive sustainability

(GRI 102-12, 102-47)

We understand the Bank's activity as a generator of value for all our stakeholders, through the provision of financial products and services, contributing to economic and social development and protecting the environment.

The focus on sustainability, on maximizing the positive impacts indicated, is part of decision-making at all levels. We work in accordance with the priorities established in the new Sustainability Strategy.

We redesigned the Strategy this year to address the critical and emerging issues resulting from the materiality update, in the context of Covid-19, as well as meet our commitments to the 2030 Agenda and the Sustainable Development Goals (SDGs), and those resulting from our accession in 2019 to the Principles of Responsible Banking.

Then, we present the main focuses and lines of work. They are in turn made up of different initiatives, which materialize thanks to the efforts of all our employees and joint work with other stakeholders. The progress of the Strategy is monitored by the Corporate Governance and Sustainability Committee, and we report on performance through different channels.





For more details on the materiality update process, see Annex II.



Different organizations and individuals, including our clients, can contribute to sustainable development. The alliances help to increase the scale of the impacts and from Banco Guayaquil we work with the main networks that promote these actions in the country: Global Compact Red Ecuador and the Ecuadorian Corporation for Social Responsibility and Sustainability (CERES).

In October, we finalized the leadership of the ODS 8 Roundtable, on decent work and economic growth, within the framework of the Global Compact Network Ecuador's Leaders for the ODSs program. The purpose of this was to bring together the labor needs of young people, especially outside the university, and the demand for employees by companies from different sectors. This second year, we delve into the analysis of the causes of youth unemployment and underemployment in Ecuador, learning from the different actors involved (companies, educational institutions, academia, social organizations), as well as conducting a first pilot of collaboration between participants of the Roundtable and other organizations.

ODS 8 Table milestones, 2018-2020

12 plenary sessions; additional work sessions

+ 30 speakers;

30 member organizations;

2 scenario reports and 2 guides for action;

1 collaborative pilot project in Posorja.

More information about the publications and works of the ODS 8 Roundtable at:

[https:// www.bancoguayaquil.com/conocenos/sostenibilidad/](https://www.bancoguayaquil.com/conocenos/sostenibilidad/)

In addition, we participate in the ODS 5 Roundtable, contributing to the development of the Gender Equality Manual published this year. This is one of the key themes of our talent management, which we reinforce with the signing of the Women's Empowerment Principles (WEPS). We are also part of the ODS 16 Table, on peace, justice and strong institutions.

Our contribution to the ODSs is detailed throughout this report, we recommend using the specific section of Annex II as a guide.

As part of the great global challenges, the Women's Empowerment Principles seek to reduce the gap for women in employment and professional development, as well as in access to products and services provided by the company, and the development of a inclusive internal and external culture, including in marketing.

Banco Guayaquil has been working on this, especially in two aspects:

- 1) organizational culture and talent management;
- 2) Responsible banking: inclusive products are addressed in this report.

4.3 Responsible banking

At Banco Guayaquil we do not understand our commitment to sustainability without responsible banking, a way of operating as a financial entity that facilitates economic activity in our country, social inclusion and respect for the environment.

On September 22, 2019, we signed the **Principles of Responsible Banking**, with the purpose of advancing in this way of operating, developing inclusive products and services with less environmental impact, and supporting the education of people at all levels in the management of your finances⁸. We already had antecedents, such as the Bancos del Barrio, a pioneer network of non-bank correspondents in the country, and first-access products such as the Cuenta Amiga.

Our Sustainability Strategy includes a **Responsible Banking Sub-strategy**, with commitments and actions organized in the following areas:

- 1. Governance and ethics:** for the integration of the responsible banking approach in decision making at all levels, maximizing the positive impact of financial activity.
- 2. Financial culture and access to banking,** with the development of inclusive and accessible products, financial education and support for entrepreneurship and strengthening of mipymes.
- 3. Financing and sustainable investment:** application of analysis of social and environmental risks in the delivery of credit, in the development of specific financing products, and the monitoring of the impacts of our portfolio.

As part of our commitment to the Principles, we carry out an analysis of the positive and negative impacts of our commercial offer, including credit products, savings products, as well as other products and services.

The process followed the recommendations established by the Finance Initiative of the United Nations Environment Program (UNEP-FI). We scrutinize our portfolio of products and services, their assessment in terms of customer and risk profile, and the context of critical social and environmental issues in Ecuador, generating the impact map.

This is complementary to the materiality analysis. The Bank works as an organization in multiple aspects (employer, client, provider of financial products and services, development partner, etc.) and all are analyzed in the materiality process; however, the process of studying the portfolio of products and services hides in one of these aspects, that of the financial provider.

Based on the results of the impact map, we set the following annual and medium-term objectives:

We support the progress of our peers in the country and the region. It is worth highlighting the participation in development from the Association of Private Banks of Ecuador (ASOBANCA) and with the support of the Technical Assistance Program of the Eco.Business Fund, of 12 sector guides to mitigate the environmental and social risks of loans. In the same way, our active involvement in the working groups of the signatories of the Principles of Responsible Banking.

8. The Principles for Responsible Banking can be consulted at: <https://www.unepfi.org/banking/bankingprinciples>

First Social Bond



Our commitment to Responsible Banking and the strategy followed, especially that relating to support for mipimes, has been key to the issuance of the First Social Bond of Ecuador, structured with the support of IDB Invest and which has also been signed, in a transaction for US\$ 20 millions.

The Bond has been articulated in accordance with the Social Bonds Principles of the International Capital Markets Association (ICMA), an international benchmark in the matter.

The capital will be used to finance mipymes especially affected by Covid-19; It is worth highlighting their importance for the creation of employment and local development

throughout the country. The delivery of the credits will be channeled through the Bancos del Barrio, our network of non-bank correspondents, so we will bring resources closer to beneficiaries and maximize outreach.

In this way we are also contributing to the development of the green, social and sustainable bond market in Ecuador. We also support the development of sustainable finance in the region, participating in bodies such as the Bolivian Sustainable Finance Roundtable, which organizes the local Global Compact network.

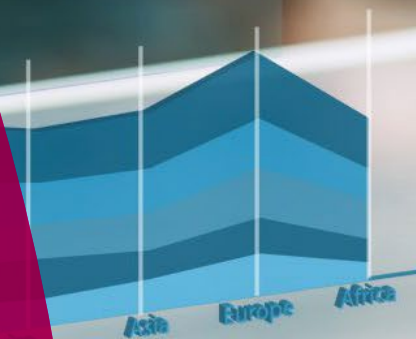
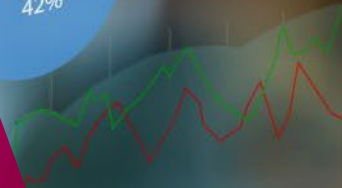
For more details on the impact map, see Annex II.

5. Economic results

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



5.1 Relevant Financial Data

In a year of uncertainty and a health crisis, the administration focused on consolidating key indicators such as liquidity, solvency and provisioning capacity for an adequate continuity of the banking business.

Regarding liquidity, we closed with a historical indicator of 43.73% that represents US \$ 1,800 million of liquid

assets. This liquidity allowed granting financial relief to clients affected by the pandemic, reaching 36% of the loan portfolio with processes such as term extension, grace period, among others.

We are a solvent institution with a technical equity indicator of 15.90%, this represents around US \$ 280 million more than what is required by current regulations.

Knowing that the health crisis and the adverse economic situation, it can complicate the finances of our clients, due to banking prudence it was necessary to constitute new provisions to solve potential losses.

Here are our main financial indicators:

Main Financial and Business Indicators - Banco Guayaquil				
	2018	2019	2020	VAR 20-19
Assets and Contingents (thousands of dollars)	5,734,122	6,729,611	7,349,742	9.2%
Loan portfolio (thousands of dollars)	3,146,868	3,682,983	3,854,011	4.6%
Deposits (thousands of dollars)	3,320,469	3,718,315	4,373,171	17.6%
Operational Efficiency Index (%)	41.42	38.09	33.61	5.83%
ROE (%)	14.01	17.62	6.63	-1,099 pb
ROA (%)	1.39	1.59	0.58	-101 pb
Liquidity Index (%)	36.02	36.75	43.73	698 pn
Solvency Index (Technical Assets) (%)	14.69	14.55	15.90	135 pb
Delinquency Rate (Overdue Portfolio) (%)	1.61	1.50	1.72	22 pp
Net Profit (thousands of dollars)	60,372	80,733	33,290	58.8%

Notes to the table:

- The Operational Efficiency Index expresses the relationship between operating costs and income.
- The ROA expresses the net profits of a period for the total equity; ROA shows the ratio of net earnings to average assets.
- The Technical Equity is made up of the sum of the paid-in capital, reserves, total profits for the current year, accumulated profits from previous years, contributions to future capitalizations, convertible obligations less the deficiency of provisions, required amortizations and depreciations, losses and other items that the financial institution has not recognized as losses and that the Superintendency of Banks classifies as such.



Integrated Sustainability Report 2020

5.2 Statement of profit and loss

(GRI 102-7, 201-1)

Banco Guayaquil presents a profit of US\$ 33 million at the end of 2020. This figure occurs in an adverse economic context as a result of the pandemic, in which the bank adopted measures to support and meet the needs of its customers, maintain liquidity and solvency levels, and protect the sustainability of the business. Profits were reduced by 58.77%, mainly due to the reinforcement of provisions for impacts associated with the health emergency. Regarding operating profit, without considering extraordinary provisions and taxes, it reflects a solid performance with growth of 19%.

Profit and Loss Statement (In thousands of dollars)				
	2018	2019	2020	VAR 20-19
Income	475,276	536,794	609,950	13%
Expenses	414,904	456,06	572,659	26%
Net Income	60,372	80,733	33,290	-59%

Income (sales)

Earned interest represented 67% of sales, followed by service income with 17%, and finally 16% from other services including commissions earned and financial profits.

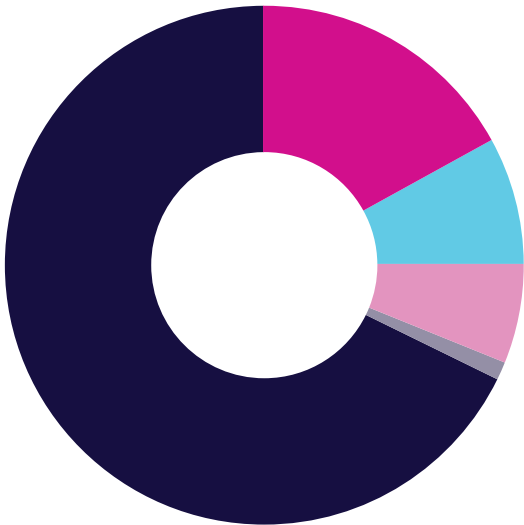
Expenses (costs)

Costs were US\$ 573 million, that is, a growth of 26%, in relation to the previous period. Of this total, the most relevant costs were: provision expenses (31%), operations (29%) and interest paid (25%).

En relación a nuestras aportaciones en impuestos, fueron de US\$ 47 millones, que representan el 141% del total de las utilidades netas del año.

La mayoría corresponde al Impuesto a la Renta y las aportaciones para el Seguro de Depósitos (COSEDE).

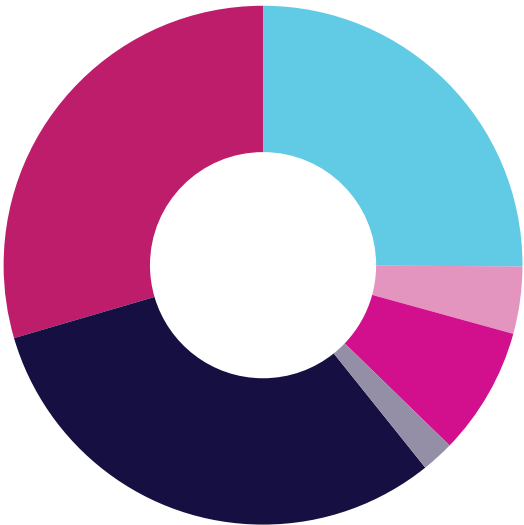
Sales Structure
(In millions of dollars)



\$ 606 MM

- 67% Interest Earned / US\$ 407 MM
- 17% Income from services / US\$ 103 MM
- 8% Other income / US\$ 49 MM
- 6% Commissions earned / US\$ 38 MM
- 1% Financial profits / US\$ 8 MM

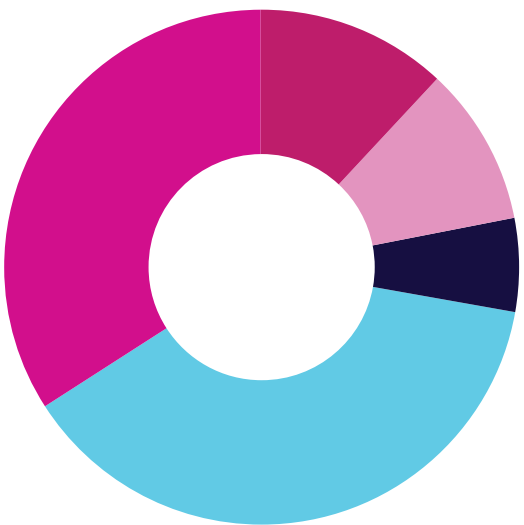
Cost Structure
(In millions of dollars)



\$ 573 MM

- 31% Provisions / US\$ 177MM
- 29% Operating expenses / US\$ 166MM
- 25% Interest accrued / US\$ 145MM
- 4% Commissions incurred / US\$ 24MM
- 8% Taxes / US\$ 47MM
- 2% Others / US\$ 14 MM

Structure



\$ 454 MM

- 38% Cosede-Aug / US\$ 173 billion
- 34% income tax / US\$ 155 billion
- 12% Foreign Assets Tax / US\$ 54 billion
- 10% bank superintendency / US\$ 45 billion
- 6% other taxes / US\$ 27 mm

5.3 Summary balance sheet

Next, we present the Balance Sheet, as of December 31, 2020¹⁰.

Balance Sheet (In thousands of dollars)				
	2018	2019	2020	VAR 20-19
Assets	4,331,623	5,077,368	5,761,260	13%
Liabilities	3,840,452	4,538,511	5,225,863	15%
Equity	491,71	538,856	535,397	-1%
Total Liabilities + Equity	4,331,623	5,077,368	5,761,260	13%
Net Contingents	1,402,499	1,652,243	1,588,482	-4%
Total Assets + Net Contingents	5,734,122	6,729,611	7,349,742	9%

At Banco Guayaquil we have arranged to have prudential solvency levels above the legal norm, in order to maintain the trust of our shareholders, members of the board of directors and administrators.

10. The detailed table of the Balance Sheet can be found in the Annexes section of this Report.

5.4 Credit delivered

(GRI 203-2) (SASB FN-CB-240a.1)

At the Bank, we remain firm in our commitment to support all our clients and finance their projects, even in difficult situations.

We continue to promote the development of the Ecuadorian business sector, as an important engine of the country's economy and job creation. We also support the economy of individuals and families.

Credit delivered Banco Guayaquil 2020

Comercial (companies):
US\$ 3,699 million, 30,817 credits. It includes the Corporate, Business and PYME segments.

Microcredit (companies):
US\$ 81 million. We finance 14,186 projects of micro-entrepreneurs.

Consumption (people):
US\$ 1,419 million, delivered to 402,036 clients.

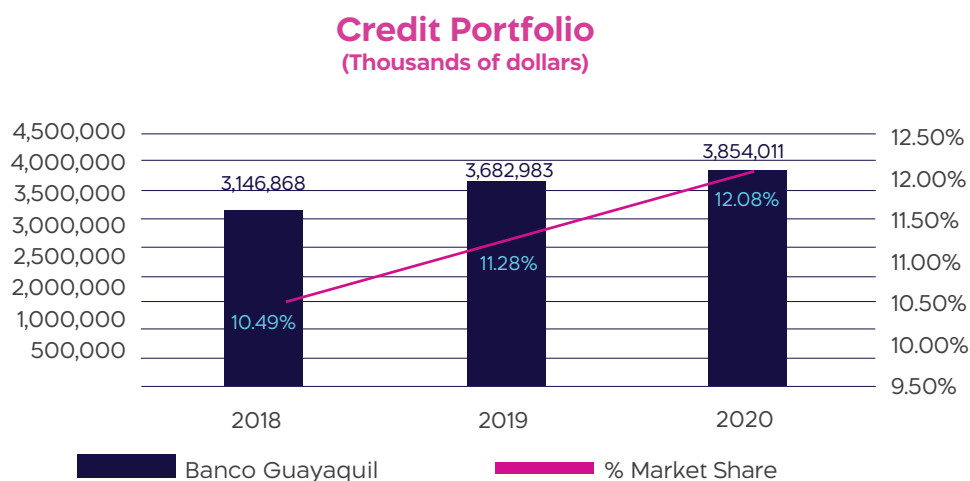
Housing (people):
US\$ 51 million, helping 391 families have their own home.



5.5 Breakdown of the Loan Portfolio Balance

(GRI 203-2, FS6) (SASB, FN-CB-410a.1, FN-CB-000.B)

We had a loan portfolio growth of US\$ 171 million, with a market share of 12.08%. Below is a breakdown of the portfolio at the end of the year into the different categories.



Loans to business activity, categorized in the commercial segment, closed with a balance of US\$ 2,044 million (including contingents), which corresponds to an increase of US\$ 172 million, 9.2% compared to the previous year and contrasts with the decrease 2.57% in the entire Ecuadorian banking system.

Our market share in commercial credit is already 13.03%.

We distribute commercial credit among different economic sectors. Trade stands out, although it is fairly distributed, reducing risks for the Bank and facilitating comprehensive development of the economy. Compared to 2019, the increase in the weight of the agriculture, livestock and fishing sectors stands out.

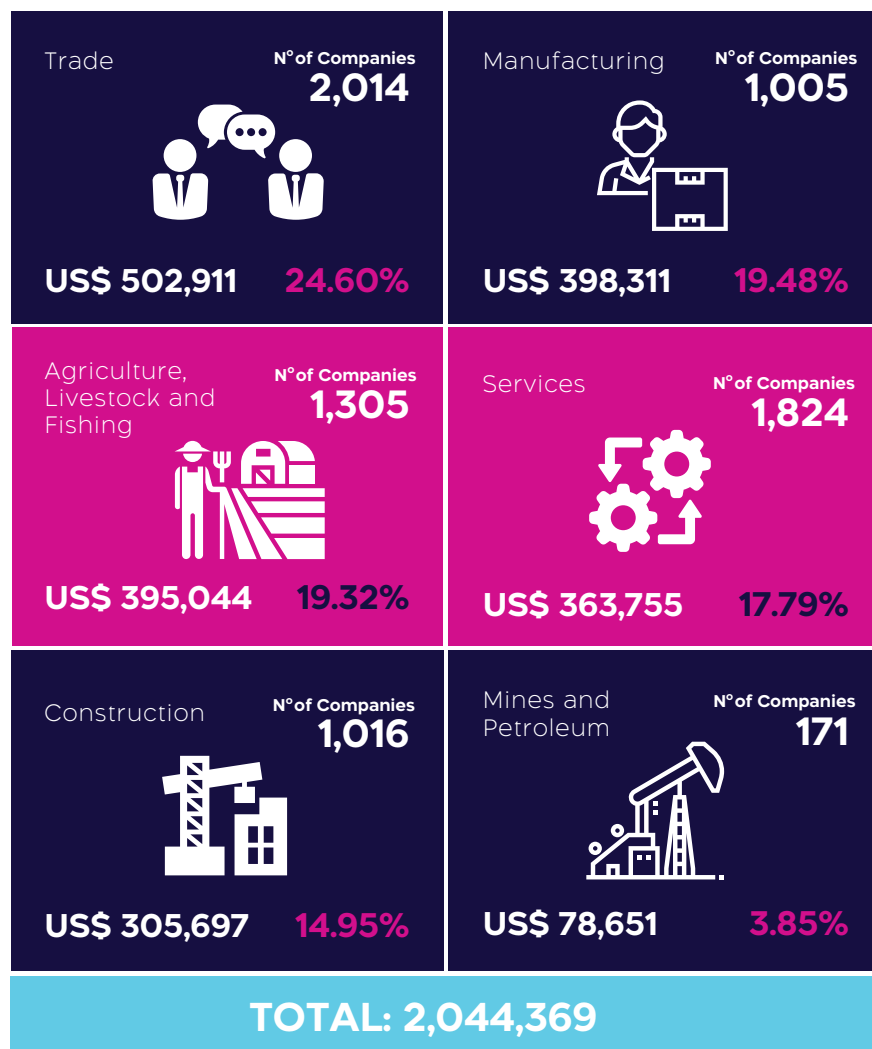
Structure	2018	2019	2020
Portfolio	100.00%	100.00%	100.00%
Commercial	56.65%	50.83%	53.05%
Consumer	33.93%	39.75%	38.22%
Housing	6.55%	5.65%	5.24%
Micro	2.70%	3.63%	3.41%
Educational	0.18%	0.13%	0.09%

Structure	2018	2019	2020
Balance	1,782,582	1,872,151	2,044,368
Part. Market	11.45%	11.63%	13.03%

Commercial Credit

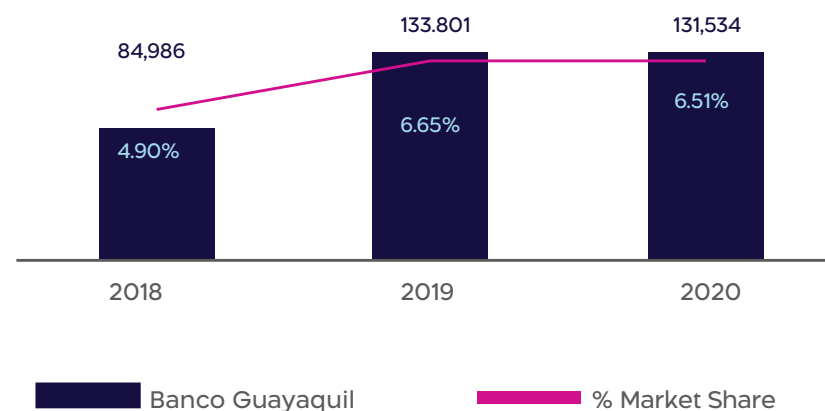
As of December 31, 2020

in millions of dollars



For small business owners, we provide microloans. The portfolio balance at the end of 2020 was US \$ 132 million, which represents a slight decrease of 1.69% compared to the previous year. It should be noted that, despite the difficult context, the delinquency rate in this segment was 2.26% compared to 3.44% in 2019.

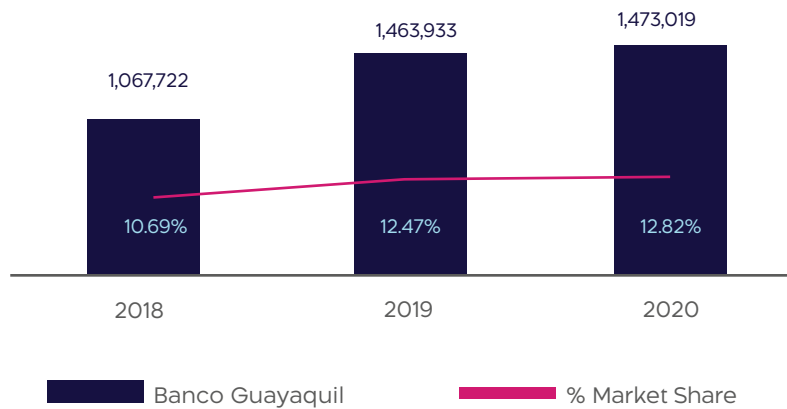
Micro Credit (Thousands of dollars)



In relation to personal loans, the main one is consumer credit, which includes the delivery of financing linked to payroll or income (if you are a self-employed professional) for any use, including the purchase of cars (family, not business).

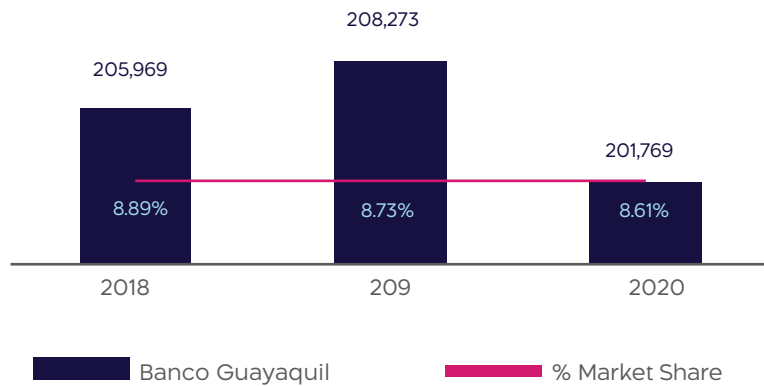
Consumer credit rose to US\$ 1,473 million in 2020, 0.62% higher than the previous year. This stability stands out compared to the decrease of 2.12% in the Ecuadorian banking system.

Consumer Credit (Thousands of dollars)



On the other hand, we provide credit for the purchase of a home. Its balance at the end of 2020 was US\$ 202 million, which represents a decrease of 3.12% compared to the previous year. Our market share was 8.61%.

Housing Credit (Thousands of dollars)



5.6 Evolution of Deposits

(SASB FN-CF-000.A, FN-CF-000.B, FN-CB-000.A)

The confidence that our clients give us is reflected in the annual growth of deposits of US\$ 665 million, that is, 17.61%, thus exceeding the increase of 11.43% in the Ecuadorian banking system.

Deposit Evolution (in millions of dollars)					
	Dec-18	Dec-19	Dec-20	VAR. 2019 - 2020	Market Share
Deposits in Current Accounts	1,162, 429	1,269,642	1,515,685	19%	12.97%
Deposits in Savings Accounts	946, 248	1,000, 701	1,098, 322	10%	10.59%
Term Deposits	1,141, 312	1,386, 168	1,705, 669	23%	11.29%
Other Deposits	70,480	61,804	53,494	NA	NA
Total Deposits	3,320, 469	3,718, 315	4,373, 171	18%	11.65%

5.7 Distribution of Economic Value

(GRI 201-1, 201-4)

At Banco Guayaquil we remain firm in the generation of value for each of our stakeholders, distributing the income in the different items according to each one: remuneration to suppliers for their products and/or services, salaries and benefits for employees, payments to providers of capital, taxes and support to communities through social investment programs.

The resulting retained economic value allows us, on the other hand, to have capital to continue growing, always in compliance with our strict risk controls and our commitment to the financial stability of the company.

Economic Value Generated and Distributed (In thousands of dollars)				
	2018	2019	2020	VAR 20-19 (%)
Income (Economic Value Generated, VEG): sales	475,276	536,794	605,950	13%
Expenses (Distributed Economic Value, VED)	452,404	492,360	572,659	16%
1) Operating expenses	247,869	276,127	405,656	47%
2) Salaries and benefits	87,173	96,849	80,123	-17%
3) Payment to providers of capital	51,256	57,713	37,205	-36%
4) Payments to the government (taxes and contributions)	66,000	61,512	47,066	-23%
5) Community programs	107	160	5,609	3,40%
Held (VEG -VED)	22,872	44,433	33,29	-25%

6. Risk Management

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



6.1 Prevention and monitoring

(GRI 102-11, 102-15, 102-29, 102-30, 201-2)

To guarantee the continuity of our operations and the safeguarding of the Bank's assets, we have a solid structure within the institution for the management and identification of risks.

The Board of Directors is responsible for the establishment of the global management framework, the monthly monitoring and the analysis of potential risks, supported in turn by the Executive Committee, which evaluates the projections of the impact of risks on finances, results and activity of the Bank, with the participation of Senior Management.

The Comprehensive Risk Management Committee proposes risk management strategies, policies and processes, which the Board of Directors must approve, and is in charge of supervising their correct execution.

Key to risk management is the participation of all employees, who participate in the identification and implementation of the response measures posed by the risk team and the area (s) involved.

The Covid-19 pandemic created a new scenario for the operation, for the continuity of activities and financial forecasts, given the measures of the authorities and the existing economic recession.

To address the situation, the Comprehensive Risk Management Committee met 18 times, addressing the evolution of risks derived from the health emergency in the credit portfolio and in customer service processes.

Below, we present our main risks and the keys to their management:



Risk	Description	Keys in Management	Indicators of performance
Credit	Non-payment of obligations to comply with clients, due to over indebtedness or other causes.	<p>Request and study of the information of the applicants.</p> <p>Evaluation platform.</p> <p>Environmental and Social Risk Analysis System (SARAS), which evaluates related aspects.</p> <p>Complementary and decision-making evaluation of the Risk Management Committee.</p> <p>Analysis of the impact of COVID-19 and the health emergency for the commercial portfolio.</p>	<p>NPL ratio: 1.72% ¹¹</p> <p>Credit risk coverage ratio: 321.24% ¹²</p> <p>97.30% of the credit portfolio presents an adequate risk profile.</p> <p>US \$ 117.62 million of required provisions.</p> <p>US \$ 117.64 million of provisions made.</p>
Liquidity	Shortage of funds to meet our obligations as a financial institution.	<p>Analysis of different contractual scenarios regarding liquidity gaps.</p> <p>Monitoring the adequate availability of resources, the stability and concentration of public deposits and that the gaps between assets and liabilities are covered.</p> <p>Compliance in addition to the requirements that the Central Bank dictates.</p>	<p>43.73% liquidity index¹³</p> <p>US \$ 1.8 billion of available liquid assets</p>

11. In accordance with Resolution 609-2020-F, the Monetary and Financial Policy and Regulation Board is considered an overdue portfolio from the 61 st day of default. (Overdue portfolio / loan portfolio) * 100

12. Credit risk coverage ratio: (portfolio provisions / delinquent portfolio) * 100

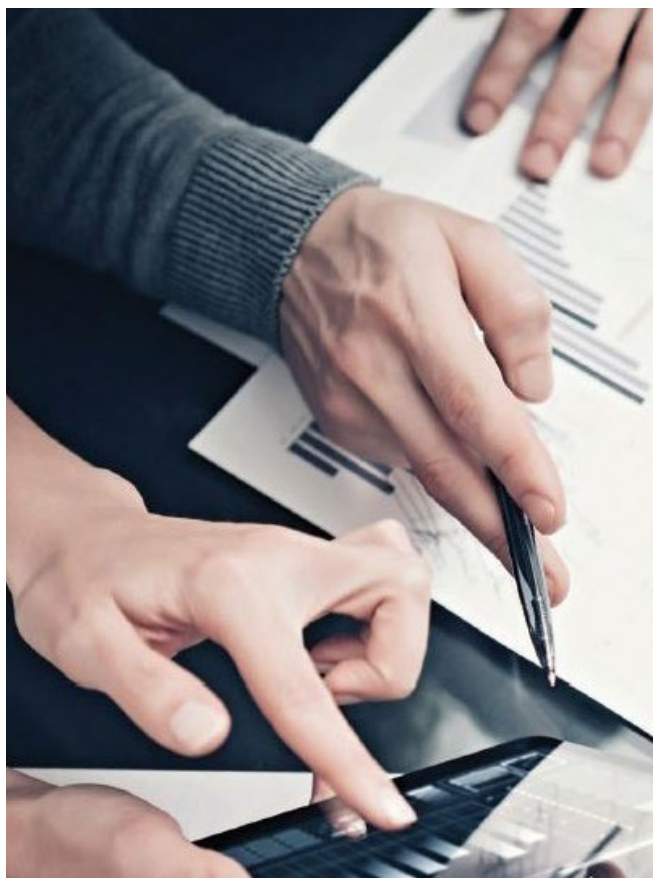
13. (Total liquid assets / total public deposits) * 100

Market	Decrease in the value of the investment and credit portfolio, due to changes in the variables that determine it: interest rate, exchange rate, and dynamics of the stock market.	<p>Specificities depending on the risk:</p> <ul style="list-style-type: none"> - Interest rate risk: The sensitivity of the financial margin and the equity value is measured. - Stock risk: monitoring of the local and international investment portfolio. <p>Exchange rate risk: monitoring through identification and analysis methodologies of potential exposure, due to variations in the price of currencies.</p>	<p>0.9% of the market heat of financial instruments.</p> <p>Provisions for 1.6% of technical assets.</p> <p>Exchange rate risk: 0.002% of Technical Assets.</p>
Operational	Failures in systems and processes, due to external and internal agents (fraud, human and / or technological failures, etc.).	<p>Business Continuity Management System (BCM), aligned with the ISO 22301 standard.</p> <p>Business Impact Analysis (BIA) to establish critical processes. Identification of the risks for its operations.</p> <p>Establishment of preventive measures, with the participation of the Continuity Committee.</p> <p>Implementation of continuity tests, to verify that we could maintain the required levels of functionality in case of critical events.</p>	<p>The number of operational risk events is 0.009476% of the total volume of transactions carried out.</p> <p>Losses by ROE factor Vs. Technical Equity:</p> <p>Processes: 0.15%</p> <p>External events: 0.01%</p> <p>Technology: 0.02%</p>

Emerging Risks

As part of our commitment to operational continuity and the delivery of value to clients, we address the risks that may impact security and trust in the Bank.

There are emerging factors that may affect the risks indicated and that we are addressing through our robust internal structure. Cybersecurity and climate change stand out in particular.



Factor	Impacts	Bank Management	More Info
Cyber Security	<ul style="list-style-type: none"> - Lock remote channels - Theft of customer data - Impersonation of identity of clients and / or employees - Others 	<ul style="list-style-type: none"> - Implementation of the Cybersecurity Strategy, to detect, prevent and respond to internal and external threats directed towards the Bank's technological infrastructure and information. - Performance of the Integrated Intelligent Monitoring Center (CIMI), which coordinates the supervision of the different Bank teams that work on prevention. 	Comprehensive Security
Climate Change	<ul style="list-style-type: none"> - Commercial credit recovery - Regulatory requirements for the evaluation of credit clients - Establishment of provisions (capital requirements) - Loss of value of assets in which it has been invested - Investment exclusions in sectors - Investment in more efficient technologies in the use of energy (for the operation of the Bank) 	<ul style="list-style-type: none"> - Sensitization to business credit clients in environmental practices. - Evaluation of the environmental risks of credit applicants through SARAS. - Development of green lines: credit product for energy efficiency, starting with the shrimp sector. - Support within the framework of ASOBANCA for the elaboration of sectorial Guides to mitigate environmental risks in the granting of credit. - Environmental Management System, which includes the monitoring of energy consumption and Greenhouse Gas (GHG) emissions. - Compensation of GHG emissions: carbon neutrality certification. 	Financing and sustainable investment Environmental management

6.2 Relationship with the supply chain

(GRI 102-9, 204-1)

Our strength of suppliers helps us to guarantee the highest standards in operation and service to customers. Being strategic allies of the business, we seek to maintain long-term relationships with each of them.

We have a prior evaluation, carried out by an external third party, which analyzes its operational capacity, quality and compliance with applicable legislation.

In addition, we require them to have guidelines on ethics and anti-corruption. This is part of the anti-bribery management system, certified in accordance with the ISO 37001 standard, that we established in 2019 for the supplier evaluation and payment process, in whose implementation we have continued to advance this year.

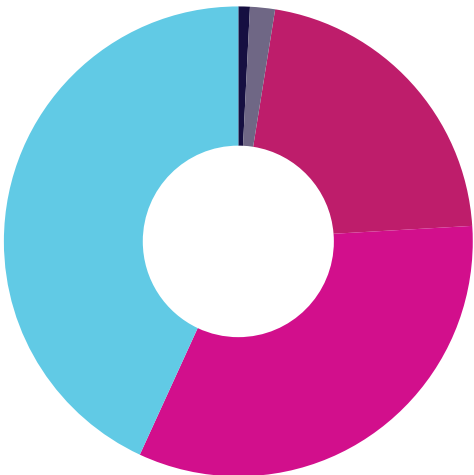
Description of the chain

We allocated US\$ 75.4 million in 2020, to 330 suppliers; 94% of the expenditure was destined to national suppliers.



Suppliers per product/service type
2020
Number Breakdown

- 5% Office construction
- 5% Office equipment
- 15% Marketing
- 23% Technology
- 52% General Services



Suppliers per product/service
2020
Expense Breakdown

- 1% Office Construction
- 2% Office Equipment
- 21 % Marketing
- 33 % Technology
- 43% General Services

7. Strategic Advances

1 NO POVERTY



4 QUALITY EDUCATION



5 GENDER EQUALITY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



13 CLIMATE ACTION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



7.1 Customer Relationship

Experience

(GRI 201-1, 203-1, 416-1, 416-2, 417-1, 417-2, 417-3, FS13) (FN-CF-270a.1, FNCF-270a.3, FN-CF-270a.5; FN-MF-270a.3., FN-MF-270b.3.)

The year 2020 has been key in the definition of a new banking experience model, which incorporates the progress achieved with the Céntrico Project and the preference for digital channels accelerated with the pandemic.

At all times, our clients have had a fully operational bank at their disposal, thanks to the adaptability and commitment of the teams and the investment we have been making in technology in recent years.

We understand that banking has to be empathetic, listen to the customer and attend to their needs, be transparent in communication and maintain a close relationship of trust. We are promoting it under the concept of "Primero Tú".

They trust us 2, 631,056 customers, 2% more than the previous year, who have different channels at their disposal. We

have a specialized team that monitors its use and establishes improvements, such as those made this year to the mobile application for an easier opening of the products.

We are also working on the evolution of the office service model, although this year the pandemic affected the way we were able to physically operate.

We continue to invest in the network, allocating US\$ 965 thousand in 2020. Of the physical channels, the majority of transactions were carried out in ATMs (30%) and in Bancos del Barrio.

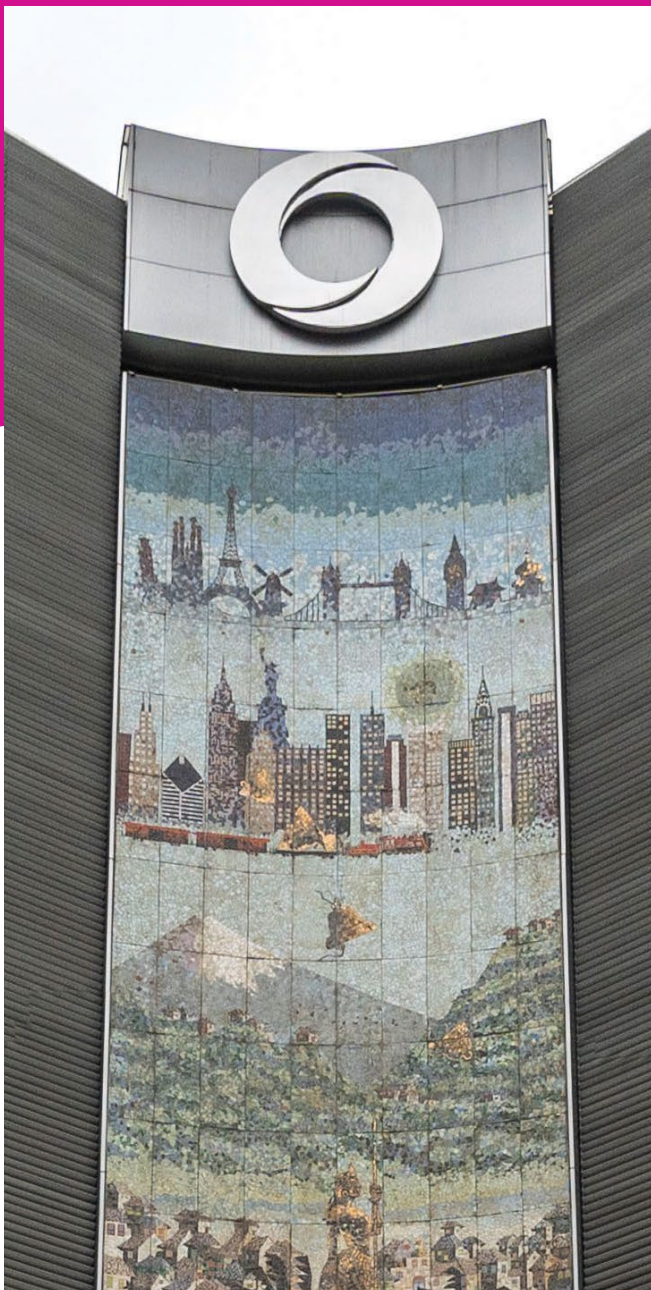
Continuing with the trend of recent years and accelerated by the incidence of COVID-19, there was a historical growth of digital channels. Our investment in technology this year was US\$ 9.0 million. Through the mobile application, customers can open checking and savings accounts and credit cards 100% online, as well as take out Multi-Credits and insurance policies.

At Banco Guayaquil we are known for being innovative in our processes, channels and offer of products and services. This allows us to continue delivering differential value to our clients.



Evolution of digital channels

- 283,518 active users in Mobile Banking at the end of 2020, + 64%.
- 9.2 million transactions through the mobile application, + 114% - -
- 59% of the accounts (Savings and Current) were opened digitally.
- 27% of the Multi-credits were opened online.



We provide our clients with the information necessary for decision-making, thanks to the documentation of the products and their conditions, and the advice of our executives either in person or online. The rates for our products are available online and publicly.

We promote commercial practices aimed at the executive offering the most relevant products in each case, delivering a fixed remuneration well above the variable. This represented only 15% of the average total that collaborators received with this scheme in 2020.

We also avoid misuse of customer information, contrary to our internal guidelines and your rights as consumers.

For any questions, our Help Center is available to customers, which offers online answers to more than 230 common questions about our products and services, and tutorials to facilitate self-care. We update it to continue growing in available information; had more than 280,000 visits in 2020. It complements the service through the call center and our profiles on social networks.

Through the new Service Quality Platform we better understand the needs of our clients and their experience. Personnel from the different areas of the Bank can access and is monitored bimonthly by the Quality Committee.

In the different channels, we aim for a Customer Satisfaction Index (CSAT) above 4 points out of 5; we are proud to achieve this result in all cases, except for the attention of inquiries in agencies in the call center,

and the excellent results in the online media stand out. Additionally, we measured the recommendation index with the NPS methodology, and the fraction of detractors was 29%; we will continue to work towards our 20% target.

The aforementioned efforts led to the absence of sanctions for the commercialization of products and services, and for the information provided in the process.

Banking services network

10,582

Points nationwide

9,259 Bancos del Barrio

139 Bank Offices +
69 Windows

1,105 Automatic Teller Machines
and multifunction (ATM)

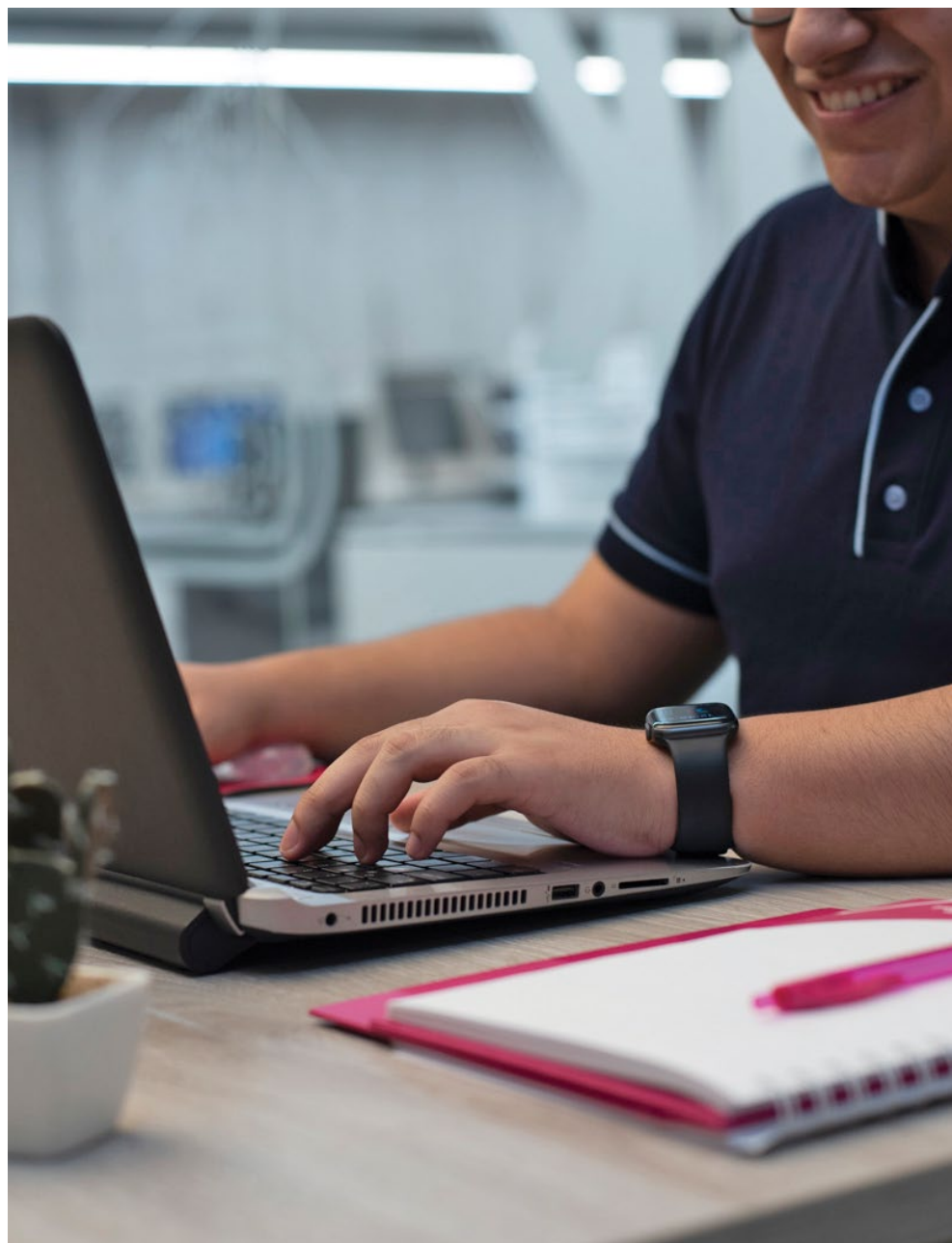
Comprehensive security

(GRI 205-1)

In 2020, changes in the context and in the operation have generated emerging risks to prevent in terms of money laundering, cyberattacks and new types of fraud, especially due to the growth of online activity .

At Banco Guayaquil we evolve in an accelerated way and we attend to security in our different channels, to prevent logical, physical and fraud attacks. For this, we have an Integrated Intelligent Monitoring Center (IIMC), where we monitor the transactionality of our clients 24 hours a day, which allows us to take immediate action.

Our Cybersecurity Strategy has allowed us to prevent, detect and respond to internal / external threats directed towards the Bank's technological infrastructure and information, aligned with the company's purpose and the Central project. During the year, we sensitized our employees about the importance of compliance with related policies and processes, through different communications.



Compliance

At the Bank, we promote and monitor that performance is in accordance with the legislation and our internal guidelines. It includes the prevention of money laundering and financing of terrorism (PLAFT), emerging in the current health situation and the growth of the digital environment.

We follow the recommendations of the main international organizations, such as the Financial Action Task Force (FATF) against Money Laundering and Financing, and their guidelines on digital identity, risk indicators in virtual assets, and money laundering risks in the context of the pandemic.

We also attended the update of the ARLAFDT Norm in the country, which includes the Risk Management of Money Laundering and Financing of Crimes such as Terrorism, and the Regulation to the Organic Law of Prevention with key recommendations on politically exposed persons (PEP).

In this way, we advance in the development of efficient and effective ARLAFDT controls that address the risks of today's digital world.



External Fraud Prevention

(SASB FN-CF-230a.1)

Faced with the growth of risk due to the context of economic difficulties and the use of digital media, we carried out an integrated diagnosis of our fraud prevention model. Based on the results, we strengthened our Prevention System, from its structure to the technological part, integrating automatic controls in the processes, to detect unusual and suspicious operations.

The measures implemented allowed a 31% reduction in losses due to credit card fraud compared to the previous year, reaching US\$ 638,920 in 2020.

Regulatory and Internal Control

At Banco Guayaquil we promote a culture of compliance among our employees, including our different policies and guidelines, that guide the relationship between employees and between them and our clients, neighborhood bankers and suppliers.

We work on the continuous improvement of our Anti-Bribery Management System (ABMS), developed in accordance with the ISO 37001 standard and externally certified. Its scope includes the process of selection, evaluation and payment of suppliers. In this way, we consolidate the anti-corruption culture within the institution and mitigate risks in the process.

Information Security

(GRI 418-1) (SASB FN-CF-220a.2, FN-CF-230a.3, FN-CB-230a.2)

We are committed to the protection of our clients' data and the information generated in the Bank's operations.

The Information Security Strategy focuses on 4 fundamental scenarios: strengthening the preventive controls of information leakage due to the new work modalities, preventive controls in the mobile banking channel, detective controls on "the unknown" and digital transformation of manual critical processes.

We manage all of these under the Information Security Management System, certified under the ISO / IEC 27001: 2013 standard, and the Cybersecurity Program, which we are aligning with the ISO 27032 standard.

As part of the new work modality, we enable telecommuting schemes for 62% of employees, thus allowing business continuity through the execution of different operational processes of the Bank. We expanded the use of VPNs with double authentication factor to encrypt the communications of employees and established an alert system for anomalies in user behavior.

On the other hand, the growth of online shopping has been accompanied by more numerous phishing attempts, especially in times of heavy consumption.

However, we have measures to prevent theft, including international certifications such as: international cardholder data security standard PCI-DSS (Payment Card Industry Data Security Standard), International Security Standard for Visa's PCI PIN, and CSP security program SWIFT.

Physical Security

To guarantee the physical integrity of our clients and employees, as well as to safeguard our facilities, we have prevention, monitoring and remediation processes in case of an event occurring at agencies, windows and / or ATMs of the Bank.

During 2020 we have designed and applied security schemes, anticipating risk situations, through monitoring with specialized and parameterized tools. We are currently reinforcing the security of various channels, including ATMs, in response to the new risks identified.



7.2 Financing and Sustainable Investment

(GRI 201-2, FS1, FS2, FS3, FS4, FS5, FS8, FS9, FS10, FS11) (SASB FN-CB- 410a.2)

Through the delivery of credit, we want to promote socially and environmentally responsible practices, in such a way that we maximize the positive impacts of our portfolio of products and services. In this way, we also mobilize the evolution of our clients' processes and their competitiveness. It is part of our commitment to the UNEP-FI.

Principles for Responsible Banking. We have an Environmental and Social Risk Management System (SARAS), which considers high standards, including the requirements of the Performance Standards of the IFC (International Finance Corporation). It is based on the Bank's Environmental and Social Risk Policies. In addition, we have established a list of activities that we exclude from providing funding.

We continue to train our employees in the purpose and operation of SARAS, reaching 78 Bank professionals.

In 2020, 505 clients were categorized in the scope of the SARAS, of which we were able to evaluate 65 through due diligence, implemented by our specialized team.

From Banco Guayaquil we are supporting and participating in the development of sector guides that reinforce the evaluation for the delivery of credit and mitigate its environmental and social risks. It is an initiative coordinated by the Association of Private Banks of Ecuador (ASOBANCA).

Thanks to the financial support of the Technical Assistance Program of the Eco. Business Fund, an impact fund for Latin America and the Caribbean, 12 of the guides are already being developed and it is expected to continue increasing the scope.

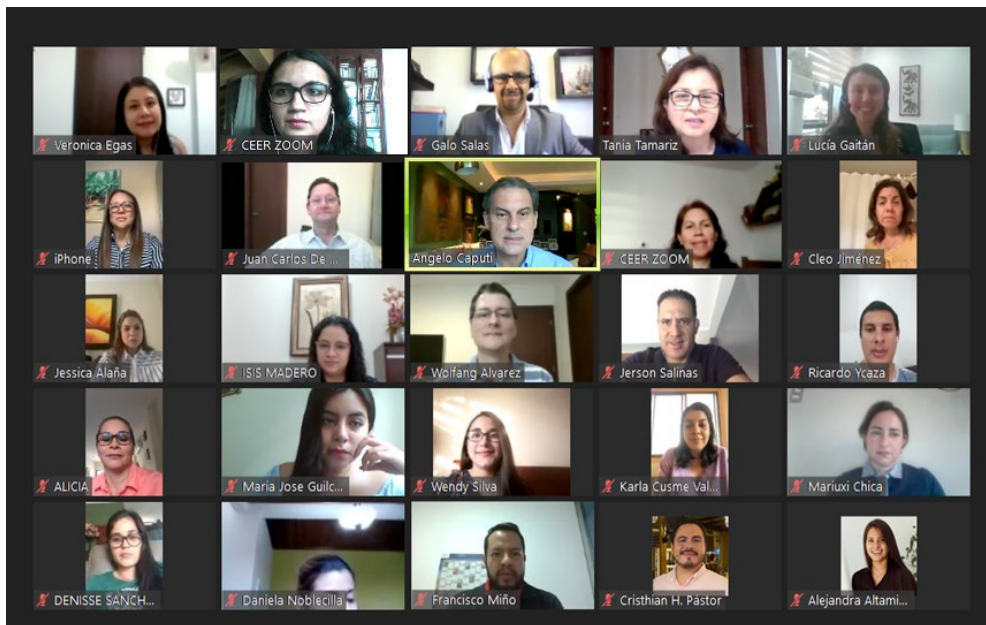
We continue to train our clients in good environmental and social practices; This year, due to the context, we focused on biosecurity, training 321 clients from the shrimp, coffee, banana and rice sectors, with the support of our employees.

How does SARAS work?

The system applies to individual or accumulated financing to the same client for certain thresholds of credit value and associated social and environmental risks¹⁴.

When we receive the credit application, we ask the potential client for information about their environmental and social management. From it we evaluate the risks. For those with greater exposure, we establish mandatory commitments, which we monitor. The authorization of the delivery of financing corresponds to the Credit Approval Committee.

14. More information on this can be found in the Sustainability Report 2019, p. 41.



Thanks to Eco.Business Fund we also develop a training program for students of the Agrarian University of Ecuador. In this way, we support the practice of new generations, innovation and capabilities. It is also included as part of the activities of the Alliance for Youth, an initiative of great impact for employability with which we have a strong commitment and are part of its governance.

On the other hand, we are working on the development of credit lines with environmental criteria (green lines), in a technical work facilitated by eco.business Fund resources. The product will be launched in 2021, to finance in the first instance energy reconversion projects in the shrimp sector, from the use of fossil fuels to electricity, with up to US\$ 100,000 of credit.

7.3 Financial Culture and Access to Banking

(GRI 203-2, FS1, FS7, FS13, FS14, FS15) (SASB FN-CB-240a.1)

Financial inclusion

From Banco Guayaquil we want to facilitate our clients that they can materialize their professional and personal projects.

For this, we deliver microcredits (Micrédito), ranging from US \$ 1,000 to US\$ 40,000. In 2020, we delivered US\$ 81 million, financing more than 14,186 microentrepreneurs. Given the economic difficulties generated by COVID, we defer payments. Likewise, we seek to reinforce the availability of financing, issuing the first Social Bond in Ecuador, the capital of which we will allocate to mipymes in the most affected areas.

In relation to savings, we have the Cuenta Amiga as a banking access product. We seek to continue supporting clients to make use of it and formalize their financial management.

With the support received from IDB Invest in 2019, we are developing credit products for women owners of mipymes and self-employed workers. Specifically, in 2021 we will launch a microcredit destined in the first instance to the Banqueros del Barrio and their clients from rural areas, with US\$ 5,000 to 10,000. Additionally, we will also provide credit from US\$ 10,000 to women who work in the pyme sector.





To bring the services and operations of the Bank closer to our clients, we work together with the Banqueros del Barrio. It is the pioneer network of non-bank co-managers in Ecuador, made up of small businesses. Through these locations, our clients can make deposits, withdrawals, transactions and payments of services and taxes. It should be noted that they can open the Friend Account, as well as make the monthly payment of their microcredit (MiCrédito).

In 2020 we reached 9,259 Banks in the Neighborhood, a growth of 29% in the network, adding 2,109 more points. Its activity during the pandemic, where it was attended in accordance with the regulatory provisions of each area, has been essential for our clients' access to financial operations, along with digital channels.

Financial education

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

As a financial institution, we believe it is essential that our clients not only know the conditions of the products and services, but also that they understand the main concepts of finance, can manage the economy of their homes and understand the importance of saving. Training starts from the earliest generations, preparing the adults of tomorrow.

We extend financial education to society as a whole, through different initiatives.

Community

For children and young people we develop two playful programs "Little Savers" and "Bank Companions", collaborating with the educational institutions in which they study.

Due to the impact of the pandemic on school dynamics, we adapted to carry out training virtually. In this way, 8,858 children and 9,380 young people participated, with 110 volunteer Bank employees together with education specialists.

On the other hand, we also train adults, with the aim of creating awareness about proper management and offering tools that help them to take greater control of their income and expenses; we train 2,000 adults a year.

Clients, employees and Banqueros del Barrio

As part of the services to companies, we provide financial education to its employees, especially in aspects of savings and budgets.

We also instruct our employees, who must be an example of proper financial management. On the other hand, since the pandemic began, we have given workshops on various topics, including some on personal finances, to our neighborhood bankers. These talks have had an average attendance of 530 participants, reaching around 8,500 Banqueros del Barrio.

8. Team Work

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



8.1 Template description

(GRI 102-8, 102-41, 401-1, 405-1)

At Banco Guayaquil we know that our workforce is the key element that ensures the success of the business and maintains the satisfaction of our clients. We have a team of highly qualified professionals to effectively carry out their duties.

In addition, we are committed to continuing to attract the best available talent, offering development opportunities.

At the end of 2020, our workforce consisted of 2,840 employees. In the difficult context generated by the pandemic, we maintained employment, betting on job security and the commitment of our workforce.

Also note in this regard that 99.9% have an indefinite contract; all the employees work full time.

We respect diversity and facilitate inclusion, with merit selection processes and a culture of respect. In our workforce, 56% of employees are women, and we are working to support their professional development and performance in leadership positions.

We are also committed to young talent, with 42% of employees under 30 years of age, added to the experience of those professionals with the longest career.

We invite companies to bet on the diversity of talents. Within the framework of the ODS 8 Table, we developed a Guidance Guide to develop the Diversity and Inclusion Policy and, in this way, adopt these commitments.

On the other hand, we respect freedom of association and 19% are unionized. In addition, in practice, the entire workforce is part of the National Employees Association, which facilitates networking and access to different collective benefits.





Breakdown of the Workforce by Professional Category

Professional category	2018		2019		2020	
	N° of employees	% women	N° of employees	% women	N° of employees	% women
Executives	18	5.6%	19	5.3%	17	5.9%
Managers	188	58.5%	189	58.2%	201	58.7%
Mid-level managers	753	57.4%	771	57.2%	795	57.9%
Assistants and assistants	1,932	55.5%	1,876	56.5%	1,827	55.8%
Total	2,891	55.9%	2,855	56.5%	2,84	56.3%

Notes:

The Executive category includes the Executive President, Executive Vice Presidents, and Vice Presidents.

The percentage of women corresponds to the fraction of the number of employees in each professional category.

During the year we continued hiring despite operational and economic difficulties, to meet the opportunities that were generated in the workforce; 123 new employees joined the Bank. We were approaching a 0 rotation, as a result of the importance that our employees place on job security and the Bank's commitment to their well-being.

Breakdown of Hires, Withdrawals and Turnover

	2018	2019	2020
Hiring	576	359	123
Voluntary and involuntary withdrawals	502	365	138
Turnover rate (%)	2.6	-1.3	0.5

Note: The turnover rate is calculated as: $(\text{hires} - \text{low}) * 100 / \text{initial staff}$ (which corresponds to that at the end of the previous year).

8.2 Training and Career Development

(GRI 201-1, 404-1,, 404-2, 404-3)

Focused on the professional growth of our employees, we have training programs and support career development.

Two trends especially marked the training this year:

- On the one hand, to respond to the new reality, we train in communication and leadership skills in digital work environments, operational risk management and business continuity.
- On the other hand, derived from the new way of understanding the customer experience, we train in the design and operation with a focus on their needs, and bank empathy.

In this way, in 2020 we achieve:

1,749
employees trained

260 courses

16.1 hours of training per employee

US\$ 347,264 investment in training

1,224 participants in the bank empathy workshop

Training									
Professional Category	No. of trained staff			No. of training hours			Training average Hours/trained staff		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Strategic	19	14	15	492	184	110	25.9	13.1	7.3
Executive	189	193	191	8,232	5,973	6,990	43.6	30.9	36.6
Tactical	773	795	619	31,077	16,528	13,466	40.2	20.8	21.8
Operational	1,861	1,802	924	39,124	23,004	7,504	21.0	12.8	8.1
Total	2,842	2,804	1,749	78,925	45,688	28,07	27.8	16.4	16.1

During 2020 we have supported the continuity of studies of our employees, as long as it gives them added value for the performance of their offices, through the granting of scholarships at the level of masters, diplomas, degrees, considering their seniority and income level.

On the other hand, due to the exceptional nature of the operation this year, we did not carry out the performance evaluation according to the ordinary process, but we did provide feedback to our employees as part of the team management.



8.3 Commitment and Work Environment

Equal opportunities

(GRI 102-35, 102-36, 102-37, 401-2, 401-3, 405-2, 406-1)

At Banco Guayaquil we recognize the value that diversity delivers to our team, its dynamism and understanding of the client. We safeguard equal opportunities and non-discrimination, with guidelines in our Code of Ethics and in human capital policies, including those related to hiring and remuneration.

Our selection process is based on criteria of professional and academic experience, we seek to hire the best talent avoiding bias. The high presence of women is a source of pride for the institution, and we are working to facilitate their career development and access to leadership positions. To do this, we facilitate coaching and develop conciliation measures, also

designed for the men of our staff and balance in their homes. We also monitor that there are no gender pay differences.

In 2020, we signed the Principles for the Empowerment of Women, promoted by UN Women and the United Nations Global Compact. In this way, Banco Guayaquil reaffirms its commitment to equal opportunities both within our team and in the offer of banking products and services.

Regarding remuneration, we establish them by applying the HAY methodology, with a ladder scheme and annual reviews. Next, we present the salary relationship by gender and professional category; the differences are due in turn to the gender proportion within the different profiles in each category and other aspects such as seniority.



Wage Ratio Woman / Men 2020			
Total remuneration (fixed + variable) (annual average) (US \$)			
Professional category	Men	Women	Wage ratio (M: H)
Executives	11,475	10,500	0,91
Managers	3,798	3,462	0,91
Mid- levelManagers	1,269	1,310	1.03
Assistants	585	593	1.01



Outstanding conciliation measures:

- Bank of hours, so that employees can attend to personal matters.
- Flexible schedule scheme, in which employees can set their entry and exit times within intervals established by the Bank.
- Telecommuting, monitored prior to the pandemic; The health risk due to the affection of COVID-19 led us to facilitate telecommuting for all those employees who, due to their type of activity, could perform remotely.
- Support for the exercise of maternity and paternity leave.

In the new normal, the potential of telecommuting was demonstrated.

From the bank we took a step forward for its definitive establishment, with 3 remote work modalities and one face-to-face. For remote cases, we provide a desk and ergonomic chair for their homes and financial support for the payment of the internet connection (including an exclusive line for the Bank in critical positions). We kept in close contact with the employees to find out their adaptation to these new conditions.

Regarding our employees who were parents, during 2020 we granted 62 paternity leave and 90 maternity leave,

100% returning to their positions at the end of the leave. Our support to facilitate reconciliation is reflected in the fact that 87% of mothers and 89% of fathers who took leave in 2019 continued to work at the Bank this year.

Efforts to create a culture of respect among employees, facilitating inclusive work conditions and processes, led to the absence in the year of complaints for cases of discrimination or harassment through the Ethics Line. We are committed to continuing to avoid practices and situations that violate the integrity of our employees.

New Working Modalities		
Type	Scope: Profile	Scope Dimensions (% Staff)
Total Home Office	Employees with operational tasks with little interaction with clients or other areas and / or that can be managed remotely.	15%
Flexible Home Office	Administrative support functions that require some sporadic face-to-face business management.	20%
Mobile	100% commercial charges, who can carry out their work from anywhere.	20%
Face-to-face	Functions that must necessarily remain physically in the Bank's facilities and with attention to the public.	45%

63% of the workforce was able to work through telecommuting.



Security and health

(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10)

At Banco Guayaquil we protect the health, safety, physical and emotional well-being of our employees.

This year, we reinforced efforts to prevent the risks derived from the COVID-19 pandemic.

We facilitated telecommuting in those positions that were operationally possible, reaching 1,780 employees. Those professionals who belong to vulnerable groups ((pregnant women, breastfeeding, the elderly, catastrophic and chronic diseases) and who perform face-to-face work were resigned to functions that could be performed remotely; the return to normal functions will be carried out as the degree of risk and medical recommendations and authorities.

63% of the workforce was able to work through telecommuting.

Along with facilitating telecommuting in those positions that was operationally possible, we implemented the following measures:

- Biosafety protocols for agencies and administrative offices, including temperature measurement, disposition of sanitizing mats, rules of distancing and continuous disinfection of the facilities.
- Delivery of protective equipment and biosafety supplies (masks, gloves, etc.), availability of pulse oximeters, thermometers and oxygen concentrators for the treatment of COVID-19.
- Development for medical care and case management.
- Implementation of COVID-19 detection tests.

- We performed 5,504 COVID-19 detection tests in cases considered suspicious, along with periodic tests for employees considered to be at high risk of contagion according to the risk assessment.

- Activation of Online Doctor, 24/7 medical care channel for employees and family members. There they carried out 3,948 consultations during the year. Added to this is the care in the medical dispensaries that we already had in our main centers.

- Psychological care with external specialists, to support our staff and their families in the most difficult moments. 239 employees and 44 family members were assisted during 2020.



Support in health and well-being - “I take care of myself” program

- Support for medical insurance (contribution of 45% of the cost).
- Extension of medical benefits to family members: discounts on medical care.
- Psychosocial evaluation, in which 80% of the workforce participated. For those with greater opportunities, we carry out collective coaching practices, with a reach of 250 employees.
- Virtual sports and cultural clubs (in the context of a pandemic), in which more than 400 families participated.
- 60 workshops on healthy eating and live cooking, 25 group coaching accompaniments, 10 health trainings, reaching all employees.
- Trainings on emotional management, ergonomics, active breaks and interpersonal conflicts.
- Maternal Club, in which our employees from the moment of their pregnancy receive free medical check-ups and talks about pregnancy, breastfeeding and baby care.

We train employees for their strict adherence to the new internal regulations, and we raise awareness throughout the year through the different channels. In addition, we carry out face-to-face and virtual inspections to validate compliance with the established measures.

We continue to support healthy living, healthy eating, sports and other health prevention and self-care measures.

The different initiatives are part of the Strategic Plan “Me Cuido”. In 2020, we were recognized for the third consecutive year with the “Healthy Company” badge, based on criteria from the World Health Organization.

Regarding the safety of the facilities and emergency care, we continue with regular evaluations and tests (fire prevention, ash hazard, etc.).

Our health and safety management system covers the entire workforce and therefore has initiatives attached to the different risks that we have identified, reinforced with measures to address the exceptional context of the pandemic. Management corresponds to the Joint Occupational Health and Safety Committee.

Working environment

(GRI 401-2, 201-3)

Our constant objective is to be one of the best places to work, strengthening the work environment and the commitment of each of our employees.

Betting on our talent, we offer benefits that contribute to its stability and that are included in the collective contract, such as the payment of contributions to social security and income tax, Christmas bonuses higher than what is established by law and other subsidies.

We have the Membership Fund, which helps our employees prepare for their retirement. As of the third month in the company, the Bank contributes 3% of the employee's monthly remuneration for this purpose.

In order to monitor our work environment, we annually apply a survey to employees using the Great Place to Work (GPTW) methodology. Based on the results, we construct a confidence indicator, which averages the responses in the different evaluation factors.

In 2020, we reached a value of 91% for the indicator, 5 percentage points more than the previous year.

Our commitment throughout the year with our employees, and the different measures of well-being and climate, have allowed us to be recognized by GPTW as the First company in the country as the best place to work, in the classification of companies with more than 500 employees.



9. Environmental Management

7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



9. Environmental management

(GRI 102-48, 302-1, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5)

At Banco Guayaquil we are committed to ensuring that our operations generate the least environmental impact, together with efforts to ensure that the use of the commercial credit granted is in accordance with good environmental practices and standards¹⁵.

Through the environmental program “Yo Cuido”, we seek to transfer this commitment to the culture and operation of the Bank, with the special objective of reducing our Greenhouse Gas (GHG) emissions; In this way, we contribute to ods 13, on climate action.

We have an Environmental Management System, which is integrated into the Program, and includes the monitoring of energy consumption and Greenhouse Gas (GHG) emissions. It also considers saving water and managing waste under circular economy criteria that maximize reuse and recycling.

For our main centers, we have the Energy Monitoring Program, with which we

monitor the consumption of electricity in the facilities and fuel by the Bank's associated fleet of automobiles¹⁶. On an annual basis, we calculate its Greenhouse Gas (GHG) emissions, and we offset them with the purchase of carbon credits.

In 2020, energy consumption within our main centers was 18,729 GJ, which represents a reduction of 14% compared to the previous year. 71% corresponds to electricity. To measure their weight in the Bank's total facilities, these centers account for 42% of total electricity consumption (which already includes branches and agencies).

To continue advancing in energy efficiency, we incorporate ecodesign criteria in the planning of new branches and agencies, and/or in remodeling.

¹⁵. More information is provided in the Financing and Sustainable Investment subchapter (Strategic Progress chapter).

¹⁶. Head Office Building, Annex and Multi-parking Garage in Guayaquil, Quito Main Branch and Cuenca Branch.



**Our environmental program
“Yo Cuido” was awarded in 2020
with the ODS Recognition for Good
Practices in Sustainable Development,
delivered by the Pacto Global
Red Ecuador.**

FUEL CONSUMPTION MAIN OPERATIONS (GJ)			
	2018	2019	2020
Diesel (vehicles)	282	373	302
Fuel (vehicles)	2,074	2,07	2,468
Diesel (generators)	203	130	84
Fuel (Ecopais)	4,822	4,238	4,345
Ethanol VF (Ecopais)	159	140	117
LP gas (facilities)	338	338	298
Total	7,878	7,370	5,518

ELECTRICITY CONSUMPTION MAIN OPERATIONS			
Unit	2018	2019	2020
kWh	3,951,988	4,011,455	3,669,840
GJ	14,227	14,441	13,211

TOTAL ELECTRICAL CONSUMPTION BANCO DE GUAYAQUIL			
Unit	2018	2019	2020
kWh	9,686,638	9,346,481	8,703,437
GJ	34,875	33,647	31,332

During the year, the GEI emissions of our five main buildings, included in the energy monitoring program, were 2,079 tCO₂eq.

The calculation includes the emissions associated with the consumption of fuels, electricity and the losses of refrigerant gases in the air conditioning equipment.

The reduction in energy consumption in the main centers, as a result of the new context of activity and efficiency measures, led to an 11% decrease in GHG emissions.

During 2020, digitization has been one of the highly relevant factors for the continuity of our operations in the current pandemic, while promoting energy efficiency and process

optimization. The performance of a significant part of the workforce in telecommuting is key in the trend of reducing energy consumption and associated GEI emissions.

We offset the emissions of our main centers by purchasing carbon credits from projects in Latin America. Our carbon neutrality is certified by the Costa Rican Technical Standards Institute (INTECO).

Additionally, we maintain our commitment to the conservation of an area of 746 hectares of the El Chamizo Minas Protective Forest, in collaboration with the Decentralized Autonomous Government of Carchi.

By protecting its forest mass, we guarantee that it continues to function as a carbon sink in the country.

EMISIONES GEI - CENTRO PRINCIPALES (tCO ₂ eq)			
	2018	2019	2020
Alcance 1	752	531	424
Alcance 2	2,123	1,809	1,655
Total	2,735	2,340	2,079

INTENSIDAD DE ENERGÍA Y DE EMISIONES DE GEI - CENTROS PRINCIPALES			
	2018	2019	2020
Intensidad en el consumo de energía (GJ/colaborador)	14.5	14.4	12.7
Intensidad de emisiones de GEI (Alcances 1 y 2) (tCO ₂ eq/colaborador)	1.79	1.55	1.41

Annexes



Annex I: Balance Sheet

BALANCE SHEET As of December 31, 2020 In Thousands of Dollars					
	Dic-18	Dic-19	Dic-20	VAR.ANUAL 20-19	VAR.%
Assets	4,331,623	5,077,368	5,761,260	683,892	13%
Funds available	891,623	932,001	1,004,165	72,164	8%
Investments	494,069	625,058	1,135,596	510,538	82%
Credit Portfolio	2,652,393	3,204,457	3,282,941	78,483	2%
Accounts Receivable	41,109	54,205	71,22	16,917	31%
Foreclosed Assets for Payment	410	2,673	4,995	2,322	87%
Property and Equipment	135,225	130,844	127,337	-3,507	-3%
Other assets	116,794	128,129	135,103	6,974	5%
Passives	3,840,452	4,538,511	5,225,863	687,351	15%
Obligations with the Public	3,320,469	3,718,315	4,373,171	654,586	18%
Immediate Obligations	22,005	10,316	23,348	13,032	126%
Debts to pay	185,342	183,637	173,331	-10,307	-6%
Financial obligations	289,836	594,502	590,584	-3,918	-1%
Values in Circulation and other Liabilities	1,185	1,182	21,499	20,317	1719%
Obligations Conv. Accio. Contribution. Fut. Capital	21,615	30,560	43,931	13,371	44%
Patrimony	491,171	538,856	535,397	-3,459	-1%
Social capital	370,170	391,905	428,265	36,360	9%
Bookings	55,343	61,381	69,454	8,073	13%
Surplus by Valuations	5,285	4,837	4,388	-450	-9%
Results	60,372	80,733	33,290	-47,443	-59%
Total Liabilities + Equity	4,331,623	5,077,368	5,761,260	683,892	13%
Net Quotas	1,402,499	1,652,243	1,588,482	-63,761	-4%
Total Assets + Net Contingents	5,734,122	6,729,611	7,349,742	620,131	9%

Annex II: ESG Management Detail

Relationship with our stakeholders

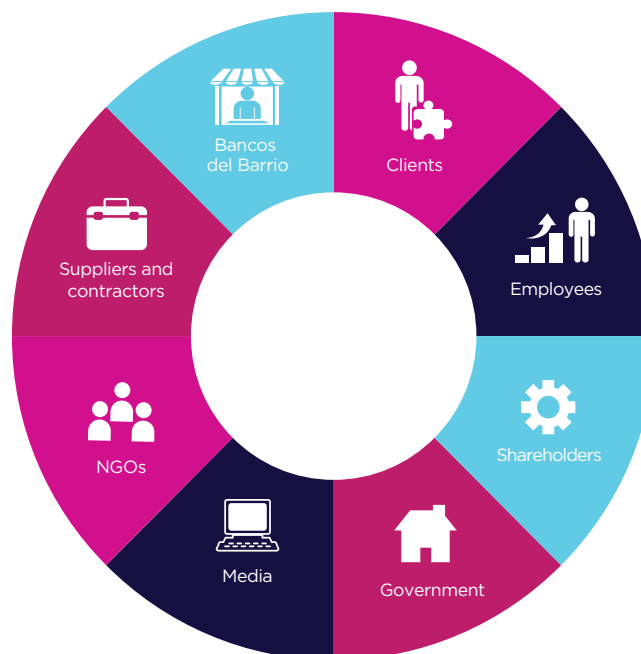
GRI 102-21, 102-40, 102-42, 102-43, 102-44)

Our operation is the result of the involvement of different stakeholders, for whom we seek to create value in an integral way.

We consider your expectations and interests in the definition of the Sustainability Strategy, based on the material issues that we update this year, in close dialogue with representatives of the different groups.

We foster a close dialogue with our employees, communication and collaboration between them, and the link with their external counterparts: clients, neighborhood bankers, suppliers and shareholders, among others. We require that relationships be guided by our values, the guidelines of the Code of Ethics and the rest of our self-regulation (policies, codes, as well as applicable legislation).

We understand interest groups as all the agents that are impacted by our activity, as well as those who have a decisive influence on its achievement. We have different channels for dialogue, which allow a close bond and strengthen trust.



More information on this subject can be found at: <https://www.bancoguayaquil.com/conocenos/sostenibilidad>

Our value proposition for the different groups is summarized below:

Interest Groups	Value creation *
Employees	<p>Support training and career development, generating highly competitive professional profiles.</p> <p>To seek professional and personal well-being, through job security, the work environment and specific health and work-life initiatives.</p> <p>Contribute to the fulfillment of their goals and grow together.</p>
Shareholders	<p>Invest in a company with a solid financial track record, profitable and demanding in risk management, which advances in accordance with a marked strategic plan.</p>
Suppliers and contractors	<p>To be allies of the Bank both in the construction and delivery of products and services and in the generation of the customer experience, with quality criteria that, added to innovation, contribute to advancing the business of both parties and their degree of competitiveness.</p> <p>Build long-term relationships with a win-win approach.</p>

Customers	<p>Have financial products and services relevant to their needs, which they can choose wisely thanks to the information they have. Live an omnichannel experience, hand in hand with an ally in the fulfillment of your personal and professional goals, based on savings and credit. Accessibility when and where they need it.</p>
Bancos del Barrio	<p>Provide its customers with added value through the provision of financial services, in addition to increasing the influx to their establishments.</p> <p>Contribute to financial inclusion in their communities, becoming agents of local change.</p>
Government	<p>Contribution to the socio-economic development of the country, under criteria of general interest collected in compliance with the applicable legislation and regulations.</p>
ONGs	<p>Offer opportunities for the development of projects through social investment and the establishment of alliances, so that the organizations also serve as a link with the communities to attend to their needs, preferably seeking the installation of capacities that allow the sustainability of the projects. changes over time. This extends to the promotion of financial education, especially among children and young people.</p>
Media	<p>Inform the different interest groups through its channels and platforms about the Bank's performance, as well as raise awareness about the importance of managing finances and create a culture of savings and prevention.</p>

Alliances and memberships

(GRI 102-12, 102-13)

At Banco Guayaquil we are part of wide-ranging global initiatives related to sustainability, contributing to the Sustainable Development Goals (SDGs) and implementing the Principles of the United Nations Global Compact. We are also part of the reference organizations that work in the country.

Due to our role in the financial sector, we also support regional and international initiatives for financial inclusion and education. Also note that we are founding members of the Principles of Responsible Banking, along with other prominent banks and under the coordination of UNEP-FI.

We also have an active presence in the chambers and sectoral and business associations of Ecuador

Scope	Institution
Associations	Association of Private Banks of Ecuador (ASOBANCA)
Cameras	Guayaquil Chamber of Commerce
	Chamber of Commerce of Quito
	Chamber of Commerce of Cuenca
	Chamber of Industries
	Chamber of Industries and Production
	Chamber of the Small Industry of Guayas
	Ecuadorian - American Chamber of Commerce
	Ecuadorian - German Chamber of Industries and Commerce
	Ecuadorian Chamber of Industries and Commerce – British
Other Organizations and forums	Ecuadorian Corporation for Social and Sustainable Responsibility (CERES)
	Pacto Global Red Ecuador
Main initiatives supported	Principles of Women's Empowerment (UN Women, Global Compact)
	Principles for a Responsible Banking (UNEP-FI)
	Youth Alliance (promoted by Nestlé)
	Tables of the Leaders for the SDGs (Global Compact) program

Materiality analysis and impact map

(GRI 102-46, 102-47, 102-49, 103-1)

In 2020 we updated our materiality analysis, to understand the critical issues for the Bank and our stakeholders, regarding the operation, the response to trends in the financial sector, the influence of the context, the environmental and social impacts and our governance.

We carry out the exercise through a 4-stage process:

identification, prioritization, validation and review, the main activities of which are explained below.

Revision

Analysis of the material topics determined in the previous exercises.

Banco Guayaquil regularly updates its materiality to address emerging issues and strengthen the relationship with its main groups of interest, within the framework of dialogues that make it possible to identify the strengths and opportunities to improve the relationship.

Identification

Preparation of a list of potentially relevant topics, based on the analysis of:

- Sectorial reference documents that propose key issues (related to international extra-financial reporting frameworks Global Reporting Initiative, GRI, and Sustainability Accounting Standards Board, SASB).
- Financial sector sustainability frameworks, promoted from UNEP-FI.
- National and international trends in multisector sustainability, such as the analysis of global risks presented annually by the World Economic Forum (WEF).
- Our Strategic Business Plan and internal risk analysis.
- The company's appearances in the media.

Priorization


The list of potentially relevant topics was evaluated from two perspectives:

- 1) Priority for the Bank, in accordance with corporate strategy, through interviews with a selection of directors.
- 2) Importance for stakeholders, through focus groups with employees, suppliers and neighborhood bankers, in Cuenca, Guayaquil and Quito.

From this, we elaborate the materiality matrix, with the significance of the different themes; those with the highest score from both perspectives (axes).

Validation

The Bank's senior management was closely involved in the process.

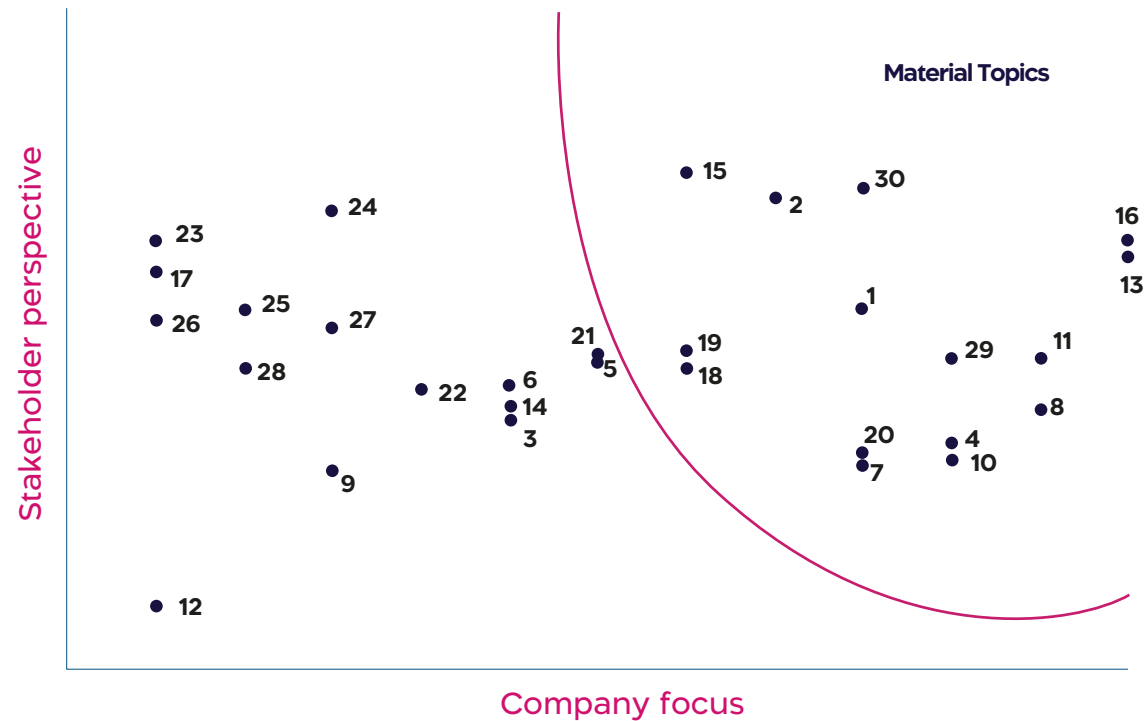


The results of our materiality were generated just in the initial stages of the COVID-19 pandemic in Ecuador. Based on the evolution of its economic and social impact, we reviewed our materiality matrix, expressing the changes in the significance of the issues.

In this way, we were able to prioritize attention to those issues whose relevance was growing, especially as a result of the context and our operational response.



Banco Guayaquil Materiality Matrix



1. Regulatory compliance
2. Ethics and anti-corruption
3. Corporate governance
4. Accessibility (clients)
5. Support for entrepreneurship
6. Financial education
7. Environmental and social evaluation of clients (responsible financing)
8. Financial inclusion
9. Financial health (clients)
10. Operational efficiency

11. Customer experience
12. Management of suppliers and contractors
13. Innovation in products and services
14. Marketing and information of products and services
15. Information security
16. Information technology and use
17. Security for customers
18. Attraction and retention of talent
19. Training and career development (employees)
20. Internal communication and leadership (work environment)

21. Diversity (employees)
22. Social investment
23. Remuneration and benefits (employees)
24. Health and safety (employees)
25. Issues (of the loan portfolio)
26. Own issues (Banco Guayaquil)
27. Corporate environmental management
28. Risks and opportunities of climate change
29. Competitiveness and market development
30. Financial results

Material Topic	External Limits
Accessibility (clients)	Bancos del Barrio
Talent attraction and retention	N.A.
Training and career development (employees)	External providers of academic training
Competitiveness and market development	N.A.
Internal communication and leadership (work environment)	N.A.
Regulatory compliance	Authorities Sector organizations (ASOBANCA)
Operational efficiency	Providers (especially pro)
Ethics and Anti-Corruption	N.A.
Environmental and social evaluation of clients (responsible financing)	Customers International Reference Entities (UNEP-FI) Multilateral banks (IDB, CAF)
Customer experience	N.A.
Financial inclusion	Bancos del Barrio
Innovation in products and services	Fintech ecosystem Innovation prescribers Academy
Economic results	Customers
Security of the information	Technology Suppliers Customers
Technology and use of information	Technology Suppliers

We understand materiality as the way to evaluate the critical issues of our performance in all our facets: as an employer, client of our suppliers, supplier of our clients (asset manager, financing facilitator), promoter of community development (eg generator of financial culture), etc.

One of those faces is our role with the client, and that's where the impact map comes in. It is about delving into that role to understand the impacts social and environmental, positive and negative, that we generate through our offer of products and services, and that serve as the basis for developing the responsible banking strategy.

As part of our commitment to the Principles of Responsible Banking, we built the impact map of our commercial offer, including credit and savings products, as well as other products and services.

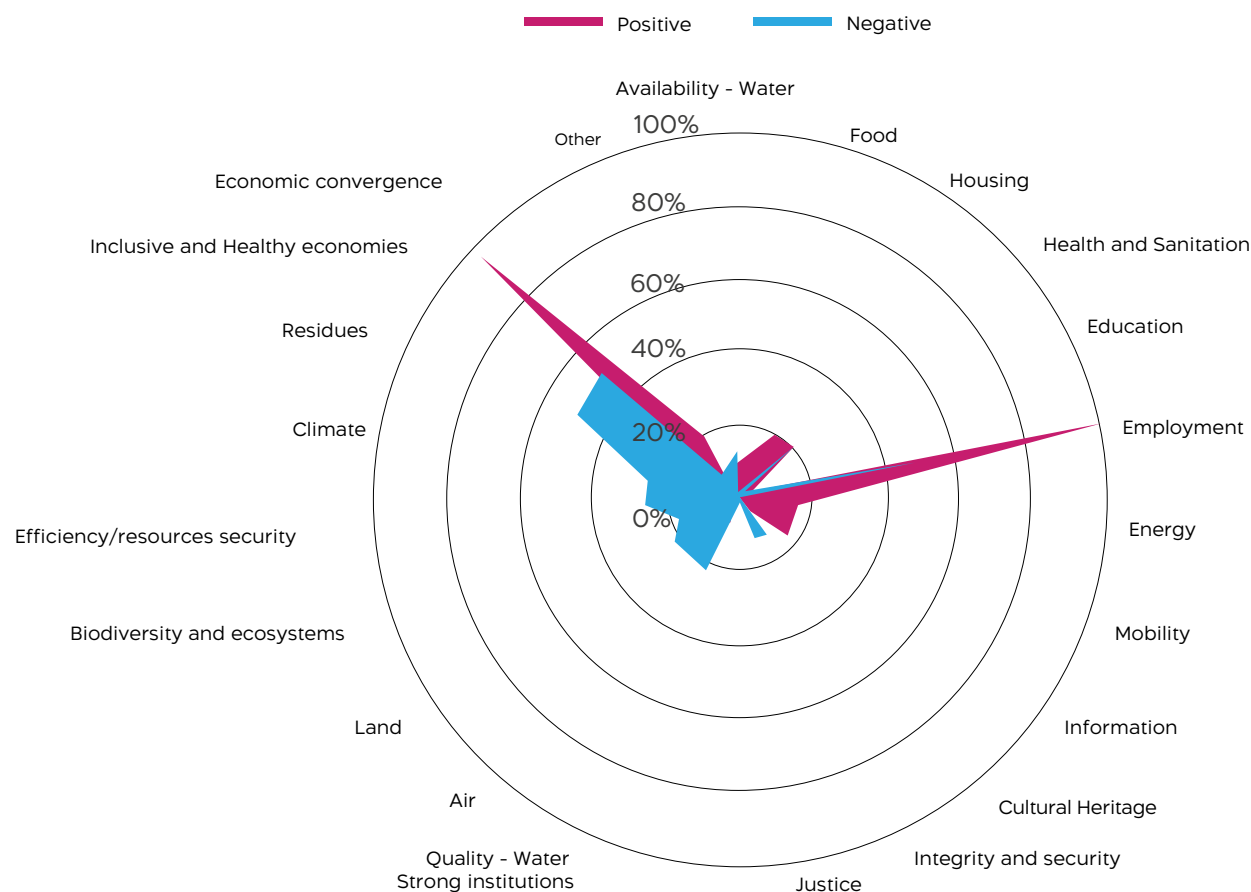
The process followed the recommendations established by the Finance Initiative of the United Nations Environment Program (UNEP-FI) and its Impact Radar methodology, including full scrutiny of the diversity of products and services, its assessment in terms of the contribution to the Bank's business and the context of critical social and environmental issues in Ecuador, generating a dimensioning of both positive and negatives.

As mentioned, the Impact Radar methodology developed by UNEP_FI itself as part of the Principles for Positive Impact on Finance initiative was used as a reference. In this same document we detail the process followed.

The resulting map for Banco Guayaquil's commercial offer and its contribution to the company's income in 2019 is included below, taken as the base year for the subscription of the Banking Principles Responsable.

N.A. Does not apply
The internal limits are common to the entire operation of Banco Guayaquil.

Impact Map



Based on the aforementioned impacts, we established our Responsible Banking strategy.

We present the objectives of this related to the business impacts and also with the material issues, in the table in which both exercises converge¹⁷:

Contribution to the Sustainable Development Goals

(GRI 102-12)

At Banco Guayaquil we support the 2030 Agenda, an international roadmap proposed by the United Nations to address the main challenges of society, in close collaboration with companies, academia and the population as a whole. These are materialized in the 17 Sustainable Development Goals (SDGs), to which we contribute from the different activities of the Bank.




We focus especially on those SDGs and goals that are most closely related to material issues, that is, those in which we can make a differential contribution and with the greatest impact through our business model and daily operations.

Likewise, in those most relevant as a result of the context of the pandemic that we are experiencing.

Below we highlight our contribution, which is also reported throughout the report.

17. More information in sub chapter of Responsible banking (chap. Strategy). Also in our commitment with Responsible banking.

ODS	Goals	Contribution	Results And Impact
	1.4, 1.5	<p>We have financial products and services for different segments, including those with greater banking difficulties: savings and credit products (Amiga Account and My Credit)</p> <p>We developed our network of co-managers to facilitate financial operations for clients: Banco del Barrio.</p>	<p>9,259 Bancos del Barrio</p> <p>US \$ 1,560 million in transactions in the Bancos del Barrio</p>
	3.3, 3.8	<p>We promote the health, safety and well-being of our employees, by monitoring the centers, raising awareness and training, and providing medical support.</p> <p>We have the Strategic Plan “I take care of myself”, focused on prevention activities.</p> <p>In response to the pandemic, we developed biosecurity protocols for offices and branches, facilitated teleworking, and tested our staff.</p>	<p>63% of the workforce teleworking.</p> <p>3,948 consultations of the online medical service enabled.</p>
	4.2, 4.4	<p>Delivery of financial education to children (“Little Savers” program), youth and adults, including those who belong to vulnerable groups, in collaboration with different organizations.</p> <p>Financial education training for staff of our company clients. On the other hand, we offer our employees possibilities for professional development, providing training for the growth of their skills and knowledge.</p> <p>2,000 adults trained in financial education.</p>	<p>9,380 children trained in financial education.</p> <p>8,858 youth and adults trained in financial education.</p> <p>16.1h average of training per employee.</p> <p>US \$ 347,264 invested in training for employees.</p>

	5.1, 5.5	<p>We are developing banking products especially for women, including female entrepreneurs, with the aim of reducing the gaps in access that exist in the sector.</p> <p>In relation to our teams, we promote equal opportunities, safeguarding the guidelines established in the Code of Ethics.</p> <p>We adhere to the UN Principles for the Empowerment of Women.</p> <p>We developed the Guide for the elaboration of Diversity and Inclusion Policies, within the framework of the SDG 8 table.</p> <p>We are part of the table of SDG 5, of the Program Leaders for the SDGs of the Global Compact Ecuador Network.</p>	<p>56% of women in the workforce.</p> <p>Signature of the Principles of Empowerment of Women.</p> <p>Support for the Mentoring Program “Quiero Ser” of Women for Women.</p> <p>Launch of the Guide for the elaboration of Diversity and Inclusion Policies.</p>
	8.2, 8.3, 8.5, 8.6, 8.10	<p>We contribute through credit to the activity of companies and entrepreneurs.</p> <p>We also support them to acquire greater knowledge in different topics related to business administration, through the BG business website.</p> <p>To support the recovery of MSMEs in the context of COVID and related employment, we issued a Social Bond in 2020, with the support of the IDB. On the other hand, we are generators of direct employment in our teams and we offer permanent contracts.</p> <p>In addition, we lead the SDG 8 working table within the framework of the Leaders for the SDGs Program of the Global Compact Red Ecuador.</p>	<p>US \$ 3,7000 MM of credit delivered to the productive sector.</p> <p>US \$ 81 MM of microcredit delivered 2,855 employees on staff</p> <p>99.9% of employees with permanent contracts.</p> <p>US \$ 20 MM destined to MSMEs - obtained through Social Bonus.</p>
	9.2, 9.3, 9.4, 9.7	<p>We promote innovation within the company, through collaborative schemes and with the customer at the center.</p> <p>We rely on cutting-edge technology to offer a better experience to our clients.</p> <p>In addition, through the delivery of credit, we facilitate that our clients can assume investments in innovation, which translate into returns for their businesses.</p>	<p>US \$ 9.0 million in investment in technology.</p> <p>59% of the opening of checking and savings accounts was online.</p>

	10.2	<p>Development of financial products and services for sectors with special difficulties.</p> <p>Support for financial inclusion also with the network of Banks of the Neighborhood.</p> <p>Likewise, the financing of the productive activity of MSMEs generates opportunities for development and employment.</p>	<p>Microcredit opportunities.</p> <p>Neighborhood Banks Network</p> <p>Support for MSMEs.</p>
	12.2, 12.6	<p>Through our Environmental and Social Risk Analysis (SARAS) system we evaluate credit risk, establish requirements and monitor compliance. In this way we promote good practices in our clients.</p> <p>Training for students of the Agrarian University of Ecuador, with the support of the Eco. Business Fund.</p>	<p>66 Environmental and social due diligence on clients.</p> <p>40h of training for young people in agribusiness.</p>
	13.3	<p>We develop training for our clients.</p> <p>Additionally, we establish environmental and social commitments to credit recipient clients as part of the SARAS process.</p>	<p>321 agribusiness clients trained in biosafety.</p>



16.5, 16.6, 16.7

We have a solid corporate governance, adhering to the legislation and the best international practices.

We continue to make progress in the implementation of the Anti-Bribery Management System, certified in accordance with the ISO 37001 standard and which includes the process of selection, evaluation and payment of suppliers.

We reviewed our Manual of Policies for Shareholders, in accordance with the new provisions of the Superintendency of Companies, Securities and Insurance. Likewise, our commitment to adopt the best practices and the holding of virtual Shareholders' Meetings.

We make the Ethical Line available to the public for any type of complaint. We are part of the SDG 16 table, of the Lideres por los ODS program of the Global Pact Red Ecuador.

Update of the Corporate Governance Code.

ISO 37001 certified anti-bribery management system for the process of selection, evaluation and payment to suppliers.

Balance of the ODS 8 Table

12 plenary sessions

Additional work sessions

+ than 30 speakers

30 member organizations

2 scenario reports

2 guides to action

1 collaborative pilot project in Posorja

This year the period in which we lead the ODS 8 Roundtable, which began in 2018, was completed. We had set ourselves the goal of addressing the problem of youth unemployment and underemployment in Ecuador, bringing the labor needs of young people closer to the demand for employees by companies from different sectors.

With the support of more than 30 members, the Table has been in session these two years, becoming a space for the exchange of knowledge and experiences, to promote the development of youth employment initiatives and alliances among the participants.

In this way, we have been able to collaboratively:

- Learn from national and international reference practices in youth employability, how to articulate them and the keys for their implementation.
- Know the regulatory framework and existing support programs for companies for youth employability.
- Know the keys to be able to overcome the employment difficulties of young people, hand in hand with companies, the social organizations that work with them and the heads of educational institutions.
- Involve young people with their testimony and learnings.



- Address the main challenges faced by human capital teams in attracting and retaining young people.
- Provide companies with support tools for the incorporation of young people, for attracting talent and their integration into teams.

Guide for the preparation of Diversity and Inclusion Policies

- Promote collaboration among the participants of the Table as well as with other organizations, for the proposal of agreements and implementation of youth employability projects, especially in the areas of greatest need in this regard.

Collaboration Models Guide for Social Impact

Collaboration pilot: Baseline study of youth employment, underemployment and unemployment in Posorja, in collaboration with ESPAE / ESPOL, Nobis Consortium, Nirsa and DP World.



Advances in the Principles of Responsible Banking

(GRI 102-12)

At Banco Guayaquil we are strongly committed to a financial business model that contributes to economic development and the protection of the environment.

We are a founding member of the Principles of Responsible Banking¹⁸, promoted by different leading institutions at the international level and the coordination of the Financial Initiative of the United Nations Environment Program (UNEP-FI).

Here are our main advances in 2020:

18. We signed the PRBs in September 2019, having accounted for the first steps in our 2019 Sustainability Report.



Principle 1: Alignment

We will align our business strategy to be consistent and contribute to the needs of individuals and the goals of society, as expressed in the Sustainable Development Goals, the Paris climate agreement and relevant regional and national frameworks.



Principle 2: Impact and Goal Setting

We will continually increase our positive impacts while reducing negative impacts and managing risks to people and the environment resulting from our activities, products and services. To that end, we will establish and publish targets where we can have the most significant impacts.



Principle 3: Customers and users

We will work responsibly with our customers and users to encourage sustainable practices and enable economic activities that create prosperity for current and future generations.



Principle 4: Stakeholders

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



Principle 5: Governance and culture

We will implement our commitment to these Principles through the governance and culture of responsible banking.



Principle 6: Transparency and accountability

We will periodically review our individual and collective implementation of these principles and be transparent and accountable for our positive and negative impacts and our contribution to the objectives of society.

Request	Response and Self-assessment	Higher Detail (integrated report or others)
<p>Principle 1: Alignment We will align our business strategy to be consistent and contribute to the needs of individuals and the goals of society, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant regional and national frameworks.</p>		
1.1 Description of the business model	<p>Banco Guayaquil is a multiple banking institution that operates in Ecuador.</p> <p>We raise funds from individuals and companies, and provide different financing options, organized in the commercial, consumer, housing and microcredit sectors.</p> <p>We are customer focused. Primer tu constitutes our way of banking. We are a simple, close and transparent bank.</p>	<p>Profile (IAI20)</p> <p>Credit portfolio breakdown (IAI20)</p> <p>Evolution of deposits (IAI20)</p> <p>https://www.bancoguayaquil.com/conocenos/</p>
1.2 Alignment of the business strategy with sustainable development	<p>We have a Sustainability strategy, designed in 2020 based on material issues and considers our work history. We also present its alignment with the Sustainable Development Goals (SDG).</p> <p>It includes a Responsible Banking sub-strategy, to maximize the positive contribution that we can make to social development and the environment through our financial products and services.</p> <p>We therefore contribute strategically to a selection of the SDGs, and we monitor our contribution through specific indicators.</p>	<p>Comprehensive sustainability (IAI20)</p> <p>Responsible Banking (IAI20)</p> <p>Contribution to the SDGs (IAI20)</p> <p>https://www.bancoguayaquil.com/conocenos/sostenibilidad</p>

Request	Response and Self-assessment	Higher Detail (integrated report or others)
Principle 2: Impact and goal setting		
2.1 Impact analysis	<p>Banco Guayaquil is a multiple banking institution that operates in Ecuador.</p> <p>We raise funds from individuals and companies, and provide different financing options, organized in the commercial, consumer, housing and microcredit sectors.</p> <p>We are customer focused. Primer tu constitutes our way of banking. We are a simple, close and transparent bank.</p>	<p>Materiality analysis and impact map (IAI20)</p> <p>Responsible Banking Strategy Report</p> <p>Credit portfolio breakdown (IAI20)</p> <p>Evolution of deposits (IAI20)</p>
2.2 Setting Objectives	<p>In the first stage, we built our impact map and established responsible banking commitments, aligned with different Sustainable Development Goals (SDGs).</p> <p>In 2020, we established the indicators for its monitoring, and the annual and medium-term objectives (2021 and 2015 respectively).</p> <p>In addition, as part of the issuance in 2020 of the first social bond in accordance with the Social Bonds Principles of ICMA (The International Capital Market Association), we assume commitments of positive impact to be achieved through the financing of MSMEs, with our own indicators.</p>	<p>Materiality analysis and impact map (IAI20)</p> <p>Responsible Banking Strategy Report</p>
2.3. Implementation and monitoring against the objectives	<p>The Commitments assumed in Responsible Banking based on the impact map have been provided with indicators, with short and medium-term objectives (2021 and 2015).</p>	<p>Responsible Banking Strategy Report</p>
2.4 Progress in achieving the objectives	<p>Progress in achieving the objectives is monitored by the sustainability team, with the support of the different business areas. This is reported in the quarterly sessions of the Corporate Governance and Sustainability Committee.</p> <p>We report on progress annually in our integrated annual report and in the responsible banking report.</p>	<p>Comprehensive Sustainability (IAI)</p> <p>Responsible Banking Strategy Report</p>

Request	Response and Self-assessment	Higher Detail (integrated report or others)
<p>Principle 3: Customers and Users We will work responsibly with our customers and users to encourage sustainable practices and enable economic activities that create prosperity for current and future generations.</p>		
<p>3.1. Policies and practices</p>	<p>Customers are at the Bank's performance center, the result of a central project that materializes in the concept of Primero Tu, a new way of doing banking.</p> <p>Our Code of Ethics reflects the main guidelines for the relationship between employees and between them and external groups, such as clients. The Code is also followed by Banqueros del Barrio, our network of non-bank correspondents.</p> <p>For the social and environmental evaluation of credits under the SARAS, we have the Environmental and Social Risk Policy. This reflects our commitment to promote the improvement of the environmental and social performance of our clients.</p>	<p>Strategy (IAI20)</p> <p>Ethics and compliance (IAI20)</p> <p>Code of ethics</p> <p>Financing and sustainable investment (IAI20)</p>

Request	Response and Self-assessment	Higher Detail (integrated report or others)
<p>Principle 3: Customers and Users We will work responsibly with our customers and users to encourage sustainable practices and enable economic activities that create prosperity for current and future generations.</p>		
<p>3.2 Sustainable practices with clients</p>	<p>Customers evaluated through the SARAS are required to establish environmental and social commitments, the fulfillment of which is incorporated into the contracts and is monitored by the Bank.</p> <p>The new products under development for women credit (social purpose), as well as credit for energy efficiency projects (environmental purpose), will reinforce this impulse from the Bank to the practices of the clients.</p> <p>Additionally, through our financial education program, we train clients in managing their finances (as well as other interest groups); It is complemented with advice and training in different business aspects for company clients (eg BG Business Portal).</p>	<p>Financing and sustainable investment (IAI20)</p> <p>Financial culture and access to banking (IAI20)</p>

Request	Response and Self-assessment	Higher Detail (integrated report or others)
<p>Principle 4: Interest groups We will proactively and responsibly consult, participate and partner with relevant stakeholders to achieve society's goals.</p>		
<p>4.1 Consultation, dialogue and alliances with interest groups</p>	<p>As part of the development of the impact map, different business areas were consulted to size the Bank's portfolio of producers and services, the profiles of associated clients and, with it, the possible impacts.</p> <p>They contributed their knowledge of the expectations and scenario of the clients.</p> <p>In addition to the impact map, we carried out a materiality study (the differences are indicated in Annex II). In this case, they participated in the prioritization of material issues: employees, suppliers and Banqueros del Barrio, through different focus groups.</p> <p>In this way we can understand with your involvement, the positive and negative impacts resulting from all of our activity.</p> <p>We also regularly maintain different communications with our stakeholders, making channels and platforms available to them, with specialized teams.</p>	<p>Annex II- Materiality analysis and impact map (IAI20)</p> <p>Annex II - Relationship with our stakeholders. (IAI20)</p>

Request	Response and Self-assessment	Higher Detail (integrated report or others)
Principle 5: Governance and Culture We will implement our commitment to these Principles through a responsible banking culture and governance.		
5.1 Governance structure	<p>The responsible banking substrategy is integrated into the sustainability strategy; It is coordinated by the sustainability area in charge and its progress is reported to the Corporate Governance and Sustainability committee.</p> <p>Representatives from the areas of Audit, Finance, Legal, Risks, Human Talent and Corporate Governance form part of the Committee.</p>	Comprehensive sustainability (IAI20)
5.2 Initiatives and measures	<p>Our impact map is already public and we will add in this integrated report the details of the indicators and objectives. Therefore, they will be available to the public. We will report annually on the progress.</p> <p>Additionally, we will carry out two outstanding actions among employees to better understand the Principles of Responsible Banking and how we work in this regard: 1) Awareness campaign through internal networks; 2) Sustainability training for the entire workforce, which will include our Strategy and responsible banking actions.</p>	<p>Responsible Banking (IAI20)</p> <p>Annex II- Materiality analysis and impact map (IAI20)</p> <p>Responsible Banking Strategy Report</p>
5.3 Governance structure for the implementation of the principles.	<p>The monitoring of the progress of the indicators with respect to the objectives set based on the impacts of the portfolio (positive and negative impacts) corresponds to the Corporate Governance and Sustainability Committee, with the support of the business areas.</p>	Comprehensive Sustainability (IAI20)

Request	Response and Self-assessment	Higher Detail (integrated report or others)
<p>Principle 6: Transparency and accountability We will periodically review our individual and collective implementation of these Principles and be transparent and accountable for our positive and negative impacts and our contribution to the objectives of society.</p>		
<p>6.1 Progress in the implementation of the Principles of Responsible Banking</p>	<p>We have made progress in the implementation of the principles, in accordance with those indicated in this Annex and in the integrated report itself. Our commitment is total, from the top management.</p> <p>The performance of the impact analysis, the establishment of commitments and the setting of annual and medium-term objectives (2021 - 2015) stand out.</p> <p>We will consider social criteria in accessing international financing: social bond.</p> <p>We are working on the development of credit products for women (social purpose), and for energy efficiency (environmental purpose).</p> <p>We continue to implement our financial education program and bring products and services closer to the neighborhood's network of banks, which is growing.</p> <p>We made progress in the reporting of the PRBs, through the correlation with the GRI Standards and the SASB Standards. We use the two sets of standards as a basis for reporting ESG progress, including those related to PRBs.</p>	<p>Letter from the Executive President (IAI20)</p> <p>Responsible Banking Strategy Report</p>

Annex III: Reporting Framework

Below is a GRI list of contents and SASB parameters.



GRI List Of Contents

(GRI 102-55)

GRI STANDARD 102: GENERAL DISCLOSURES 2016				
Content	Omission	Global Compact Principles UN	Sustainable Development Goals (SDG) and Goals	Page
Organizational profile				
102-1				Back cover
102-2				15
102-3				Back cover
102-4				16
102-5				19, Back cover
102-6				15
102-7				10, 38
102-8		Principle 6	8.5, 10.3	64
102-9				52
102-10				16, 19
102-11				48
102-12				30, 83, 94
102-13				83

In addition to the aforementioned contents, the guidelines of the GRI 101: Fundamentals 2016 Standard were applied.

Correlation with GRI and SDO contents and targets have been established by integrating the reference framework of Business Reporting on the SDGs: An Analysis of the Goals and Targets, strategic analysis of the contribution of SDO carried out by Banco Guayaquil.

For Materiality Disclosures Services, GRI Services has verified that the GRI list of contents is clear and that references for contents 102-40 a 102-49 correspond to sections listed in the report.

GRI STANDARD 102: GENERAL DISCLOSURES 2016

Content	Omission	Global Compact Principles UN	Sustainable Development Goals (SDG) and Goals	Page
Strategy				
102-14				2
102-15				2, 6, 17, 48
Ethics and integrity				
102-16		Principle 10	16.3	12, 26
102-17		Principle 10	16.3	26
Governance				
102-18				21
102-19				21
102-20				21
102-21			16.7	80
102-22			5.5, 16.7	21
102-23			16.6	21
102-24			5.5, 16.7	21

GRI STANDARD 102: GENERAL DISCLOSURES 2016

Content	Omission	Global Compact Principles UN	Sustainable Development Goals (SDG) and Goals	Page
Governance				
102-25			16.6	26
102-26				21
102-27				21
102-28				21
102-29			16.7	48
102-30				48
102-31				21
102-32				4
102-33				21
102-34				21
102-35				21
102-36				21
102-37			16.7	21
102-38	Confidential, due to internal company guidelines.			-

GRI STANDARD 102: GENERAL DISCLOSURES 2016

Content	Omission	Global Compact Principles UN	Sustainable Development Goals (SDG) and Goals	Page
Governance				
102-39	Confidential, due to internal company guidelines.			
Stakeholder Engagement				
102-40				80
102-41		Principle 3	8.8	64
102-42				80
102-43				80
102-44				80
Reporting Practice				
102-45				4
102-46				84
102-47				30, 84
102-48				4, 75
102-49				84

GRI STANDARD 102: GENERAL DISCLOSURES 2016

Content	Omission	Global Compact Principles UN	Sustainable Development Goals (SDG) and Goals	Page
Reporting Practice				
102-50				4
102-51				4
102-52				4
102-53				4
102-54				4
102-55				103
102-56				4

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Accesibility (clients)	GRI 103: Management approach 2016	103-1				84
		103-2				54, 61
		103-3				54, 61
		FS14			1.4 y 1.5	61
Talent attraction and retention	GRI 103: Management approach 2016	103-1				84
		103-2				64, 68
		103-3				64, 68
	GRI 401: Employment 2016	401-1		Principle 6	5.1, 8.5, 8.6, 10.3	64
		401-2			3.2, 5.4, 8.5	68, 73
		401-3		Principle 6	5.1, 5.4, 8.5	64, 68
Training and career development	GRI 103: Management approach 2016	103-1				84
		103-2				66
		103-3				66

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Training and career development	GRI 404: Training and education 2016	404-1		Principle 6	4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3	66
		404-2			8.2, 8.5	66
		404-3		Principle 6	5.1, 8.5, 10.3	66
Competitive behavior and market development	GRI 103: Management approach 2016	103-1				84
		103-2				12, 26
		103-3				12, 26
	GRI 206: Anti-competitive behavior 2016	206-1			16,3	26
	GRI Financial Services Sector Supplement	FS6			9.2, 9.3	42
Internal communication and leadership (Work environment)	GRI 103: Management approach 2016	103-1				84
		103-2				68
		103-3				68
	GRI 403: Occupational health and safety 2018	403-1				70
		403-2			3.3, 3.9, 8.8	70

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Internal communication and leadership (Work environment)	GRI 403: Occupational health and safety 2018	403-3			3.3, 3.9, 8.9	70
		403-4			3.3, 3.9, 8.10	70
		403-5			3.3, 3.9, 8.11	70
		403-6			3.3, 3.9, 8.12	70
		403-7			3.3, 3.9, 8.13	70
		403-8			3.3, 3.9, 8.14	70
		403-9			3.3, 3.9, 8.15	70
		403-10			3.3, 3.9, 8.16	70
	GRI 405: Diversity and equal opportunity 2016	405-1			5.1, 5.5, 8.5	21, 64
		405-2			5.1, 8.5, 10.3	68
	GRI 406: Non-discrimination 2016	406-1			5.1, 8.8	68

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Regulatory compliance	GRI 103: Management approach 2016	103-1				84
		103-2				26, 54
		103-3				26, 54
	GRI 419: Socioeconomic compliance 2016	419-1			16.3	26
Operational efficiency	GRI 103: Management approach 2016	103-1				84
		103-2				52, 75
		103-3				52, 75
	GRI 204: Procurement practices 2016	204-1				52
	GRI 302: Energy 2016	302-1		Principles 7 and 8	7.2, 7.3, 8.4, 12.2, 13.1	75
		302-2		Principle 8	7.2, 7.3, 8.4, 12.2, 13.1	NA
		302-3		Principle 8	7.3, 8.4, 12.2, 13.1	75
		302-4		Principles 8 and 9	7.3, 8.4, 13.1	75
		302-5		Principles 8 and 9	7.3, 8.4, 13.1	NA

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Operational efficiency	GRI 305: Emissions 2016	305-1		Principles 7 and 8	3.9, 12.4, 14.3, 15.2	75
		305-2		Principles 7 and 8	3.9, 12.4, 13.1, 14.3, 15.2	75
		305-3		Principles 7 and 8	3.9, 12.4, 13.1, 14.3, 15.2	NA
		305-4		Principle 8	13.1, 14.3, 15.2	75
		305-5		Principles 7 and 8	13.1, 14.3, 15.2	75
		305-6		Principles 7 and 8	3.9, 12.4	NA
		305-7		Principles 7 and 8	3.9, 12.4, 14.3, 15.2	NA

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Business ethics and anti-corruption	GRI 103: Management approach 2016	103-1		Principle 10		84
		103-2		Principle 10		26
		103-3		Principle 10		26
	GRI 205: Anti-corruption 2016	205-1		Principle 10		26, 52, 56
		205-2		Principle 10	16,5	21, 26
		205-3		Principle 10	16,5	26
	GRI 415: Public policy 2016	415-1		Principle 10	16,5	26
Environmental and social assessment of clients (responsible financing)	GRI 103: Management Approach 2016	103-1				84
		103-2				59
		103-3				59
	GRI Sector Supplement Financial Sector	FS2				59, 61
		FS3				59, 61
		FS4			13,3	59, 61
		FS5				59, 61
		FS9				59, 61
		FS10			9.2, 9.4, 12.6	59, 61
		FS11			9.2, 9.4, 12.6	59, 61

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Customer experience	GRI 103: Management approach 2016	103-1				84
		103-2				54
		103-3				54
	GRI 416: Customer health and safety 2016	416-1				54
		416-2			16,3	26, 54
	GRI 417: Marketing and labeling 2016	417-1			12,8	54
		417-2			16,3	26, 54
		417-3			16,3	26, 54
	GRI Financial Services Sector Supplement	FS15				61
Financial Inclusion	GRI 103: Management approach 2016	103-1				84
		103-2				61
		103-3				61
	GRI Financial Services Sector Supplement	FS7			1.4, 1.5, 9.3	61
		FS13				61
		FS15				61
		FS16				61

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Product and service innovation	GRI 103: Management approach 2016	103-1				84
		103-2				54
		103-3				54
	GRI 203: Indirect economic impacts 2016	203-1			5.4, 9.1, 9.4, 11.2	54
		203-2			1.2, 8.2, 8.3, 8.5	41, 42, 61
	GRI Financial Services Sector Supplement	FS1				59, 61, 61
		FS8				59, 61
Economic results	GRI 103: Management approach 2016	103-1				84
		103-2				36
		103-3				36
	GRI 201: Economic performance 2016	201-1			8.1, 8.2, 9.1, 9.4, 9.5	38, 46, 54, 66
		201-2		Principle 7	13.1	48, 59, 61
		201-3				54, 73
		201-4				46
Data security	GRI 103: Management approach 2016	103-1				84
		103-2				54, 57
		103-3				54, 57

GRI CONTENTS BY MATERIAL TOPIC

Material topics	GRI Standards	GRI Content	Omissions	Global Compact Principles UN	Sustainable Development Goals (SDG)	Page
Technology and information management	GRI 103: Management approach 2016	103-1				84
		103-2				57
		103-3				57
	GRI 418: Customer privacy 2016	418-1			16.3, 16.10	57

SASB INDEX

STANDARD	TOPIC	CODE	ACCOUNTING METRIC	OMISSION	PAGE
Consumer finance	Customer privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes"	Non available information	NA
		FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy		57, 57
	Data security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Confidential information	NA
		FN-CF-230a.2	Card-related fraud losses from (1) card-notpresent fraud and (2) card-present and other fraud		57
		FN-CF-230a.3	Description of approach to identifying and addressing data security risks		57
	Selling practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold		54
		FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	Non available information	
		FN-CF-270a.3	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660		54

SASB INDEX

STANDARD	TOPIC	CODE	ACCOUNTING METRIC	OMISSION	PAGE
Consumer finance	Selling practices	FN-CF-270a.4	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	Non available information	
		FN-CF-270a.5	Total amount of loss as a result of legal proceedings associated with product sales and service		54+F12
	(Activity metric)	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	Non available information	45
	(Activity metric)	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card ccouns	Non available information	45
Commercial banks	Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Confidential information	57
		FN-CB-230a.2	Description of approach to identifying and addressing data security risks		57
	Financial inclusion & capacity building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development		41, 61
		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	Non available information	

SASB INDEX

STANDARD	TOPIC	CODE	ACCOUNTING METRIC	OMISSION	PAGE
Commercial banks	Financial inclusion & capacity building	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Non available information	
		FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers		61
	Incorporation of environmental, social, and governance factors in credit analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry		42
		FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis		59, 61
	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		26
		FN-CB-510a.2	Description of whistleblower policies and procedures		26
	Systemic risk management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	This SASB topic does not apply to Banco Guayaquil	
		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	This SASB topic does not apply to Banco Guayaquil	

SASB INDEX

STANDARD	TOPIC	CODE	ACCOUNTING METRIC	OMISSION	PAGE
Commercial banking	(Activity metrics)	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business		45
	(Activity metrics)	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate		42
Mortgage finance	Lending practices	FN-MF-270a.1	(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above or below 660	Non available information	
		FN-MF-270a.2	(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660	Non available information	
		FN-MF-270a.3	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators		26, 54
		FN-MF-270a.4	Description of remuneration structure of loan originators	Non available information	

SASB INDEX

STANDARD	TOPIC	CODE	ACCOUNTING METRIC	OMISSION	PAGE
Mortgage finance	Discriminatory lending	FN-MF-270b.1	(1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers, by FICO scores above and below 660	Non available information	
		FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	Non available information	
		FN-MF-270b.3	Description of policies and procedures for ensuring nondiscriminatory mortgage origination		54
	Environmental risk to mortgaged properties	FN-MF-450a.1	(1) Number and (2) value of mortgage loans in 100-year flood zones	Non available information	
		FN-MF-450a.2	(1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weatherrelated natural catastrophes, by geographic region	Non available information	
		FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	Non available information	

SASB INDEX

STANDARD	TOPIC	CODE	ACCOUNTING METRIC	OMISSION	PAGE
Mortgage finance	(Activity metric)	FN-MF-000.A	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	Non available information	
	(Activity metric)	FN-MF-000.B	(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	Non available information	



(102-1,102-3,102-5)
Banco Guayaquil S.A.
RUC: 0990049459001
Matriz: Pichincha 105 y P. Icaza
Teléfono: (593 4) 3730100
Guayaquil, Ecuador