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BASE PROSPECTUS
March 28, 2025

Banco de Crédito del Perú

U.S.$6,000,000,000 Medium-Term Notes Program

Under this U.S.$6,000,000,000 Medium-Term Notes Program (the "Program"), Banco de Crédito del Perú S.A., a commercial bank organized and existing under the laws of the Republic of Peru (the "Issuer," the "Bank" or "BCP"), may from time to time issue medium-term notes ("Notes") which will be unsecured and may be issued on a subordinated or unsubordinated basis. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and will be offered (i) inside the United States in reliance on the exemption from registration provided by Rule 144A ("Rule 144A") under the Securities Act only to qualified institutional buyers ("QIBs"), within the meaning of Rule 144A, and (ii) outside the United States to non-U.S. persons (as such term is defined in Rule 904 under the Securities Act (a "non-U.S. person")) pursuant to Regulation S ("Regulation S") under the Securities Act. The Notes will be denominated in any currency agreed upon between the Issuer and the relevant Dealer (as defined below). The final terms of each Note will be specified in the Final Terms (as defined herein). For more information, see "Description of the Notes."

Each initial and subsequent purchaser of the Notes offered under the Program in making its purchase will be deemed to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of such Notes and may in certain circumstances be required to provide confirmation of compliance with such resale or other transfer restrictions below and as set forth in "Important Notices" and "Transfer and Selling Restrictions."

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms contemplated herein which are applicable to a particular issuance of Notes will be set out in the relevant Final Terms relating to such Notes.

Investing in the Notes offered under the Program involves risks and uncertainties. See "Risk Factors" beginning on page 8 of this Prospectus (as defined below) for a discussion of certain significant risks you should consider in connection with an investment in the Notes.

The Notes are not intended to be offered, sold or otherwise made available and should not be sold to retail investors in the European Economic Area (as defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II), as amended or replaced from time to time) ("EEA") or in the United Kingdom (the "UK") (as defined in Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018). Prospective investors are referred to the section headed "Important Notices" on page ii of this Prospectus.

Application has been accepted by the Luxembourg Stock Exchange for Notes issued under the Program (other than Indexed Notes (as defined herein)) to be admitted to trading on the Luxembourg Stock Exchange for trading on the Euro MTF Market. Notes issued under the Program may also be admitted to trading or listed on any other or further stock exchange(s) or may not be admitted to trading or listed. Indexed Notes will not be admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

This document comprises a prospectus for the purpose of the Luxembourg Law of July 16, 2019 on prospectuses for securities (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129*) (the "Luxembourg Prospectus Law"). This Base Prospectus (the "Base Prospectus" or the "Prospectus") may be used only for the purposes for which it has been prepared. In approving this Prospectus the Luxembourg Stock Exchange assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Bank in line with the provisions of article 7(7) of the Luxembourg Prospectus Law.

The Notes (or beneficial interests therein) may not be offered or sold in Peru except in compliance with the securities laws thereof. The Notes will not have the benefit of bank deposit insurance under the laws of Peru, the United States or any other jurisdiction.

Arrangers and Dealers

BofA Securities **Citigroup** **J.P. Morgan**

Dealers

BNP PARIBAS **Daiwa Capital Markets** **Goldman Sachs International**

Natixis **SMBC Nikko**

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RESPONSIBILITY STATEMENT

The Issuer with its registered office in Lima, Peru is solely responsible for the information given in this Prospectus and in any Final Terms for each Series or Tranche of Notes issued under the Program. The Issuer hereby declares that to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus and in any Final Terms for each Series or Tranche of Notes issued under the Program is in accordance with the facts and contains no omission likely to affect its import.

IMPORTANT NOTICES

Copies of Final Terms (as defined below) will be available from the registered office of the Issuer and the specified office set out below of each of the Paying Agents (as defined below) (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding of Notes and identity).

This Prospectus should be read and understood in conjunction with any supplement hereto. Full information on the Issuer and any Notes issued under the Program is only available on the basis of the combination of this Prospectus (including any supplement) and the relevant Final Terms.

No person is or has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the Program or the issue and sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorized by BCP. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

Neither this Prospectus nor any other information supplied in connection with the Program or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Prospectus or any recipient of any other information supplied in connection with the Program or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Program or the issue of any Notes constitutes an offer or invitation by or on behalf of either Issuer or any of the Dealers to subscribe for or to purchase any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

This Prospectus is valid for twelve months from the date of this Prospectus and it and any supplement thereto as well as any Final Terms reflect the status as of their respective dates of issue. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in the related documents is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since such date or that any supplement to this Prospectus or any other information supplied in connection with the Program is correct at any time subsequent to, respectively, its date or the date on which it is supplied or, if different, the date indicated in the document containing the same.

For so long as any Notes remain outstanding, the Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus that is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Notes.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States of America (the "United States") or its possessions or to United States persons, except in certain transactions permitted by United States Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code (the "Code") and the regulations promulgated thereunder.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuers or the Dealers which would permit a public offering of any Notes in any jurisdiction other than each Member State of the EEA which has implemented the Prospectus Regulation as at the date of this Prospectus or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the EEA (and, in particular, without limitation, in Luxembourg, France, Italy and the Netherlands), the UK, Australia, Brazil, Chile, Dubai, Hong Kong, Japan, Peru, Singapore and Switzerland (see "Transfer and Selling Restrictions"). In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the "SEC") or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or the adequacy of the information contained in this Prospectus. Any representation to the contrary is unlawful.

In particular, the Notes have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See "Description of the Notes—Forms of Notes" for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer (see "Transfer and Selling Restrictions"). Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act (see "—U.S. Information" below).

Neither this Prospectus nor any Final Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

Neither this Prospectus nor any Final Terms should be considered as a recommendation or a statement of an opinion (or a report of either of those things) by BCP, the Dealers or any of them that any recipient of this Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Prospectus or any Final Terms shall be taken to have made its own appraisal of the condition (financial or otherwise) of the Issuer.

None of the Dealers or the Issuer makes any representation to any purchaser of the Notes regarding the legality of its investment under any applicable laws. Any purchaser of the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Dealers have not separately verified the information contained in this Prospectus or in any supplement thereto. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Prospectus or in any supplement thereto or any other information provided by the Issuer. The Dealers do not accept any liability in relation to the information contained in this Prospectus or in any supplement thereto or any other information provided by the Issuer in connection with the Program.

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "BMR"). If any such reference rate does constitute such a benchmark, the relevant Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("ESMA") pursuant to Article 36 (Register of administrators and benchmarks) of the BMR. Transitional provisions in the BMR may have the result that the

administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of any administrator under the BMR is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

Amounts payable under the Notes may be calculated by reference to the Euro Interbank Offered Rate ("EURIBOR"), which is provided by the European Money Markets Institute ("EMMI"), or the Secured Overnight Financing Rate ("SOFR"), which is provided by the Federal Reserve Bank of New York ("FRBNY"). As at the date of this Prospectus, the EMMI appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to article 36 of the BMR, and the FRBNY does not appear on the register of administrators and benchmarks established and maintained by the ESMA pursuant to article 36 of the BMR.

As far as the Bank is aware, the transitional provisions in article 51 of the BMR apply, such that the FRBNY is not currently required to obtain authorization or registration (or, if located outside the European Union ("EU"), recognition, endorsement or equivalence).

Any website hyperlinks included in this Prospectus are for information purposes only and do not form part of this Prospectus.

In this Prospectus, unless otherwise specified or the context otherwise requires, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Unless otherwise indicated or the context otherwise requires, all references in this Prospectus or in any supplement thereto to "Banco de Crédito del Perú," "BCP," "Bank," "we," "our," "ours," "us" or similar terms refer to Banco de Crédito del Perú S.A. and our subsidiaries. References to the "Issuer" refer only to Banco de Crédito del Perú S.A. excluding our subsidiaries.

U.S. INFORMATION

This Prospectus is being submitted on a confidential basis in the United States to a limited number of QIBs (as defined under "Description of the Notes—Forms of Notes") for informational use solely in connection with the consideration of the purchase of the Notes offered under the Program. Its use for any other purpose in the United States is not authorized. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

Each purchaser or Noteholder represented by a Rule 144A Global Note (as defined under "Registered Notes" below) or any Notes issued in registered form in exchange or substitution therefor (jointly referred to as the "Legended Notes") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "Transfer and Selling Restrictions." Unless otherwise stated, terms used in this paragraph have the meanings given to them in "Description of the Notes—Forms of Notes."

NOTICE TO INVESTORS IN THE UNITED KINGDOM

This Prospectus is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to

which this communication relates shall be available only to relevant persons and will be engaged in only with relevant persons.

NOTICE TO RESIDENTS OF PERU

THE NOTES WILL NOT BE SUBJECT TO A PUBLIC OFFERING IN PERU. THEREFORE, THIS PROSPECTUS AND THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH OR APPROVED BY THE PERUVIAN SUPERINTENDENCY OF CAPITAL MARKETS (*SUPERINTENDENCIA DEL MERCADO DE VALORES)* ("SMV") OR THE LIMA STOCK EXCHANGE (*BOLSA DE VALORES DE LIMA*) ("BVL"). PERUVIAN SECURITIES LAWS AND REGULATIONS ON PUBLIC OFFERINGS WILL NOT BE APPLICABLE TO THE OFFERING OF THE NOTES AND, THEREFORE, THE DISCLOSURE OBLIGATIONS SET FORTH THEREIN WILL NOT BE APPLICABLE TO THE ISSUER OR THE SELLERS OF THE NOTES BEFORE OR AFTER THEIR ACQUISITION BY PROSPECTIVE INVESTORS. THIS PROSPECTUS AND OTHER OFFERING MATERIALS RELATING TO THE OFFER OF THE NOTES ARE BEING SUPPLIED TO THOSE PERUVIAN INVESTORS WHO HAVE EXPRESSLY REQUESTED THEM. SUCH MATERIALS MAY NOT BE DISTRIBUTED TO ANY PERSON OR ENTITY OTHER THAN THE INTENDED RECIPIENTS.

ACCORDINGLY, THE NOTES CANNOT BE OFFERED OR SOLD IN PERU, EXCEPT IF (I) THE NOTES ARE PREVIOUSLY REGISTERED WITH THE SMV, OR (II) SUCH OFFERING IS CONSIDERED A PRIVATE OFFERING UNDER THE SECURITIES LAWS AND REGULATIONS OF PERU. THE PERUVIAN SECURITIES MARKET LAW ESTABLISHES, AMONG OTHERS, THAT AN OFFER DIRECTED EXCLUSIVELY TO INSTITUTIONAL INVESTORS MAY QUALIFY AS A PRIVATE OFFERING.

IN MAKING AN INVESTMENT DECISION, PERUVIAN INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING OF THE NOTES IN ORDER TO DETERMINE THEIR LEGAL ABILITY TO INVEST IN THE NOTES.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"), (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565, as amended, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014, as amended, as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended, as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subject to MiFID II subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "MiFID II") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "restricted securities" within the meaning of the Securities Act, the Issuer has undertaken in the Dealer Agreement dated July 19, 2019 (the "Dealer Agreement") to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

ENFORCEABILITY OF CIVIL LIABILITIES

We are a commercial bank organized and existing under the laws of Peru. Substantially all of our directors and officers reside in Peru, and all or a significant portion of the assets of such persons may be, and substantially all of our assets are, located outside the United States. As a result, it may not be possible for investors to effect service of process upon such persons or entities outside Peru or to enforce against them in the courts of jurisdictions other than Peru any judgments obtained in such courts that are predicated upon the laws of such other jurisdictions.

We have been advised by our Peruvian counsel, Payet, Rey, Cauvi, Pérez Abogados, that any final and conclusive judgment for a fixed and definitive sum obtained against us in any foreign court having jurisdiction in respect of any suit, action or proceeding against us for the enforcement of any of our obligations under the Notes that are governed by New York law will, upon request, be deemed valid and enforceable in Peru without the local court reopening the case through an exequatur judiciary proceeding, provided that: (a) there is in effect a treaty between the country where said foreign court sits and Peru regarding the recognition and enforcement of foreign judgments or (b) in the absence of such a treaty, the original judgment is recognized and ratified by the Peruvian Courts (*Cortes de la República del Perú*) under such exequatur proceeding, subject to the provisions of the Peruvian Civil Code and the Peruvian Civil Procedure Code. Such ratification will occur provided that the following requirements are met:

(i) the judgment does not resolve matters under the exclusive jurisdiction of Peruvian courts, and the matters contemplated in respect of this Prospectus or the notes are not such matters;

(ii) such court had jurisdiction under its own conflicts of law rules and under general principles of international procedural jurisdiction;

(iii) we received service of process in accordance with the laws of the place where the proceeding took place, we were granted a reasonable opportunity to appear before such foreign court, and we were guaranteed due process rights;

(iv) the judgment has the status of res judicata as defined in the jurisdiction of the court rendering such judgment;

(v) no pending litigation in Peru between the same parties for the same dispute was initiated before the commencement of the proceeding that concluded with the foreign judgment;

(vi) the judgment is not incompatible with another judgment that fulfills the requirements of recognition and enforceability established by Peruvian law, unless such foreign judgment was rendered first;

(vii) the judgment is not contrary to public policy (*orden público*) or good morals;

(viii) it is not proven that such foreign court denies enforcement of Peruvian judgments or engages in a review of the merits thereof;

(ix) a copy of such judgment is (i) officially translated to Spanish by a duly authorized public translator in Peru; and (ii) if issued in any country other than in Peru (x) which is not a signatory country of the Hague Convention for Abolishing the Requirement of Legalization for Foreign Public Documents, legalized before a notary public, the Ministry of Foreign Affairs or other corresponding entity of such country, the competent Peruvian consulate and before the Peruvian Ministry of Foreign Affairs (*Ministerio de Relaciones Exteriores del Perú*), or (y) which is a signatory country of the Hague Convention for Abolishing the Requirement of Legalization for Foreign Public Documents, must be certified with an apostille; and

(x) the applicable court fees have been paid.

We have been advised by Payet, Rey, Cauvi, Pérez Abogados, our Peruvian counsel, that there is no reason to believe that any obligation under the Notes, which are governed by New York law, would be contrary to Peruvian public policy and international treaties binding upon Peru or generally accepted principles of international law.

Certain of the Bank's properties might be subject to the exemption set forth under Article 616 of the Peruvian Civil Procedure Code (Legislative Decree No. 768, which sole unified text was approved through Ministerial Resolution No. 010-93-JUS), pursuant to which any private property designated for the rendering of indispensable public services might not be subject to preliminary attachments (*medidas cautelares*) that might affect the normal rendering of such services.

The United States does not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters with Peru. Therefore, unless the above-mentioned requirements are satisfied, a final judgment for payment of money rendered by a federal or state court in the United States based upon civil liability, whether or not predicated solely upon U.S. federal securities laws, might not be enforceable, either in whole or in part, in Peru; *however*, if the party in whose favor such final judgment was rendered brings a new suit in a competent court in Peru, then such party may submit to the Peruvian court the final judgment rendered in the United States. Under such circumstances, a judgment by a federal or state court of the United States might be regarded by a Peruvian court only as evidence of the outcome of the dispute to which such judgment relates and a Peruvian court might choose to re-hear the dispute. In addition, awards of punitive damages in actions brought in the United States or elsewhere are unenforceable in Peru. In the past, Peruvian courts have enforced judgments rendered in the United States based upon legal principles of reciprocity and comity.

In connection with the issuance of the Notes, we will designate Cogency Global Inc. as our agent upon whom process may be served in connection with any proceedings in New York.

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MARKET AND INDUSTRY INFORMATION

Market data and certain industry forecast data used in this Prospectus were obtained from internal reports and studies, where appropriate, as well as estimates, market research, publicly available information, including information available from the Peruvian Superintendency of Banks, Insurance and Private Pension Fund Administrators (*Superintendencia de Banca, Seguros y Administradoras Privadas de Fondos de Pensiones*) ("SBS") and industry publications. Market share, deposit and other data obtained from the SBS in the case of the banking operations of Peruvian banks, includes foreign branches and representative offices of Peruvian banks, such as our agency in Miami and our branch in Panama, which has an international banking license. However, the SBS information is presented on an unconsolidated basis and excludes information regarding subsidiaries of Peruvian banks. Therefore, the SBS information as it relates to us excludes the operations of our Peruvian subsidiary Mibanco Banco de la Microempresa S.A. ("Mibanco"). With respect to any information included herein and specified to be sourced from a third-party (i) we confirm that any such information has been accurately reproduced and as far as we are aware and are able to ascertain from information available to it from such third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading and (ii) we have not independently verified any such information and accept no responsibility for the accuracy thereof. Similarly, internal reports and studies, estimates and market research, while believed to be reliable and accurately extracted by us for the purposes of this Prospectus, have not been independently verified. However, we believe such data is accurate and agree that we are responsible for the accurate extraction of such information from such sources and its correct reproduction in this Prospectus.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains statements that constitute estimates and forward-looking statements, including but not limited to the sections "Summary," and "Risk Factors." These statements appear in several places in this Prospectus and include statements regarding our intent, belief or current expectations, and those of our officers, with respect to (among other things) our financial condition.

Our estimates and forward-looking statements are based mainly on current expectations and estimates of future events and trends, which affect, or may affect, our business and results of operations. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are based on information currently available to us.

Our estimates and forward-looking statements may be influenced by the following factors, among others

- changes in the demand from, and the financial condition of, our customers, and competitive conditions in the markets we serve;
- changes in economic, political, social, business and other conditions in Peru and in other countries of the Latin American region;
- economic, social and political developments in Peru, including political instability and unemployment;
- global economic, political and social developments (including any impact resulting from the ongoing war between Russia and Ukraine and conflicts in the Middle East) and the impact of these developments on the macroeconomic conditions in Peru and the policies of the Peruvian government;
- liquidity risks inherent in our business activities;
- our ability to access the debt capital markets or to sell assets during periods of market-wide or firm-specific liquidity constraints;
- our significant reliance on deposits for funding;
- our exposure to market price volatility, liquidity declines and fluctuations in foreign currency exchange rates through our investment at fair value through profit or loss and fair value through other comprehensive income, and our exposure to market volatility and liquidity shortcomings through investments at amortized cost if sales of those investments become required for liquidity purposes;
- the pandemic of a novel strain of coronavirus discovered in 2019 ("COVID-19") and other actual or potential epidemics, pandemics, outbreaks, or other public health crises, which could have an adverse impact on our business (see also "Risk Factors—Risk Factors Relating to BCP and our Business— Our business and results of operations could be negatively impacted by public health crises like the COVID-19 pandemic" and "Risk Factors—Risk Factors Relating to BCP and our Business—Public health epidemics or outbreaks could adversely impact our business");
- governmental interventions resulting in changes in the Peruvian economy, taxes, tariffs or regulatory environment;
- our ability to compete successfully;
- changes in our business;
- our ability to successfully implement marketing strategies;
- our identification of business opportunities;
- our ability to develop and introduce new products and services;

- changes in the cost of products and our operating costs;
- our level of indebtedness and other financial obligations;
- our ability to obtain financing on satisfactory terms;
- our ability to attract new customers;
- inflation or deflation in Peru, depreciation or appreciation of the Sol against the U.S. dollar and interest rate fluctuations;
- changes in the level of dollarization of the Peruvian economy;
- present or future changes in laws and regulations;
- our ability to maintain existing business relationships, and to create new relationships; and
- other risk factors discussed under the "Risk Factors" in this Prospectus.

The words "believe," "may," "may have," "would," "estimate," "continues," "anticipates," "intends," "hopes," and similar words are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements refer only to the date when they were made, and we undertake no obligation to update or review any estimate or forward-looking statement due to new information, future events or any other factors. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Estimates and forward-looking statements involve risks and uncertainties and do not guarantee future performance, as actual results or developments may be substantially different from the expectations described in the forward-looking statements. In light of the risks and uncertainties described above, the events referred to in the estimates and forward-looking statements included in this Prospectus may or may not occur, and our business performance and results of operation may differ materially from those expressed in our estimates and forward-looking statements, due to factors that include but are not limited to those mentioned above. New risk factors emerge from time to time, and it is not possible for us to predict all such risk factors. We cannot assess the impact of all risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors are warned not to place undue reliance on any estimates or forward-looking statements in making decisions regarding investment in the notes.

Neither we nor the initial purchasers undertake any obligation to update or revise any estimates or forward-looking statements, whether as a result of new information, future events or otherwise.

PRESENTATION OF FINANCIAL INFORMATION

Our annual consolidated financial statements as of and for the years ended December 31, 2023 and 2024 and our annual consolidated financial statements as of and for the years ended December 31, 2022 and 2023 included herein, (jointly referred to as the "financial statements") have been prepared and presented in accordance with generally accepted accounting principles prescribed by the SBS for financial institutions subject to supervision by the SBS ("Peruvian GAAP"). These accounting principles consist of the SBS regulations and, when there are no specific SBS regulations, the applicable IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), as approved through the resolutions issued by the Peruvian Accounting Council (*Consejo Normativo de Contabilidad*) ("CNC").

The annual consolidated financial statements as of and for the years ended December 31, 2023 and 2024 have been audited by Tanaka, Valdivia & Asociados Sociedad Civil de Responsabilidad Limitada ("EY"), a member firm of Ernst & Young Global Limited, registered public accountants in Peru and independent during the correspondent audit period. The annual consolidated financial statements as of and for the years ended December 31, 2021 and 2022 have been audited by Gaveglio Aparicio & Asociados S.C.R.L. ("GAA"), a member firm of PricewaterhouseCoopers International Limited, registered public accountants in Peru and independent during the correspondent audit periods. Unless otherwise indicated, the financial information presented herein is based upon the financial statements.

Unless otherwise specified, in accordance with Peruvian GAAP, the financial statements and other financial information contained in this Prospectus are presented in consolidated form. Consolidation principles under Peruvian GAAP are based upon the concept of control and are substantially similar to IFRS, requiring consolidation of all controlled entities irrespective of the sector in which they operate. Under Peruvian GAAP, an enterprise is required to consolidate special purpose entities ("SPEs") when the substance of the relationship between them indicates that the enterprise controls the SPE.

Unless otherwise specified or the context otherwise requires, references in the Prospectus to "$," "U.S.$," "dollars" and "U.S. dollars" are to United States dollars and references to "S/," "Sol" or "Soles" are to Peruvian Soles.

For the convenience of the reader, this Prospectus presents translations of certain Sol amounts into U.S. dollars at specified rates, or the S/ to U.S.$ exchange rate. Data as of and for the period ended December 31, 2024 has been translated from Soles into U.S. dollars at a rate of S/3.764 to U.S.$1.00 (the December 31, 2024 exchange rate as published by the SBS). No representation is made that the Sol or U.S. dollar amounts in this Prospectus at any time could have been or could be converted into U.S. dollars or Soles, as the case may be, at any particular rate or at all.

Certain amounts and percentages included in this Prospectus have been rounded according to established commercial standards, and the totals presented in certain tables therefore may not be an arithmetic aggregation of the figures that precede them.

OVERVIEW OF THE PROGRAM

This overview must be read as an introduction to this Prospectus and is provided as an aid to investors when considering whether to invest in the Notes, but is not a substitute for the Prospectus. Any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including any Final Terms.

Conditions for determining price to be included in the Base Prospectus

The price and amount of Notes to be issued under the Program will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Risk Factors

There are certain factors that may affect the ability of the Issuer to fulfill its obligations under Notes issued under the Program. Such factors include liquidity, credit and event risks. In addition, there are certain factors that are material for the purpose of assessing the market risks associated with the Notes issued under the Program, including the structure of a particular issue of Notes and risks related to the market generally. See "Risk Factors" beginning on page 8.

The Notes and the Program

Issuer	Banco de Crédito del Perú
Legal Entity Identifier ("LEI")	549300EQYQ8SCQZ4BY14
Dealers	BofA Securities, Inc. BNP Paribas Securities Corp. Citigroup Global Markets Inc. Daiwa Capital Markets America Inc. Goldman Sachs International J.P. Morgan Securities LLC Natixis Securities Americas LLC SMBC Nikko Securities America, Inc. Notes may also be issued to other dealers appointed from time to time in accordance with the Dealer Agreement.
Fiscal Agent, Non-U.S. Paying Agent, Non-U.S. Registrar, Non-U.S. Transfer Agent and Calculation Agent	Citibank, N.A., London Branch
Luxembourg Listing Agent	Banque Internationale à Luxembourg, S.A.
U.S. Paying Agent, U.S. Registrar, U.S. Transfer Agent and U.S. Authenticating Agent	Citibank, N.A., London Branch
Distribution	Notes may be distributed (i) to QIBs (as defined in Rule 144A) and (ii) outside the United States to persons other than U.S. persons (as such terms are defined in Regulation S), in each case on a syndicated or non-syndicated basis, subject to the selling restrictions described under "*Transfer and Selling Restrictions.*"

Specified Currencies.....	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer(s) (as indicated in the applicable Final Terms).
Maximum Amount	The aggregate principal amount of Notes outstanding at any time shall not exceed U.S.$6,000,000,000 or the approximate equivalent thereof in another currency calculated as at the issue date of the relevant Notes.
Maturities	Notes may be issued in such maturities as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms as the stated maturity), subject to such minimum or maximum term as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the relevant Specified Currency (as defined herein).
Issue Price	Notes may be issued at an issue price which is equal to, less than or more than their principal amount, as provided in the applicable Final Terms.
Use of Proceeds.....	Unless otherwise specified in the Final Terms relating to any Series or Tranche of Notes issued under the Program, we intend to use the net proceeds from the sale of each such issue of Notes for general corporate purposes. Where the applicable Final Terms relating to any Notes specify the use of proceeds of the issue as for "green," "blue," "social" or "sustainability" purposes as described under the "Use of Proceeds" section, the net proceeds from each such issue of Green, Blue, Social or Sustainability Notes (as defined under "Risk Factors—Risks Related to the Notes Generally—The application of the net proceeds of Green, Blue, Social or Sustainability Notes as described in "Use of Proceeds" may not meet investor expectations or be suitable for an investor's investment criteria") will be used as so described.
Form of Notes.....	Notes will be issued in either registered or bearer form as specified in the applicable Final Terms. Each Bearer Note will be represented initially by a temporary global Note, without interest coupons, or a permanent global Note, to be deposited with either a Common Safekeeper (if the global Note is intended to be issued in new global note ("NGN") form) or a Common Depositary (if the global Note is not intended to be issued in NGN form) for Euroclear and CBL, for credit to the account designated by or on behalf of the purchaser thereof. The interests of the beneficial owner or owners in a temporary global Note will be

exchangeable after the Exchange Date (as defined under "Description of the Notes – Forms of Notes") for an interest in a permanent global Note to be held by either a Common Safekeeper (if the permanent global Note is intended to be issued in NGN form) or a Common Depositary (if the permanent global Note is not intended to be issued in NGN form) for Euroclear and CBL, for credit to the account designated by or on behalf of the beneficial owner thereof, or for definitive Bearer Notes or for definitive Registered Notes (as defined below), as provided in the applicable Final Terms. The interests of the beneficial owner or owners in a permanent global Note will be exchangeable for definitive Bearer Notes or for definitive Registered Notes, as provided in the applicable Final Terms.

If specified in the applicable Final Terms, Notes of each Tranche will be in fully registered form ("Registered Notes"). The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will initially be represented by a global note in registered form (a "Regulation S Global Note"). Prior to the expiration of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person and such Regulation S Global Note will bear a legend regarding such restrictions on transfer; *provided further* that owners of a beneficial interest in a Regulation S Global Note prior to the expiration of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes may transfer such interest (or any portion thereof) to a QIB (as defined below) pursuant to Rule 144A if the relevant QIB wishes to hold its interest through a beneficial interest in the corresponding Rule 144A Global Note (as defined below), subject to the applicable procedures of the corresponding depository.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions to "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act ("QIBs"). The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form (a "Rule 144A Global Note" and, together with a Regulation S Global Note, the "Registered Global Notes").

Global Notes exchangeable for definitive Notes shall be tradeable only in principal amounts of at least the

	Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).
Fixed Rate Notes	The Issuer will pay interest on Fixed Rate Notes on the dates specified in the applicable Final Terms. Fixed interest on Notes will be calculated on the basis of such Fixed Day Count Fraction (as defined under "Description of the Notes—Interest and Interest Rates") as may be set forth in the applicable Final Terms.
Floating Rate Notes	The Issuer will pay interest on Floating Rate Notes on the dates specified in the applicable Final Terms. Each Series of Floating Rate Notes will have one or more interest rate bases as indicated in the applicable Final Terms. Interest on Floating Rate Notes will be calculated on the basis of such Floating Day Count Fraction (as defined under "Description of the Notes—Interest and Interest Rates") as may be set forth in the applicable Final Terms.
Interest Period(s) or Interest Payment Date(s) for Floating Rate Notes	Such period(s) or date(s) as may be indicated in the applicable Final Terms.
Indexed Notes	Notes may be issued with the principal amount payable at maturity, or interest to be paid thereon, or both, to be determined with reference to the price or prices of specified commodities or stocks, indices, formulae or other assets or bases of reference as may be specified in such Notes and the applicable Final Terms. A separate prospectus comprising the relevant Notes and an overview document (as the case may be) will be used for the documentation of an issuance of Indexed Notes.
Redemption	The Final Terms relating to each Tranche of Notes will indicate (i) that the Notes of that Series can be redeemed prior to their stated maturity for taxation reasons, and (ii) whether the Notes of that Series can be redeemed prior to their stated maturity at the option of the Issuer and/or the Noteholders, in each case upon giving not more than 60 nor less than 10 days irrevocable notice to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as are indicated in the applicable Final Terms; *provided, however*, that Notes denominated in currencies other than U.S. Dollars may be subject to different restrictions on redemption as described in "Description of the Notes—Special Provisions Relating to Foreign Currency Notes—Minimum Denominations, Restrictions on Maturities, Repayment and Redemption."

Denomination of Notes.....	Notes may be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms. If the Notes are admitted to trading on a EEA exchange or offered to the public in a Relevant Member State in circumstances which require the publication of a prospectus under the Prospectus Regulation, the minimum Specified Denomination of the Notes will be Euro 100,000 (or, if the Notes are denominated in a currency other than the Euro, the equivalent amount in such currency) or such higher amount as may be allowed or required from time to time by the relevant Central Bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.
Taxation.....	All payments with respect to the Notes will be made without withholding or deduction for or on account of taxes imposed by any Relevant Taxing Jurisdiction (as described in "Description of the Notes—Payment of Additional Amounts"), unless such withholding is required by law, in which case, subject to certain exceptions, the Issuer will generally pay Additional Amounts as described in "Description of the Notes—Payment of Additional Amounts." See also "Taxation."
Status of the Notes.....	Each Note will be unsecured and will be either a senior or a subordinated debt obligation of the Issuer. Notes which are senior debt obligations will, other than as set forth below, rank equally in right of payment with all other unsecured and unsubordinated debt obligations of the Issuer (except as otherwise provided by applicable law). Notes which are subordinated debt obligations will rank equally in right of payment with all other subordinated debt obligations and junior in right of payment to all senior indebtedness of the Issuer (except as otherwise provided by applicable law) as specified in the applicable Final Terms, which will set forth the precise terms of such subordination. The Notes, whether senior or subordinated, will be effectively subordinated to (i) all of our secured indebtedness with respect to the value of our assets securing that indebtedness and (ii) certain direct, unconditional and unsecured general obligations that in case of our insolvency are granted preferential treatment pursuant to Peruvian law; and will be structurally subordinated to the existing and future obligations of our subsidiaries, including trade payables. See "Regulatory Environment—Intervention by the SBS and Liquidation" and "Description of the Notes—General."

Rating	The Notes of each Tranche issued under the Program may be rated or unrated. Where the Notes of a Tranche are rated, such rating (i) will be set out in the Final Terms and (ii) will not necessarily be the same as the rating(s) assigned to the Program or to other Tranches or Series of Notes. Moreover, the Final Terms will set out whether the rating agency has been registered within the EU. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.
Modification and Amendment of the Notes	Except for certain matters that require unanimous consent of the holders of each Note of any Series directly and adversely affected thereby, the Fiscal Agency Agreement and the terms and conditions of the notes of a Series may be modified or amended (and future compliance therewith or past Events of Default may be waived) by holders of a majority in aggregate principal amount of the Notes of such Series or, in each case, such lesser amount as shall have acted at a meeting of holders of such Notes. See "Description of the Notes—Modification of Fiscal Agency Agreement and Notes." Notes owned by the Issuer or any of its affiliates shall not be deemed to be outstanding for purposes of making any modification or amendment of the Notes of such Series.
Listing and Admission to Trading	Except for the Indexed Notes which will not be listed on the Luxembourg Stock Exchange or admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange, each Series of Notes may be listed on the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange and/or listed or admitted to trading on or by such other or additional stock exchange(s), competent authority(ies) and/or market(s) or may be unlisted, in each case as specified in the applicable Final Terms. See "Transfer and Selling Restrictions."
Clearing System	As specified in the applicable Final Terms.
Governing Law.....	New York law.
Selling Restrictions.....	The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States to, or for the account or benefit of, U.S. persons except in accordance with Rule 144A or outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act or pursuant to another exemption from the registration requirements of the Securities Act. In addition, Notes issued in bearer form are subject to

	U.S. tax law requirements. For a description of certain restrictions on offers, sales and deliveries of Notes in the United States, the EEA, the UK, Australia, Canada and certain other jurisdictions, see "Transfer and Selling Restrictions."
Risk Factors.....	Prospective purchasers of the Notes should consider carefully all of the information set forth in this Prospectus or any supplement hereto and, in particular, the information set forth under the caption "Risk Factors" beginning on page 8.

RISK FACTORS

An investment in the Notes is subject to risks and uncertainties. You should carefully consider the risks described below, in addition to the other information contained in this Prospectus and in any supplement thereto, before deciding whether to purchase the Notes. Realization of any of these risks could have a material adverse effect on our business, financial condition, cash flows and results of operations or could materially and adversely affect the value or liquidity of the Notes and result in the loss of all or part of your investment in the Notes. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect us, which could also result in the loss of all or part of your investment in the Notes.

Risk Factors Relating to BCP and our Business

A deterioration in the quality of our loan portfolio may adversely affect our results of operations.

Given that a significant percentage of our income is related to lending activities, a significant deterioration of loan quality would have a material adverse effect on our business, financial condition, and results of operations. We are subject to concentration default risks in our loan portfolio. Problems with one or more of our largest borrowers may adversely affect our financial condition and results of operations. As of December 31, 2024, the aggregate outstanding principal amount of our 20 largest borrowing relationships represented approximately 12% of our total consolidated direct loan portfolio (compared to 16.4% as of December 31, 2023 and 14.9% as of December 31, 2022). While loan portfolio risk associated with lending to certain economic sectors or clients in certain market segments can be mitigated through adequate diversification, our pursuit of opportunities in which we can charge higher interest rates, and thereby increase revenue, may have an impact on the profile of our loan portfolio and risk exposure.

In addition, loan concentration in commercial sectors is particularly salient in Peru, and any significant deterioration in such sectors may have a material adverse effect on our business, financial condition, and results of operations. Our current strategy includes increasing our exposure to market segments with heightened credit risk, including middle-market and consumer segments, such as unsecured small companies and consumer loans and consumer mortgages, which have higher risk profiles compared to loans to large corporate customers. Given the changing composition of our loan portfolio and the possible adverse changes in the environment in which we operate, our future results may differ significantly from our past results.

Finally, we rely heavily on the use of models all throughout the credit management process (prospecting, admission, portfolio monitoring and collection). This requires a comprehensive governance framework seeking excellent standards in the construction and monitoring of these models. Those standards are updated and improved upon, from time to time, to mitigate the impact that severe or unexpected changes in the macro and micro economic environment could have on the risk quality of our portfolio, especially in the consumer and SME segments. Nevertheless, there can be no assurance that such models will be adequate predictors of future outcomes or that we will not suffer losses due to performance different than that predicted by the models.

We face strong competition from existing and new competitors in our markets, which may put pressure on our margins and reduce our profitability.

We have experienced increased competition, which has put pressure on our margins. Competition comes primarily from highly liquid multinational commercial banks with innovative technology and marketing resources, local and foreign financial services, wealth management and capital markets institutions, with substantial capital, technology, and marketing resources, and local pension funds that lend to our corporate customers through securities issuances. We have also experienced an increase in competition from several foreign banks, which have sought and obtained authorization to open representative offices in Peru, financial companies and microfinance entities. In addition, larger Peruvian companies have gained access to new sources of funding, through local and international capital markets, and our traditional, existing and new competitors have increasingly made inroads into the higher margin middle-market and retail banking sectors. Such increased competition, with entrants who may have greater access to capital at lower costs, has affected the growth of our loan portfolio and reduced the average interest rates that we are able to charge our customers.

As of December 31, 2024, the Peruvian financial system was composed of 52 financial institutions, including 17 commercial banks, 9 financial companies, 11 municipal and 5 rural savings and loan associations (*cajas*), 5 credit companies, 1 investment bank, and the following 4 state-owned financial institutions (not including the Peruvian Central Bank (*Banco Central de Reserva del Perú*) (the "BCRP")): Banco de la Nación, Agrobanco, Corporación Financiera de Desarrollo S.A. – Cofide ("Cofide") and Fondo Mivivienda S.A. ("Mivivienda"). As of December 31, 2024, the Peruvian financial sector also included 17 insurance companies and four private pension fund administrators (*administradoras de fondos de pensiones*) ("AFPs").

Increased competition may affect our loan growth and reduce the average interest rates that we charge our customers. Competitors may also dedicate greater resources to, and be more successful in, the development of technologically advanced products and services that may compete directly with our products and services. Such competition would adversely affect the acceptance of our products and/or lead to adverse changes in the spending and saving habits of our customer base. If competing entities are successful in developing products and services that are more effective or less costly than the products and services developed by us, our products and services may be unable to compete successfully. We may not be able to maintain our market share if we are not able to match our competitors' loan pricing or keep pace with their development of new products and services. Even if our products and services prove to be more effective than those developed by other entities, such other entities may be more successful in marketing their products and services than us because of their greater financial resources, higher sales and marketing capacity or other similar factors.

We also face increasing competition from non-banking competitors in markets for some of our products and services. These non-banking competitors, including fintech and startup companies and other technology companies, have emerged in recent years as digitalization has played a larger role, and these competitors may adversely affect our results of operations. Some of these competitors operate under different or reduced levels of regulation in comparison to the regular banking supervision that applies to our business. Therefore, these non-banking competitors are not subject to the same specific solvency or liquidity requirements as banks.

As of December 31, 2024, Yape and Plin, two functionalities within the mobile apps of various banks in Peru that allow users to transfer money using phone numbers, remain interoperable under BCRP Circular No. 0024-2022-BCRP, as amended. This amendment also required that all other financial institutions with mobile wallets achieve interoperability by September 13, 2023, with the exception of those providing one or more payment services that did not offer immediate transfer services as of October 6, 2022, which were required to interoperate by December 31, 2023. With full interoperability now in place, Yape faces an increased risk of competition in the digital payments market.

As a result of Peru's improved economic prospects, some international banks and microfinance institutions have sought and obtained authorization to open representative offices in Peru. With the increased competition, more individuals will have access to credit, and the percentage of the population using banking services will likely climb. This also will eventually put downward pressure on interest rates. Any negative impact on our business as a result of increased competition could have a material adverse effect on our results of operations and financial condition.

Liquidity risks are inherent in our business activities.

Liquidity risk is the risk of being unable to meet funding obligations as they come due, to capitalize on growth opportunities as they arise or pay dividends without incurring unacceptable losses, costs or risks. This risk is inherent in any retail and commercial banking business and can be heightened by a number of factors such as over-reliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation. Our liquidity arises primarily from customer deposits, principal and interest payments on loans and investment securities, net cash flow from operating activities and other sources. We must maintain sufficient funds to respond to the needs of depositors and borrowers.

Our liquidity, business activities and profitability may be adversely affected by an inability to access the debt capital markets or to sell assets during periods of market-wide or firm-specific liquidity constraints.

Our ability to borrow on a secured or unsecured basis, and the cost of doing so, can be affected by increases in interest rates or credit spreads, a downturn in the Peruvian market in which our loans are concentrated, the availability of credit, regulatory requirements relating to liquidity or the market perceptions of risk relating to us, certain of our counterparties or the banking sector or the financial services sector as a whole, including our

perceived or actual creditworthiness, as well as other factors that may be outside our control. An inability to obtain financing in the unsecured long-term or short-term debt capital markets, or to access the secured lending markets, could have a substantial adverse effect on our liquidity. In challenging credit markets, our funding costs may increase or we may be unable to raise funds to support or expand our businesses, adversely affecting our results of operations.

If we are unable to raise needed funds in the capital markets (including through offerings of equity, regulatory capital securities and other debt), we may need to liquidate unencumbered assets to meet our liabilities. In a time of reduced liquidity, we may be unable to sell some of our assets, or we may need to sell assets at depressed prices, which in either case could adversely affect our results of operations and financial condition.

We rely significantly on our deposits for funding.

We benefit from short-term funding sources, including primarily demand deposits, securities lending and time deposits. Our ability to generate deposits depends on its reputation, customer service, and competitive pricing. Our access to deposits may also be affected by the liquidity needs of our depositors, particularly in an inflationary environment where they may be compelled to withdraw deposits in order to cover rising expenses. As a part of our liquidity management, we must ensure we can respond effectively to potential volatility in our customers' deposit balances.

Although we have been able to replace maturing or withdrawn deposits and advances historically as necessary, we may not be able to replace such funds in the future, especially if a large number of our depositors, or depositors with high deposit balances, sought to empty their accounts in a short period of time. We could encounter difficulty meeting a significant deposit outflow, which could negatively affect our profitability or reputation. In circumstances in which our ability to generate needed liquidity is impaired, we may need access to non-core funding such as borrowings from the BCRP or other emergency sources. While we maintain access to these non-core funding sources, some sources are dependent on the availability of collateral and the counterparty's willingness and ability to lend. Any long-term decline in deposit funding would adversely affect our liquidity, and we may not be able to manage the risk of deposit volatility effectively.

Our investments at fair value through profit or loss and fair value through other comprehensive income expose us to market price volatility, liquidity declines and fluctuations in foreign currency exchange rates, which may result in losses that could adversely affect our business, financial condition and operating results. In addition, our investment at amortized cost may expose us to market price volatility and liquidity shortcomings if sales of those investments become required for liquidity purposes.

Price, liquidity and foreign exchange risks are inherent to an investment in our securities. Our investments at fair value through profit or loss may lead to gains or losses when sold or marked to market. Our investments at fair value through other comprehensive income may require us to record unrealized gains or losses through other comprehensive income when those investments are marked to market and in realized gains or losses when sold. Both types of investments at fair value may fluctuate from period to period due to numerous factors that are beyond our control, such as foreign currency exchange rates, interest rate levels, counterparty credit, risks and general market volatility. Losses from trading activities and realized or unrealized losses could have an adverse effect on our business, financial condition and operating results.

Our investments at amortized cost may lead to gains or losses when sold due to liquidity requirements. These gains or losses occur due to numerous factors that are beyond our control, including interest rate levels, counterparties' credit risk, and general market volatility.

Our business and results of operations could be negatively impacted by a pandemic outbreak or other public health crises beyond our control.

In March 2020, the World Health Organization (WHO) declared the COVID-19 outbreak a pandemic. This forced governments around the world to take important measures to mitigate contagion, such as the closure of international borders, severe mobilization restrictions and lockdowns. As a result, global gross domestic product (GDP) contracted sharply in 2020 (to its lowest since the Great Depression of 1929). The Peruvian economy was severely affected by two factors: (i) the effect of the COVID-19 pandemic on the global economy which affected the economic growth of Peru's main trade partners like China and the United States, and caused a decrease in

commodity prices, mainly metals and oil, during the first half of 2020. At the worst of the crisis, Western Texas Intermediate ("WTI") oil prices fell around 80% YTD and copper 25% YTD; and (ii) the local effect of government measures to stop the COVID-19 outbreak, such as quarantines, forced economic shutdowns, and other initiatives. In 2020, GDP fell by 10.9% in Peru.

Major disruptions for exchange rates and global capital flows were triggered by the pandemic. The value of emerging markets currencies against the U.S. dollar, including those from Latin America, dropped substantially. The Brazilian real (BRL), Mexican Peso (MXN), Colombian Peso (COP) and Chilean Peso (CLP) all reached historic lows against the U.S. dollar at the beginning of the pandemic.

To mitigate the negative effects of the pandemic on health and economic outcomes, governments around the globe made ample use of drastic fiscal measures that consisted of additional spending or forgone revenue, including direct transfers and tax relief measures, and provided liquidity support, through loans and government guarantees (like the "Reactiva Program" in Peru). Central banks delivered massive monetary stimulus by reducing policy rates to the zero lower bound in most developed and emerging economies and announcing quantitative easing programs to purchase sovereign and corporate bonds. Furthermore, the Peruvian government approved early withdrawals from pension funds as a source of relief for households.

These measures, however, came with a cost. Lower economic growth and higher spending weakened debt metrics significantly and caused credit rating agencies (CRAs) to issue many sovereign downgrades. According to Kramer (2021), between January 2020 and March 2021, three CRAs issued a total of 99 sovereign rating downgrades on 48 countries, affecting 35% of their rated sovereign portfolio. In the Latam region, for instance, coupled with political instability, between 2020 and 2022, Chile's sovereign credit rating was downgraded by one notch by Fitch and S&P to A- and A, respectively; Colombia lost its investment grade rating from Fitch and S&P; Peru and Panamá suffered downgrades from the three agencies and are now two and one notch above investment grade (lowest possible rating for a security to be considered investment grade), respectively, when we consider the lowest rating assigned by any of the three CRAs. Sovereign credit rating revisions often impact local companies, particularly concerning long-term debt in foreign currency. Any lowering of such ratings may have an adverse effect on the market price and marketability of our Notes.

Additionally, large fiscal stimulus programs and expansive monetary policies worldwide were also behind the worst inflation shock in four decades experienced post COVID-19.

Another wave of COVID-19, a new variant of COVID-19 or a different pandemic outbreak (whether like COVID-19 or of a more deadly pathogen), would bring risks to the global economy and to Peru's economy and our operations. A new pandemic, or a new wave of COVID-19 or a variant thereof could again deteriorate fiscal metrics and reduce economic outcomes. Hence, it would put new downward pressure on credit ratings. Actions taken by governmental authorities and other third parties in response to this risk may negatively impact our business, results of operations and financial condition. In general, some of the main economic indicators which would be affected by a pandemic include exchange rates, interest rates, credit spreads, commodity prices, GDP, and sovereign government debt.

On May 5, 2023, the General Director of the World Health Organization declared the end of COVID-19 as an international health emergency, which implies that countries must move from emergency mode to the management and control of COVID-19 like other infectious diseases.

Another pandemic outbreak or other international public health crisis may adversely affect the credit risk of BCP's loan portfolio. An outbreak of communicable diseases could result in a widespread health crisis, adversely impacting the global economy and hindering both our ability and that of our business partners to conduct operations for an indefinite period. Any resulting temporary lockdowns, mobility restrictions, increases in unemployment rates and insufficient liquidity could negatively affect our business volume and the quality of our credit and investment portfolios.

In terms of non-financial risks, the contagion of a disease may affect our ability to continue operating. Additionally, the possibility of lockdowns may cause some of our suppliers to stop providing us with services for business continuity.

Our allowances for impairment losses may not be adequate to cover the future actual losses to our loan portfolio.

We record allowances for impairment losses on loans and other assets. The amount of allowances we record is based on our current assessment of and expectations concerning various factors affecting the quality of our loan portfolio and follows SBS guidelines. These factors include, among other things, our borrowers' financial condition, repayment abilities and repayment intentions, the realizable value of any collateral, the prospects for support from any guarantor, Peru's economy, government macroeconomic policies, interest rates and the legal and regulatory environment. Many of these factors are beyond our control. In addition, as these factors evolve, the models we use to determine the appropriate level of allowance for impairment losses on loans and other assets require recalibration, which can lead to increased provision expense. We believe our allowance is adequate as of the date hereof for all known losses. If our assessment of and expectations concerning the above-mentioned factors differ from actual developments, or if the quality of our loan portfolio deteriorates or the future actual losses exceed our estimates, our allowance for impairment losses may not be adequate to cover actual losses and we may need to make additional provisions for impairment losses, which may materially and adversely affect our results of operations and financial condition.

Our operations are supervised and regulated mainly by the SBS and the BCRP, which may take actions that could adversely affect our business, financial condition and results of operations.

Our operations are supervised and regulated mainly by the SBS and the BCRP. The Peruvian Constitution and the *Ley General del Sistema Financiero y del Sistema de Seguros y Orgánica de la Superintendencia de Banca y Seguros* approved by Law No. 26702 ("Peruvian Banking Law") grant the SBS the authority to oversee and control banks and other financial institutions. The SBS and the BCRP have general administrative responsibilities over us, including authority to set loan loss provisions, capitalization and deposit reserve requirements. In past years, and recently, the BCRP has, on numerous occasions, changed the deposit reserve requirements (*encaje*) applicable to Peruvian commercial banks and both the rate of interest paid on deposit reserves and the amount of deposit reserves on which no interest is payable by the BCRP. Also, we could be required to increase our levels of provisions in response to pro-cyclical provisioning requirements that could be activated by regulators under certain favorable macroeconomic conditions. The criterion that triggers the pro-cyclical provisions is not currently fulfilled. We cannot predict whether the current or any future chairman of the SBS will implement changes in policies or regulations affecting financial institutions such as us. Potential changes in bank supervision and regulation may adversely affect our business, financial condition and results of operations. For a more detailed description of Peruvian banking regulations, see "Regulatory Environment."

Furthermore, changes in consumer protection regulations implemented by these agencies may also affect our business. In March 2021, Law No. 31143 was approved, which protects financial services consumers from usury (the "Usury Regulation Law"). This law grants the BCRP the power to set maximum and minimum interest rates, on a semi- annual basis, to regulate the market for consumer loans, small consumer loans, small and medium enterprises (SMEs) loans and credit card loans. Additionally, the Usury Regulation Law states that delinquent debtors will only be charged default interest. The collection of penalties or other commissions or expenses from debtors, as well as the capitalization of interest is prohibited by the Usury Regulation Law. The Usury Regulation Law also establishes that (i) commissions and expenses applicable to consumer loans, small consumer loans, small and medium enterprises loans, and credit card loans must imply the provision of services which are additional and/or complementary to the transaction entered into by the consumers; (ii) the financial institution must justify the transfer of the cost to the consumer; and (iii) the value of the service must be supported by a technical, economic and legal report, which must be submitted to the SBS. In December 2024, the Peruvian Congress repealed this law in a first vote. A second vote is required to fully repeal the law. This decision was motivated by the fact that the interest rate caps established by the law did not achieve the expected results. According to the BCRP, these caps drove low-income individuals away from formal credit, pushing them towards informal loans. As of February 2025, the Peruvian Congress was debating an amendment to the Usury Regulation Law to limit the BCRP's power to set maximum and minimum interest rates so that said power only be exercised in certain extraordinary and temporal events.

Existing laws and regulations governing our operations may be subject to change from time to time, including with respect to the fees and commissions we may charge our customers for use of the ancillary banking services we provide, which could negatively impact our ability to continue to conduct our business in the manner we expect. There can be no guarantee that any such changes to existing laws and regulations will be implemented and, if so, the final form any such laws and regulations may take and the effect it may have on our operations, in particular, and on Peru's banking system, in general. Any such changes may negatively impact our business, financial condition and results of operations.

Through Circular No. 0008-2021-BCRP dated April 29, 2021, the BCRP established, among other things, the maximum conventional compensatory interest rates and moratorium applicable to the operations of companies in the financial system in their portfolios of consumer loans, low-value consumer loans and loans for small and micro-enterprises, both in national currency and in foreign currency. The interest rate cap is calculated semiannually based on the interest rates of consumption loans of the financial system between two and seven months prior to its validity. For the period between November 2024 and April 2025, the annual interest rate cap is set at 112.98% in domestic currency and 93.86% in foreign currency. Between November 2023 and April 2024, the cap stood at 101.86% in domestic currency and 82.94% in foreign currency. We cannot rule out the possibility that future limits imposed on interest rates may have an adverse impact on our business, financial situation or results of operations.

In addition to being supervised and regulated by the SBS and the BCRP, we are also subject to supervision by various other regulatory entities in Peru. The SMV also supervises BCP and MiBanco as issuers of securities. Additionally, some of our subsidiaries are under the supervision of the Peruvian Financial Intelligence Unit (*Unidad de Inteligencia Financiera* or "UIF" by its Spanish initials) and all of our subsidiaries that operate in Peru must comply with the provisions regulated by the Peruvian Consumer Protection Authority (*Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelectual* or INDECOPI by its Spanish initials) and the Peruvian Data Privacy Authority (*Autoridad Nacional de Protección de Datos Personales* or ANPDP by its Spanish initials). In the latter case, it is expected that the Data Privacy Regulations will be changed in the near future, implementing new obligations that may influence the way BCP and MiBanco currently operate.

Finally, our operations are also under the supervision of INDECOPI regarding any activities that may impact competition in the Peruvian market. In such cases, INDECOPI (through the Antitrust Commission, a different regulatory body to the Consumer Protection Authority) may investigate and, if applicable, sanction, any actions against Legislative Decree N° 1034, the Peruvian Competition Act, such as the abuse of dominant position or any horizontal collusive practices. Likewise, INDECOPI issues recommendations in certain markets in order to promote competition, some of which may relate to the financial sector. For instance, in September 2023, INDECOPI issued a study on fintechs analyzing the potential barriers in the banking market and suggested many recommendations in order to increase competition in such market.

Potential regulatory changes that may be enacted by these or any other governmental entity with authority over us and/or our subsidiaries may adversely affect our business, financial condition and results of operations. Furthermore, any failure by us or our subsidiaries to adopt adequate responses to future changes in the regulatory framework (whether in Peru or any other jurisdiction in which we or our subsidiaries operate) might have an adverse effect on our and our subsidiaries' business, financial condition and/or results of operations. In addition, non-compliance with laws might expose us and our subsidiaries to potential liabilities and fines and/or damage our reputation.

We engage in transactions with certain related parties that could result in conflicts of interest.

Certain parties related to us have been involved, directly or indirectly, in credit transactions with us. In accordance with the Peruvian Banking Law, related parties include directors, principal executive officers and holders that own, directly or indirectly, more than 4% of our shares, and companies controlled (for purposes of the Peruvian Banking Law) by any of them. Under the Peruvian Banking Law, all loans to related parties must be made on terms no more favorable than those offered to third parties. The SBS regulates and closely monitors related-party transactions and establishes a limit on aggregate related-party transactions equivalent to 30% of a bank's regulatory capital. Our related-party exposure, on an unconsolidated basis, equaled 13.1%, 11.3% and 12.1% of our regulatory capital, as of December 31, 2022, December 31, 2023, and December 31, 2024, respectively. Additionally, as of December 31, 2024, loans and other credits to our employees on a consolidated basis amounted to S/1,389.6 million (U.S.$369.2 million).

We believe we are in compliance with all related-party transaction requirements imposed by the Peruvian Banking Law and the SBS. Although we intend to continue entering into transactions with related parties on terms similar to those that would be offered by or to an unaffiliated third-party, such financial transactions create the potential for, or could result in, conflicts of interest. For further information on our transactions with related parties, see "Related Party Transactions."

Our financial statements, particularly our interest-earning assets and interest-bearing liabilities, could be exposed to fluctuations in interest rates, foreign currency exchange rates and exchange controls, which may adversely affect our financial condition and results of operations.

The Peruvian economy is dollarized to a degree and over the past decade the dollar exchange rate has been stable relative to other Latin American countries. As a result, a significant portion of our assets and liabilities and those in the Peruvian financial system are denominated in U.S. dollars. However, a depreciation of the Sol could present a risk to us and a systematic risk to the Peruvian financial system.

The functional currency of our financial statements is the Sol; however, we generate revenues in Soles and U.S. Dollars. Consequently, the fluctuation of the Sol against the U.S. Dollar or any exchange controls implemented in the countries in which we operate, could have an adverse impact on our financial condition and results of operations.

Except in specific circumstances, the Peruvian government generally does not impose restrictions on companies' ability to transfer Soles, U.S. Dollars or other currencies from Peru to other countries, or to convert Peruvian currency into other currencies. Nevertheless, Peru has implemented restrictive exchange controls in the past, and the Peruvian government may, in the future, consider it necessary to implement restrictions on such transfers, payments or conversions.

On an unconsolidated basis, 32.2% and 32.6% of our direct loans to clients were denominated in U.S. dollars, as of December 31, 2024 and 2023, respectively. As of December 31, 2024, the proportion of U.S. dollar-denominated loans in the Peruvian financial system was 23.5%; compared to 28% as of December 31, 2023. If there were to be a depreciation of the Sol, it would be more difficult for our clients with income denominated in Soles to repay their U.S. dollar-denominated loans (in particular mortgages and other loans of retail customers). An increased credit default by our customers would have a negative effect on our revenues. Depreciation is a systemic risk.

On an unconsolidated basis, 43.2% and 45.7% of our deposits were denominated in U.S. dollars, as of December 31, 2024 and 2023, respectively. According to the SBS, as of December 31, 2024, 32.82% of the deposits in the Peruvian financial system were denominated in U.S. dollars, compared to 32.6% as of December 31, 2023. The risk from this "dollarization" of deposits derives from the financial system's potential need for U.S. dollars to pay for deposits, which would require the BCRP to provide U.S. dollars to the banks. In the past, during periods of political turmoil or uncertainty, such as the run-up to presidential elections in 2021, we have experienced temporary shifts in the currency mix of our deposit base from Soles or U.S. dollars. However, Peru's foreign reserves currently compare favorably with those of many other Latin American countries, though a reduction in the level of foreign reserves would impact the country's ability to meet its foreign currency-denominated obligations. A decline in Peruvian foreign reserves to inadequate levels, among other economic circumstances, could lead to currency depreciation or volatility in short-term capital inflows. As of December 31, 2024, according to the BCRP, Peruvian reserves were U.S.$79 billion and, according to the SBS, U.S. dollar-denominated deposits in the Peruvian financial system as of December 31, 2024 were U.S.$39.6 billion.

As of December 31, 2022, 2023 and 2024 the difference between our U.S. dollar-denominated assets and U.S. dollar-denominated liabilities (including off-balance sheet positions) was positive. This positive difference reduces our direct exposure to a depreciation of the Sol but, at the same time, exposes us to translation losses if the Sol appreciates. We cannot assure you that this asset-liability position will be maintained or that a depreciation of the Sol will not have a direct or indirect negative effect on us, on our equity and/or on the quality of our assets.

The interest income we earn on our interest-earning assets, and the interest expense we pay on our interest-bearing liabilities, could be affected by changes in interest rates in domestic and international markets, which are sensitive to many factors beyond our control, including monetary policies and domestic and international economic and political conditions.

We have implemented several policies to manage our exposure to interest rate risk proactively seek to update our interest rate risk profile to minimize losses and optimize net revenues. However, sudden and/or significant volatility in market interest rates could have a material adverse effect on our financial condition and results of operations.

We also face foreign exchange risk in relation to foreign currency-denominated credit that we extend to our clients. To address this risk, we identify borrowers that may not meet their foreign currency-denominated debt obligations due to currency mismatches by performing sensitivity analyses of the credit ratings, in the case of companies, and the debt-service capacities, with respect to individuals. Then, we classify borrowers according to their level of foreign exchange credit risk exposure. We periodically monitor these clients and, on an ongoing basis, we revise our risk policies for underwriting loans and managing our portfolio of foreign currency-denominated loans. However, these policies may not sufficiently address our foreign exchange risk, resulting in adverse effects on our financial condition and results of operations.

We have taken steps to manage the mismatch between our foreign currency-denominated assets and liabilities in several ways, including by closely matching their volumes and maturities. Nevertheless, a sudden and significant depreciation of the Sol could have a material adverse effect on our financial condition and results of operations.

Peru has corporate disclosure and accounting standards different from those with which you may be familiar.

Securities disclosure requirements in Peru differ from those in the United States. Accordingly, the information about us that is available to you may not be the same as the information available to security holders of a U.S. company or a foreign private issuer that is required to file reports with the SEC in the United States, as we are not an SEC reporting company (even though our ultimate parent company, Credicorp Ltd. ("Credicorp") (New York Stock Exchange ("NYSE"): BAP), is an SEC reporting company).

There are also significant differences between Peruvian and U.S. accounting and financial reporting standards. The financial statements contained herein have been prepared in accordance with Peruvian GAAP and they differ from financial statements prepared in accordance with IFRS, as issued by the IASB, and those prepared in accordance with the United States generally accepted accounting principles ("U.S. GAAP"). We have not prepared a quantitative reconciliation of the specific differences among Peruvian GAAP, IFRS, and U.S. GAAP. In addition, we cannot estimate the net effect that applying IFRS, or U.S. GAAP would have on our consolidated results of operations or consolidated financial position or any component thereof. The effect of such differences may be, individually or in the aggregate, material, and in particular, as a result of such differences, various items including but not limited to, total shareholders' equity may be materially different if reported under IFRS or U.S. GAAP. Differences in the presentation of the financial statements, as well as differences in the information provided in the footnotes to the financial statements, have not been reported.

Our operations require the maintenance of our banking and other licenses and any noncompliance with our license and reporting obligations could have an adverse effect on our business, financial condition and results of operations.

All banking operations in Peru require licensing by the SBS. We currently have the necessary licenses to conduct all of our banking and other operations in Peru. Although we believe we are currently in compliance with our existing material license and reporting obligations to the SBS and other Peruvian governmental authorities, we cannot assure you that we will be able to maintain the necessary licenses in the future. The loss of a license, a breach of the terms of our licenses or a failure to obtain any further required licenses in the future could have a material adverse effect on our business, financial condition and results of operations.

A failure, interruption in or breach of our information technology systems could have an adverse effect on our business, financial condition and results of operations.

We rely heavily on our information technology ("IT") systems to conduct our business. Any failure, interruption or breach in the security of these systems could result in failures or interruptions in our risk management, general ledger, deposit servicing, loan organization and/or other important systems. If our IT systems fail, even if for a short period of time, we may be unable to serve some or all of our customers' needs on a timely basis and may lose business as a result. Likewise, a temporary shutdown of our IT systems could result in additional costs required for information retrieval and verification. In addition, failure to update and develop our existing IT

systems as effectively as our competitors may result in a loss of the competitive advantages that we believe our IT systems currently provide.

Although we have an IT infrastructure and professionals managing IT operations, our risk exposure could be significant. We are still vulnerable to failure of our operational systems. This could temporarily interrupt our business, increasing our costs and causing losses. Temporary interruptions or failures in hardware and software that support our business and customers' transactions could result in regulatory fines, penalties, and reputational loss.

Furthermore, as a result of the COVID-19 pandemic, some of our employees are working remotely and we expect to continue to provide the flexibility for our employees to work offsite. If we become unable to successfully operate our business from remote locations including, for example, due to failures of our IT infrastructure and increased cybersecurity risks, this could result in business disruptions that could have a material and adverse effect on our business.

Moreover, we have engaged third-party services to store, transmit and process our and our clients' confidential information, which means we are outsourcing risk. We have seen, in recent years, computer systems of companies and organizations being increasingly targeted, and the techniques used to obtain unauthorized, improper or illegal access to information technology systems have become increasingly complex and sophisticated. Furthermore, such techniques change frequently and are often not recognized or detected until after they have been launched and can originate from a wide variety of sources, including not only cyber criminals, but also activists and rogue states.

To face these risks, we have security technologies and improvements in place to monitor and control processes and protect the integrity and confidentiality of our data, as well as strengthen our incident response management processes and our cybersecurity awareness program. However, we cannot assure you that our system of internal controls will be entirely effective. If we fall victim to successful cyberattacks or experience cybersecurity, operational or security incidents in the future, we may incur substantial costs and suffer other negative consequences, such as remediation costs (liabilities for stolen assets or information, or repairs of system damage, among others), increased cybersecurity protection costs, lost revenues arising from the unauthorized use of proprietary information or the failure to retain or attract customers following an attack, as already mentioned, litigation and legal risks, increased insurance premiums, reputational damage affecting our customers' and investors' confidence, as well as damages to our competitiveness and long-term value. In addition, even when a failure of or interruption in our systems or facilities is resolved in a timely manner or an attempted cyber incident or other security breach is successfully avoided or thwarted, normally substantial resources are expended in doing so, and we may be required to take actions that could adversely affect customer satisfaction or behavior, as well as represent a threat to our reputation.

We have not experienced any material losses related to cyberattacks or operational stability. We are continuously working and investing resources in maintaining and updating control processes in order to prepare and adapt to new technologies. We have a policy of maintaining an investment protection program to ensure we have the technologies and processes we need to keep operations and assets safe. However, our use of the Internet and telecommunications technologies to conduct financial transactions, as well as the increased sophistication and activities of organized criminals, hackers and other external parties can impact the confidentiality, integrity and availability of critical information.

Our trading activities expose us to volatility in market prices, declines in market liquidity or fluctuations in foreign currency exchange rates, which may result in losses that could have a material adverse effect on our business, financial condition and results of operations.

As part of our treasury operations, we trade various financial instruments and other assets, including equity, fixed income, currency and related derivatives as both agent and principal, and we derive a portion of our non-financial income from trading revenues. Our Market Risk Committee and Asset and Liability Committee set position limits for local and foreign currency-denominated securities in accordance with our overall risk management policy as well as the requirements of the SBS. However, we are exposed to numerous factors that are beyond our control, including overall market trading activity, interest rate levels, the credit risk of our counterparties and general market volatility. In addition, a significant portion of our trading activity is related to customer transactions and we may still be exposed to a number of risks related to the movement of market prices in the underlying instruments, including the risk of unfavorable market price movements relative to our long or short

positions, a decline in the market liquidity of the related instruments, volatility in market prices, interest rates or foreign currency exchange rates relating to these positions and the risk that the instruments with which we hedge certain positions do not track the market value of those positions. If we incur any losses from these exposures, it would reduce our trading activity revenues or cause us to suffer losses from trading activities, either of which could have a material adverse effect on our business, financial condition and results of operations.

We are susceptible to fraud by employees or outsiders, unauthorized transactions by employees and other operational errors, and the failure of our system of internal controls to discover and rectify such matters could have a material adverse effect on our business, financial condition and results of operations.

As are other financial institutions, we are susceptible to, among other things, fraud by employees or outsiders, unauthorized transactions by employees and other operational errors (including clerical or record keeping errors and errors resulting from faulty computer or telecommunications systems). Given a high volume of transactions that may occur at a financial institution, errors could be repeated or compounded before they are discovered and rectified. In addition, a number of our banking transactions are not fully automated, which may further increase the risk that human error or employee tampering will result in losses that may be difficult to detect quickly or at all. While we believe that we maintain a system of internal controls designed to monitor and control operational risk, we cannot assure you that our system of internal controls will be entirely effective. Losses from the failure of our system of internal controls to discover and rectify such matters could have a material adverse effect on our business, financial condition and results of operations.

Our anti-money laundering and anti-terrorist financing measures may not prevent third parties from using us as a conduit for such activities and could damage our reputation or expose us to fines, sanctions or legal enforcement, which could have a material adverse effect on our business, financial condition and results of operation.

We believe that we are in compliance with applicable anti-money laundering and anti-terrorist financing laws and regulations and have adopted various policies and procedures, including internal controls and "know-your-customer" procedures, aimed at preventing money laundering and terrorist financing. We believe that our anti-money laundering policies and procedures are based upon, and are in compliance in all material respects with, the applicable provisions of Peruvian law. In addition, as we also rely on our correspondent banks having their own appropriate anti-money laundering and anti-terrorist financing procedures, we employ what we believe are commercially reasonable procedures for monitoring our correspondent banks. However, such measures, procedures and compliance may not be completely effective in preventing third parties from using us (and our correspondent banks) as a conduit for money laundering (including illegal cash operations) or terrorist financing without our (and our correspondent banks') knowledge. If we were to be associated with money laundering (including illegal cash operations) or terrorist financing, our reputation could suffer and/or we could become subject to fines, sanctions or legal enforcement (including being added to any "blacklists" that would prohibit certain parties from engaging in transactions with us), which could have an adverse effect on our business, financial condition and results of operation.

Acquisitions and strategic partnerships may not perform as expected, which could have an adverse effect on our business, financial condition and results of operation.

Acquisitions and strategic partnerships may not perform as expected since our assessment could be based on assumptions with respect to operations, profitability and other matters that may subsequently prove to be incorrect. Future acquisitions, investments and alliances may not produce the anticipated synergies or perform in accordance with our expectations, which could have an adverse effect on our business, financial condition and results of operation.

We are subject to risks related to litigation and administrative proceedings that could adversely affect our business and financial performance in the event of an unfavorable ruling.

The nature of our business exposes us to litigation relating to product liability claims, labor, health and safety matters, regulatory, tax and administrative proceedings, governmental investigations, tort claims and contract disputes. Litigation is inherently costly and unpredictable, making it difficult to accurately estimate the outcome among other matters. Currently, as in the past, we are subject to proceedings or investigations of actual or potential litigation. Although we establish provisions as we deem necessary, the amounts that we reserve could vary

significantly from any amounts we actually pay due to the inherent uncertainties in the estimation process. We do not believe the results of our ongoing litigations will have a material adverse effect on our business, financial condition or results of operations, but cannot assure you that any legal proceedings, including any that may arise in the future, will not harm our reputation, adversely affect our ability to conduct our business in the manner that we expect, or require us to pay fines, which could adversely affect our results of operation in case of an unfavorable ruling. See "Business—Legal Proceedings" and "Regulatory Matter—Recent Regulatory Actions."

We are subject to anti-corruption, anti-bribery, anti-money laundering and antitrust laws and regulations in Peru and other countries. Our violations of any such laws or regulations could have a material adverse impact on our reputation and results of operations and financial condition.

We are subject to anti-corruption, anti-bribery, anti-money laundering, antitrust and other international laws and regulations and are required to comply with the applicable laws and regulations of Peru and certain other jurisdictions. In addition, we are subject to economic sanctions regulations that restrict our dealings with certain sanctioned countries, individuals and entities. There can be no assurance that our internal policies and procedures will be sufficient to prevent or detect all inappropriate practices, fraud or violations of law by our affiliates, employees, directors, officers, partners, agents and service providers or that any such persons will not take actions in violation of our policies and procedures. Any violations by us of anti-bribery and anti-corruption laws or sanctions regulations could have a material adverse effect on our business, reputation, results of operations and financial condition.

We depend on our retention of certain key personnel and on our ability to hire additional key personnel and maintain good labor relations.

We depend on our executive officers and key employees. In particular, our senior management has significant experience in the banking, financial services and pension fund management businesses, and the loss of any of our executive officers, key employees or senior managers could negatively affect our ability to execute our business strategy. We depend on our continuing ability to identify, hire, train and retain other qualified sales, marketing and managerial personnel. Competition for such qualified personnel is intense and we may be unable to attract, integrate or retain qualified personnel at levels of experience or compensation that are necessary to sustain or expand our operations. Our businesses could be materially and adversely affected if we cannot attract these necessary personnel.

Risks not contemplated in our insurance policies may affect our results of operation.

We maintain insurance in amounts that we believe to be adequate to cover risks related to our operations including, among others, general banking liability insurance for our business, general professional liability for services we provide, general directors and officers liability for our directors and executives and general liability against fraudulent activity. However, it is possible that the terms and conditions of the insurance policies we have will not cover a specific event or incident or that our insurance will cover only part of the losses that we may incur.

If any uninsured events occur with respect to a significant portion of our operations, such lack of coverage could have a material adverse effect on our financial conditions and results of operations. Additionally, if we are unable to renew our insurance policies from time to time or losses or other liabilities occur that are not covered by insurance or that exceed our insurance limits, we could be subject to significant unexpected additional costs which could adversely affect our business.

Risk Factors Relating to Peru

Peru may experience political, social or economic problems that could affect our business, financial condition and results of operations.

The vast majority of our operations are conducted in Peru; therefore, our business, financial position and results of operations depend on the performance of the Peruvian economy. Changes in economic conditions, both international and domestic, government policies or social uncertainty can alter the financial health and normal development of our businesses. These changes may include, but are not limited to, weak economic activity, high inflation and currency depreciation, among others, over which we have no control.

Given that our banking and other business are significantly dependent on our customers' ability to make payments on their loans and meet their obligations with us, any development, as the mentioned above, could reduce their ability to repay loans when due or to meet their other debt service requirements, increasing our past-due loan portfolio. This, in turn, could materially reduce our net earnings and capital levels.

In the past, Peru has experienced periods of weak economic activity and deterioration in economic conditions. We cannot assure you that such deterioration will not occur, nor that such a recurrence would not have a material adverse effect on our business, financial condition or results of operations.

Peruvian reforms in the 1990s laid the foundations for sustained economic growth. During 1993-2019 (pre-COVID), GDP contracted only in one year, 1998 (-0.4%), affected by the El Niño phenomenon and the Asian crisis and grew 4.3% on annual average between those years, the highest in the region after Panama (5.7%) and the Dominican Republic (5.3%). However, the period 2014-2019 recorded slower growth and was characterized by: i) a decrease in trade amid the turbulence in China's financial markets (2015-2016) and the trade war between the U.S. and China, ii) the *Lava Jato* corruption scandal that brought with it constant political instability since the government of Pedro Pablo Kuczynski. In this period, Peru grew less than the world average (3.1% compared to 3.4%). Private investment grew 14.4% on average between 2005-2013 and fell 0.5% in the 2014-2019 period.

In 2020, the world, including Peru, suffered the negative effects of global lockdowns due to the COVID-19 pandemic. This was followed by an inflation shock caused by high commodity prices, supply chains disruptions and the economic reopening following the lockdowns. On the domestic front, this was coupled with other unexpected shocks, including social protests and climatic events. However, Peru's macroeconomic fundamentls remained strong and were backed by low public debt, high international reserves, and independent central bank and low foreign exchange rate volatility.

At the end of year 2022 and the beginning of 2023, Peru faced one of its most severe social and political crises in decades. This turmoil was triggered by a failed coup attempt on December 7, 2022, by former president Pedro Castillo, which led to massive protests. On that day, in a message to the Nation, Castillo announced the temporary dissolution of Peru's congress and received no support from the police and armed forces. Within hours of his speech, Peru's congress had voted to remove Castillo from office. In turn, Vice President Dina Boluarte was sworn in as Peru's first female president and indicated that she plans to govern until 2026, which is the year Castillo's term would have ended. In March 2023, the Peruvian Court extended Castillo's pre-trial detention term to 36 months, up from the 18 months sentence received in December 2022 on accusations of organized crime, influence peddling and of being an accomplice to collusion. The court also sentenced Castillo's former transportation minister to three years of pre-trial detention.

Following Mr. Castillo's impeachment, a wave of protests in support of Mr. Castillo arose across the country, which led President Boluarte to declare a state of emergency in several regions in Peru on December 12, 2022 and call for congressional approval of a bill to permit early elections in 2024. However, this proposal was rejected by Congress and Ms. Boluarte's government has gained some stability through alliances with the biggest political parties in Congress. In 2025, the final year of President Boluarte's term, Congress has the authority to remove her from office without the need to call for early elections once she announces the election date. For example, if Peruvians were to return to the polls on April 12, 2026, President Boluarte would be required to announce the general elections by April 12, 2025. To remove the president from office, a motion of vacancy must be signed by at least 20% of the members of Congress (26 signatures). Then, the motion must be admitted to debate with the favorable vote of 40% of the present members of Congress. Finally, to approve the vacancy, a qualified vote of at least two-thirds of the legal number of members of Congress (87 votes out of 130) is required. If the vacancy is approved, the presidency would be assumed by the vice president or, in their absence, by the president of Congress, without the need to call for early elections. Boluarte has no vice president, and the current president of Congress is Eduardo Salhuana, an elected congressman for the political party Alianza para el Progreso, who previously served as Justice Minister under President Alejandro Toledo.

The protests that took place in December 2022 were violent, resulting in more than 50 civilian fatalities and resulted in infrastructure damage. As such, they negatively affected the tourism, hospitality, transportation and retail sectors. These protests ended in February 2023, and since then any attempt at social protest has not received as much reception. However, there is no assurance as to when our country could face similar social unrest.

Since President Boluarte assumed office, three prime ministers have succeeded, with the latest, Mr. Gustavo Adrianzen, being appointed on March 6, 2024. Mr. Adrianzen is a lawyer with prior public policy experience as Minister of Justice and Human Rights during the presidency of Ollanta Humala, and who has also served as Peru's representative before the Organization of American States. Mr. Jose Arista was appointed as head of the Ministry of Economy and Finance, after he had shortly occupied the same position in November 2020, and previously occupied the positions of viceminister of the treasury, minister of agriculture and governor of the Amazonas region. Since then, multiple cabinet reshuffles have occurred under Adrianzén's leadership and Boluarte's presidency. In the economic sector, a ministerial change took place at the end of January 2025, when Mr. Arista stepped down and was replaced by Mr. Jose Salardi. Mr. Salardi served as the Executive Director of ProInversión from December 2022 until his appointment as the Minister of Economy and Finance. ProInversión is the Peruvian agency responsible for promoting private investment in the country. Political instability in Peru aggravated on November 27, 2023, when the then Public Prosecutor, Patricia Benavides, filed a constitutional claim against President Boluarte and her then prime minister, Mr. Luis Alberto Otárola, among others, for the alleged crime of aggravated homicide by omission and serious injury during the aforementioned protests. On December 6, 2023, the National Justice Board (*Junta Nacional de Justicia*) provisionally suspended Patricia Benavides as Supreme Prosecutor of the Public Prosecutor's Office; and, as a result, from the position of Head Public Prosecutor. This measure was adopted in the midst of the investigations against Patricia Benavides for allegedly leading a criminal organization in the Peruvian Public Prosecutor's Office that sought to influence members of the Congress (who are also included in the investigation). Since then, journalistic reports have raised questions with respect to the Public Prosecutors Office involvement in Peruvian politics, giving rise to several investigations involving the highest levels of said entity. Furthermore, in March 2024, the Peruvian Congress approved the disqualification of two (2) members of the National Justice Board. On December 27, 2024, President Boluarte announced a 10% increase in Peru's minimum wage, raising it by S/105 to S/1,130, effective January 1, 2025. According to Apoyo Consultoria, one of the country's leading renowned consulting firms, this increase appears to be a political decision made in the context of low presidential approval ratings.

On the other hand, Congress approved a significant political reform, the reversion to a bicameral parliament. This reform reintroduced a Chamber of Senators with at least 60 members alongside the existing Congress, which will have at least 130 members. These changes will take effect starting with the 2026 elections. The reform aimed to enhance legislative oversight and representation. Additionally, in September 2024, the Law for the modernization of the Peruvian Pension System (Law N°32123) was approved and the Integrated Peruvian Pension System was created, merging the National Pension System with the Private Pension System. Specifically, the law establishes: (i) a minimum pension of S/600; (ii) mandatory affiliation for those over 18 years old; (iii) a contribution regime for independent workers; (iv) a pension by consumption; (v) allows the participation of banks, municipal savings banks, and financial institutions, among others, in the collection of contributions; and (vi) prohibits partial or total withdrawal of funds except in specific cases (paying the down payment for a first property, amortizing a mortgage loan used to buy a first property, terminal illness, or cancer diagnosis). The Ministry of Economy and Finance (MEF) of Peru has until June 18, 2025, to issue the regulations for the pension reform. The law will come into effect the day after its publication.

As the social and political crisis evolved, in October and December 2022 and January 2023, Fitch, Standard & Poor's and Moody's, respectively, changed their outlook for Peru's long-term debt in foreign currency to negative from stable (keeping the credit ratings at "BBB," "BBB" and "Baa1," respectively). In October 2023, Fitch ratified Peru's BBB credit rating with negative outlook, with S&P doing the same in February 2024.

These sectors have also been affected by other developments in recent years, such as climate change. These political and social developments may also affect foreign investment sentiment and therefore economic development.

In addition, as with Mr. Castillo's presidency, President Boluarte has faced challenges in aligning certain initiatives with, and obtaining support from, the Peruvian Congress, which is highly fragmented, as no political party has a clear majority and at least 10 political parties hold minority representations. Although a majority opposition in the Peruvian Congress against certain new policies and reforms proposed by the President Boluarte is expected to continue, there is still a risk of unpredictable policy-making. We cannot assure whether the Peruvian government will continue to pursue business-friendly and open-market economic policies that stimulate economic growth and stability.

Further, should President Boluarte or any official of her administration become involved in additional corruption investigations or other scandals, popular support for her government and policies may be adversely affected and result in additional disruption to Peru's political landscape. According to a recent survey, Boularte has a very low approval rate of just 5%. There can be no assurance that future developments in or affecting the Peruvian political landscape, including economic, social or political instability in Peru, will not materially and adversely affect our business, financial condition or results of operations.

Social and political instability in Peru is not new. The country has experienced various instances of instability ranging from domestic terrorism (during the 1980's) to military coups and a succession of regimes. Although the risk of renewed domestic terrorism is not expected, any violence derived from the drug trade, or a resumption of large-scale terrorist activities could hurt our operations. Additionally, some regimes during 1970s and 1980s heavily intervened in the economy in pursuit of various economic policies and priorities, including expropriation, nationalization and new taxation policies. These interventions altered the country's economic environment, financial system, and agricultural sector, among other components.

There have also been several political disputes between the government and the opposition in recent decades. Since 2001, more than ten different political organizations have nominated candidates for President in each of the five election processes, showing low approval rating for all candidates (usually around 20%–30% approval ratings). Since August 2016 until September 2023, Peru has had 6 presidents, 3 congresses and 17 prime ministers.

According to the Peruvian National institute of Statistic and Informatic (*Instituto Nacional de Estadítica e Informática* or INEI by its Spanish initials), high levels of poverty in Peru have historically been a contributing factor to social conflict. Between 2004 and 2019 (pre pandemic) according to INEI, Peru's poverty rate decreased from almost 60% of the population to 20%. In 2020, due to the economic shock resulting from the COVID-19 pandemic, the poverty rate increased to 30%, erasing nearly all gains from the last decade and even though poverty fell to 25.9% in 2021, it rose again in 2022 to 27.5%, remaining above pre pandemic levels. In 2023, the poverty rate increased for a second consecutive year to 29% due to the first economic recession in 25 years, excluding 2020 and 2021 during the pandemic.

There can be no assurance that Peru will not continue facing political, economic or social problems in the future or that these problems will not adversely affect our business, financial conditions, results of operations and our ability to service our debt. There is always the possibility that a political fraction could promote policies to respond to social unrest that include, among other things, expropriation, nationalization, suspension of the enforcement of creditors' rights and new taxation policies. Consequently, our financial condition and results of operations may also be adversely affected by changes in Peru's political climate to the extent that such changes affect the nation's economic policies, growth, stability, outlook or regulatory environment.

Another source of risk is related to political and social unrest in areas where mining, oil and gas operations take place. In recent years, Peru has experienced protests against mining projects in several regions around the country. Mining is an important part of the Peruvian economy. According to INEI, the mining and hydrocarbons sector represented 14.4% of GDP (mining 12.2% and hydrocarbons 2.2%) in 2024. The country's exports are highly concentrated in the mining industry; in 2024, free on board (FOB) exports of metallic mining represented 60% of total exports (copper represents around half of mining exports), with tax revenues from the sector representing 8% of total fiscal revenues in 2024.

Delays or cancellations of mining projects could reduce Peruvian economic growth and business confidence, thereby hurting the financial system both directly (many mining projects are at least partially financed by local financial institutions) and indirectly (overall economic activity could decelerate). Any such effect on to the financial system could have a material adverse effect on our business and result of operations.

More recently, violence and crime have become the main concern of Peruvians, according to a June 2024 Ipsos survey, above corruption, and unemployment. Based on a December 2024 study conducted by Credicorp, the year 2024 will have the highest number of homicides in Peru, with the rate potentially ranging between 10 and 11 murders per 100,000 inhabitants (8.6 in 2021). The increase in citizen insecurity not only has a negative impact on victims of crime, but also on households and companies, which are forced to allocate part of their income to prevention measures. Altogether, this reduces efficiency in the economy and reduces aggregate productivity. The continuation of this problem represents a source of risk for the economy and, hence, our businesses.

Additionally, Peru is a small, open economy highly integrated with the rest of the world and is affected by movements in the external environment (growth of main trade partners, changes in commodity prices, and movements in external rates and global financial markets). As such, any major deterioration of the international economy can have material adverse effects on the Peruvian economy and markets, as well as in our businesses and operational results. A global recession was the big fear heading into 2024 and although it was avoided, it is still one of the main risks for 2025.

If a global recession materializes, it could affect Peru's economic growth mainly through i) lower commodity prices and ii) lower external demand. The country's exports are highly concentrated in the mining industry; copper and gold exports represented 48% of total exports in 2024. Therefore, Peruvian trade responds significantly to fluctuations in metal prices, especially gold and copper. In addition to changes in prices, Peru is also vulnerable to fluctuations in foreign demand, especially from China and the United States, Peru's main trade partners. The European Union is also an important buyer of Peruvian goods, especially of non-traditional ones. As a result, lower than expected growth from these countries would pose risks to Peru's economic growth as it may impact exports and foreign direct investment.

Furthermore, financial conditions in global markets also affect the Peruvian economy, affecting interest rates for local corporate bonds and influencing the exchange rate. Monetary policy tightening in developed economies, particularly by the Federal Reserve in the United States, could adversely affect economic activity in Peru since it strengthens the US Dollar and increases interest rates, thereby reducing access to funding for some local businesses. Also, since the Peruvian economy has some level of loans denominated in US Dollars (22.8% of loans to the private sector and 33.3% of deposits as of December 31, 2024), which is referred to as financial dollarization, potential financial balance sheet position effects should be considered because a higher exchange rate could increase debt burdens for individuals and businesses that have taken loans in dollars but earn their income in local currency.

In addition, in March 2025, the U.S. government imposed trade tariffs of 25% on all imports from Mexico and Canada, two of its major trade partners, as well as the imposition of 20% tariffs on all goods imported from China, and a 25% tariff on all imports of steel and aluminum. The U.S. government has also threatened to impose tariffs on various countries in Latin America, and could impose tariffs on Peru. In response, some countries, including China, Canada and Mexico, have announced the imposition of retaliatory tariffs on certain U.S. imports. The imposition of tariffs by the U.S., China and other countries could have a significant impact on international trade and supply chains, potentially resulting in lower global growth. Increased protectionism and trade tensions, such as the tensions between the United States and China during the prior President Trump administration, could have a negative impact on the economies in which we operate, and impact our results of operations, financial condition and prospects.

Finally, economic and political developments in other countries in Latin America, such as Argentina, Bolivia, Brazil, Ecuador, Chile, Colombia, Mexico and Venezuela may have an adverse effect on other countries in the region, including Peru.

Corruption and ongoing corruption investigations may hinder the growth of the Peruvian economy and have a negative impact on our business and results of operations.

After a failed coup attempt on December 7, 2022, by former president Pedro Castillo, Congress voted to remove him from office due to moral incapacity. Castillo was arrested on charges of rebellion and conspiracy and, as a result, is serving pre-trial detention while under investigation. On March 9, 2023, he was sentenced to three years of pre-trial detention for allegedly working to rig public works while in office. These two sentences will be carried out concurrently (rather than consecutively). Moreover, in January 2024, the National Prosecutor's Office requested the Judiciary Branch to impose 34 years of imprisonment for the alleged commission of the crimes of rebellion, abuse of authority, and serious disturbance of public tranquility. Pedro Castillo's trial began on March 4, 2025. The following day, his public defender, Edgar Callahualpa Quispe, resigned due to a breakdown in trust and communication with Castillo, who accused him of recording private conversations. Subsequently, Castillo began a hunger strike in protest of what he describes as a "politicized" trial. He was hospitalized due to health complications arising from the hunger strike.

While in government, Castillo was embroiled in corruption scandals and faced several criminal investigations. We cannot guarantee that other corruption scandals will not arise from within the current government or from other political parties. Every one of the six Peruvian presidents elected since 1990 is either in jail, has been in jail, or has

faced a detention order. The effects of the socio-political crisis on the economy are unclear and uncertainty remains high.

In addition to the corruption investigations described above, several scandals involving authorities at the municipal, regional and national government levels are ongoing, while former and current government officials have been detained. Most recently, there has been a series of corruption scandals involving the Public Ministry, the Judiciary and Congress, investigations into which are continuing.

We cannot predict how these, or future corruption scandals and investigations may affect the Peruvian economy and indirectly have a material adverse effect on our business, financial condition and results of operations.

In addition, as with Mr. Castillo's presidency, president Boluarte has faced challenges in aligning certain initiatives with, and obtaining support from, the Peruvian Congress, which is highly fragmented, as no political party has a clear majority and at least 10 political parties hold minority representations. President Boluarte assumed the presidency with no parliamentary bench as she drags, since the end of 2021, a breakup with the political party Peru Libre, of which she had been part. Although it is expected that a majority opposition from the Peruvian Congress against certain policies that may be proposed by the new President will continue, there is a risk of unpredictable policymaking. We cannot assure whether the Peruvian government will continue to pursue business-friendly and open-market economic policies that stimulate economic growth and stability.

Furthermore, should President Boluarte or any official of her administration become involved in corruption investigations or other scandals, popular support for her government and policies may be adversely affected and result in additional disruption to Peru's political landscape. According to a recent survey, President Boluarte has a very low approval rate of just 5%. There can be no assurance that future developments in or affecting the Peruvian political landscape, including economic, social or political instability in Peru, will not materially and adversely affect our business, financial condition or results of operations.

In the last year and a half of President Boluarte's term, the country's political environment continues to face several risks, including the adoption of populist measures, further weakening of institutions, and corruption scandals.

Peru has a history of domestic terrorism and social conflict that could affect our business, financial condition and results of operations.

Peru has a history of domestic terrorism. Between the late 1970s and the early 1990s, both Shining Path (*Sendero Luminoso*) and MRTA (known by its Spanish acronym, *Movimiento Revolucionario Túpac Amaru*) conducted a series of terrorist attacks that caused thousands of casualties and affected normal political, economic and social activities in many parts of the country, including Lima, the capital. In 1992, the leader of Shining Path, Abimael Guzmán, was captured and later sentenced to life in prison (a new trial affirmed the sentence in 2006). Most other members of Shining Path, as well as MRTA, were also captured and sentenced to prison terms by the end of the 1990s. However, in late 1996 a group of MRTA members stormed the residence of Japan's Ambassador to Peru and held a group of politicians, diplomats and public figures hostage for approximately four months. In April 1997, a military operation put an end to the hostage situation: all 14 terrorists died in the confrontation while all but one hostage survived. Since then, and for the following 19 years, terrorist activity in Peru has been mostly confined to small-scale operations in the Huallaga Valley and the Valleys of the Rivers Apurimac, Ene and Mantaro ("VRAEM") areas, both in the Eastern part of the country. In 2012, the Peruvian government captured Florindo Flores, one of the last remaining leaders of Shining Path and thus gravely weakened the organization's activities in the Huallaga Valley.

Despite these efforts, terrorist activity and the illegal drug trade continue to be key challenges for Peruvian authorities. The Huallaga Valley and VRAEM constitute the largest areas of coca cultivation in the country and thus serve as a hub for the illegal drug trade. Any violence derived from the drug trade or a resumption of large-scale terrorist activities could hurt our operations.

Another source of risk is related to political and social unrest in areas where mining, oil and gas operations take place. In recent years, Peru has experienced protests against mining projects in several regions around the country. Mining is an important part of the Peruvian economy. According to the National Institute of Statistics and Information (*Instituto Nacional de Estadística e Informática*) ("INEI"), the mining and hydrocarbons sector represented 14.4% of GDP (mining 12.2% and hydrocarbons 2.2%) in 2024. The country's exports are highly

concentrated in the mining industry: in 2024, free on board (FOB) exports of metallic mining represented 60% of total exports (copper represents around half of mining exports), with tax revenues from the sector representing 8% of fiscal revenues in 2024. On several occasions, local communities have opposed these operations and accused them of polluting the environment and hurting agricultural and other traditional economic activities. In April 2022, the Las Bambas copper mine shut down for 51 days, after protesters from two communities entered the mine and settled inside. The recent social protests of late 2022 and early 2023 have also affected Las Bambas' operations as road blockages prevented the arrival of key input materials. In 2024, Las Bambas produced around 12% of all Peruvian copper. In another example, on January 12, 2023, Minsur announced the temporary suspension of operations in its San Rafael tin mine, in Peru's Puno region, as a measure of solidarity with the families of people who died in recent protests in the region. And on February 6, 2023, Buenaventura temporarily suspended operations at its Julcani silver mine, after protesters entered and destroyed part of the mine's facilities.

In 2024, protests and strikes were held in Arequipa and Puno, regions of southern Peru, against the Tía María mining project, though these were less intense compared to those during the social crisis of late 2022. These protests were primarily driven by local communities concerned about the environmental impact and potential threats to their agricultural livelihoods. The Tía María project, operated by Southern Peru Copper Corporation, has been a point of contention for years. In July 2024, the company announced plans to resume development, which reignited opposition, although less than in the past.

Mining was also affected by crime. In December 2023, nine workers were killed, and others gravely injured in the latest attack where men armed with explosives raided and took hostages at a mine belonging to Poderosa, one of Peru's top gold producers. The government blamed illegal miners and criminal groups. In September 2024, another attack on a Poderosa facility resulted in the death of a security agent and injuries to others. On January 12, 2025, Compañía Minera Poderosa suffered an attack by illegal miners and criminal groups, resulting in the destruction of a high-voltage tower that supplies power to key mining operations in Pataz, located in the department of La Libertad.

Delays or cancellations of mining projects due to political or social unrest could reduce economic growth and business confidence, thereby hurting the financial system both directly (many mining projects are at least partially financed by local financial institutions) and indirectly (overall economic activity could decelerate). Any such effect on the financial system could have a material adverse effect on our business and result of operations. Moreover, crime reduces efficiency in the economy and reduces aggregate productivity. The persistence of these problems represents a source of risk to the economy and, hence, our businesses.

A decline in the prices of certain commodities in the international markets could have a negative impact on our business.

Peru's exports are highly concentrated in the mining industry; copper and gold exports share of total exports was around 48% of all shipments as of December 31, 2024. Peruvian trade responds significantly to fluctuations in metal prices, especially copper. In 2024, Peru's trade surplus increased to a record of U.S.$24 billion from U.S.$18 billion in 2023, due to a 12.4% increase in exports (partially offset by 4.5% growth in imports) and positive terms of trade. The average copper price for 2024 was U.S.$4.15 per pound, 8% higher than the average of U.S.$3.85 per pound in 2023, while oil prices fell 2.4% over the same period (to U.S.$75.8 per barrel). In addition to changes in prices, Peru is also vulnerable to fluctuations in foreign demand, especially from China and the United States, Peru's main trading partners. The European Union is also an important buyer of Peruvian goods, especially of non-traditional ones. Consequently, lower growth than forecasted from these countries would pose risks to Peru's economic growth as it may impact exports and foreign direct investment.

Decreases in commodity prices may have a negative impact on government finances, and consequently regional and local governments may lower their spending on social programs that primarily benefit rural communities. This may result in decreased support for the central government, which could manifest itself through political unrest. During recent years, there were several protests in the provinces caused mainly by groups of people that oppose private investments, mining projects in particular. Lower commodity prices could also affect private investment,

consumption, and, consequently, the financial system, leading to, for example, lower credit demand, deteriorating asset quality and currency depreciation.

An economic recession could adversely affect our financial condition and results of operations and the value of our securities.

If Peru's economy undergoes a recession, some segments of our retail portfolio, particularly small and medium businesses which are more vulnerable to economic cycles and represent a segment with which we have not experienced a previous recession, could show higher default rates, which may adversely affect our ability to fulfill our obligations under our Notes. In a scenario of economic recession and higher default rates we would expect less demand for loans from our clients, and we would restrict some of our credit policies, particularly regarding small and medium businesses, hindering growth of our loan portfolio and affecting our operating results. We cannot assure that a future recession will not have a negative effect on our results of operation.

The re-implementation of certain laws by the Peruvian government, most notably restrictive exchange rate policies, could have an adverse effect on our business, financial condition and results of operations.

Since 1991, the Peruvian economy has undergone a major transformation from a highly protected and regulated system to a free-market economy. During this period, protectionist and interventionist laws and policies have been gradually dismantled to create a liberal economy dominated by private sector and market forces. The Peruvian economy has, in general, responded well to this transformation, growing at an average annual rate of 3.5% during the period from 2010 to 2024. Exchange controls and restrictions on remittances of profits, dividends and royalties have ceased. Prior to 1991, Peru exercised control over the foreign exchange markets by imposing multiple exchange rates and placing restrictions on the possession and use of foreign currencies. In 1991, the Fujimori administration eliminated all foreign exchange controls and unified exchange rates. Currently, foreign exchange rates are determined by market conditions, with regular operations by the BCRP in the foreign exchange market in order to reduce volatility in the value of Peru's currency against the U.S. dollar.

We cannot assure that the Peruvian government will not institute restrictive exchange rate policies in the future. Any such restrictive exchange rate policy could affect our ability to engage in foreign exchange activities and could also have a material adverse effect on our business, financial condition and results of operations.

Inflation could adversely affect our financial condition and results of operations.

As a result of the reforms implemented in the early 1990s, Peru's inflation has decreased significantly in recent years from triple-digit inflation during the 1980s. More recently, the global inflationary shock of 2022 drove Peru's inflation rate, measured by the Consumer Price Index of Metropolitan Lima, to a peak of 8.8% year over year in June 2022, the highest in 26 years. In December 2024, the slowdown of inflation continued and closed the year at 2.0%, exactly at the mid-point of the Central Bank's target range. Peru exhibited one of the lowest inflation rates between developed and emerging economies and was among one of the first countries to return inflation to target. Following the COVID-19 pandemic, core inflation persisted around 3% year over year throughout most of the year and decelerated the last 4 months of 2024, to close the year at 2.6%, also within the target range. Importantly, food prices continued to normalize during 2024, and Food and Beverage inflation advanced only 1% in 2024.

The monetary policy of the BCRP has been conducted under an inflation-targeting scheme since January 2002. The BCRP seeks to anchor inflation expectations through the announcement of an inflation target range of 1% to 3% (which ranged it established in 2007) and makes monetary policy decisions by using a reference rate for the interbank market interest rate.

If Peru experiences substantial inflation in the future, our costs may increase, and, if not accompanied by a corresponding increase in interest rates, our operating and net margins may decrease, which may adversely affect our business and results of operations. An effect on our value may also result in a decrease in the value of the Notes. Inflationary pressures may also curtail our ability to access foreign financial markets and may lead to further government intervention in the economy, including the introduction of government policies that may adversely affect the overall performance of the Peruvian economy. Our operating results and the value of our issued securities, including the Notes, may be adversely affected by higher inflation.

The dollarization of the Peruvian economy hampers monetary policy, which in turn may have an effect on our business.

Dollarization generally refers to the degree to which the U.S. dollar has displaced the Sol in the economy. Despite the positive effect that it may have on reducing cross-border transaction costs and preserving purchasing power, the dollarization of the Peruvian economy has also hampered monetary policy by undermining the BCRP's ability to control the money supply. The dollarization of the economy affects the Peruvian financial system by forcing the BCRP to establish high levels of reserve requirements in U.S. dollars while also adding a risk to participating banks' balance sheets, including ours. An appreciation of the U.S. dollar poses a risk to us and a systemic risk to the Peruvian financial system because of the levels of U.S. dollar-denominated assets and liabilities in the Peruvian financial system. This risk comes from the potential imbalance that a bank's clients may experience when borrowing in U.S. dollars and earning in Soles. As a result, the SBS has been enacting rules aimed to make banks capable of identifying clients with potential imbalances and establishing reserves if necessary. Additionally, potential imbalances in our U.S. dollar-denominated assets and liabilities could expose us to translation losses.

To confront the volatility of short-term capital flows, which in the past have been a destabilizing factor in Peru's monetary system, the BCRP generally prescribes high foreign currency reserve requirements that discourage significant capital outflows and promote holdings of local currency. Under the Peruvian Banking Law, all financial institutions regulated by the SBS (except for small-business development non-bank institutions) are required to maintain a legal reserve (*encaje*) for certain obligations. The BCRP may require additional and marginal reserves. The exact level and method of calculation of the reserve requirement is set by the BCRP, which has issued different sets of regulations for foreign and local currency-denominated obligations of banks. Among others, the following liabilities are subject to the reserve requirement: demand and time deposits, savings accounts, certificates of deposits, certain bonds and funds administered by the bank and amounts due to foreign banks and other foreign financial companies (in certain circumstances). Subject to certain requirements, the regulation excludes from the reserve requirement mid-term and long-term funding (i.e. liabilities with a minimum average maturity of more than two years, subject to other conditions) through the issuance of securities such as the Notes.

We cannot assure you that the BCRP will not increase the base rate or will impose additional requirements in the future, or that such changes in the regulatory environment will not have an adverse effect on our business, financial condition or results of operations.

Climatic and natural phenomena such as earthquakes and floods may adversely affect lending volume and the quality of our loan portfolio to segments of the Peruvian economy that are most likely to be negatively affected.

In Peru, we are exposed to risks of natural disasters that in some cases may be exacerbated by climate change, such as floods, mudslides and droughts. We are also exposed to disasters unrelated to climate change, such as earthquakes. Earthquakes in Peru are common occurrences as the country is located in a seismic zone: the interface between the Nazca and South American tectonic plates. Peru has been adversely affected by earthquakes in the past, including a 7.9 magnitude earthquake that struck the central coast of Peru in 2007. The country is also vulnerable to the El Niño phenomenon ("El Niño"), which provokes heavy rains off the coast of Peru that may result in floods and mudslides in the north and central Andean regions. For instance, due to its very strong intensity, the 1997-1998 El Niño destroyed crops and infrastructure equivalent to 2.2% of Peru's GDP. In early 2017, El Niño adversely affected agricultural production, transportation services, tourism and commercial activity, caused widespread damage to infrastructure, displaced many people and resulted in a deceleration of growth from 4.0% in 2016 to 2.5% in 2017. The slowdown was also driven by the Lava-jato corruption scandal. According to Peru's fiscal council, El Niño caused U.S.$6.2 billion in damages (equivalent to 2.9% of Peru's GDP) in affected regions in the first half of 2017 through damages to bridges, roadways, housing, and educations services, among others. This weather phenomenon negatively affected the financial condition of certain of our clients.

At the beginning of 2023, heavy rains intensified in many areas on the North coast of the country due to unusually warming of temperatures in the Pacific Ocean and the wake of cyclone Yaku. This scenario has caused river overflow risk, mudslides, floods, lack of food and water in some towns.

The Coastal El Niño buffeted some sectors of the economy in the first nine months of the year 2023. In the fishing industry, 2023 was the worst anchovy catch in 25 years after the first anchovy fishing season in the north

central zone was canceled by the Ministry of Production. Agricultural production will register its worst performance in 31 years, while textile production has fallen at its worst rate in 28 years—excluding the pandemic and the global financial crisis—as the result of there being no winter season in 2023.

In 2024, the dissipation of El Niño has been a favorable development. According to the National Study of the El Niño Phenomenon (*Estudio Nacional del Fenómeno El Niño* or ENFEN by its Spanish initials), the probability of a strong El Niño over the summer diminished significantly. According to the ENFEN's statements through summer, a transition from warm weak conditions to neutral in April was expected.

At the beginning of 2025, the possibility of another "El Niño Costero" has resurfaced given strong rains in the north of the country and an increase in the sea surface temperature. On February 27, 2025, the ENFEN, in an extraordinary statement, activated surveillance of this phenomenon and mentioned that weak warm conditions were expected to continue in March of 2025.

We cannot assure that another destructive El Niño will not occur in the future, and it is in fact expected that El Niño will continue to affect our country from time to time. If such an El Niño phenomenon were to occur, it is likely that it would have a negative effect on Peru's GDP, as well as on the financial situation of some of our clients and the quality of our loan portfolio.

Additionally, similar natural disasters, or other types of disasters such us earthquakes or floods, could impair our operational capacity. Our business continuity plans include emergency response, disaster recovery, operations continuity, crisis management, data protection and recovery, and critical systems redundancy. Although we test our business continuity plans annually, these plans may prove to be ineffective, which could have a material adverse effect on our ability to carry out our businesses, especially if an incident or disaster affects computer-based data systems or damages customer or other data. In addition, if a significant number of our employees were affected by a natural disaster, our ability to conduct business could be impaired.

We may incur financial losses and damages to our reputation from environmental, social and governance (ESG) risks, which have become increasingly relevant in recent years.

As a financial institution, environmental, social and governance ("ESG") issues may affect our business, as our relationship with certain clients may be damaged if we are perceived as not being environmentally or socially responsible. Moreover, we may suffer from reputational risk if the projects or companies we finance, or invest into, cause environmental damage. In addition, social issues relating to the management of employees, customers and/or our relationship with communities may affect our business through talent or capability deficits, increased training costs, compliance failures, operational inefficiencies, and reputational risks. Finally, corporate governance issues may affect our business mainly through reputational risk if we are perceived by stakeholders as a company with transparency issues.

Moreover, going forward, we may become subject to increased regulatory environmental, social and governance requirements as a result of the increasing importance of ESG matters. This and other changes in regulations in Peru and in the international markets may expose us to increased compliance costs, limit our ability to pursue certain business opportunities and provide certain products and services, each of which could adversely affect our business, financial condition and results of operations.

As climate risk is interconnected with all key risk types, we have developed and continue to enhance processes to embed climate risk considerations into our risk management strategies established for risks; however, because the timing and severity of climate change may not be predictable, our risk management strategies may not be effective in mitigating climate risk exposure. In particular, given our intention to issue Green, Blue, Social and Sustainability Notes (as described and defined in "Use of Proceeds"), we will be required to address the risk of greenwashing and ensure that operations which we describe as green, blue, social, or sustainable comply with our taxonomy and market standards. Our failure to do so, or the failure by other market participants to recognize the targets of our proceeds as "green," "blue," "social" or "sustainable initiatives," could have a material adverse effect on our business, financial condition and results of operations.

Market volatility in the international capital markets and political uncertainty may affect the Peruvian capital markets and the Peruvian financial system.

In recent years the performance of the BVL has been affected by volatility in the international capital markets and by political uncertainty surrounding the global economy. The General Index of the Lima Stock Exchange (the "IGBVL") increased by 1.0% in 2022, 22% in 2023, and 12% in 2024 (each compared to the previous year). The volatility in the international markets may adversely affect the Peruvian financial system as well, affecting interest rates for local corporate bonds and influencing the exchange rate. Monetary tightening in developed economies, particularly on the part of the Federal Reserve System in the United States, could affect economic activity in Peru to the degree that it strengthens the dollar and increases interest rates, thereby reducing access to funding for some local businesses.

In addition, Peru is also vulnerable to fluctuations in foreign demand, especially from the United States and China. A more pronounced economic slowdown in China over the next few years poses a risk to Peruvian growth as it may hurt exports and foreign direct investment. Lower growth in Latin America can also hurt the Peruvian economy and our business, especially in the cases of Chile, Colombia and Panama, where we have operations, as well as Brazil and Mexico, which have a broad impact throughout the region because of their size.

The Peruvian financial system has not experienced any significant liquidity problems as a result of the recent international and local liquidity environment, primarily because the major source of funds for local banks, including BCP, is represented by the deposit base. However, we cannot assure you that future market volatility will not affect the Peruvian financial system, including BCP, or that such volatility will not have an adverse effect on our business, financial condition or results of operations.

Geopolitical tensions and conflict, including the conflict between Russia and Ukraine and conflicts in the Middle East, could have economic effects that could negatively impact the Peruvian economy.

We are subject to geopolitical risks, including economic sanctions, acts or threats of international or domestic terrorism, actions taken by governments in response, state-sponsored cyberattacks or campaigns, civil unrest and/or military conflicts, which could adversely affect business and economic conditions abroad and in the markets in which we operate. For example, in early 2022, geopolitical tensions intensified as Russia invaded Ukraine on February 24, 2022 and NATO backed Ukraine with various forms of support short of direct intervention. The war between these two countries and its effect on supply caused global commodity prices to spike during the first half of 2022, especially for commodities for which Russia and Ukraine had an important share of global production like crude oil, natural gas, wheat, and fertilizers. The conflict triggered a commodity rally, with the price of WTI, a crude oil benchmark used as a reference price in the United States, reaching almost U.S.$124 per barrel (its highest level since 2008), while the prices of natural gas, wheat, copper, aluminum and palladium reached historic highs. These price increases exacerbated the inflation that the world was already experiencing.

The war continues as Russian invasion enters its fourth year, and actions are still being taken and/or considered against Russia. These measures could have global repercussions and remain an important risk in 2025. For instance, since December 2023, there is a new clause which applies to European Union exporters and contractually prohibits re-exportation to Russia and re-exportation for use in Russia of a limited number of goods when selling, supplying, transferring, or exporting to a third country, with the exception of partner countries. This measure adds to the massive and unprecedented sanctions against Russia. Although President Trump's administration has attempted to negotiate a ceasefire between both nations, as of March 2025, Ukraine and Russia are still engaged in hostilities. Any escalation of the conflict may exacerbate economic issues already arising from it. Since the end of 2022, the European Commission has put in place price caps from the European Union for Russian petroleum products (such as diesel and fuel oil) with the aim of reducing Russian revenues and reduce Russia's ability to wage war in Ukraine.

The conflict still poses upside risks to commodity prices. A scenario where the war escalates and these prices increase significantly, as in the first half of 2022, would represent a negative shock on real disposable income as it would make agricultural products and basic products more expensive, along with higher transportation costs due to higher oil prices. Emerging economies with high levels of poverty remain particularly vulnerable to this shock which could fuel new waves of social unrest.

Additionally, the Israel-Hamas armed conflict that erupted in October 2023 developed into a humanitarian crisis in the Gaza strip and has caused widespread global protests calling for cease fire. On January 15, 2025, Israel and

Hamas agreed to a ceasefire, which came into effect on January 19, 2025. This agreement was mediated by the United States, Egypt, and Qatar, and is based on a three-phase proposal to achieve lasting peace in the region. During the first phase, a six-week ceasefire was established, along with the release of Israeli hostages and Palestinian prisoners. The six weeks elapsed with little apparent success toward that goal and it is uncertain if the ceasefire will remain in place.

A reescalation of this armed conflict or further conflicts in other countries in the Middle East, where large oil producers are located, could increase energy prices, representing a significant risk to inflation and financial markets.

Another geopolitical risk is related to tensions in the relationship between China and United States, especially following Donald Trump's election as president of the United States. In February 2025, during the first weeks of his administration, President Trump imposed tariffs on China, prompting retaliation from the Chinese government. During President Trump's first term, throughout 2018 and 2019, a trade dispute between both countries led to the imposition of tariffs on both U.S. and Chinese products on several occasions, denouncements regarding currency manipulation and filing actions in the World Trade Organization, among others, which negatively affected global demand and commodity prices. In 2023, political tensions escalated after the United States shot down a suspected Chinese surveillance balloon and U.S. Representative Nancy Pelosi, the former speaker of the House, visited Taiwan, which China claims as part of its territory. The change in administration in the United States in 2025 could renew the trade dispute with negative repercussions on the global economy.

China and Taiwan tensions have surged at the beginning of 2024 as China intensifies patrols around a group of islands controlled by Taiwan after a series of border conflicts. The importance of Taiwan in the world's electronic market (impacting products such as phones, electric cars, and others) is high as Taiwan Semiconductor Manufacturing Company ranks among the most prominent names in the semiconductor global industry. An increase in tensions between both countries could renew price pressures in the semiconductor market, with negative effects on inflation, similar to the ones observed in 2022.

In addition, in Peru, where we conduct most of our business, the escalation of these conflicts may have impacts on the economy. If these conflicts escalate, inflationary pressures could be renewed globally and force central banks to keep their restrictive monetary policies for a prolonged period.

The stability of the Peruvian financial system depends on public confidence in Peruvian banking and financial institutions.

Financial institutions, including us, depend on public confidence in the Peruvian financial system. In the event of adverse developments affecting Peru's economic, political or social conditions or if a bank faces liquidity problems, the general public may withdraw deposits and savings from the troubled bank or from banks generally, thereby precipitating a liquidity crisis, as occurred in Peru in the late 1990s. If depositors withdraw significant holdings from banks generally, including us, there will be a substantial adverse impact on the manner in which financial institutions, including us, conduct their business, on their ability to operate as financial intermediaries and on their financial condition, which would adversely affect our results of operations and financial condition.

The perception of higher risk in other countries, especially in emerging economies, may adversely affect the Peruvian economy, our business and the market price of Peruvian securities issued by Peruvian issuers, including the Notes.

Emerging markets like Peru are subject to greater risks than more developed markets, and financial turmoil in any emerging market could disrupt business in Peru and adversely affect the price of the Notes. Moreover, financial turmoil in any important emerging market country may adversely affect prices in stock markets and prices for debt securities of issuers in other emerging market countries as investors move their money to more stable, developed markets. An increase in the perceived risks associated with investing in emerging markets could dampen capital flows to Peru and adversely affect the Peruvian economy in general, and the interest of investors in our Notes, in particular.

In 2025, President Trump's presidency presents one of the biggest challenges in the world, impacting various aspects of global politics, economics, and international relations. President Trump began his second nonconsecutive term on January 20, 2025. His party achieved a majority in both the Senate and the House of Representatives which

allows the Republican Party to control the legislative agenda, making it easier for President Trump to pass laws and implement his policies.

Since President Trump took office in January 2025, his announcements regarding tariffs have been more aggressive than anticipated. He has imposed significant tariffs on imports from Canada, Mexico, and China, citing national security concerns and the need to combat illegal immigration and drug trafficking. This aggressive approach has caused uncertainty in the markets and raised concerns among economists and financial analysts about the potential impact on U.S. consumers and businesses and its spillovers in the world.

The effects of these tariffs are still uncertain, as they depend on their duration, magnitude, and the range of countries involved. However, there is some consensus that they could lead to higher inflation and lower growth. If the trade war intensifies, disruptions to global financial markets could amplify its negative impact on growth. According to the January 2025 IMF World Economic Outlook, an intensification of protectionist policies, could lower investment, reduce market efficiency, distort trade flows, and again disrupt supply chains. Hence, growth could suffer in both the near and medium term at varying degrees across economies. We cannot provide assurance that investors' interest in Peru, and in our Notes, will not be negatively affected by events in other emerging markets or the global economy in general.

Deterioration in economic and market conditions in Latin America and other emerging countries could adversely affect our financial condition and results of operations.

The market for securities issued by Peruvian companies is influenced by economic and market conditions in Peru and, to varying degrees, market conditions in other Latin American and emerging market countries. Although economic conditions vary from country to country, investor reactions to developments in one nation can cause fluctuations in the capital markets globally. For instance, political and economic crises in Venezuela, Ecuador, Bolivia, Brazil and Argentina have, in the past, influenced investors' perceptions of risk concerning Peru. The negative investor reaction to developments in our neighboring countries may adversely affect the market for securities issued by countries in the region, cause foreign investors to reduce the flow of capital into Latin America and introduce uncertainty about plans for further integration of regional economies.

Risk Factors Relating to the Notes

Notes issued under the Program may not be a suitable investment for all investors. Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in such Notes and the information contained or included in this Prospectus or any applicable supplement;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such Notes will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more Specified Currencies, or where the Specified Currency for principal or interest payments is different from the potential investor's usual currency for holding investments;

- understand thoroughly the terms of the relevant Notes and be familiar with the behavior of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment in the relevant Notes and its ability to bear the applicable risks.

Risks Related to the Notes Generally

Set out below is a brief description of certain risks relating to the Notes generally:

There is no active trading market for the Notes; you may be unable to sell your Notes if a trading market for the Notes does not develop.

Each Series of Notes will constitute a new issue of securities with no established trading market. Application has been accepted by the Luxembourg Stock Exchange for Notes issued under the Program (other than Indexed Notes) to be admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange and to be listed on the Luxembourg Stock Exchange. The Issuer cannot assure you that an active trading market for the Notes will develop. If a trading market does not develop or is not maintained, holders of the Notes may experience difficulty in reselling the Notes or may be unable to sell them at all. Even if a market develops, the liquidity of any market for the Notes will depend on the number of holders of the Notes, the interest of securities dealers in making a market in the Notes and other factors. Accordingly, there can be no assurance as to the development or liquidity of any market for the Notes, the ability of holders to sell the Notes or the prices at which the Notes could be sold. Because the market for any Series of Notes may not be liquid, you may have to bear the economic risk of an investment in the Notes for an indefinite period of time. If an active trading market does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price depending upon prevailing interest rates, the market for similar securities, general economic conditions, the Issuer's performance and business prospects and other factors.

Market price risk.

The market price of each Series of Notes depends on various factors, such as changes of interest rate levels, the policy of central banks, overall economic developments, inflation rates or the supply and demand for the relevant type of Note. The market price of each Series of Notes may also be negatively affected by an increase in the Issuer's credit spreads (*i.e.,* the difference between yields on the Issuer's debt and the yield of government bonds or swap rates of similar maturity). The Issuer's credit spreads are mainly based on its perceived creditworthiness but also influenced by other factors such as general market trends as well as supply and demand for such Series of Notes.

Exchange rate risk and exchange controls.

An investment in Notes that are denominated in, or the payment of which is to be or may be made in or related to the value of, a currency or composite currency other than the currency of the country in which the purchaser is a resident or the currency in which the purchaser conducts its business or activities (the "home currency") entails significant risks that are not associated with a similar investment in a security denominated in the home currency. Such risks include the possibility of significant changes in rates of exchange between the home currency and the various foreign currencies (or composite currencies) after the issuance of such Note and the possibility of the imposition or modification of foreign exchange controls by either the U.S. or foreign governments. Such risks generally depend on economic and political events over which each Issuer has no control. In recent years, rates of exchange between certain currencies have been highly volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in such rate that may occur during the term of any Note. Depreciation of the currency in which a Note is denominated against the relevant home currency would result in a decrease in the effective yield of such Note below its coupon rate and, in certain circumstances, could result in a loss to the investor on a home currency basis. In addition, depending on the specific terms of a currency linked Indexed Note, changes in exchange rates relating to any of the currencies involved may result in a decrease in the effective yield of such currency linked Indexed Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of a currency linked Indexed Note to the investor.

Foreign exchange rates can either be fixed by sovereign governments or float. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. Dollar. National governments, however, rarely voluntarily allow their currencies to float freely in response to economic forces. Governments in fact use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments may also issue a new currency to replace an existing currency, or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing non-home currency denominated Notes

or currency linked Indexed Notes is that their home currency-equivalent yields could be affected by governmental actions, which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces, and the movement of currencies across borders. There will be no adjustment or change in the terms of such Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. Dollar or any applicable Specified Currency.

Governments have imposed from time to time, and may in the future impose, exchange controls which could affect exchange rates as well as the availability of a specified foreign currency at the time of payment of principal and of premium, if any, or interest, if any, on a Note. Even if there are no actual exchange controls, it is possible that the Specified Currency for any particular Note not denominated in U.S. Dollars would not be available at such Note's maturity. In that event, the Issuer would make required payments in U.S. Dollars on the basis of the market exchange rate on the date of such payment, or if such rate of exchange is not then available, on the basis of the market exchange rate as of the most recent practicable date. See "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes."

Interest rate risk.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks, and the Issuer cannot assure you that such ratings will not be lowered, suspended or withdrawn by the rating agencies.

One or more independent credit rating agencies may assign credit ratings to the Notes. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating assigned to other Tranches or Series of Notes issued under the Program. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. The credit ratings of the Notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. The Issuer cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price and marketability of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Any ratings assigned to Notes as at the date of this Prospectus or as of the date of any supplement thereto are not indicative of future performance of the Issuer's business or its future creditworthiness.

Changes in tax laws could lead to the Issuer redeeming the Notes.

Payments of interest in respect of the Notes made by the Issuer to non-Peruvian holders will be subject to Peruvian interest withholding tax currently assessed at a preferential rate of 4.99%, provided that certain conditions described in the section "Taxation—Peruvian Taxation" are met. Subject to certain exemptions, the Issuer will pay Additional Amounts (as defined in "Description of the Notes—Payment of Additional Amounts") so that the amount received by the holder after Peruvian withholding tax will equal the amount that would have been received if no such taxes had been applicable. The Notes are redeemable at the Issuer's option, in whole but not in part, at any time, at the principal amount thereof plus accrued and unpaid interest and any Additional Amounts due thereon if, as a result of changes in the laws or regulations affecting taxation in a Relevant Taxing Jurisdiction (as defined in "Description of the Notes—Payment of Additional Amounts"), the Issuer becomes obligated to pay Additional Amounts on the Notes based on a rate of withholding or deduction in excess of 4.99%. There can be no assurance that an increase in withholding tax rate will not be presented to or enacted by the Peruvian Congress or any other Relevant Taxing Jurisdiction. See "Description of the Notes—Redemption Prior to Maturity Solely for Taxation Reasons" and "Taxation—Peruvian Taxation."

The Notes are subject to certain transfer restrictions.

The Notes have not been registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Notes may be transferred or resold only in a transaction registered under or exempt from the registration requirements of the Securities Act and in compliance with any other applicable securities law. See "Transfer and Selling Restrictions."

This Prospectus and the Notes have not been and will not be registered with or approved by the Peruvian Superintendency of Capital Markets (*Superintendencia Del Mercado De Valores*), or "SMV," or the BVL. Accordingly, the Notes cannot be offered or sold in Peru, except in compliance with the applicable Peruvian securities regulations.

Enforcing your rights as a Holder of Notes in Peru may prove difficult.

Your rights under the Notes will be subject to the insolvency and administrative laws applicable to banks in Peru, and we cannot assure that you will be able to effectively enforce your rights in such bankruptcy, insolvency or similar proceedings. In addition, the bankruptcy, insolvency, administrative and other laws applicable to banks in Peru may be materially different from, or in conflict with, each other, including in the areas of rights of creditors, priority of government entities and other third-party and related-party creditors, ability to obtain post-bankruptcy filing loans or to pay interest and the duration of proceedings. The laws of Peru may not be as favorable to your interests as the laws of jurisdictions with which you are familiar. The application of these laws, or any conflict among them, could call into question what and how Peruvian laws should apply. Such issues may adversely affect your ability to enforce your rights under the Notes in Peru or limit any amounts that you may receive. See "Regulatory Environment—Intervention by the SBS and Liquidation."

The ability of investors to enforce civil liabilities under U.S. securities laws may be limited.

None of the Issuer's directors or executive officers are residents of the United States. Almost all of the Issuer's assets and those of its directors and executive officers are located outside the United States. As a result, it may not be possible for investors in the Issuer's securities to effect service of process within the United States upon such persons or to enforce in U.S. courts or outside the United States judgments obtained against such persons outside the United States.

The Issuer is a commercial bank organized and existing under the laws of Peru, and there is no existing treaty between the United States and Peru for the reciprocal enforcement of foreign judgments of courts outside Peru, including judgments of the United States courts. It is not clear whether a foreign court would accept jurisdiction and impose civil liability if proceedings were commenced in a foreign jurisdiction predicated solely upon U.S. federal securities laws. See "Enforceability of Civil Liabilities."

The Notes may be subordinated to certain statutory liabilities.

Under the Peruvian Banking Law, the obligations of the Issuer under the Notes are subordinated to certain statutory preferences. In the event of an intervention and/or liquidation, those statutory preferences, including certain direct, unconditional and unsecured general obligations, will have preference over any other claims, including claims by any investor under the Notes. See "Regulatory Environment—Intervention by the SBS and Liquidation."

In addition, the creditors of the Issuer may hold negotiable instruments or other instruments governed by local law that grant rights to attach the assets of the Issuer at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the Notes.

The interests of the Issuer's principal shareholders may differ from, and could conflict with, those of the holders of the Notes.

The interests of the Issuer's principal shareholders may differ from, and could conflict with, those of the holders of the Notes. Actions taken by the principal shareholders may limit our flexibility to respond to market developments, to engage in certain transactions or to otherwise make changes to the Issuer's business and

operations, all of which may have a material adverse effect on the Issuer's business, financial condition, results of operations and the Issuer's ability to repay the Notes.

The Notes contain provisions which may permit their modification without the consent of all investors.

The Notes and the Fiscal Agency Agreement governing the Notes under the Program contain provisions for calling meetings of holders of Notes to consider matters affecting their interests generally. Except for certain matters that require unanimous consent, those provisions permit defined majorities to bind all holders of the Notes of a Series, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. See "Description of the Notes—Modification of Fiscal Agency Agreement and Notes."

Interests in global bearer notes and specified denominations – investors who purchase interests in global bearer notes in denominations that are not an integral multiple of the specified denomination may be adversely affected if definitive bearer notes are subsequently required to be issued.

In relation to any issue of Notes in global bearer form which have denominations consisting of a minimum specified denomination plus one or more higher integral multiples of another smaller amount, it is possible that interests in such Notes may be traded in amounts in excess of the minimum specified denomination that are not integral multiples of such minimum specified denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum specified denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum specified denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum specified denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in bearer form in respect of such holding (should definitive Notes replace the applicable global bearer notes) and would need to purchase or sell a principal amount of Notes such that its holding amounts to a specified denomination.

If definitive Notes in bearer form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

Reliance on DTC, Euroclear and CBL procedures.

Unless issued in definitive form, Notes issued under the Program will be represented on issue by one or more global Notes that may be deposited with or registered in the name of a nominee for a common depositary or a common safekeeper, as the case may be, for Euroclear and CBL or may be deposited with or registered in the name of a nominee for DTC. Except in the circumstances described in the applicable global Note, investors in a global Note will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and CBL and their respective direct and indirect participants will maintain records of the beneficial interests in each global Note held through it. While the Notes are represented by a global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

Except in the case of a Registered Global Note denominated in a specified currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which a participant in DTC has elected to receive any part of such payment in that specified currency, for so long as the Notes are represented by global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any global Note.

Holders of beneficial interests in a global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

The application of the net proceeds of Green, Blue, Social or Sustainability Notes as described in "Use of Proceeds" may not meet investor expectations or be suitable for an investor's investment criteria.

Prospective investors in any Notes where the "Use of Proceeds" in the applicable Final Terms are stated to be for "green," "blue," "social" or "sustainability" purposes as described in "Use of Proceeds" herein ("Green, Blue, Social or Sustainability Notes") should have regard to the information in "Use of Proceeds" with respect to the use of the net proceeds of those Green, Blue, Social or Sustainability Notes and must determine for themselves the relevance of such information for the purpose of any investment in such Green, Blue, Social or Sustainability Notes together with any other investigation such investor deems necessary. In particular, no assurance is given by us or the dealers that the use of such proceeds for any Eligible Projects (as defined in the "Use of Proceeds" section below) will satisfy, whether in whole or in part, any present or future investor expectations or requirements in regard to any investment criteria or guidelines with which such investor or its investments are required to comply.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green," "blue," "social," "sustainable" or equivalently labelled project or what precise attributes are required for a particular project to be defined as "green," "blue," "social" or "sustainable" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change. Accordingly, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any Eligible Projects will meet any or all investor expectations regarding such "green," "blue," "social," or "sustainable" or other equivalently labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Eligible Projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third-party (whether or not solicited by us), which may or may not be made available in connection with the issue of any Green, Blue, Social or Sustainability Notes and in particular with any Eligible Projects to fulfill any environmental, social, sustainability and/or other criteria. Any such report, assessment, opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by us, the dealers or any other person to buy, sell or hold any such Green, Blue, Social or Sustainability Notes. Any such report, assessment, opinion or certification is only current as of the date it was issued. Prospective investors must determine for themselves the relevance of any such report, assessment, opinion or certification and/or the information contained therein and/or the provider of such report, assessment, opinion or certification for the purpose of any investment in such Green, Blue, Social or Sustainability Notes. Currently, the providers of such reports, assessments, opinions and certifications are not subject to any specific oversight or regulatory or other regime.

In the event that any Green, Blue Social or Sustainability Notes are listed or admitted to trading on any dedicated "green," "blue," "environmental," "social" or "sustainable" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by us, the dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements in regard to any investment criteria or guidelines with which such investor or its investments are required to comply.

Furthermore, the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Green, Blue, Social or Sustainability Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Green, Blue, Social or Sustainability Notes.

While it is our intention to apply the net proceeds of any Green, Blue, Social or Sustainability Notes and obtain and publish the relevant reports, assessments, opinions and certifications in, or substantially in, the manner described in "Use of Proceeds," there can be no assurance that we will be able to do this. Nor can there be any assurance that any Eligible Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer.

The withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Green, Blue, Social or Sustainability Notes no longer being listed or admitted to trading on any stock exchange or securities market, as aforesaid, may have a material adverse effect on the value of such Green, Blue, Social or Sustainability Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

Risks Related to the Structure of a Particular Issue of Notes

A wide range of Notes may be issued under the Program. Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the relevant Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact such investment will have on the potential investor's overall investment portfolio. Certain Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer.

Notes with an optional redemption are likely to have a limited market value. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Variable rate notes with a multiplier or other leverage factor.

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse floating rate notes.

Inverse floating rate notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR or SOFR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes. See also "—Changes in the method by which EURIBOR, SOFR or other benchmarks are determined, or the discontinuation of any benchmark, may adversely affect the rate of interest on or value of Floating Rate Notes."

Fixed/Floating rate notes.

Fixed/Floating rate notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating rate notes may be less favorable than then prevailing spreads on comparable floating rate notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes. See also "—Changes in the method by which EURIBOR, SOFR or other benchmarks

are determined, or the discontinuation of any benchmark, may adversely affect the rate of interest on or value of Floating Rate Notes."

Indexed Notes.

An investment in Indexed Notes entails significant risks that are not associated with similar investments in a conventional fixed-rate debt security. If the interest rate of a Note is indexed, it may result in an interest rate that is less than that payable on a conventional fixed-rate debt security issued by the Issuer at the same time, including the possibility that no interest will be paid, and, if the principal amount of a Note is indexed, the principal amount payable at maturity may be less than the original purchase price of such indexed note, including the possibility that no principal will be paid (but in no event shall the amount of interest and principal paid with respect to an indexed note be less than zero). The secondary market for Indexed Notes will be affected by a number of factors, independent of the creditworthiness of the Issuer and the value of the applicable currency, commodity, interest rate or other index, including, but not limited to, the volatility of the applicable currency, commodity, interest rate or other index, the time remaining to the maturity of such Indexed Notes, the amount outstanding of such Indexed Notes and market interest rates. The value of the applicable currency, commodity, interest rate or other index depends on a number of interrelated factors, including economic, financial and political events, over which the Issuer has no control.

Additionally, if the formula used to determine the principal amount or interest payable with respect to such Indexed Notes contains a multiple or leverage factor, the effect of any change in the applicable currency, commodity, interest rate or other index may be increased. The historical experience of the relevant currencies, commodities, interest rate or other indices should not be taken as an indication of future performance of such currencies, commodities, interest rate or other indices during the term of any indexed note. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in Indexed Notes and the suitability of Indexed Notes in light of their particular circumstances.

Notes issued at a substantial discount.

The market values of securities issued at a substantial discount from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing Notes with comparable maturities.

Particular tax consequences of holding bearer notes.

Any potential investor should consult its own independent tax advisor for more information about the tax consequences of acquiring, owning and disposing of bearer notes in its particular circumstances. Bearer notes generally may not be offered or sold in the United States or to United States persons. Unless an exemption applies, a United States person holding a bearer note or coupon will not be entitled to deduct any loss on the bearer note or coupon and must treat as ordinary income any gain realized on the sale or other taxable disposition of the bearer note or coupon.

Changes in the method by which EURIBOR, SOFR or other benchmarks are determined, or the discontinuation of any benchmark, may adversely affect the rate of interest on or value of Floating Rate Notes.

The rate of interest on Floating Rate Notes may be calculated on the basis of the EURIBOR, SOFR, or any other reference rate specified in the applicable Final Terms (any such reference rate, a "Benchmark"), or by reference to a swap rate that is itself based on a Benchmark. Accordingly, changes in the method by which any Benchmark is calculated or the discontinuation of any Benchmark may impact the rate of interest applicable to the Notes bearing interest on the basis of such Benchmark, and thus their value.

EURIBOR, SOFR and other Benchmarks are the subject of recent international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, or to disappear entirely, or, in the case of SOFR, are relatively new, which may have consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a "benchmark."

Work streams are underway in Europe to reform EURIBOR and to provide a fallback by reference to a euro risk-free rate. On September 13, 2018 the working group on euro risk-free rates recommended Euro Short-term Rate ("ESTER") as the new risk free rate. ESTER was first published by the European Central Bank on October 2, 2019. In addition, on January 21, 2019, the euro risk-free rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). The guiding principles indicate, among other things, that continuing to reference EURIBOR in relevant contracts may increase the risk to the euro area financial system. In November 2019, the euro risk-free working group published a report with high-level recommendations for fallback provisions in contracts that reference EURIBOR. The working group is also looking at identifying specific fallbacks for EURIBOR based on ESTER.

At this time, the nature and overall timeframe of the transition away from EURIBOR is uncertain and no consensus exists as to what rate or rates may become accepted alternatives to EURIBOR. It is impossible to predict the effect of the transition and any alternative rates on the value of EURIBOR-based securities, including EURIBOR-based Floating Rate Notes.

Further, the BMR, which entered into force on January 1, 2018 and applies to "contributors", "administrators" and "users" of "benchmarks" in the EU, among other things, (i) require benchmark administrators to be authorized (or, if non-EU-based, to have satisfied certain "equivalence" conditions in its local jurisdiction, to be "recognized" by the competent authority of the applicable Member State pending an equivalence decision or to be "endorsed" for such purpose by an EU competent authority) and to comply with requirements in relation to the administration of "benchmarks" and (ii) ban the use of "benchmarks" of unauthorized administrators. On July 2, 2019, the Financial Services and Market Authority of Belgium authorized the EMMI as the administrator of EURIBOR (as reformed) under the BMR. This means that EU supervised entities will be able to use EURIBOR as a Benchmarks Regulation compliant benchmark after the end of the BMR transitional period.

The BMR could have a material impact on Notes linked to a "benchmark" rate or index, such as EURIBOR, including in any of the following circumstances:

- a rate or index which is a "benchmark" could not be used as such if its administrator does not obtain authorization or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the "equivalence" conditions, is not "recognized" pending such a decision and is not "endorsed" for such purpose. In such event, depending on the particular "benchmark" and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; and

- the methodology or other terms of the "benchmark" could be changed in order to comply with the terms of the BMR, and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level and could lead to adjustments to the terms of the Notes, including calculation agent determination of the rate or level in its discretion.

Any of the international, national or other proposals for reform or the general increased regulatory scrutiny of "benchmarks" could increase the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the disappearance of certain "benchmarks". The disappearance of a "benchmark" or changes in the manner of administration of a "benchmark" could result in adjustment to the terms and conditions of the relevant Notes or other consequences, depending on the specific provisions of the relevant Notes. Any such consequence could have a material adverse effect on the value of and return on any such Notes including adverse U.S. federal income tax consequences for holders of the Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the BMR reforms or possible cessation or reform EURIBOR in making any investment decision with respect to the Floating Rate Notes.

The secondary trading market for Floating Rate Notes with rates based on SOFR may be limited or unpredictable.

If SOFR does not prove to be widely used as a benchmark in securities that are similar or comparable to Notes linked to SOFR, the trading price of such Floating Rate Notes may be lower than those of debt securities with

interest rates that are based on rates that are more widely used. Similarly, market terms for debt securities with rates that are based on SOFR, including, but not limited to, the spread over the reference rate reflected in the interest rate provisions or manner of compounding the reference rate (if applicable), may evolve over time, and as a result, trading prices of any Notes linked to SOFR may be lower than those of later-issued debt securities that are based on SOFR. Investors in any such Floating Rate Notes may not be able to sell such Notes at all or may not be able to sell them at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

The manner of adoption or application of reference rates based on SOFR in the bond market may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any potential inconsistencies between the adoption of reference rates based on SOFR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of such Floating Rate Notes.

Investors should not rely on indicative or historical data concerning SOFR.

The FRBNY started publishing SOFR in April 2018. Although FRBNY has also published historical indicative SOFR dating back to 2014, such historical indicative data inherently involves assumptions, estimates and approximations. The levels of SOFR over time may bear little or no relation to the historical actual or historical indicative data and investors should not rely on such historical indicative data or on any historical changes or trends in SOFR as an indicator of the future performance of SOFR. Prior observed patterns, if any, in the behavior of market variables and their relation to SOFR, such as correlations, may change in the future. Therefore, no future performance of SOFR may be inferred from any of the historical actual or historical indicative SOFR data. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of SOFR.

The FRBNY notes on its publication page for SOFR that use of SOFR is subject to important limitations, indemnification obligations and disclaimers, including that the FRBNY may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. There can be no guarantee that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes linked to SOFR. If the manner in which SOFR is calculated is changed or if SOFR is discontinued, that change or discontinuance may result in a reduction of the interest payable on such Notes and a reduction in the trading price of such Notes.

The interest rate on the Floating Rate Notes may be linked to SOFR, which is relatively new in the marketplace.

The interest rate on the Floating Rate Notes may be linked to SOFR, as specified in the Final Terms. Relatively limited market precedent exists for securities that use SOFR as the interest rate and the method for calculating an interest rate based upon SOFR in those precedents varies. Accordingly, the use of SOFR in Floating Rate Notes may not be widely adopted by other market participants, if at all. If the market adopts a different calculation method, that would likely adversely affect the market value of Notes linked to SOFR.

SOFR may be more volatile than other benchmark or market rates.

Since the initial publication, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or market rates during corresponding periods. In addition, although changes in term SOFR and weighted average daily SOFR generally are not expected to be as volatile as changes in SOFR on a daily basis, the return on, value of and market for Notes linked to SOFR may fluctuate more than floating-rate debt securities with rates of interest based on less volatile rates. The FRBNY has at times conducted operations in the overnight U.S. Treasury repo market in order to help maintain the federal funds rate within a target range. There can be no assurance that the FRBNY will continue to conduct such operations in the future, and the duration and extent of any such operations is inherently uncertain. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain and could be materially adverse to investors in Notes linked to SOFR.

SOFR may be modified or discontinued, and changes in SOFR could adversely affect holders of Floating Rate Notes.

Because SOFR is published by FRBNY based on data received from other sources, we have no control over its determination, calculation or publication. The FRBNY, or any successor thereof, as the administrator of SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on Notes linked to SOFR, which may adversely affect the trading prices of such Notes. FRBNY, or any successor thereof, may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of SOFR in its sole discretion and without notice and has no obligation to consider the interests of holders of such Floating Rate Notes in calculating, withdrawing, modifying, amending, suspending or discontinuing SOFR. There can be no assurance that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of holders of Notes linked to SOFR. For purposes of the formula used to calculate the rate of interest during the Interest Reset Period, SOFR in respect of a particular date will not be adjusted for any modifications or amendments to SOFR data that the administrator of SOFR may publish after the rate of interest for that day has been determined in accordance with the terms and provisions set forth in this Prospectus and any Benchmark Replacement Conforming Changes. Further, if the interest rate on such Floating Rate Notes during the applicable floating rate period on any day or for any interest period declines to zero or becomes negative, it will have a negative effect on the rate for the period, although the rate for that period may still be positive and interest may still accrue for that day.

The Issuer or its affiliate will make determinations with respect to Notes linked to a Benchmark that may be adverse to your interests, including potentially selecting a Benchmark Replacement which could adversely affect the return on, value of or market for Notes linked to a Benchmark.

The Issuer or its designee may make certain determinations, decisions and elections with respect to the interest rate on Notes linked to a Benchmark. The Issuer or its designee will make any such determination, decision or election in its sole discretion, and any such determination, decision or election that is made could affect the amount of interest payable on Notes linked to such Benchmark. See "Description of the Notes—Benchmark Replacement Provisions."

For example, if the Issuer or its designee, after consulting with the Issuer, determines that a Benchmark Transition Event and related Benchmark Replacement Date have occurred with respect to the relevant Benchmark, the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes relating to such Floating Rate Notes. If a particular Benchmark Replacement or Benchmark Replacement Adjustment cannot be determined, then the next-available Benchmark Replacement or Benchmark Replacement Adjustment will apply.

The application of a Benchmark Replacement and Benchmark Replacement Adjustment, and any implementation of Benchmark Replacement Conforming Changes, could result in adverse consequences to the amount of interest payable on any Notes linked to such Benchmark, which could adversely affect the return on, value of and market for such Floating Rate Notes.

Further, (i) the composition and characteristics of any Benchmark Replacement may not be the same as those of the then-current Benchmark (ii) the Benchmark Replacement may not be the economic equivalent of the then-current Benchmark (iii) there can be no assurance that the Benchmark Replacement will perform in the same way as the then-current Benchmark would have at any time, (iv) there is no guarantee that the Benchmark Replacement will be a comparable substitute for the then-current Benchmark (which means that a Benchmark Transition Event could adversely affect the return on, value of and market for the applicable Floating Rate Notes), (v) any failure of the Benchmark Replacement to gain market acceptance could adversely affect such Floating Rate Notes, (vi) the Benchmark Replacement may have a very limited history and the future performance of the Benchmark Replacement may not be able to be predicted based on historical performance, (vii) the secondary trading market for debt securities linked to the Benchmark Replacement may be limited and (viii) the administrator of the Benchmark Replacement may make changes that could change the value of the Benchmark Replacement or discontinue the Benchmark Replacement and would not have any obligation to consider the interests of holders of any Floating Rate Notes in doing so.

Any exercise of discretion by the Issuer or one of its designee, under the terms of the Notes linked to a Benchmark could present a conflict of interest. The interests of the Issuer or its designee in making these determinations described above may be adverse to your interests as a holder of such Notes. All determinations, decisions or elections by the Issuer or its designee, including those made by a designee acting as calculation agent, will be conclusive and binding absent manifest error.

Risks Relating to Tier II Subordinated Notes

Any subordinated notes will be unsecured and subordinated and rank junior in payment and in liquidation to all of our existing and future senior obligations.

Any subordinated notes will be unsecured and subordinated and rank junior in payment to all of our existing and future senior obligations.

In the event of any distribution to creditors of BCP:

- in case of an intervention, or dissolution and liquidation, of BCP,
- in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to BCP or its property,
- in an assignment for the benefit of creditors, or
- in any marshaling of BCP's assets and liabilities,

the holders of senior obligations will be entitled to receive payment in full of all obligations due in respect of senior obligations (including interest after the commencement of any bankruptcy proceeding at the rate specified in the applicable senior obligations) before the holders of subordinated notes will be entitled to receive any payment with respect to the subordinated notes.

As a result of the subordination provisions described above, in the event of an intervention, or dissolution and liquidation of BCP, holders of subordinated notes may recover ratably less than creditors of BCP who are holders of senior obligations.

As of December 31, 2024, we estimate that we had outstanding, on a consolidated basis, total senior obligations of approximately S/11.1 billion (approximately U.S.$2.9 billion), all of which constituted unsecured indebtedness.

We may incur, and neither the indenture nor applicable laws prohibit us from incurring, additional indebtedness, including non-subordinated indebtedness, from time to time.

Under applicable SBS regulations, our obligations under any subordinated notes can be accelerated only in certain very limited circumstances, and your remedies will accordingly be limited if we do not satisfy our obligations under the subordinated notes.

Under SBS regulations governing subordinated debt issued by Peruvian banks, payment of principal may be accelerated only in specified instances involving our intervention or dissolution and liquidation. There is no right of acceleration in the case of a default in the performance of any of our covenants, including a default in the payment of principal or interest.

Any subordinated notes may be used to absorb losses that we incur.

Any subordinated notes we issue would be issued with the intention and purpose of increasing the amount of our regulatory capital. In order to be eligible for treatment as Tier II regulatory capital, such subordinated notes would need to satisfy a number of conditions. One such condition relates to the availability of the subordinated notes and the proceeds therefrom to absorb losses that we may incur.

Upon intervention by the SBS or dissolution and liquidation of BCP, the SBS will, when applicable, use accrued and unpaid interest on, and principal amounts of, any subordinated notes (along with other obligations ranking equally to

said subordinated notes), in that order and on a prorated basis and *pari passu* among them, to absorb losses of the Bank. If the SBS were to do so, then any losses of the Bank would be absorbed (i) by the instruments that qualify as Tier I Capital (which include current and retained earnings, premiums on the issuance of shares, voluntary and mandatory reserves and capital stock, among others), (ii) by equity instruments that qualify as Tier II Capital, and (iii) by other Tier II Capital (such as the Notes), in that order.

As a result of any such action by the SBS that results in loss absorption by subordinated notes, such amount of principal and interest on the subordinated notes would not be paid to the investors in the notes and the investors would permanently lose all rights to the amounts so absorbed and would have no further claim against the Bank in respect of any such amounts.

Consequently, there is a substantial risk that investors in any subordinated notes may lose some or even all of their investment in said notes upon the occurrence of an intervention by the SBS or dissolution and liquidation of the Bank. The occurrence of an intervention by the SBS or dissolution and liquidation of the Bank, or even the expectation or suggestion thereof, might materially adversely affect the rights of holders, the value and/or market price of an investment in the subordinated notes and/or the amounts payable by the Issuer in respect of said notes.

In limited circumstances, during a Peruvian bank's dissolution and liquidation proceeding, the creditors of such bank representing at least 30% of such bank's total liabilities may propose a recovery plan, subject to the consent of the SBS. Such plan must contemplate the application of the bank's capital instruments (such as the Notes) to absorb losses of the Bank and, in case any amount of such capital instruments remains outstanding, its conversion into equity. See "Regulatory Environment—Intervention by the SBS and Liquidation." with respect to the rules relating to an intervention and liquidation of the Bank by the SBS.

When the remaining term to maturity of any subordinated notes becomes less than five years, the subordinated notes may no longer qualify as regulatory capital in Peru; as a result, we may have an incentive to redeem any subordinated notes prior to their final maturity.

Under current Peruvian banking regulations, redeemable subordinated debt progressively ceases to qualify as regulatory capital when the remaining time to maturity on such debt becomes less than five years (with the application of a subordinated debt towards regulatory capital being reduced 20% for each of the last five years to maturity). Accordingly, we may have an incentive to redeem them, and consequently, your ability to earn returns on your investments in the notes may be terminated prior to their final maturity.

USE OF PROCEEDS

Unless otherwise specified in the Final Terms relating to any tranche of Notes, we intend to use the net proceeds from the sale of each issue of our Notes for general corporate purposes.

In addition, where the applicable Final Terms relating to any Notes specifies the use of proceeds of the issue as for "green," "blue," "social" or "sustainability" purposes as described in this "Use of Proceeds" section, the net proceeds from each such issue of Green, Blue, Social or Sustainability Notes will be used as so described.

For any Green, Blue, Social or Sustainability Notes, an amount equal to the net proceeds from each issue of Green, Blue, Social or Sustainability Notes will be separately identified and applied by us in financing or refinancing an Eligible Project (as defined below and as is further described in our Sustainability Financing Framework that is published on our website, as described in the applicable Final Terms), including loans granted by BCP and/or investments and expenditures made by BCP to develop green products and social services that have been disbursed up to 36 months preceding the issue date of the Green, Blue, Social or Sustainability Notes, all pursuant to the Sustainability Financing Framework. Any such financing or refinancing of Green, Blue, Social or Sustainability Notes will be of an Eligible Project. Our Sustainability Financing Framework was designed with the goal of ensuring that any issue of Green, Blue, Social or Sustainability Notes is used to finance or refinance green, blue, social or sustainability projects or assets in an Eligible Project in accordance with the International Capital Markets Association ("ICMA") Green Bond Principles, the ICMA Social Bond Principles, the Loan Market Association ("LMA")/Loan Syndications and Trading Association ("LSTA")/Asia Pacific Loan Market Association ("APLMA") Loan Principles, and the ICMA Sustainability Bond Guidelines.

"Eligible Projects" are eligible green, blue or social assets or projects that will contribute to one or more of the following objectives:

- for eligible green and blue projects:
    - contributing to the reduction of greenhouse gas ("GHG") emissions through investments in renewable energy sources and low carbon transportation;
    - promoting a positive environmental impact on local communities through investments in new or refurbished green commercial or residential buildings and energy efficient systems;
    - reducing natural resource waste through water waste prevention and sustainable utilization; or
    - promoting the maintenance and enhancement of natural resources and ecosystems through sustainable agriculture, forestry and aquaculture and fisheries; and
- for eligible social projects:
    - providing access to essential financial services for low-income and underserved populations;
    - providing access to essential financial services to micro, small and medium-sized enterprises ("MSMEs");
    - providing and increasing access to essential financial services to unbanked and underbanked populations;
    - promoting the creation and preservation of viable jobs, socio-economic advancement and empowerment through microfinance and support to women businesses;
    - contributing to the growth of local economies in rural or remote areas; or
    - contributing to reducing social inequalities.

For the corporate financing of projects that do not fall within one of the objectives above, financings will be eligible under our Sustainability Financing Framework provided that at least 90% of such company's income is related to activities contemplated in one or more of the eligible categories:

- renewable energy;
- clear transportation;
- green buildings;
- energy efficiency;
- sustainable water and wastewater management;
- environmentally sustainable management of living natural resources and sustainable land use;
- circular Economy adapted products, production technologies and processes and/or certified eco-efficient product;
- terrestrial or aquatic biodiversity; and
- pollution prevention and control.

Finally, BCP has developed a list of exclusionary criteria for the proceeds of any offering hereunder, such that BCP commits itself to not knowingly be involved in financing any of the following projects or activities through the proceeds hereunder, including weapons and arms trade, tobacco, fossil fuels, alcohol, gambling, adult entertainment, and other categories described in internal BCP credit policies.

The "ICMA Green Bond Principles," at any time, are the green bond principles published by the International Capital Markets Association ("ICMA") at such time, which as of the date of this Prospectus, are the Green Bond Principles 2021, updated in 2022 (https://www.icmagroup.org/assets/documents/Sustainable-finance/2022-updates/Green-Bond-Principles-June-2022-060623.pdf). The "ICMA Social Bond Principles," at any time, are the social bond principles published by the ICMA at such time, which as of the date of this Base Prospectus, are the Social Bond Principles, updated in June 2023 (https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Social-Bond-Principles-SBP-June-2023-220623.pdf). The "Green Loan Principles," at any time, are the sustainability bond guidelines published by the Loan Market Association, the Asia Pacific Loan Market Association, and the Loan Syndications & Trading Association, which as of the date of this Base Prospectus are the Green Loan Principles 2023 (https://www.lma.eu.com/application/files/4716/7715/0338/Green_Loan_Principles_23_February_2023.pdf). **Any information contained in, or accessible through, such websites is not incorporated by reference in, and does not constitute part of, this Base Prospectus.**

Process for Project Evaluation and Selection

BCP has established a Sustainability Financing Working Group (the "Working Group") to evaluate and select Eligible Projects and to allocate green and social financing to such assets. The Working Group will meet when required and, at a minimum, on a semi-annual basis when the green and social asset portfolio will be reviewed and updated. This Working Group consists of senior representatives from the Treasury Division, the Corporate Sustainability Office, a representative of Mibanco, a representative of Reconecta, Wholesale Banking, Risk Management, and Investor Relations, in addition to other relevant business units. The Working Group's composition may evolve to include other BCP entities. The Working Group will report to, and be overseen by, the Treasurer.

The Working Group will review the loan portfolio and any potential eligible investment or expenditures in a three-step process, and assets that will meet the criteria in all three steps of the selection process will be added to the green and social asset portfolio:

- review any potential asset against the list of exclusionary criteria and exclude any loans or expenditures from the Eligible Projects portfolio that were used to finance those activities;

- a review of each loan, investment or expenditure to assess alignment to the eligibility criteria as described in the Sustainability Financing Framework; and

- review potential Eligible Projects to manage perceived environmental and social ("E&S") risks potentially associated with projects selected, and to ensure that no loans, investments or expenditures are associated with material E&S risks. E&S risks are assessed within the BCP governance for E&S risk mitigation as described in the Sustainability Financing Framework.

Management of Proceeds

The net proceeds from Green, Blue, Social or Sustainability Notes issued under our Sustainability Financing Framework will be deposited in the general account and an amount at least equivalent to the net proceeds will be earmarked for allocation to the Eligible Projects, in accordance with our Sustainability Financing Framework. We will take specific measures as part of our annual financial audit process to track invested amounts and loans granted in order to finance Eligible Projects. The balance of the tracked proceeds should be periodically adjusted on a quarterly basis, in order to match allocations to Eligible Projects (re)financed during this period.

We will use our best efforts to substitute any projects that are no longer eligible, as soon as practicable, once an appropriate substitution option has been identified. We aim to have fully allocated an amount equal to the net proceeds of each Green, Blue, Social or Sustainability Note within 24 months of issuance of such Notes. Pending the allocation or reallocation, as the case may be, of the net proceeds, we will invest the balance of the net proceeds, at our discretion, in cash or cash equivalents, or in other liquid marketable instruments, per our liquidity management policy.

Reporting

We will publish an annual report on the allocation and impact of the net proceeds of any Green, Blue, Social or Sustainability Notes, when feasible, every year until those proceeds are fully allocated. Moreover, we shall communicate any material changes in the composition of our Eligible Projects portfolio on an ad hoc basis.

Allocation Reporting

We will provide the following information with respect to allocations: (i) net proceeds raised from each Green, Blue, Social or Sustainability Note; (ii) aggregate amount of funds allocated to each of the Eligible Project categories; (iii) the balance of unallocated proceeds at the reporting period end; and (iv) the portion of net proceeds used for financing vs. refinancing.

Impact Reporting

We will report on relevant green and/or social outcomes and impact metrics where feasible and will disclose measurement methodology for quantitative indicators. Examples of these metrics are given in our Sustainability Financing Framework.

Disclosure of information relating to the allocation and impact reports will be subject to our confidentiality rules and the availability of information. Our annual report is available on our website (https://www.viabcp.com/relaciones-con-inversionistas). **Any information contained in, or accessible through, our website is not incorporated by reference in, and does not constitute part of, this Base Prospectus.**

External Review

In 2023, we updated our Sustainability Financing Framework in line with the framework described herein, and we obtained a second party opinion in respect of our Sustainability Financing Framework's compliance with the ICMA Green Bond Principles, the ICMA Social Bond Principles and the best market practices from S&P Global Ratings, which is available on our website. Furthermore, in 2023 we launched our first allocation report reviewed by an external auditor who verified the allocation of the net proceeds of any Green, Blue, Social or Sustainability Notes and the compliance with our Sustainability Financing Framework of the selected Eligible Projects, providing third-party assurance; such report is available on our website.

Neither the Sustainability Financing Framework, nor any of the above reports, verification assessments or contents of any of the above websites are incorporated in or form part of this Base Prospectus.

OVERVIEW OF THE BANK

The following overview highlights selected information about us and the rights to subscribe for our Notes that are offered hereby. This overview does not contain all of the information that an investor should consider before subscribing to rights to acquire our Notes. Before making an investment decision, you should read this entire Prospectus carefully for a more complete understanding of our business and this offering, including our financial statements and respective notes thereto and the notes to those financial statements and the sections named "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

This overview is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Prospectus.

BCP

We were established in 1889 in Lima, Peru under the name of Banco Italiano by a group of Italian immigrants. By 1920, we had become, as we are today, the largest commercial bank in Peru, by total assets, loans, deposits, shareholders' equity and branch network. We have always been involved in Peru's development and continue to be part of its history. We are currently controlled by Credicorp (NYSE: BAP), which holds 97.7% of our capital stock through Grupo Crédito S.A. ("Grupo Crédito"), Credicorp's wholly owned subsidiary in Peru. As of December 31, 2024, members of the Romero family held 12.24% of Credicorp's common shares, as stated in the Schedule 13G filed in respect of Credicorp with the SEC on February 13 2023, with no changes as of December 31, 2024. We are listed and our common shares are traded on the BVL. As of December 31, 2024, 2.3% of our common stock was publicly held.

We have the leading banking franchise in Peru, including commercial and retail. We acquired Empresa Financiera Edyficar S.A. ("Edyficar"), a microfinance institution, in October 2009 as part of our strategy of increasing our presence in underbanked segments. In this context, in 2014 we focused our efforts on the acquisition of Mibanco, a local bank that specializes in the micro and small entities sector. After acquiring, directly and indirectly, 86.93% of the capital stock of Mibanco, we focused on the implementation of Edyficar's successful and proven business model. In 2015, we concluded the spin-off of a group of assets and liabilities of Edyficar, which were merged with Mibanco. Through this transaction, Mibanco absorbed almost all the assets and liabilities of Edyficar, thereby strengthening its capital stock and its position as the leader of the microfinance sector in Peru. In addition, a merger transaction between Edyficar and Solución Empresa Administradora Hipotecaria S.A. ("SEAH") was agreed upon. Such transaction became effective as of September 1, 2017. As a result of such merger, Edyficar was absorbed by SEAH. As of December 31, 2024, BCP and Grupo Crédito held 94.9% and 4.99% of the capital stock of Mibanco, respectively. As of such date, Mibanco represented 6.5% of our total assets.

We provide a full range of corporate and retail banking products to our corporate and retail clients through our nationwide distribution network. According to the SBS, as of December 31, 2024, and excluding Mibanco, we had the largest branch network among Peruvian banks, with 313 branches and agencies, including 178 in Lima and the adjoining city of Callao, as well as a branch in Panama and an agency in Miami. Additionally, as of December 31, 2024, Mibanco had 283 branches. As of the same date, we also had 2,473 automated teller machines ("ATMs") and 10,600 BCP Agents, a form of automated teller service.

As of December 31, 2024, on an unconsolidated basis, we were the largest financial institution in Peru in terms of total assets, which stood at S/195.7 billion (or U.S.$51.9 billion), total gross direct loans, which stood at S/119.6 billion (or U.S.$31.8 billion), total deposits, which stood at S/136.8 billion (or U.S.$36.4 billion), and shareholders' equity, which stood at S/24.9 billion (or U.S.$6.6 billion), according to the SBS. As of December 31, 2024, our direct loans and deposits represented 33.8% and 35.9%, respectively, of the entire Peruvian financial system, according to the SBS. Given our relatively higher concentration on corporate clients, as of December 31, 2024, of our total loans and deposits, 32.2% and 43.2%, respectively, were denominated in U.S. dollars as compared to 27.5% and 39.2%, respectively, for the entire Peruvian financial system. As of December 31, 2024, our unconsolidated capital adequacy ratio was 18.7% (compared to the minimum regulatory capital requirement of 10.0%), and our net income for the year ended December 31, 2024 was S/5.2 billion (or U.S.$1.4 billion) according to figures published by the SBS.

Our extensive retail network, strong reputation and brand recognition allow us to benefit from a diversified and stable deposit base. According to unconsolidated figures published by the SBS, we have one of the highest core-

deposit ratios (calculated as demand deposits, savings and severance indemnity deposits to total deposits) in the Peruvian financial system, which, as of December 31, 2024, stood at 77.6% compared to the average ratio of the system of 66.5%. We have historically focused on our core lending activities as a major source of income. As of December 31, 2024, our unconsolidated ratios of gross direct loans to total assets and gross direct loans to total deposits were 60.7% and 87.4%, respectively.

We believe that we have a strong competitive position due to the diversity and size of our customer portfolio, our extensive relationships with prominent corporate clients, our widespread branch network, and our low-cost funding structure, our high level of investment in technology and the experience and professionalism of our management.

Our operations in Peru, including those of Mibanco, are supervised and regulated by the SBS and the BCRP. The operations of our Panamanian branch are supervised and regulated by the SBS and the Panamanian Superintendency of Banks (*Superintendencia de Bancos de la República de Panamá*) ("PSB") and we hold an international banking license issued by the PSB. Our agency in Miami is regulated by the United States Federal Reserve System and by the Florida Office of Financial Regulation.

Strategy

Our Strategy is geared towards delivering an extraordinary, efficient experience to remain competitive while investing in long-term sustainable growth. As such, we aim to be #1 in Customer Experience and to be the most efficient bank in the region.

- Experience: We are focusing heavily on digital coverage and high transactionality, facilitating banking needs anytime, anywhere.

- Efficiency: We are focusing on solid income from margins and fees, expanding market share, launching new products, digitizing services, and generating new transactional income.

This strategy is delivered to the market through our business units, each having a distinct strategic approach.

- In Individuals, we developed a different strategy for each subsegment: from Affluent, where we have a value proposition based on personalized digital and physical comprehensive service, to a more digital cost-efficient and transactional value proposition for the mass market.
- In SMEs, we have two objectives: to develop a digital solution and credit capabilities to serve smaller customers in a profitable way and to further develop risk-free income.
- In Wholesale, we have several objectives: Defending our core business, expanding our services beyond banking, ensuring end-to-end digitization, and identifying ESG opportunities aligned with our Purpose. Through BCP's strategy we aim to: (i) be number one in customer experience and (ii) have the best efficiency ratio in Latin America.

We work to develop key internal capabilities, which we refer to as our enablers, that will help us to stay on course towards our ambitions. Our enablers are:

- IT: We seek to bring value to the market by increasing the amount, quality, and speed of our tech releases.

- Data and Analytics: We implement our strategy by focusing on three fundamental pillars: (i) democratization of the use of data in all business areas, (ii) enhance most of our decisions with new sources of information, and (iii) building a robust ecosystem that protects our clients' information.

- Cybersecurity: We are focusing our efforts on the most effective strategies to reduce our exposure to cybersecurity risk.

We believe that our enablers leveraged by our talent and an agile mindset culture, will allow us to achieve our key objectives.

IT

To excel in Customer Experience, we needed to have outstanding channel uptime and deliver new functionalities to market in record time; and to do this efficiently, we needed modern technologies and re-utilization of components.

Today 100% of our apps and/or websites are customer-facing and we have developed over 700 reusable APIs. The results have been impressive across all 3 target dimensions: As of December 31, 2024, when compared against 2019, we have 80% fewer service incidents with a world class uptime of 99.5%, we released 9 times the number of features compared to 2023, development time has been reduced by 70% and we reduced the unit cost of digital transactions by 80%.

Data and Analytics

During 2024 we captured value through advanced analytics projects for approximately S/175 million, an increase of approximately 25% compared to the previous year. We strengthened our methodologies to calculate the value contributed by data initiatives, and we estimate that we have generated approximately S/40 million of value (marginal revenue increases or cost savings). Finally, we managed to migrate our data ecosystem to the cloud, which gives us flexibility, scalability, and security to face current challenges.

Cybersecurity

Our cybersecurity stance is a pragmatic mix of qualitative frameworks (that assess our defenses in real-time) with quantitative threat analysis.

We've implemented multi-factor authentication in digital channels. Now, we strive to continue raising awareness by continuously cyber-training our employees and generating large-scaled advertising campaigns for customers.

Underpinning these capabilities, we rely on a highly skilled and talented team (one that has been recruited, trained, upskilled) that operates on a well-established Agile delivery model. To continue satisfactory development of our enablers, we rely on our talent and an agile culture mindset.

Therefore, we are attracting, upskilling and retaining diverse tech talent. We recruit and hire specialized data, analytics and IT professionals from international hubs in different countries on various continents. We offer our tech talent the opportunity to develop leading edge capabilities in an environment in which we aim to lead in technology.

BCP has an agile organization scheme which was consolidated by (1) implementing an agile management model to promote the alignment, prioritization, and accountability of initiatives; (2) developing high performance agile teams that focus on initiatives that improve time to market, productivity and quality in our squads, which are our agile, autonomous and multidisciplinary teams that work within our Tribes and Centers of Excellence (CoEs); and (3) strengthening our chapters, which are highly specialized people that compose our CoEs, by raising the quality level of the service they offer to our squads. Tribes and CoEs are how we refer to our agile organizations dedicated to the creation and evolution of our highly specialized and strategic capabilities.

We have undergone a considerable transformation over the last 6 years. In our perspective, our strategy has resulted in a larger, more digital, efficient, transactional, and sustainable bank in the long run. We have made significant strides in solidifying our Strategy; this has resulted in an improvement of our mass market NPS (from 45 in 2023 to 54 in 2024) and significant progress in maintaining our cost-to-income.

In general, our transformation results are leading us towards a more digitized, loyal, and profitable customer profile – with more products, more use of digital channels and resulting in us being more profitable. Over the past 6 years, we have seen growth in several areas:

- Our customer base by 2.1x: From 8.4 million in 2019 to 17.5 million in 2024.
- Our Asset size by 1.4x: From S/140.8 billion in 2019 to S/197.5 billion in 2024.
- Our low-cost deposits grew by 68.9%: From S/64.9 billion in 2019 to S/109.6 billion in 2024.
- Our digital monetary transactions by 31.6x: From S/257.1 million in 2019 to S/8,063 million in 2024 (accumulated).
- Our total transactions by 15.9x: From S/2,626 million in 2019 to S/41,923 million in 2024 (accumulated).

This significant growth on most metrics reinforce (i) our capacity for growth, (ii) our successful digital strategy, (iii) the growing customers' preference for our digital services and (iv) customer's trust.

Our strategy execution is not only resulting in a better experience and more efficient value proposition for our customers. Sustainability is a key pillar of our strategic approach, focused on generating a positive impact in society aligned with our purpose and our business. Since 2020, we financially included 5.7 million people, educated over 1.6 million individuals, trained over 340,000 microbusiness owners via "Contigo Emprendedor" (with the help of 3,742 employee volunteers), among other achievements.

As we keep on evolving, we stay committed to our purpose to transform plans into reality, with a clear and sustainable strategy, centered on maximizing customer and employee experience and improving the efficiency of our operations, within a sustainable framework. We embrace taking calculated and prudent risks, proving time and again that we can adapt and thrive in an ever-changing landscape.

GENERAL DESCRIPTION OF THE PROGRAM

General

Under this Program, the Issuer may from time to time issue Notes to one or more of the following Dealers: BofA Securities, Inc., BNP Paribas Securities Corp., Citigroup Global Markets Inc., Daiwa Capital Markets America Inc., Goldman Sachs International, J.P. Morgan Securities LLC, Natixis Securities Americas LLC, SMBC Nikko Securities America, Inc., and any other Dealer appointed from time to time in accordance with the Dealer Agreement which appointment may be for a specific issue or on an ongoing basis (each a "Dealer" and together the "Dealers"). References in this Prospectus to the "relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

Each Series of Notes is issued either in bearer form or in registered form and Notes comprising each such Series will be issued in each case in the nominal amount of the denomination specified (the "Specified Denomination") in the applicable final terms (the "Final Terms"). The maximum aggregate principal amount of all Notes from time to time outstanding under the Program will not exceed U.S.$6,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement), subject to increase in accordance with the terms of the Dealer Agreement.

Notes will be issued by the Issuer through its head office in Lima, Peru.

Notes may be distributed by way of public offer (in jurisdictions in which a public offer of the Notes is permitted) or private placement and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the applicable Final Terms.

Notes will be issued on a continuous basis in tranches (each a "Tranche"), each Tranche consisting of Notes which are identical in all respects (including as to admission to trading and listing). One or more Tranches which are (i) expressed to be consolidated and forming a single series and (ii) identical in all respects (except for different issue dates, interest commencement dates, issue prices and dates for first interest payments) may form a series ("Series") of Notes. Further Notes may be issued as part of existing Series. The specific terms of each Tranche will be set forth in the applicable Final Terms.

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms. If the Notes are admitted to trading on a EEA regulated market or other trading platform or offered to the public in a Relevant Member State in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation, the minimum specified denomination of the Notes will be Euro 100,000 (or, if the Notes are denominated in a currency other than the Euro, the equivalent amount in such currency) or such higher amount as may be allowed or required from time to time by the relevant Central Bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Notes may be issued at an issue price which is at par or at a discount to, or premium over par, as specified in the applicable final terms.

The offering of the Notes by the Dealers is subject to receipt and acceptance of orders and subject to the Dealers' right to reject any order in whole or in part.

References in this Prospectus to Notes which are intended to be listed (and all related references) shall mean that such Notes have been admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange and have been listed on the Luxembourg Stock Exchange. The Program provides that Notes may be listed or admitted to trading on other or further stock exchanges including, but not limited to, the Frankfurt Stock Exchange and the SIX Swiss Exchange, as may be agreed between the Issuer and the relevant Dealer(s) in relation to each issue. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own financial situation. Certain issues of Notes involve a high degree of risk and potential investors should be prepared to sustain a loss of all or part of their investment. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and

professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Notes and are not relying on the advice of the Issuer or any Dealer in that regard. See "Risk Factors" beginning on page 8.

Bearer Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These Clearing Systems will include those operated by Clearstream Banking AG, Frankfurt ("CBF"), Clearstream Banking, *société anonyme*, Luxembourg ("CBL") and Euroclear Bank S.A./N.V. ("Euroclear").

Registered Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC"), (ii) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and CBL, or (iii) be deposited with a custodian or depositary for, and registered in the name of, a nominee of any other clearing system specified for a particular Tranche or Series of Notes, in each case, as specified in the applicable Final Terms. No beneficial owner of an interest in a Registered Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and CBL, in each case to the extent applicable.

Citibank, N.A., London Branch will act as fiscal agent (the "Fiscal Agent"), unless otherwise stated in the applicable final terms. Citibank, N.A., London Branch (the "Non-U.S. Transfer Agent") and Citibank, N.A., London Branch (the "U.S. Transfer Agent") will act as transfer agents (the "Transfer Agents"). Citibank, N.A., London Branch (the "Non-U.S. Paying Agent"), Citibank, N.A., London Branch (the "U.S. Paying Agent") and other institutions, all as indicated in the applicable final terms, as paying agents (the "Paying Agents"). Banque Internationale à Luxembourg, S.A. will act as Luxembourg listing agent (the "Luxembourg Listing Agent"). Citibank, N.A., London Branch will act as the U.S. registrar (the "U.S. Registrar") and Citibank, N.A., London Branch will act as the non-U.S. registrar (the "Non-U.S. Registrar," and, together with the U.S. Registrar, the "Registrars"). Citibank, N.A., London Branch will act as calculation agent ("Calculation Agent"). The Fiscal Agent, the Transfer Agents, the Paying Agents, the Luxembourg Listing Agent, the Registrars and the Calculation Agent are hereinafter referred to as the "Agents."

The Issuer reserves the right to vary such appointments and will publish notice of such change of appointment in a newspaper having a general circulation in Luxembourg (which is currently expected to be *LuxemburgerWort*) or on the official website of the Luxembourg Stock Exchange (www.luxse.com).

CAPITALIZATION

The following table sets forth our unconsolidated regulatory capital as of December 31, 2024. This information has been derived from the unconsolidated financial statements and is based on the company's accounting records published by the SBS.

	As of and for the year ended December 31, 2024	
	(Soles in millions) (audited)	(U.S. dollars in millions)[1]
Capital stock	12,973.2	3,446.6
Legal and other capital reserves	6,124.3	1,627.1
Retained earnings and net income for the year	6,589.3	1,750.6
Accumulated earnings with capitalization commitments	-	-
Non-cumulative junior subordinated debt	-	-
Subordinated bonds	7,339.8	1,950.0
Generic provisions for credits(2)	1,757.3	466.9
Unrealized gains	(413.7)	(109.9)
Less: goodwill	(122.1)	(32.4)
Less: software	(1,515.2)	(402.6)
Less: investment in subsidiaries and financial institutions and others	(2,477.7)	(658.3)
Total effective equity	30,255.1	8,038.0
Risk-weighted assets	161,734.4	42,968.8
Capital ratios		
Total effective equity as a percentage of risk-weighted assets(3)(4)	18.7%	18.7%
Ratio of risk-weighted assets to regulatory capital(3)	5.35	5.35

(1) For the convenience of the reader, these figures have been translated into U.S. dollars at S/3.764 to U.S.$1.00, the December 31, 2024 exchange rate published by the SBS. Such translation should not be construed as a representation that the Sol amounts have been converted into U.S. dollars pursuant to the requirements of Peruvian GAAP or generally accepted accounting principles in any other country.

(2) SBS rules allow banks using the standardized method for capital adequacy purposes to include loan loss reserves of up to 1.25% of credit risk-weighted assets in the calculation of regulatory capital.

(3) In March 2022, Legislative Decree 1531 was passed by the Government, revising the regulatory capital definition rules in Banking Law 26702 aiming to better comply with Basel III Standards. This ratio is calculated on an unconsolidated basis.

(4) The minimum regulatory capital as a percentage of risk-weighted assets is 8.5% as of January 2023, 9% as of April 2023, 9.5% as of September 2024, and 10% as of March 2025 onwards. Other regulatory requirements add an additional 4.26% as of December 31, 2024, and include systemically-important requirements, conservation buffer requirements and credit concentration. For further details see "Regulatory Environment—Implementation of Basel Principles—Capital adequacy"

EXCHANGE RATES

Exchange rates for the Sol have been relatively stable in recent years. The following table sets forth the period-average and period-end rates for U.S. dollars for the years ended December 31, 2020 through December 31, 2024 and through the date indicated in the table below, based on information published by the SBS. On December 31, 2024 the S/ to U.S.$ exchange rate was S/3.764 to U.S.$1.00. The Sol had a stable tendency during 2024, despite a politically adverse scenario with uncertainty due to weather effects. As of March 17, 2025, the S/ to U.S.$ exchange rate was S/3.649 to U.S.$1.00, which reflected an appreciation of 3.1% relative to the rate as of December 31, 2024, primarily as a result of economic recovery in Peru, compared to similar emerging market economies, which have been more noticeably affected by the ongoing tariff policy carried out by the current U.S. administration.

	Low	High	Period Average[1]	Period End
Year Ended:				
December 31, 2020	3.303	3.658	3.496	3.621
December 31, 2021	3.596	4.134	3.883	3.987
December 31, 2022	3.630	3.998	3.835	3.814
December 31, 2023	3.555	3.896	3.744	3.709
December 31, 2024	3.668	3.880	3.754	3.764
Month Ended:				
January 2025	3.712	3.780	3.747	3.722
February 2025	3.671	3.718	3.698	3.677
March 2025 (through March 17, 2025)	3.648	3.690	3.664	3.649

(1) Calculated as the average of the month-end or day-end exchange rates during the relevant period, as applicable.

Source: SBS.

Depreciation of the Sol in relation to the U.S. dollar would adversely affect our ability to meet our U.S. dollar-denominated obligations, including the notes offered hereby, while appreciation of the Sol in relation to the U.S. dollar could adversely affect the ability of some of our clients, mainly exporters, to meet their obligations with us, which could in turn affect our business and results of operations. See "Risk Factors—Risk Factors Relating to BCP and our Business—Our financial statements, particularly our interest-earning assets and interest-bearing liabilities, could be exposed to fluctuations in interest rates, foreign currency exchange rates and exchange controls, which may adversely affect our financial condition and results of operations."

In the past, the Peruvian economy has suffered balance of payment deficits and shortages in foreign exchange reserves. While the Peruvian government does not currently restrict the ability of Peruvian or foreign persons or entities to convert Soles to U.S. dollars, it may do so in the future. Any such restrictive exchange control policy could adversely affect our ability to make payments in U.S. dollars and could also have a material adverse effect on our financial condition and results of operations.

SELECTED FINANCIAL INFORMATION

The financial information as of and for the three years ended December 31, 2022, 2023 and 2024 has been derived from the consolidated financial statements. The consolidated financial statements as of and for the year ended December 31, 2022 have been audited by GAA, and their report included therein, are included in this Prospectus. The consolidated financial statements as of and for the years ended December 31, 2023 and 2024 have been audited by EY, and their reports included therein, are included in this Prospectus. This information should be read in conjunction with the financial statements, and the notes thereto as well as the sections entitled "Capitalization" and "Summary Financial Information". As indicated above, the financial statements have been prepared in accordance with Peruvian GAAP.

	For the years ended December 31,			
	2022	2023	2024	2024
		(Soles in thousands) (audited)		(U.S. dollars in thousands)(1)
INCOME STATEMENT DATA				
Financial income	13,002,030	16,526,934	17,446,993	4,635,227
Financial expenses	(2,776,800)	(4,455,300)	(4,266,834)	(1,133,590)
Gross financial margin	**10,225,230**	**12,071,634**	**13,180,159**	**3,501,636**
Provision for credit losses on loan portfolio, net of recoveries (2)	(1,978,190)	(3,461,495)	(3,449,151)	(916,353)
Net Financial Margin	**8,247,040**	**8,610,139**	**9,731,008**	**2,585,284**
Commissions for banking services, net	3,034,281	3,096,714	3,423,153	909,446
Net result from trading derivatives	4,804	101,855	81,703	21,706
Net result on securities	(24,657)	(80,521)	(30,009)	(7,973)
Net gain on foreign exchange transactions	1,003,855	997,648	1,166,567	309,927
Other non-financial income	213,264	355,973	284,376	75,552
Operating expenses	(6,301,484)	(6,881,172)	(7,607,250)	(2,021,055)
Net loss for exchange difference	(6,035)	(6,815)	(9,027)	(2,398)
Net profit before income tax	**6,171,068**	**6,193,821**	**7,040,521**	**1,870,489**
Income tax	(1,668,871)	(1,527,751)	(1,814,210)	(481,990)
Net profit for the year	**4,502,197**	**4,666,070**	**5,226,311**	**1,388,499**
Net basic and dilutive earnings per share attributable to Banco de Crédito del Perú's equity holders (in Soles) (3)	0.3454	0.3587	0.4017	0.1067
Dividends declared per common share (in Soles)(4)	0.1742	0.2420	0.3477	0.0924

(1) For the convenience of the reader data as of and for the period ended December 31, 2024 have been translated from Soles into U.S. dollars at a rate of S/3.764 to U.S.$1.00 (the December 31, 2024 exchange rate as published by the SBS).

(2) Provision for credit losses on loan portfolio includes provisions with respect to total direct and indirect loans. While direct loans represent outstanding loans, indirect loans include guarantees and stand-by letters of credit, import and export letters of credit, and amounts due from bank acceptances, which are not included as assets on our consolidated statement of financial position.

(3) See note 25 to the financial statements.

(4) Dividends declared for the year divided by the number of outstanding common shares at year end.

	As of December 31,			
	2022	2023	2024	2024
		(Soles in thousands) (audited)		(U.S. dollars in thousands)(1)
STATEMENT OF FINANCIAL POSITION DATA				
Total assets	**190,855,279**	**191,858,318**	**208,943,346**	**55,510,985**
Investments in trading, available-for-sale and held to maturity securities, net and permanent investments	24,540,037	29,997,239	31,799,405	8,448,301
Total direct loans (2)	135,998,967	131,714,419	132,022,117	35,074,951
Allowance for loan losses (3)	8,050,868	8,128,630	7,970,284	2,117,504
Total direct loans, net	127,948,099	123,585,789	124,051,833	32,957,448
Past due loans and under court collection	5,656,467	5,825,213	5,069,793	1,346,916
Deposits and obligations	129,819,665	132,308,517	147,715,728	39,244,349
Bonds and subordinated notes issued	13,840,114	10,961,427	13,627,208	3,620,406
Payables from repurchase agreements	11,843,594	8,005,844	7,203,885	1,913,891
Shareholders' equity attributable to BCP equity holders	22,062,339	24,025,703	25,012,505	6,645,193

(1) For the convenience of the reader data as of and for the period ended December 31, 2024 have been translated from Soles into U.S. dollars at a rate of S/3.764 to U.S.$1.00 (the December 31, 2024 exchange rate as published by the SBS).

(2) Net of deferred interest on discounted notes, plus accrued interest from current loans, but prior to reserve for loan losses. In addition to direct loans outstanding, we had indirect loans of S/20.4 billion, S/19.7 billion and S/22.2 billion as of December 31, 2022, 2023 and 2024, respectively.

(3) Allowance for loan losses include reserves with respect to direct loans only.

The following selected financial and operating data as of and for the years ended December 31, 2022, 2023 and 2024, have been derived from the financial statements. This information should be read in conjunction with the financial statements and the notes thereto. As indicated above, the financial statements have been prepared in accordance with Peruvian GAAP.

	As of and for the years ended December 31,		
	2022	2023	2024
	(Soles in millions, except as otherwise indicated)		
OTHER FINANCIAL DATA:			
Total operating revenue(1)	12,478.6	13,081.8	14,656.8
Dividends	2,121.1	3,139.3	4,510.5
Average interest-earning assets(2)	181,401.4	177,628.0	186,728.6
Average total assets(3)	194,344.0	191,356.8	200,400.8
Average shareholders' equity(4)	21,207.9	23,044.0	24,519.1
Risk-weighted assets(5)	161,938.8	153,473.1	161,734.4
Effective capital	23,364.4	26,792.8	30,255.1
SELECTED FINANCIAL RATIOS:			
Profitability and Efficiency			
Return on average shareholders' equity net(6)	21.6%	20.6%	22.2%
Return on average total assets(7)	2.3%	2.4%	2.6%
Dividend payout ratio(8)	69.7%	69.7%	96.7%
Net interest margin(9)	5.6%	6.8%	7.1%
Allowance for loans losses as a percentage of total operating revenue	64.5%	62.1%	23.5%
Efficiency ratio(10)	42.7%	40.5%	41.2%
Net fee income as a percentage of total operating revenue(11)	24.3%	23.7%	23.4%
Capitalization and Balance Sheet Structure			
Equity-to-asset ratio(12)	10.9%	12.0%	12.2%
Regulatory capital ratio	14.4%	17.5%	18.7%
Total loans as a percentage of total deposits	98.6%	93.4%	84.0%
Total deposits as a percentage of total assets	68.0%	69.0%	70.7%
Credit Quality			
Allowance for loan losses as a percentage of total gross loans(13)	5.9%	6.2%	6.0%
Allowance for loan losses as a percentage of past due loans (coverage ratio)(14)	142.3%	139.5%	157.2%

	As of and for the years ended December 31,		
	2022	2023	2024
Past due loans as a percentage of total gross loans(15).....	4.2%	4.5%	3.8%

(1) Total operating revenue is the aggregate of net interest income after provisions, commissions for banking services net, net result on securities, net result from trading derivatives, net loss for exchange difference and other non-financial income.

(2) Average interest-earning assets include deposits in the BCRP, deposits in local and foreign banks, interbank funds, investments and loan portfolio net, and the sum is calculated based on the monthly average of every period.

(3) Average total assets is defined as the simple average between the value of total assets at the end of the period or year and the value of total assets at the end of the previous corresponding period or year.

(4) Average shareholders' equity is defined as the simple average between the value of shareholders' equity at the end of the period or year and the value of shareholders' equity at the end of the previous corresponding period or year.

(5) Includes on and off balance sheet assets on an unconsolidated basis as reported to the SBS.

(6) Return on average shareholders' equity net is defined as net income as a percentage of average shareholders' equity net, calculated on a monthly basis.

(7) Return on average total assets is defined as net income as a percentage of average total assets.

(8) Dividend payout ratio is dividends presented in each year divided by the previous year's net income.

(9) Net interest margin is defined as the sum of the gross financial margin and non-interest income, divided by average interest-earning assets.

(10) Efficiency ratio for the period is calculated by dividing (i) operating expenses deducting other operating expenses by (ii) gross financial margin adding fees and commissions from banking services plus net gains on foreign exchange transactions plus net result from derivative instruments for the period.

(11) Commissions for banking services, net, as a percentage of total operating revenue.

(12) Average shareholders' equity divided by average total assets.

(13) Allowance for loan losses includes reserves with respect to total gross loans.

(14) Allowance for loan losses divided by total Past due loans and under court collection.

(15) Total past due loans and under court collection. divided by total gross loans

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations depend significantly upon the macroeconomic conditions prevailing in Peru and prospective investors should (among other things) consider the factors set forth under "Cautionary Statements Regarding Forward-Looking Statements" and "Risk Factors—Risk Factors Relating to BCP and our Business" and "Risk Factors—Risk Factors Relating to Peru."

Introduction

The following discussion should be read in conjunction with the audited consolidated financial statements as of and for the years ended December 31, 2022, 2023 and 2024 which were prepared in accordance with Peruvian GAAP, in each case including the notes thereto. The audited consolidated financial statements as of and for the year ended December 31, 2022 have been audited by GAA. The audited consolidated financial statements as of and for the years ended December 31, 2023 and 2024 have been audited by EY.

Under Peruvian GAAP, our financial statements are consolidated with the financial statements of our subsidiaries, which are companies controlled by us (*i.e.*, we have the power to govern the financial and operating policies of these enterprises so as to obtain benefits from their activities). See note 3 to the financial statements.

Significant Accounting Policies

In the preparation and presentation of the consolidated financial statements, our management has complied with the regulations established by the SBS in force in Peru as of December 31, 2022, 2023 and 2024. Certain of the accounting practices we employ, which conform to Peruvian GAAP, may differ in certain significant respects from generally accepted accounting principles in other countries. Critical accounting principles and practices used in the preparation of the annual and interim consolidated financial statements are described below. For further details on these accounting principles, see note 3 to the consolidated financial statements included elsewhere in this Prospectus.

Basis for presentation and use of estimates

The consolidated financial statements included elsewhere in this Base Prospectus have been prepared in Soles based on the accounting records of the Bank and its subsidiaries, in accordance with Peruvian GAAP applicable to financial entities. The accounting principles substantially comprise the SBS regulations and, when there are no specific SBS regulations, IFRS Accounting Standards as issued by IASB and as approved through the resolutions issued by the Peruvian Accounting Council (*Consejo Normativo de Contabilidad*) ("CNC"), and in force in Peru as of December 31, 2024.

These accounting principles are consistent with those used in the years ended December 31, 2022, 2023 and 2024.

The preparation of the accompanying consolidated financial statements requires management to make estimates that affect the reported amounts of assets, liabilities, revenue and expenses and the disclosure of significant events in the notes to the consolidated financial statements.

Estimates are continually evaluated and are based on historical experience and other factors. The most significant estimates related to the accompanying consolidated financial statements correspond to the allowance for loan losses, valuation and impairment of investments and the valuation of derivatives financial instruments; likewise, management performs other estimates, such as estimated useful life and the recoverable amount of intangible assets, property, furniture and equipment and deferred income tax assets and liabilities.

Also, the financial statements of subsidiaries and branch offices overseas have been standardized to the accounting standards of the SBS.

Basis of consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiaries for all the years presented.

Subsidiaries are all entities over which the Bank has control and the power to govern their financial and operating policies. This is generally evidenced by a shareholding of more than half of the voting rights. Subsidiaries are consolidated from the date on which effective control is transferred to the Bank and are no longer consolidated from the date that control ceases.

All transactions, balances, gains and losses between the Bank and its subsidiaries have been eliminated in the consolidation process.

Transactions with non-controlling interest

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as a capital transaction (equity transaction) and any resulting difference between the price paid and the amount corresponding to non-controlling shareholders must be recognized directly in the consolidated equity.

Functional and presentation currency

The Bank and its Subsidiaries consider the Sol as its functional and presentation currency, because it reflects the nature of economic events and relevant circumstances, since its main operations and/or transactions such as loans granted, obtained financing, finance income, finance expenses, and a significant percentage of purchases; are established and settled in soles.

Transactions and balance in foreign currency

Assets and liabilities in foreign currency are recorded for the Bank and its Subsidiaries at the exchange rate prevailing at the date of transactions. Monetary assets and liabilities denominated in foreign currency are adjusted at the exchange rate of the functional currency prevailing at the date of the statement of financial position. Profits or losses arising from the revaluation of monetary assets and liabilities in foreign currency at the exchange rates prevailing on the consolidated financial position date are recognized in the income statement under the category “Net loss for exchange difference”.

Recognition of income and expenses

Interest income and expense are recognized in profit or loss of the period in which they are accrued, based on the effective validity of the operations which generate them and the interest rates freely agreed with customers, except in the case of interest generated by loans which are past due, refinanced, restated, and in judicial collection; as well as loans classified in the doubtful and loss categories and the interest on which is recognized as earned to the extent to which they are collected. When management determines that the debtor’s financial condition has improved and the loan is reclassified to the status of current and/or the normal categories, with potential problems or deficient, interest is reestablished on an accrual basis.

Interest income includes returns earned on fixed income investments classified as investments at fair value through profit or loss, available-for-sale and held-to-maturity, which includes the accrued discount and premium on said financial instruments.

Dividends are recognized as income when they are declared.

Commissions and expenses for credit formalization, as well as for opening, study and evaluation of direct and indirect loans are recorded as income based on their accrual over the term of the respective contracts.

Commissions for financial services related to the maintenance of approved loans and to fees for additional and/or complementary operations or services to said loans, other than those indicated in the previous paragraph, are recognized as income when received. All other revenues and expenses are recognized as earned or incurred in the period in which they accrue.

Loans and allowance for loan losses

Direct loans are recorded when disbursement of funds is made to clients. Operations with credit cards are recorded as loans for the amount consumed and/or withdrawn. Indirect loans (contingent) are recorded when the documents supporting said facilities are issued. Loans considered as refinanced are loans or direct financing of which the original contractual terms and/or amounts have been modified due to difficulties in the payment capacity of the debtor. Loans considered as restructured are those subject to reprogramming of approved installments under a restructuring process in accordance with Law No. 27809 – "General Law of the Bankruptcy System".

Finance lease operations are accounted for under the financial method, recording as loans the principal of the lease installments pending collection.

Finance income is based on a pattern that reflects a constant interest rate over the net loan.

As of December 31, 2024 and 2023, the allowance for loan losses is determined following guidelines established by SBS Resolution No. 11356-2008 "Regulation for the evaluation and classification of the debtor and the requirement for provisions" and amendments and SBS Resolution No. 6941-2008 "Regulation for Managing the Risk of Retail Debtors with High Leverage Levels".

In accordance with SBS Resolution No. 11356-2008, the loan portfolio is separated into retail and non-retail borrowers, who could be individuals or legal entities. Retail borrowers have direct or indirect loans, classified as consumer (revolving and non-revolving), micro-business, small business or mortgage loans. Non-retail borrowers have direct or indirect loans classified as corporate, large business or medium business loans.

- Individuals with businesses: Currently, they can only be assigned the small and micro business credit types. Before the modification, they could additionally have the medium business credit type.

- Medium-business: Currently, the main classification criteria is the level of annual sales, which must exceed S/5.0 million. Before the modification, the level of indebtedness greater than S/300.0 thousand in the financial system was considered.

- Small-business: Currently, the main classification criteria are: (1) level of sales below S/5.0 million and (2) level of indebtedness greater than S/20.0 thousand. In the previous resolution, only the level of indebtedness below S/300.0 thousand and above S/20.0 thousand was considered.

- Economic Group Alignment: It was determined that all companies that are part of the same economic group must receive the same credit type classification as the parent company.

The application of these changes is prospective.

The provision includes, in general terms, the following components: (i) the provision resulting from the portfolio classification, (ii) the procyclical provision that is activated by the SBS considering the behavior of certain macroeconomic variables of the country (until 2014), (iii) the provision for over-indebtedness of the retail portfolio, if applicable, and (iv) the provision for foreign exchange credit risk and country risk, if applicable.

In this sense, management periodically reviews and analyzes the loan portfolio, classifying it into the following categories: normal, potential problem, substandard, doubtful or loss, depending on the degree of risk of default of payment of each debtor.

For non-retail loans, the classification into one of the categories mentioned above considers, among others, the following factors: the payment history of the specific debtor, the history of the commercial relations with the debtor's management, the debtor's operating history, repayment capability and availability of funds of the debtor, the status of any collateral or guarantee received, the analysis of the debtor's financial statements, the debtor's risk classification given by other financial institutions; plus other relevant factors as well as other factors such as sectoral and macroeconomic. For retail loans, the classification is mainly based on how long payments are overdue.

The allowance for indirect loans is determined based on the "Exposure equivalent to credit risk", in accordance with the loan conversion factor, which can be 0, 20.00, 50.00 and 100.00 percent.

Calculation of provision

The main considerations taken into account when calculating the provision for allowance for loan losses are described below:

- The provision is computed considering the risk classifications assigned and using specific percentages, which vary depending on whether or not the loans are secured by self-liquidating preferred guarantees (mainly cash deposits and rights on credit certificates); highly liquid preferred guarantees (treasury bonds issued by the Peruvian Government, financial instruments of the Peruvian Central Bank - BCRP, debt instruments issued by governments and central banks traded on a stock exchange, among others) or preferred guarantees (primary pledge on financial instruments, machinery, property, agriculture products or mineral, insurance credit on exports, among others), considered at their net realizable value as determined by independent appraisers. Furthermore, for the calculation of the provision, the classification of the guarantor or cosignatory must be considered, in case the credits have the joint and several responsibilities of a company of the financial or insurance system (credits subject to the substitution of credit counterparty – CAC).

- The provision for customers classified as doubtful or loss for more than 36 and 24 months, respectively, is computed without considering the value of the guarantees.

- For loans over 90 days past due, the expected loss is estimated and, if it is greater than the provision recorded, the Bank and its Subsidiaries must record additional provisions.

- In the case of debtors operating in countries where there is a higher risk of difficulties in servicing external debt, an assessment of the political and economic situation is made, and an additional country risk allowance is recorded.

- Pro-cyclical provisions were calculated for loans classified as normal and according to the percentages established by the SBS. However, as of December 31, 2024, and 2023, the pro-cyclical component of the provision was disabled as established by the Circular Letter SBS No. B-2224-2014 and its amendment, SBS Resolution No. 03718-2021 (as amended).

- Risk administration of over-indebtedness of retail borrowers is required by SBS Resolution No. 6941-2008, issued on August 25, 2008, “Regulation for managing the risk of over-indebtedness of retail borrowers”, amended by SBS Resolution No. 5570-2019, dated November 27, 2019. This standard requires that financial entities establish an over-indebtedness risk management system that will enable them to reduce risk, prior to and after granting the loan; as well as constant monitoring of the loan portfolio to identify over-indebted debtors, which includes the periodic evaluation of the control mechanisms used, as well as the corrective actions or improvements required, as applicable. For provisioning purposes, the financial entities that fail to comply with this standard to the satisfaction of the SBS, must calculate the exposure equivalent to the credit risk by applying a 20.00 percent factor to the unused amount of revolving credit lines for micro-business and consumer loans, and based on said amount, compute the provision according to the debtor’s classification.

As of December 31, 2024 and 2023, management considers that the Bank and its Subsidiaries have complied with the requirements of SBS Resolution No. 6941-2008, so it was not necessary to record additional general provisions relating to the inadequate administration of risk of over-indebtedness.

As of December 31, 2024 and 2023, the Bank and its Subsidiaries have recorded provisions for allowance for loan losses that exceed the minimums established by SBS regulations, which are included as part of the generic provision for loans.

Investments at fair value through profit or loss (trading), available-for-sale and held-to-maturity

As of December 31, 2024 and 2023, investments were valued in accordance with SBS Resolution No. 7033-2012 and amendments. The criteria for valuation of investments, according to their classification are as follows:

Investments at fair value through profit or loss - Initial recognition is at fair value, recording the transaction costs associated with such investments as expenses. Subsequent measurement is at fair value and any gain or loss

arising from changes in the initial cost and subsequent fair value is recognized directly in the consolidated statement of income.

Investments available-for-sale

Initial recognition is at fair value, including the transaction costs that are directly attributable to their acquisition. Gains or losses originated by changes between the initial cost and fair value are recognized directly in equity, unless there is a permanent impairment in its value, which in this case is recognized in the consolidated statement of income. When an instrument is realized or sold, the unrealized gain or loss previously recognized as part of equity will be transferred to the consolidated *s*tatement of income.

In the case of debt securities, before their subsequent measurement at fair value, the amortized cost is updated applying the effective interest rate; based on this amortized cost, gains or losses due to changes in fair value are recognized.

Investments held-to-maturity

Initial recognition is at fair value, including the transaction costs that are directly attributable to their acquisition; subsequent measurement is at amortized cost, using the effective interest rate method.

Transactions are recorded at the trade date, that is, the date of the assumption of the reciprocal obligations that must be complied with, within the term established by the regulations and practices of the market in which the transaction is performed.

Interest is recognized using the effective interest rate, which includes both the interest receivable and the amortization of the premium or discount existing in the acquisition.

Gains or losses from exchange differences related to the amortized cost of debt instruments affect the consolidated result of the period, and those related to the difference between the amortized cost and the fair value are recorded as part of the unrealized gain or loss in the consolidated statement of changes in equity.

Equity instruments are considered non-monetary items; therefore, they are maintained at their historical cost in local currency, and the exchange differences are part of their valuation and are recognized as unrealized results in the consolidated statement of changes in net equity.

The difference between the revenues received from the sale of the investments and their book value is recognized in the consolidated statement of income.

Impairment assessment

Resolution No. 7033-2012, which was modified with SBS Resolution No. 2610-2018 and SBS Resolution No. 04034-2022 establishes a standard methodology for the identification of impairment of financial instruments classified as available-for-sale investments and held-to-maturity investments, which must be applied quarterly to all debt and equity instruments as follows:

Debt instruments -

The occurrence of the following situations must be evaluated for the entire portfolio:

1. Impairment of financial position or financial ratios of the issuer or its economic group.

2. Discount in any of the credit ratings of the instrument or the issuer, in at least two (02) “notches”, from the moment the instrument was acquired, where a “notch” corresponds to the minimum difference between two risk ratings within the same rating scale.

3. Interruption of transactions or of an active market for the financial asset, due to issuer financial difficulties.

4. The observable data indicates that since its initial recognition of a group of financial assets with similar characteristics to the instrument evaluated, there is a measurable decrease in its estimated future cash flows, although it cannot yet be identified with individual financial assets of the Bank.

5. Decrease in value due to legislation changes (taxes, regulatory or other governmental changes).

6. Significant decrease in fair value below amortized cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40 percent below its amortized cost at that date.

7. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20 percent compared to the amortized cost of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months, has always remained below the amortized cost corresponding to the closing date of each month.

   The fair value to be used for the purposes of evaluating criteria 6 and 7 is that considered for the purposes of valuing the debt instruments available for sale, according to the criteria established in the indicated Resolution, regardless of the accounting classification it has the debt instrument. However, if the total or partial decrease in the fair value of the debt instrument is a consequence of an increase in the risk-free interest rate, this decrease should not be considered for the evaluation of criteria 6 and 7.

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1 Breach of contractual clauses like interruption of the interest or capital payments due to financial difficulties of the issuer.

2 Forced renegotiation of the contractual conditions of the instrument due to legal or financial difficulties related to the issuer.

3 Evidence that the issuer is to enter into a forced restructuring or bankruptcy process.

4 Downgrading of the risk classification, classified as investment grade, towards a classification that is below the investment grade.

Equity Instruments –

The occurrence of the following situations must be evaluated for the whole portfolio:

1. Downgrading of the risk classification, of a debt instrument classified as investment grade, towards a classification that is below the investment grade.

2. Significant changes have occurred in the technological, market, economic, or legal environment in which the issuer operates, which may have adverse effects on the investment recovery.

3. Impairment of the financial position or financial ratios of the issuer or its economic group.

4. Interruption of transactions or of an active market due to financial difficulties of the issuer.

5. Observable data indicates that since the initial recognition of a financial assets group with similar characteristics to the instrument evaluated, there is a measurable decrease in their estimated future cash flows, although it cannot be attributed to specific financial assets from the Bank.

6. Decrease in value due to legislation changes (taxes, regulatory or other governmental changes).

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Significant decrease in fair value below its acquisition cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40 percent below its cost value.

2. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20 percent compared to the fair value of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months has always remained below the cost of acquisition.

3. Breach of the statutory provisions by the issuer, related to the payment of dividends.

4. Evidence that the issuer is to enter into a forced restructuring or bankruptcy process.

In the case of changes from available-for-sale investment categories to held-to-maturity investments, the carrying amount of the fair value of the investment instrument on the date of the change will become its new amortized cost. Any previous result of that instrument, which previously would have been recognized directly in equity, will be taken to the result of the period throughout the remaining life of the investment held to maturity, using the effective interest rate method. Any difference between the new amortized cost and the amount at maturity will also be amortized over the remaining life of the investment instrument using the effective interest rate method similar to the amortization of a premium or discount. If the investment instrument subsequently suffered an impairment in value, any gain or loss that would have been recognized directly in equity will be transferred and recognized in the result of the period.

Investments in associates

An associate is an entity over which the Bank and its subsidiaries exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity, but without exercising control over said policies.

The considerations taken into account to determine significant influence are similar to those necessary to determine control over subsidiaries.

The Bank and its subsidiaries investments in its associates are recognized initially at fair value, including the transaction costs that are directly attributable to their acquisition. These investments are subsequently accounted for using the equity method.

In the case of securities that are quoted in centralized trading mechanisms, when their market value shows a declining trend for reasons considered non-temporary, the Bank and its subsidiaries must record an impairment provision, however, the SBS, at its discretion, may require a higher impairment provision to be recorded.

The investments in associates are included in “Investments in associates” in the consolidated statement of financial position; gains resulting from the use of the equity method are included in “Net results on securities” of the consolidated statement of income

Derivative financial instruments

Derivative financial instruments are recorded in accordance with accounting criteria established by SBS Resolution No. 1737-2006 “Regulation for Trading and Accounting of Derivatives for Financial Entities” and amendments, as explained below:

Trading. Derivative financial instruments are initially recognized at fair value recognizing an asset or liability in the consolidated statements of financial position, and the related gains and losses arising from changes in fair values are recorded in the consolidated statements of income. Also, derivative transactions are recorded as risks and contingent commitments at their reference values in the committed currency. Fair values are estimated based on the market exchange and interest rates.

Hedging. Hedging derivative financial instruments are initially recognized in the consolidated statements of financial position at fair value. A derivative financial instrument that seeks to achieve a financial hedge for a given risk is designated as for hedge purposes if, at its negotiation, it is foreseen that changes in fair value or cash flows are expected to be highly effective in offsetting the fair value or cash flow changes of the hedged item attributable to the hedged risk at inception, which must be documented when the financial derivative is negotiated and during the period that the hedge relation exists. A hedge is considered as highly effective if changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to offset in a range of 80% to 125%.

If the SBS considers the documentation to be insufficient or finds weaknesses in the methodologies applied, it may require the immediate termination of the hedge relationship and the recording of the derivative financial instrument as trading. For cash flow hedges, the effective portion of gain or loss over the hedge instrument is recognized directly in equity, in the caption "Unrealized gains (losses)" as a cash flow hedges reserve. The ineffective portion of gain or loss of the hedged instrument is recognized in the consolidated statements of income. When the cash flow hedge affects the consolidated statements of income, the gain or loss in the hedge instrument is recorded in the corresponding caption of the consolidated statements of income or when a forecast transaction occurs.

For fair value hedges, changes in fair value of the derivative are recognized in the consolidated statements of income. Changes in fair value of the hedged item attributed to the hedged risk are recorded as part of the balance of the hedged item and recognized in the consolidated statements of income.

If the hedge instrument expires, is sold, terminated or exercised, or when the hedge does not fulfill the hedging accounting criteria, the hedge relationship is prospectively terminated and the balance recorded in the consolidated statements of financial position is transferred to the consolidated statements of income during the term the hedged item is kept.

Finite useful life intangible assets

The intangible assets are included in "Other assets, net" in the consolidated statement of financial position and are recorded at historical acquisition cost less accumulated amortization and accumulated impairment losses, if applicable. These assets are composed principally of acquisition and development of software used by the Bank and its Subsidiaries in their own operations, which are recorded at cost.

According to SBS Resolution No. 1967-2010, finite useful life intangible assets are amortized over a maximum period of five years, and any amortization method adopted may not be modified without prior authorization from the SBS.

The amortization of the finite useful life intangible assets of the Bank and its Subsidiaries is calculated using the straight-line method, based on their estimated useful lives which fluctuates between 5 and 10 years.

Income tax

Current income tax is calculated on the basis of taxable income determined for tax purposes, which is determined using principles that differ from the accounting principles used by the Bank and its subsidiaries.

Therefore, the Bank and its subsidiaries have recorded deferred income taxes, considering the guidelines of IAS12 - Income Tax, as well as IFRIC23 - Uncertainty regarding Income Tax Treatments. Deferred income tax reflects the effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts determined for tax purposes. Deferred assets and liabilities are measured using the tax rates expected to be applied to taxable income in the years in which temporary differences are expected to be recovered or settled. The measurement of DTAs and deferred tax liabilities reflects the tax consequences, which arise from the way in which the Bank and its subsidiaries expect to recover or settle the carrying amount of its assets and liabilities at the date of the consolidated statement of financial position.

The carrying amount of DTAs and deferred tax liabilities may change even though there is no change in the amount of temporary differences, due to a change in the rate of income tax. The effect of the change in deferred tax, corresponding to the tax rate change shall be recognized in the consolidated statement of income for the period,

except for items previously recognized outside the consolidated statement of income (either in other comprehensive income or directly in equity).

DTAs and liabilities are recognized without taking into consideration the time when it is estimated that temporary differences will be written off. Deferred assets are recognized when it is probable that sufficient future tax benefits will exist for the deferred assets to be applied. As at the date of the consolidated statement of financial position, management evaluates the non-recognized deferred assets and the balance of the recognized assets, recording a deferred asset not previously recognized to the extent that probable future tax benefits will allow its recovery, or reducing a deferred asset to the extent that it is not likely that sufficient future tax benefits will be available to use part or all of the deferred assets previously recognized.

In accordance with IAS 12, the Bank and its subsidiaries determine their deferred income tax considering the tax rate applicable to its retained earnings; any additional tax on a dividend distribution is recorded on the date a liability is recognized.

Purchase operation and repurchase agreement of foreign currency

On January 6, 2015, Circular No. 002-2015-BCRP came into effect, including three additional currency reporting schemes for the purpose of supporting the process of de-dollarization of credit, namely as Expansion (with the objective of supporting credit growth in local currency and for which the amount transferred in foreign currency to the BCRP will be deducted from the general regime of the legal cash reserve requirement in foreign currency), Substitution (with the objective of supporting the conversion of credits in foreign currency into local currency), and Regular (used to alleviate liquidity requirements), annulling the previous circulars.

Under these three schemes, the Bank and its subsidiaries receive cash in Soles from BCRP that it must return at maturity, for which it recognizes a liability in the caption "Payable for repurchase agreements" in the statement of financial position, including accrued interest computed according to the method of the effective interest rate. Simultaneously, the Bank delivers cash in U.S. dollars to the BCRP, the availability of which will be restricted until the maturity of the operation, so the Bank and its subsidiaries record an asset under "Restricted funds" in the consolidated statement of financial position.

The interest generated by the cash received will be recorded in the caption "Financial Expenses" in the consolidated statement of income.

Results of Operations for the Years Ended December 31, 2022, 2023 and 2024

The following discussion is based upon information contained in the consolidated financial statements and should be read in conjunction therewith. The consolidated financial statements have been prepared in accordance with Peruvian GAAP.

The following table sets forth, for the years ended December 31, 2022, 2023 and 2024 the principal components of our net income:

	For the years ended December 31,		
	2022	**2023**	**2024**
		(Soles in thousands)	
Financial income	13,002,030	16,526,934	17,446,993
Financial expenses	(2,776,800)	(4,455,300)	(4,266,834)
Gross financial margin	10,225,230	12,071,634	13,180,159
Provision for credit losses on loan portfolio	(2,299,341)	(3,774,900)	(3,851,531)
Recovery of written-offs loans	321,151	313,405	402,380
Net Financial Margin	**8,247,040**	**8,610,139**	**9,731,008**
Non-financial income			
Commissions for banking services, net	3,034,281	3,096,714	3,423,153
Net result from trading derivatives	4,804	101,855	81,703
Net result on securities	(24,657)	(80,521)	(30,009)
Net gain on foreign exchange transactions	1,003,855	997,648	1,166,567
Other non-financial income	213,264	355,973	284,376

	For the years ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Total non-financial income	**4,231,547**	**4,471,669**	**4,925,790**
Operating expenses			
Salaries and employee benefits	(2,888,728)	(3,071,113)	(3,445,637)
General and administrative expenses	(2,580,473)	(2,944,336)	(3,141,813)
Depreciation and amortizations	(418,722)	(435,817)	(485,842)
(Provision) reversal for goods received in payment and awarded assets	(14,954)	20,523	(15,853)
Taxes and contributions	(193,846)	(162,185)	(266,375)
Other operating expenses	(204,761)	(288,244)	(251,730)
Total operating expenses	**(6,301,484)**	**(6,881,172)**	**(7,607,250)**
Net loss for exchange difference	(6,035)	(6,815)	(9,027)
Net profit before income tax	**6,171,068**	**6,193,821**	**7,040,521**
Income tax	(1,668,871)	(1,527,751)	(1,814,210)
Net profit for the year	**4,502,197**	**4,666,070**	**5,226,311**
Attributable to:			
Banco de Crédito del Perú's Equity holders	4,480,438	4,653,039	5,210,948
Non-controlling interests	21,759	13,031	15,363

In 2024, Net profit for the year increased by S/560.2 million, or 12.0%, to S/5,226.3 million compared to 2023. This increase was mainly due to an increase in interest income from growth in balances in corporate banking, mortgage and SME-Business, as well as to higher balances in the investment portfolio. This increase was partially offset by increasing operating expenses, mainly caused by higher salaries and employee benefits as well as an increase in general and administrative expenses.

In 2023, Net profit for the year increased by S/163.9 million, or 3.6%, to S/4,666.1 million compared to 2022. This growth was mainly due to an increase of S/1,846.4 million, or 18.1%, in gross financial margin, due to an upswing of S/3,524.9 million in financial income as a result of (i) an increase in structural loan balances in retail banking, (concentrated in consumer, mortgages and SME-PyME) which have higher interest rates than wholesale banking loans, and (ii) an increase in investment balances, driven by an increase in positions for BCRP certificates of deposit and sovereign bonds with attractive interest rates. This growth was partially offset by the increase in financial expenses, which was also affected by the rise in interest rates. Other factors which had a lesser influence are an increase of S/240.1 million, or 5.7%, in non-financial income, which was mainly attributable to net result from derivative instruments.

Gross financial margin

The following table sets forth, the components of our gross financial margin:

	For the years ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Financial income:			
Interest from loan portfolio	11,388,122	13,847,951	14,363,214
Interest from trading, available-for-sale and held-to-maturity investments	1,148,760	1,595,689	1,729,885
Interest from cash and due from banks and inter-bank funds	427,399	1,075,166	1,337,315
Other	37,749	8,128	16,579
Total financial income	**13,002,030**	**16,526,934**	**17,446,993**
Financial expense:			
Interest and commission on deposits and obligations	(1,252,113)	(2,536,249)	(2,254,832)
Interest on bonds and subordinated notes issued	(628,657)	(1,139,428)	(701,741)
Interest on due to banks, correspondents and other entities	(666,784)	(538,918)	(1,052,659)
Deposit Insurance Fund fees	(227,733)	(233,362)	(251,757)
Others	(1,513)	(7,343)	(5,845)
Total financial expense	**(2,776,800)**	**(4,455,300)**	**(4,266,834)**
Gross financial margin	**10,225,230**	**12,071,634**	**13,180,159**

Our gross financial margin increased by 9.2% in 2024 after having increased by 18.1% in 2023. The increase in 2024 was mainly due to increasing balances in corporate banking, SME and mortgage loans, as well as higher balances in the investment portfolios and cash and due from banks and inter-bank funds. This was partially offset by an increase in expenses primarily attributable to higher balances on interest due to banks, correspondents and other entities. The increase in 2023 was mainly due to increases in loan interest income, interest from trading, available for sale and held to maturity investments and interest from cash and due from banks and inter-bank fund interests in a context of higher interest rates in 2023 compared to 2022. This was partially offset by higher deposit interest expense, due to a large deposit inflow and higher system liquidity partially explained by pension fund withdrawals.

Financial income

Financial income increased by 5.6% in 2024 compared to 2023, after increasing by 27.1% in 2023 compared to 2022. The increase in 2024 was predominantly due to an increase in loan interest income, as well as an increase in interest from trading, available-for-sale and held-to-maturity investments, cash and due from banks and inter-bank funds to a lesser extent.

The average nominal interest rates we earned on our loans were 8.9% in 2022, 11.2% in 2023, and 11.8% in 2024. Average nominal interest rates for foreign currency-denominated loans increased from 4.5% in 2022 to 6.6% in 2023, then increasing to 7.1% in 2024. Average nominal interest rates for Sol-denominated loans increased from 10.7% in 2022 to 13.1% in 2023 and then increased to 13.8% in 2024. In 2024, the monthly average balance of our foreign currency-denominated loan portfolio was S/37.1 billion, an increase of 0.9% from 2023, while the monthly average balance of our Sol-denominated loans was S/85.0 billion, a decrease of 2.6% from 2023. In 2023, the monthly average balance of our foreign currency-denominated loan portfolio was S/36.8 billion, an increase of 1.7% from 2022, while the monthly average balance of our Sol-denominated loans was S/87.2 billion, a decrease of 4.7% from 2022.

The Loan Portfolio increased in 2024, driven by an increment in mortgage and commercial loans to both corporate and wholesale clients. The decrease in our loan portfolio in 2023 was driven by a decline in wholesale banking, led by short-term loans in the corporate segment portfolio (impact due to the effects of the “El Niño” phenomenon that affected the fishing and agricultural campaigns), partially offset by growth in SME-Pyme, consumer and credit card and disbursements generated in Mibanco’s SME-Pyme banking.

Financial expense

Financial expense decreased by 4.2% in 2024 to S/4,267 million compared to a financial expense in 2023 of S/4,455 million, which, in turn, amounted to an increase of 60.4% compared to S/2,777 million in 2022. The decrease during 2024 was primarily due to lower interest paid and commission expense on deposits and obligations in a context of lower rates, as well as an increase in our low-cost deposit base. Both were slightly offset by an increase in interest paid on notes issued.

The increase in financial expense during 2023 was principally due to a rise in the funding cost driven by interest rates that remained at high levels throughout the year. However, it is important to highlight that during the second half of 2023 the Federal Reserve put a pause on interest rate increases and the Peruvian Central Bank started to reduce its reference rate.

The average nominal interest rates paid on foreign currency-denominated deposits increased from 0.4% in 2022, to 1.2% in 2023, and to 1.4% in 2024 while the average nominal interest paid on Sol-denominated deposits increased from 1.7% in 2022, to 2.8 % in 2023, and then decreased to 2.1% in 2024.

Our average interest-bearing foreign-currency denominated deposits increased 4.7% to S/57.8 billion in 2024 from S/55.2 billion in 2023, compared to a 4.6% decrease in 2023 from S/57.8 billion in 2022, while our average interest-bearing Sol-denominated deposits increased by 8.0% in 2024 to S/81.5 billion from S/75.4 billion in 2023, and increased by 3.4% in 2023 from S/73.0 billion in 2022. In 2024 the increase in deposits was mainly driven by higher system liquidity due to pension fund withdrawals as well as a seasonal increase in savings deposits towards the end of the year. The steadiness in 2023 was mainly driven by wholesale and retail clients, who transferred funds to high-yield deposits in foreign currency.

The average nominal interest rates paid on Sol-denominated amounts due to banks and correspondents, issued bonds and repurchase agreements increased from 3.0% in 2022, to 5.3% in 2023 and increased to 5.7% in 2024. The increase in 2024 was mainly due to an increase in average balances and interest paid on funds due to banks and correspondents. The average nominal interest rates paid on foreign currency denominated amounts due to banks and correspondents, issued bonds and repurchase agreements was 4.1% in 2022, increased to 5.1% in 2023, and increased to 5.3% in 2024. The increase in 2024 was mainly due to a sizeable increase in average balances from due to banks and correspondents. The increase in 2023 was attributable to higher interest rates.

The average Sol-denominated amounts due to banks and correspondents, issued bonds and repurchase agreements decreased 17.9% to S/15.3 billion in 2024 from S/18.6 billion in 2023, and decreased 23.5% in 2023 from S/24.3 billion in 2022. The decrease in 2024 and 2023 was mainly explained by a drop in payables from repurchase agreements in a context of higher system liquidity. Our average foreign currency-denominated amounts due to banks and correspondents, issued bonds and repurchase agreements increased 22.9% to S/16.2 billion in 2024 after increasing 0.5% in 2023 to S/13.2 billion. The increase in 2024 was mainly due to higher average balances from due to banks and correspondents and issued bonds, which reflects the issuance of two notes by BCP in 2024. The increase in 2023 was mainly due to the incurrence of higher debt as well as partial renewal of maturities of structural debt.

Net financial margin

Our net financial margin (gross financial margin divided by average interest earning assets) increased from 5.6% in 2022 to 6.8% in 2023 and increased to 7.1% in 2024.

Allowance for loan losses

The following table sets forth, for the years ended December 31, 2022, 2023 and 2024 the movements in our allowance for loan losses, including reserves for indirect loans. Our provisions for indirect loans were S/416.5 million, S/338.8 million, and S/356.1 million at December 31, 2022, 2023 and 2024 respectively.

	For the years ended December 31,		
	2022	2023	2024
		(Soles in thousands)	
Balance as of January 1	8,688,291	8,467,345	8,467,458
Provision	2,299,341	3,774,900	3,851,531
Loan portfolio written-off	(2,317,488)	(3,193,529)	(3,701,133)
Sale of portfolio	(19,189)	(435,661)	(161,473)
Exchange difference	(68,823)	(40,916)	19,677
Condonations and others	(114,787)	(104,681)	(149,707)
Balance as of December 31	**8,467,345**	**8,467,458**	**8,326,353**
Allowance for indirect loan losses	(416,477)	(338,828)	(356,069)
Allowance for direct loan losses	**8,050,868**	**8,128,630**	**7,970,284**

Our allowance for loan losses, net of recoveries, decreased in 2024 and remained stable in 2023. In 2024 the decrease in provisions, net of recoveries, was explained by an improved payment performance by SME-Pyme and Consumer clients. There were also larger write-offs in the loan portfolio compared to 2023 which further explained the decrease in our allowance for loan losses.

The stability in Allowance for loan losses in 2023 in comparison to 2022 was mainly due to an increase in allowances for commercial loans, mortgages, SME loans and Consumer loans, that was offset by write-offs made in the SME-Pyme, Consumer and credit cards, and Mibanco segments. For further details see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Allowance for loans losses.”

Total reserves, including reserves for indirect loans, as a percentage of past due loans were 164.2% at year-end 2024 compared to 145.4% at year-end 2023 and 149.7% at year-end 2022. Total reserves as a percentage of loans with risk classifications of deficient, doubtful and loss, increased from 96.1% in 2022 to 96.4% in 2023 and 106.8%

in 2024. Given the changing composition of our loan portfolio and recent developments in the Peruvian and global economies, our historical loss experience may not be indicative of our future loan loss experience.

Non-financial income

The following table reflects the components of our non-financial income:

	For the years ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Commissions for banking services, net	3,034,281	3,096,714	3,423,153
Net result from trading derivatives	4,804	101,855	81,703
Net result on securities	(24,657)	(80,521)	(30,009)
Net gains on foreign exchange transactions	1,003,855	997,648	1,166,567
Other non-financial income	213,264	355,973	284,376
Total non-financial income	**4,231,547**	**4,471,669**	**4,925,790**

Our non-financial income increased by 10.2% to S/4,925.8 million in 2024 compared to 5.7% to S/4,471.7 million in 2023. The increase in 2024 was mainly explained by a higher income related to net commissions from banking services, as well as higher net gains on foreign exchange transactions. The increase in 2023 was mainly explained by (i) an increase in fees and commissions related to credit cards, collection services and billing payments, and (ii) net results from derivatives instruments.

Commissions for banking services, net, increased by 10.5% to S/3,423.2 million in 2024 compared to 2.1% to S/3,096.7 million in 2023. The increase in 2024 was mainly explained by growth in transactions through wholesale, retail and Yape clients, as well as an improvement in pricing strategies. The increase in 2023 was primarily due to growth in payments and services fees, even though we decided to eliminate inter-city transfer fees.

Net loss from sales of securities amounted to S/30.0 million in 2024 compared to S/80.5 million in 2023. The net loss in 2023 and 2024 was mainly due to the devaluation of bonds held in the trading portfolio.

Net gains on foreign exchange transactions increased by 16.9% to S/1,166.6 million in 2024 compared to S/997.6 million in 2023, which represented a decrease of 0.6% from S/1,003.9 million in 2022. The increase in 2024 was mainly explained by an increase in the volume of transactions executed by corporate clients. The decrease in 2023 was mainly due to lower transaction volume.

Net result from trading derivatives decreased to S/81.7 million in 2024 compared to S/101.9 million in 2023. The decrease in 2024 was mainly due to adverse results in the derivatives book.

Other non-financial income decreased by 20.1% to S/284.4 million in 2024 due to a lower fee income and net gain on sale of securities, compared to an increase of 66.9% to S/356.0 million in 2023 as compared to 2022.

Operating expenses

The following table reflects, for the years ended December 31, 2022, 2023 and 2024 the components of our operating expenses:

	For year ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Salaries and employee benefits	2,888,728	3,071,113	3,445,637
General and administrative expenses	2,580,473	2,944,336	3,141,813
Depreciation and amortization	418,722	435,817	485,842
Provision for goods received in payment and awarded	14,954	(20,523)	15,853
Taxes and contributions	193,846	162,185	266,375
Other operating expenses	204,761	288,244	251,730

	For year ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Total operating expenses	**6,301,484**	**6,881,172**	**7,607,250**

Our operating expenses increased by 10.6% to S/7,607.3 million in 2024 and increased 9.2% to S/6,881.2 million in 2023. The increase in 2024 was mainly explained by an increase in salaries and employee benefits as well as general and administrative expenses. The increase in 2023 was mainly due to the same factors.

Salaries and employee benefits increased in 2024 due to an increase in personnel from the traditional business and specialized IT personnel, as well as by an increase in expense related provisions for variable compensation. The increase in 2023 was primarily attributable to an increase in the headcount of specialized IT personnel.

General and administrative expenses increased from S/2,580.4 million in 2022 to S/2,944.3 million in 2023 and increased to S/3,141.8 million in 2024. As a percentage of operating expenses, general and administrative expenses were 41.0%, 42.8% and 41.3% in 2022, 2023 and 2024, respectively. The decrease in 2024 was mainly explained by a greater share of salaries and employee benefits as a percentage of operating expenses. The increase in 2023 was mainly due to IT expenses associated with the implementation of our digital transformation strategy, innovation and disruption expenses.

Depreciation and amortization increased 11.5% to S/485.8 million in 2024, compared to a 4.1% increase to S/435.8 million in 2023. The increase in 2024 was mainly explained by an increase in amortization and depreciation due to an increase in IT related infrastructure investments, expansion of digital services, growth of core business operations and disruptive initiatives such as Yape. The increase in 2023 was mainly due to higher amortization of intangible assets associated with the implementation and development of several IT projects.

Other operating expenses decreased 12.7% to S/251.7 million in 2024 from S/288.2 million in 2023. The decrease in 2024 was mainly explained by improved risk controls, which are reflected in lower expenses associated with system failures. The growth in Other expenses in 2023 is attributable to derecognition of intangibles due to withdrawals and rejected projects.

Income taxes

Our income tax expense was S/1,668.9 million in 2022, S/1,527.8 million in 2023 and S/1,814.2 million in 2024. The statutory income tax rate payable in Peru in 2023 and 2024 was 29.5% of taxable income. BCP's effective tax rates in 2022, 2023 and 2024 were 27.0%, 24.7%, 25.8%, respectively.

Analysis of Financial Condition

Total assets

The following table presents the distribution of our assets at the dates indicated:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Total cash and due from banks and interbank funds	31,708,381	30,853,387	45,628,611
Investments at fair value through profit or loss and available-for-sale and investments held to maturity	24,511,267	29,976,165	31,771,344
Total gross loans	135,095,468	130,724,037	131,038,304
Allowance for loan losses	(8,050,868)	(8,128,630)	(7,970,284)
Net loans	127,948,099	123,585,789	124,051,833
Other assets(1)	6,687,532	7,442,977	7,491,558
Total assets	**190,855,279**	**191,858,318**	**208,943,346**

(1) Other assets includes Investments in associates, Property, furniture and equipment, net, and Goodwill.

As of December 31, 2024, we had total assets of S/208.9 billion, which represents an increase of 8.9% from December 31, 2023, which is explained primarily by a sizeable increase in total cash and due from banks and interbank funds in a context of higher market liquidity, partially explained by pension fund withdrawals.

In 2024, cash and amounts due from banks increased by 47.9%, affected by high market liquidity due to pension fund withdrawals. Investments available for sale and investments held to maturity increased by 6.0% due to a larger investment portfolio mainly due to an increase in sovereign bond holdings, while net loans increased by 0.4%, mainly explained by an increase in mortgage and commercial loans to corporate and wholesale clients. Our direct net loans represented 59.4% of our total assets as of December 31, 2024, as compared to 64.4% of our total assets as of December 31, 2023.

As of December 31, 2024, our total gross loans, which correspond to direct loans not including accrued interest and excluding unearned interest, were S/131.0 billion and represented 62.7% of total assets. Loans net of allowance for loan losses were S/124.1 billion, as of the same date. As of December 31, 2023, our total gross loans, which correspond to direct loans not including accrued interest and excluding unearned interest, were S/130.7 billion and represented 68.1% of total assets. Loans net of allowance for loan losses were S/123.6 billion, as of the same date. From December 31, 2023 to December 31, 2024 our total loans increased by 0.2%, while loans net of allowance for loan losses increased by 0.4%.

As of December 31, 2024, our direct loans, net of provisions were S/124.1 billion compared to S/123.6 billion as of December 31, 2023. The increase in the year ended December 31, 2024 was primarily due to an increase in mortgage related and commercial loans, especially in the financial, communication and utilities sector. This increase was partially offset by lower balances with clients in the manufacturing, real estate business and leasing services sector.

As of December 31, 2024, our total direct loans under the *Reactiva Perú* program, including accrued interest, were S/877.3 million, on a consolidated basis, of which BCP accounted for S/863.4 million and Mibanco accounted for S/13.9 million, and those from the FAE-Mype program were S/5.6 million, all of which came from Mibanco. As of December 31, 2023, direct loans from the Reactiva Perú program amounted to S/2,877.2 million, and loans from the FAE-MYPE program amounted to S/3.6 million and S/10.1 million for FAE-MYPE 1 and FAE-MYPE 2, respectively.

Our total deposits with the Peruvian Central Bank increased to S/36.7 billion from S/23.7 billion as of December 31, 2023. Our securities holdings (which include trading securities, available-for-sale and held-to-maturity investments) increased by 6.0% to S/31.8 billion from S/30.0 billion as of December 31, 2023, primarily due to a larger investment portfolio due to an increase in sovereign bond holdings.

Total liabilities

The following table presents the distribution of our liabilities at the dates indicated:

	As of December 31,		
	2022	2023	2024
		(Soles in thousands)	
Deposits and obligations	129,819,665	132,308,517	147,715,728
Interbank Funds	22	324,577	350,095
Due to banks, correspondents and other entities	8,539,195	11,545,539	9,815,171
Bonds and subordinated notes issued	13,840,114	10,961,427	13,627,208
Payables from repurchase agreements	11,843,594	8,005,844	7,203,885
Other liabilities	4,611,287	4,536,379	5,085,359
Total liabilities	**168,653,877**	**167,682,283**	**183,797,446**

As of December 31, 2024, we had total liabilities of S/183.8 billion, an increase of S/16.1 billion, or 9.6%, as compared to December 31, 2023. Deposits continued to represent the main source of our funding with an 80.4% share of total liabilities as of December 31, 2024. Total deposits increased by 11.6% to S/147.7 billion from December 31, 2023.

Liabilities due to banks, correspondents, other entities and interbank funds decreased by 15.0% to S/9.8 billion in 2024 after increasing by 35.2% to S/11.5 billion in 2023 due to the maturity of multiple loans, including the club deal loan as one of the most representative. On the other hand, bonds and subordinated notes issued increased by 24.3% to S/13.6 billion in 2024 compared to 2023, primarily due to senior and subordinated notes issued during 2024.

Payables from repurchase agreements decreased by 10.0% to S/7.2 billion as of December 31, 2024 in contrast to the previous year. This decrease is explained by reduced funding requirements due to higher system liquidity. As of December 31, 2024, payables from repurchase agreements under the *Reactiva Perú* program, fully disbursed by the BCRP and including accrued interest, were S/479.0 million, on a consolidated basis, a decrease from S/1,913.2 million as of December 31, 2023.

Our funding strategy has been structured around maintaining a diversified deposit base. Given that most of our funding structure consists of low-cost deposits, we are at a competitive advantage in a context marked by interest rate hikes. In 2024, demand deposits increased 9.4% to S/49.7 billion; savings deposits increased by 15.0% to S/56.8 billion, driven by higher system liquidity due to pension fund withdrawals as well as a seasonal increase in savings deposits in the last months of the year; time deposits, including negotiable certificates, increased 10.8% to S/40.8 billion, particularly driven by an increase in foreign currency denominated time deposits; and severance pay deposits decreased by 6.0% to S/3.0 billion, driven by the regulatory approval of voluntary withdrawals of funds from severance pay accounts as well as by a drop in foreign currency denominated deposits. Based on information published by the SBS, considering BCP unconsolidated figures and figures for Mibanco, we estimate that as of December 31, 2024 and December 31, 2023, we had 45.7% and 45.0% respectively, of total savings deposits in the Peruvian banking system, and 39.1% and 38.8% respectively, of total deposits, both representing the highest share among Peruvian banks. An important characteristic of our deposit base is that, as of December 31, 2024, it included 49.3% of the entire Peruvian banking system's CTS deposits (severance indemnity deposits), compared to 48.5% as of December 31, 2023. We believe that we traditionally have attracted a high percentage of the savings, demand and CTS deposit market because of our reputation as a solid institution, our extensive branch network and the quality of our service. Our core BCP unconsolidated and Mibanco deposits (savings, CTS and demand deposits) accounted for 74.4% of our total deposits as of December 31, 2024 (74.5% as of December 31, 2023). Based on figures published by the SBS, our market share in these types of deposits amounted to 43.1% of the Peruvian banking system as of December 31, 2024, compared to 43.3% as of December 31, 2023.

Dividend Policy and History

It is our policy to pay cash dividends each year in an amount not less than 20% of our net income. The annual general shareholders' meeting determines the amount of dividends to be paid considering, among others, the economic and finance condition of the Bank and the existence of net income or accumulated income from previous years.

On March 27, 2024, our Board of Directors, in exercise of the power delegated by the General Shareholders' Meeting held on the same date, approved a distribution of S/4,011.3 million of cash dividends, equivalent to S/0.3092 per share. The dividend was paid in cash on May 8, 2024 to our shareholders of record as of April 16, 2024. Additionally, on October 23, 2024, our General Shareholders' Meeting approved a distribution of S/467.0 million of cash dividends, equivalent to S/0.0360 per share, which was paid in cash on December 4, 2024 to our shareholders of record as of November 11, 2024.

The following table summarizes our dividend payout ratios:

	As of and for the years ended December 31,		
	2022	2023	2024
Dividend payout ratio(1)	69.7%	69.7%	96.7%
Dividend distribution (Soles in thousands)(2)	2,121,115	3,139,282	4,510,451

(1) Dividend payout ratio is dividends presented in each year divided by the previous year's net income.

(2) Dividends presented each year that were declared and paid in the subsequent year.

Return on Equity and Assets

The following table provides the components for our return on equity and assets.

	As of December 31,		
	2022	2023	2024
	(in percentages)		
Return on assets(1)	2.3	2.4	2.6
Return on equity(2)	21.6	20.6	22.2
Dividend payout ratio(3)	69.7	69.7	96.7
Equity to assets ratio(4)	10.9	12.0	11.6

(1) Return on average total assets is defined as net income as a percentage of average total assets.

(2) Return on average shareholders' equity net is defined as net income as a percentage of average shareholders' equity net, calculated on a monthly basis.

(3) Dividend payout ratio is dividends presented in each year divided by the previous year's net income.

(4) Average shareholders' equity divided by average total assets.

Liquidity and Capital Resources

Regulatory Capital and Capital Adequacy Ratios

The following table summarizes our regulatory capital and capital adequacy ratios:

	As of and for the year ended December 31,		
	2022	2023	2024
	(Soles in thousands, except percentages and ratios) (audited)		
Regulatory capital and capital adequacy ratio(1)			
Capital stock	12,176,365	12,973,175	12,973,175
Legal and other capital reserves	5,383,114	6,590,921	6,124,302
Accumulated earnings with capitalization agreements	—	—	—
Retained earnings and net income for the year	—	5,383,865	6,589,251
Non-cumulative junior subordinated debt	—	—	—
Unrealized gains	—	(668,717)	(413,658)
Less: goodwill	(122,083)	(122,083)	(122,083)
Less: software	—	(1,294,279)	(1,515,214)
Less: investment in subsidiaries and financial institutions and other	(1,218,262)	(2,772,786)	(2,477,732)
Total basic regulatory capital	**16,219,133**	**20,090,096**	**21,158,041**
Generic provisions for credits (2)	1,838,178	1,695,577	1,757,256
Subordinated bonds	5,148,900	5,007,150	7,339,800
Additions due to regulatory adjustments	1,376,412	—	—
Less: Deduction for regulatory adjustments	(1,218,262)	—	—
Total supplementary regulatory capital	**7,145,228**	**6,702,727**	**9,097,056**
Total effective equity	**23,364,361**	**26,792,823**	**30,255,097**
Risk-weighted assets	161,938,838	153,473,130	161,734,381
Regulatory capital requirements			
Risk capital requirements	14,004,364	14,003,042	15,476,423
Additional capital requirements(3)	3,726,175	5,383,837	5,256,367
Total regulatory capital requirements	**17,730,539**	**19,386,878**	**20,732,791**
Capital ratios			
Regulatory capital as a percentage of risk-weighted assets(3)(4)	14.4%	17.5%	18.7%
Ratio of risk-weighted assets to regulatory capital(3)	6.9x	5.7x	5.3x

(1) Regulatory capital as calculated in accordance with guidelines by the BIS II Accord as adopted by the SBS for 2022, and in accordance with guidelines by the BIS III Accord as adopted by the SBS for 2023 and 2024. This ratio is calculated on an unconsolidated basis and based on Peruvian GAAP.

(2) SBS rules allow banks using the standardized method for capital adequacy purposes to include loan loss reserves of up to 1.25% of credit risk-weighted assets in the calculation of regulatory capital.

(3) In March 2022, Legislative Decree 1531 was passed by the Government, revising the regulatory capital definition rules in Banking Law 26702 aiming to better comply with Basel III Standards. This ratio is calculated on an unconsolidated basis.

(4) The minimum regulatory capital as a percentage of risk-weighted assets is 8.5% as of January 2023, 9% as of April 2023, 9.5% as of September 2024, and 10% as of March 2025 onwards. Other regulatory requirements add an additional 4.26% as of December 31, 2024, and include systemically-important requirements, conservation buffer requirements and credit concentration. For further details see "Regulatory Environment—Implementation of Basel Principles—Capital adequacy."

Liquidity Risk

Liquidity risk is the risk that we may be unable to meet our short-term payment obligations associated with our financial liabilities when they fall due and to replace funds when they are withdrawn. In this sense, the company that is facing a liquidity crisis would be failing to comply with the obligations to pay depositors and with commitments to lend or satisfy other operational cash needs.

We manage our assets and liabilities to ensure that we have sufficient liquidity to meet our present and future financial obligations and take advantage of appropriate business opportunities as they arise. Liquidity risk represents the potential for loss as a result of limitations on our ability to adjust future cash flows to meet the needs of depositors and borrowers and to fund operations on a timely and cost-effective basis. Financial obligations arise from withdrawals of deposits, repayment on maturity of purchased funds, extensions of loans or other forms of credit, and working capital needs.

The growth of our deposit base over the years has enabled us to significantly increase our lending activity.. BCP and Mibanco are subject to SBS Resolution No. 4221-2023, effective as of January 1, 2024 and which replaced the former regulation approved by SBS Resolution No. 9075-2012, which set responsibilities for liquidity management within the different committees and risk units, and established minimum liquidity ratios. In January 2024, the Regulation for Liquidity Risk Management was updated by SBS Resolution No. 3296-2022 in order to incorporate the guidelines of the latest BCBS document (Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools).

Starting on January 1, 2024, pursuant to SBS Resolution No. 4221-2023, the liquidity coverage ratio, or LCR, in soles-based transactions must exceed 80% and for both foreign exchange-based transactions and aggregate ratio must exceed 100%. The aggregate daily ratios of BCP and Mibanco in December 2024 was 154% and 189% for soles and foreign exchange transactions, respectively, demonstrating a robust level of liquidity. We have never defaulted on any of our debt or been forced to reschedule any of our obligations. Even during the early 1980s, when the government of Peru and many Peruvian companies and banks were forced to restructure their debt as a result of the Latin American debt crisis and government restrictions, BCP complied with all of its payment obligations.

In addition, pursuant to SBS Resolution No. 4221 2023, Peruvian banks were required to calculate a net stable funding ratio starting on December 2024.

The capability of replacing interest-bearing deposits at their maturity is a key factor in determining liquidity requirements, as well as the exposure to interest and exchange rate risks. RBG, as well as BCP's private banking group, have developed a diversified and stable deposit base that, in each case, provides us with a low-cost source of funding. This deposit base has traditionally been one of our greatest strengths. The deposit-gathering strategy has focused on products considered to be BCP's core deposits: demand deposits, savings, time deposits, and severance indemnity deposits. Other sources of funds and liquidity, which are mostly short- and long-term borrowings from correspondent banks and other financial institutions, issued bonds, and notes issued, are of a considerably lower significance compared to our core deposits.

We have implemented corporate policies for liquidity risk management. We monitor liquidity risk exposure based on indicators such as (i) the Internal Liquidity Coverage Ratio ("ILCR"), which measures the amount of liquid assets available to meet needs that would result from cash outflows within a given stress scenario for a period of 30 days, and (ii) the Internal Ratio of Stable Net Funding, which is intended to ensure that long-term assets are financed with a minimum number of stable liabilities within a prolonged liquidity crisis scenario. The latter indicator functions as a minimum compliance mechanism that supplements the ILCR. The core limits of these indicators are 100% and any excess is presented to our Treasury Risk Committee and Assets and Liabilities Management ("ALM").

The following table presents our core deposits, other deposits and other sources of funds:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Core deposits			
Demand deposits	44,881,970	45,485,630	49,741,066
Saving deposits	51,668,786	49,417,428	56,814,926
Severance indemnity deposits	3,824,629	3,185,603	2,996,020
Total core deposits	**100,375,385**	**98,088,661**	**109,552,012**
Other deposits(1)	29,137,105	33,616,633	37,776,288
Total deposits	**129,512,490**	**131,705,294**	**147,328,300**
Interest payable	307,175	603,223.00	387,428.00
Total deposits (including interest payable)	**129,819,665**	**132,308,517**	**147,715,728**
Payable from repurchase agreements, Interbank funds and other entities	20,382,811	19,551,383	17,019,056
Bonds and subordinated notes issued	13,840,114	10,961,427	13,627,208
Total sources of liquid funds(2)	**164,042,590**	**162,821,327**	**178,361,992**
Core deposits as a percentage of total deposits	77.5%	74.5%	74.36%
Core deposits as a percentage of total sources of liquid funds	61.2%	60.2%	61.4%

(1) Mostly time deposits and Bank's negotiable certificates.

(2) Includes total deposits, due to banks and, correspondents, and other entities and payables from repurchase agreements and issued, bonds and subordinated notes issued.

The increase of 11.7% in core deposits in 2024 was mainly explained by a higher system liquidity fueled by pension fund withdrawals.

We are required to maintain deposits with the BCRP, as legal reserves, determined as a percentage of the deposits and other liabilities owed to our clients. As of December 31, 2024, the BCRP set the minimum level of reserves for banks at 5.5% for local currency and 9.0% for foreign currency.

The following table presents our deposits at the BCRP, and our short-term investments in BCRP certificates:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Funds at BCRP			
Deposits in Central Reserve Bank of Peru	24,160,723	23,673,778	36,665,480
Certificates of deposit BRCP	7,019,479	10,935,254	11,435,757
BCRP repurchase transactions	11,223,904	7,349,807	6,594,240
Total funds at BCRP	**42,404,106**	**41,958,839**	**54,695,477**
Total funds at BCRP as a percent of total deposits	32.8%	31.7%	37.0%

At times we have accessed Peru's short-term interbank deposit market, although generally we are lenders in this market. The BCRP's discount window, which makes short-term loans to banks at premium rates, is also available as a short-term funding source, but has been used infrequently by us.

On December 31, 2024, we had uncommitted credit lines with various banks, including long-term facilities that are mainly used for project finance, of which no significant amount was drawn down. We have also received long term funding from Cofide and other international lenders. As of December 31, 2024, borrowed funds due to banks, correspondents and other entities, and interbank funds amounted to S/10,165.3 million as compared to S/11,870.1 million as of December 31, 2023.

The following table presents, for the years ended December 31, 2022, 2023 and 2024, our bond issuances:

	For the years ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Bonds issued			
Corporate bonds	114,246	78,828	3,012,468
Subordinated debt	—	—	2,241,242
Total issuance	**114,246**	**78,828**	**5,253,710**

On January 11, 2024, the Bank issued bonds for a total of approximately U.S.$800 million with a term of 5 years in the international market. This transaction included the issuance of bonds in an aggregate principal amount of U.S.$500 million and bonds in soles for an aggregate principal amount of S/1,150 million, with a coupon rate of 5.85% and 7.85%, respectively. Additionally, on September 3, 2024, the Bank issued subordinated bonds for a total of U.S.$600 million with a maturity date of March 10, 2035, callable on March 10, 2030, with a coupon rate of 5.80%.

Among the policies that we follow to ensure sufficient liquidity are the active management of interest rates and the active monitoring of market trends, in order to identify and adapt to changes in the supply of deposits or the demand for loans.

Off-Balance Sheet Arrangements

We have various contractual arrangements, such as indirect loan contracts, that are not recognized as liabilities in our consolidated financial statements but are required to be registered in off-balance sheet accounts. We enter into these off-balance sheet arrangements to generate fees from guarantees, letters of credit and derivative transactions offered to customers (including foreign currency forwards, interest rate swaps, cross currency swaps, and options). We also enter into derivative transactions (including foreign currency forwards, interest rate swaps and cross currency swaps) to hedge our exposure when entering into such transactions with our clients and to hedge our consolidated statement of financial position against interest rate and currency movements.

The following table reflects our off-balance sheet arrangements (notional amounts) as of December 31, 2022, 2023 and 2024:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Guarantees and performance bonds	17,578,019	17,242,372	19,106,988
Import and export letters of credit	2,159,873	2,086,135	2,576,490
Bank acceptances	699,678	412,401	528,184
Contingent operations	**20,437,570**	**19,740,908**	**22,211,662**
Unused lines of credit and undisbursed loans granted not disbursed	75,276,664	76,719,565	74,193,794
Other contingent operations	13,730	17,624	35,888
Total contingent risks and commitments	**95,727,964**	**96,478,097**	**96,441,344**
Derivatives			

	As of December 31,		
	2022	2023	2024
		(Soles in thousands)	
Held for trading			
Foreign currency contracts on the Sol			
Foreign currency sales	18,708,504	17,018,956	21,758,592
Foreign currency purchases	9,302,587	10,627,117	7,470,684
Interest rate swap contracts	6,859,135	13,387,572	43,371,878
Foreign currency forward contracts on currencies, other than Sol	426,867	565,060	461,992
Currency swap contracts			
Sol delivery/ Foreign currency reception	11,124,796	9,910,769	10,083,833
Foreign currency delivery/ Sol reception	2,943,079	2,943,407	3,538,506
Foreign currency options	362,252	464,099	728,146
Foreign currency delivery/ Foreign currency reception	23,664	—	—
Held as hedges			
Sol reception / Foreign currency delivery	1,144,200	1,092,912	1,053,920
Interest rate swap contracts	926,497	1,335,240	1,355,040
Cross currency swap contracts on the Sol			
Cross currency swap in other currency than Sol	210,167	150,744	118,910
Foreign currency delivery/ Sol reception	66,930	54,849	-
Total derivatives	**52,098,678**	**57,550,725**	**89,941,501**
Total off-balance sheet arrangements	**147,826,642**	**154,028,822**	**186,382,845**

In the normal course of our business, we engage in transactions with off-balance sheet risk exposure. These transactions expose us to credit risk in addition to the amounts recognized in the consolidated financial statements. Credit risk for off-balance sheet financial instruments is defined as the possibility of sustaining a loss because any other party to a financial instrument fails to perform in accordance with the terms of the contract. Our exposure to losses under commitments to extend credit, and export and import letters of credit and guarantees is represented by the contractual amount specified in these instruments. We apply the same credit policies in making commitments and assuming conditional obligations as we do for on-balance sheet instruments, including the requirement to obtain collateral to support off-balance sheet financial instruments, when it is deemed necessary. Collateral held varies, but may include deposits held in financial institutions, securities or other assets.

Due to the fact that many of the indirect loans are expected to expire without any payment being required from us, the total committed amounts do not necessarily represent future cash requirements.

Export and import letters of credit and guarantees and stand-by letters of credit are conditional commitments issued by us to guarantee the performance by a customer of an obligation to a third-party. Export and import letters of credit are mainly issued as credit enhancements for overseas commercial transactions. Risks associated with these credits are reduced by the participation of third parties.

Due from bank acceptances represent collection rights that arise at the time of negotiation of the letter of credit, a collection right from the local importer (in the case of imports) or a collection right from the correspondent bank (in the case of exports).

Lines of credit conceded include lines of consumer loans, micro-business, small business, medium and corporate business, that are payable upon request to the client.

The risks associated with derivative contracts arise from the possibility that the counterparty fails to comply with the agreed terms and conditions and that the reference rates at which the transactions took place change.

We have currency-forwards derivatives, which are commitments to buy or sell currency at a future date at a contracted price. Risk arises from the possibility that the counterparty to the transaction will not perform as agreed and from the changes in the prices of the underlying currencies. These agreements are entered into to satisfy client requirements and are recognized in the financial statements at their fair value.

Our swap contracts include interest rate and cross-currency swap contracts. Interest rate swaps are derivatives contracts, where counterparties exchange variable interest rates for fixed interest rates, respectively, in the terms and conditions established at the contract's inception. The risk arises each time the projected level of the variable rate during the term of the contract is higher than the swap rate, as well as from non-compliance with contractual terms by one of the parties. Cross-currency swap derivative contracts involve the exchange of interest payments based on two different currency principal balances and referenced interest rates. They generally also include the exchange of principal amounts at the start and end of the contract.

Commitments and Contractual Obligations

We enter into various commitments and contractual obligations, which we recognize on our statement of financial position that may require future cash payments. The following table summarizes our commitments and contractual obligations by the remaining maturity as of December 31, 2024:

	Total as of December 31, 2024	Payments due by period		
		Less than 1 year	1–5 years	More than 5 years
	(Soles in thousands)			
Bonds	13,437,615	2,824,729	3,154,973	7,457,913
Time deposits (1)	37,776,288	37,146,483	629,739	66
Interbank funds (2)	350,000	350,000	0	0
Payables from repurchase (2)	7,136,810	6,281,793	855,017	0
Due to banks, correspondents and financial institutions and Promotional credit lines (3)	9,785,457	4,767,350	2,323,586	2,694,521
Total	**68,486,170**	**51,370,355**	**6,963,315**	**10,152,501**

(1) Includes time deposits and certificates of deposit.

(2) Does not include interest.

(3) Includes mainly loans to fund foreign trade operations and working capital, and promotional credit lines granted by COFIDE and Fondo de Cooperación para el Desarrollo Social (FONCODES) to promote affordable housing and social development in Peru. Some of the loan agreements include standard clauses requiring us to comply with financial ratios, use of funds covenants and other administrative matters. In our management's opinion, such standard clauses do not limit our normal operation, and are substantially fulfilled in the application of standard international banking practices. Financings recorded under due to banks and correspondents bear interest at prevailing domestic and international market rates and do not have specific guarantees.

In terms of our liquidity and capital management, we operate based on demanding risk management standards. Regarding regulatory capital, we maintain adequate capital levels, furthermore we reduced dividends to strengthen our capital base. Within our business, we are endeavoring to remain close to our clients and grow our income sources while benefiting from our digital capabilities and scale. Furthermore, we are also endeavoring to deepen our connection to communities to generate value for all of our stakeholders and ensure long-term sustainability.

We are aware of the level of uncertainty we are facing. In the short term, we expect to focus on: (i) portfolio control and resuming sales; (ii) rethinking the operating model to one that adapts dynamically; (iii) being able to adapt to changes in customer behavior; and (iv) increasing the adoption of digital tools.

Trend Information

Macroeconomic Environment

In 2024, the Peruvian economy grew 3.3%, marking a cyclical and gradual recovery following a challenging 2023, during which GDP contracted 0.4%, the first decline in 25 years, excluding the pandemic period. The recovery in the first half of the year was driven by primary sectors such as fishing, agriculture, and primary manufacturing, thanks to improved weather conditions and the positive impact of the first anchovy fishing season in the north-central region, which had been canceled in 2023 due to the "El Niño" phenomenon. In the second half of the year, non-primary sectors boosted the recovery. This was supported by the seventh withdrawal of pension funds, and controlled inflation within the Central Bank's target range, which bolstered consumers' purchasing power, increased business confidence, and job recovery.

These factors drove private consumption growth to 2.8%, while private investment expanded 2.3%, in a context of more dynamic capital goods imports and improved investment expectations. Additionally, non-mining, non-residential investment grew 8.6% and, public investment made a significant contribution to GDP growth, expanding at a rate of 14.1%, its highest growth rate in 12 years, excluding the pandemic period, in line with a counter-cyclical stimulus.

It is worth mentioning that non-primary GDP grew slightly above 4.0% in the second half of the year, a growth rate that is expected to continue in the first half of 2025 as the economy transitions to the mid phase of the business cycle. GDP is expected to grow around 3.0% in 2026 amid terms of trade near record highs, controlled inflation and an increase in employment and real wages. This growth is supported by the delayed effects of a less restrictive monetary policy stance, business expectations that have remained optimistic during most of 2024, favorable profit distributions in March 2025 that will boost consumption, and NPLs in the retail-consumption segment that have started to fall gradually.

In general, the main macroeconomic factors that drove the recovery in 2024 include the fading of supply-side shocks observed in 2023, favorable commodity prices, lower inflation, which supports consumers' purchasing power and improved expectations. Additionally, counter-cyclical policies such as a lower monetary policy rate and higher public investment also played a crucial role.

Consumption has been an important driver of the current business cycle, fueled by an improvement in real wages, as inflation slows, and higher disposable income (or lower debt), facilitated by access to pension fund withdrawals and the use of CTS accounts (compensation for time of service). Furthermore, a recovery in employment in sectors affected by El Niño in 2023 also contributed to this positive trend.

In April 2024, Congress approved a seventh withdrawal from pension funds under Law 32,002. This law allowed for a disbursement of S/20,600 (equivalent to 4 Unidades Impositivas Tributarias, or UITs). It is estimated that this withdrawal resulted in approximately S/27.0 billion leaving the pension funds. Since the beginning of the pandemic in 2020, nearly S/114.0 billion will have exited the pension system, including this latest withdrawal.

Regarding the phases of the business cycle, 2023 was marked by a recession as GDP contracted for four consecutive quarters, and the output gap entered negative ground amid significant supply-side shocks (El Niño, social protests, etc.). In December 2022, a failed coup attempt by former president Pedro Castillo caused massive social protests in January and February, the worst violence seen in the country in over two decades. Peru's Congress voted to remove Castillo from office due to moral incapacity and he was arrested on charges of rebellion and conspiracy. In turn, Vice President Dina Boluarte was sworn in as Peru's first female president. Protests were violent and disrupted supply chains as there were road blockages and some regional airports suspended operations temporarily as infrastructure was damaged. As such, they negatively affected the tourism, hospitality, transportation, construction, and retail sectors. Additionally, some mining operations were also disrupted as road blockages prevented the arrival of key inputs.

Additionally, weather events were also an unexpected shock that affected the economy through at least ten months of 2023. At the beginning of 2023, heavy rains intensified in many areas on the North Coast of the country due to unusual warming of temperatures in the Pacific Ocean and the wake of cyclone Yaku. This caused river overflow risk, mudslides, floods, and lack of food and water in some towns. In addition, in March, local climate events specialist, the National Service of Meteorology and Hydrology of Peru (Servicio Nacional de Meteorología e Hidrología del Perú or SENAMHI by its Spanish initials) and The National Study of the El Niño Phenomenon (Estudio Nacional del Fenómeno El Niño or ENFEN by its Spanish initials), determined a state of "El Niño Costero alert" since ENFEN expected El Niño conditions (warmer than normal superficial sea temperatures) to continue developing at least until July 2023. The "coastal El Niño" reached a strong magnitude during the third quarter of 2023 where it remained until December 2023 when it decreased to a moderate magnitude.

This weather phenomenon heavily affected the anchovy capture, the agricultural and primary manufacturing sectors as well as the textile production for the domestic market. These sectors had their worst performance in more than two decades in 2023. In the case of the fishing sector, the first anchovy capture season in the north central zone was canceled by the Ministry of Production. Additionally, the expectation that coastal El Niño would continue until the first quarter of 2024 could have led to greater caution in private consumption and investment decisions that were

already affected by an environment of still high food inflation, the political context and the normalization process after the post-pandemic rebound.

In 2022 inflation became a global issue, as almost every country in the world grappled with soaring prices. In 2023, inflation fell faster than expected in most regions due to the unwinding of supply-side issues, falling oil and agricultural prices and restrictive monetary policies. In Peru, the weakness of domestic demand also had a role in reducing inflation; measured using the consumer price index (CPI), inflation fell from a peak of 8.8% (highest in 26 years) in June 2022 to 3.2% in December 2023 due to the reversal of supply shocks in the agricultural sector of the beginning of the year, normalization of global supply chains and lower commodity prices (during 2023, on average, wheat prices fell 28%, corn prices fell 18%, soy prices fell 8% and crude oil WTI prices fell 17%). Core inflation (excludes food and energy) closed the year 2023 at 2.9% after reaching a peak of 5.9% in May 2023, returning to the BCRP target range of between 1% to 3% after two consecutive years of surpassing it, among one of the first countries where core inflation returned to target.

In 2024, headline inflation continued to decelerate slightly, closing the year at 2.0%, precisely at the mid-point of the Central Bank's target range. Peru boasted one of the lowest inflation rates among both developed and emerging economies. Meanwhile, annual core inflation hovered around 3% for most of the year, before slowing in the last four months to end at 2.6%, also within the target range. Notably, food prices normalized throughout the year, resulting in Food and Beverage inflation advancing by only 1% in 2024.

In 2022, to avoid the de-anchoring of inflation expectations and to return inflation to its target range, the BCRP adopted an aggressive hiking rate cycle, as did most developed and emerging countries. The BCRP increased its monetary policy rate from 0.25% in July 2021 to 7.75% (historical high) in January 2023. Between February and August, the BCRP opted to keep the rate stable at 7.75%. In September 2023, the rate cut cycle began with a reduction of 25 basis points to 7.50%, a movement that was followed by five consecutive monthly cuts to 6.25% in February 2024. The easing cycle continued throughout 2024, albeit with a more gradual pace, which lead the policy rate to 5.00% by December 2024. In January 2025 the Central Bank lowered its policy rate once again to 4.75%. Nonetheless, it stated the real policy rate stood near its neutral level.

With respect to the fiscal accounts, post-COVID Peru did a remarkable effort to return the deficit to acceptable levels, decreasing its deficit from 8.9% of GDP in 2020 to 2.5% in 2021 and to 1.7% in 2022, among the lowest ratios in the region. In 2023, the fiscal deficit rose to 2.8% of GDP due to lower fiscal revenues amid the worst year for economic growth since 1998 excluding the pandemic. In 2024 the fiscal deficit rose further and reached 3.6% of GDP. Even though the economy rebounded in 2024, fiscal revenues started to recovery since mid-year and closed at 19.1% of GDP in 2024 a 0.7% decrease from 19.8% in 2023. Non-financial spending from the government increased from 20.9% of GDP in 2023 to 21.2% in 2024. Importantly, public investment of the general government expanded 16% in real terms, the highest in 12 years.

The solid fiscal performance within the framework of responsibility and sustainability is one of Peru's strongest fiscal fundamentals. This strategy supports the low public debt-to-GDP ratios that the Peruvian economy has exhibited over the last years, also among the lowest ratios in the region (34% of GDP in 2024). However, in 2024, the fiscal deficit rule of 2.8% of GDP was breached for the second consecutive year, and the fiscal council warned that the failure to comply with the rule could generate a problem of credibility regarding fiscal policy, an essential element to attract private investment and promote macroeconomic stability.

In terms of credit ratings, in April 2024 S&P lowered Peru's long-term foreign currency rating from "BBB" with negative outlook to "BBB-" and revised the outlook to stable. S&P noted that a fragmented Congress and limited political capital of the administration weigh on private sector sentiment and pose an opportunity cost for growth, which constrains Peru's capacity to rebuild fiscal space. In contrast to S&P, in September 2024 Moody's improved the outlook of Peru's credit rating from negative to stable and kept the rating unchanged at Baa1. According to Moody's, the change in outlook reflected the assessment that the adoption of political reforms alleviates medium-term concerns about institutional stability that could have durably weighed on governability. Lastly, in November 2024 Fitch Ratings affirmed the credit rating at "BBB" and improved the outlook from negative to stable. Fitch noted that amid heightened political volatility that drove an economic recession last year, sound policy making has supported an economic recovery in 2024 and preserved macro-financial stability.

Peru's public debt remained around 33% of GDP, among the lowest in emerging market and developing economies. Despite the recent pressures on the fiscal deficit, public debt has remained under control amid an increased use of public savings.

The current account balance improved from a deficit of 0.8% of GDP surplus in 2023 to 2.2% of GDP in 2024, the highest result in 17 years and better than other Latin American economies like Chile, Colombia, Brazil and México. This improvement responded mainly to a higher trade balance surplus which stood at U.S.$24 billion, a new historical peak. Imports grew 4.5%, driven by a 4.3% increase in consumer goods imports and a 9.1% increase in capital goods imports. In contrast, imports of inputs grew only 2.2%, affected by lower prices of agricultural raw materials. On the other hand, exports increased 12.4% due to higher volumes of traditional products exported and better prices for both traditional and non-traditional goods.

Terms of trade grew by 10% during the year, reaching a new historical high due to an 8% increase in export prices, mainly driven by the prices of copper, gold, and silver. Copper and gold reached record highs this year (U.S.$4.92 /lb. in May and U.S.$2,788/oz. in October, respectively), while silver rose in October to levels not seen in 12 years (U.S.$34.7/oz.). Meanwhile, import prices fell by 2% due to lower prices of industrial inputs and agricultural raw materials such as wheat, corn, and soybeans.

Imports increased 1% amid lower agriculture commodity prices, as well as almost null consumption good imports. In contrast, exports expanded 10% in a context where terms of trade stood at a new historical maximum and also grew 10%. Copper and gold prices reached record levels during 2024 (U.S.$4.92/lb. in May 2024, and U.S.$2,788/oz. in October 2024, respectively), while silver prices reached a 12-year peak during October 2024 (U.S.$34.7/oz).

According to BCRP, the exchange rate closed the year 2024 at S/3.76 per U.S.$1.00, a depreciation of 1.5% with respect to the end of 2023. In February 2024 the exchange rate reached a peak of S/3.88 per U.S$1.00 in a context of narrowing interest rate differentials and net U.S. Dollar demand from offshore accounts. This depreciation pressures were mitigated amid Central Bank intervention, and in March 2024 the USD-PEN exchange rate stood at its lowest of the year at S/3.67 per U.S.$1.00. Thereafter, volatility remained contained throughout the year, with fluctuations around S/3.70 per U.S.$1.00 - S/3.80 per U.S.$1.00. Importantly, the Peruvian Sol was one of the emerging market currencies which depreciated the least during 2024 in a context of stronger global dollar, mostly towards the end of the year. During 2024 the dollar appreciated 13% against the Chilean Peso, 14% against the Colombian Peso, 23% against the Mexican Peso, and 27% against the Brazilian real.

The exchange rate is still far from its historical high of S/4.14 to U.S.$1.00 reached in October 2021 amid the political instability caused by Pedro Castillo's government.

In 2024, the BCRP increased its intervention in the spot market, especially during the first half of the year, due to depreciation pressures on the currency, driven by the strengthening of the U.S. dollar globally. The BCRP sold U.S.$318 million in the spot market in the first semester of 2024, and did not intervene in the spot market in the second semester, nearly four times the amount sold last year, although still far away from the levels of 2021 and 2022, U.S.$11.6 billion and U.S.$1.2 billion 2022, respectively. Outstanding FX swaps increased from S/45,176 million in 2023 to S/48,349 million in 2024, although during April 2024 it even reached a historical peak of S/58,091. International reserves closed the year 2024 at U.S.$79.0 billion, approximately 27% of GDP, one of the world's highest percentages, compared to U.S.$71.0 billion in 2023.

According to the SBS, in December 2024, deposits in Peru's financial system rose by 9.0%, while direct loans (including Reactiva) increased by 0.5%. Similarly, commercial bank deposits increased by 11% and direct loans (including Reactiva) grew by 0.2%.

SELECTED STATISTICAL AND OTHER INFORMATION

The following tables present certain selected statistical information and ratios for the periods indicated. The selected statistical information should be read in conjunction with the information in the financial statements and the notes thereto. The statistical information and discussion and analysis presented below reflect our consolidated financial position, as of December 31, 2022, 2023 and 2024, and our results of operations for the years ended December 31, 2022, 2023 and 2024.

Average Balance Sheets and Income from Interest-Earning Assets

The tables below set forth selected statistical information based upon our average balance sheets prepared on a consolidated basis. Except as otherwise indicated, Average Balances, when used, have been classified by currency (Soles or foreign currency (primarily U.S. dollars)), rather than by the domestic or international nature of the balance. In addition, except where noted, Average Balances are calculated as the average of each month ending balance, for each year with any such annual balance denominated in Soles having been converted into U.S. dollars using the applicable exchange rate published by the SBS as of the date of such balance ("Average Balances").

The following tables show Average Balances for all our assets and liabilities, interest earned and paid amounts, and nominal rates for our interest-earning assets and interest-bearing liabilities, as of and for the years ended December 31, 2022, 2023 and 2024.

Average Balance Sheets
Assets, Interest Earned and Average Interest Rates

	Year ended December 31, 2022			Year ended December 31, 2023			Ye
	Average Balance	Interest Earned	Nominal Avg. Rate	Average Balance	Interest Earned	Nominal Avg. Rate	Average Balan
				(Soles in thousands, except percentages)			
ASSETS:							
Interest-earning assets							
Deposits in Central Bank							
Soles	1,846,079	54,425	2.95%	1,421,993	48,886	3.44%	2,123,47
Foreign currency	23,012,887	319,396	1.39%	22,622,596	916,482	4.05%	28,082,60
Total	**24,858,966**	**373,821**	**1.50%**	**24,044,589**	**965,368**	**4.01%**	**30,206,08**
Deposits in other banks							
Soles	218,236	8,226	3.77%	162,410	6,693	4.12%	234,42
Foreign currency	2,517,895	45,351	1.80%	1,798,058	103,105	5.73%	2,679,20
Total	**2,736,131**	**53,577**	**1.96%**	**1,960,468**	**109,798**	**5.60%**	**2,913,63**
Investment securities							
Soles	21,901,469	1,023,775	4.67%	23,617,342	1,417,812	6.00%	27,105,90
Foreign currency	4,170,747	124,985	3.00%	3,943,192	177,877	4.51%	4,343,52
Total	**26,072,216**	**1,148,760**	**4.41%**	**27,560,534**	**1,595,689**	**5.79%**	**31,449,43**
Total loans(1)							
Soles	91,517,102	9,772,921	10.68%	87,237,065	11,404,009	13.07%	84,999,83
Foreign currency	36,136,703	1,615,201	4.47%	36,754,703	2,443,942	6.65%	37,097,83
Total	**127,653,805**	**11,388,122**	**8.92%**	**123,991,768**	**13,847,951**	**11.17%**	**122,097,66**
Total dividend-earning assets(2)							
Soles	2,363	—	—	2,093	—	—	2,23
Foreign currency	77,909	(29)	(0.04%)	68,560	—	—	59,59
Total	**80,272**	**(29)**	**(0.04%)**	**70,653**	—	—	**61,82**
Total interest-earning assets							
Soles	115,485,249	10,859,347	9.40%	112,440,903	12,877,400	11.45%	114,465,87
Foreign currency	65,916,141	2,104,904	3.19%	65,187,109	3,641,406	5.59%	72,262,76
Total	**181,401,390**	**12,964,251**	**7.15%**	**177,628,012**	**16,518,806**	**9.30%**	**186,728,64**
Non-interest-earning assets							
Cash and due from banks							
Soles	2,968,713	—	—	2,795,031	—	—	2,754,62
Foreign currency	2,533,410	—	—	2,179,273	—	—	2,073,76
Total	**5,502,123**	**—**	**—**	**4,974,304**	—	—	**4,828,39**
Premises and equipment							
Soles	345,041	—	—	264,157	—	—	282,03

	Year ended December 31, 2022			Year ended December 31, 2023			Ye
	Average Balance	Interest Earned	Nominal Avg. Rate	Average Balance	Interest Earned	Nominal Avg. Rate	Average Balan
Foreign currency	745,476	—	—	810,362	—	—	892,0
Total	**1,090,517**	**—**	**—**	**1,074,519**	—	—	**1,174,0**
Other non-interest-earning assets and gains from derivative instruments							
Soles	4,288,767	36,717	—	4,333,410	6,194	—	5,139,4
Foreign currency	2,602,527	1,062	—	3,164,180	1,934	—	4,279,5
Total	**6,891,294**	**37,779**	**—**	**7,497,590**	**8,128**	—	**9,419,0**
Total non-interest-earning assets							
Soles	7,602,521	36,717	—	7,392,598	6,194	—	8,176,0
Foreign currency	5,881,413	1,062	—	6,153,815	1,934	—	7,245,3
Total	**13,483,934**	**37,779**	**—**	**13,546,413**	**8,128**	—	**15,421,4**
Total average assets							
Soles	123,087,770	10,896,064	8.85%	119,833,502	12,883,594	10.75%	122,641,9
Foreign currency	71,797,554	2,105,966	2.93%	71,340,923	3,643,340	5.11%	79,508,1
Total	**194,885,324**	**13,002,030**	**6.67%**	**191,174,425**	**16,526,934**	**8.64%**	**202,150,1**

(1) Figures for total loans include past-due loans. Accrued but unpaid interest for years prior to the year in which a loan became past due is inclu

(2) As per Peruvian GAAP, dividends are considered financial income.

Average Balance Sheets
Liabilities, Interest Paid and Average Interest Rates

	Year ended December 31, 2022			Year ended December 31, 2023			
	Average Balance	Interest Paid	Nominal Avg. Rate	Average Balance	Interest Paid	Nominal Avg. Rate	Averag Balanc
				(Soles in thousands, except percentages)			
LIABILITIES:							
Interest-bearing liabilities							
Demand deposits							
Soles	23,381,651	112,402	0.48%	22,043,715	141,827	0.64%	26,250
Foreign currency	24,654,106	48,081	0.20%	20,725,153	79,695	0.38%	21,390
Total	**48,035,757**	**160,483**	**0.33%**	**42,768,868**	**221,522**	**0.52%**	**47,641**
Savings deposits							
Soles(1)	30,043,833	156,819	0.52%	28,582,680	133,896	0.47%	31,969
Foreign currency	22,044,991	43,128	0.20%	19,499,633	36,480	0.19%	19,155
Total	**52,088,824**	**199,947**	**0.38%**	**48,082,313**	**170,376**	**0.35%**	**51,124**
Time deposits							
Soles	19,536,628	985,729	5.05%	24,780,583	1,833,042	7.40%	23,246
Foreign currency	11,122,237	143,436	1.29%	14,963,439	564,075	3.77%	17,239
Total	**30,658,865**	**1,129,165**	**3.68%**	**39,744,022**	**2,397,117**	**6.03%**	**40,485**
Due to banks and correspondents and issued bonds							
Soles	8,390,343	486,490	5.80%	8,449,034	523,938	6.20%	8,970
Foreign currency	12,870,141	538,444	4.18%	12,942,079	647,723	5.00%	15,957
Total	**21,260,484**	**1,024,934**	**4.82%**	**21,391,113**	**1,171,661**	**5.48%**	**24,928**
Payables from repurchase agreements							
Soles	15,931,119	254,914	1.60%	10,145,023	465,153	4.59%	6,295
Foreign currency	270,172	5,844	2.16%	265,592	22,129	8.33%	274
Total	**16,201,291**	**260,758**	**1.61%**	**10,410,615**	**487,282**	**4.68%**	**6,569**
Total interest-bearing liabilities							
Soles	97,283,574	1,996,354	2.05%	94,001,035	3,097,856	3.30%	96,732
Foreign currency	70,961,647	778,933	1.10%	68,395,896	1,350,102	1.97%	74,017
Total	**168,245,221**	**2,775,287**	**1.65%**	**162,396,931**	**4,447,958**	**2.74%**	**170,750**
Non-interest-bearing liabilities and shareholders' equity							
Other liabilities and losses from derivatives instruments							
Soles	4,125,610	1,348	—	4,360,893	7,293	—	4,978
Foreign currency	1,630,787	165	—	1,819,348	50	—	2,902

	Year ended December 31, 2022			Year ended December 31, 2023			
	Average Balance	Interest Paid	Nominal Avg. Rate	Average Balance	Interest Paid	Nominal Avg. Rate	Averag Balanc
Total	**5,756,397**	**1,513**	**—**	**6,180,241**	**7,343**	—	**7,881**
Shareholders' equity							
Soles	20,883,706	—	—	22,597,255	—	—	23,518
Foreign currency	—	—	—	—	—	—	
Total	**20,883,706**	—	—	**22,597,255**	—	—	**23,518**
Total non-interest-bearing liabilities and shareholders' equity							
Soles	25,009,316	1,348	—	26,958,148	7,293	—	28,497
Foreign currency	1,630,787	165	—	1,819,348	50	—	2,902
Total	**26,640,103**	**1,513**	**—**	**28,777,496**	**7,343**	—	**31,399**
Total average liabilities and shareholders' equity							
Soles	122,292,890	1,997,702	1.63%	120,959,183	3,105,149	2.57%	125,229
Foreign currency	72,592,434	779,098	1.07%	70,215,244	1,350,152	1.92%	76,920
Total	**194,885,324**	**2,776,800**	**1.42%**	**191,174,427**	**4,455,301**	**2.33%**	**202,150**

(1) The interest paid includes the amount paid to BCRP for deposit insurance fund.

Net Financial Income and Expense: Volume and Rate Analysis

	Years ended December 31, 2022 / 2023			Years ended December 31, 2023 / 2024		
	Increase/(Decrease) due to changes in:			Increase/(Decrease) due to changes in:		
	Volume	Rate	Net Change	Volume	Rate	Net Change
	(Soles in thousands)					
Interest Income						
Interest-earning deposits in BCRP						
Soles	(12,503)	6,964	(5,539)	24,116	(28,618)	(4,502)
Foreign currency	(5,417)	602,503	597,086	221,195	35,528	256,723
Total	**(17,920)**	**609,467**	**591,547**	**245,311**	**6,910**	**252,221**
Deposits in other banks						
Soles	(2,104)	571	(1,533)	2,968	(5,933)	(2,965)
Foreign currency	(12,965)	70,719	57,754	50,527	(37,634)	12,893
Total	**(15,069)**	**71,290**	**56,221**	**53,495**	**(43,567)**	**9,928**
Investment securities						
Soles	80,208	313,829	394,037	209,428	(102,969)	106,459
Foreign currency	(6,819)	59,711	52,892	18,059	9,678	27,737
Total	**73,389**	**373,540**	**446,929**	**227,487**	**(93,291)**	**134,196**
Total loans(1)						
Soles	(457,056)	2,088,144	1,631,088	(292,461)	618,821	326,360
Foreign currency	27,623	801,118	828,741	22,816	166,087	188,903
Total	**(429,433)**	**2,889,262**	**2,459,829**	**(269,645)**	**784,908**	**515,263**
Total dividend-earning assets						
Soles	—	—	—	—	—	—
Foreign currency	3	26	29	—	—	—
Total	**3**	**26**	**29**	—	—	—
Total interest-earning assets						
Soles	(286,267)	2,304,320	2,018,053	231,911	193,441	425,352
Foreign currency	(23,280)	1,559,782	1,536,502	395,252	91,004	486,256
Total	**(309,547)**	**3,864,102**	**3,554,555**	**627,163**	**284,445**	**911,608**
Interest expense						
Demand deposits						
Soles	(6,432)	35,857	29,425	27,068	43,498	70,566
Foreign currency	(7,662)	39,276	31,614	2,560	12,668	15,228
Total	**(14,094)**	**75,133**	**61,039**	**29,628**	**56,166**	**85,794**
Savings deposits						
Soles	(7,627)	(15,296)	(22,923)	15,865	2,474	18,339
Foreign currency	(4,980)	(1,668)	(6,648)	(644)	738	94
Total	**(12,607)**	**(16,964)**	**(29,571)**	**15,221**	**3,212**	**18,433**
Time deposits						
Soles	264,586	582,727	847,313	(113,478)	(388,321)	(501,799)
Foreign currency	49,537	371,102	420,639	85,790	49,365	135,155
Total	**314,123**	**953,829**	**1,267,952**	**(27,688)**	**(338,956)**	**(366,644)**
Due to banks and correspondents and issued bonds						
Soles	3,403	34,044	37,447	32,365	23,596	55,961
Foreign currency	3,010	106,269	109,279	150,926	46,546	197,472
Total	**6,413**	**140,313**	**146,726**	**183,291**	**70,142**	**253,433**
Payables from repurchase agreements						
Soles	(92,583)	302,822	210,239	(176,522)	476	(176,046)
Foreign currency	(99)	16,384	16,285	718	(2,656)	(1,938)
Total	**(92,682)**	**319,206**	**226,524**	**(175,804)**	**(2,180)**	**(177,984)**
Total interest-bearing liabilities						
Soles	(67,361)	1,168,862	1,101,501	90,024	(623,003)	(532,979)

	Years ended December 31, 2022 / 2023			Years ended December 31, 2023 / 2024		
	Increase/(Decrease) due to changes in:			Increase/(Decrease) due to changes in:		
	Volume	Rate	Net Change	Volume	Rate	Net Change
	(Soles in thousands)					
Foreign currency	(28,164)	599,333	571,169	110,966	235,045	346,011
Total	**(95,525)**	**1,768,195**	**1,672,670**	**200,990**	**(387,958)**	**(186,968)**

(1) Figures for total loans include past-due loans. Accrued but unpaid interest for years prior to the year in which a loan became past due is included.

Interest-Earning Assets, Net Interest Margin and Yield Spread

The following table shows for each of the periods indicated, by currency, the levels of average interest-earning assets, net financial income, gross yield, net interest margin and yield spread, all on a nominal basis.

	As of December 31,		
	2022	2023	2024
	(Soles in thousands, except percentages)		
Average interest-earning assets			
Soles	115,485,249	112,440,903	114,465,872
Foreign currency	65,916,141	65,187,109	72,262,769
Total	**181,401,390**	**177,628,012**	**186,728,641**
Net interest income			
Soles	8,898,362	9,778,446	10,742,653
Foreign currency	1,326,868	2,293,188	2,437,506
Total	**10,225,230**	**12,071,634**	**13,180,159**
Gross yield(1)			
Soles	9.40%	11.45%	11.62%
Foreign currency	3.19%	5.59%	5.71%
Weighted-average rate	7.15%	9.30%	9.33%
Net interest margin(2)			
Soles	7.67%	8.70%	9.38%
Foreign currency	2.01%	3.51%	3.36%
Weighted-average rate	5.62%	6.80%	7.05%
Yield spread(3)			
Soles	7.35%	8.16%	8.97%
Foreign currency	2.10%	3.61%	3.42%
Weighted-average rate	5.50%	6.56%	6.84%

(1) Gross yield equals financial income divided by average interest-earning assets.

(2) Net interest margin represents net financial income from interest-earning assets and bearing-interest liabilities divided by average interest-earning assets.

(3) Yield spread, on a nominal basis, represents the difference between gross yield on average interest-earning assets and average cost of interest-bearing liabilities.

Deposits with Other Banks

The following table shows short-term funds deposited with other banks broken down by currency as of the dates indicated. Deposits held in countries other than Peru are denominated in several currencies; however, the substantial majority of such deposits are denominated in U.S. dollars. These currencies were converted to Soles using the applicable exchange rate published by the SBS as of the date of the relevant statement of financial position. In 2024, there was an increase in both our domestic and foreign currency liquidity.

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Sol-denominated			
BCRP	1,150,567	2,126,089	2,198,155
Commercial banks	244,866	52,343	155,783
Other	16,330	1,390	1,662
Total Sol-denominated	**1,411,763**	**2,179,822**	**2,355,600**
Foreign currency-denominated			
BCRP	23,010,156	21,547,689	34,467,325
Commercial banks	1,986,999	2,224,686	3,179,036
Other	346,656	168,162	1,104,692
Total foreign currency-denominated	**25,343,811**	**23,940,537**	**38,751,052**
Total	**26,755,574**	**26,120,359**	**41,106,650**

Investment Portfolio

Investment Portfolio – Value

The following table shows the balance of our investments, available-for-sale and held to maturity investment securities without interest designated by type of security at the dates indicated:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Peruvian sovereign bonds	12,749,897	14,234,016	15,090,619
Peruvian treasury bonds	22,160	21,233	21,102
Securitization instruments	33,812	29,156	25,850
Listed equity securities - Credicorp Ltd. and Non-listed equity securities	77,656	63,649	60,006
Corporate and leasing bonds	3,975,009	3,746,562	4,077,256
BCRP certificates of deposit	7,019,479	11,125,540	11,435,757
Negotiable certificate of deposits	17,233	—	—
Foreign government bonds	209,242	316,038	613,653
Multilateral organization bonds	—	—	—
Other investments	47,591	22,717	8,321
Total securities holdings	**24,152,079**	**29,558,911**	**31,332,564**

Our holdings of BCRP certificates increased by S/310 million to S/11,435.8 million as of December 31, 2024. There was an increase in the issuance of certificates of deposit by the Peruvian Central Bank as local currency liquidity slightly increased in the Peruvian financial sector in the last months of 2024 compared to 2023.

Unrealized gains and losses arising from changes in the fair value of securities classified as investments available-for-sale are recognized in equity, net of the related deferred income taxes. Unrealized gains and losses are recognized as income or loss when the related investment available-for-sale is sold or impaired.

Resolution No. 7033-2012, which was modified by SBS Resolution No. 2610-2018 and SBS Resolution No. 04034-2022, establishes a standard methodology for the identification of impairment of financial instruments classified as available-for-sale investments and held-to-maturity investments, which must be applied quarterly to all debt and equity instruments as discussed in the accounting policies.

The following table shows the maturities of our investment securities by type as of December 31, 2024:

		Maturing				
	No maturity	Within 1 year	After 1 year but within 5 years	After 5 years but within 10 years	After 10 Years	Total
	(Soles in thousands, except percentages)					
Peruvian sovereign bonds	-	-	5,388,920	7,668,078	2,033,619	15,090,619
Peruvian treasury bonds	-	21,104	-	-	-	21,102
Securitization instruments		-	9,597	16,253	-	25,850
Listed equity securities - Credicorp Ltd. and Non-listed equity securities (1)	60,006	-	-	-	-	60,006
Corporate and leasing bonds	-	659,228	2,561,869	803,621	52,538	4,077,256
BCRP certificate notes	-	10,887,090	548,667	-	-	11,435,757
Negotiable certificate of deposits		-	-	-	-	-
Foreign government bonds	-	-	370,004	206,885	36,764	613,653
Other investments	-	6,088	2,233	-	-	8,321
Total	**60,006**	**11,573,510**	**8,881,290**	**8,694,837**	**2,122,921**	**31,332,564**

(1) Equity securities are categorized as not maturing.

We maintain a conservative portfolio with most of our investments having maturities of less than five years. As of December 31, 2024, 65.5% of our investment portfolio consisted of investments with maturities of less than five years. Instruments issued by the BCRP, which historically have been highly liquid investments, represented 36.5% of our total investments.

Investment Portfolio – Yield

The following tables shows the weighted-average yield of our debt securities that are not carried at fair value by type as of December 31, 2024.

Investments at fair value with changes in other comprehensive income

		Maturing									
	No maturity	No maturity		Within 1 year		After 1 year but within 5 years		After 5 years but within 10 years		After 10 Years		Total
	Soles in thousands	Soles in thousands	Yield	Soles in thousands	Yield	Soles in thousands	Yield	Soles in thousands	Yield	Soles in thousands	Yield	Soles in thousands
Sol-denominated:												
Government treasury bonds	-	-	0%	950,309	4%	1,550,917	5%	4,031,253	6%	534,028	7%	7,066,508
Certificates of deposit BCRP	-	4,120,921	5%	7,114,384	4%	-	0%	-	0%	-	0%	11,235,304
Corporate bonds	-	-	0%	70,846	4%	96,239	9%	42,322	5%	-	0%	209,408
Securitization instruments	-	-	0%	-	0%	-	0%	12,947	7%	3,306	7%	16,253
Equity securities	3,795	-	0%	-	0%	-	0%	-	0%	-	0%	3,795
Total Sol-denominated	3,795	4,120,921	5%	8,135,539	13%	1,647,156	14%	4,086,522	18%	537,334	13%	18,531,268
Foreign Currency-denominated:												
Government treasury bonds	-	-	0%	99,950	5%	247,823	6%	120,385	7%	-	0%	468,158
Corporate bonds	-	197,340	9%	1,343,260	7%	1,264,951	6%	823,342	6%	234,423	6%	3,863,316
Securitization instruments	-	-	0%	-	0%	-	0%	9,597	5%	-	0%	9,597
Equity securities	56,211	-	0%	-	0%	-	0%	-	0%	-	0%	56,211
Total Foreign Currency-denominated	56,211	197,340	9%	1,443,210	12%	1,512,774	12%	953,324	19%	234,423	6%	4,397,282
Total securities holding	60,006	4,318,261	14%	9,578,749	26%	3,159,930	25%	5,039,846	37%	771,757	20%	22,928,550

(1) The average-weighted yields have been calculated by obtaining the weighted average of the yields for each type of investment, to maturity, considering the currency and using a constant effective interest rate.

Investments held to maturity

	Maturing										
	No maturity	No maturity		Within 1 year		After 1 year but within 5 years		After 5 years but within 10 years		After 10 Years		Total
	Soles in millions	Soles in millions	Yield	Soles in millions	Yield	Soles in millions	Yield	Soles in millions	Yield	Soles in millions	Yield	Soles in millions
Sol-denominated:												
Government treasury bonds	-	-	0%	332,482	4%	2,135,194	5%	2,412,290	6%	2,724,124	7%	7,604,092
Total Sol-denominated	-	-	0%	332,482	4%	2,135,194	5%	2,412,290	6%	2,724,124	7%	7,604,092
Foreign Currency-denominated:												
Other investments of debt	-	1,910	7%	6,412	7%	-	0%	-	0%	-	0%	8,321
Total Foreign Currency-denominated	-	1,910	7%	6,412	7%	-	0%	-	0%	-	0%	8,321
Total securities holding	-	1,910	7%	338,894	11%	2,135,194	5%	2,412,290	6%	2,724,124	7%	7,612,413

(1) The average-weighted yields have been calculated by obtaining the weighted average of the yields for each type of investment, to maturity, considering the currency and using a constant effective interest rate.

Loan Portfolio

Loans by Type

The following table shows our direct loans by type:

	As of December 31,		
	2022	2023	2024
		(Soles in thousands)	
Loans	107,962,169	102,964,814	105,914,704
Leasing receivables	6,174,850	5,735,973	5,260,182
Credit cards	6,066,283	6,942,793	5,880,450
Discounted notes	2,980,070	3,169,393	3,390,855
Factoring receivables	3,976,898	3,431,323	3,243,531
Advances and overdrafts in current accounts	212,259	314,729	129,541
Refinanced loans	2,066,472	2,339,799	2,149,248
Total loans to fall due	**129,439,001**	**124,898,824**	**125,968,511**
Past-due loans and under court collection	5,656,467	5,825,213	5,069,793
Total loans to fall due	**135,095,468**	**130,724,037**	**131,038,304**
Performing loans as a percentage of total gross loans	95.8%	95.5%	96.1%

The classification of the loan portfolio as set forth in the table above is based upon the regulations of the SBS. These categories do not correspond to the classifications used in preparing the breakdown of the loan portfolio by business unit set forth under “Business.” Pursuant to the guidelines of the SBS, loans are categorized as follows:

Loans: Basic term loans documented by promissory notes and other extensions of credit, such as mortgage loans, credit cards and other consumer loans in various forms, including trade finance loans to importers and exporters on specialized terms adapted to the needs of the international trade transaction.

Discounted notes: Loans discounted at the outset (the client signs a promissory note or other evidence of indebtedness for the principal amount payable at a future date). Discounted loans also include discounting of drafts, where we make a loan supported by a draft signed by one party and discounted by another party, with recourse to both parties.

Advances and overdrafts in current accounts: Extensions of credit to clients by way of an overdraft facility in the client's checking account. This category also includes secured short-term advances.

Leasing transactions: Involves our acquisition of an asset and the financial leasing of that asset to our client.

Factoring receivables: The sale of title of a company's accounts receivables to a bank (or financial company). The receivables are sold without recourse, and the bank cannot recover from the seller in the event that the accounts are uncollectible. Under factoring loans, the seller receives funds from the bank prior to the average maturity date based on the invoice amount of the receivable, less cash discounts and allowances for estimated claims and returns, among other items.

Refinanced loans: Include loans with changes in their payment schedules due to payment difficulties. Under SBS regulations, refinanced loans constitute loans for which the debtor is experiencing payment problems. Restructured loans are refinanced loans that are extended under the bankruptcy protection procedures of Law No. 27809 – General Law of the Insolvency System.

Past-due loans and loans under court collection proceedings: Includes overdue loans categorized according to the SBS guidelines. This amount excludes amounts included in "Refinanced and restructured loans."

We record direct loans when a disbursement of funds is made to a client.

Direct Loans by Economic Activity

The following table shows our total gross loan portfolio composition, net of unearned interest, based upon the borrower's principal economic activity as of December 31, 2022, 2023 and 2024.

	As of December 31,					
	2022		2023		2024	
	Amount	% Total	Amount	% Total	Amount	% Total
	(in thousands of Soles, except percentages)					
Manufacturing	21,244,193	15.7	20,586,468	15.7	18,794,475	14.36
Mortgages	20,489,812	15.2	21,495,440	16.4	22,321,645	17.03
Commerce	26,036,651	19.3	24,357,450	18.6	26,087,753	19.91
Consumer Loans	18,295,900	13.5	18,540,084	14.2	18,995,413	14.50
Electricity, Gas and Water	4,519,878	3.3	4,136,233	3.2	5,351,702	4.08
Service Community	6,800,648	5.0	7,082,102	5.4	2,030,697	1.55
Realty Business and Leasing Services	10,091,272	7.5	9,187,529	7.0	4,713,281	3.60
Mining	3,940,639	2.9	3,652,384	2.8	3,594,301	2.74
Communication, Storage and Transportation	6,597,935	4.9	7,204,561	5.5	9,843,719	7.51
Agriculture	3,774,474	2.8	3,253,250	2.5	3,194,124	2.44
Financial Services	4,344,494	3.2	2,853,419	2.2	4,363,997	3.33
Fishing	498,463	0.4	563,818	0.4	580,058	0.44
Hotels and Restaurants	2,769,422	2.0	2,601,858	2.0	2,755,953	2.10
Construction	3,087,539	2.3	2,803,454	2.1	2,466,463	1.88
Education, Health and Other Services	2,473,329	1.8	2,312,378	1.8	2,204,655	1.68
Others	130,819	0.1	93,609	0.1	3,740,068	2.85
Total gross loans	**135,095,468**	**100**	**130,724,037**	**100**	**131,038,304**	**100.00**

Concentrations of Loan Portfolio and Lending Limits

Direct and indirect loans to our most important 20 customers, excluding related party transactions, by exposure (considered as economic groups) as of December 31, 2024, were S/4,162.1 million (U.S.$1,105.8 million), all of which were outstanding loans, representing 12% of the total loan portfolio. Total direct and indirect loans outstanding and available by customer ranged from S/573.9 million (U.S.$123.5 million) to S/1,946.0 million (U.S.$418.8 million), including 10 customers with over S/12.6 million (U.S.$2.7 million).

Our loans to a single borrower are subject to lending limits imposed by the Peruvian Banking Law. The applicable legal lending limits depend on the nature of the borrower involved, the economic group limit and the type

of collateral received. The sum of loans to and deposits from another Peruvian financial institution, plus any guarantees of third-party performance received by us from such institution, may not exceed 30% of our regulatory capital, as defined by the SBS. The sum of loans to and deposits from non-Peruvian financial institutions, plus any guarantees of third-party performance received by us from such institutions, are limited to either 5%, 10% or 30% of our regulatory capital, depending upon the governmental supervision to which the institution is subject and upon whether it is recognized by the BCRP as an international bank of prime credit quality. The limits on lending to non-Peruvian financial institutions increase up to 50% of our regulatory capital if the amount by which such loans exceed the 5%, 10% or 30% limits is backed by certain letters of credit. Our loans to directors and employees and their relatives have a global limit of 7% of regulatory capital and an individual limit of 5% of such global limit.

Loans to Peruvian non-residents or companies that are not financial institutions have a limit of 5% of our regulatory capital; however, this limit increases to 10% if the additional 5% is guaranteed by a mortgage or with a pledge over certain publicly-traded securities. The limit increases up to 30% if the additional amount is guaranteed by certain banks or by cash deposits to us.

Lending on an unsecured basis to individuals or companies residing in Peru that are not financial institutions is limited to 10% of our regulatory capital. This limit rises to 15% if the additional 5% is guaranteed by a mortgage, pledge over certain securities and equipment or other collateral, and to 20% if the additional amount is backed by certain debt instruments guaranteed by another local bank, or by a foreign bank determined by the BCRP to be of prime credit quality, or by other highly liquid securities at market value.

The single borrower lending limit for loans backed by a cash deposit at BCP or by debt obligations of the BCRP is 30% of our regulatory capital. Therefore, with an unconsolidated regulatory capital of S/30.0 billion (U.S.$8.0 billion) as of December 31, 2024, our legal lending limit is a maximum of S/9.0 billion (U.S.$2.4 billion). As of December 31, 2024, we continue to be in compliance with the Peruvian Banking Law lending limits.

As of December 31, 2024 and at all reported dates, we were in compliance with applicable legal lending limits in each of the jurisdictions where we operate. Such limits are calculated quarterly based upon our consolidated equity plus reserves at quarter-end. A limited number of exceptions to our internal limits are authorized by our Board of Directors from time to time, based upon the credit quality of the borrower, the term of the loan and the amount and quality of collateral received. We may, in appropriate and limited circumstances, increase or choose to exceed this internal limit in the future within the limits established by the SBS.

In the event that customers to which we have significant credit exposure are not able to meet their obligations to us, and any related collateral is not sufficient to cover such obligations, or if a reclassification of one or more of such direct or indirect loans results in an increase in provisions for loan losses, there may be an adverse effect on our financial condition and results of operations.

Loan Portfolio Denomination

The following table presents our Sol and foreign currency-denominated loan portfolio at the dates indicated. At the end of December 31, 2024, the loan portfolio denominated in local currency represented 70.6% of total gross loans. This level is lower than the level reported as of December 31, 2023 (70.7%). The decrease in the level of dollarization in 2024 is partly explained by higher liquidity in local currency.

	As of December 31,					
	2022		2023		2024	
	(Soles in thousands, except percentages)					
Sol-denominated	96,214,847	71.2%	92,410,808	70.7%	92,555,847	70.6%
Foreign currency-denominated	38,880,621	28.8%	38,313,229	29.3%	38,482,457	29.4%
Total gross loans	**135,095,468**	**100.0%**	**130,724,037**	**100.0%**	**131,038,304**	**100%**

Maturity Composition of the Loan Portfolio

The following table sets forth an analysis of our loan portfolio as of December 31, 2024, by type and by the time remaining to maturity. Loans are stated before deduction of reserves for loan losses.

	As of December 31, 2024	Maturing					
		Within 3 months	After 3 months but within 12 months	After 1 year but within 3 years	After 3 years but within 5 years	After 5 years but within 15 years	After 15 years
	(Soles in thousands, except percentages)						
Loans and credit card	111,795,154	23,113,428	32,406,641	24,077,362	10,350,439	21,641,290	205,994
Discounted notes	3,390,855	3,067,425	256,059	1,333	154	65,884	-
Advances and overdrafts in current accounts	129,541	129,541	-	-	-	-	-
Leasing receivables	5,260,182	546,492	1,905,327	1,881,810	853,872	72,681	-
Factoring receivables	3,243,531	3,243,531	-	-	-	-	-
Refinanced loans	2,149,248	124,232	414,639	545,570	461,319	502,085	101,403
Total loans to fall due	**125,968,511**	**30,224,649**	**34,982,666**	**26,506,075**	**11,665,784**	**22,281,940**	**307,397**
Past due loans and under court collection	5,069,793	934,168	1,809,592	2,326,033	-	-	-
Total gross loans	**131,038,304**	**31,158,817**	**36,792,258**	**28,832,108**	**11,665,784**	**22,281,940**	**307,397**
Percentage of total performing loan portfolio	96.1%	97.0%	95.1%	91.9%	100.0%	100.0%	100.0%

The following table presents separately the total amount of loans in each loan category that are due after one year as of December 31, 2024 by type of interest rate.

	Amount at December 31, 2024	Maturing After 1 year
	(Soles in thousands)	
Variable Rate		
Sol-denominated		
Loans	38,589	30,865
Internal overdue loans and under legal collection loans	512	453
Foreign Currency-denominated		
Loans	2,596,945	1,609,955
Leasing receivables	33,142	33,085
Internal overdue loans and under legal collection loans	-	-
Total	**2,669,188**	**1,674,358**
Fixed Rate		
Sol-denominated		
Loans	77,414,963	41,197,757
Leasing receivables	1,782,787	995,357
Credit Cards	4,918,548	682,987
Discounted notes	1,584,023	-
Factoring receivables	1,794,782	-
Advances and overdrafts in current account	154,849	-
Refinanced loans	1,716,461	1,342,759
Internal overdue loans and under legal collection loans	4,000,518	3,158,810
Foreign Currency-denominated		
Loans	25,833,307	8,600,480
Leasing receivables	3,544,629	1,819,909
Credit Cards	1,014,560	195,535
Discounted notes	1,779,033	1,487
Factoring receivables	1,505,952	-
Advances and overdrafts in current account	32,127	-
Refinanced loans	423,357	235,328
Internal overdue loans and under legal collection loans	869,220	856,250
Total	**123,499,378**	**55,071,599**
Total loans	**131,038,304**	**60,761,017**

Classification of the Loan Portfolio

We classify our loan portfolio in accordance with SBS regulations. In October 2024, SBS Resolution No. 2368-2023 came into effect, modifying the Regulation for the Evaluation and Classification of Debtors and the Provision Requirements, approved by SBS Resolution No. 11356-2008. This update considers new criteria for the classification of credit types. The main changes are:

- Individuals with businesses: Currently, they can only be assigned the small and micro-business credit types. Before the modification, they could additionally have the medium-business credit type.

- Medium-business: Currently, the main classification criteria is the level of annual sales, which must exceed S/5.0 million. Before the modification, the level of indebtedness greater than S/300.0 thousand in the financial system was considered.

- Small-business: Currently, the main classification criteria are: (1) level of sales below S/5.0 million and (2) level of indebtedness greater than S/20.0 thousand. In the previous resolution, only the level of indebtedness below S/300.0 thousand and above S/20.0 thousand was considered.

- Economic Group Alignment: It was determined that all companies that are part of the same economic group must receive the same credit type classification as the parent company.

The application of these changes is prospective.

Regulations promulgated by the SBS also require Peruvian banks to classify such debtors in any of the following five categories depending upon the degree of risk of payment default: Normal (Normal), Potential Problem (*Problema Potencial*), Substandard (*Deficiente*), Doubtful (*Dudoso*) and Loss (*Pérdida*). We review our loan portfolio on a continuing basis, and the SBS reviews the portfolio as it deems necessary or prudent. In classifying our loans based upon risk of nonpayment, we, in compliance with SBS guidelines, assess the following factors: the payment history on the particular loans, the history of our dealings with the borrower, management, operating history, repayment capability and availability of funds of the borrower, status of any collateral or guarantee, the borrower's financial statements, general risk of the sector in which the borrower operates, the borrower's risk classification made by other financial institutions, and other relevant factors. The classification of the loan determines the amount of the required loan loss provision.

Under current regulations, collateral is not subtracted from the amount of the loan or credit outstanding to determine the amount of the related reserve. Instead, a lower loan provision is allowed to be made on the portion of the loan or credit that is secured. For the purpose of determining the amount of the required reserve, collateral is valued in accordance with SBS regulations, which require an appraisal of its expected market value. Only assets classified as (i) "preferred," (ii) "highly liquid preferred," or (iii) "self-liquidating preferred" are acceptable as collateral. Such collateral must, according to SBS regulations, (1) be relatively liquid, (2) have legally documented ownership, (3) have no liens outstanding and (4) have constantly updated appraisals. Examples of "preferred" or "highly liquid preferred" assets include, among others, cash deposits, real estate mortgages and pledges on securities or on other goods. "Self-liquidating preferred" assets include solely cash deposits in local banks or standby letters of credit from premier foreign institutions. Similarly, for Credits Affected by Counterparty Substitution; the allowance requirement, for the secured amount, depends on the risk classification of the counterparty guaranteeing the payment of the loan or credit regardless of the risk classification of the actual client/debtor.

SBS regulations require Peruvian banks to maintain two types of loan loss reserves: (a) "generic" reserves (*provisiones genéricas*) on their total direct and indirect loan portfolio classified as Normal (Normal), at an allowance rate of (i) 0.7% for corporate loans, big-business loans and residential mortgage loans, and (ii) 1.0% for medium-business loans, small business loans, micro-business loans, revolving consumer loans and non-revolving consumer loans; and (b) specific reserves (*provisiones específicas*) on their total direct and indirect loan portfolio classified under the Potential Problem (*Problema Potencial*), Substandard (*Deficiente)*, Doubtful (*Dudoso*) and Loss (*Pérdida*) categories, at an allowance rate of 5%, 25%, 60% and 100%, respectively. These percentages may be reduced if the loans are secured by certain types of collateral provided that certain requirements set forth under SBS Resolution No. 11356-2008, as amended, are satisfied. Additionally, under certain macroeconomic conditions, pro-cyclical reserve requirements ranging from 0.1% to 1.5% could be required. For further details, see "Regulatory Environment" in the Base Prospectus and notes 3(f) and 6(d) to the financial statements.

Loan Risk Categories

Normal (Normal). Debtors of commercial loans or credits that fall into this category have complied in a timely manner with their obligations and at the time the credit is evaluated there is no reason to doubt that interest and principal on the loan will be paid in a timely fashion or that the status will change before the next evaluation. To place a loan or credit in the Normal (Normal) category, a clear understanding of the use of proceeds and the origin

of the cash flows to be used by the debtor to repay the loan or credit is required. Included in this category are: (i) small-business loans, micro-business loans, revolving consumer loans and non-revolving consumer loans with payment delays of up to eight days; and (ii) residential mortgage loans with payment delays of up to 30 days. Corporate loans, big-business loans and residential mortgage loans in this category require a reserve of 0.7%, while medium-business loans, small business loans, micro-business loans, revolving consumer loans and non-revolving consumer loans in this category require a reserve of 1.0%.

Potential Problem (Problema Potencial): Loans or credits in this category are known as credits with "potential problems." Commercial loans or credits included in this category are those that at the time of evaluation demonstrate certain deficiencies, which, if not corrected in a timely manner, imply risks with respect to the recovery of the loan. Certain common characteristics of loans or credits in this category include: frequent delays in loan payments that are promptly cured, lack of information required to analyze the debtor, outdated financial information, temporary economic or financial imbalances on the part of the debtor that could affect its ability to repay the loan, market conditions that could affect the economic sector in which the debtor operates, material overdue debts or pending judicial collection actions initiated by other financial institutions, noncompliance with the original contractual terms and conditions, conflicts of interest within the debtor company, labor problems, unfavorable credit history, the debtor's noncompliance with its internal policies, excessive reliance on one source of raw materials or one buyer of the debtor's products and low inventory turnover ratios or large inventories that are subject to competitive challenges or technological obsolescence. Included in this category are: (i) corporate loans, big-business loans and medium business loans with payment delays if they register two or more delays greater than fifteen days in the last six months, provided that such delays do not exceed 60 days. (ii) small-business loans, micro-business loans, revolving consumer loans and non-revolving consumer loans with payment delays of 9 to 30 days; and (iii) residential mortgage loans with payment delays of 31 to 60 days. A 5.0% reserve on total loans outstanding under this category is required to cover risks of loss that have not been specifically identified. Except for consumer loans (revolving and non-revolving), when the loan, or a portion thereof, is secured with "preferred" collateral, the required reserve is 2.5%, and when secured with "highly liquid preferred" collateral, the required reserve is 1.25%.

Substandard (Deficiente): Loans or credits in this category are known as "substandard" credits. Debtors of commercial loans or credits placed in this category demonstrate serious financial weakness, often with operating profits or available income insufficient to cover financial obligations on agreed upon terms, with no reasonable short-term prospects for a strengthening of the debtor's financial capacity. Loans or credits demonstrating the same deficiencies as a Potential Problem (Problema Potencial) are considered Substandard (Deficiente) if such deficiencies are not corrected in the near term, or if they could impede the recovery of principal and interest on the loan on the originally agreed terms. Included in this category are: (i) corporate debtors, big-business loan debtors and medium business loan debtors with payment delays of 61 to 120 days; (ii) small-business loan debtors, micro-business loan debtors, revolving consumer loan debtors and non-revolving consumer loan debtors with payment delays of 31 to 60 days; and (iii) residential mortgage loan debtors with payment delays of 61 to 120 days. Loans or credits included in this category require a reserve equal to 25.0% of the outstanding principal amount of the loan that is not secured by collateral. A 25.0% reserve on total loans outstanding in this category is required to cover risks of loss that have not been specifically identified. Except for consumer loans (revolving and non-revolving), when the loan, or a portion thereof, is secured with "preferred" collateral, the required reserve is 12.5%, and when secured with "highly liquid preferred" collateral, the required reserve is 6.25%.

Doubtful (Dudoso): Loans or credits included in this category are known as "doubtful" credits. Debtors of commercial loans or credits included in this category present characteristics of actual credit risk that make the recovery of the loan doubtful. Although the loan recovery is doubtful, if there is a reasonable likelihood that in the near future the creditworthiness of the debtor may improve, a Doubtful (Dudoso) categorization is appropriate. These credits are distinguished from Loss (Pérdida) credits by the requirement that the debtor continue to operate its business, generate cash flow, and make payments on the loan, albeit at a rate less than that specified in its contractual obligations. Included in this category are: (i) corporate debtors, big-business loan debtors and medium business loan debtors with delays of 121 to 365 days; (ii) small-business loan debtors, micro-business loan debtors, revolving consumer loan debtors and non-revolving consumer loan debtors with payment delays of 61 to 120 days; and (iii) residential mortgage loan debtors with payment delays of 121 to 365 days. A 60.0% reserve on total loans outstanding in this category is required to cover risks of loss that have not been specifically identified. Except for consumer loans (revolving and non-revolving), when the loan, or a portion thereof, is secured with "preferred" collateral, the required reserve is 30.0%, and when secured with "highly liquid preferred" collateral, the required reserve is 15.0%.

Loss (Pérdida): Loans or credits in this category are known as "loss" credits. Commercial loans or credits that are considered unrecoverable or that for any other reason should not appear on our books as an asset based on the originally contractual terms fall into this category. Included in this category are: (i) corporate debtors, big-business loan debtors and medium business loan debtors with occasional and reduced payment delays of more than 365 days; (ii) small-business loan debtors, micro-business loan debtors, revolving consumer loan debtors and non-revolving consumer loan debtors with payment delays of more than 120 days; and (iii) residential mortgage loan debtors with payment delays of more than 365 days. A 100% reserve on total loans outstanding in this category is required to cover risks of loss that have not been specifically identified. Except for consumer loans (revolving and non-revolving), when the loan, or a portion thereof, is secured with "preferred" collateral, the required reserve is 60.0%, and when secured with "highly liquid preferred" collateral, the required reserve is 30.0%.

The following table shows our direct loan portfolio risk classification at the dates indicated:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Risk Category			
I: Normal (*Normal*)	122,046,782	118,077,306	119,515,504
II: Potential Problem (*Problema Potencial*)	4,241,676	3,866,635	3,727,190
III: Substandard (*Deficiente*)	2,598,587	2,337,079	1,689,391
IV: Doubtful (*Dudoso*)	2,546,309	2,622,629	1,927,557
V: Loss (*Pérdida*)	3,662,114	3,820,388	4,178,662
Total gross loans	**135,095,468**	**130,724,037**	**131,038,304**
III+IV+V (Impaired loans)	**8,807,010**	**8,780,096**	**7,795,610**

All of the Loss (*Pérdida*) loans and substantially all of the Doubtful (*Dudoso*) loans are past due. Substandard (*Deficiente*) loans, although generally not past due, have demonstrated credit deterioration such that management has serious doubts as to the ability of the borrower to comply with the present loan repayment terms. We consider the collateral securing these loans only for purposes of establishing loan loss reserves and not for purposes of classification.

Classification of the Loan Portfolio Based upon the Borrower's Payment Performance

We classify a loan as internal overdue mainly based on three aspects: (i) number of days as past-due, based on the due date contractually agreed; (ii) the banking subsidiary; and (iii) the type of loan. Based on these aspects, BCP and Mibanco consider loans as internally overdue: (i) after 15 days for corporate, large business and medium business loans; (ii) after 30 days for small and micro business loans; (iii) after 30 days for overdrafts; and (iv) after 90 days for consumer, mortgage and leasing loans. In the case of consumer, mortgage and leasing loans, the past-due installments are considered overdue after 30 to 90 days. After 90 days, the outstanding balance of the loan is considered internal overdue. Furthermore, with regards to refinanced loans, our policy categorizes a loan as "refinanced" when a debtor is experiencing payment problems and asks for a new payment schedule that will allow the debtor to comply with the installments. Finally, non-performing loans are composed of internal overdue and refinanced loans.

The following table sets forth the repayment status of our loan portfolio as of the dates indicated:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands, except as otherwise indicated)		
Current(1)	129,305,576	124,758,673	125,861,244
Past due			
Overdue 16-119 days	1,555,796	1,906,066	1,295,894
Overdue 120 days or more	4,100,671	3,919,147	3,773,899
Total past-due loans	5,656,467	5,825,213	5,069,793
Total loans	**134,962,043**	**130,583,886**	**130,931,037**
Deferred interest on discounted Notes	133,425	140,151	107,267

	As of December 31,		
	2022	2023	2024
	(Soles in thousands, except as otherwise indicated)		
Total gross loans	**135,095,468**	**130,724,037**	**131,038,304**
Past-due loan amounts as a percentage of total loans	4.2%	4.5%	3.9%

(1) Outstanding loans. Figures are net of unearned interest.

In accordance with SBS regulations, we classify as past due only the amount of the past-due installments on any consumer, mortgage and leasing credit, provided that no amount of such credit is past due for over 90 days. The entire amount of these loans will be considered past due if any amount is past due more than 90 days. In terms of portfolio quality, the past due ratio decreased to 3.9% in 2024 compared to 4.5 % in 2023.

The decrease in 2024 was primarily driven by a drop in overdue loans and the repayment of Reactiva loans of SME-Pyme clients, as well as debt repayments from Wholesale banking clients.

Past-due Loan Portfolio

The following table analyzes our past-due loan portfolio by type of loan:

	As of December 31,		
Past-due loan amounts	**2022**	**2023**	**2024**
	(Soles in thousands)		
Loans	4,645,596	4,500,113	4,079,142
Leasing transactions	126,189	64,718	58,540
Credit cards	381,980	507,690	379,707
Discounted notes	34,338	33,925	32,167
Advances and overdrafts in demand deposits	69,524	166,803	152,566
Refinanced loans	398,840	551,964	367,672
Past due loans and under court collection	**5,656,467**	**5,825,213**	**5,069,793**
Specific reserves (1)	(4,645,308)	(4,851,239)	(4,751,037)
Not specifically identified reserves (1)	(3,405,560)	(3,277,391)	(3,219,247)
Total Allowance for loan losses (2)	**(8,050,868)**	**(8,128,630)**	**(7,970,284)**
Total past due portfolio net of total reserves	**(2,394,401)**	**(2,303,417)**	**(2,900,491)**

(1) These reserves for loan losses have been established in accordance with SBS regulations. See "—Classification of the Loan Portfolio."

(2) Does not include reserves for indirect loans (which include guarantees and stand-by letters of credit, import and export letters of credit, and due from bank acceptances) of S/416.5 million, S/338.8 million, and S/356.1 million as of December 31, 2022, 2023 and 2024, respectively.

Allowance for Loan Losses

Overview

The following table shows the changes in our allowance for loan losses, including reserves for indirect loans and movements at the dates indicated:

	For the years ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Balance as of January 1	8,688,291	8,467,345	8,467,458
Provision	2,299,341	3,774,900	3,851,531

	For the years ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Loan portfolio written-off	(2,317,488)	(3,193,529)	(3,701,133)
Sale of portfolio	(19,189)	(435,661)	(161,473)
Exchange difference	(68,823)	(40,916)	19,677
Loan forgiveness and others	(114,787)	(104,681)	(149,707)
Balance as of December 31	**8,467,345**	**8,467,458**	**8,326,353**
Allowance for indirect loan losses	(416,477)	(338,828)	(356,069)
Allowance for direct loan losses	**8,050,868**	**8,128,630**	**7,970,284**

For a discussion of the risk elements in the loan portfolio and the factors considered in determining the amount of specific reserves, see "—Classification of the Loan Portfolio."

Allowance for loan losses as of December 31, 2024 includes S/8.0 billion of reserves for losses on direct loans and S/356.1 million of reserves for losses in indirect loans (S/8.1 billion and S/338.8 million as of December 31, 2023, respectively). The reserves for losses on indirect loans are reported within Other Liabilities in our consolidated statement of financial position.

For the years ended December 31, 2022, 2023 and 2024, we had recoveries of previously written-off loans of approximately S/321.2 million, S/313.4 million, and S/402.4 million, respectively.

Allocation of the Allowance for Loan Losses

The following table sets forth the amounts of the allowance for loan losses attributable to commercial, consumer and residential mortgage loans at the dates indicated:

	As of December 31,		
	2022	2023	2024
	(Soles in thousands)		
Commercial loans	6,887,875	6,609,026	5,497,250
Consumer loans	886,059	1,146,788	1,883,512
Residential mortgage loans	693,411	711,644	945,591
Total allowance for loan losses (1)	**8,467,345**	**8,467,458**	**8,326,353**

(1) Includes reserves for indirect loans, which include guarantees and stand-by letters of credit, import and export letters of credit, and due from bank acceptances.

Selected Credit Ratios

The following table presents our selected credit ratios for allowances for loan losses to total loans outstanding and, for both total loans and each type of loan, net write-offs to average loans outstanding, as well as the components of these ratios, as of December 31, 2022, 2023 and 2024.

	As of December 31,		
	2022	2023	2024
	(Soles in thousands, except percentages)		
Allowance for loan losses to total loans outstanding	**6.22%**	**6.51%**	**6.33%**
Allowance for loan losses	(8,050,868)	(8,128,630)	(7,970,284)
Total loans to fall due	129,439,001	124,898,824	125,968,511
Total net write-offs during the period to average loans outstanding	**1.79%**	**2.55%**	**0.71%**
Loan portfolio written-off	(2,317,488)	(3,193,529)	(3,701,133)
Average loans outstanding	129,325,591	125,179,181	123,574,818
Net write-offs during the period to average loans outstanding			
Loans:			

	As of December 31,		
	2022	2023	2024
	(Soles in thousands, except percentages)		
Average amount outstanding	109,343,063	104,774,658	103,616,170
Net write-offs during the period	(1,729,634)	(2,462,615)	(665,144)
Net write-offs to average amount outstanding	1.58%	2.35%	0.64%
Credit Cards:			
Average amount outstanding	5,621,995	6,293,319	6,002,173
Net write-offs during the period	(197,752)	(384,289)	(120,869)
Net write-offs to average amount outstanding	3.52%	6.11%	2.01%
Leasing receivables:			
Average amount outstanding	6,254,236	5,896,141	5,511,085
Net write-offs during the period	—	—	—
Net write-offs to average amount outstanding	—	—	—
Discounted notes:			
Average amount outstanding	2,588,342	2,658,249	2,925,895
Net write-offs during the period	—	—	-
Net write-offs to average amount outstanding	—	—	-
Factoring receivables:			
Average amount outstanding	3,624,665	3,184,821	2,915,033
Net write-offs during the period	—	—	-
Net write-offs to average amount outstanding	—	—	-
Advances and overdrafts in current account:			
Average amount outstanding	149,743	247,028	227,089
Net write-offs during the period	—	—	-
Net write-offs to average amount outstanding	—	—	-
Refinanced loans:			
Average amount outstanding	1,743,548	2,124,964	2,377,373
Net write-offs during the period	(390,102)	(346,625)	(90,003)
Net write-offs to average amount outstanding	22.37%	16.31%	3.79%

In 2024, our allowance for loan losses to total loans outstanding credit ratio decreased from 6.5% as of December 31, 2023, to 6.3% as of December 31, 2024. This was mainly due to a decrease in Small Businesses and Consumer loan portfolio.

In 2023, our allowance for loan losses to total loans outstanding credit ratio increased from 6.2% as of December 31, 2022, to 6.5% as of December 31, 2023. This was mainly due to a decrease in the loan portfolio in an adverse macroeconomic scenario and an increase in provisions, as we estimate the impact of the El Niño phenomenon on our clients' payment capacity given the information available in the last months of 2023 related to a strong El Niño phenomenon for 2024.

In 2024, our net write-offs during the period to average loans outstanding credit ratio for loans decreased from 2.6% as of December 31, 2023, to 0.7% as of December 31, 2024. This was mainly due to stricter credit guidelines, improved collection management and overall better portfolio risk management.

In 2023, our net write-offs during the period to average loans outstanding credit ratio for loans increased from 1.8% as of December 31, 2022, to 2.6% as of December 31, 2023. This was mainly due to an increase in customer defaults due to a weak macroeconomic environment.

Deposits

The following table presents the components of our deposit base at the dates indicated:

	As of December 31,					
	2022		2023		2024	
	(Soles in thousands, except percentages)					
Demand deposits						
Sol-denominated	22,230,537	49.5%	23,446,401	51.5%	27,858,419	56.0%
Dollar-denominated	22,651,433	50.5%	22,039,229	48.5%	21,882,647	44.0%
Total	**44,881,970**	**100.0%**	**45,485,630**	**100.0%**	**49,741,066**	**100.0%**

	As of December 31,					
	2022		2023		2024	
	(Soles in thousands, except percentages)					
Savings deposits						
Sol-denominated	30,354,059	58.7%	30,305,972	61.3%	36,654,123	64.5%
Dollar-denominated	21,314,727	41.3%	19,111,456	38.7%	20,160,803	35.5%
Total	**51,668,786**	**100.0%**	**49,417,428**	**100.0%**	**56,814,926**	**100.0%**
CTS						
Sol-denominated	2,669,127	69.8%	2,295,879	72.1%	2,229,080	74.4%
Dollar-denominated	1,155,502	30.2%	889,724	27.9%	766,940	25.6%
Total	**3,824,629**	**100.0%**	**3,185,603**	**100.0%**	**2,996,020**	**100.0%**
Time deposits						
Foreign Currency Bank Certificates						
Sol-denominated	541,980	38.2%	504,020	42.2%	453,200	41.1%
Dollar-denominated	876,760	61.8%	690,633	57.8%	648,147	58.9%
Total	**1,418,740**	**100.0%**	**1,194,653**	**100.0%**	**1,101,347**	**100.0%**
Other time deposits						
Sol-denominated	18,419,799	66.5%	19,385,960	59.8%	20,709,750	56.5%
Dollar-denominated	9,298,566	33.5%	13,036,020	40.2%	15,965,191	43.5%
Total other time deposits	27,718,365	100.0%	32,421,980	100.0%	36,674,941	100.0%
Total deposits	**32,961,734**	**100.0%**	**36,802,236**	**100.0%**	**40,772,308**	**100.0%**
Sol-denominated	73,673,522	56.9%	75,938,232	57.7%	87,904,572	59.7%
Dollar-denominated	55,838,968	43.1%	55,767,062	42.3%	59,423,728	40.3%
Total	**129,512,490**	**100.0%**	**131,705,294**	**100.0%**	**147,328,300**	**100.0%**
Interest payable	307,175	—	603,223	—	387,428	—
Total deposits (including interest payable)	**129,819,665**	—	**132,308,517**	—	**147,715,728**	—
Total deposits						
Interest bearing (including interest payable)	85,797,670	66.1%	87,255,502	65.9%	98,263,092	66.5%
Non-interest bearing	44,021,995	33.9%	45,053,015	34.1%	49,452,636	33.5%
Total	**129,819,665**	**100.0%**	**132,308,517**	**100.0%**	**147,715,728**	**100.0%**

As of December 31, 2024, and 2023 of the total balance of deposits and obligations in Peru, approximately S/59,413.9 million and S/51,875.6 million, respectively, are secured by the Peruvian "Deposit Insurance Fund". At said dates, the maximum amount of coverage per depositor recognized by "*Fondo de Seguro de Depósitos*" totaled S/121,600.0 and S/123,810.0, respectively. As of December 31, 2022, 2023 and 2024 uninsured deposits held by us, which were estimated based on the same methodologies and assumptions used for the regulatory reporting requirements, amounted to S/75,559 million, S/78,233 million, and S/84,922 million, respectively.

The following table presents the estimated total amount of uninsured time deposits by time remaining until maturity as of December 31, 2024.

	As of December 31, 2024
	(Soles in thousands)
Maturing within 60 days	19,631,986
Maturing after 61 but within 90 days	2,857,648
Maturing after 91 but within 180 days	2,887,809
Maturing after 181 but within 360 days	3,663,013
Maturing after 361 days	497,194
Total time deposits	**29,537,650**

Short-Term Borrowings

Our short-term borrowings, defined as interbank funds and due to banks and correspondents with a maturity of less than one year, amounted S/4.7 billion as of December 31, 2024 (S/6.6 billion, and S/2.4 billion as of December 31, 2023 and 2022, respectively).

Derivative Instruments

The tables below set forth, for the years ended December 31, 2022, 2023 and 2024, the fair value of the derivative financial instruments recorded as an asset or a liability, together with their notional amounts. The gross notional amount is the amount of a derivative's underlying asset and is the basis upon which changes in the value of derivatives are measured.

	As of December 31, 2022			
	Assets	Liabilities	Nominal amount	Related instrument
			(Soles in thousands)	
Derivatives held for trading				
Foreign currency forward.....	343,841	141,814	28,437,958	—
Interest rate swaps.....	256,919	125,669	6,859,135	—
Currency swaps.....	401,926	742,704	14,091,539	—
Foreign Currency Options	1,348	3,167	362,252	—
Derivatives designated as				
Cash flow hedging				
Interest rate swaps.....	—	—	—	Due to banks
Interest rate swaps.....	—	—	—	Bonds issued
Foreign currency forwards.....	—	—	—	Debts
Cross currency swaps.....	—	156	38,140	Debts
Cross currency swaps.....	14,861	—	95,350	Repurchase agreements
Cross currency swaps.....	21,935	—	171,630	Repurchase agreements
Cross currency swaps.....	20,114	8,418	839,080	Bonds issued
Cross currency swaps.....	31,865	2,123	66,930	Available-for-sale investments
Cross currency swaps.....	6,802	—	47,160	Available-for-sale investments
Cross currency swaps.....	3,079	—	17,292	Available-for-sale investments
Cross currency swaps.....	—	13,688	145,715	Bonds issued
Fair value				
Interest rate swaps.....	52,106	397	926,497	Available-for-sale investments
Total	**1,154,796**	**1,038,136**	**52,098,678**	Due to banks

	As of December 31, 2023			
	Assets	Liabilities	Nominal amount	Related instrument
			(Soles in thousands)	
Derivatives held for trading				
Foreign currency forwards.....	275,504	134,332	28,211,133	—
Interest rate swaps.....	240,308	95,623	13,387,572	—
Currency swaps.....	229,755	428,352	12,854,176	—
Foreign currency Options.....	849	3,747	464,099	—
Derivatives designated as				
Cash flow hedging				
Interest rate swaps (IRS).	786	337	556,350	Available
Foreign currency forward	57	—	54,392	Debts
Cross currency swaps (CCS)	20,359	—	54,849	Available for sale investments
Cross currency swaps (CCS)	—	9,784	71,775	Available for sale investments
Cross currency swaps (CCS)	13,843	25,524	815,980	Bonds issued
Cross currency swaps (CCS)	—	3,060	37,090	Debts
Cross currency swaps (CCS)	—	8,183	185,450	Debts
Cross currency swaps (CCS)	1,552	—	78,969	Bonds issued
Fair value				

	As of December 31, 2023			
	Assets	Liabilities	Nominal amount	Related instrument
			(Soles in thousands)	
Interest rate swaps	41,554	—	778,890	Available-for-sale investments
Total	824,567	708,942	57,550,725	Due to banks

	As of December 31, 2024			
	Assets	Liabilities	Nominal amount	Related instrument
			(Soles in thousands)	
Derivatives held for trading				
Foreign currency forwards	76,010	146,014	29,691,268	
Interest rate swaps	358,308	261,219	43,371,878	
Currency swaps	219,531	230,739	13,622,339	
Foreign currency Options	2,830	8,232	728,146	
Derivatives designated as				
Cash flow hedging				
Interest rate swaps (IRS)	-	970	564,600	Available
Foreign currency forward	-	-	-	Debts to bank
Cross currency swaps (CCS)	1,802	1,852	46,970	Available for sale investments
Cross currency swaps (CCS)	-	-	-	
Cross currency swaps (CCS)	18,993	8,296	900,020	Bonds issued
Cross currency swaps (CCS)	-	5,240	225,840	Debts to bank
Cross currency swaps (CCS)	-	-	-	Japanese yen bonds issued/loans
Cross currency swaps (CCS)	-	-	-	
Fair value				
Interest rate swaps	33,027	-	790,440	Available for sale investments
Total	710,501	662,562	89,941,501	

BUSINESS

Overview

Our Bank

Our purpose and values

Our purpose is "transforming plans into reality". We aim to support our clients by seeking to always be with them while encouraging and transforming their dreams and plans into reality. We hope to simultaneously contribute towards building Peru's story of development and progress and deepening our connection to communities in order to generate value for all stakeholders and ensure long-term sustainability.

We believe our values are key elements to fulfilling our purpose and shaping our culture. We call it our "WOW Culture" because it helps us to provide the best customer experience with a team committed to achieving our customers' goals and dreams. Our values guide our employees and shareholders to work towards our purpose and reflect the role we want in Peruvian society. Our values are:

- Customer centricity
- Test and learn
- Risk-conscious and righteous
- Collaboration
- Give your best
- Boost your skills

Our framework to follow our strategy

Our strategy is geared towards delivering an extraordinary and efficient experience to remain competitive while investing in long-term sustainable growth. As such, we aim to be #1 in customer experience and to be the most efficient bank in the region.

Experience:

We are focusing heavily on digital coverage and high transactionality, facilitating banking needs anytime, anywhere.

Efficiency:

We are focusing on solid income generation by expanding market share, launching new products, digitalizing services, and generating new transactional income.

This strategy is delivered to the market through our business units, each having a distinct strategic approach.

- For Individuals, we developed a different strategy for each subsegment: from the affluent where we have a value proposition based on personalized digital and physical comprehensive service, to a more digital cost-efficient and transactional value proposition for the mass market.
- For SMEs, we have two objectives: To develop a digital solution and credit capabilities to serve smaller customers in a profitable way and to further develop risk-free income.
- For Wholesale, we have several objectives: Defending our core business, expanding our services beyond banking, ensuring end-to-end digitization, and identifying ESG opportunities aligned with our purpose. Through BCP's strategy we aim to: (i) be number one in customer experience and (ii) have the best efficiency ratio in Latin America.

We work to develop key internal capabilities, known as our enablers, that will help us to stay on course towards our ambitions. Our enablers are:

- IT: We seek to add value to the market by increasing the amount, quality and speed of our tech releases.

- Data and Analytics: We support our strategy by three fundamental pillars, democratize the use of data in all business areas, enhance our decisions with new sources of information, and build a robust ecosystem that protects our clients' information.

- Cybersecurity: We are focusing our efforts on the most effective strategies to reduce our exposure to cybersecurity risk.

Our achievements

We have undergone a considerable transformation over the last 6 years. In our perspective, our strategy has resulted in a larger, more digital, efficient, transactional, and sustainable bank in the long run. We have made significant strides in solidifying our strategy. This has resulted in an improvement of our mass market Net Promoter Score ("NPS") (from 45 in 2023 to 54 in 2024) and significant progress in maintaining our cost-to-income. In general, our transformation results are leading us towards a more digitized, loyal and profitable customer profile – with more products, more use of digital channels and resulting in us being more profitable. Over the past 5 years, we have seen growth in several areas:

- Our customer base by 2.1x: From 8.4 million in 2019 to 17.5 million in 2024.
- Our Asset size by 1.4x: From S/140.8 billion in 2019 to S/197.5 billion in 2024.
- Our low-cost deposits grew by 68.9%: From S/64.9 billion in 2019 to S/109.6 billion in 2024.
- Our digital monetary transactions by 31.6x: From S/257.1 million in 2019 to S/8,063 million in 2024 (accumulated).
- Our total transactions by 15.9x: From S/2,626 million in 2019 to S/41,923 million in 2024 (accumulated).

These large gains on most metrics reinforce (i) our capacity for growth, (ii) our successful digital strategy, (iii) the growing customers' preference for our digital services and (iv) customer's trust.

Our strategy execution is not only resulting in a better experience and more efficient value proposition for our customers. Sustainability is a key pillar of our strategic approach, focused on generating a positive impact in society aligned with our purpose and our business. Since 2020, we financially included 5.7 million people, educated over 1.6 million individuals, trained over 340,000 microbusiness owners via "Contigo Emprendedor" (with the help of 3,742 employee volunteers), among other achievements.

As we keep on evolving, we stay committed to our purpose to transform plans into reality, with a clear and sustainable strategy, centered on maximizing customer and employee experience and improving the efficiency of our operations, within a sustainable framework. We embrace taking calculated and prudent risks, proving time and again that we can adapt and thrive in an ever-changing landscape.

History and development

BCP is a corporation (*sociedad anónima*) authorized to operate as a multiple banking institution under the Peruvian Banking Law. Our activities include retail banking, commercial banking and asset management. Our charter (*estatuto social*) is registered with the Peruvian Public Registry of Juridical Persons (*Registro Público de Personas Jurídicas*) under electronic file number 11009127.

We began our operations on April 9, 1889 as Banco Italiano. In 1941, we changed our name to Banco de Crédito del Perú. We are the oldest and, since the 1920s, the largest commercial bank in Peru. BCP is listed on the BVL. As of December 31, 2022, 97.74% of our capital stock was held directly and indirectly by Credicorp and 2.26% was publicly held. Members of the Romero family have been our shareholders since 1918 and became the controlling shareholders of BCP and Credicorp in 1979 and 1995, respectively. As of December 31, 2022, members of the Romero

family held 12.50% of Credicorp's common shares, as stated in the Schedule 13G filed in respect of Credicorp with the SEC on February 14, 2023. Luis Romero Belismelis is chairman of our board of directors.

In October 2009, BCP acquired all shares owned by Cooperative for Assistance and Relief Everywhere, Inc. in Edyficar (or 77.1% of Edyficar's capital stock). In accordance with the then applicable Peruvian law, BCP made a public tender to Edyficar's minority shareholders to acquire the remaining balance of its capital stock. As a result of the tender offer, we acquired an additional 22.7% of Edyficar's capital stock, which brought our ownership to 99.8% as of December 2011.

In 2011 and 2012, Credicorp sought to incorporate a subsidiary that would operate independently from BCP and engage in financial advisory activities, asset management and investment banking at a regional scale, with a focus on the Latin American Integrated Market (*Mercado Integrado Latinoamericano*) ("MILA"). MILA comprises the primary stock exchanges of Peru, Chile, Mexico and Colombia.

On November 30, 2011, we reached an agreement with the shareholders of Credicorp Capital Colombia S.A. ("Correval") to acquire a 51% stake in Correval, subject to governmental approval, among other conditions precedent. The acquisition, which valued Correval at U.S.$150 million, closed on April 27, 2012. Correval, with almost 25 years of experience, is one of the market leaders in the Colombian brokerage services industry. Moreover, in April 2012, we reached an agreement to acquire 60.6% of IM Trust S.A. ("IM Trust"), a Chilean brokerage and financial services company. This acquisition, which valued IM Trust at U.S.$131.5 million, closed on July 31, 2012.

In November 2012 and June 2013, IM Trust and Correval, respectively, were sold at acquisition cost to Credicorp Capital Ltd. ("Credicorp Capital"), a wholly-owned subsidiary of Credicorp. Additionally, certain of our former local subsidiaries, including Credifondo, Credibolsa, Creditítulos and BCP's investment banking division, were spun off and acquired by Credicorp Capital Perú S.A.A. ("Credicorp Capital Perú"), a subsidiary of Credicorp, through Grupo Crédito and Credicorp Capital. Following this reorganization, Credicorp Capital Peru, IM Trust and Correval became subsidiaries of Credicorp Capital.

On February 8, 2014, BCP, through its subsidiary Edyficar, signed an agreement with Grupo ACP Corp. S.A.A. to acquire 60.7% of the share capital of Mibanco, a banking entity in Peru targeting micro and small companies, for U.S.$179.5 million (approximately equivalent to S/504.8 million), paid in cash. This transaction was completed after obtaining all necessary regulatory authorizations and approvals on March 20, 2014. On April 8, 2014, Grupo Crédito and Edyficar acquired from the International Finance Corporation ("IFC") an additional 6.5% stake in Mibanco (5% by Grupo Crédito and 1.5% by Edyficar). In addition, Grupo Crédito and Edyficar made a tender offer to the non-controlling shareholders of Mibanco. Pursuant to this tender offer, Grupo Crédito and Edyficar acquired an additional 18.56% of Mibanco's capital stock for S/153.6 million. Subsequently, in September 2014, Edyficar acquired an additional 1.2% of Mibanco's capital from La Positiva Seguros y Reaseguros S.A. As a result, at the end of 2014, Mibanco's main shareholder was Edyficar, which held a direct 81.93% interest in Mibanco, while Grupo Crédito held a 5% interest. In November 2014, the shareholders of Edyficar and Mibanco approved the spin-off of a group of assets and liabilities of Edyficar to be merged with Mibanco. On March 2, 2015 a business combination between Mibanco and Edyficar's assets and liabilities was made effective. These transactions were entered into at the carrying amount of all assets and liabilities of Edyficar except for operating licenses, mortgages loans of Mivivienda and cash, which continued to be owned by Edyficar. Subsequently in April 2015, the credit portfolio of Mivivienda was sold to BCP. Mivivienda's banking license has been retired, without generating any impact on our financial statements. In connection with the aforementioned spin-off, by means of Resolution SBS No. 7612-2015, the SBS approved Edyficar's request so it no longer qualifies as a financial entity. On February 23, 2015, a merger transaction between Edyficar and SEAH was agreed upon. Such transaction became effective on September 1, 2017. As a result of such merger, Edyficar was absorbed by SEAH. As of December 31, 2022, BCP holds a direct interest of 94.9% in Mibanco and 100% in SEAH.

On January 19, 2015 we sold to Credicorp 100% of our capital stock in Banco de Crédito e Inversiones de Chile ("BCI"), which generated a profit of S/338.0 million.

On May 12, 2016 we sold to ICBSA, a subsidiary of Grupo Crédito, 100% of the shares held in Banco de Crédito de Bolivia ("BCB"), after the approval of the Financial Supervisory Authority of Bolivia. Thus, we sold 95.84% of our stake for U.S.$162.7 million, obtaining a net gain of S/113.8 million.

In January 2017, Credicorp's Board of Directors approved the transfer of 9% of our total shares to Grupo Crédito through a capital contribution, in order to facilitate Credicorp's future investments in Peru without modifying the controlling structure of BCP. The total amount paid for the transfer of the shares was S/3,505,916.484.50. Under the new structure, Credicorp directly holds 0.96% of BCP's total shares and, together with Grupo Crédito, continues to control 97.71% of such shares. This transfer did not result in any changes to our internal governance structure and did not affect the way Credicorp and BCP manage their day-to-day operations or Credicorp's dividend policy.

At the beginning of 2018, Credicorp changed its internal organization from one based on subsidiaries to one based on four business lines: (i) Universal Banking, composed of BCP and Banco de Crédito de Bolivia, (ii) Microfinance, composed of Mibanco and Encumbra, (iii) Insurance and Pensions, composed of Grupo Pacífico and Prima AFP, and (iv) Investment Banking and Wealth Management, composed of Credicorp Capital, Atlantic Security Bank and the private banking segment of BCP. The creation of the Investment Banking & Wealth Management business unit was intended to combine BCP's Wealth Management Division and Atlantic Security Bank ("ASB") with Credicorp Capital. The objective behind this joint operation is to have a single regional wealth management business, operating under a unified model, within one business unit, instead of three different models under different business units. This new structure facilitates the sharing of best practices and delivery of a regional value proposition, with ASB supporting all wealth management business units and clients (instead of focusing on Peru-based wealth management customers).

On April 18, 2018, Credicorp, through Grupo Crédito and BCP, acquired 3.2% and 0.1%, respectively, of the share capital of Mibanco from minority shareholders for approximately S/129.0 million and S/2.4 million, respectively. Additionally, on May 22 and 23, 2018, BCP acquired 1.2% and 0.1%, respectively, of the share capital of Mibanco from minority shareholders for approximately S/47.3 million and S/1.9 million, respectively. These acquisitions of non-controlling interests were recorded as equity transactions. Through these acquisitions, Credicorp increased its interest in the share capital of Mibanco from 93.2% to 99.9%.

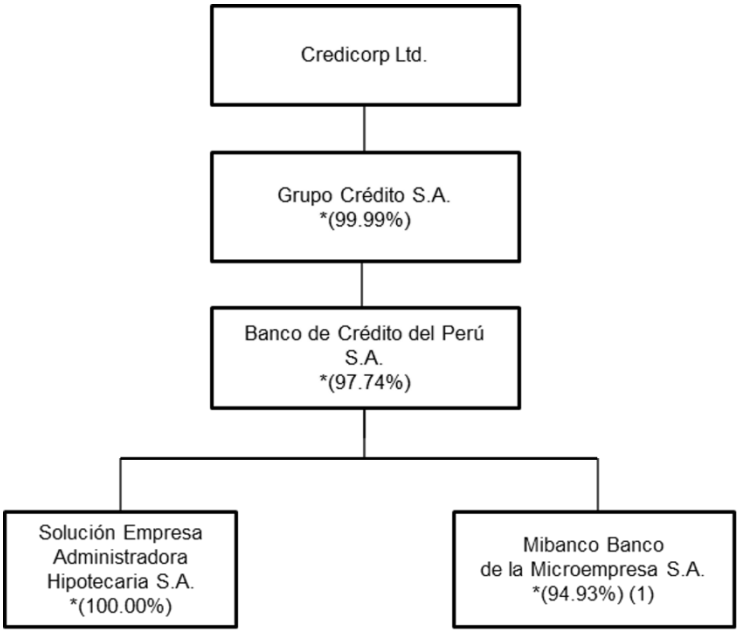
On May 7, 2018, Credicorp sold 220,113,636 of our common shares to Grupo Crédito, which represented 2.8% of our share capital. The amount paid per share was S/6.6.

Moreover, on May 7, 2019, Credicorp sold an additional 83,839,991 of our common shares to Grupo Crédito, which represented 0.9% of our share capital. The amount paid per share was S/6.1.

Finally, during July 2021, Grupo Crédito acquired an additional 0.1% of our share capital from minority shareholders for approximately S/8.3 million. As a result, Grupo Crédito owns 97.7% of our shares of BCP as of the date of this Prospectus.

Corporate Structure

The following chart illustrates the current ownership structure of BCP and our subsidiaries.



*Percentage of participation of the direct majority shareholder.

(1) Grupo Crédito participates in the remaining 4.99%.

In addition to our direct and indirect local subsidiaries (Mibanco and SEAH), we have an agency in Miami and a branch in Panama.

In 2024, we accounted for 85.7% of Credicorp's total revenues, 93.6% of its total assets, 94.1% of its net income and 90.1% of its shareholders' equity. As of December 31, 2024, our issued capital consisted of 12,973,174,634 million fully subscribed and paid common shares and we had an unconsolidated capital adequacy ratio of 18.7%. Our operations are supervised and regulated mainly by the SBS and the BCRP.

Our Panamanian branch is subject to the supervision of the SBS and the PSB. It operates under an international banking license issued by the PSB, which permits us to engage in international banking operations from Panama, such as taking deposits from, and making loans to, persons outside of Panama, but does not allow us to undertake domestic banking operations in Panama. The offices of our Panamanian branch are located at Calle 50 con Elvira Méndez, Edificio Tower Financial Center Piso 13, Panama City, Panama.

Our Miami agency is licensed by the State of Florida and is supervised by the Florida state government and the United States federal government. The agency offers a diverse range of financial services to our customers, including checking and money market accounts, time deposits, fund transfers and collection services. The Miami agency is located at 121 Alhambra Plaza, Suite 1200, Coral Gables, Florida.

BCP's Subsidiaries

Our subsidiaries are as follows:

- Mibanco is owned by BCP and Grupo Crédito, which hold a 94.9% and a 4.9% interest, respectively. The corporate purpose of Mibanco is to engage in multiple banking services with a special emphasis on the micro and small business segments. Mibanco's operations are governed by Peruvian Banking Law. Mibanco is authorized by SBS to operate as a bank in accordance with Peruvian law.

- BCP Emisiones Latam 1 S.A. is a special purpose company domiciled in Santiago, Chile. It was established in January 2009 and its sole purpose is to invest in all types of real estate securities and debt securities,

which are financed through bond issuances in Chile. Currently, BCP holds 50.39% of its shares and Grupo Crédito owns the remaining 49.6%.

- SEAH is a subsidiary specialized in offering mortgage loans. Prior to May 25, 2010, SEAH operated as a financial company (*empresa financiera*) under the name Solución Financiera de Crédito del Perú and its business included mortgage lending, consumer lending and SME financing. On May 25, 2010, SEAH changed its name and corporate purpose to comply with regulatory requirements arising from the acquisition of Edyficar by BCP. On February 23, 2015, a merger transaction between Edyficar and SEAH was agreed upon, which became effective as of September 1, 2017. As a result, Edyficar was absorbed by SEAH. BCP owns 100% of SEAH's shares.

The following table shows the contributions of our operating entities as of and for the year ended December 31, 2024, before eliminations for consolidation.

Operating entity	Total Assets	Total Revenue	Net Income	Shareholders' Equity
		(In percentages)		
BCP	93.6	85.7	94.0	90.1
Mibanco	6.5	14.3	6.0	9.8
SEAH	0.0	0.0	0.0	0.1
Total	**100.0**	**100.0**	**100.0**	**100.0**

Distribution Network

We have the largest branch network of any commercial bank in Peru and the most extensive ATM network in Peru.

	As of December 31,		
	2022	2023	2024
BCP			
Branches	333	308	313
Lima and Callao	198	176	178
Provinces of Peru	133	130	133
Offshore	2	2	2
ATMs	2,287	2,431	2,473
BCP Agents	9,348	10,684	10,600
Total BCP	**11,968**	**13,423**	**13,386**

Source: SBS, BCP

BCP's network has changed from 2,431 ATMs, 10,684 agents and 308 branches as of December 31, 2023 to 2,473 ATMs, 10,600 agents and 313 branches as of December 31, 2024.

Competition

As of December 31, 2024, the Peruvian financial system was composed of 53 financial institutions, including 18 commercial banks, 9 financial companies, 12 municipal and 5 rural savings and loan associations (*cajas*), 5 credit companies, and the following 4 state-owned financial institutions (not including the BCRP): Banco de la Nación, Agrobanco, Cofide and Mivivienda. As of December 31, 2024, the Peruvian financial sector also included 17 insurance companies and 4 AFPs.

Larger Peruvian companies have gained access to new sources of capital through the local and international capital markets, and BCP's existing and new competitors have increasingly made inroads into the higher margin, middle market and retail banking sectors. Such increased competition, with entrants who may have greater access to capital at lower costs, has affected BCP's loan growth as well as reduced the average interest rates that BCP can charge its customers.

As a result of Peru's strong economic growth, which has outpaced growth by nearby countries, in recent years, several foreign companies have shown interest in entering the Peruvian market while financial companies already in Peru have taken steps to expand operations and develop new businesses.

In 2010 and 2011 no major commercial banks entered the Peruvian financial system. In 2012, Banco Cencosud from the Chilean group of the same name, in a joint enterprise with the Peruvian group Wong, started operations in the first half 2012. Later that year, GNB Sudameris Group, a Colombia-based entity, acquired HSBC Peru and renamed it Banco GNB Peru. In 2013, there was a merger between the rural savings bank ("CRAC") (known by its Spanish acronym), Nuestra Gente and the financial firm Confianza. The entity resulting from the merger operates as a financial firm by the name of Financiera Confianza.

In 2014, ICBC Group established its first subsidiary in Peru, ICBC Bank Peru, and became the first Chinese-owned bank entering the Peruvian financial system. In February 2014, Edyficar reached an agreement with Grupo ACP Corp to buy the shares that they held in Mibanco (60.68% of total shares). In May 2014, the SBS started an intervention to the municipal savings bank Pisco ("CMAC") (known by its Spanish acronym), due to its financial instability and the failure of the Financial Recovery Plan. This CMAC was acquired by Financiera TFC.

In December 2014, Citibank del Peru decided to spin-off their retail banking unit and reached an agreement with Scotiabank Peru to acquire their retail banking unit. This acquisition was approved by the SBS through Resolution No. 2403-2015 and was completed on May 1, 2015.

The integration of Mibanco and Edyficar took place on March 2, 2015. Also, in 2015, the SBS intervened in the CRAC Caja Señor de Luren due to losses of more than 50.0% of its capital stock. This CRAC was acquired by CMAC Arequipa Financiera. In July 2015, CRAC Credinka merged with Financiera Nueva Vision, the new entity operates as a financial firm by the name of Financiera Credinka. In October 2015 the financial firm Financiera TFC merged with CRAC Libertadores de Ayacucho.

In April 2016, the SBS authorized J.P. Morgan Banco de Inversion to operate as an investment bank in Peru, and its Peruvian operations commenced in March 2017. JPMorgan already had a representative office in Peru and had advised local businesses regarding U.S. equity markets. Now, through its authorized investment bank, JP Morgan can participate in sales and trading of BCRP and Government instruments, as well as foreign exchange ("FX") trading.

In June 2017, the SBS authorized a merger between Caja Rural de Ahorro y Crédito Los Andes S.A. (a rural Peruvian savings bank) and EDPYME Solidaridad y Desarrollo Empresarial S.A.C., with Los Andes surviving the merger. In November 2017, Los Andes also bought part of the portfolio from its peer, Caja Municipal de Ahorro y Crédito del Santa S.A.

In August 2017, the SBS authorized the dissolution and liquidation of Leasing Peru, which at the time was a member of the Bancolombia Group. Leasing Peru officially closed in October 2017.

In August 2017, Bank of China Limited requested the SBS approval to establish a bank in Peru. In January 2019, the SBS authorized the organization of this bank as a multiple-operations bank and the commencement of its operations.

In May 2018, Scotiabank acquired 51.0% of Banco Cencosud, authorized by the regulator. This acquisition increased Scotiabank's market share in the retail-banking segment in Peru, as it allowed them to jointly manage both portfolios. Afterwards, in February 2019, the regulator approved the conversion of Banco Cencosud from a bank to a rural savings bank.

In January 2019, Law No. 30822 (the "Coopac Law") came into force. The Coopac Law created a registry of cooperatives and the creation of the cooperative deposit insurance fund. It also designates the SBS as a supervisor of these cooperatives, based on a modular scheme according to the size of each cooperative's assets.

In December 2019, the SBS ordered the closure of Financiera TFC S.A. ("TFC") for having reported a reduction of its effective equity greater than 50.0% in the preceding twelve months. TFC operated within the microfinance sector; however, most of its loans were focused on the medium, mortgage and small segments. We

won the contest held by the Peruvian deposit insurance fund, and are now responsible for the funds of the TFC to its clients.

In September 2020, a strategic alliance was formed between Interbank and Rappi to form RappiBank. This fintech allows users of the Rappi app to access different financial products and services through the Interbank platform. The aforementioned alliance finalized in 2023.

Although new entries into the Peruvian banking system over the last three years have slowed down, Peru's history of strong economic growth continues to attract foreign-owned banks. Several such institutions have shown interest in entering the Peruvian market, while financial companies already in Peru have taken steps to expand operations and develop new lines of business. In recent years, foreign financial institutions, such as Itaú Unibanco, Bladex, Bank of America, Goldman Sachs, Morgan Stanley Bank, Bank of Tokyo Mitsubishi, Sumitomo Mitsui Banking and Bank of China, have opened representative offices in Peru and, in some cases, have been granted licenses by the SBS to provide diverse financial services in Peru. In addition, Legislative Decree 1321 which entered into effect on February 2017 now allows more than one financial entity owned by the same majority shareholder to operate in the country concurrently, provided that the shareholder qualifies as a first-class bank as determined by the BCRP. For instance, in April 2020, the SBS authorized Bank of China to operate as a multipurpose banking entity, thus allowing entry to a new local competitor that had already announced its intention to open more representative offices in Peru and launch new commercial banking products and services in the country. We expect that the new regulation will lead to more specialization, a greater supply of financial services in different currencies and increased competition in Peru's financial system.

In March 2021, the Peruvian Congress approved Law No. 31143 (*Ley Que Protege De La Usura a los Consumidores de los Servicios Financieros*), which protects consumers of financial services from usury. This law establishes caps on the interest rates charged by the financial institutions, which must be within the limit proposed by the BCRP. Likewise, the rule also prohibits the capitalization of interest and the collection of a penalty or other commission or expense in the event of noncompliance or delay in the payment of the loan.

In June 2021, the financial services platform Prex entered Peru. Prex grants its users a digital account with a MasterCard card, as well as an app through which users can make local and international payments and money transfers, service payments, and exchange currency. Prex also announced that it would launch a credit and microcredit product and functionality to invest in cryptocurrencies.

In September 2021, the SBS authorized the organization of a banking company under the corporate name Banco BCI Perú. It will operate as a subsidiary of the Chilean banking company BCI, which had already taken its first steps towards international expansion in Peru in September 2019.

In December 2021, the SBS enacted SBS Resolution No. 03748-2021, which approved the Regulation of Commissions and Expenses of the Financial System. Said Regulation establishes the provisions to regulate the approval of commissions and expenses that companies in the financial system may apply to the products they offer. This Regulation is focused on the elimination of charges relating to the withdrawal of money from ATMs operated by entities other than ATMs of the card issuer's locations or by the same entity in any other city than where the account was opened. Among other charges that the Regulation eliminates are those regarding the evaluation of the endorsed policy, the hiring of life insurance as a condition to contracting for credit products, and financial advice related to the offer and the commercialization or execution of a contract for financial products or services. The Regulation was modified in April 2022, by SBS Resolution No. 01395-2022, in order to group the customer service channels into complementary channels and to be able to establish the charges for operations.

During 2021, along with our traditional competitors, new technology-driven entities such as fintech and startup companies, showed greater interest in the financial sector, in line with higher digitization under the COVID-19 context. We highlight specific strategic alliances between these and current financial institutions competitors: (i) BBVA and Kontigo, (ii) Banco Interamericano de Finanzas and Microwd, and (iii) Kambista.

In 2023, SBS dissolved more than 27 cooperatives for diverse reasons, including loss of share capital; failure to submit financial statements; work stoppage at main offices; among others. Since 2019 (when SBS took over as the supervisory entity for COOPACS or Savings and Loan Cooperatives), SBS has closed 137 cooperatives due to inactivity (84.0%) and total loss of share capital and reserves (22.0%). In August 2023, SBS intervened in Caja Raiz due to a significant deterioration in its solvency. Rural savings associations and cooperatives were the most affected

by the pandemic, subsequent recession, and adverse economic environment in 2023, given that a large tranche of their portfolio is comprised of microbusinesses and small companies.

In September 2023, Rappicard ceased operations. Financial products developed in alliance with Interbank under the Rappibank brand ended their operation in Peru by mutual agreement between the parties.

The table below shows, according to figures published by the SBS, the distribution by type of institution, of assets, direct loans and deposits of the Peruvian financial system, excluding insurance companies and AFPs, as of December 31, 2024:

	As of December 31, 2024		
	Assets	Direct Loans	Deposits
	(in percentages)		
Commercial Banks	80.0%	81.8%	81.7%
Financial Companies	2.5%	3.2%	1.9%
Municipal Savings and Loans Associations	6.7%	8.3%	7.2%
Rural Savings and Loans Associations	0.3%	0.3%	0.3%
Small Business Non-bank Institutions (*Edpymes*)	0.5%	0.6%	0.4%
State-owned Banks(1)	10.1%	5.7%	8.6%
Total	**680.3**	**403.7**	**457.6**

(1) Banco de la Nación and Banco Agropecuario.

As of December 31, 2024, according to unconsolidated figures published by the SBS, we were the largest financial institution operating in Peru in terms of assets, deposits and loans.

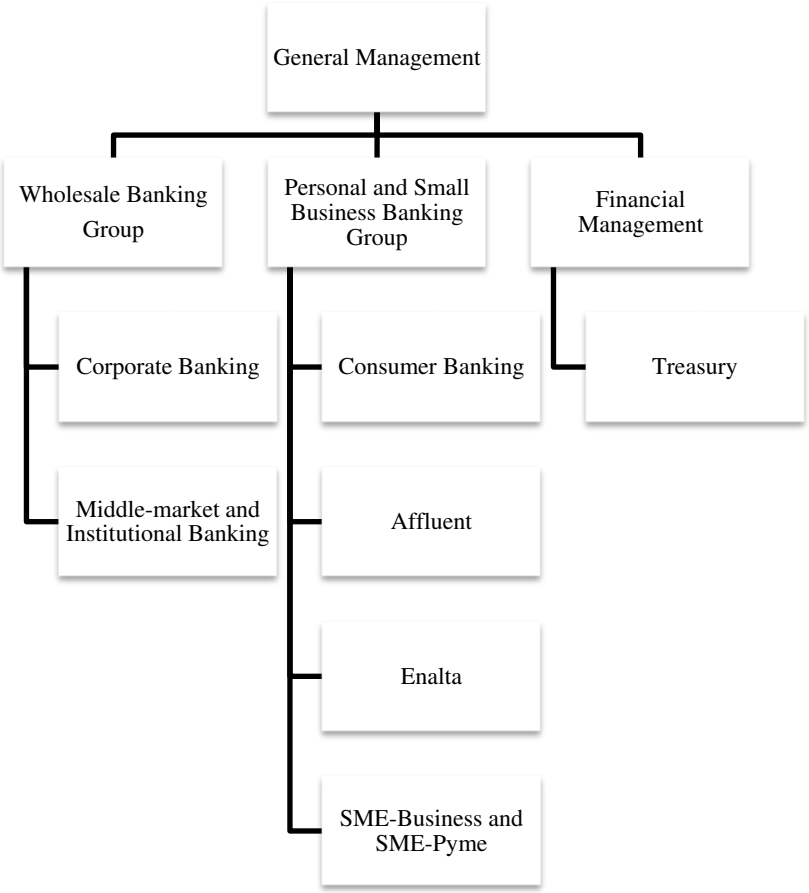
	As of December 31, 2024		
	Assets (1)	Deposits	Loans
	(in percentages)		
BCP	36.2%	36.1%	34.0%
BBVA Continental	20.4%	21.1%	22.1%
Scotiabank Peru	12.9%	12.7%	14.0%
Interbank	13.5%	13.4%	13.9%
Others	17.0%	16.8%	16.0%
Total Peruvian financial system	**544.4**	**351.5**	**351.5**

(1) Includes offshore branches

Source: SBS.

Business Units

The following chart summarizes BCP's current business organizational structure.


General Management
Wholesale Banking Group
Personal and Small Business Banking Group
Financial Management
Corporate Banking
Consumer Banking
Treasury
Middle-market and Institutional Banking
Affluent
Enalta
SME-Business and SME-Pyme

The table below shows our average loan balances on a consolidated basis by business unit.

	Average Loans and Dollarization for the year ended:					
	December 31, 2022		December 31, 2023		December 31, 2024	
	Average Loans (S/ Billion)	Dollarization (1)	Average Loans (S/ Billion)	Dollarization (1)	Average Loans (S/ Billion)	Dollarization (1)
Wholesale Banking						
Corporate Banking	34.0	52.9%	31.1	54.5%	32.5	54.2%
Middle-market Banking	23.1	49.2%	21.6	57.0%	20.9	55.8%
Total Wholesale Banking	**57.1**	**51.4%**	**52.7**	**55.6%**	**53.3**	**54.8%**
Retail Banking						
Consumer	9.8	3.1%	11.1	4.0%	11.1	4.4%
Enalta	7.5	29.3%	8.0	28.6%	9.3	26.5%
Exclusive	15.4	6.5%	15.5	5.5%	16.0	5.2%
SME	28.5	9.8%	23.0	13.5%	26.3	13.2%
Other	3.0	30.0%	0.9	4.5%	2.0	5.2%
Total Retail Banking	**64.2**	**11.2%**	**58.5**	**11.4%**	**64.7**	**11.4%**
Wealth Management (2)	**1.2**	**75.0%**	**0.8**	**70.0%**	**1.0**	**72.0%**
Mibanco	**14.1**	**3.3%**	**13.6**	**3.5%**	**11.2**	**0.1%**
Total BCP	**136.0**	**27.0%**	**125.7**	**28.7%**	**131.0**	**28.8%**

(1) Calculated as the percentage of loans in U.S. dollars.

(2) Wealth management, previously known as private banking, is no longer a business unit under BCP management; it reports directly to Credicorp Capital.

The table below shows our average deposit balances on an unconsolidated basis by business unit:

	Average Deposits and Dollarization for the year ended:					
	December 2022		December 2023		December 2024	
	Average Deposits (S/ Billion)	Dollarization (1)	Average Deposits (S/ Billion)	Dollarization (1)	Average Deposits (S/ Billion)	Dollarization (1)
Wholesale Banking						
Corporate Banking	18.6	60.2%	18.4	57.2%	21.6	55.4%
Middle-market Banking	21.4	43.5%	21.2	36.7%	19.8	41.1%
Total Wholesale Banking	**40.0**	**51.0%**	**39.6**	**46.3%**	**41.4**	**48.3%**
Total Retail Banking	**78.9**	**43.5%**	**77.4**	**42.7%**	**90.5**	**39.1%**
Wealth Management(2)	**2.3**	**86.4%**	**2.1**	**84.0%**	**2.0**	**84.8%**
Total BCP	**121.10**	**46.7%**	**119.1**	**44.7%**	**133.9**	**42.8%**

(1) Calculated as the percentage of loans in U.S. dollars.

(2) Wealth management, previously known as private banking, is no longer a business unit under BCP management; it reports directly to Credicorp Capital.

Retail Banking Group

Our retail banking group (the "RBG") offers products and services for individuals and small and medium enterprises with annual sales of up to S/35 million or debt levels of less than S/10 million. As of December 31, 2024, retail banking related loans represented 53% of BCP's total average loans, while deposits accounted for 65% of BCP's total average deposits. Net income from retail banking constituted 57% of BCP's net income.

The following table shows the client segmentation for our RBG. This segmentation was a result of an analysis that addressed multiple factors such as the size and volume of activity for each client, the clients' affiliation with other companies or groups and their credit ratings.

Client Segmentation

Business	Segment	Group	Client Income/Sales/Total debt
Retail Banking Group (RBG)	Individuals	Enalta (High Wealth)	Individual monthly net income at least S/20,000; or more than U.S.$200,000 in asset under management (not including severance indemnity deposits) in each month for the previous six months
		Affluent	Individual monthly net income from S/5,000 to S/20,000 in each month for the previous 6 months
		Consumer	Focus on medium- and low-income individuals (less than S/5,000 of individual monthly income)
	SME	Business	Annual sales from S/5.6 million to S/35 million; or total debt from S/1.2 million to S/10 million
		Pyme	Annual sales up to S/5.6 million; or total debt up to S/1.2 million

Enalta

Enalta services include investment advisory, securities-based lending, financial planning, and day-to-day banking services such as loans and cash accounts. In addition to regular branches, Enalta clients have access to eight exclusive branches (seven in Lima, one in Arequipa and, in 2024, an additional office was opened in Trujillo), where clients are able to make financial transactions in a secure, private space, as well as experience personalized advice of investment, insurance and loan experts who offer exclusive, invitation-only products. Nevertheless, the services mentioned are not only available for the client itself, but also for their household, which allows for additional financial relationships. The Enalta segment has close to 56,300 clients.

Affluent

Customers in RBG's Affluent segment receive a differentiated value proposition that includes dedicated remote customer service, such as specialized account managers, preferential service by tellers at branches, an exclusive call center number, and preferential interest rates on loans. Almost all these clients are serviced through specialized remote account managers responsible for improving per-client profitability and achieving long-term relationships through personalized service, cross-selling, and share-of-wallet strategies. We believe we offer greater personalized services than other banks in Peru, with more products and therefore a stronger value proposition. The Affluent segment has approximately 323,000 clients served by 335 relationship managers.

Consumer banking

Our Consumer Banking segment oversees strategy development for retail customers who are not included in affluent banking or small business banking. Its customer base consists of approximately 12.3 million (only considers clients with at least one product) medium-to-low-income individuals. Consumer Banking focuses on customers who receive their payroll through BCP (which represents around 1.4 million clients). Its strategies vary from basic acquisition of new accounts for wage-earners with special terms regarding fees and interest rates, to more sophisticated, aggressive cross-sell and retention programs that may include non-banking benefits (such as access to discounts on non-banking products) and access to payroll advances.

SME-Business

The SME-Business segment served approximately 13,765 clients as of December 31, 2024.

In 2024, SME-Business experienced a growth in both loans and deposits, which increased 3% and 14% increased, respectively, from December 31, 2024, to December 31, 2023, mainly driven by new Impulso Program loans which

make up for Reactiva Peru Loan cancellations. Excluding Impulso and Reactiva related loans, SME-Business loans balance decreased by 1% over the same period.

According to the SBS and ASBANC, the Association of Banks of Peru (Asociación de Bancos del Peru or ASBANC by its Spanish initials), BCP closed December 2024 with 34.5% in loan market share in Peru, keeping BCP in first place in market share.

Furthermore, according to our internal customer satisfaction survey led by Ipsos Peru, 71% of our SME-Business clients indicated that they were satisfied or highly satisfied with BCP products and services in 2024.

SME-Pyme

The SME-Pyme segment served approximately 2.1 million clients as of December 31, 2024. The SME-Pyme credit portfolio totaled S/18,401 million as of December 31, 2024 (compared to S/18,497 million as of December 31, 2023). Additionally, our SME-Pyme segment had a market share of 20.0% in Peru as of December 2024, according to the SBS. In 2024, we continued to serve our clients while digitizing our processes and systems. Finally, in the 3rd year using NPS as new customer satisfaction methodology, SME-PyME showed clear advances. In the portfolio without a relationship manager, there was an improvement from 24 to 46 year to year, and in the portfolio of clients assigned to a relationship manager from 56 to 65 year to year.

Products

Credit card and consumer loans

BCP's credit card year-end balances decreased from S/6,029 million in 2023 to S/5,958 million in 2024, representing a decrease of 1.2%. This decline is attributable to enhanced risk portfolio management measures aimed at reducing provisions that have resulted in reduced disbursements.

Average gross payment volume increased 21% from 2023 to 2024. As a consequence, our credit card market share in Peru increased 178 bps from 30.4% in December 31, 2023, to 32.2% in December 31, 2024, according to the SBS and ASBANC.

Our focus in 2024 was on strengthening our cardholder benefits of exclusive experiences and concert ticket pre-sales, in addition to increasing the reach and offer of interest-free installment purchases and launching two new credit cards in our portfolio. We have also encouraged the use of digital channels such as mobile wallets and e-commerce purchases.

In 2024, disbursements of consumer loans increased by 13.2% compared to 2023, driven by an improvement in the risk profile of the portfolio, that was primarily attributed to the new disbursements that focused on clients with better credit profiles, in addition to our enhanced focus on credit debt relief facilities (S/271 million) and macroeconomic recovery. We expanded our offerings of leads by 27% year-over-year. Consequently, our average disbursements amounted to S/637 million, up from S/562 million in 2023.

However, the year-end balance of consumer loans without collateral balances decreased from S/7,893 million in December 31, 2023, to S/7,535 million in December 31, 2024, representing a 4% decline. This reduction was driven primarily by natural attrition of the portfolio, which was only partially offset by increased disbursements in 2024 (following high disbursements in 2022 and decrease in 2023). Notably, digital sales accounted for 50.8% of total unsecured consumer loans sold in 2024 from 66.5% in 2023.

Mortgage lending

We are the largest mortgage lender in Peru, with a market share of 31.8% of total mortgage loans in the Peruvian banking system as of December 31, 2024, according to the SBS and ASBANC (excluding Mibanco). This was largely the result of BCP's extensive marketing campaigns and its improvements to procedures for extending credit and establishing guarantees.

One of the product lines in BCP's mortgage lending to low-income customer is loans funded by the credit program of the Peruvian Housing Development Bank (Fondo MiVivienda). The Fondo MiVivienda credit program provides

government-funded loans with down payment aid for the purchase of properties valued up to S/355,100. This program seeks to cover the deficit in housing for lower-income population segments.

According to the Fondo MiVivienda, during the year 2024, BCP made over 3,183 MiVivienda loans, representing the largest number of MiVivienda loans in the financial system. In addition, as of December 31, 2024, BCP had a MiVivienda market share of 39.4% according to SBS and ASBANC.

Mortgage loans are associated with low losses because of their low LTV, as they are backed by the home equity guarantee. These loans have the added benefit of generating opportunities for cross selling other banking products.

Distribution Channels

In order to address customer needs, we offer an efficient and profitable network. We have a migration strategy towards more cost-efficient channels. We are constantly looking for ways to improve the customer experience, and one of them is to evaluate branches by their customer contribution, allowing the most profitable branches to continue operating and the least profitable to be relocated, resized or consolidated. Some of our branches are located inside the facilities of other companies to provide customers with payroll services.

Traditional channels

- **BCP Agentes:** BCP Agentes are legally separated points of contact at allied SMEs with which we contract to enable our clients to carry out certain transactions. BCP Agentes continue to constitute a highly effective channel for providing services to our clients given their wide availability in Peru. At the end of 2024, BCP had 10,600 BCP Agentes, which reflected a decrease of 84 BCP Agentes compared to the end of 2023. BCP Agentes conducted 434.7 million monetary transactions in 2024, which represents a decrease of 4.0% compared to 2023.

- **Branches:** At the end of 2024, BCP had 313 branches, which represented an increase of 5 branches compared to the end of 2023. In parallel, in 2024, we have focused on accelerating the transformation of the branch network to offer a better experience to our customers, achieving the transformation of more than 60% of our offices (206 offices transformed by the end of 2024).

Self-service channels

- **ATMs**: In 2024, BCP's ATM monetary transactions decreased 0.66% from 2023 levels. BCP increased its ATM pool by 42 from the end of 2023 to close 2024 at 2,473 units.

- **Kioskos BCP:** Kioskos BCP are digital self-service platforms at which customers can open savings accounts and/or pick up debit cards. Approximately 7.2 million transactions were conducted through Kioskos BCP in 2024, which represented a 25% increase from 2023.

Digital channels

- **Mobile Banking:** In 2024, more than 811.8 million monetary transactions were channeled through mobile banking at BCP, which represented an increase of 36.5% compared to the number of such transactions in 2023. Also, the number of active customers increased by 1 million compared to last year, reaching 7.5 million.

- **Internet Banking:** Transactions through Internet banking at BCP were at a total of 39 million monetary transactions in 2024, which represents an increase of 3.5% compared to the number of monetary transactions registered in 2023.

- **Yape:** Yape registered higher growth in monetary transactions than any of our other channels from 2023 to 2024, reporting an expansion of 124.9% in monetary transactions from 3,167.2 million in 2023 to 7,091.3 million in 2024.

Retail Banking Innovations

Yape

We launched Yape in 2017 to continue improving customer experience. Yape is an app used to make money transfers and payments through a smartphone. Yape users can send or receive money transfers to bank accounts linked to a cell phone number and/or a unique QR code (peer-to-peer or peer-to-business transactions), make cell phone credit recharges (Mobile Top-Ups), pay for services, request credit, view promotions, among other functions that contribute to their daily lives.

Our vision is to make Yape the go-to app for Peruvians, encompassing payments, purchases, and access to financial products. This aligns with our purpose of simplifying the daily lives of our users, or 'Yaperos.' To achieve this, Yape focuses on three core objectives: becoming the leading payment ecosystem in Peru, competing with cash offering solutions designed to meet the financial needs of our users and embedding itself in their everyday routines through a disruptive and diverse offering, from promotions to e-commerce.

Yape serves as BCP's primary tool for advancing financial inclusion in Peru, with over 5 million Peruvians using Yape since its launch. To fulfill this mission, we have developed a fully digital enrollment journey, enabling Peruvians from all regions of the country to seamlessly access the array of products and services that Yape offers. In 2023, we further enhanced and streamlined the process to provide our customers with an even simpler and more efficient experience.

As of December 2024, Yape had over 17.3 million users, facilitating an average of 701 million monthly transactions and transferring S/279.4 billion annually. More than 79% of users actively used Yape, completing an average of 51 transactions per month—a 44% growth compared to 2023. By the end of the year, more than 3.6 million small businesses were affiliated with Yape, reflecting its expanding role as a trusted platform for merchants nationwide. Additionally, we achieved interoperability with Peru's largest banks in March 2023 and extended it to the rest of the financial institutions in September 2023, enabling seamless transactions between different wallets and financial institutions. These efforts culminated in an impressive 79% Net Promoter Score (NPS), underscoring strong user satisfaction and loyalty.

Our strategy is built around three core Lines of Business—Payments, Financial, and E-commerce—that directly align with our primary objectives of driving financial inclusion, meeting our users' needs, and embedding Yape into their everyday lives. This approach has not only solidified Yape's role as the leading digital platform for financial inclusion but also enabled us to build a sustainable and scalable business, achieving break-even during 2024.

On the payments front, Yape began its monetization journey in 2021 with mobile top-ups, which grew to 25.4 million transactions by December 2024, a 37% increase year over year. QR payments continued to gain traction, achieving S/872 million in GPV and 23.8 million transactions (139% and 113% growth, respectively, year over year). Our checkout feature for online businesses also saw exponential growth, with GMV reaching S/256.7 million in December 2024—more than quadruple its 2023 levels. Additionally, the bill payments feature, launched in 2023, doubled its volume to 14.4 million transactions in December 2024. These innovations reinforce Yape's position as the leading payment network in Peru.

Yape's Microloan service is central to our mission of delivering accessible financial solutions. Initially offering single-installment loans, we expanded our offering in 2023 to include multi-installment options with higher amounts and slightly longer terms. By December 2024, Yape Loans recorded 793,000 transactions, reflecting robust user adoption and trust. These enhancements demonstrate our commitment to providing flexible solutions that empower Yape users and drive financial inclusion at scale.

E-commerce represents Yape's newest and most ambitious business line, aimed at deepening engagement with our users by expanding beyond financial services. Among these offerings, Yape Promos, launched in September 2022, has emerged as a standout feature, creating greater loyalty by providing users access to exclusive promotions from businesses such as restaurants, cinemas, and convenience stores. By December 2024, Yape Promos facilitated 1.2 million transactions, underscoring its strong appeal and adoption.

To complement this success, we expanded our portfolio with Yape Tienda in June 2023, enabling users to purchase products directly through the app. While Yape Tienda is still in its early stages, it holds significant

potential as we continue to refine its offering and expand its reach. Over the last two years, we have introduced additional features, including Gaming and Ticketing (September 2023 and January 2024, respectively), gas cylinder sales (January 2024), bus ticket sales (June 2024), and delivery convenience (July 2024). Additionally, our platform became a channel for the sale of Mandatory Traffic Accident Insurance (SOAT) in February 2023, further diversifying our offering and positioning Yape as an integral part of our users' everyday lives."

The combination of Yape's user-friendly interface, the widespread adoption of smartphones, and BCP's unwavering commitment to fostering financial inclusion has positioned Yape as the flagship vehicle for advancing financial inclusion in Peru. Yape's growth as a payment ecosystem, supported by the success of its three business lines, has solidified its role as a cornerstone of BCP's strategy. Through its innovative offerings, Yape has enabled nearly two-thirds of Peruvians who previously lacked access to traditional banking services to access a variety of financial services digitally. Additionally, financial education campaigns conducted in 2024 reached over 50,000 Peruvians, while the integration of educational tools within the app continues to impact millions of users daily. These efforts reflect Yape's ongoing mission to drive digital transformation and financial inclusion across Peru.

Wholesale Banking Group (the "WBG")

In 2024, wholesale banking represented 45.0% and 30.6% of BCP's total average loans and total average deposits, respectively. In 2024, net income from wholesale banking constituted 39.6% of BCP's net income. Since Peruvian companies were not able to access international funding sources until the mid-1990s, we were an important source of funding, which in turn allowed us to establish long-standing client relationships with virtually all the major industrial and commercial groups in Peru. These client relationships provide the wholesale banking division with a competitive advantage that has helped us maintain our market share despite an increasingly competitive environment. Nevertheless, the WBG now competes with local and foreign banks in Peru but has maintained its leadership in the Peruvian wholesale banking market with a 37.0% market share in loans, according to the SBS and the Association of Banks of Peru (Asociación de Bancos del Perú), or "ASBANC."

The wholesale banking business unit provides our customers with cash management solutions, short-, medium- and long-term loans, local and foreign currency loans, foreign trade-related financing and lease financing.

The wholesale banking business unit is divided into the following divisions and support areas:

Client Segmentation

Business	Group	Client Income/Sales/Total debt
WBG	Corporate	Annual sales higher than U.S.$100 million (equivalent to S/376 million)
	Middle-Market	Annual sales from U.S.$10 million to U.S.$100 million (equivalent to S/37.6 million to S/376 million)

Wholesale Banking Group Divisions

Corporate and International Division (CID)

The Corporate and International Division provides financing for capital expenditures and investments, sales, international trade, and inventories, as well as financial services and transactional/cash management solutions. It offers medium- and long-term financing, financial leases, and project financing and includes the following subdivisions:

- Corporate banking subdivision, which provides loans and other credit and financial services. This division focuses on serving large-sized companies in Peru that have annual sales of over U.S.$100 million, corporate governance, audited financial statements, and dominant market positions in their particular brands or product areas. Even if clients do not meet any of these criteria, the CID may provide services to firms under this category if they belong to a large economic group that is part of an important industry for Peru's economy.

- International banking & trade finance subdivision manages relationships with financial institutions (locally and abroad), offering trade products and international operational services.

- Correspondent Banking Unit focuses on obtaining and providing short-term funding for international trade, as well as medium-term lines of credit funded by international commercial banks and other countries' governmental institutions. In addition, this unit earns fees by confirming letters of credit and guarantees issued by international banks and otherwise by providing international payment and trade finance services. The unit also provides funding to some other Latin American banks which send their international trade and guarantee flows to Peru through us. This unit also promotes international trade activities with its local clients by structuring trade products and services, organizing and sponsoring conferences, and advising customers through a wide range of trade products.

Despite intense competition from foreign banks that may offer lower interest rates to the local market (given that they can have lower costs to finance their operations from their headquarters), BCP has a leading position in the Peruvian banking system with 37.3% of the market share for corporate banking loans, according to the SBS. BCP's corporate banking loans, measured in average daily balances, decreased from S/33,387 million in 2022 to S/31,888 million in 2023 and further decreased to S/31,436 million in 2024.

Middle-Market Banking Division

Our Middle-Market Banking Division provides banking services targeted to medium-sized companies, organizations and institutions. In identifying potential clients, the Middle-Market Banking Division considers a mix of different characteristics, such as annual revenues, financial leverage, overall debt and product penetration and complexity. Clients from this division have annual revenues generally between U.S.$10 million and U.S.$100 million (equivalent to approximately S/37.6 million to S/376 million). Middle-Market clients are serviced nationwide by 12 regional managers.

The Middle-Market Banking Division loan portfolio amounted to S/23,083 million as of December 31, 2022, S/21,065 million as of December 31, 2023, and S/20,504 million as of December 31, 2024. As of December 31, 2024, BCP had a market share of 36.8% in the Peruvian middle-market segment, according to the SBS and ASBANC.

The Institutional Banking Unit is a specialized team in wholesale banking serves governmental entities, educational institutions, religious organizations, international bodies, nongovernmental organizations, civil associations and regulated entities such as microfinance institutions, insurance companies, pension funds and private funds.

The annual average deposit amount in BCP's Institutional Banking Unit reached S/8,245 million (U.S.$2,192 million) in 2024. The Institutional Banking Unit is also important because its clients offer great potential for generating fee income and other cross-selling opportunities. BCP's strategy in this unit is focused on building customer loyalty by offering customized services at competitive rates and providing outstanding service. Our institutional banking clients typically require remote office banking, collections, automated payroll payment services and structured long-term and medium-term financing loans.

BCP Xplore, the first exclusive banking for startups and fintech companies in Peru, was created in 2023 to serve this segment of clients, offering them specialized advice on their needs, specific products and services and help to scale up through strategic alliances and synergies with companies of the Credicorp Group such as Krealo, Yape, among others. As of December 2024, we have 471 clients in the segment and the loan portfolio was S/207 million. Moreover, in 2024, BCP Xplore was awarded with "Creatividad Empresarial" award by Universidad Peruana de Ciencias Aplicadas for the innovation carried out within the Peruvian banking industry.

The products offered to middle-market clients are similar to those offered to corporate banking clients. The major types of products are:

- Revolving credit lines to finance working capital needs and international trade financing;

- Stand-by letters of credit and bond guarantees;

- Structured long-term and medium-term financing, through loans or financial leasing; and

- Cash Management, transactional products and electronic banking.

Wholesale Banking Group Support Areas

Wholesale Banking Group Tribes

In 2019, we incorporated in the Wholesale Banking Group a new working organization called "The Tribes." This organization uses agile methodology to assess different projects during their development cycle. There are three Tribes in the Wholesale Banking Group, and their main objectives are:

- *Business Credit Products Tribe:* Giving their business clients access to efficient financial solutions which satisfy their main needs.

- *Transactional Products for Businesses Tribe*: Giving their business clients complete solutions to simplify their cash management processes and generate customer loyalty.

- *Digital Platforms for Businesses Tribe*: Giving their business clients a market-leading digital experience to become their client's "top of mind" choice.

Digital Transformation

Within the Wholesale Banking Group, we aim to serve our clients by improving business profitability, preserving risk quality, and enhancing our digital platforms. Our strategy focuses on the following:

- *Collections defense:* due to greater competition in the non-lending business, today we have projects focused on digitalizing our clients' collection process to provide them with an enhanced customer experience to allow us to maintain a leading position in the market. Since 2021, we have deployed initiatives based on educating and rewarding clients for the use of digital channels for service payments, and worked on improving their customer experience.

- *A unique and powerful digital platform offering:* we aim to make our remote office banking the best digital platform in the local financial market in a way that allows us to assist our clients throughout their entire business process, offering a digital end to end solution with 24/7 accessibility to our product and services portfolio.

- *Financial ecosystems development:* we focus on creating an interconnected services network that allows users to satisfy multiple needs through a single integrated digital experience.

- *Operational stability improvement:* we seek to ensure the security and availability of our platforms.

Profitability Management

In 2024, we continued developing pricing advisory analysis for lending and non-lending products offered to our clients, with the aim to recommend prices based on a 360 view of our clients. In addition, we established monthly management Pricing Committees to help sales teams implement these pricing recommendations, and to monitor revenues resulting from these actions.

We also focused on pricing digitalization to improve customer experience and convenience. Thus, we worked together with Wholesale Tribes to implement a pricing feature on our digital platform for one of our financing products, allowing some of our clients to self-disburse loans at a predefined price, without requiring further manual intervention by relationship managers.

Finally, we reinforce our commitment to supporting our clients in their transformation journey and pursuit of sustainable impact by providing them with the necessary products at an appropriate price.

Sustainable Finance

WBG is committed to the sustainability objectives of Credicorp and BCP, which intends to create a more sustainable and inclusive market. In 2024, WBG offered Sustainable Financing alternatives to clients, such as green short and medium-term loans and eco-factoring credit lines, (working capital credit lines to finance the accounts payable of clients and its suppliers, that comply with certain eligibility criteria).

Green loans were granted with a use of proceeds approach, according to Green Loan Principles and other relevant international criteria, empowering our clients to finance projects within categories included in the Green Taxonomy of BCP (for example, renewable energy, clean transportation, green building, sustainable agriculture, and sustainable water resource management).

Regarding social loans, these were given through syndicated lending to support the development of basic infrastructure (highways in Colombia). In 2024, BCP has granted sustainable finance transactions for more than U.S.$1.0 billion.

Treasury, Foreign Exchange and Proprietary Trading

BCP's Treasury function is divided into four primary units: the ALM Group, the Sales and Trading Unit (comprising the FX, Derivatives, and Proprietary Trading Units), the FX and Derivatives Distribution Unit and the Treasury Tribe. The team is formed by highly trained professionals with years of experience in various markets.

The ALM group is responsible for managing BCP's statement of financial position and for taking reasonable interest rate and liquidity risks under the oversight of our Asset and Liabilities Committee ("ALCO"). The ALM Group is also responsible for maintaining our liquidity asset portfolio and compliance with Liquidity Coverage Ratio ("LCR") and Common Equity Tier I ("CET1") ratio under Basel III standards. In addition, the ALM group is an active participant in money and debt capital markets, oversees reserve requirements, manage BCP's liquidity and the bank´s balance sheet. The group has been active in auctions held by the BCRP for certificates of deposit as well as in financing its funding needs through certificates of deposit, interbank transactions and guaranteed negotiable notes, among other instruments.

The BCP Sales and Trading Unit manages both FX and Interest Rate Risk exposure for proprietary trading purposes. The managed risk originates mainly from client transactions and from open proprietary positions. Market risk exposures and limits are independently defined by the Market Risk Unit and closely monitored by the Treasury Risk Unit. Additionally, we have recently launched an Investor Sales team within the Sales & Trading desk to actively cover the Institutional Investor segment, providing direct access to market maker prices and liquidity.

The FX Desk offers liquidity for FX spot and forward transactions for its clients in U.S. dollars, soles, other Latin-American currencies, and G-10 currencies. The FX Trading Desk also manages a FX volatility book for U.S. dollar/soles transactions. Additionally, the desk participates in FX transactions related to different instruments designed by the BCRP in the local currency market.

The Rates Desk manages the risk originated from both fixed income and swap transactions from clients and from proprietary positions. The fixed income portfolio consists mainly of government bonds (both in local and hard currency) from Latin-American countries and U.S. Treasuries. The BCP Fixed Income desk is one of the main liquidity providers in the Peruvian government bond market, where it is a leading participant of the Market Maker Program of the Ministry of Economy of Peru.

BCP's FX and Derivatives Distribution Unit helps both individuals and companies with their foreign exchange needs (spot and hedging) through the distribution channels. The broad portfolio of foreign exchange products provided to its broad client base has allowed the Unit to position itself as the largest participant by trading volume in the FX business in the Peruvian market.

The Treasury Tribe is responsible for providing technological support to the different units that make up the Treasury through the enabling of platforms and technological tools; as well as, through the implementation of different initiatives that allow business scalability. The tribe is made up of six squads, five for the development of initiatives related to products, such as Exchange, FX & Derivatives, Investments & Funding, Liquidity, ALM and one for the requirements to cross to these products.

Additionally, as of December 31, 2024, trading securities, investments available-for-sale and investments held-to-maturity totaled S/31.7 billion, which represented 15.2% of BCP's total assets. As of December 31, 2024, the balance included mainly BCRP certificates of deposit (securities issued at discount through public auctions, negotiated in the Peruvian secondary market and settled in Soles) amounting to S/11.4 billion and Peruvian government bonds amounting to S/15.1 billion, among others.

Lending Policies and Procedures

The Bank has adopted a risk appetite framework and established objective metrics and thresholds to periodically monitor the Bank's evolving risk profile. The framework was approved by the Board of Directors; and is managed and monitored by the Risk Management Division within BCP's Central Risk Management Group. The adoption of a risk appetite framework reflects BCP's commitment to aligning its forward-looking business strategy with its corporate risk vision.

For wholesale clients, BCP's credit approval process is based primarily on an evaluation of each borrower's repayment capacity and commercial and banking references. BCP determines a corporate borrower's repayment capacity by analyzing the historical and projected financial condition of the company and of the industry in which it operates. Other important factors that BCP analyzes include the company's current management, banking references, past experiences in similar transactions, and the quality of any collateral to be provided. In addition, BCP's credit officers analyze the corporate client's ability to repay obligations, estimate the probability of default of the client using an internal risk rating model, and define the maximum credit exposure that BCP wants to hold with the client.

The process of standardized risk model building and monitoring based on new sources of information and innovative statistical techniques was crucial to the Bank's transformation to endure decisions in the credit process, such as admission, monitoring, and recovery. In particular, more complex models with enriched data allow for the inclusion of lesser-known customers into the BCP portfolio and the more precise estimation of income and sales, which otherwise would have been done by physical means. These models are continuously monitored in order to assess their accuracy and are revised if necessary.

For personal and small business clients, BCP evaluates the admission processes of the main portfolios through scoring and rating models, whose default probabilities are used for credit evaluation. These admission models, along with the guidelines (policies) for granting credit (which include, among other issues, the client's financial history, payment capacity and the degree of knowledge of the client), are defined by the units of risks according to the guidelines approved by the different risk committees of the Credicorp group companies. It is important to mention that the most sophisticated decisions about loan applications are made by loan officers who use various credit tools for their evaluations.

Our performance in the small business and personal lending areas depends largely on BCP's ability to obtain reliable credit and client information about prospective borrowers. BCP has a large body of transactional information that is used in credit risk models. Also, the SBS has an extensive credit bureau, which has expanded its credit exposure database service to cover businesses and individuals that have borrowed any amounts from Peruvian financial institutions.

BCP periodically reviews the payment behavior of its diverse portfolios and segments, with deep level of granularity as part of its monitoring process. These assessments allow for the early identification, evaluation and management of changes in credit quality, which leads to a timely evaluation and calibration of the expected loss models. In order to ensure the appropriate levels of accuracy and performance of our admission and behavior models, we keep developing methodical improvements, which includes the expansion of our universe of data and variables, as well as introducing adjustments for economic trends or volatility (e.g., inflation).

BCP has a strictly enforced policy that limits the lending authority of its loan officers. It also has procedures to ensure that these limits are adhered to before a loan is disbursed. Under BCP's credit approval process, the lending authority for the Wholesale Banking Group is centralized into a specialized credit risk analysis division; and there is another specialized credit risk analysis division for the Retail Banking Group. These divisions are operated by officers that have specific lending limits. In addition to the controls built into the loan approval workflow systems, the credit risk management divisions and internal auditors regularly review credit approvals to ensure compliance with lending policies.

In accordance with international standards, BCP has established lending authority limits based on risk rating (probability of default) and particular guarantees of the borrower. Requests for credit facilities in excess of the limits set for credit officers are reviewed by the Credits Committee, Executive Committee or, if the amount requested is sufficiently large, by the BCP's Board of Directors. In addition, BCP has concentration limits in the loan portfolio by industry, which is based on its target risk appetite and market share.

BCP believes that an important factor to maintain the quality of its loan portfolio is the selection and training of its loan and risk officers. BCP requires loan officers to have degrees in economics, accounting, business administration or related fields from competitive local or foreign universities. In addition, training for new loan officers begins with a three-month program that covers all aspects of banking and finance. Subsequently, loan officers receive training in specific matters throughout their careers at BCP. Laterally-hired officers are generally required to have prior experience as loan officers.

BCP operates in substantial part as a secured lender. As of December 31, 2024, approximately S/.59.2 billion of its loan portfolio and off-balance-sheet exposure was secured by collateral, which represents 42.1% of its total loan portfolio based on unconsolidated figures (excluding overseas branch office BCP Panama and overseas agency BCP Miami), as compared to 43.1% in 2023 and 41.1% in 2022. The decrease since 2020 was driven in large part by the repayment of loans guaranteed under the Reactiva Peru Program (which provides coverage between 80% and 95% of principal value). Excluding loans guaranteed under the Reactiva Peru Program, 41.8% of the portfolio was secured by collateral in 2024 as compared to 42.1% in 2023.

Liquid collateral is a small portion of BCP's total collateral. BCP requires collateral for the extension of credit depending on the risk profile and the business segment of the client, among other factors. When BCP requires collateral, it is usually valued at between 110% and 150% of the principal amount of the credit facility granted. The appraisal of illiquid collateral, in particular real estate assets, machinery and equipment, is performed by independent experts. BCP's internal audit division conducts selected revisions and analyses on borrowers' financial statements, consistent with the local banking regulations of the jurisdictions in which it operates.

Pursuant to a Peruvian regulation (Article 222° under the Peruvian Banking Law) that became effective in December 1998, the existence of collateral does not affect the loan classification process. For Peruvian accounting purposes, secured loans (or the portion of any loans covered by collateral) that are classified in Class "B," "C," or "D" risk categories or that is otherwise classified as substandard loans have a lower loan loss provision requirement than similar unsecured loans. If a borrower is classified as substandard or below, then BCP's entire credit exposure to that borrower is so classified.

BCP's internal audit division conducts selected revisions and analyses on borrower's financial statements, consistent with the local banking regulations of the jurisdictions in which it operates.

BCP's credit monitoring unit continues to improve the anticipation of credit deterioration of Wholesale Banking and Business Banking customers. In addition to reactive alerts, starting in 2022 we have added anticipatory alerts to our process, which notify us of possible customer deterioration that could occur in the next 7 to 12 months. This model uses transactional flows (cash flows in current accounts, both incoming and outgoing), and in 2024 we will upgrade the model thanks to the feedback received from our banking and credit areas. This allows us to have more effective alert program and, in 2025, work will be done to enhance the alert system considering the history of financial variables of our customers.

Additionally, we have a sector taxonomy for risk management in case of unexpected events. This map is prepared by segmenting the portfolio by economic activities and identifying the risks for each sector. Since 2022 we have added sustainable activities to this taxonomy, focusing on the environment.

Deposits

Deposits are managed principally by our retail banking group. The main objective of our retail banking operations has historically been to develop a diversified and stable deposit base in order to provide a low-cost source of funding. This deposit base has traditionally been one of our greatest strengths. We have historically relied on more traditional, stable, low-cost deposits, which we consider to be our core deposits: demand deposits, savings and CTS deposits. CTS deposits are funded by companies on behalf of their employees, totaling to one month's salary

per year, and may be withdrawn by the employee only upon termination of employment or upon transfer to another bank, subject to certain exceptions.

The table below shows the breakdown of our average deposit balances on an unconsolidated basis by business unit and products for the periods presented:

	Breakdown of Average Deposits as of December 31,		
	2022	2023	2024
Total deposits			
Wholesale Banking	31.9%	33.6%	30.6%
Retail Banking	68.0%	66.2%	69.2%
Other(1)	0.2%	0.2%	0.2%
Total	**100.0%**	**100.0%**	**100.0%**
Core deposits(2) / total deposits			
Wholesale Banking	47.7%	45.7%	46.3%
Retail Banking	98.3%	96.7%	98.2%
Total	**83.4%**	**79.4%**	**82.4%**
Dollarization			
Wholesale Banking	50.4%	47.6%	48.5%
Retail Banking	44.2%	44.0%	44.3%
Total	**46.3%**	**46.1%**	**46.7%**
Wholesale deposits			
Savings	1.5%	2.6%	1.2%
Demand	63.1%	56.0%	58.9%
Time	35.4%	41.4%	39.9%
Total wholesale deposits	**100.0%**	**100.0%**	**100.0%**
Retail deposits			
Savings	59.4%	58.9%	57.3%
Demand	27.3%	23.7%	26.1%
CTS	4.7%	4.2%	3.4%
Time	8.6%	13.2%	13.2%
Total retail deposits	**100.0%**	**100.0%**	**100.0%**

(1) Unclassified deposits.

(2) Core deposits: non-remunerated demand deposits, savings deposit, CTS deposits and retail time deposits.

Corporate Compliance

Our Compliance and Ethics management system is a key enabler of the sustainability framework of our controlling shareholder, Credicorp, and other companies of the group. We meet the needs both of our businesses and stakeholders through (i) ensuring the clarity of the terms and conditions of financial products and services, (ii) providing a framework and monitoring it to ensure a good work environment and equal opportunities for all employees and (iii) ensuring responsibility and integrity through all our businesses.

Credicorp and all of its subsidiaries (including BCP), using a comprehensive approach based on international best practices and our principles and ethical values, have established 11 corporate compliance and ethics programs that cover local and international regulations and mitigate conduct risks by encouraging ethical behavior in order to protect the reputation of the corporation. These programs are the following:

- Anti-money laundering and countering the financing of terrorism (AML/CFT)
- Global Sanctions
- Financial stability
- Tax transparency (FATCA & CRS)
- Regulatory compliance
- Ethics and integrity

- Anti-corruption
- Market abuse prevention
- Personal data protection
- Occupational safety and health
- Market conduct
- Antitrust

The programs listed above are under the oversight of the Chief Compliance and Ethics Officer, who has full autonomy to carry out functions and duties independently. This officer reports directly to our Board of Directors through the Sustainability Committee, providing regular and consolidated reports about the performance of the compliance and ethics programs at all our subsidiaries. Each subsidiary has a Compliance and Ethics Officer who works with a specialized team and reports to the head office.

The Corporate Compliance Division sets forth the guidelines and policies that regulate compliance programs in order to provide reasonable assurance of compliance with local and international standards, mitigation of risks, and to strengthen ethical behavior and values in BCP.

Anti-money laundering and Countering the financing of terrorism (AML/CFT)

The AML & CFT Program establishes policies and measures to prevent, detect, and report suspicious activities related to money laundering and terrorist financing. These efforts are crucial for protecting the integrity and stability of local and international markets, as well as contributing to societal and global financial stability.

The AML & CFT Program focuses on managing policies, procedures, and controls to mitigate risks associated with cash flow and unusual transactions that attempt to conceal the origins of money from illicit activities such as drug or human trafficking, corruption, illegal mining, embezzlement, and gambling.

In 2024, we enhanced our cash inflow controls with a risk-based approach and updated metrics. We also strengthened relationships with frontline defense teams through specialized training and key initiatives.

Our AML/CFT program is founded on Key Risk Indicators (KRIs), focusing on robust governance, a strong organizational culture, efficiency, and leveraging automation opportunities through technology, analytics, artificial intelligence, and agile practices. We are dedicated to mitigating risks, meeting client needs, and developing efficient processes to achieve our business objectives. We continuously adopt innovative technologies to address challenges associated with traditional Know Your Customer (KYC) strategies.

In 2025, we will further enhance controls throughout the client and stakeholder onboarding and lifecycle processes using a risk-based approach. We will develop improvement projects in KYC processes and alert management, leveraging technology and AI. Additionally, we will focus on aligning with international standards and best practices to ensure AML/CFT compliance supports the protection and integrity of our businesses and fosters client growth.

Risk Culture

Risk assessment at BCP is conducted by specialized personnel with adequate knowledge of processes to identify, assess, measure, treat and control risks. For this purpose, and to consolidate a risk culture that is aligned with best practices in the industry, we provide on-going training for employees who are involved in risk management at our principal subsidiaries. In 2024 the following education and training programs were developed:

- In the wholesale banking unit, we continue with the basic risk certification, which was carried out entirely remotely. Furthermore, we continue to operate our credit analyst induction program and developed the intermediate risk seminar, which seeks to reduce the learning curve for new personnel, as well as standardize risk concepts. Moreover, we continue with the business client trainee program, which seeks to attract and retain the best university talent through an induction and rotation scheme, which involves performing duties in the main business and risk areas of the wholesale banking group.

- In Market Risk, we worked to specialize the team in financial risk management, developing skills in areas such as structural market risk management, negotiation, counterparty and liquidity. Likewise, knowledge of topics

related to regulatory compliance, risk management and best practices in the industry of risk management of financial instruments, on and off the balance sheet, was deepened.

- As part of our efforts to develop new capabilities to manage non-financial risks, we maintain a comprehensive training plan, where we carry out in-person workshops aimed at risk managers from different banking units and we also teach virtual courses for our employees, in different subjects (cybersecurity, fraud, business continuity, etc.).

Risk Appetite

Risk appetite refers to the maximum amount of relevant risk that we are willing to assume and can withstand in order to achieve our business objectives; this entails establishing the maximum deviations that we consider acceptable. The main objective is to develop a risk profile that reflects the expectations of our board of directors and that is consistent with the following eight strategic pillars: (i) solvency; (ii) liquidity; (iii) profit and growth; (iv) stability of results; (v) balance sheet structure; and (vi) non-financial risk and cybersecurity; (vii) customer satisfaction; (viii) operational stability. These eight pillars are supported by a taxonomy of risk that allows us to qualitatively and quantitatively monitor our risk profile.

The Risk Committee is responsible for monitoring the appetite for risk framework. In addition, it should be noted that the government scheme has been designed in such a way that the business units are mainly responsible for managing the risks inherent in the assets they manage. If any metric exceeds the established limit, the business unit is responsible for designing strategies and corrective action plans that allow returning to the approved tolerance levels.

Currently, we have risk appetite boards for both for BCP at the aggregate level and for the main business units: wholesale banking, retail banking and treasury. Additionally, we have boards for active retail products: credit card, cash credit, mortgage, SMEs and business banking.

During 2024, BCP's Risk Appetite Board was updated:

While financial metrics and their limits were reviewed, we increased the minimum level of economic capital coverage. Additionally, we incorporated the monitoring of a three-month rolling window view of the provisions indicators.

Finally, base points for transactional fraud measurement across digital and physical transactional channels were included in the Risk Appetite Board to complement the non-financial risk metrics.

Corporate Governance of Risk Management

The Central Risk Manager is responsible for Risk Management at BCP. This individual oversees defining corporate policies for risk and ensuring that they are correctly applied while articulating risk management at the corporate levels and leading the process to define and follow up on the appetite for risk.

In this regard, and to formalize and decentralize the decisions related to risk management, BCP has set up the Risk Committee, which represents the Board of Directors in the decision-making process for risk management. The Risk Committee is coordinated by the Central Risk Manager.

To achieve effective management, the Risk Committee relies on the following committees:

- Non-Retail Credit Risk Committee;
- Retail Credit Risk Committee;
- Treasury and ALM Risk Committee;
- Operation Risk Committee;

- Model Risk Committee;
- Non-financial Risk Strategic Committee

Credit Risk

Credit risk is the risk that a counterparty causes a financial loss by failing to discharge an obligation. Credit risk is the most important risk for our business; therefore, our management carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans and receivables from security borrowings, and investment activities that bring debt securities and other obligations into our asset portfolio. There is also credit risk in off-balance sheet financial instruments, such as contingent credits (indirect loans), which expose BCP to similar risks to loans (direct loans); they are both mitigated by the same control processes and policies. Likewise, credit risk arising from derivative financial instruments is, at any time, limited to those with positive market values, as recorded in the consolidated statements of financial position.

We seek to mitigate exposure to credit risk (direct and indirect) through control processes and policies. We define levels of credit risk based on risk exposure limits, which are frequently monitored. These risks are established in relation to the amounts of exposure to one debtor or group of debtors, geographical segments and the industry. Risk limits by product, industry sector and geographic segment are approved by the Risk Management Committee.

Credit Process

Our credit approval process is based primarily on an evaluation of each borrower's repayment capacity and commercial and banking references. The following figures summarize our credit approval process across our businesses.

Wholesale Banking

Admission	Follow-up	Recovery
• We carry out the admission and portfolio management processes for our main portfolios using scoring models and default probabilities. These tools are essential for accurate credit assessment and to ensure the quality control of our portfolios. • During 2024, in Wholesale Banking, progress continued with the technological renewal project of the credit process, with the rating section pending to be completed by the end of the first half of 2025.	• The monitoring process aims to ensure optimal portfolio quality. To achieve this, it assigns levels of credit deterioration and implements specific corrective actions according to each situation. • During 2024, in Wholesale Banking, an upgrade was made to the early warning model, which allowed us to identify potential deteriorations and take preventive actions.	• Regarding the credit recovery process, the objective is to normalize the financial situation of clients. If this is not possible, the aim is to maximize the recovery of receivables. • During 2024, in Wholesale Banking, the review of clients continued through financial advisory, debt refinancing, dation in payment, and/or foreclosures.

Personal and Small Business Banking

Admission	Follow-up	Recovery
• In the Personal and Small Business Banking, improvements were made in the accuracy of the models and the admission guidelines, resulting in the origination of	• In the Personal and Small Business Banking, in order to manage risk earlier, improvements were made to the monitoring of models and the identification of profiles	• Regarding recoveries for Personal and Small Businesses Banking, initiatives were implemented to improve the

Admission	Follow-up	Recovery
clients with a better risk profile.	with potential financial complications.	management of past-due, write-offs, and portfolio sales.

Models and Methodologies for Credit Risk Management

Our credit risk management depends to a significant extent on the use of statistical models. We have technological tools and standards that guide the development and monitoring of our statistical models.

During 2024, the improvements in risk management have focused on: (i) calibration of PD models for credit admission, (ii) more granular and automated monitoring of our early risk models and indicators, (iii) improvement of our sales estimators for loan granting, and (iv) automating the entire workflow of a model's life cycle.

Market Risk

We are exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, currency, commodities and equity products. These products are exposed to general and specific market movements and changes in the level of volatility of prices such as interest rates, credit spreads, foreign exchange rates and equity prices. Due to the mandate of our current activities, commodity price risk has not been approved; consequently, we do not trade in commodities.

We separate exposures to market risk in two groups: (i) those arising from value fluctuation of trading portfolios recognized at fair value through profit or loss due to movements of market rates or prices (Trading Book) and (ii) those arising from changes in the structural positions of non-trading portfolios due to movements of the interest rates, prices and foreign exchange ratios (Banking Book) and that are recorded at amortized cost and at fair value with changes in other comprehensive income.

The risks that trading portfolios face are managed through Value at Risk (VaR) historical simulation techniques; while non-trading portfolios (banking book) are monitored using rate sensitivity metrics, which are a part of Asset and Liability Management (ALM).

Trading Book

The trading book is characterized by liquid positions in stocks, bonds, foreign currencies and derivatives, arising from market-making transactions where we act as principal with the customers or with the market. This portfolio includes investments and derivatives classified by our management as held for trading.

The Bank applies the VaR (Value at Risk) approach to its trading portfolio to estimate the market risk of positions held and the maximum expected losses, based upon several assumptions for various changes in market conditions, as well as being applied to estimate the foreign exchange risk of the structured exchange position.

Daily calculation of VaR is a statistic-based estimate of the potential loss on the current portfolio from adverse market movements.

The VaR model expresses the "maximum" amount the Bank and its Subsidiaries may lose, but only to a certain level of confidence (99.00 percent). There is therefore a specified statistical probability (1.00 percent) that the actual loss could be greater than the VaR estimate. The VaR model assumes a certain "holding period" until positions can be closed (1 - 10 days). The time horizon used to calculate VaR is one day; however, the one-day VAR is amplified to a 10-day time frame and calculated multiplying the one-day VaR times the square root of 10. This adjustment assumes that the changes in the portfolio in the following days have a normal distribution, identical and independent. Thus, the result is multiplied by an adjustment factor of non-normality.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. Losses exceeding the VaR figure may occur, on average under normal market conditions, no more than once every hundred days.

Trading book strategies and indicators have specific limits, which depend on the size of the positions and/or volatility of the risk factors inherent to each financial instrument. This structure is aligned with the bank's risk appetite. Regular reports are prepared for the Treasury and ALM Risk Committees and for the Risk Committee.

BCP has defined an optimum level of risk in foreign currency (structural exchange position), which is controlled and monitored daily. Additional exchange rate management strategies are outlined in each of the trading book strategies and are within the limits set. There is also a limit for the global exchange rate in foreign currency (all currencies different from BCP's functional currency), which is constantly monitored. Reports on this concept are sent to the Treasury and ALM Risk Committee.

Banking Book

Interest rate risk in the banking book arises from changes in interest rates that may adversely affect the expected gains (earnings at risk) or market value of financial assets and liabilities reported in our statement of financial position (net economic value). Interest rate risk management is complemented with calculations of Economic Capital for ALM, which contemplates adverse and extreme behavior in the interest rate curves that place stress on the financial and asset structure.

The sensitivity analysis of interest rates on ALM is performed by conducting an assessment of the sensitivity of the financial margin, which measures fluctuations in the expected accruals over a given period of time and in the event of a parallel movement of the interest rate curves together with the sensitivity of the net economic value, which is a long-term measurement determined as the difference between the net carrying amount of assets and liabilities before and after a change in interest rates.

The re-pricing gap analysis consists of aggregating re-pricing timeframes into buckets and checking if each bucket nets to zero. Different bucketing schemes may be used. An interest rate gap is simply a positive or negative net re-pricing timeframe for any of the buckets. By this analysis, management can identify the tranches in which the interest rate variations may have a potential impact. The investments carried at fair value through profit or loss and trading derivatives are not considered in the re-pricing gap because these instruments are included in the trading book, and VaR methodology is used to assess this type of risk.

Derivatives Trading Activities

We provide our customers with access to a wide range of products from the securities, foreign exchange, and, to a lesser extent, derivatives markets. We enter into trading activities primarily as a financial intermediary for customers, and, to a lesser extent, for our own account. In acting for our own account, we may take positions in some of these instruments with the objective of generating trading profits.

The only derivatives transactions in which we engage on behalf of clients are foreign currency forward contracts, interest rate swaps, options and cross-currency swaps. To hedge our own risks, we also enter into interest rate swaps, cross-currency swaps, and forwards. Our position in derivative instruments is closely monitored and is also subject to nominal and VaR limits.

Operational Risk

Operational risk is the possibility of the occurrence of losses arising from inadequate processes, human error, failure of IT, relations with third parties or external events. Operational risks are tied to internal fraud, external fraud, labor relations, job security, relations with customers, business products and practices, damages to material assets, business and systems interruption, and failures in process execution, delivery, and management of processes. Operational risks exclude strategic and reputational risks (with the exception of companies under Colombian regulations, under which reputational risk is included in operational risk). Operational risks can lead to financial losses and have legal or regulatory consequences.

To develop an efficient risk culture, the Bank records operational risks and their respective process controls. The Risk Map, which is a document that lists all the risks that could affect the organization and their characteristics, permits monitoring, prioritization and proposed treatment of the risks. The Bank also carries out an active cybersecurity and fraud prevention management program, which is aligned with the best international practices.

Moreover, the business continuity management system enables the establishing, implementing, operating, monitoring, reviewing, maintaining, and improving of business continuity based on best practices and regulatory requirements. The Bank implements recovery strategies for the resources that support important products and services, which are periodically tested to measure the effectiveness of such strategies. Information security management is carried out through a systematic process, which is documented and known by the entire organization, pursuant to best practices and regulatory requirements. The Bank designs and develops the guidelines described in the policies and procedures to have strategies for the availability, confidentiality, and integrity of the information of assets of the organization. To manage operational risk, cybersecurity, fraud prevention and business continuity, corporate guidelines are used, and methodologies and best practices are shared among the Credicorp group companies.

In the event of the materialization of operational risks, the Bank maintains a diverse portfolio with non-financial risk transfer options, mainly through its contracted insurance policies. These policies cover losses arising from fraud, civil and professional liability, cyber risks, and damage to physical assets, among other things. The coverage needs of key areas and new emerging risks are constantly being analyzed, leading to modifications to the existing policies and the incorporation of new insurances, considering the Bank's risk appetite and the expected and unexpected levels of our losses. This practice allows us to optimize the Bank's insured risk profile.

Cybersecurity

BCP, in line with Credicorp's corporate policies, focuses on implementing highly efficient strategies to reduce exposure to cybersecurity risk and thus comply with the Banks's risk appetite. BCP applies various levels of controls tailored to the different areas and businesses exposed, backed by a continuous investment program that ensures the availability of the technologies and processes necessary to safeguard the Bank's operations and assets.

As an integral part of cybersecurity management, we have established lines of action to mitigate risks, along with clear priorities for the implementation of improvements that consider the diverse realities and operating contexts of the companies involved.

Corporate Security and Cybernetic Crime

As part of the continuous strengthening in the management of non-financial risks, the Corporate Security Area has, since 2024, a Chapter of Experts in Disaster Risk Management, as well as video surveillance and video intelligence systems, being the first Financial Institution in the medium that implements this cutting-edge technology that contributes to business continuity. These systems have multiple applications. First, as part of our security system, as a preventive measure against certain types of threats, providing greater immediate response capabilities thereby significantly mitigating particular risks. Additionally, they are also used in the control of workspace infrastructure, to enhance customer experience through queue management and distribution of operational load between offices, which also has an impact on occupational health and safety management. Finally, we also use these systems for commercial activities through biometric identification of individuals entering our facilities.

On the investigation side, specialized technologies have been implemented in the acquisition, custody and prosecution of digital evidence. As part of the Forensic Computing Laboratory, central support was provided for response actions in response to fraud incidents. Although these incidents were not material, they allowed us to incorporate new knowledge and certifications in forensic computing technologies and techniques into the team.

In the field of physical security, the formation of internal operational intelligence capabilities in the face of the situation at the national level that may impact our services allows us to have timely alert mechanisms both for managing the operational continuity strategy and safeguarding security in general.

Finally, at the industry level we have contributed to the security of the financial system through the proactive reporting of incidents centralized in ASBANC. This collaborative approach is complemented by the exchange of knowledge and best practices in the Security Expert Committee of the Latin American Federation of Banks (FELABAN), which has strengthened our position at the regional level.

Properties

Our principal property is our headquarters building located in Lima, Peru, which we own, and which has a total area of approximately 44,136 square meters. In addition, we own or lease land and buildings in various locations through the country for our branches.

Employees

As of December 31, 2024, we had 29,471 total employees, compared to 27,793 as of December 31, 2023 and 27,523 as of December 31, 2022. The numbers for December 31, 2024, 2023 and 2022 include 9,950, 9,842, and 9,725 employees, respectively, of Mibanco.

All of our employees in Peru have the option of belonging to an employee union. The last strike of employees of BCP occurred in 1991 and did not interfere with our operations. In July 2013, we were informed of the establishment of the BCP independent employee union, which represented 0.2% of the BCP employees at that time. As of December 31, 2024, the employee union represents 0.6% of the total employees of BCP. The relationship with this union has been cordial with an agreement reached in April 2016, an arbitration award and collective bargaining agreement valid from August 2016 to December 2018, a collective bargaining agreement that ran from January 2019 to December 2020, and a last collective bargaining agreement signed in 2023 valid from January 2021 to December 2022. In January 2025, we entered into a new collective bargaining agreement with the union effective from its signing date onwards.

Legal Proceedings

We, along with our subsidiaries, are involved in certain legal proceedings that arise in the normal course of conducting business. See “Regulatory Matter—Recent Regulatory Actions.” We do not believe that any liabilities that may result from such proceedings would have a material adverse effect on our financial condition or results of operations, or on the financial condition or results of operations of any of our subsidiaries.

REGULATORY ENVIRONMENT

Peruvian Regulation

Peruvian banking regulation follows the standards set by the Basel Committee on Banking Supervision. Peruvian banks and other Peruvian financial institutions are primarily governed by two banking regulatory authorities: the SBS and the BCRP. The Peruvian Constitution establishes that the SBS's main function and responsibility is to protect depositors of the Peruvian banking and financial sector, while the main function of the BCRP is to preserve monetary stability.

The regulatory framework for the operations of the Peruvian financial sector is set forth in the Peruvian Banking Law. In accordance with the Peruvian Banking Law, the SBS is responsible for issuing banking regulations and for monitoring the Peruvian banking and financial sector. The SBS supervises and regulates financial institutions such as commercial banks, financial companies, financial leasing companies, small business financial companies, savings and loan corporations, financial services companies, such as trust companies and investment banks, insurance companies and AFPs (other financial institutions such as stock brokerage houses and mutual fund managers are subject to different legal frameworks and to the supervision of the SMV). The SBS became operational in 1931.

Financial institutions must seek the authorization of the SBS before initiating operations. The SBS has administrative and financial autonomy, and its head office is in Lima. The current chairman of the SBS is María del Socorro Heysen Zegarra.

The SBS enforces the Peruvian Banking Law on an ongoing basis through periodic resolutions. The Peruvian Banking Law provides for more stringent loan loss reserve standards, brings asset risk –weighting in line with the Basel Committee on Banking Supervision guidelines and broadens the supervision of financial institutions by the SBS to include holding companies.

On a periodic basis, banks are required to provide the SBS with all relevant information that is necessary to allow for off-site evaluation of its financial performance, including audited and unaudited financial statements on a consolidated basis, Board of Directors' reports, independent auditor's reports, and other reports which reflect the operation of a bank's business. Under current practice, such reporting is required on a daily, weekly, monthly, quarterly and semi-annual basis, depending on the nature of the information to be reported.

The SBS is also responsible for conducting on-site examinations of banks on an annual basis, implementing the provisions of the Peruvian Banking Law and other related legislation, examining all banking operations, and analyzing the relationship between assets, liabilities, net worth, profit and loss accounts and all other factors affecting a bank's financial structure.

The SBS has the power to impose administrative sanctions on financial institutions and their directors and employees upon any violation of the rules that govern the activities of the Peruvian banking and financial sector. Sanctions may vary from monetary fines to license cancellation. The SBS may also sanction directors and other officers of financial institutions for breaching SBS regulations.

The BCRP was founded in 1922 and performs the functions common to a central or reserve bank, such as issuing bank notes, implementing governmental monetary policies, regulating the money supply, managing official gold and foreign exchange reserves and managing the interbank cash clearance system. The BCRP exercises its power and authority independently and is responsible for its affairs in accordance with the government's policies. The BCRP is empowered to determine the inflation target and to adopt a monetary policy in accordance thereof, and is also responsible for establishing mandatory minimum liquidity reserves.

The SMV is the Peruvian capital markets regulatory entity attached to the Ministry of Economy and Finance (Ministerio de Economía y Finanzas). The main purpose of the SMV is to promote, regulate and supervise the Peruvian capital markets. The SMV controls compliance and sanctions any violation of the Peruvian Securities Market Law, the ordered text of which (Texto Único Ordenado) was approved by Supreme Decree No. 020-2023-

EF (Ley del Mercado de Valores) ("Peruvian Securities Market Law") and its regulations. Pursuant to article 29 of the Peruvian Banking Law, the issued and outstanding shares of Peruvian banks must be registered before the SMV and listed with the BVL. Therefore, according to the Peruvian Securities Market Law and its regulations, banks are required to file before the SMV and the BVL, in Spanish and on a going forward basis, quarterly and annual reports and notices of material events (hechos de importancia).

Implementation of Basel Principles

In order to implement the Basel II Framework, the SBS has approved a two-phase schedule based on a mandatory phase and a voluntary phase. During the first phase, which started in 2008 and ended in June 2009, the SBS performed quantitative impact studies and drafted the most relevant regulations. On June 22, 2008, President Garcia issued Legislative Decree No. 1028, which contains certain amendments to the Peruvian Banking Law, most of which are aimed at adapting it to Basel II Framework standards.

To conform to Basel II Framework standards, the methodology for measuring credit, market and operational risks has been amended to permit standardized and internal model-based methods for measuring market and credit risks. Peruvian financial institutions will also be able to request validation and approval to implement the internal ratings-based ("IRB") methodology. Only those financial institutions which apply to use the IRB methodology will follow the second implementation phase of the Basel II standards.

The second phase consists of a validation process and an approval by the SBS of the IRB methodology. Once the SBS has validated and approved the IRB methodology, the financial institution in question will use regulatory capital floors to calculate its capital requirements. The amount of required capital (patrimonio efectivo) shall not be less than the percentage of capital requirements obtained under the alternative methodology.

	First Year	Second Year	Third Year
Basic IRB and Internal Models of Credit Risk	95%	90%	80%
Advanced Models of Credit Risk and/or Operational Risk	90%	90%(1)	—

(1) 80% for operational risk.

On December 14, 2021, the SBS issued SBS Resolution No. 03791-2021 (the "leverage ratio regulation"), as amended, which aligned Peruvian regulation with Basel III.

On March 19, 2022, the government enacted Legislative Decree No. 1531 with the purpose of implementing Basel III in Peru, which modified the Peruvian Banking Law and the regulation enacted thereupon with the aim of improving the quantity and quality of capital of the Peruvian banking system, in line with the Basel III standard. The following regulations were enacted pursuant to Legislative Decree No. 1531 : (i) SBS Resolution No. 03950-2022, as amended, which approved the new Regulation of Subordinated Debt applicable to financial system companies; (ii) SBS Resolution No. 03951-2022, as amended, which approved the new Regulation for the Computation of Reserves, Profits, Donations and Capital Instruments in the Cash Equity of financial system companies; (iii) SBS Resolution No. 03952-2022, as amended, which amended the Regulation for the Equity Cash for Credit Risk; (iv) SBS Resolution No. 03953-2022, as amended, which approved the Regulation for the Equity Cash for Additional Risks; (v) SBS Resolution No. 03954-2022, which approved the Regulation for Requirements regarding Capital Conservation, Economic Cycle and Concentration Risk Buffers; and (vi) SBS Resolution No. 03955-2022, as amended, which amended a group of regulations to align them with the above-mentioned resolutions.

Capital adequacy

Pursuant to article 184 of the Peruvian Banking Law, as amended, as of January 1, 2023, the regulatory capital (patrimonio efectivo) is constituted by the sum of (i) Tier I capital and (ii) Tier II capital. The regulatory capital will be intended to cover the regulatory capital requirements for credit risk, market risk, operational risk, and other capital requirements established in articles 199, 199-A and 199-B of the Peruvian Banking Law.

Tier I capital comprises:

- Ordinary Capital: Common stock and other capital instruments (as long as they have been paid in full and conform with the requirements established by the SBS), supplementary capital premiums, current and accumulated profits, unrealized gains, legal reserves and voluntary reserves, donations that comply with the SBS conditions and other elements to be determined by the SBS. Ordinary capital is subject to certain deductions set forth in Legislative Decree No. 1,531; and

- Additional Capital: Capital instruments and subordinated debt that meet the conditions established by the SBS, supplementary capital premiums of the aforementioned instruments, and other elements to be determined by the SBS. Additional capital is subject to certain deductions set forth in Legislative Decree No. 1,531.

Tier II capital comprises: (i) capital instruments and subordinated debt not included in Tier I capital; (ii) supplementary capital premiums of the aforementioned instruments; (iii) when the standard method is used to determine the regulatory capital for credit risk, the generic provisions are added up to 1.25% of the assets and contingencies for credit risk. If internal models are used to determine the regulatory capital for credit risk, the excess of the provisions constituted over the expected provisions is added up to 0.6% of the assets and contingents for credit risk, in accordance with the provisions of article 189 of the Peruvian Banking Law; and (iv) other elements to be determined by the SBS. Tier II capital is subject to certain deductions set forth in Legislative Decree No. 1,531.

In turn, pursuant to article 185 of the Peruvian Banking Law, as amended, as of December 1, 2023: (i) additional capital (as Tier I capital) shall not exceed one-third of ordinary capital (Tier I capital), and the excess, if any, shall be counted towards Tier II capital; and (ii) Tier II capital shall not exceed two-thirds of Tier I capital, and the excess, if any, may not be counted as regulatory capital.

In accordance with article 199 of the Peruvian Banking Law, as amended, and the third article of SBS Resolution No. 03952-2022, as amended by SBS Resolution No. 00274-2024, the regulatory capital will be subject to the following limits:

Period	Minimum Tier I ordinary capital (percentage of total weighted assets)	Minimum Tier I regulatory capital (percentage of total weighted assets)	Regulatory capital's global limit (percentage of total weighted assets)
January 2023 to March 2023	3.825%	5.10%	8.5%
April 2023 to August 2024	4.05%	5.40%	9.0%
September 2024 to February 2025	4.275%	5.70%	9.5%
March 2025 onwards	4.50%	6.0%	10.0%

Furthermore, pursuant to article 199-A of the Peruvian Banking Law, as of January 1, 2023, capital conservation, economic cycle and concentration risk buffers must be maintained. These buffers must be covered with ordinary capital (Tier I). For instance, the capital conservation buffer, must be, at least, 2.5% of total weighted assets. The ordinary capital (Tier I) requirements associated with the economic cycle and concentration risk buffers must be, at least, those resulting from the methodologies described in the Regulation for the Capital Conservation, Economic Cycle and Concentration Risk Buffers, approved by SBS Resolution No. 03954-2022. Financial entities have a four-year term to comply with the capital conservation buffer; on the other hand, they had to comply with 75% of the concentration risk buffer by December 2022, and must fully comply with the requirements by December 2023.

On February 24, 2016, the SBS issued SBS Resolution No. 975-2016 – the "Subordinated Debt Regulation," as amended, which aims to improve the quality of the total regulatory capital (patrimonio efectivo), increase solvency requirements and align Peruvian regulation towards Basel III, by modifying (i) the characteristics that subordinated debt must meet to be considered in the calculation of total regulatory capital and (ii) the calculation of risk-weighted assets.

In addition, this SBS Resolution also includes changes to the calculation of risk-weighted assets for intangibles (excluding goodwill), DTAs, that originate from operating losses and DTAs that exceed the threshold of 10% of "adjusted total capital." In each case, DTAs must be calculated net of deferred income tax liabilities. To replicate the deductions established by Basel III, these assets will experience a gradual increase in their risk weightings until they reach a maximum of 1,000% in 2026. The risk-weighted assets calculated based on these risk weightings will be used exclusively for calculating Basel III ratios. SBS Resolution No. 4280-2018, adopted in October 2018, modified the risk weight applied to intangibles (excluding goodwill) to speed up the increase in this risk weighting to 1,000% in order to close the regulatory gap with Basel III guidelines, which clearly require intangibles to be fully deducted from core capital measurements.

On December 22, 2022, the SBS issued SBS Resolution No. 03950-2022 – the "Subordinated Debt Regulation applicable to companies in the financial system", as amended, which replaced the former regulation approved by SBS Resolution No. 975-2016. This new regulation aimed to adjust the new computation in different levels and sublevels of regulatory capital, consistent with Basel III.

Additional regulatory capital requirements

On December 22, 2022, the SBS issued SBS Resolution No. 03953-2022, establishing updated methodologies for calculating individual and sectoral concentration risk buffers (including regional and economic sector concentration), for which companies will have until December 2023 to comply. This resolution maintains the requirement for interest rate risk to be reflected in the banking book, while the regulatory capital requirement for risk propensity is eliminated.

Also on December 22, 2022, the SBS issued SBS Resolution No. 03954-2022, which contains the local adaptation of the three Basel III capital buffers (capital conservation, economic cycle and concentration risk buffers), that must be covered with ordinary capital (Tier I capital), the highest quality capital. As established by Legislative Decree No. 1,531, a capital conservation buffer is incorporated with the purpose of being used by financial entities to the extent they incur losses in stress periods, as determined by the SBS. Financial entities will have a four-year term to constitute this buffer, which will end in December 2026.

Article 199-A of the Peruvian Banking Law, which was included by Legislative Decree No. 1,531, came into effect on January 1, 2023 and establishes new capital requirements to cover for cyclical risk and concentration, which must be equal or greater to 2.5% of total weighted assets.

Furthermore, article 199-B of the Peruvian Banking Law, which was also included by Legislative Decree No. 1,531, came into effect on January 1, 2023 and establishes that financial entities must maintain internal procedures to assess the sufficiency of their regulatory capital based on their risk profile. The board of directors is responsible to ensure that a financial entity complies with global capital requirement regulations and the requirements of article 199-A of the Peruvian Banking Law.

Credit risks

According to article 186 of the Peruvian Banking Law, and SBS Resolution No. 14354-2009, as amended, enacted in November 2009, financial institutions are allowed to use the standardized methodology and, with the prior approval of the SBS, the IRB methodology for calculating their regulatory capital requirement for credit risk. BCP will eventually adopt the IRB methodology once it is fully implemented and after having received prior approval from the SBS.

According to the Peruvian Banking Law, as of July 1, 2009, financial institutions would have been allowed to use the IRB methodology instead of the standardized methodology after receiving prior approval from the SBS. However, full implementation of both standardized and IRB methodologies by Peruvian financial institutions are still subject to the issuance of further regulations.

SBS Resolution No. 3780-2011, enacted in March 2011, as amended, established further guidelines and requirements regarding credit risk management.

SBS Resolution No. 8548-2012, enacted in November 2012, established new guidelines for calculation of risk weighted assets for personnel, credit card and mortgage exposure resulting in more capital requirements for credit risk.

SBS Resolution No. 2793-2020, enacted in November 2020, established certain extraordinary guidelines regarding credit risk provisions related to credit operations with guarantees in the context of the COVID-19 Guarantee Program.

In March 2022, LD N°1531 was approved, which modified Peruvian Banking Law. In this way, the legal basis was established to complete the alignment with Basel III capital quality standards. By the end of 2022, the SBS has published two resolutions that complement what is established in LD No. 1531 and establish a schedule for compliance with the requirements of the three Basel buffers: capital conservation buffer, countercyclical buffer and systemic risk buffer.

SBS Resolution No. 03954-2022 established the methodology for the capital conservation, economic cycle and concentration risk buffers.

Likewise, the activation criterion of the procyclical rule was modified by SBS Resolution No. 03718-2021 (the average of the annualized percentage variation of the GDP of the last 30 months goes from a level less than 4% to one greater than or equal to this threshold, previously 5%). According to the above mentioned SBS Resolution No. 03954-2022.

Market risks

Regulations for the supervision of market risks enacted in December 2018 require financial institutions to establish internal policies and procedures to monitor these risks, as well as market risk exposure limits. Regulations define market risks as the possibility of losses derived from fluctuations in interest rates, foreign exchange, the prices of equity instruments and other market prices. On June 2009, the SBS enacted SBS Resolution No. 6328-2009, as amended, which defines the methodology to be applied, and the requirements to be satisfied, to calculate the regulatory capital requirement for market risks under the standard methodology and the IRB methodology.

Since July 1, 2009, financial institutions have been allowed to use the IRB methodology, rather than the standardized methodology, subject to prior approval from the SBS.

SBS Resolution No. 4906-2017, enacted in December 20, 2017, as amended, establishes further guidelines and requirements regarding market risk supervision and management.

Operational risk

SBS Resolution No. 2115-2009, enacted in April 2009, as amended, defines the methodology to be applied, and the requirements to be satisfied by financial institutions in calculating their regulatory capital requirement for operational risk under the IRB methodology and the alternative standardized methodology. The IRB methodology uses a bank's gross operational margin as "exposure indicator" and its application does not require the prior approval by the SBS. Application of the alternative standardized methodology requires compliance with certain provisions included in SBS Resolution No. 2115-2009 and prior approval from the SBS.

SBS Resolution No. 2116-2009, enacted in April 2009, as amended, which approves the guidelines for managing operational risk, defines "operational risk" as the possibility of suffering losses due to inadequate procedures, failures of personnel, information technology or external events, including, without limitation, legal risks (but excluding strategic and reputational risk). It also establishes that a bank's board of directors is responsible for designing the general policies to manage operational risk and that a bank's management is in charge of implementing such policies, for which it may create the committees that it deems appropriate Finally, it provides that each bank is obligated to create a database of all of such bank's losses due to operational risk, classifying such losses by event.

Additional risks

SBS Resolution No. 03953-2022, enacted in December 2022, updates the methodology to be applied by financial institutions in calculating the individual and sectorial concentration risk buffers (which include the regional concentration and by economic sector). Additionally, it eliminates the capital buffer requirement for risk and the requirement for the interest rate in the Banking Book (IRRBB) is maintained.

Additionally, SBS Resolution No. 03954-2022 established the calculation of the conservation, economic cycle and market concentration risk buffers in December 2022.

Loan Loss Reserves

Procedures relating to loan loss reserves and loan portfolio classification are set out in regulations issued by the SBS. Pursuant to SBS Resolution No. 11356-2008, enacted in November 2008 and in force since July 2010, as amended, banks must consider certain criteria with respect to the borrower, including the securities; the credit category; the borrower's liquidity, including whether the borrower has adequate equity and a low amount of outstanding debt relative to their ability to generate profits; whether the borrower or its industry is susceptible to significant variation in cash flow; whether the borrower has a history of prompt payments on its debt; and whether the borrower is part of an economic sector that demonstrates a trend towards growth.

Some guidelines have been defined for the categorization and registration of loss events due to operational risk approved by the SBS on October 23, 2018.

Risk Categories according to days of delay:

Classification	Corporate, Large Business, Medium Business	Small Business, Micro Business, Revolving Consumer, Non revolving Consumer	Residential Mortgage
Class "A" Normal	0 to 30	0 to 8	0 to 30
Class "B" Potential Problem	31 to 60(*)	9 to 30	31 to 60
Class "C" Substandard	61 to 120	31 to 60	61 to 120
Class "D" Doubtful	121 to 365	61 to 120	121 to 365
Class "E" Loss	366+	121+	366+

(*) Also classified as a potential problem if it registers two or more delays greater than fifteen days in the immediately preceding six months, to the extent that they do not exceed sixty days.

SBS regulations require the following minimum reserves to be recorded for statutory purposes for all types of credit: a 1% reserve on loans and credits classified as Standard with respect to which no credit issues have been identified, and a 5%, 25%, 60% and 100% specific reserve on loans for the unsecured portion and credits in risk categories Potential Problem, Substandard, Doubtful and Loss, respectively. Whenever such loans or credits, or any portion thereof, are secured with "preferred" collateral, required reserves for risk categories Potential Problem, Substandard, Doubtful and Loss are 2.5%, 12.5%, 30% and 60%, respectively. The amount of the reserve for any such loans or credits, or portions thereof, secured with "preferred readily realizable collateral" collateral may be reduced by 50%. Loans or credits, or the portions thereof, secured with "self-liquidity" collateral, require at least a 1% reserve. When the collateral is insufficient to secure the outstanding balances, the higher percentage requirements are applicable to the unsecured portion of the loans or credits. In the case of consumer loans, the required reserves are as follows: a 1% reserve on loans classified as Standard with respect to which no credit issues have been identified, and a 5%, 25%, 60% and 100% specific reserve on loans in risk categories Potential Problem, Substandard, Doubtful and Loss, respectively.

SBS regulations require Peruvian banks to maintain two types of loan loss reserves: (a) "generic" loan loss reserves (*provisiones genéricas*) on their total direct and indirect loan portfolio that is classified as category "A" (standard) at an allowance rate of (i) 0.7% for corporate loans, big business loans and residential mortgage loans, and (ii) 1.0% for medium business loans, small business loans, micro business loans, revolving consumer loans and non-

revolving consumer loans, and (b) specific reserves (*provisiones específicas*) on their total direct and indirect loan portfolio classified under categories "B" (Potential Problems) through "E" (Loss) described above at an allowance rate of 5%, 25%, 60%, and 100%. These percentages may be reduced if the loans are secured with certain types of collateral and for certain special types of loans, provided that certain requirements set forth under SBS Resolution No. 11356-2008, as amended, are satisfied.

As of December 31, 2008, banks were required to make dynamic loan loss reserves (*provisiones procíclicas*) based on the behavior of Peru's annualized average GDP over the last 30 months as determined and published by the BCRP.

On November 27, 2014, the SBS, through Circular No. B-2224-2014, announced the suspension of the pro-cyclical requirements. As a result, pro-cyclical provisions may be reassigned to cover specific reserves (*provisiones específicas*). Pro-cyclical provisions, however, may not be used to increase the banks' net income.

Banks must report loan classifications on a monthly basis to the SBS. The worst classification assigned to a single person by any bank affects classification and allowance requirements for all other banks, which means that all banks are bound by the worst classification that is assigned to any given debtor by any bank in the Peruvian banking and financial sector.

Risk of Over-Indebtedness by Consumer Banking Customers

According to SBS Resolution No. 6941-2008, as amended, banks and other financial entities must adopt a system to manage the risk of over-indebtedness that (a) allows the mitigation of such risk before and after making the loan, (b) permits the performance of a permanent monitoring of the portfolio to identify over indebted borrowers and (c) includes the periodic evaluation of the control mechanisms being used and of the corrective actions or required improvements, as the case may be. The board of directors of such banks and other financial entities are responsible for (i) establishing and reviewing the policies and proceedings for the identification, measuring, treatment, control, reporting and monitoring of the risk from the level of indebtedness of its consumer banking customers and (ii) causing the management to adopt the necessary measures to monitor and control such risks. In addition, the board of directors must cause the bank and/or financial entity to have an organizational structure that guarantees total independence between the risk and the commercial divisions and that the incentive schemes for employees' performance does not cause a conflict of interest with risk management policies.

Banks and financial entities that are in the process of implementing a system to manage the risk of over-indebtedness or are not able to monitor, control and identify the risk of over-indebtedness are obliged to maintain a special loan loss reserve.

On November 27, 2019, the SBS, through SBS Resolution No. 5570-2019, as amended, modified the existing credit and debit card regulations, in order to make adjustments to the definition of credit and debit cards to classify them as payment instruments, as well as to add details regarding lines of credit granted by companies, which can be revolving or non-revolving.

Lending Limits

Under article 206 of the Peruvian Banking Law, the total amount of direct and indirect credits and financings granted in favor of a person shall not exceed 10% of a bank's regulatory capital. A person is defined for the purposes therein as a person or group of persons or entities representing a common or single risk.

The 10% limit indicated above may be raised to 15%, 20% and 30%, depending on the type of collateral securing the excess over each limit. Accordingly, the limit can be extended to 15% when the excess is secured by a mortgage, pledge, warrant or trust, it may be extended to 20% when the excess is collateralized with securities listed on the ISBVL (index of most liquid stock trading in the BVL) or with shares or bonds with high liquidity, registered in certain foreign stock exchanges, and it may be extended to 30% when the excess is secured with deposits that are maintained and pledged with the bank.

Other special lending limits have been considered, such as lending to related parties or affiliates (30% of regulatory capital), to local banks (30%), and to foreign banks (from 5% for non-regulated banks to 30% for first

category international banks (as defined by the BCRP from time to time), which may also be raised to 50% when backed by letters of credit). There are other limits that require banks to diversify their portfolio in different types of assets, benefiting liquid and low risk assets.

Lending to Related Parties

The Peruvian Banking Law regulates and limits transactions with related parties and affiliates of financial institutions on an unconsolidated basis. In 1997, the SBS and the SMV enacted regulations defining indirect ownership, related parties and economic groups, which were superseded by regulations enacted by the SBS in 2000 and by the SMV in 2010, which in turn were replaced by SBS Resolution No. 5780-2015 and SMV Resolution No. 019-2015-SMV-01, as amended, currently in effect. These regulations serve as the basis for determining limits on transactions with related parties and affiliates and also provide the basis for the development of specific standards for the supervision of financial and mixed conglomerates formed by financial institutions.

Under article 202 of the Peruvian Banking Law, the aggregate amount of loans to related party borrowers cannot exceed 30% of a bank's regulatory capital. For purposes of this test, a related party borrower includes any corporation holding, directly or indirectly, 4% or more of a bank's shares, directors, certain principal executive officers or persons affiliated with the administrators of the bank. All loans to related parties must be made on an arm's length basis with terms no more favorable than the best terms that the bank offers to the public.

Also, under article 201 of the Peruvian Banking Law the total amount of loans to directors, employees or close relatives of any such persons may not exceed 7% of a bank's regulatory capital per person. All loans made to any single related party borrower may not exceed 0.35% of the regulatory capital (i.e., 5% of the overall 7% limit), for purposes of this restriction, a single related party includes that party's spouse and relatives.

Country Risk Reserve Requirements

SBS Resolution No. 7932-2015, enacted in December 2015, and in effect since July 1, 2016, as amended, requires the establishment of reserves to cover exposure to country risk, which includes sovereign risk, transfer risk and expropriation or nationalization risk, all of which may affect operations with companies or individuals in foreign countries. The SBS has also established guidelines indicating the procedures and responsibilities that are necessary for coping with country risk.

Integral Risk Management

SBS Resolution No. 272-2017, issued on January 18, 2017 and in effect since April 1, 2018, as amended, contains guidelines for integral risk management of financial institutions. Integral risk management is a process intended to identify potential events that can affect banks and to manage those events according to its nature and risk level. This regulation covers several kinds of risks that could affect a banking operation, such as operational, market, credit, strategic, liquidity, legal, technical and reputational risks. SBS Resolution No. 00211-2021, which amended SBS Resolution No. 272-2017, establishes that a bank's board of directors is responsible for approving policies and procedures with regard to the economic solvency and the moral and technical suitability of its shareholders, final beneficiaries, directors, managers and key officials, as well as for overviewing the implementation of such policies and procedures and implementing the corresponding corrective measures. Also, it establishes that financial institutions must prepare reports for the SBS with regard to (i) shareholders that acquire less than 10% of the company's capital stock, and their compliance with applicable requirements, and (ii) the new directors, managers, and key officials that have been appointed, and their compliance with applicable requirements.

SBS Resolution No. 272-2017, which replaced SBS Resolution No. 37-2008, introduced corporate governance guidelines and criteria in order to reinforce integral risk and conflict of interest management and regulates risk management on additional risks, such as money laundering, financing of terrorism, technical risks and reinsurance.

Investments in Financial Instruments

Investment in financial instruments by Peruvian banks is restricted to those financial instruments listed in the Peruvian Banking Law, such as equity instruments traded on a stock exchange, debt instruments (to the extent that

certain requirements are satisfied), sovereign debt instruments and quotas in mutual and investment funds, among others.

Pursuant to SBS Resolution No. 7033-2012, effective as of January 1, 2013, as amended, investments in financial instruments by Peruvian banks shall be classified into any of the following categories: (a) investments at fair value with changes in results (short term), (b) investments available-for-sale, (c) investments held to maturity (long term) and (d) investments in subsidiaries and affiliates.

Reserve Requirements Required by the BCRP

Under the Peruvian Banking Law, all financial institutions regulated by the SBS (except for credit companies and electronic money issuers) are required to maintain a legal reserve (encaje) for certain obligations. The BCRP may require additional and marginal reserves. The exact level and method of calculation of the reserve requirement is set by the BCRP, which has issued different sets of regulations for foreign and local currency-denominated obligations of banks. Among others, the following liabilities are subject to the reserve requirement: demand and time deposits, savings accounts, certain bonds and funds administered by the bank and amounts due to foreign banks and other foreign financial companies (in certain circumstances).

Since April 2024, the minimum legal reserve requirement for local currency deposits is 5.5% and 9.0% for foreign currency obligations. Foreign currency deposits collected from the general public are subject to a marginal rate of 35.0% for funds that exceed a certain level set by the BCRP. Local currency borrowings from certain foreign sources with an original maturity of two years or less are subject to a 9.0% special rate. In contrast, as of July 2023, foreign currency borrowings from certain foreign sources with an original maturity of two years or less are subject to a 35.0% rate, provided that, such obligations are contracted on or after July 1, 2023 (otherwise, obligations contracted until June 30, 2023 will maintain a special rate of 9.0% until the originally agreed maturity date). Financial institutions may satisfy the minimum reserve requirements with funds that they hold in vaults or that they have deposited in their accounts at the BCRP.

Subject to certain requirements, the regulation excludes from the reserve requirement mid-term and long-term funding (i.e. liabilities with a minimum average maturity of more than two years, subject to other conditions) through the issuance of securities such as the notes.

Financial institutions must also keep at least 1.0% and 3.0% of their local and foreign currency subject to reserve requirements, respectively, deposited in the BCRP. The BCRP oversees compliance with the reserve requirements.

The BCRP also establishes the interest rate payable on reserves that exceed the minimum legal reserve requirement applicable to both local and foreign currency deposits. The current applicable interest rate: (a) for local currency reserves, different from those described below, is the highest of 0.0% or the overnight deposits interest rate, minus 195 basis points; and, (b) for foreign currency deposits is the highest of (i) 25.0% of the one-month term SOFR minus 10 basis points and (ii) the one-month term SOFR minus 50 basis points. Currently, no interest rate is payable in respect of local currency deposits to certain foreign sources, such as financial institutions, hedge funds, brokerage firms, pension funds and others with a foreign parent company, except for those authorized by the SBS to collect deposits from the general public in Peru. The applicable interest rate is expected to be periodically by the BCRP in accordance with monetary policy objectives.

In the past years, the BCRP has on numerous occasions changed the deposit reserve requirements applicable to Peruvian commercial banks and the amount of deposit reserves on which no interest is payable by the BCRP.

Deposit Insurance Fund

Bank deposits are protected by the Deposit Insurance Fund (Fondo de Seguro de Depósitos) (“FSD”) against bank failure. Specifically, savings deposit accounts maintained by individuals, savings deposit accounts maintained by non-profit entities and checking accounts are covered in full up to an amount that is revised quarterly by SBS. As of December 31, 2024 and 2023, of the total balance of deposits and obligations in Peru, approximately S/59,413.9 million and S/51,875.6 million, respectively, are secured by the Peruvian “Deposit Insurance Fund”. At said dates,

the maximum amount of coverage per depositor recognized by "Fondo de Seguro de Depósitos" totaled S/121,600.0 million and S/123,810.0, respectively.

The FSD was established in 1991 and was organized as a private corporation in 1996. Its governing body is led by a representative of the SBS. The additional members are appointed by the BCRP (1), the Ministry of Economy and Finance (1) and by financial institutions (3). The SBS provides the necessary administrative and operational resources. The financial resources available to the FSD pursuant to the Peruvian Banking Law include, among others, the original contribution from the BCRP, insurance premiums paid by banks, unclaimed bank deposits after ten years and fines imposed by the SBS for violations of the Peruvian Banking Law.

In addition, the FSD may, in extraordinary situations, borrow funds with authorization from the Treasury or borrow long-term government securities from the Treasury.

Anti-Money Laundering, Anti-Terrorism Financing and Bribery Prevention Rules

Money laundering is considered a criminal act in Peru. A special legal framework was established in April 2002, which follows the 40 recommendations of the Financial Action Task Force on Money Laundering ("FATF"), established by the G-7. Since then, this legal framework has been amended in order to improve and increase the efficiency of the Peruvian anti-money laundering system.

Money laundering includes a wide range of serious offenses such as tax evasion, financing terrorism, drug trafficking, corruption and other criminal activities. A special set of anti-money laundering rules applies specifically to banks, which includes specific rules for customer and employee due-diligence and record-keeping. In March 2008, the SBS enacted additional anti-money laundering provisions, pursuant to which, among other things, banks must establish a set of policies and procedures specifically aimed to prevent asset laundering and the financing of terrorist activities. In November 2008, the SBS modified the anti-money laundering provisions to include, among other changes, the obligations of Peruvian banks to verify that their branches and foreign subsidiaries comply with the anti-money laundering and terrorism financing provisions enacted by the SBS and with the recommendations of the FATF. In accordance with recently enacted regulations, mainly Law No. 28306, SBS Resolution No. 2660-2015, as amended, and Legislative Decree No. 1249, financial institutions must adopt internal mechanisms, appoint a full-time compliance officer reporting directly to the Board of Directors and conduct special personnel training programs and procedures to detect and report unusual or suspicious transactions as defined therein.

The government agency responsible for supervising the anti-money laundering system is the UIF, which was absorbed by the SBS in July 2007. The chairman of this agency is appointed by the chairman of the SBS.

Additionally, Law No. 30424, enacted in April 2016 and which took effect on January 1, 2018, as amended, attributes criminal liability to legal entities when money laundering, terrorist financing and/or bribery (including multinational bribery) crimes are committed on its behalf or in its benefit by any legal representative or *de facto* or *de jure* executive. Such regulation establishes that criminal liability will be exempted or mitigated if the legal entity has adopted an adequate and suitable prevention model following the criteria and minimum guidelines outlined in Law No. 30424. On January 9, 2019, Supreme Decree No. 002-2019-JUS (*Reglamento de la Ley N° 30424*) was enacted and took effect, setting forth further regulations and guidelines related to, among other things, the suitable prevention model to be implemented in accordance with Law No. 30424.

Data Management and Cyber Security Regulations

By means of SBS Resolution No. 504-2021, as amended, the SBS approved regulations regarding data management and cybersecurity, by virtue of which financial entities are required to (i) implement data management and cybersecurity measures, and (ii) have a multidisciplinary team in charge of managing cybersecurity incidents, which must be duly qualified to implement such policies and procedures. It also establishes that a bank's board of directors is responsible for approving these policies and procedures, and that a bank's management is responsible for implementing them.

Disclosure of Material Information

All banks that are organized as corporations (the only exception being the Peruvian branches of foreign banks) are listed on the BVL and are registered in SMV. As a result, they are subject to the disclosure and reporting rules contained in the Peruvian Securities Market Law and its regulations, as well as in the internal regulations of the BVL.

Under these rules, listed companies such as banks are required to disclose to the market in a timely manner (within the same day that the event occurs) all information that investors are reasonably likely to consider material. Special regulation provides for specific parameters to determine what is considered relevant information in connection with the company, its securities and its business. Banks are also subject to full disclosure and reporting obligations under the banking regulatory framework.

Intervention by the SBS and Liquidation

Pursuant to the Peruvian Banking Law, the SBS has the power to interrupt the operations of a bank in order to prevent it from, or to control and reduce the effects of, a bank failure. Accordingly, the SBS may intervene in a bank's business by adopting either a temporary surveillance regime or a definitive intervention regime ("Intervention") depending on how critical the situation is deemed to be by the SBS. Either of these actions may be taken upon the occurrence of certain events, including (a) suspension of payments; (b) repeated failure to comply with instructions from the SBS or the BCRP; (c) repeated violation of the Peruvian Banking Law or the Bank's by-laws; (d) unauthorized or unsound management; or (e) deficit of regulatory capital (to the extent that if it is in excess of 50%, over the past 12 months, then an Intervention is mandatory; however pursuant to Urgency Decree No. 037-2021, as amended, a 80.0% threshold calculated will be in effect until March 31, 2023, following which period the threshold will be reduced back to 50.0%.). Less drastic measures, such as (i) placing additional requirements, (ii) ordering a capital increase or an asset divesture, or (iii) imposing a financial restructuring plan, may be adopted by the SBS when the situation allows for them.

An Intervention may halt a bank's operations up to 45 days, which may be extended for a second period of up to 45 additional days, during which time the SBS may institute measures such as (a) limiting the decisions that might be taken at a shareholders meeting, (b) suspending the bank's normal activities, (c) canceling losses by reducing reserves, capital and subordinated debt; (d) segregating certain assets and liabilities for transfer to another financial institution; and (e) merging the intervened bank with another acquiring institution. After an Intervention, the SBS will proceed to dissolve and liquidate the bank unless the preceding option (e) was applied.

In limited circumstances, during a Peruvian bank's dissolution and liquidation proceeding, the creditors of such bank representing at least 30.0% of such bank's total liabilities may propose a recovery plan, subject to the consent of the SBS. Such plan must contemplate the application of the bank's capital instruments (such as the Notes) to absorb losses of the Bank and, in case any amount of such capital instruments remains outstanding, its conversion into equity. Any such rehabilitation plan would be enforceable if, after acceptance by the SBS, it is approved by a majority of the creditors of such bank.

Beginning on the date on which a resolution of the SBS subjecting a bank to an Intervention regime is issued, and continuing until such Intervention is concluded (which period ends when the liquidation process begins), the Peruvian Banking Law prevents any creditor of the bank from: (a) initiating any judicial or administrative procedure for the collection of any amount owed by the bank, (b) enforcing any judicial decision rendered against the bank to secure payment of any of its obligations, (c) constituting a lien or attachment over any of the assets of the bank to secure payment of any of its obligations, or (d) making any payment, advance or compensation or assuming any obligation on behalf of the bank, with the funds or assets that may belong to it and are held by third parties, except for: (i) set-off compensation payments that are made between regulated entities of the Peruvian banking and financial sector and insurance systems, and (ii) set-off of reciprocal obligations arising from repurchase agreements and operations with financial derivatives entered into with local or foreign financial and insurance institutions.

During liquidation, claims of bank creditors rank as follows:

First order – Labor claims:

First. Employee remunerations.

Second. Social benefits, contributions to the private and public pension system and other labor claims against the bank accrued until the date when the dissolution is declared, retirement pensions or the capital required to redeem those pensions or to secure them by purchasing annuities.

Second order – Claims for bank deposits and other types of saving instruments provided under the Peruvian Banking Law, in the portion not covered by the FSD, and the contributions and resources used by the FSD to cover claims for bank deposits and other types of saving instruments.

Third order – Taxes:

First. Claims by the Peruvian social security administration (*EsSalud*) related to health care benefits for which the bank is responsible as employer.

Second. Taxes.

Fourth order – Unsecured and non-privileged credits and subordinated debt:

First. All unsecured and non-privileged credits against the bank, ranked on the basis of (i) the date they were assumed or incurred by the bank whereby obligations assumed or incurred on an earlier date shall rank senior in right of payment to obligations assumed or incurred by the bank at a later date (except for those unsecured creditors who have accepted to be treated *pari passu* with other unsecured creditors), and (ii) obligations assumed or incurred by the bank on a date that cannot be determined shall rank junior in right of payment to all the obligations comprised in (i) above and *pari passu* among themselves.

Second. The legal interest on the Bank's obligations that may accrue during the liquidation.

Third. Subordinated debt.

Except for unsecured and non-privileged claims, all claims within an order will be ranked *pari passu* among themselves. Each category of creditors will collect in the order indicated above, whereby distributions in one order will be subject to completing full distribution in the prior order.

In the event that BCP becomes subject to liquidation, the SBS will limit the rate at which interest will accrue on the notes during such liquidation process to the legal interest rate for U.S. dollar-denominated indebtedness determined by the BCRP. Historically, this rate has been the average rate paid by Peruvian banks on their U.S. dollar-denominated deposits as calculated by the SBS.

Any security interest created before the issuance of the resolution declaring the Bank's dissolution and the initiation of the liquidation process shall subsist in order to guarantee the obligations it secures. The secured creditors shall retain the right to collect from the proceeds of the sale of the collateral, on a preferred basis (except with respect to labor claims and savings, which are privileged claims), subject to certain rules established under article 119 of the Peruvian Banking Law.

Peruvian banks are not subject to the regime of insolvency and bankruptcy otherwise applicable to Peruvian corporations in general.

Recent Regulatory Actions

Mr. Dionisio Romero Paoletti and Mr. Raimundo Morales, members of the board of directors of Banco de Crédito del Perú were summoned (in their respective capacities as former Chairman and current Vice Chairman of the Board of Directors of Credicorp, respectively) as witnesses by Peruvian prosecutors, along with 26 other Peruvian business leaders, to testify in connection with an investigation that is being carried out regarding contributions made to the electoral campaign of a political party in the 2011 Peruvian presidential elections. Mr. Romero informed prosecutors that in 2010 and 2011 Credicorp made donations totaling U.S.$3.65 million to the political party Fuerza 2011 (in total amounts of U.S.$1.7 million in 2010 and U.S.$1.95 million in 2011). While the

amount of these contributions exceeded the limits then permitted under Peruvian electoral law, the law in place at that time provided no sanction for contributors, and instead only for the recipient of the campaign contribution. Mr. Romero also informed prosecutors that in 2016, BCP, Mibanco and Grupo Pacifico made donations to the political party Peruanos por el Kambio (PPK) totaling S/711,000 (approximately U.S.$200,000). These contributions were made in compliance with both Peruvian electoral law and Credicorp's own political contributions guidelines, adopted in 2015.

The SMV initiated a sanctioning process against Credicorp for failing to disclose to the market in due course the political campaign contributions in the years 2011 and 2016. The SMV has initiated a sanctioning process against three subsidiaries of Credicorp (BCP, Mibanco and Grupo Pacífico) for failing to disclose to the market, in due course, the political campaign contributions made in connection with the 2016 elections. The SMV notified Credicorp, BCP, Mibanco and Grupo Pacífico with first instance resolutions on these proceedings. The resolutions imposed pecuniary sanctions (fines) on Credicorp and the three subsidiaries as a result of these sanctioning processes. Credicorpo, BCP, Mibanco and Grupo Pacífico appealed the resolutions.

After expiration of the term to resolve the appeals, Credicorp, BCP, Mibanco and Grupo Pacífico asserted their right to negative administrative silence and to resort to the judiciary. Notwithstanding this assertion Credicorp, BCP, Mibanco and Grupo Pacífico have paid the fines imposed by the SMV, in compliance with Peruvian Law. Credicorp, BCP, Mibanco and Grupo Pacifico filed claims against the SMV resolutions which imposed fines against them. The first-instance resolutions in the judiciary declared their claims unfounded. Credicorp, BCP, Mibanco and Grupo Pacífico have appealed, so that the first-instance resolutions are reviewed in second instance. A substantive hearing date is pending to be set.

In our opinion neither the political campaign contributions nor the related SMV sanctioning procedures pose a significant risk of material liability to BCP or will have a material effect on our business and financial position since the fines imposed by the SMV have already been paid.

On the other hand, on November 11, 2021, BCP's former general manager, Mr. Gianfranco Ferrari de las Casas, informed BCP that he was notified at his personal address of a Prosecutor's Decision issued by the Corporate Supraprovincial Prosecutor's Office Specialized in Officer Corruption Offenses Special Team – Fourth Court Division (Fiscalía Supraprovincial Corporativa Especializada en Delitos de Corrupción de Funcionarios Equipo Especial – Cuarto Despacho). Through such notice, Mr. Ferrari was informed that he had been included in the preparatory investigation carried out against Mr. Yehude Simon and an additional 65 individuals on the grounds of, in his particular case, alleged primary complicity in an alleged crime against the public administration, aggravated collusion, incompatible negotiation or improper use of position and criminal organization detrimental to the Peruvian State, in connection with the financial advisory services provided by BCP to the Olmos Project.

On June 21, 2024, Credicorp disclosed that its CEO, Mr. Gianfranco Ferrari de las Casas, informed Credicorp of Resolution N°6 issued by the Fifth National Preliminary Investigation Court of the National Superior Court of Specialized Criminal Justice in Perú (Quinto Juzgado de Investigación Preparatoria Nacional de la Corte Superior Nacional de Justicia Penal Especializada), through which Mr. Ferrari was informed of the dismissal of the abovementioned case in regards of the preparatory investigation against Mr. Ferrari for the crime of collusion against public administration. Consequently, such court ordered the final closure of the judicial process (i.e., dismissal) against Mr. Gianfranco Ferrari de las Casas.

MANAGEMENT

We are managed by our Board of Directors, Chief Executive Officer and Deputy Chief Executive Officers. Our Board of Directors consists of:

Name	Position	Board Member Since
Mr. Luis Enrique Romero Belismelis	Chairman	2009
Mr. José Raimundo Morales Dasso	Vice Chairman	2009
Mr. Hélio Lima Magalhães	Member of the Board of Directors	2021
Mr. Roque Benavides Ganoza	Member of the Board of Directors	2009
Mr. Alexandre Gouvêa	Member of the Board of Directors	2020
Mrs. María Teresa Aranzábal Harreguy	Member of the Board of Directors	2020
Mr. Leslie Pierce Diez Canseco	Member of the Board of Directors	2021
Mrs. Patricia Lizárraga Guthertz	Member of the Board of Directors	2017
Mr. Pedro Rubio Feijóo	Member of the Board of Directors	2018
Mr. Gianfranco Ferrari de las Casas	Member of the Board of Directors	2022
Mr. Manuel Enrique Romero Valdez	Member of the Board of Directors	2024
Mrs. Nuria Aliño Perez	Member of the Board of Directors	2024
Mr. Juan Lizardo Manrique Paredes	Member of the Board of Directors	2024

The members of our Board of Directors can be reached at our address at Calle Centenario 156, Urbanización Las Laderas de Melgarejo, La Molina, Lima, Peru.

Detailed below is a brief biographical description of the members of our Board of Directors.

Mr. Luis Enrique Romero Belismelis has been Chairman of our Board since April 5, 2021 and our director since March 31, 2009. He also serves as the Chairman of the board of directors of Credicorp since June 9, 2020 where he has been a director since March 31, 2017, and Chairman of the board of directors of Grupo Crédito since October 29, 2020. He is also the Executive Chairman of Credicorp and Grupo Crédito. He is Chairman of the Board of Pacífico Compañía de Seguros y Reaseguros S.A., Credicorp Perú S.A.C., Mibanco – Banco de la Microempresa S.A., and Atlantic Security Holding Corporation. Mr. Romero has experience as Head of Finance and General Manager in different companies in the consumer and services sector related to Grupo Romero, including Maray S.A. He is currently director of Alicorp S.A.A., Fundación Romero, Inversiones Piuranas S.A., Grupo Piurano de Inversiones S.A., Maray S.A. and Grio S.A. Mr. Romero received a bachelor's degree in Economics from Boston University.

Mr. José Raimundo Morales Dasso has been the Vice-Chairman of our Board since March 31, 2009. He also serves as the Vice-Chairman of the Board of directors of Credicorp since March 28, 2008. He is member of the Board of Directors of Grupo Crédito S.A., Pacifico Compañia de Seguros y Reaseguros S.A., Solucion Empresa Administradora Hipotecaria S.A. and Atlantic Security Holding Corporation. Mr. Morales joined BCP in 1980 and has held several executive management positions, including Executive Vice-President for Wholesale Banking and Credit and Risk Management. He became CEO of BCP in 1990 and served in that role until 2008. Mr. Morales led Credicorp's initial public offering on the New York Stock Exchange in October 1995. He also has experience in a range of organizations, including the Association of Banks of Peru, Association of AFPs, and was Vice-Chairman of the National Confederation of Private Business Institutions in Peru. Prior to joining Credicorp, Mr. Morales worked for 10 years at Wells Fargo Bank in its offices in San Francisco and Miami, São Paulo (Brazil), Caracas (Venezuela), and Buenos Aires (Argentina). The last position he held at Wells Fargo Bank was Regional Vice President. Mr. Morales is also director of Fosfatos del Pacífico S.A., GRIO S.A. and Cementos Pacasmayo S.A.A., companies that are listed on the Bolsa de Valores de Lima, and Salmueras Sudamericanas S.A., company that is part of Grupo Pacasmayo. Mr. Morales has a bachelor's degree in economics and administration from the Universidad del Pacifico (Peru) and holds an MBA from the University of Pennsylvania's Wharton Graduate School of Finance.

Mr. Hélio Lima Magalhães has been director of BCP since March 31, 2021. Mr. Magalhães is a professional with a solid foundation in technology and subsequent development in consumer banking businesses, with exposure to other businesses in the financial sector, where he held various executive positions. He has regional knowledge at the Latin American level, where he managed banking and credit card businesses. Mr. Magalhães is currently director of Cia

Melhoramentios São Paulo, Evoltz Participações S.A., AXS Energia and Liber Capital. Previously, he has served as President of Citibank Brazil until 2017, President for the Americas of American Express Global Network Services until 2012, among other positions. Mr. Magalhães has a bachelor's degree in electrical engineering from the George Washington University, and a postgraduate degree in Computer Science from the Pontifical Catholic University of Rio de Janeiro (Brazil).

Mr. Roque Benavides Ganoza has been director of BCP since March 31, 2009. He is Chairman of the Board of Directors of the Compañía de Minas Buenaventura S.A.A., where he works since 1977. He has held key positions in the National Society of Mining, Petroleum and Energy (*Sociedad Nacional de Minería, Petróleo y Energía*) and the National Confederation of Private Business Institutions (*Confederación Nacional de Instituciones Empresariales Privadas*). Mr. Roque is a member of the Board of Directors of the Sociedad Minera El Brocal S.A.A., Compañía Minera Condesa S.A., Compañía Minera Colquirrumi S.A., Compañía Minera Coimolache S.A., Consorcio Energético de Huancavelica S.A., Empresa de Generación Huanza S.A., Minera Azola S.A.C., Procesadora Industrial Río Seco S.A., Compañía Minera Totoral S.A., Sociedad Minera Cerro Verde S.A.A., Consulting Advisers S.A.C. and Inversiones Colquijirca S.A. He also is CEO of Inversiones Colquijirca S.A. Mr. Roque is a Civil Engineer from the Pontificia Universidad Católica del Peru and an MBA from Henley, University of Reading (UK). He completed the Management Development Program at Harvard Business School and the Advanced Management Program at Templeton College, University of Oxford (UK).

Mr. Alexandre Gouvêa has been director of BCP, Credicorp and Grupo Crédito since 2020. He also is director of Monokera, a digital insurance company in Colombia, recently acquired by Krealo, Corporate Venture Capital of Credicorp, Aval Digital Labs and Grupo Financiero Banamex. Mr. Gouvêa has 30 years of international experience at McKinsey&Co. and specializes in providing advice to financial services clients. Mr. Gouvêa is an expert in retail banking and insurance (including its technological transition and digital transformation). He has provided financial services in Latin America and built the Organizations Practice and the Recovery and Transformation Unit (*Practica de Organizaciones y la Unidad de Recuperación y Transformación*) of McKinsey & Co. He was previously a director of McKinsey & Co., Lojas Renner and serves as director of Habitat for Humanity International, a non-profit organization. Mr. Gouvêa has a degree in Mechanical Engineering from Universidad Federal do Rio de Janeiro (Brazil) and has an MBA from UCLA's Anderson School of Management.

Mrs. María Teresa Aranzábal Harreguy has been director of BCP, Credicorp and Grupo Crédito since 2020. She is a Spanish executive with an international career and has relevant experience serving on the boards of listed and private companies as well as non-profit organizations. She has international experience as an executive across a variety of sectors, ranging from retail and fashion to consumer goods and real estate. She began her career at McKinsey & Co. in Spain and Argentina where she consulted with clients in various industries, including retail banking. She then joined Grupo Cortefiel, a family-owned retailer, where she successfully led business development, strategy and international growth of brands. She also collaborated with Advent International, a private equity firm, as retail expert, and was later in charge of the turnaround of KA International. Mrs. Aranzábal currently leads Alir Consulting and Trade, her own consulting company, which specializes in retail and real estate, serves as independent advisory of the Board of Corporación Hijos de Rivera S.L. and Chairwoman of the Board of Novia Salcedo Foundation. Mrs. Aranzábal has a degree in Business Administration from ICADE (Spain). She has an MBA from The Wharton School of the University of Pennsylvania and a Board Director Certification from the Institute of Consejeros Administradores de España (IC-A).

Mr. Leslie Pierce Diez Canseco has been director of BCP since March 31, 2021 and of Credicorp Ltd. and Grupo Crédito since 2020. He also serves as a Member of the Board of Directors of Atlantic Security Holding Corporation. Mr. Pierce has served in executive leadership positions, primarily of Peruvian companies, for almost 40 years. He served as CEO of Alicorp S.A.A., Peru's largest consumer goods company with operations throughout Latin America, from 1991 to 2011. Prior to that, Mr. Pierce served as a Vice Minister of Commerce in the Ministry of Economy and Finance, from 1983 to 1984. He is also a member of the Board of Directors of Compañía Latinoamericana de Radiodifusión S.A., Cerámicas Lima S.A., Transber S.A.C., Inka Crops S.A., Empresa Siderúrgica del Perú S.A.A., HV Contratistas S.A., Redondos S.A., Inversiones Agrícolas Caña Brava, Maquinarias S.A., Esmeralda Corp. S.A.C., Corporación Primax S.A., GRIO S.A., Desarrollo Educativo, Universidad de Ciencias y Artes de América Latina, Instituto Bicentenario and Negocios Industriales Real Nirsa S.A. He also participates in foundations such as Vida Perú and Banco de Alimentos del Perú. Mr. Pierce holds a bachelor's degree in economics from Pontificia Universidad

Catolica de Peru (Peru) and a post-graduate degree in Economics from Pontificia Universidad Catolica de Chile (Chile).

Mrs. Patricia Lizárraga Guthertz is independent director of BCP since March 22, 2017. She is also director of Credicorp Ltd. and Grupo Crédito. Ms. Lizárraga is an experienced Wall Street executive with over 25 years working in international mergers and acquisitions, capital markets, private equity and valuation experience with Allen & Company, Donaldson Lufkin & Jenrette, and Citigroup. She is the founder and CEO of Hypatia Capital Group, since 2007 and founder and shareholder of family group Del Ande Alimentos. Ms. Lizárraga's board experience includes serving as both President of the Board and Chair of the Audit Committee of non-profit organizations, as well as serving on the board of private companies. She has served as President of the Privatization Committee of Toll Roads of Peru. Ms. Lizárraga received her Bachelor of Arts degree from Yale University and her MBA from Harvard Business School.

Mr. Pedro Rubio Feijóo has been director of BCP since March 28, 2018. He is a member of the Board of Directors of Credicorp Ltd., Grupo Crédito S.A., Prima AFP S.A., Credicorp Capital Ltd., Credicorp Capital Holding Peru S.A., ASB Bank Corp., Banco de Crédito de Bolivia S.A. and Inversiones Credicorp Bolivia S.A. He began his career at BCP in 1983 as a Business Banking executive, later holding various positions such as: Manager of the International Business Area, General Manager of Banco Tequendama, in Bogotá, Colombia, and Manager of the Corporate and Business Banking Division. Until March 2018, he held the Central Management of Wholesale Banking. Mr. Rubio is an industrial engineer from North Carolina State University.

Mr. Gianfranco Ferrari de las Casas has been director of BCP since January 2022. Mr. Ferrari served as CEO of BCP from April 2018 to December 31, 2021. Likewise, from January 1, 2022, he was appointed as CEO of Credicorp and Grupo Crédito. He is also Chairman of the Board of Directors of Banco de Crédito de Bolivia S.A., Prima AFP S.A., Credicorp Capital Ltd., Credicorp Capital Holding Perú S.A, Krealo Management S.A., ASB Bank Corp, Pacífico S.A. Entidad Prestadora de Salud y CCR Inc, Vice Chairman of the Board of Directors of Mibanco-Banco de la Microempresa S.A. and member of the Board of Directors of Credicorp Peru S.A.C., Inversiones Credicorp Bolivia S.A., Pacífico Compañía de Seguros y Reaseguros S.A., Mibanco, Banco de la Microempresa de Colombia S.A and Yape Market S.A.C. He is also a member of the Board of the Directors of Inversiones Centenario S.A.A, Instituto Peruano de Economía and Consejo Privado de Competitividad. He also participates in foundations such as Perú 2021 Una Nueva Visión (Perú Sostenible), Asociación Civil Es Hoy and Red de Estudios para el Desarrollo (Redes). Mr. Ferrari has worked in the Credicorp group since 1995. He has a wide and diverse experience that includes holding strategic positions, such as Manager of Corporate Banking and Finance, Central Manager of Retail Banking and Wealth Management at BCP and CEO of Banco de Crédito de Bolivia from 2005 to 2008. He led the acquisition of Edyficar in 2009 and Mibanco-Banco de la Microempresa S.A. in 2014. In 2015 he began leading the Digital Transformation Strategy. Mr. Ferrari has a degree in Business Administration from Universidad del Pacífico (Peru) and an MBA from Kellogg Graduate School of Management, Northwestern University (USA).

Mr. Manuel Enrique Romero Valdez was appointed as director of BCP on March 27, 2024. He is currently Vice-Chairman of the Board of Directors of Grupo Romero and director of Infracorp S.A., Tramarsa Trabajos Marítimos S.A., Corporación Primax S.A., Pesquera Centinela S.A., Palmas del Espino S.A. and Agrícola Chira S.A. He worked such a deputy CEO, CFO and COO of Alicorp, where he led a strategic review of the company and launched a supply chain transformation. Prior to that, Mr. Romero Valdez was Managing Director of Finance, IT and Business Development at Primax Colombia and Vice President of Mergers and Acquisitions at GRIO S.A. He also worked as an investment banking analyst at Credit Suisse. Mr. Romero Valdez has an MBA from Stanford Graduate School of Business and holds a bachelor's degree in economics and a bachelor's degree in mechanical engineering from the Massachusetts Institute of Technology.

Mrs. Nuria Aliño Pérez was appointed as independent director of BCP on March 27, 2024, and has been an independent director of Credicorp Ltd. and Grupo Crédito S.A. since March 2023. She is an experienced Spanish executive in corporate and investment banking with more than 25 years of experience in developed and developing markets. Since 2016 she has held positions at the World Bank's International Finance Corporation (IFC), as Head of Partnerships and Innovations, Digital Financial Services and, most recently as head of Open Banking and Digital Transformation Specialist, providing guidance on digital transformation strategies to financial institutions in emerging markets. She was previously an advisor to the General Manager of IADB Invest (Inter-American Development Bank). Prior to that, Mrs. Aliño worked for more than 15 years in corporate and investment banking in BBVA in various

roles. Mrs. Aliño was member of the board of Soltec Power Holding, until October 2024, a global developer of comprehensive solutions for sustainable solar energy that has been listed on the Spanish stock market since 2019. She has held additional positions as an advisor to the boards of directors of technology, private equity and venture capital companies in Latin America and Europe. Likewise, she is a member of the Board of Directors of Unicaja, chairwoman of the Sustainability Commission, member of the Risk Commission and member of the Digital Transformation, Technology and Innovation Commission. She is also a member of the Panel de Expertos Independientes (PEI) from the Fondo de Impacto Social (FIS), managed by COFIDES. Mrs. Aliño is a lawyer and economist from Universidad Pontificia Comillas ICADE in Madrid (Spain). She also completed the General Management Program at IESE Madrid (Spain).

Mr. Juan Lizardo Paredes Manrique was appointed as independent director of BCP on March 27, 2024. Mr. Paredes Manrique is an independent consultant with more than 37 years of experience in external audits and consulting, mainly in entities in the financial sector, retail, oil marketing and electrical companies. Mr. Paredes Manrique is an expert in regulation of the financial system and Public Accounting Oversight Board (PCAOB) standards, as well as on risks and internal control, accounting standards, derivative financial instruments, financial structures, company valuation and ESG or environmental, social and governance issues. Mr. Paredes Manrique has also actively participated in trainings and forums on new technological trends and has been a guest speaker at various professional forums. He is member of the Board of Directors of Anddes Asociados S.A.C. Mr. Paredes has a degree in accounting and a bachelor's degree in business administration from Universidad del Pacífico (Peru), a Certified Public Accountant and he has an MBA from Universidad Adolfo Ibañez (Chile).

Executive Committee and Audit Committee

Our Executive Committee meets at least once a month and is responsible for approving credit operations beyond the authority of our management. In addition, the Executive Committee approves, modifies or dismisses issues on which it has been consulted by our managers and provides guidance on the actions of our management. In certain urgent circumstances, the Executive Committee has the authority to make decisions in place of the Board of Directors, which are subsequently ratified by the Board of Directors.

The corporate Audit Committee was authorized to act as such by Resolution SBS No. 764-2011. It is responsible for monitoring our internal controls and reports to our Board of Directors on the execution of our internal controls, policies and procedures. The Audit Committee approves and oversees the execution of the working plan of our Audit Group and is also responsible for evaluating the performance of our independent auditors. The Audit Committee meets once a month.

The members of our Executive Committee and our Audit Committee can be reached at our address at Calle Centenario 156, Urbanización Las Laderas de Melgarejo, La Molina, Lima, Peru.

The members of our Executive Committee are:

Name	Position
Mr. Luis Romero Belismelis	Chairman
Mr. Raimundo Morales Dasso	Member of the Board of Directors
Mr. Gianfranco Ferrari de las Casas	Member of the Board of Directors
Mr. Juan Paredes Manrique	Member of the Board of Directors
Mr. Leslie Pierce Diez Canseco	Member of the Board of Directors
Mr. Pedro Rubio Feijóo	Member of the Board of Directors

The members of our Audit Committee are:

Name	Position
Mrs. Patricia Lizárraga Guthertz	Chairwoman
Mrs. Nuria Aliño Pérez	Member of the Board of Directors
Mrs. María Teresa Aranzabal Harreguy	Member of the Board of Directors

Senior Management

Our principal executives are as follows:

Name	Position	Year Joined Bank
Mr. Diego Cavero Belaunde.....	Chief Executive Officer	1994
Mr. Alejandro Perez-Reyes	Chief Financial Officer	1993
Mr. Cesar Ríos Briceño	Chief Risk Officer	1997
Mr. Luis Alfonso Carrera Sarmiento	Wholesale Senior VP	1999
Mr. José Luis Muñoz Rivera	Chief Accounting Officer	1997
Mr. José Esposito Li-Carrillo	Chief Audit Officer	1996
Mrs. Barbara Falero.....	Chief Compliance & Ethics Officer	2006
Mr. Hector Calero Ramirez	Chief Legal Officer	2007
Mr. Karim Mitre Calderon	Chief Human Resources Officer	1997
Mr. David Saenz Santolaya	Chief Technology & Data Officer	2015
Mr. Jorge Arrunátegui Gadea	Reconecta Area Manager	2020

The members of our senior management can be reached at our address at Calle Centenario 156, La Molina, Urbanizacion Las Laderas de Melgarejo, Lima, Peru. Set forth below is brief biographical information regarding our current officers who are not directors.

Mr. Diego Cavero Belaunde has been CEO of BCP since 2022. He was Deputy Chief Executive Officer of Companies from July 2020 to December 2021 and the Head of Wholesale Banking at BCP from April 2018 to June 2020. His previous position was Managing Director of the Efficiency, Administration and Processes Division since its launch. The aforementioned Division includes the Areas of Efficiency, Administration, Customer Service / Operations, Processes Improvement, Retail Banking Credits, Retail Banking Collections and Integral Security for Businesses. Mr. Cavero led the creation of the Efficiency Division and the implementation of the Efficiency program at BCP. Before that, Mr. Cavero has worked in several executive positions, such as Head of Corporate Banking Division, CEO of Banco de Crédito de Bolivia and Head of Middle Market Commercial Banking, among others. He is currently Chairman of the Board of Directors of Yape Market S.A.C. and director of Banco de Crédito de Bolivia, Inversiones 2020, Inversiones Credicorp Bolivia S.A., CCR INC., Atlantic Security International Financial Services Inc., Atlantic Security Private Equity General Partner and Atlantic Private Equity Investment Advisor. Additionally, he is member of the board of directors of Patronato BCP. Mr. Cavero began working at Credicorp in 1994. He graduated from the University of Lima (Peru) in Administrative Sciences and holds an MBA from the University of Texas at Austin.

Mr. Alejandro Pérez-Reyes Zarak has been Chief Financial Officer of BCP and Credicorp since July 2024. He has held different positions in several companies of the group, being Financial Derivatives Manager of BCP, position from which he placed the first swaps in the history of the bank, Investment Manager of Prima AFP, Asset Management Manager, COO and Country Head of Peru of Credicorp Capital, company of which he was part since its creation and in which he led the whole process of changing the operating model and COO of Credicorp, among the most recent and outstanding ones. He is member of the Board of Directors of various Credicorp subsidiaries, such as Credicorp Holding Colombia S.A.S., Credicorp Negocios Digitales S.A.S., Mi banco- Banco de la Microempresa de Colombia S.A., Credicorp Capital Corporación Financiera S.A., Krealo Management S.A. He studied economics at Universidad de Lima (Peru) and has an MBA from Harvard Business School.

Mr. Cesar Rios Briceño has been Chief Risk Officer of BCP and Credicorp since July 2024. He has worked at Credicorp since 1993, when he joined as an Associate in Corporate Finance. In 1997, he was appointed Chief Financial Officer ("CFO") and Chief Operating Officer ("COO") of Banco Capital in Salvador, after Credicorp acquired this institution. In 2003, Mr. Rios re-joined BCP, where he worked in strategic roles such as Head of Credit and Operating Risk in the Risk Management Unit; Head of Collections for Retail Banking; and Head of Corporate Strategy, which includes corporate strategy, internal consulting, mergers and acquisitions, and business incubation. In 2013, he became Head of Financial Planning and Control at BCP, and from April 2018 through June 2024 he served such a CFO of BCP and Credicorp Ltd. Currently, Mr. Rios is a board member of several subsidiaries of Credicorp such as Mibanco Banco de la Microempresa S.A., Mibanco-Banco de la Microempresa de Colombia S.A., Pacífico Salud, Solucion

Empresa Administradora Hipotecaria S.A., Yape Market S.A.C., Inversiones 2020 S.A., Soluciones en Procesamiento S.A., Atlantic Private Equity Investment Advisor among others. Mr. Rios holds a bachelor's degree in engineering from Pontificia Universidad Catolica del Peru; a Master's Degree from ESAN Escuela de Administración de Negocios para Graduados (Peru); and an MBA from the Massachusetts Institute of Technology Sloan Fellows Program.

Mr. Luis Alfonso Carrera Sarmiento has been Wholesale Senior VP since January 2022. He served as Yape Division Manager from 2019 to 2021. His previous positions in BCP include Leader of the Wholesale Tribe, Corporate Banking Division Manager. He was CEO of Credicorp Capital Peru from 2014 to 2017. Mr. Carrera studied economics at the Universidad del Pacifico (Peru) and has an MBA specialized in Science in Industrial Administration from Purdue University - Krannert Graduate School.

Mr. José Luis Muñoz Rivera has been Chief General Accounting Division of BCP since March 1997. Previously, he was a manager in the Audit and Business Advising divisions of Arthur Andersen in Peru from 1988 to 1997. Mr. Muñoz has also been an Accounting and Audit Professor in Universidad del Pacifico and Universidad de Lima (Peru). He is also a member of the Board of Directors of Solucion Empresa Administradora Hipotecaria S.A. and Soluciones en Procesamiento S.A. Mr. Muñoz is an accountant from Universidad de Lima (Peru) with an Executive Master's degree in Business Administration from Universidad de Piura (Peru).

Mr. Jose Esposito Li-Carrillo has been the Audit Division Manager since 1996 and Chief Corporate Audit Officer of Credicorp since January 2010. He is Member of the Board of Professional Certifications of the Institute of Internal Auditors Global ("IIA Global"), as well as its Investment Committee. Previously, he was member of the Board of Directors and the Audit Committee of IIA Global, in addition to having chaired its Corporate Guidance Committee in the Financial Services Sector. Mr. Esposito has served as Chairman of the Committee of Internal Auditors of the Federacion Latinoamericana de Bancos ("FELABAN") and Chairman of the Committee of Internal Auditors of ASBANC, in addition to having chaired the Audit Committee of Visanet Peru (currently Niubiz). Currently, he is Lecturer and Director in the Master of Finance program at the Universidad del Pacifico. He has worked in Credicorp since 1996, through its different subsidiaries and his last position prior to leading the Audit Division at Credicorp was at Pacifico Peruano Suiza Compañía de Seguros y Reaseguros S.A., where he was CFO and the Controller's Officer. He was also the Vice Chairman of the Board of Directors of Pacifico Salud EPS S.A., Vice Chairman and Director of the Board of the Lima Stock Exchange, Director of Cavali ICLV S.A. and Chairman of the Board and CEO of Credibolsa SAB S.A. Mr. Esposito holds an Economics degree from Universidad del Pacifico (Peru); a Master of Arts in Economics from the University of Wisconsin-Milwaukee; Certified Internal Auditor ("CIA") and Certified in Risk Management Assurance ("CRMA") by the IIA Global; Certified in Risk and Information Systems Control ("CRISC") by ISACA; and an Anti-Money Laundering Certified Associate ("AML/CA") from the Florida International Bankers Association and Florida International University.

Mrs. Barbara Falero has been the Chief Compliance and Ethics Officer at Credicorp Ltd. and BCP since February 2008, reporting directly to Credicorp's Board of Directors. Before coming to Peru, Mrs. Falero was the Compliance Officer of BCP Miami Agency and prior to that, for six years she worked as a regulator for the Federal Reserve Bank of Atlanta in supervision and regulation of international banks. Mrs. Falero has held various positions including being the community reinvestment Officer at BAC Florida Bank. Ms. Falero has been president of the Committee of Compliance Officers of ASBANC and during a three-year period, was a Member of the Advisory Committee of the Florida International Bankers Association ("FIBA"). She has a Bachelor of Finance from Florida International University and an MBA from St. Thomas University, Miami, Florida.

Mr. Hector Calero Ramirez has been the Legal and General Secretariat Division Manager since February 2022. He joined Credicorp in 2007 and served as Legal Advice Area Manager from July 2010 to January 2022. Mr. Calero is a Lawyer with a degree from the Pontificia Universidad Catolica del Peru and holds a master's degree in law from the University of Virginia School of Law.

Mr. Karim Mitre Calderon has been the People and Management Strategy Division Manager since January 2022. He has worked in the leading local bank in charge of the planning area of Management and Human Development and previously of the commercial management service of the Capital Markets, as well as in the regulatory entity of the stock market. As of December 2010, he has held the position of Manager of the Administration and Management and Human Development Division at Pacífico Compañía de Seguros y Reaseguros S.A., and since February 2016 he held the position of Central Manager of Strategic Resources, with responsibility for the areas of IT, operations, processes,

change management and administration and Management and Human Development. In 2019, Mr. Mitre also assumed the creation and coordination of the Shared Services Center for Pacífico Compañía de Seguros y Reaseguros S.A. and Prima AFP. Additionally, he is member of the board of directors of Patronato BCP. Mr. Mitre has a Bachelor of Economic Sciences with a specialization in International Relations and a master's degree with specialization in Latin American politics and development from the London School of Economics (UK).

Mr. David Saenz Santolaya has been Technology & Data Division Manager since 2023. He joined Credicorp in 2015. Previously, he served as CEO for Spain and Latin America in TDX Group, in addition to having been founding partner in the consulting firm Indigo Value Analysis and held various positions at Capital One Bank in the United States and UK. Mr. Saenz has a degree in Business Administration from Universidad de Deusto (Spain).

Mr. Jorge Arrunátegui Gadea has been the Reconecta Area Manager, BCP's sustainability area , since 2020. He is a specialist in public policies with more than 20 years of experience in the Government. He was Vice Minister in the Culture, Education and Development and Social Inclusion sectors; General Secretary, Head of the Cabinet of Advisors and Head of the Government Compliance Office of the Presidency of the Council of Ministers. He served as Chairman of the Autoridad Nacional del Servicio Civil. He was also senior management adviser in the Ministries of Economy and Finance and of Labor and Employment Promotion. He also held the positions of Permanent Representative in Peru of the Organization of Ibero-American States for Education, Science and Culture, and Technical Officer of the World Health Organization. He is currently a professor at the Faculty of Management and Senior Management at Pontificia Universidad Catolica del Peru. Mr. Arrunátegui has a bachelor's degree in economics from the Pontificia Universidad Catolica del Peru. He has master's degrees in public administration and international Relations from Syracuse University, and in Health and Population from the London School of Economics and Political Science (UK). He was a Fulbright, De Sardon-Glass, Encyclopedia Britannica, and Syracuse University Graduate School Scholar.

Mr. Juan José Lozano Ballon has been our Market Conduct Officer since 2018. He has previously served as Manager of Consumption Management and Manager of Alternative Channels, among others. Mr. Lozano holds a degree in industrial engineering from the Universidad de Lima (Peru) and a master's degree in business administration from the European School of Business in Spain.

OWNERSHIP

BCP's capital stock consists of a single series of common shares, all with equal rights and a par value of S/1.00. As of December 31, 2024, BCP had 12,973,174,634 common shares issued and outstanding and total issued capital in the amount of S/12,973,174,634.00. All outstanding shares are fully paid-in, and there are no outstanding convertible bonds, warrants or any other security convertible to shares of common stock. BCP does not currently hold any of its own shares nor does any subsidiary of BCP hold BCP shares.

BCP is the principal subsidiary of Credicorp, a financial holding company to various financial institutions, which indirectly owns 97.7% of our common stock. The remaining 2.3% is diluted among individual investors. Credicorp's common stock trades on the NYSE under the symbol "BAP."

As of December 31, 2024, Credicorp had issued 94,382,317 fully subscribed and paid common shares.

The following table provides the percentages of common shares owned by holders of 5.0% or more of the common shares of Credicorp as stated in its annual report.

Shareholder	Nominal amount of shares	% Ownership(1)
Atlantic Security Holding Corporation	14,620,846	15.49
Romero family (2)	11,551,019	12.24
Dodge & Cox	5,530,980	5.86

(1) As a percentage of issued and outstanding shares (including shares held by Atlantic Security Holding Corporation, or "ASHC").

(2) Includes common shares directly or indirectly owned by Mr. Luis Enrique Romero Belismelis and his family or companies owned or controlled by them. Mr. Luis Romero Belismelis has been the Chairman of the Board of Directors since June 2020.

RELATED PARTY TRANSACTIONS

We have entered into various transactions with related parties. Under the Peruvian Banking Law, all loans to related parties must be provided on terms no more favorable than the best terms that we offer to the public. We believe that we are in full compliance with this requirement and all other related-party transaction requirements under the Peruvian Banking Law.

Our related-party transactions include:

- acquiring bonds, extending loans, supplying and soliciting banking services, correspondent relationships and other operations with Credicorp subsidiaries; and
- extending direct and indirect loans to non-Credicorp related parties, which consist principally of loans to companies controlled by the controlling shareholders of Credicorp.

The following is a summary of such commitments with Credicorp subsidiaries, categorized by transaction type, as of and for the years ended December 31, 2022, 2023 and 2024:

	As of and for the year ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Related-party transactions with Credicorp subsidiaries			
Assets			
Cash	5,234	4,403	10,437
Loans portfolios, net	310,558	109,023	96,266
Available-for-sale investments	68,780	58,597	54,962
Other assets	97,806	112,645	99,044
Liabilities			
Deposits and obligations	1,207,955	1,597,033	3,026,951
Due to banks, correspondents and other entities			
Bonds and subordinated notes issued	30,598	15,488	20,399
Other liabilities	6,909	9,353	40,804
Contingent risk and commitments	333,644	666,210	438,140
Income and expenses			
Financial income	58,315	28,761	23,072
Financial expenses	37,525	51,368	65,089
Other income	520,691	580,700	591,420
Other expenses	94,036	80,267	105,151

The following is a summary of direct and indirect loans extended to non-Credicorp related parties, which consist principally of companies controlled by the controlling shareholders of Credicorp, as of and for the years ended December 31, 2022, 2023 and 2024:

	As of and for the year ended December 31,		
	2022	2023	2024
	(Soles in thousands)		
Related-party transactions with non-Credicorp subsidiaries			
Direct loans	1,696,643	1,927,656	2,175,979
Indirect loans	393,855	302,804	531,475
Derivatives at market value	476	116	-3,821
Deposits	1,099,598	834,940	670,623

In addition, we also held securities-available-for-sale in related parties in the amount of S/68.8 million, S/58.6 million and S/54.9 million as of December 31, 2022, 2023 and 2024, respectively.

As of December 31, 2024, loans and other credits to our employees in a consolidated basis amounted to S/1,389.6 million (U.S.$369.2 million).

On an unconsolidated basis and in accordance with the Peruvian Banking Law, the SBS regulates and closely monitors loans to related-parties and has established a limit on related-party loans equivalent to 30.0% of a bank's regulatory capital. Our total related-party loans (including loans to Credicorp subsidiaries and to non-Credicorp subsidiaries) on an unconsolidated basis were 12.1% of our regulatory capital as of December 31, 2024, 11.3% of our regulatory capital as of December 31, 2023, and 13.2% of our regulatory capital as of December 31, 2022. We intend to continue to enter into transactions with related parties on terms similar to those that would be offered by or to an unaffiliated third-party.

DESCRIPTION OF THE NOTES

General

The Issuer may issue and have outstanding from time to time up to U.S.$6,000,000,000 principal amount in the aggregate of Medium-Term Notes (the "Notes") under this Program. The minimum specified denomination of the Notes will be Euro 100,000 (or, if the Notes are denominated in a currency other than the Euro, the equivalent amount in such currency) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. The Notes will have the terms described below, including, as described below, the terms specified in the Final Terms of the applicable Series of Notes, except that references below to interest payments and interest-related information do not apply to certain Notes issued with original issue discount.

The Notes are to be issued under a Fiscal and Paying Agency Agreement dated as of July 19, 2019 among the Issuer, Citibank, N.A., London Branch, as fiscal agent (in such capacity, the "Fiscal and Paying Agent"), non-U.S. paying agent, non-U.S. registrar, non-U.S. transfer agent and Calculation Agent, Citibank, N.A., London Branch, as U.S. paying agent, U.S. registrar, U.S. transfer agent and U.S. authenticating agent, Banque Internationale à Luxembourg, S.A., as the Luxembourg listing agent, and the other paying agents and transfer agents named therein, as further amended and supplemented from time to time (the "Fiscal Agency Agreement"), in registered or bearer form as specified in the applicable Final Terms. The following description of certain provisions of the Fiscal Agency Agreement is subject to, and qualified in its entirety by reference to, all the provisions of the Fiscal Agency Agreement, including the definitions therein of certain terms.

The Issuer may, from time to time, re-open one or more series of Notes (each, a "Series") and issue Additional Notes (as defined below in "Additional Notes") with the same terms (including maturity and interest payment terms but excluding original issue date and public offering price) as Notes issued on an earlier date; provided that a Series of Notes may not comprise both Notes in bearer form and Notes in registered form. After such Additional Notes are issued they will be fungible with the previously issued Notes to the extent specified in the applicable Final Terms (except that any such Additional Notes offered and sold in compliance with Regulation S will have temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on the date of issuance of such Additional Notes), provided further that if the Additional Notes are Registered Notes and are not fungible with the earlier Notes for United States federal income tax purposes, the Additional Notes will have a separate CUSIP number. Each such Series may contain one or more tranches of Notes (each, a "Tranche") having identical terms, including the original issue date and the public offering price; provided that a Tranche of Notes may not comprise both Notes in bearer form and Notes in registered form.

Each Note will be unsecured and will be either a senior or a subordinated debt obligation. Notes which are senior debt obligations will rank equally with all other unsecured and unsubordinated obligations of the Issuer thereof. Notes which are subordinated debt obligations will rank equally in right of payment with all other subordinated debt obligations and junior in right of payment to all senior indebtedness as specified in the applicable Final Terms, which will set forth the precise terms of such subordination.

The Final Terms relating to a Tranche of Notes issued by the Issuer will describe the following terms: (i) the currency or composite currency in which the Notes of such Tranche will be denominated (each such currency or composite currency, a "Specified Currency") and, if other than the Specified Currency, the currency or composite currency in which payments on the Notes of such Series will be made (and, if the Specified Currency or currency or composite currency of payment is other than U.S. Dollars, certain other terms relating to such Notes (a "Foreign Currency Note") and such Specified Currency or such currency or composite currency of payment); (ii) whether such Notes are Fixed Rate Notes or Floating Rate Notes (including whether such Notes are Regular Floating Rate Notes, Floating Rate/Fixed Rate Notes or Inverse Floating Rate Notes, each as defined below); (iii) the price at which such Notes will be issued (the "Issue Price"); (iv) the date on which such Notes will be issued (the "Original Issue Date"); (v) the date on which such Notes will mature; (vi) whether such notes are senior or subordinated and, if subordinated, the terms of the subordination; (vii) if such Notes are Fixed Rate Notes, the rate per annum at which such Notes will bear interest, if any; (viii) if such Notes are Floating Rate Notes, the base rate (the "Base Rate"), the initial interest rate (the "Initial Interest Rate"), the minimum interest rate (the "Minimum Interest Rate") (provided that if no Minimum Interest Rate is specified or if indicated that the Minimum Interest Rate is "not applicable," the

Minimum Interest Rate shall be zero), the maximum interest rate (the "Maximum Interest Rate"), the Interest Payment Dates, the period to maturity of the instrument, obligation or index with respect to which the Calculation Agent (as defined below) will calculate the interest rate basis or bases (the "Index Maturity"), the Spread and/or Spread Multiplier (all as defined below), if any (all as defined below) and any other terms relating to the particular method of calculating the interest rate for such Notes; (ix) if such Notes are Indexed Notes, the terms relating to the particular Notes; (x) if such Notes are Dual Currency Notes, the terms relating to the particular Notes; (xi) if such Notes are Amortizing Notes, the amortization schedule and any other terms relating to the particular Notes; (xii) whether such Notes may be redeemed at the option of the Issuer, or repaid at the option of the holder, prior to its stated maturity as described under "—Optional Redemption" and "—Repayment at the Noteholders' Option; Repurchase" below and, if so, the provisions relating to such redemption or repayment, including, in the case of any Original Issue Discount Notes, the information necessary to determine the amount due upon redemption or repayment; (xiii) any relevant tax consequences associated with the terms of the Notes which have not been described under "Taxation—United States Federal Income Taxation" below; (xiv) if such Notes are Additional Notes (as defined below), a description of the original issue date and aggregate principal amount of the prior Tranche of Notes having terms (other than the original issue date and public offering price) identical to such Additional Notes; and (xv) any other terms of such Notes not inconsistent with the provisions of the Fiscal Agency Agreement. In addition, each Final Terms with respect to a Tranche of Notes will identify the Dealer(s) participating in the distribution of such Notes. See "Plan of Distribution." Each Final Terms relating to Notes will be in, or substantially in, the relevant forms included under "Form of Final Terms" below.

If any Notes are to be issued as Foreign Currency Notes, the applicable Final Terms will specify the currency or currencies, which may be composite currencies, in which the purchase price of such Notes are to be paid by the purchaser, and the currency or currencies, which may be composite currencies, in which the principal at maturity or earlier redemption, premium, if any, and interest, if any, with respect to such Notes may be paid, if applicable, along with any other terms relating to the non-U.S. Dollar denomination. See "Special Provisions Relating to Foreign Currency Notes."

Subject to such additional restrictions as are described under "Special Provisions Relating to Foreign Currency Notes," Notes of each Tranche will mature on a day specified in the applicable Final Terms, as selected by the initial purchaser and agreed to by the Issuer. In the event that such maturity date of any Notes or any date fixed for redemption or repayment of any Notes (collectively, the "Maturity Date") is not a Business Day (as defined below), principal and interest payable at maturity or upon such redemption or repayment will be paid on the next succeeding Business Day with the same effect as if such Business Day were the Maturity Date. No interest shall accrue for the period from and after the Maturity Date to such next succeeding Business Day. Except as may be specified in the applicable Final Terms and except for Indexed Notes (as defined below), all Notes will mature at par.

In the case of Fixed Rate Notes, the applicable Final Terms will specify the yield as of the Original Issue Date. The yield is calculated at the Original Issue Date on the basis of the Issue Price. It is not an indication of future yield.

"Business Day" means, unless otherwise specified herein and in the applicable Final Terms, any day other than a Saturday or Sunday or any other day on which banking institutions are generally authorized or obligated by law or regulation to close in (i) the principal financial center of the country of the currency in which the Notes are denominated (if the Note is denominated in a Specified Currency other than Euro) and (ii) any additional financial center specified in the applicable Final Terms (as the case may be); *provided, however*, that with respect to Notes denominated in Euro, such day is a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

Forms of Notes

Bearer Notes

If specified in the applicable Final Terms, Notes of each Tranche will be in bearer form ("Bearer Notes") and will initially be represented by one or more temporary global Notes or permanent global Notes, without interest coupons attached and, in the case of definitive Notes, will be serially numbered and will:

(i) if any such global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. as operator of the Euroclear System and CBL (each an "ICSD" and together the "ICSDs"):

(a) *records of the ICSDs*. The principal amount and/or number of each Note represented by the global Note shall be the amount from time to time entered in the records of both ICSDs, provided, however, that the aggregate principal amount of Notes represented by a global Note shall be as set forth on the face of such note. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the principal amount and/or number of each Note represented by the global Note and, for these purposes, a statement (which statement shall be made available to the bearer upon request) issued by an ICSD stating the principal amount and/or number of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time;

(b) on any redemption or payment of an installment or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by such global Note the Issuer shall procure that details of any redemption, payment, or purchase and cancellation (as the case may be) in respect of the global Note shall be entered pro rata in the records of the ICSDs and, upon any such entry being made, the principal amount and/or number of the Notes recorded in the records of the ICSDs and represented by the global Note shall be reduced by the aggregate principal amount and/or number of the Notes so redeemed or purchased and cancelled or by the aggregate amount of such installment so paid; and

(ii) if any such global Note is to be issued in classic global note form ("CGN"), be delivered to a common depositary (the "Common Depositary") for Euroclear and CBL, Luxembourg or any other recognized or agreed clearing system.

Bearer Notes in definitive form will be issued with coupons attached. Except as set out below, title to Bearer Notes and any coupons will pass by delivery. The Issuer, the Fiscal Agent and any Paying Agent (as defined below) may deem and treat the bearer of any Bearer Note or coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding sentence. For so long as any of the Notes are represented by a global Note, each person who is for the time being shown in the records of Euroclear or CBL, Luxembourg as the holder of a particular principal amount of Notes (in which regard any certificate or other document issued by Euroclear or CBL, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer, the Fiscal Agent and any Paying Agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, the right to which shall be vested, as against the Issuer, the Fiscal Agent and any Paying Agent solely in the bearer of the relevant global Note in accordance with and subject to its terms (and the expressions "Noteholder" and "Holder of Notes" and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of CBL, Luxembourg, as the case may be.

References herein to "Bearer Notes" shall, except where otherwise indicated, include interests in a temporary or permanent global Note as well as definitive Notes and any coupons attached thereto.

The applicable Final Terms will specify whether (i) United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form as such rules for purposes of Section 4701 of the Code) (the "TEFRA C Rules"), (ii) United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form as such rules for purposes of Section 4701 of the Code) (the "TEFRA D Rules") or (iii) if the Notes do not have a maturity of more than 365 days (including unilateral rights to roll over or extend), neither the TEFRA C Rules nor the TEFRA D Rules are applicable to the Notes. If so specified in the applicable Final

Terms, in the case of a Bearer Note to which the TEFRA D Rules have not been specified to apply, the Bearer Notes may be represented upon issue by one or more permanent global Notes.

Each Bearer Note having a maturity of more than 365 days (including unilateral rights to roll over or extend) and interest coupons pertaining to such Note, if any, will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

In general, Bearer Notes that are subject to the TEFRA C Rules or the TEFRA D Rules may not be offered, sold or delivered within the United States or to United States persons. In particular, if the applicable Final Terms specify that the TEFRA D Rules apply, the Bearer Notes may not be delivered, offered, sold or resold, directly or indirectly, in connection with their original issuance or during the Restricted Period (as defined below), in the United States (as defined below) or to or for the account of any United States person (as defined below), other than to certain persons as provided under United States Treasury Regulations. An offer or sale will be considered to be made to a person within the United States if the offeror or seller has an address within the United States for the offeree or purchaser with respect to the offer or sale. In addition, any underwriters, agents and dealers will represent that they have procedures reasonably designed to ensure that their employees or agents who are directly engaged in selling Bearer Notes are aware of the restrictions on the offering, sale, resale or delivery of Bearer Notes.

As used herein, "United States" means the United States (including the States and the District of Columbia), its territories and its possessions. "United States person" means (i) a citizen or individual resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States, any state thereof or the District of Columbia or (iii) an estate or a trust the income of which is subject to U.S. federal income taxation regardless of its source. "Restricted Period" with respect to each Tranche of Notes means the period which begins on the earlier of the settlement date (or the date on which the Issuer receives the proceeds of the sale of Bearer Notes of such Tranche), or the first date on which the Bearer Notes of such Tranche are offered to persons other than the Dealers, and which ends 40 days after the settlement date (or the date on which the Issuer receives the proceeds of the sale of such Bearer Notes); provided that with respect to a Bearer Note held as part of an unsold allotment or subscription, any offer or sale of such Bearer Note by the Issuer or any Dealer shall be deemed to be during the Restricted Period. An "Ownership Certificate" is a certificate (in a form to be provided), signed or sent by the beneficial owner of the relevant Bearer Note or by a financial institution or clearing organization through which the beneficial owner holds the Bearer Note providing certification that the beneficial owner is not a United States person or person who has purchased for resale to any United States person as required by United States Treasury Regulations.

Unless otherwise specified in the applicable Final Terms, each Bearer Note will be represented initially by a temporary global Note, without interest coupons which will (a) if the temporary global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the Original Issue Date of the Tranche of Notes to a Common Safekeeper for Euroclear and CBL or (b) if the temporary global Note is to be issued in CGN form, be delivered on or prior to the Original Issue Date of the Tranche of Notes to a Common Depositary for Euroclear and CBL, or any other recognized or agreed clearing system in the case of a temporary global Note issued in CGN form. Upon deposit of each such temporary global Note, Euroclear or CBL, as the case may be, will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. The interests of the beneficial owner or owners in a temporary global Note will be exchangeable after the expiration of the Restricted Period (the "Exchange Date") for an interest in a permanent global Note which will (a) if the permanent global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered to a Common Safekeeper for Euroclear and CBL or (b) if the permanent global Note is not intended to be issued in NGN form, be delivered to a Common Depositary for Euroclear and CBL, for credit to the account designated by or on behalf of the beneficial owner thereof, or for definitive Bearer Notes or definitive Registered Notes, as provided in the applicable Final Terms; *provided, however*, that such exchange will be made only upon receipt of Ownership Certificates in the case of Bearer Notes to which the TEFRA D Rules have been specified to apply.

If so specified in the applicable Final Terms, in the case of a Bearer Note to which the TEFRA D Rules have not been specified to apply, the Bearer Notes may be represented upon issue by one or more permanent global Notes.

Registered Notes

If specified in the applicable Final Terms, Notes of each Tranche will be in fully registered form ("Registered Notes"). The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will be represented by a global note in registered form (a "Regulation S Global Note"). Prior to the expiration of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person and such Regulation S Global Note will bear a legend regarding such restrictions on transfer; *provided further* that owners of a beneficial interest in a Regulation S Global Note prior to the expiration of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes may transfer such interest (or any portion thereof) to a QIB (as defined below) pursuant to Rule 144A if the relevant QIB wishes to hold its interest through a beneficial interest in the corresponding Rule 144A Global Note (as defined below), subject to the applicable procedures of the corresponding depository.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions to "qualified institutional buyers" within the meaning of Rule 144A under the Securities Act ("QIBs"). The Registered Notes of each Tranche sold to QIBs will be represented by a global note in registered form (a "Rule 144A Global Note" and, together with a Regulation S Global Note, the "Registered Global Notes").

Registered Global Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("DTC"), (ii) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and CBL, as specified in the applicable Final Terms (and in either case the "Register"). Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will be made to the person shown on the Register as the registered holder of the Registered Global Notes. None of the Issuer, any Paying Agent or any Registrar (as defined below) will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will be made to the persons shown on the Register on the relevant Record Date (as defined below) immediately preceding the due date for payment in the manner provided in that paragraph.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons, receipts or talons attached only upon the occurrence of an Exchange Event. For these purposes, "Exchange Event" means that (i) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (ii) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and CBL, the Issuer has been notified that both Euroclear and CBL have been closed for business for a continuous period of fourteen days (other than by reason of holiday, statutory or otherwise) or have announced an intention to permanently cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form.

In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or CBL (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the relevant Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the relevant Registrar.

Exchange and Transfer of Notes

A temporary global Note representing Bearer Notes will be exchangeable in whole but not in part for definitive Bearer Notes (i) if Euroclear and/or CBL or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the relevant temporary global Note or, (ii) if required by law; but only, in each case, in the case of Bearer Notes to which the TEFRA D Rules have been specified to apply, on or after the Exchange Date and upon delivery of Ownership Certificates. No definitive Bearer Note will be delivered in or to the United States or to a United States person, except as specifically provided by applicable United States Treasury Regulations. In the event that the relevant temporary global Note is not, in the case of (i) or (ii) above, duly exchanged for definitive Bearer Notes then the terms of such temporary global Note provide for relevant account holders with Euroclear and CBL and any other agreed clearing system, as applicable, to be able to enforce against the Issuer all rights which they would have had if they had been holding definitive Bearer Notes of the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholder and operate as full and final discharge to the Issuer in this respect.

Bearer Notes represented by a permanent global Note will be exchangeable in whole but not in part for definitive Bearer Notes if Euroclear and/or CBL or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the relevant permanent global Note. In order to make such request the holder must, not less than 45 days before the date on which delivery of definitive Bearer Notes is required, deposit the relevant permanent global Note with the relevant Paying Agent (as defined below) at its specified office outside the United States for the purposes of the Notes with the form of exchange notice endorsed thereon duly completed. No definitive Bearer Note will be delivered in or to the United States or to a United States person, except as specifically provided by applicable United States Treasury Regulations. In the event that the relevant permanent global Note is not, in the case of (i) or (ii) above, duly exchanged for definitive Bearer Notes then the terms of such permanent global Note provide for relevant account holders with Euroclear and CBL and any other agreed clearing system as applicable, to be able to enforce against the Issuer all rights which they would have had if they had been holding definitive Bearer Notes of the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholder and operate as full and final discharge to the Issuer in this respect.

Global Notes exchangeable for definitive Notes at the option of the Noteholders in circumstances other than in the limited circumstances, shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

If specified in the applicable Final Terms, and subject to the terms of the Fiscal Agency Agreement, definitive Bearer Notes (along with all unmatured coupons, and all matured coupons, if any, in default) will be exchangeable at the option of the holder into Registered Notes of any authorized denominations of like tenor and in an equal aggregate principal amount, in accordance with the provisions of the Fiscal Agency Agreement at the office of the relevant Registrar or at the office of any Transfer Agent outside the United States designated by the Issuer for such purpose. See “Registrar, Transfer Agents, Calculation Agent and Authenticating Agent” below. Definitive Bearer Notes surrendered in exchange for Registered Notes after the close of business at any such office (i) on or after any record date for the payment of interest (a “Regular Record Date”) on a Registered Note on an Interest Payment Date (as defined below) and before the close of business at such office on the date prior to the relevant Interest Payment Date, or (ii) on or after any record date to be established for the payment of defaulted interest on a Registered Note (“Special Record Date”) and before the opening of business at such office on the related proposed date for payment of defaulted interest, shall be surrendered without the coupon relating to such date for payment of interest. Definitive Bearer Notes will be exchangeable for definitive Bearer Notes in other authorized denominations, in an equal aggregate principal amount, in accordance with the provisions of the Fiscal Agency Agreement and at the offices of any Paying Agent outside the United States appointed by the Issuer for such purpose. See “Registrar, Transfer Agents, Calculation Agent and Authenticating Agent” below.

Registered Notes will be exchangeable for Registered Notes in other authorized denominations, in an equal aggregate principal amount upon surrender of any such Notes to be exchanged at the offices of the relevant Registrar or any transfer agent designated by the Issuer for such purpose. Registered Notes will not be exchangeable for

Bearer Notes. Registered Notes may be presented for registration of transfer at the offices of the relevant Registrar or any transfer agent designated by the Issuer and for such purpose. See "Registrar, Transfer Agents, Calculation Agent and Authenticating Agent" below. No service charge will be made for any registration of transfer or exchange of Notes but the Issuer may require payment of a sum sufficient to cover any transfer taxes payable in connection therewith. Except as described above, Bearer Notes and any coupons appertaining thereto will be transferable by delivery. See "—Forms of Notes—Bearer Notes" above.

The Issuer shall not be required (i) to register the transfer of or exchange Notes to be redeemed for a period of fifteen calendar days preceding the first publication of the relevant notice of redemption, or if Registered Notes are outstanding and there is no publication, the mailing of the relevant notice of redemption, (ii) to register the transfer of or exchange any Registered Note selected for redemption or surrendered for optional repayment, in whole or in part, except the unredeemed or unpaid portion of any such Registered Note being redeemed or repaid, as the case may be, in part, (iii) to exchange any Bearer Note selected for redemption or surrendered for optional repayment, except that such Bearer Note may be exchanged for a Registered Note of like tenor, provided that such Registered Note shall be simultaneously surrendered for redemption or repayment, as the case may be, or (iv) to register transfer of or exchange any Notes surrendered for optional repayment, in whole or in part.

Payments and Paying Agents

Principal and premium, if any, and interest, if any, payable on a Bearer Note represented by a temporary global Note or any portion thereof in respect of an Interest Payment Date will be paid in the Specified Currency (unless otherwise specified in the applicable Final Terms) by the relevant Paying Agent to each of Euroclear and CBL, as the case may be, with respect to that portion of such temporary global Note held for its account (upon presentation to the Non-U.S. Paying Agent of the temporary global Note, if the temporary global Note is not issued in NGN form) and, in the case of a Note to which the TEFRA D Rules have been specified to apply, upon delivery of an Ownership Certificate signed by Euroclear or CBL, as the case may be, dated no earlier than such Interest Payment Date, which certificate must be based on Ownership Certificates provided to Euroclear or CBL, as the case may be, by its member organizations. Each of Euroclear and CBL, as the case may be, will in such circumstances credit any principal and interest received by it in respect of such temporary global Note or any portion thereof to the accounts of the beneficial owners thereof.

Principal and premium, if any, and interest, if any, payable on a Bearer Note represented by a permanent global Note in respect of an Interest Payment Date will be paid in the Specified Currency (unless otherwise specified in the applicable Final Terms) by the relevant Paying Agent to each of Euroclear and CBL, as the case may be, with respect to that portion of such permanent global Note held for its account (upon presentation to the Non-U.S. Paying Agent of the permanent global Note if the permanent global Note is not issued in NGN form). Each of Euroclear and CBL will in such circumstances credit any principal and interest received by it in respect of such permanent global Note to the respective accounts of the beneficial owners of such permanent global Note at maturity, redemption or repayment or on such Interest Payment Date, as the case may be. If a Registered Note is issued in exchange for a permanent global Note after the close of business at the office or agency where such exchange occurs (a) on or after any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (b) on or after any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of defaulted interest, any interest or defaulted interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Note, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to Euroclear and CBL, and Euroclear and CBL will in such circumstances credit any such interest to the account of the beneficial owner of such permanent global Note on such Regular Record Date or Special Record Date, as the case may be. Payment of principal and of premium, if any, and any interest due at maturity, redemption or repayment (in the event, with respect to payment of interest, that any such maturity date or redemption or repayment date is other than an Interest Payment Date) in respect of any permanent global Note will be made to Euroclear and CBL in immediately available funds.

Payments of principal and of premium, if any, and interest on definitive Bearer Notes will be made in immediately available funds in the Specified Currency (unless otherwise specified in the applicable Final Terms), subject to any applicable laws and regulations, only against presentation and surrender of such Note and any coupons at the offices of a Paying Agent outside the United States or, at the option of the holder, by wire transfer of

immediately available funds to an account maintained by the payee with a bank located outside the United States if appropriate wire instructions have been received by a Paying Agent not less than 10 calendar days prior to an applicable payment date. No payment with respect to any Bearer Note will be made at any office or agency of the Issuer in the United States or by wire transfer to an account maintained with a bank located in the United States, except as may be permitted under United States federal tax laws and regulations then in effect. Notwithstanding the foregoing, payments of principal and of premium, if any, and interest on Bearer Notes denominated and payable in U.S. Dollars will be made at the office of the paying agent of the Issuer, in the Borough of Manhattan, The City of New York, if and only if (i) payment of the full amount thereof in U.S. Dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (ii) such paying agent in the Borough of Manhattan, The City of New York, under applicable law and regulations, would be able to make such payment.

Payment of principal and of premium, if any, and interest on Registered Notes at maturity or upon redemption or repayment will be made in immediately available funds in the Specified Currency (unless otherwise specified in the applicable Final Terms) against presentation of such Note at the office of the relevant Paying Agent. Payment of interest on Registered Notes will be made to the person in whose name such Note is registered at the close of business on the Regular Record Date next preceding the Interest Payment Date by wire transfer to an account selected by the person entitled thereto if appropriate wire instructions have been received by the relevant Paying Agent not less than 10 calendar days prior to the applicable payment date; *provided, however*, that (i) if the Issuer fails to pay such interest on such Interest Payment Date, such defaulted interest will be paid to the person in whose name such Note is registered at the close of business on the Special Record Date and (ii) interest payable at maturity, redemption or repayment will be payable to the person to whom principal shall be payable. The first payment of interest on any Registered Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the registered owner on such next Regular Record Date. Interest rates and interest rate formulae are subject to change by the Issuer from time to time but no such change will affect any Note theretofore issued. Unless otherwise specified in the applicable Final Terms, the Interest Payment Dates and the Regular Record Dates for Fixed Rate Notes shall be as described below under "Fixed Rate Notes." The Interest Payment Dates for Floating Rate Notes shall be as indicated in the applicable Final Terms and in such Note, and, unless otherwise specified in the applicable Final Terms, each Regular Record Date for a Registered Floating Rate Note will be the calendar day (whether or not a Business Day) next preceding each Interest Payment Date.

Payments of principal, interest and any other amount in respect of the Registered Notes will, in the absence of provision to the contrary, be made to the person shown on the Register on the relevant Record Date (as defined below) as the registered holder of the Registered Notes. None of the Issuer, any Paying and Transfer Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Payments in respect of Registered Notes represented by Global Notes shall be made to the person shown on the Register at the close of business on the first Business Day prior to the Entitlement date (the "Record Date"). For definitive Notes, the Record Date shall be considered as the close of business on the fifteenth Business Day before the Entitlement date.

Pursuant to the Fiscal Agency Agreement, the Issuer has initially designated Citibank, N.A., London Branch as its non-U.S. Paying agent (in such capacity, and including any successor non-U.S. paying agent appointed thereunder, the "Non-U.S. Paying Agent") and Citibank, N.A., London Branch as its U.S. paying agent for Notes sold within the United States, (in such capacity and including any successor U.S. paying agent appointed thereunder, the "U.S. Paying Agent," and together with the Non-U.S. Paying Agent and any other paying agents appointed by the Issuer, the "Paying Agents"). So long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market, there will at all times be a Paying Agent with a specified office in each location, if any, required by the rules and regulations of the relevant stock exchange(s), competent authority (ies) and/or market(s) on or by which such Notes are listed and/or admitted to trading. So long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market and the rules of such exchange, competent authority and/or market so require, the Issuer will notify the holders of its Notes in the manner specified under "Notices" below in the event that the Issuer appoints a Paying Agent with respect to such Notes other than the Paying Agents designated as such in this Prospectus or in the applicable Final Terms.

All moneys paid by the Issuer to any Paying Agent for the payment of any amounts payable on any Notes which remain unclaimed at the end of three years after such amounts shall have become due and payable shall be repaid to the Issuer and the holders of the Notes shall thereafter look only to the Issuer for payment. The Notes shall become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

"Entitlement" is defined to include any distribution of cash or securities, being the payment due date, as determined by the issue specific terms, for cash or the settlement date for securities.

"Relevant Date" means the date on which such payment first becomes due, except that, if the full amount of moneys payable has not been duly received by the Fiscal Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the holders of the Notes as described under "Notices" below.

Registrar, Transfer Agents, Calculation Agent and Authenticating Agent

Pursuant to the Fiscal Agency Agreement, the Issuer has initially designated Citibank, N.A., London Branch as U.S. registrar in respect of the Rule 144A Global Notes and also the Regulation S Global Notes which are deposited with a custodian for, and registered in the name of a nominee of, DTC (in such capacity and including any successor U.S. registrar appointed thereunder, the "U.S. Registrar"). Additionally, the Issuer has initially designated Citibank, N.A., London Branch, as non-U.S. registrar in respect of the Regulation S Global Notes which are deposited with a common depositary for, and registered in the name of a common nominee of Euroclear, Clearstream or any other clearing system (in such capacity and including any successor non-U.S. registrar appointed thereunder, the "non-U.S. Registrar," and, together with the U.S. Registrar and any other registrar appointed by the Issuer, the "Registrars"). The Issuer has initially designated Citibank, N.A., London Branch as non-U.S. transfer agent in respect of the Notes (in such capacity and including any successor non-U.S. transfer agent appointed thereunder, the "Non-U.S. Transfer Agent"). Additionally, the Issuer has initially designated Citibank, N.A., London Branch as U.S. transfer agent in respect of the Notes (in such capacity and including any successor U.S. transfer agent in respect of the Notes, the "U.S. Transfer Agent" and, together with the Non-U.S. Transfer Agent and any other transfer agent appointed by the Issuer, the "Transfer Agents"). For so long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market, the Issuer will maintain a Transfer Agent with a specified office in each location required by the rules and regulations of the relevant stock exchange, competent authority and/or market. Any initial designation by the Issuer of the Registrar or a Transfer Agent may be rescinded at any time. The Issuer may at any time designate additional Transfer Agents with respect to the Notes. So long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market and the rules of such exchange, competent authority and/or market so require, the Issuer will notify the holders of its Notes in the manner specified under "Notices" below in the event that the Issuer appoints a Registrar or Transfer Agent with respect to such Notes other than the Registrar and Transfer Agents designated as such in this Prospectus or in the applicable Final Terms.

Pursuant to the Fiscal Agency Agreement and unless otherwise specified in the applicable Final Terms, the Issuer has also initially designated (i) Citibank, N.A., London Branch as calculation agent in respect of the Notes (in such capacity and including any successor calculation agent appointed thereunder, the "Calculation Agent"), and (ii) Citibank, N.A., London Branch as U.S. authenticating agent in respect of the Rule 144A Global Notes and also the Regulation S Global Notes which are deposited with a custodian for, and registered in the name of a nominee of, DTC (in such capacity and including any successor U.S. authenticating agent appointed thereunder, the "U.S. Authenticating Agent").

Optional Redemption

Each applicable Final Terms will indicate either that the relevant Tranche of Notes of a Series cannot be redeemed prior to maturity (other than as provided under "—Redemption Prior to Maturity Solely for Taxation Reasons" below) or that the Notes will be redeemable at the option of the Issuer, and such Final Terms shall specify the price at which such Notes are to be redeemed (which price shall in no event be less than 100% of the outstanding principal amount of the Notes to be redeemed), including, but not limited to, any USD Make Whole Amount or Non-USD Make Whole Amount, in each case as defined below (the "Optional Redemption Price") and the relevant

date upon which such Notes will be so redeemed (each such date, an "Issuer Optional Redemption Date"); *provided, however*, that Notes denominated in currencies other than U.S. Dollars may be subject to different restrictions on redemption as set forth under "Special Provisions Relating to Foreign Currency Notes—Minimum Denominations, Restrictions on Maturities, Repayment and Redemption" herein. Notice of any redemption to holders of Bearer Notes shall be published as described under "Notices" below once in each of three successive calendar weeks, the first publication to be not less than 30 nor more than 60 calendar days prior to the Issuer Optional Redemption Date. Notice of any redemption to holders of Registered Notes shall be provided as described under "Notices" below at least 10 and not more than 60 calendar days prior to the Issuer Optional Redemption Date.

Optional Redemption by Issuer in Foreign Currency

The "Non-USD Make Whole Amount" per Note shall be an amount equal to the greater of (i) 100% of the principal amount of the Notes and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Benchmark Yield plus an amount of basis points to be specified in the applicable Final Terms, plus, in each case, accrued interest thereon to the date of redemption and any Additional Amounts payable with respect thereto. The "Benchmark Yield" shall be the yield to maturity at the Redemption Calculation Date of a benchmark security selected by the Issuer with a constant maturity (as compiled and published in a publicly available source of market data selected by the Issuer) most nearly equal to the period from the Issuer Optional Redemption Date to the Maturity Date; *provided, however*, that if the period from the Issuer Optional Redemption Date to the Maturity Date is not equal to the constant maturity of such benchmark security for which a weekly average yield is given, the Benchmark Yield shall be obtained by a linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of such benchmark security for which such yields are given, except that if the period from the Issuer Optional Redemption Date to the Maturity Date is less than one year, the weekly average yield on such actually traded benchmark security adjusted to a constant maturity of one year shall be used. "Redemption Calculation Date" means the sixth Business Day prior to the date on which the Notes are redeemed pursuant to this section.

Optional Redemption by Issuer in USD

The "USD Make Whole Amount" per Note shall be an amount equal to the greater of:

(1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus an amount of basis points to be specified in the applicable Final Terms, less (b) interest accrued to the date of redemption, and

(2) 100% of the principal amount of the Notes to be redeemed,

plus, in each case, accrued and unpaid interest thereon to the date of redemption and any Additional Amounts payable with respect thereto.

On and after the redemption date, interest on the Notes or any portion of the Notes called for redemption will cease to accrue (unless the Issuer defaults in the payment of the redemption price and accrued interest). On or before the redemption date, the Issuer will deposit with the relevant Paying Agent funds sufficient to pay the redemption price and accrued interest, through the redemption date, on the Notes subject to redemption. If the redemption date falls after a record date but on or prior to the corresponding interest payment date, the Issuer will pay accrued interest to the holder of record on the corresponding record date, which may or may not be the person who will receive payment of the redemption price (which will exclude such accrued interest). If less than all the Notes are to be redeemed, the Notes to be redeemed that are not held through DTC will be selected by the relevant Paying Agent by lot pro rata, or by such other method as the relevant Paying Agent shall deem fair and appropriate, and the Notes to be redeemed that are held through DTC will be selected by DTC in accordance with its procedures.

"*Treasury Rate*" means, with respect to any redemption date, the yield determined by the Issuer in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Issuer after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) - H.15" (or any successor designation or publication) ("H.15") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading). In determining the Treasury Rate, the Issuer shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the maturity date of the Notes (the "Remaining Life"); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the maturity date of the Notes on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third business day preceding the redemption date H.15 or any successor designation or publication is no longer published, the Issuer shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the maturity date of the Notes, as applicable. If there is no United States Treasury security maturing on the maturity date of the Notes but there are two or more United States Treasury securities with a maturity date equally distant from the maturity date of the Notes, one with a maturity date preceding the maturity date of the Notes and one with a maturity date following the maturity date of the Notes, the Issuer shall select the United States Treasury security with a maturity date preceding the maturity date of the Notes. If there are two or more United States Treasury securities maturing on the maturity date of the Notes or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Issuer shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Issuer's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

If the Notes include a call option at a specified price beginning on a specified date, then all references in this section to "maturity" shall be replaced by such specified date and the payments of principal and interest to be discounted shall be the payments that would have been due if the notes were called on such specified date.

Repurchase

The Issuer may at any time purchase Notes at any price in the open market or otherwise. In the case of Subordinated Notes, such purchases are subject to prior approval by the SBS, if required under the applicable law at the time.

Redemption Prior to Maturity Solely for Taxation Reasons

The Issuer may, at its election, subject to applicable Peruvian law, redeem any Series of Notes in whole, but not in part, upon giving not less than 30 nor more than 60 days' notice to the holders of the Notes of such Series, at their principal amount, plus Additional Amounts (as defined in "—Payment of Additional Amounts"), if any, together with any accrued and unpaid interest to the date fixed for redemption, if:

(i) as a result of a Change in Tax Law, as defined below, the Issuer has or will become obligated to pay or will be liable for Additional Amounts in respect of such Series of Notes in excess of the gross amount of Additional Amounts payable in respect of such Series of Notes prior to any Change in Tax Law; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it (such measures not involving any material cost to the Issuer or the incurring by the Issuer of any other tax or penalty). For the avoidance of doubt, reasonable measures shall include a change in the jurisdiction of the paying agent(s).

Such redemption will be permitted so long as the Issuer determines that: (i) it is not prohibited by Peruvian laws or BCRP regulations and (ii) it does not cause the Issuer to incur increased mandatory reserve requirements (*encaje*).

"Change in Tax Law" means (a) any change in or amendment (including any announced prospective change) to the laws, treaties or regulations of any Relevant Taxing Jurisdiction (as defined below) or any political subdivision or governmental authority thereof or (b) any judicial decision, official administrative announcement or regulatory procedure of any Relevant Taxing Jurisdiction (each an "Administrative Action"), or (c) any amendment to or change in the official position or the official interpretation of such Administrative Action that provides for a position with respect to such Administrative Action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body having appropriate jurisdiction, irrespective of the manner in which such amendment or change is made known, which amendment or change is effective or such pronouncement or decision is announced, in respect of Peru, on or after the date of issuance of the Notes, and in respect of any other Relevant Taxing Jurisdiction, on or after the date such jurisdiction becomes a Relevant Taxing Jurisdiction.

Before giving notice of redemption, the Issuer shall deliver to the Fiscal and Paying Agent and any other relevant Paying Agent an officers' certificate stating that the Issuer is entitled to effect such redemption in accordance with the terms set forth in the Fiscal Agency Agreement and setting forth in reasonable detail a statement of the facts relating thereto.

Interest and Interest Rates

General

Each Note will bear interest at either:

(a) a fixed rate; or

(b) a floating rate determined by reference to an interest rate basis, which may be adjusted by a Spread and/or Spread Multiplier (as defined below). Any Floating Rate Note may also have either or both of the following:

(i) a maximum interest rate limitation, or ceiling, on the rate at which interest may accrue during any interest period; and

(ii) a minimum interest rate limitation, or floor, on the rate at which interest may accrue during any interest period, provided that if no minimum interest rate is specified or if the Final Terms indicate that the minimum interest rate is "not applicable," then the minimum interest rate shall be zero.

The applicable Final Terms will designate:

(a) a fixed rate per annum, in which case such Notes will be "Fixed Rate Notes;" or

(b) one or more of the following interest rate bases as applicable to such Notes, in which case such Notes will be "Floating Rate Notes:"

(i) the CD Rate, in which case such Notes will be "CD Rate Notes;"

(ii) the Commercial Paper Rate, in which case such Notes will be "Commercial Paper Rate Notes;"

(iii) the Eleventh District Cost of Funds Rate, in which case such Notes will be "Eleventh District Cost of Funds Rate Notes;"

(iv) the Federal Funds Rate, in which case such Notes will be "Federal Funds Rate Notes;"

(v) EURIBOR, in which case such Notes will be "EURIBOR Notes;"

(vi) SOFR Arithmetic Mean or SOFR Compound, in which case such Notes will be "SOFR Notes";

(vii) the Treasury Rate, in which case such Notes will be "Treasury Rate Notes;"

(viii) the Prime Rate, in which case such Notes will be "Prime Rate Notes;" or

(ix) such other interest rate basis or formula as is set forth in such Final Terms.

Each Note will bear interest from its date of issue or from the most recent date to which interest on such Note has been paid or duly provided for, at the annual rate, or at a rate determined pursuant to an interest rate formula, stated herein. Interest will accrue on a Note until the principal thereof is paid or made available for payment.

Interest will be payable on each Interest Payment Date and at maturity or on redemption or repayment, if any, except for:

(a) certain Original Issue Discount Notes; and

(b) Notes originally issued between a Regular Record Date and an Interest Payment Date.

The first payment of interest on any Registered Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date. Such interest will be payable by the Issuer to the registered owner on such next Regular Record Date.

Interest will be payable on a Registered Note on each Interest Payment Date to the person in whose name such Note is registered at the close of business on the Regular Record Date next preceding the Interest Payment Date; *provided, however*, that:

(a) if the Issuer fails to pay such interest on such Interest Payment Date, such defaulted interest will be paid to the person in whose name such Registered Note is registered at the close of business on the record date to be established for the payment of defaulted interest; and

(b) interest payable at maturity, redemption or repayment will be payable to the person to whom principal shall be payable.

Unless otherwise specified in the applicable Final Terms:

(a) for Fixed Rate Notes, the Interest Payment Dates and any Regular Record Dates shall be as described below under "Fixed Rate Notes;" and

(b) for Floating Rate Notes:

(i) the Interest Payment Dates shall be as indicated in the applicable Final Terms and in such Note; and

(ii) any Regular Record Date will be the calendar day (whether or not a Business Day) next preceding each Interest Payment Date.

"Spread" means the number of basis points expressed as a percentage (one basis point equals one-hundredth of a percentage point) that the Calculation Agent will add or subtract from the related Interest Rate Basis or Bases applicable to a Floating Rate Note.

"Spread Multiplier" means the percentage of the related Interest Rate Basis or Bases applicable to a Floating Rate Note by which the Calculation Agent will multiply such Interest Rate Basis or Bases to determine the applicable interest rate on such Floating Rate Note.

Fixed Rate Notes

General. Each Fixed Rate Note will bear interest at the annual rate specified in the Note and in the applicable Final Terms (the "Fixed Rate of Interest"). Interest on the Fixed Rate Notes will be paid on the dates specified in the applicable Final Terms (each, a "Fixed Interest Payment Date"). The Regular Record Dates for Fixed Rate Notes in registered form will be on the dates specified in the applicable Final Terms. In the event that any Fixed Interest Payment Date or Maturity Date for any Fixed Rate Note is not a Business Day, interest on such Fixed Rate Note will be paid on the next succeeding Business Day without additional interest. If interest is required to be calculated for a period other than a Fixed Interest Period (as defined below), such interest shall be calculated by applying the Fixed Rate of Interest to each specified denomination of the Notes of such Series, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards, or otherwise in accordance with applicable market convention.

Day Count Fraction. Unless otherwise indicated in the applicable Final Terms, "Fixed Day Count Fraction" means:

(1) in the case of Notes denominated in a currency other than U.S. Dollars, "Actual/Actual (ICMA)," meaning:

(a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Fixed Interest Payment Date (or, if none, the interest commencement date (the "Interest Commencement Date") (as specified in the applicable Final Terms)) to (but excluding) the relevant payment date (the "Calculation Period") is equal to or shorter than the Determination Period (as defined below) during which the Calculation Period ends, the number of days in such Calculation Period divided by the product of (1) the number of days in such Determination Period and (2) the number of determination dates (each, a "Determination Date") (as specified in the applicable Final Terms) that would occur in one calendar year; or

(b) in the case of Notes where the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of:

(i) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(ii) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(2) in the case of Notes denominated in U.S. Dollars "30/360," meaning the number of days in the period from and including the most recent Fixed Interest Payment Date (or, if none, the Interest Commencement Date (as specified in the applicable Final Terms)) to but excluding the relevant payment date (such number of days being calculated on the basis of a year of 360 days with twelve 30-day months) divided by 360.

Where:

"Determination Period" means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date (as specified in the applicable Final Terms) or the final Fixed Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"Fixed Interest Period" means the period from (and including) a Fixed Interest Payment Date (or, if none, the Interest Commencement Date (as specified in the applicable Final Terms)) to (but excluding) the next (or first) Fixed Interest Payment Date.

"sub-unit" means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, means one cent.

Floating Rate Notes

General. Floating Rate Notes generally will be issued as described below. Each applicable Final Terms will specify the following terms with respect to which such Floating Rate Note is being delivered:

(a) whether such Floating Rate Note is a Regular Floating Rate Note, a Floating Rate/Fixed Rate Note or an Inverse Floating Rate Note, each as defined below;

(b) the Interest Rate Basis or Bases, Initial Interest Rate, Interest Reset Dates, Interest Reset Period, Regular Record Dates (if any) and Interest Payment Dates;

(c) the Index Maturity;

(d) the Spread and/or Spread Multiplier, if any; and

(e) the maximum interest rate and minimum interest rate, if any (provided that if no minimum interest rate is specified or if the Final Terms indicate that the minimum interest rate is "not applicable," then the minimum interest rate shall be zero).

The Issuer may change the Spread, Spread Multiplier, Index Maturity and other variable terms of the Floating Rate Notes from time to time. However, no such change will affect any Floating Rate Note previously issued or as to which an offer has been accepted by the Issuer.

The interest rate in effect on each day shall be:

(a) if such day is an Interest Reset Date, the interest rate determined on the Interest Determination Date immediately preceding such Interest Reset Date; or

(b) if such day is not an Interest Reset Date, the interest rate determined on the Interest Determination Date immediately preceding the next preceding Interest Reset Date.

Regular Floating Rate Note; Floating Rate/Fixed Rate Note; Inverse Floating Rate Note

The Interest Rate Basis applicable to each Regular Floating Rate Note, Floating Rate/Fixed Rate Note and Inverse Floating Rate Note may be subject to a Spread or Spread Multiplier, provided that the interest rate on an Inverse Floating Rate Note will not be less than zero.

Regular Floating Rate Note. A Regular Floating Rate Note will bear interest at the rate determined by reference to the applicable Interest Rate Basis. The rate at which interest shall be payable shall be reset as of each Interest Reset Date commencing on the Initial Interest Reset Date. However:

(a) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate; and

(b) the interest rate in effect for the ten calendar days immediately prior to a Maturity Date shall be that in effect on the tenth calendar day preceding such Maturity Date, unless otherwise specified in the applicable Final Terms.

Floating Rate/Fixed Rate Note. A Floating Rate/Fixed Rate Note will initially bear interest at the rate determined by reference to the applicable Interest Rate Basis. The rate at which interest shall be payable shall be reset as of each Interest Reset Date commencing on the Initial Interest Reset Date. However:

(a) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate;

(b) the interest rate in effect for the 10 calendar days immediately prior to the fixed rate commencement date shall be that in effect on the tenth calendar day preceding the fixed rate commencement date, unless otherwise specified in the applicable Final Terms; and

(c) the interest rate in effect commencing on, and including, the fixed rate commencement date to the Maturity Date shall be the Fixed Interest Rate, if such rate is specified in the applicable Final Terms, or if no such Fixed Interest Rate is so specified and the Floating Rate/Fixed Rate Note is still outstanding on such day, the interest rate in effect thereon on the day immediately preceding the fixed rate commencement date.

Inverse Floating Rate Note. An Inverse Floating Rate Note will bear interest equal to the Fixed Interest Rate specified in the related Final Terms minus the rate determined by reference to the Interest Rate Basis. The rate at which interest is payable shall be reset as of each Interest Reset Date commencing on the Initial Interest Reset Date. However:

(a) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate; and

(b) the interest rate in effect for the ten calendar days immediately prior to a Maturity Date shall be that in effect on the tenth calendar day preceding such Maturity Date, unless otherwise specified in the applicable Final Terms.

Interest Rate Bases

Each Floating Rate Note will have one or more of the following interest rate bases, as specified in the Final Terms:

(a) the CD Rate;

(b) the Commercial Paper Rate;

(c) the Eleventh District Cost of Funds Rate;

(d) the Federal Funds Rate;

(e) EURIBOR;

(f) SOFR Arithmetic Mean or SOFR Compound or a successor or replacement thereof;

(g) the Treasury Rate;

(h) the Prime Rate;

(i) the lowest of two or more Interest Rate Bases; or

(j) such other rate specified in the applicable Final Terms.

Date of Interest Rate Change

The interest rate on each Floating Rate Note may be reset daily, weekly, monthly, quarterly, semi-annually or annually, as specified in the applicable Final Terms (this period is the "Interest Reset Period" and the first day of each Interest Reset Period is the "Interest Reset Date").

If an Interest Reset Date for any Floating Rate Note falls on a day that is not a Business Day, it will be postponed to the following Business Day, except that if that Business Day is in the next calendar month, the Interest Reset Date will be the immediately preceding Business Day.

How Interest is Calculated

General. Unless otherwise specified in the applicable Final Terms, the Calculation Agent will be the calculation agent for each Series of Floating Rate Notes. Floating Rate Notes will accrue interest from and including the original issue date or the last date to which the Issuer has paid or provided for interest, to but excluding the applicable Interest Payment Date, as described below, or the Maturity Date, as the case may be. However, in the case of Registered Notes that are Floating Rate Notes on which the interest rate is reset daily or weekly, each interest payment will include interest accrued from and including the date of issue or from but excluding the last Regular Record Date on which, unless otherwise specified in the applicable Final Terms, interest has been paid, through and including the Regular Record Date next preceding the applicable Interest Payment Date, and provided further that the interest payments on Floating Rate Notes made on the Maturity Date will include interest accrued to but excluding such Maturity Date.

Day Count Fraction. The amount of interest (the "Interest Amount") payable on any Series of Floating Rate Notes shall be calculated with respect to each specified denomination of such Floating Rate Notes of such Series for the relevant Interest Reset Period. Each Interest Amount shall be calculated by applying the relevant Interest Rate Basis, Spread and/or Spread Multiplier to each specified denomination and multiplying such sum by the applicable Floating Day Count Fraction.

"Floating Day Count Fraction" means, in respect of the calculation of the Interest Amount for any Interest Reset Period:

if "Actual/Actual" or "Actual/Actual (ISDA)" is specified in the applicable Final Terms, the actual number of days in the Interest Reset Period divided by 365 (or, if any portion of that Interest Reset Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Reset Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Reset Period falling in a non-leap year divided by 365);

(a) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Reset Period divided by 365;

(b) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Reset Period divided by 360;

(c) if "30/360," "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Reset Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Reset Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Reset Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Reset Period, unless such number is 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Reset Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(d) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Reset Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y2 - Y1)] + [30 \text{ x } (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Reset Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Reset Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Reset Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Reset Period, unless such number would be 31, in which case D2 will be 30; and

(e) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Reset Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y2 - Y1)] + [30 \text{ x } (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Reset Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Reset Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Reset Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Reset Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

Unless otherwise specified in the applicable Final Terms, the Day Count Fraction in respect of the calculation of the Interest Amount on any Floating Rate Note will (a) in the case of a Note denominated in U.S. Dollars be Actual/360 or (b) in the case of a Note denominated in any other Specified Currency, be Actual/Actual. Notes for which the interest rate may be calculated with reference to two or more Interest Rate Bases will be calculated in each period by selecting one such Interest Rate Basis for such period. For these calculations, the interest rate in effect on any Interest Reset Date will be the new reset rate.

The Calculation Agent will round all percentages resulting from any calculation of the rate of interest on a Floating Rate Note, to the nearest 1/100,000 of 1% (0.0000001), with five one-millionths of a percentage point rounded upward (e.g. 9.876545% (or 0.09876545) would be rounded to 9.87655% (or 0.0987655)) and the Calculation Agent will round all currency amounts used in or resulting from any calculation to the nearest one-hundredth of a unit (with 0.005 of a unit being rounded upward).

The Calculation Agent will promptly, and no later than the fourth Business Day, notify the Fiscal Agent and the Issuer of each determination of the interest rate. The Calculation Agent will also notify the relevant stock exchange, competent authority and/or market (in the case of Notes that are listed or admitted to trading on or by a stock exchange, competent authority and/or market) and the relevant Paying Agents of the interest rate, the interest amount, the interest period and the Interest Payment Date related to each Interest Reset Date as soon as such information is available, and no later than the first Business Day of the interest period. The relevant Paying Agents will make such information available to the holders of Notes. The Fiscal Agent will, upon the request of the holder of any Floating Rate Note, provide the interest rate then in effect and, if determined, the interest rate which will become effective as a result of a determination made with respect to the most recent Interest Determination Date relating to such Note.

So long as any Notes are listed on or by any exchange, competent authority and/or market and the rules of such exchange(s), competent authority(ies) and/or market(s) so require, the Issuer shall maintain a calculation agent for the Notes, and the Issuer will notify the holders of its Notes in the manner specified under "Notices" below in the event that the Issuer appoints a calculation agent with respect to such Notes other than the Calculation Agent or the calculation agent designated as such in the applicable Final Terms.

When Interest is Paid

The Issuer will pay interest on Floating Rate Notes on the dates specified in the applicable Final Terms. Each such date upon which the Issuer is required to pay interest is an "Interest Payment Date." The Issuer will also pay interest on the relevant Floating Rate Notes at the Maturity Date.

If an Interest Payment Date (other than the Maturity Date) for a Floating Rate Note falls on a day that is not a Business Day, the Issuer will postpone payment of interest to the following Business Day at which time the Issuer will pay additional interest that has accrued up to but excluding such following Business Day, except that if that Business Day would fall in the next calendar month, the Interest Payment Date will be the immediately preceding Business Day.

If the Maturity Date for a Floating Rate Note falls on a day that is not a Business Day, the Issuer will make the payment on the next Business Day, without additional interest.

Date of Interest Rate Determination

The interest rate for each Interest Reset Period commencing on the Interest Reset Date will be the rate determined on the relevant Interest Determination Date for such Interest Reset Date for the relevant type of Floating Rate Note, as set forth in the applicable Final Terms.

Types of Floating Rate Notes

CD Rate Notes

Each CD Rate Note will bear interest at a specified rate that will be reset periodically based on the CD Rate and any Spread and/or Spread Multiplier.

"CD Rate" means, with respect to any Interest Determination Date, the rate on that Interest Determination Date for negotiable certificates of deposit having the specified Index Maturity as published in H.15 under the heading "CDs (secondary market)."

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not published in H.15 prior to 3:00 p.m., New York City time, on the Interest Determination Date, then the CD Rate will be the rate for negotiable certificates of deposit having the specified Index Maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "CDs (secondary market)."

(b) If the rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, the CD Rate will be the average of the secondary market offered rates, as of 10:00 a.m., New York City time, of three leading non-bank dealers of negotiable U.S. Dollar certificates of deposit in The City of New York selected by the Issuer for negotiable certificates of deposit of major money market banks with a remaining maturity closest to the specified Index Maturity in a denomination of U.S.$5,000,000.

(c) If fewer than three dealers are providing quotes, the rate will be the same as the rate used in the prior interest period.

"H.15" means the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) – H.15" (or any successor designation or publication).

"H.15 Daily Update" means the daily update of H.15, available through the web site of the Federal Reserve at http://www.federalreserve.gov/releases/h15/update/default.htm, or any successor service.

Commercial Paper Rate Notes

Each Commercial Paper Rate Note will bear interest at a specified rate that will be reset periodically based on the Commercial Paper Rate and any Spread and/or Spread Multiplier.

"Commercial Paper Rate" means, with respect to any Interest Determination Date, the Money Market Yield of the rate on that Interest Determination Date for commercial paper having the specified Index Maturity as published in H.15 under the heading "Commercial Paper Nonfinancial."

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not published in H.15 prior to 3:00 p.m., New York City time, on the Interest Determination Date, then the Commercial Paper Rate will be the Money Market Yield of the rate for commercial paper having the specified Index Maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Commercial Paper Nonfinancial."

(b) If the rate is not published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, the Commercial Paper Rate will be the Money Market Yield of the average for the offered rates, as of 11:00 a.m., New York City time, on that Interest Determination Date, of three leading dealers of commercial paper in The City of New York selected by the Issuer for commercial paper having the specified Index Maturity placed for an

industrial issuer whose bond rating is "AA," or the equivalent, by a nationally recognized rating agency.

(c) If fewer than three dealers are providing quotes, the rate will be the same as the rate used in the prior interest period.

"Money Market Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the period for which interest is being calculated.

Eleventh District Cost of Funds Rate Notes

Each Eleventh District Cost of Funds Rate Note will bear interest at a specified rate that will be reset periodically based on the Eleventh District Cost of Funds Rate and any Spread and/or Spread Multiplier.

"Eleventh District Cost of Funds Rate" means, with respect to any Interest Determination Date, the rate equal to the monthly weighted average cost of funds for the calendar month preceding such Interest Determination Date as set forth under the caption "11th District" on Reuters Screen COFI/ARMS (or such other page as is specified in the applicable Final Terms) as of 11:00 a.m. San Francisco time, on such Interest Determination Date.

The following procedures will apply if the rate cannot be set as described above:

(a) If such rate does not appear on Reuters Screen COFI/ARMS, the Eleventh District Cost of Funds Rate shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced by the Federal Home Loan Bank of San Francisco as such cost of funds for the calendar month preceding the date of such announcement.

(b) If the Federal Home Loan Bank of San Francisco fails to announce such rate for the calendar month next preceding such Interest Determination Date, then the Eleventh District Cost of Funds Rate will be the same as the rate used in the prior interest period.

Federal Funds Rate Notes

Each Federal Funds Rate Note will bear interest at a specified rate that will be reset periodically based on the Federal Funds Rate and any Spread and/or Spread Multiplier.

"Federal Funds Rate" means, with respect to any Interest Determination Date unless otherwise specified in any applicable Final Terms, the rate on specified dates for federal funds published in H.15 prior to 11:00 a.m., New York City time, under the heading "Federal Funds Effective," as such rate is displayed on Reuters Screen FEDFUNDS1 Page (or any such other page as specified in the applicable Final Terms).

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate does not appear on Reuters Screen FEDFUNDS1 Page (or any other pages as may replace such pages on such service) or is not published in H.15 prior to 11:00 a.m., New York City time, on the Interest Determination Date, then the Federal Funds Rate will be the rate on such Interest Determination Date published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Federal Funds (Effective)."

(b) If the rate does not appear on Reuters Screen FEDFUNDS1 Page (or any other pages as may replace such pages on such service) or is not published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, the Federal Funds Rate will be the average of the rates, as of 11:00 a.m., New York City time, on that Interest Determination Date, for the last transaction in overnight federal funds arranged by three leading brokers of federal funds transactions in The City of New York selected by the Issuer.

(c) If fewer than three brokers are providing quotes, the rate will be the same as the rate used in the prior interest period.

EURIBOR Notes

Each EURIBOR Note will bear interest at a specified rate that will be reset periodically based on EURIBOR and any Spread and/or Spread Multiplier.

"EURIBOR" means the European Interbank Offered Rate and, with respect to each Interest Determination Date, the rate for deposits in Euro having the Index Maturity beginning on the relevant Interest Reset Date that appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on that Interest Determination Date.

The following procedures will apply if the rate cannot be set as described above:

(a) If such rate does not appear on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on the related Interest Determination Date, then the Issuer will request the principal offices of four major banks (one of which may be an affiliate of the Calculation Agent) in the Euro zone selected by the Issuer and identified to the Calculation Agent, to provide such bank's offered quotation to prime banks in the Euro zone interbank market for deposits in Euro having the Index Maturity beginning on the relevant Interest Reset Date as of 11:00 a.m., Brussels time, on such Interest Determination Date and in a Representative Amount. If at least two quotations are provided, EURIBOR for that date will be the average (if necessary rounded upwards) of the quotations.

(b) If fewer than two quotations are provided, EURIBOR will be the average (if necessary rounded upwards) of the rates quoted by major banks (which may include an affiliate of the Calculation Agent) in the Euro zone, selected by the Issuer, at approximately 11:00 a.m., Brussels time, on the Interest Determination Date for loans in Euro to leading European banks for a period of time corresponding to the Index Maturity beginning on the relevant Interest Reset Date and in a Representative Amount.

(c) If no rates are quoted by major banks, the rate will be the same as the rate used for the prior interest period.

"Designated EURIBOR Page" means Capital Markets Report Screen EURIBOR01 of Reuters, or any other page as may replace such page on such service.

Notwithstanding any other provision herein, if in the Calculation Agent's opinion, or in the opinion of the other party responsible for the calculation of EURIBOR as specified in the relevant Final Terms, as applicable, there is any uncertainty between two or more alternative courses of action in making any determination or calculation, the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent, as applicable, in writing as to which alternative course of action to adopt. If the Calculation Agent, as applicable, is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

Notwithstanding any other provision herein, neither the Calculation Agent, the Fiscal Agent or the Paying Agents shall be obliged to concur with the Issuer, in respect of any changes made which, in the sole opinion of the Calculation Agent, the Fiscal Agent or the Paying Agents (as applicable), would have the effect of (i) exposing the Calculation Agent, the Fiscal Agent or the Paying Agents (as applicable) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or

decreasing the rights or protections, of the Calculation Agent, the Fiscal Agent or the Paying Agents (as applicable) in the Fiscal and Paying Agency Agreement and/or the term and conditions of the Notes.

SOFR Notes

Each SOFR Note will bear interest at a specified rate that will be reset periodically based on one of SOFR Arithmetic Mean or SOFR Compound, as specified in the applicable Final Terms (or any applicable Benchmark Replacement), in each case plus the Spread and/or Spread Multiplier (if any, as specified in the applicable Final Terms), subject to the Benchmark Replacement Provisions specified below. To the extent the provisions below relating to SOFR Notes are inconsistent with the description of Floating Rate Notes described elsewhere in this Prospectus, the provisions below shall prevail in the case of SOFR Notes.

(i) If SOFR Arithmetic Mean ("SOFR Arithmetic Mean") is specified as applicable in the applicable Final Terms, the rate of interest for each interest period shall be based on the arithmetic mean of SOFR for each day during the period, as calculated by the Calculation Agent, where SOFR on the SOFR Rate Cut-Off Date shall be used for the days in the period from and including the SOFR Rate Cut-Off Date to but excluding the Interest Payment Date. For these purposes, SOFR in respect of any calendar day which is not a U.S. Government Securities Business Day shall, subject to the preceding provision, be deemed to be SOFR in respect of the U.S. Government Securities Business Day immediately preceding such calendar day.

(ii) If SOFR Compound ("SOFR Compound") is specified in the applicable Final Terms, the rate of interest for each interest period shall be based on the value of SOFR for each day during the period, compounded, as calculated by the Calculation Agent. Where not otherwise specified in the applicable Final Terms, in calculating SOFR Compound, the SOFR Rate Cut-Off Date, if any, (as defined below) shall be the number of U.S. Government Securities Business Days specified in the Pricing Supplement prior to the Interest Payment Date in respect of the relevant interest period.

(iii) In connection with the SOFR Compound definition above, one of the following formulas will be specified in the applicable Final Terms:

1. *"SOFR Compound with Lookback"*

$$\left[\left(\prod_{i=1}^{d_o}\left(1+\frac{\mathrm{SOFR}_{i-xUSBD}\times n_i}{360}\right)-1\right)\times\frac{360}{d}\right]$$

where:

"d" means the number of calendar days in the relevant interest period;

"d_0" for any interest period, means the number of U.S. Government Securities Business Days in the relevant interest period;

"i" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant interest period;

"Lookback Days" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"n_i" for any U.S. Government Securities Business Day i, means the number of calendar days from, and including, such U.S. Government Securities Business Day i up to, but excluding, the following U.S. Government Securities Business Day;

"$SOFR_{i\text{-}xUSBD}$" means for any U.S. Government Securities Business Day i that is a SOFR Interest Reset Date, SOFR in respect of the U.S. Government Securities Business Day falling a number of U.S. Government Securities Business Days prior to that day i equal to the number of Lookback Days; provided, however that where a SOFR Rate Cut-Off Date applies, SOFR with respect to any SOFR Interest Reset Date in the period from and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding Interest Payment Date of an interest period, will be SOFR with respect to the SOFR Interest Reset Date coinciding with the SOFR Rate Cut-Off Date for such interest period;

2. *"SOFR Compound with Observation Period Shift"*

$$\left[\left(\prod_{i=1}^{d_0}\left(1+\frac{\mathrm{SOFR}_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}\right]$$

where:

"d" means the number of calendar days in the relevant Observation Period;

"d_0" for any Observation Period, means the number of U.S. Government Securities Business Days in the relevant Observation Period;

"i" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

"n_i" for any U.S. Government Securities Business Day i in the relevant Observation Period, means the number of calendar days from, and including, such U.S. Government Securities Business Day i up to, but excluding, the following U.S. Government Securities Business Day;

"Observation Period" means, in respect of each interest period, the period from, and including, the date that is a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first date in such interest period to, but excluding, the date that is a number of U.S. Government Securities Business Days equal to the number of Observation Shift Days, preceding the Interest Payment Date for such interest period;

"Observation Shift Days" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"$SOFR_i$" means for any U.S. Government Securities Business Day i in the relevant Observation Period, SOFR in respect of that day i.

3. *"SOFR Compound with Payment Delay"*

$$\left[\left(\prod_{i=1}^{d_0}\left(1+\frac{\mathrm{SOFR}_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}\right]$$

where:

"d" means the number of calendar days in the relevant Interest Accrual Period;

"d_0" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"i" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

"Interest Accrual Periods" means each period from, and including, an Interest Accrual Period End Date (or in the case of the first Interest Accrual Period, the Interest Commencement Date) to, but excluding, the next Interest Accrual Period End Date (or, in the case of the final Interest Accrual Period, the Maturity Date or, if the Issuer elects to redeem the notes prior to the Maturity Date, the Redemption Date);

"Interest Accrual Period End Dates" shall have the meaning specified in the applicable Final Terms;

"Interest Payment Dates" shall be the dates occurring the number of Business Days equal to the Interest Payment Delay following each Interest Accrual Period End Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the notes prior to the Maturity Date, the Redemption Date;

"Interest Payment Delay" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"Interest Payment Determination Dates" shall be the Interest Accrual Period End Date at the end of each Interest Accrual Period; provided that the Interest Payment Determination Date with respect to the final Interest Accrual Period will be the SOFR Rate Cut-Off Date;

"n_i" for any U.S. Government Securities Business Day i, means the number of calendar days from, and including, such U.S. Government Securities Business Day i up to, but excluding, the following U.S. Government Securities Business Day;

"$SOFR_i$" means for any U.S. Government Securities Business Day i that is a SOFR Interest Reset Date, SOFR in respect of this SOFR Interest Reset Date; provided, however that where a SOFR Rate Cut-Off Date applies, SOFR with respect to any SOFR Interest Reset Date in the period from and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding Interest Payment Date or Interest Accrual End Date of an interest period, will be SOFR with respect to the SOFR Interest Reset Date coinciding with SOFR Rate Cut-Off Date for such interest period;

4. *"SOFR Index with Observation Period Shift"*

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

where:

"SOFR Index," with respect to any U.S. Government Securities Business Day, means:

(1) the SOFR Index value as published by the FRBNY as such index appears on the Federal Reserve Bank of New York's Website at the SOFR Determination Time; or

(2) if a SOFR Index value specified in (1) above does not so appear at the SOFR Determination Time, then:

(i) if a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, then compounded SOFR shall be the rate determined pursuant to the "SOFR Index Unavailability" provisions below; or

(ii) if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR, then compounded SOFR shall be the rate determined in accordance with the terms and provisions set forth under "—Benchmark Replacement Provisions" below.

SOFR Index Unavailability Provisions – If SOFR $\text{Index}_{\text{Start}}$ or SOFR $\text{Index}_{\text{End}}$ is not published or otherwise is not available on the relevant interest determination date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, "compounded SOFR" will mean, for the applicable interest period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula set forth above under "—SOFR Compound with Observation Period Shift" as if the applicable Final Terms had specified "SOFR Compound with Observation Period Shift" to be applicable to the notes, rather than "SOFR Index with Observation Period Shift."

"SOFR $\text{Index}_{\text{Start}}$" means the SOFR Index value for the date that is the number of U.S. Government Securities Business Days specified in the applicable Final Terms preceding the first date of the relevant interest period.

"SOFR $\text{Index}_{\text{End}}$" means the SOFR Index value for the date that is the number of U.S. Government Securities Business Days specified in the applicable Final Terms preceding the Interest Payment Date relating to such interest period (or in the final interest period, the Maturity Date or Redemption Date) (an "Index Determination Date").

"d_c" means the number of calendar days from (and including) the SOFR $\text{Index}_{\text{Start}}$ to (but excluding) the SOFR $\text{Index}_{\text{End}}$ (the number of calendar days in the applicable Observation Period).

"Observation Period" means, in respect of each interest period, the period from, and including, the date that is a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first date in such interest period to, but excluding, the date that is a number of U.S. Government Securities Business Days equal to the number of Observation Shift Days, preceding the Interest Payment Date for such interest period;

"Observation Shift Days" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

In connection with the definition of SOFR Arithmetic Mean, and the SOFR Compound formulas described above, "SOFR" means the rate determined by the Calculation Agent, as the case may be, in accordance with the following provisions:

a. the Secured Overnight Financing Rate for trades made on the Interest Determination Date corresponding to the related SOFR Interest Reset Date that appears at approximately 3:00 p.m. (New York City time) (the "SOFR Determination Time") on the Federal Reserve Bank of New York's Website on the immediately following U.S. Government Securities Business Day, as such rate is reported on the Bloomberg Screen SOFRRATEPage for such SOFR Interest Reset Date or, if no such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate that is reported on the Reuters Page USDSOFR or, if no such rate is reported onthe Reuters Page USDSOFR, then the Secured Overnight Financing Rate that appears at approximately 3:00 p.m. (New York City time) on the Federal Reserve Bank of New York's Website on such SOFR Interest Reset Date (the "SOFR Screen Page"); or

b. if the rate specified in (a) above does not so appear, and the Issuer determines that a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the Secured Overnight Financing Rate published on the Federal Reserve

Bank of New York's Website for the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the Federal Reserve Bank of New York's Website; and

c. if we determine on or prior to the relevant SOFR Reference Time, that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the relevant reference rate, then the provisions set forth in "Benchmark Replacement Provisions" below will thereafter apply to all determinations of the interest rate on the Notes for each interest period during the floating rate period.

In connection with the SOFR provisions above, the following definitions apply:

"Bloomberg Screen SOFRRATE Page" means the Bloomberg screen designated "SOFRRATE" or any successor page or service.

"Reuters Page USDSOFR" means the Reuters page designated "USDSOFR" or any successor page or service.

"SOFR Interest Reset Date" means each U.S. Government Securities Business Day in the relevant interest period.

"SOFR Rate Cut-Off Date" means, if applicable, the date that is the specified U.S. Government Securities Business Day, or such other date as is specified in the applicable Final Terms, prior to the Interest Payment Date in respect of the relevant interest period or such other date specified in the applicable Final Terms; for the avoidance of doubt, the SOFR Rate Cut-Off Date can be zero or none, in which case no SOFR Rate Cut- Off Date is applicable.

"SOFR Reference Time" means (1) if the reference rate is SOFR Arithmetic Mean or SOFR Compound, the SOFR Determination Time, or (2) if the reference rate is not SOFR Arithmetic Mean or SOFR Compound, the time determined by the Issuer after giving effect to the SOFR Benchmark Replacement Conforming Changes.

"U.S. Government Securities Business Day" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (SIFMA) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Treasury Rate Notes

Each Treasury Rate Note will bear interest at a specified rate that will be revised periodically based on the Treasury Rate and any Spread and/or Spread Multiplier.

"Treasury Rate" means, with respect to any Interest Determination Date, the rate for the most recent auction of direct obligations of the United States ("Treasury bills") having the specified Index Maturity as it appears under the caption "INVEST RATE" on either Reuters Screen USAUCTION10 Page or Reuters Screen USAUCTION11 Page (or any other pages as may replace such pages on such service).

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not so published by 3:00 p.m., New York City time, on the Interest Determination Date, the rate will be the auction average rate for such Treasury bills (expressed as a bond equivalent, on the basis of a year of 365 or 366 days as applicable, and applied on a daily basis) for such auction as otherwise announced by the U.S. Department of the Treasury.

(b) If the results of the auction of Treasury bills are not so published by 3:00 p.m., New York City time, on the Interest Determination Date, or if no such auction is held, the Treasury Rate will be the rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) on such Interest Determination Date of such Treasury bills having the specified Index Maturity as published in H.15 under the caption "U.S. Government Securities/Treasury Bills/Auction high."

(c) If such rate is not so published in H.15 by 3:00 p.m., New York City time, on the related Interest Determination Date, the rate on such Interest Determination Date of such Treasury bills will be as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "U.S. Government Securities/Treasury Bills/Auction high."

(d) If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source, then the Treasury Rate will be a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the average of the secondary market bid rates as of approximately 3:30 p.m., New York City time, on the Interest Determination Date, of three leading primary U.S. government securities dealers in The City of New York selected by the Issuer for the issue of Treasury bills with a remaining maturity closest to the specified Index Maturity.

(e) If fewer than three dealers are providing quotes, the rate will be the same as the rate used in the prior interest period.

Prime Rate Notes

Each Prime Rate Note will bear interest at a specified rate that will be reset periodically based on the Prime Rate and any Spread and/or Spread Multiplier.

"Prime Rate" means, with respect to any Interest Determination Date, unless otherwise specified in any applicable Final Terms, the rate set forth on that Interest Determination Date in H.15 under the heading "Bank Prime Loan."

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not published in H.15 by 3:00 p.m., New York City time, on the Interest Determination Date, then the Prime Rate will be the rate as published on such Interest Determination Date in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate under the caption "Bank Prime Loan."

(b) If the rate is not published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, then the Prime Rate will be the average (rounded upwards, if necessary, to the next higher one-hundred thousandth of a percentage point) of the rates publicly announced by each bank on the Reuters Screen USPRIME1 Page as its prime rate or base lending rate for that Interest Determination Date.

(c) If fewer than four, but more than one, rates appear on the Reuters Screen USPRIME1 Page, the Prime Rate will be the average of the prime rates (quoted on the basis of the actual number of days in the year divided by a 360-day year) as of the close of business on the Interest Determination Date by four major money center banks in The City of New York selected by the Issuer.

(d) If fewer than two rates appear, the Prime Rate will be determined based on the rates furnished in The City of New York by the appropriate number of substitute banks or trust companies organized and doing business under the laws of the United States, or any State thereof, having total equity capital of at least U.S.$500 million and being subject to supervision or examination by a Federal or State authority, as selected by the Issuer.

(e) If no banks are providing quotes, the rate will be the same as the rate used for the prior interest period.

Indexed Notes

Notes may be issued with the principal amount payable at maturity or interest to be paid thereon, or both, to be determined with reference to the price or prices of specified commodities or stocks, indices, formulae or other assets or bases of reference as may be specified in such Note and the applicable Final Terms ("Indexed Notes"). Holders of such Indexed Notes may receive a principal amount on the Maturity Date that is greater than or less than the face amount of the Indexed Notes, or an interest rate that is greater than or less than the stated interest rate on the Indexed

Notes, or both, depending upon the structure of the Indexed Note and the relative value on the Maturity Date or at the relevant Interest Payment Date, as the case may be, of the specified indexed item. Information as to the method for determining the principal amount payable on the Maturity Date, the currency base rate (the "Currency Base Rate"), the manner of determining the interest rate, the determination agent (the "Determination Agent"), certain historical information with respect to the specified indexed item and tax considerations associated with an investment in Indexed Notes will be set forth in the applicable Final Terms.

A separate prospectus comprising the relevant Note will be used for the documentation of an issuance of Indexed Notes, including, but not limited to a discussion of market and settlement disruptions and adjustments. For further information regarding certain risks inherent in Indexed Notes, see "Risk Factors—Risks Related to the Notes Generally—Indexed Notes." Indexed Notes will not be admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

Dual Currency Notes

In general, "Dual Currency Notes" refer to Notes as to which the Issuer is permitted under certain specified circumstances to pay principal, premium, if any, and/or interest, in more than one currency or composite currency. The terms of any Dual Currency Notes will be as set forth in the applicable Final Terms related to any such Notes, including the face amount currency (the "Face Amount Currency"), the option value calculation agent (the "Option Value Calculation Agent"), the optional payment currency (the "Optional Payment Currency"), the option election date(s) (the "Option Election Date(s)"), and the designated exchange rate (the "Designated Exchange Rate").

For further information regarding certain risks inherent in Notes denominated in currencies other than U.S. Dollars, see "Risk Factors—Risks Related to the Notes Generally—Exchange rate risk and exchange controls."

Amortizing Notes

Amortizing Notes are Fixed Rate Notes for which payments combining principal and interest are made in installments over the life of the Note ("Amortizing Notes"). Unless otherwise specified herein and in the applicable Final Terms, interest on each Amortizing Note will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to Amortizing Notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof. Further information concerning specific terms of any issue of Amortizing Notes, including the amortization schedule (the "Amortization Schedule"), will be provided in the applicable Final Terms. A table setting forth repayment information in respect of each Amortizing Note will be included in the applicable Final Terms and set forth on such Notes.

Original Issue Discount Notes

Original Issue Discount Notes are Notes issued at more than a *de minimis* discount from the principal amount payable at maturity. Certain additional considerations relating to Original Issue Discount Notes may be described in the applicable Final Terms relating thereto.

Benchmark Replacement Provisions

If the Issuer, in its sole discretion, its designee (which may be an affiliate of the Issuer), after consultation with the Issuer, determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the applicable Benchmark Replacement will replace the then-current Benchmark for the SOFR Notes of such Series for all purposes relating to such SOFR Notes during the Interest Reset Period and in respect of all determinations on the relevant Interest Determination Date and each subsequent Interest Reset Period.

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee (which may be an affiliate of the Issuer), after consulting with the Issuer, will have the right to make Benchmark Replacement Conforming Changes from time to time.

Any determination, decision or election that may be made by the Issuer or its designee pursuant to the benchmark transition provisions set forth herein, and any decision to take or refrain from taking any action or any selection:

(a) will be conclusive and binding absent manifest error;

(b) if made by the Issuer, will be made in its sole discretion;

(c) if made by the Issuer's designee, will be made after consultation with the Issuer, and the Issuer's designee will not make any such determination, decision or election to which the Issuer objects; and

(d) notwithstanding anything to the contrary in the Fiscal Agency Agreement or the SOFR Notes, shall become effective without consent from the holders of the SOFR Notes or any other party.

If the Calculation Agent fails to make any determination, decision or election that it is required to make under the terms of the SOFR Notes, then the Issuer or its designee (which may an affiliate of the Issuer), after consulting with the Issuer, will make that determination, decision or election on the same basis as described above.

As used in this Prospectus with respect to any Benchmark Transition Event and its related Benchmark Replacement Date:

"Benchmark" means, EURIBOR, SOFR or such benchmark in respect of Floating Rate Notes as specified in the applicable Final Terms; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

"Benchmark Replacement" means the Interpolated Benchmark with respect to the then-current Benchmark, plus the Benchmark Replacement Adjustment for such Benchmark (if applicable); provided that if the Issuer, cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then "Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Issuer or our designee, after consulting with the Issuer, as of the Benchmark Replacement Date; and provided further, that any rate selected shall be a "qualified rate" as defined under United States Treasury Regulation §1.1001-6:

1. the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor (if any) and (b) the Benchmark Replacement Adjustment;

2. the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment;

3. the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee, after consulting with the Issuer, as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the Benchmark Replacement Adjustment.

"Benchmark Replacement Adjustment" means the first alternative set forth in the order below that can be determined by the Issuer or its designee, after consulting with the Issuer, as of the Benchmark Replacement Date:

1. the Spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body or determined by the Issuer or its designee, after consulting with the Issuer, in accordance with the method for calculating or determining such Spread adjustment that has been selected or recommended by the Relevant Governmental Body, in each case for the applicable Unadjusted Benchmark Replacement;

2. if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;

3. the Spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee, after consulting with the Issuer, giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, changes to (1) any Interest Determination Date, Interest Payment Date, Interest Reset Date, business day convention or interest period, (2) the manner, timing and frequency of determining rates and amounts of interest that are payable on the notes during the Interest Reset Period and the conventions relating to such determination and calculations with respect to interest, (3) the timing and frequency of making interest payments, (4) rounding conventions, (5) tenors and (6) any other terms or provisions of the Notes during the Interest Reset Period, in each case that the Issuer or its designee, after consulting with the Issuer, determines, from time to time, to be appropriate to reflect the determination and implementation of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer, the Calculation Agent or the Issuer's designee, after consulting with the Issuer, decides that implementation of any portion of such market practice is not administratively feasible or if the Issuer or its designee, after consulting with the Issuer, determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee, after consulting with the Issuer, determines is appropriate).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then current Benchmark:

1. in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

2. in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

1. a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

2. a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

3. a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"Corresponding Tenor" with respect to a Benchmark Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark.

"Federal Reserve Bank of New York's Website" means the website of the FRBNY, currently at http://www.newyorkfed.org, or any successor website of the FRBNY or the website of any successor administrator of the Secured Overnight Financing Rate.

"Interpolated Benchmark" with respect to the Benchmark (if applicable) means the rate determined for the Corresponding Tenor by interpolating on a linear basis between: (1) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor and (2) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor. "Benchmark" as used in clause (1) and (2) of the foregoing definition means the then-current Benchmark for the applicable periods specified in such clauses without giving effect to the applicable index maturity (if any).

"ISDA Definitions" means the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"ISDA Fallback Adjustment" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor.

"ISDA Fallback Rate" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"Reference Time" with respect to any determination of the Benchmark means the time determined by the Issuer or its designee, after consulting with the Issuer, in accordance with the Benchmark Replacement Conforming Changes.

"Relevant Governmental Body" means (a) with respect to a Benchmark Replacement in respect of Notes denominated in U.S. dollars, the Federal Reserve Board or a committee officially endorsed or convened by the Federal Reserve Board and/or the FRBNY or, in each case, any successor thereto, (b) with respect to a Benchmark Replacement in respect of Notes denominated in Pounds Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, (c) with respect to a Benchmark Replacement in respect of Notes denominated in Euro, the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or, in each case, any successor thereto, and (d) with respect to a Benchmark Replacement in respect of Notes denominated in any other currency, (i) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (ii) any working group or committee officially endorsed or convened by (A) the central bank for the currency in which such Benchmark Replacement is denominated, (B) any central bank or other supervisor that is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Additional Notes

The Issuer may issue Notes from time to time having terms identical to a prior Tranche of Notes but for the original issue date and the public offering price ("Additional Notes"). Any such Additional Notes that are Regulation S Global Notes will be issued in the form of a temporary global Note which will be exchangeable for a beneficial interest in a permanent global Note on or after the Exchange Date specified in the applicable Final Terms relating to such Additional Notes. Additional Notes may be issued prior to or after the Exchange Date relating to such prior Tranche of Notes of the same Series. In the event Additional Notes are issued prior to the Exchange Date for the prior Tranche, the Exchange Date relating to such prior Tranche shall be moved to a date not earlier than 40 calendar days after the original issue date of the related Additional Notes; *provided, however*, in no event shall the Exchange Date for a Tranche of Notes be extended to a date more than 160 calendar days after the date such

Tranche was issued. Once any Additional Notes have been issued, whether Regulation S Global Notes or Rule 144A Global Notes, such Additional Notes together with each prior and subsequent Tranche of Notes of the same Series, shall constitute one and the same Series of Notes for all purposes to the extent specified in the applicable Final Terms (except that any such Additional Notes offered and sold in compliance with Regulation S will have temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on the date of issuance of such Additional Notes); *provided, however*, that in the case of Regulation S Global Notes, or Notes to which the TEFRA D Rules apply, such consolidation of Additional Notes issued after the Exchange Date will occur only following the exchange of interests in the temporary global Note for interests in the permanent global Note upon receipt of certificates described below; and provided further that if the Additional Notes are Registered Notes and are not fungible with the earlier Notes for United States federal income tax purposes, the Additional Notes will have a separate CUSIP number. The Final Terms relating to any Additional Notes will set forth matters related to the issuance, exchange and transfer of Additional Notes, including identifying the prior Tranche of Notes, their original issue date and aggregate principal amount. Any Additional Notes that are Bearer Notes will be subject to the same restrictions as are set forth under "Forms of Notes—Bearer Notes" above.

Other Provisions

Any provisions with respect to Notes, including without limitation the determination of an Interest Rate Basis, the specification of an Interest Rate Basis, calculation of the interest rate applicable to a Floating Rate Note, its Interest Payment Dates or any other matter relating thereto may be modified by the terms specified under "Other Provisions" on the face thereof, if so specified on the face thereof or in the applicable Final Terms.

Covenants

The Issuer has agreed to restrictions on its activities for the benefit of holders of each Series of Notes. The following restrictions will apply separately to each Series of Notes:

Consolidation, Merger, Sale or Conveyance

The Issuer may not consolidate with or merge into any other corporation or convey or transfer its properties and assets substantially as an entirety to any person, unless:

(i) the successor corporation (if not BCP) shall (x) be a corporation organized and existing under the laws of (A) the Republic of Peru, (B) the United States or any state thereof or the District of Columbia, (C) any country that is a member of the Organisation for Economic Co-operation and Development or the G-20 or (D) any other country having an international investment grade rating from each of Moody's Investors Service, Inc. and S&P Global Ratings at the time of such merger or consolidation, and any state thereof (to the extent applicable), and (y) expressly assume, by a supplement to the Fiscal Agency Agreement, executed and delivered to the Fiscal and Paying Agent, the due and punctual payment of the principal of (and premium, if any) and interest on all the outstanding Notes and the performance of every covenant in the Fiscal Agency Agreement on the part of the Issuer to be performed or observed;

(ii) immediately after giving effect to such transaction, no Event of Default shall have happened and be continuing; and

(iii) The Issuer shall have delivered to the Fiscal and Paying Agent an officers' certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance or transfer and such supplement to the Fiscal Agency Agreement comply with the foregoing provisions relating to such transaction.

In case of any such consolidation, merger, conveyance or transfer such successor corporation will succeed to and be substituted for the Issuer as obligor on each Series of Notes with the same effect as if it had issued such Series of Notes. Upon the assumption of its obligations by any such successor corporation in such circumstances subject to certain exceptions, the Issuer will be discharged from all obligations under the Notes and the Fiscal Agency Agreement.

For purposes of the above, "G-20" means the Group of Twenty (G-20) Finance Ministers and Central Bank Governors.

Periodic Reports

The Fiscal Agency Agreement provides that if the Issuer is not required to file with the SEC information, documents, or reports pursuant to Section 13 or Section 15(d) of the Exchange Act, the Issuer shall make available, upon request, to any holder of the Notes, any owner of a beneficial interest in any Note or any prospective purchaser designated by a holder or owner of a beneficial interest in any Note, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Events of Default

An "Event of Default," with respect to each Series of Notes is defined in the Fiscal Agency Agreement as:

(i) The Issuer's default in the payment of any principal of any of the Notes of such Series, when due and payable, whether at maturity or otherwise; or

(ii) The Issuer's default in the payment of any interest or any Additional Amounts when due and payable on any of the Notes of such Series and the continuance of such default for a period of 30 days; or

(iii) The Issuer's default in the performance or observance of any other covenant or obligation of the Issuer in respect of the Notes of such Series or the Fiscal Agency Agreement, not otherwise expressly defined as an Event of Default in (i) or (ii) above, and the continuance of such default for more than 60 days after written notice of such default has been received by the Issuer from the Fiscal and Paying Agent or the holders of at least 25% in aggregate principal amount of the Notes of such Series outstanding specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default;" or

(iv) The occurrence with respect to any of the Relevant Indebtedness (as defined below) of the Issuer or any of its Significant Subsidiaries (as defined below) having an outstanding principal amount of U.S.$75,000,000 or more in the aggregate for all such Relevant Indebtedness of all such persons (a) of an event of default that results in such Relevant Indebtedness being accelerated prior to its scheduled maturity or (b) failure to make any payment of such Relevant Indebtedness when due and such defaulted payment is not made, waived or extended within the applicable grace period; or

(v) A resolution by the SBS or any similar Peruvian governmental authority is issued with respect to us ordering a definitive intervention regime ("Intervention") or a similar regime under the applicable regulation; or

(vi) any proceeding is instituted by or against the Issuer or any of its Significant Subsidiaries seeking to adjudicate the Issuer or any of its Significant Subsidiaries bankrupt or insolvent, or seeking the liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of any Relevant Indebtedness, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for the Issuer or any of its Significant Subsidiaries or for any substantial part of the property of the Issuer or that of any of its Significant Subsidiaries, under Peruvian banking regulation and any other applicable regulation, or order for Intervention or a similar regime under the applicable regulation, and, in the case of any of the foregoing actions instituted against the Issuer or any of its Significant Subsidiaries, such proceeding or action is not dismissed or discharged and remains in effect for 60 days; or we or any of our Significant Subsidiaries take corporate action to authorize any of the actions set forth in this clause (vi); or

(vii) any event occurs that under the laws of Peru or any political subdivision thereof or any other country has substantially the same effect as any of the events referred to in any of clause (v) or (vi).

For purposes of the above, "Relevant Indebtedness" means, with respect to any person (without duplication) (i) money borrowed and premiums (if any) and accrued interest in respect thereof, (ii) liabilities under or in respect of any acceptance or credit, (iii) the principal and premium (if any) and any accrued and unpaid interest in respect of any bonds, notes, debentures, debenture stock, loan stock, certificates of deposit or other securities whether issued for cash or in whole or in part for a consideration other than cash, (iv) all obligations issued or assumed as the

deferred purchase price of property, all conditional sale obligations and all obligations under any title retention agreement (but excluding trade accounts payable in the ordinary course of business), and (v) guarantees and other contingent obligations in respect of Relevant Indebtedness referred to in clauses (i) through (iv) above.

The term "Significant Subsidiary" as used in this Section means a subsidiary of the Issuer organized under the laws of the Republic of Peru which would be a "significant subsidiary" within the meaning of Article 1, Rule 1-02 (w)(l) or (2) of Regulation S-X promulgated under the Securities Act in effect on the date of this Prospectus assuming for purposes of that definition that the Issuer is the registrant referred to in such definition.

If an Event of Default described in paragraph (iv) above has occurred and is continuing with respect to any Series of Notes, such Event of Default will be automatically rescinded and annulled once the default triggering such Event of Default pursuant to clause (iv) is remedied or cured by the Issuer or waived by the holders of the Relevant Indebtedness; provided that no declaration of acceleration has been made and is continuing with respect to such Series of Notes as a result of such Event of Default. No such rescission and annulment will affect any subsequent Event of Default or impair any right consequent thereto.

The Fiscal Agency Agreement provides that if an Event of Default with respect to any Series of Notes described in paragraphs (i), (ii), (iii) or (iv) above occurs and is continuing with respect to the Notes of any Series, then and in each and every such case, unless the principal of all the Notes of such Series shall have already become due and payable, the holders of not less than 25% in aggregate principal amount of the Notes of such Series then outstanding (each such Series acting as a separate class), by notice in writing to the Issuer and to the Fiscal and Paying Agent, may declare the principal amount of all the Notes of such Series then outstanding and all accrued interest thereon to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the Fiscal Agency Agreement or in the Notes of such Series contained to the contrary notwithstanding. If an Event of Default described in paragraph (v), (vi) or (vii) of the above occurs and is continuing with respect to any Series of Notes, then the principal amount of such Notes then outstanding and all accrued interest thereon shall, without any notice to the Issuer or any other act on the part of the Fiscal and Paying Agent or any holder of such Notes, become and be immediately due and payable.

At any time after such a declaration of acceleration has been made (in the case of an Event of Default described in paragraphs (i), (ii), (iii) or (iv) above) with respect to the Notes of such Series and before a final judgment for payment of the money due has been obtained, the holders of a majority in aggregate principal amount of the outstanding Notes of such Series, by written notice to the Issuer and the Fiscal and Paying Agent, may rescind and annul such declaration and its consequences if: (1) the Issuer has paid or deposited with the Fiscal and Paying Agent a sum sufficient to pay: (i) all overdue installments of interest on the outstanding Notes of such Series, (ii) the principal of (and premium, if any, on) any outstanding Notes of such Series which have become due otherwise than by such declaration of acceleration, and interest thereon at the rate or rates prescribed therefor by the terms of the Notes of such Series, to the extent that payment of such interest is lawful, (iii) interest upon overdue installments of interest at the rate or rates prescribed therefor by the terms of the Notes of such Series, to the extent that payment of such interest is lawful, and all sums paid or advanced by the Fiscal and Paying Agent hereunder and the reasonable and duly documented compensation, expenses, disbursements and advances of the Fiscal and Paying Agent, its agents and counsel and all other amounts due to the Fiscal and Paying Agent under the Fiscal Agency Agreement; and (2) all Events of Default with respect to such Series of Notes, other than the nonpayment of the principal in respect of the Notes of such Series which have become due solely by such acceleration, have been cured or waived. No such rescission shall affect any subsequent default or impair any right consequent thereon.

Notes owned by the Issuer or any of its affiliates shall not be deemed to be outstanding for purposes of declaring the acceleration of the Notes.

Payment of Additional Amounts

The Issuer is required to make all payments in respect of each Series of Notes free and clear of, and without withholding or deduction for or on account of, any present or future Taxes (as defined below), unless such withholding or deduction is required by law or the official interpretation thereof, or by the administration thereof, or pursuant to any agreement between BCP and the United States or any authority thereof. If the Issuer is required by any law of any Relevant Taxing Jurisdiction (as defined below) to withhold or deduct any Taxes from or in respect

of any sum payable under the Notes of a Series, the Issuer shall (i) pay to the holders of such Series of Notes, or the relevant Paying Agent, as the case may be, such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts receivable by the holders of such Series of Notes after such withholding or deduction shall equal the respective amounts which would have been receivable by holders of such Series of Notes in the absence of such withholding or deduction, (ii) make such withholding or deduction, and (iii) pay the full amount withheld or deducted to the relevant tax or other authority in accordance with applicable law, except that no such Additional Amounts shall be payable in respect of any Note:

(i) to the extent that such Taxes are imposed or levied by reason of such holder (or the beneficial owner) having some present or former connection with the Relevant Taxing Jurisdiction other than the mere holding (or beneficial ownership) of such Note, receiving principal or interest payments on the Notes or enforcing rights thereunder (including but not limited to citizenship, nationality, residence, domicile, or existence of a business, permanent establishment, a dependent agent, a place of business or a place of management present or deemed present in the Relevant Taxing Jurisdiction);

(ii) to the extent that any Taxes are imposed other than by deduction or withholding from payments of principal, premium, if any, or interest on or in respect of the Notes;

(iii) in the event that the holder (or beneficial owner) fails to comply with any certification, identification or other reporting requirement concerning nationality, residence, identity or connection with the Relevant Taxing Jurisdiction if (1) compliance is required by applicable law, regulation, administrative practice or treaty as a precondition to exemption from all or part of the Taxes, and (2) if the certification, identification or other reporting requirement does not concern nationality, residence or identity, the holder (or beneficial owner) is able to comply with these requirements without undue hardship;

(iv) in the case of payments for which presentation of such Note is required, presented for payment more than 30 days after the later of:

(a) the date on which such payment first became due, and

(b) if the full amount payable has not been received in the place of payment by the relevant Paying Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the holders by the relevant Paying Agent (in a form provided by the Issuer), except to the extent that the holder would have been entitled to such Additional Amounts on presenting such Note for payment on the last day of such period of 30 days;

(v) to the extent that such Taxes are imposed by reason of an estate, inheritance, gift, personal property, value added, use or sales tax or any similar taxes, assessments or other governmental charges;

(vi) for any Taxes which would have been avoided by a holder presenting the relevant Note (if presentation is required) or requesting that such payment be made to another Paying Agent in a member state of the European Union;

(vii) where such withholding or deduction is imposed on or in respect of any Note pursuant to sections 871(m) or 1471 to 1474 of the Code or any successor law or regulation implementing or complying with, or introduced in order to conform to, such sections or any intergovernmental agreement or any agreement entered into pursuant to section 1471(b)(1) of the Code; or

(viii) any combination of items (i) to (vii) above,

nor will Additional Amounts be paid with respect to any payment on a Note to a holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of a Relevant Taxing Jurisdiction (or any political subdivision thereof) to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in a limited liability company or a beneficial owner who would not have

been entitled to the Additional Amounts had that beneficiary, settlor, member or beneficial owner been the holder.

Notwithstanding the language above in (v), Additional Amounts will be payable in respect of any Note to the extent that a Peruvian value added tax is imposed on payments of interest on the Notes.

Any reference to payments, premium, if any, redemption price, interest or any other amount payable under or with respect to any Note, shall be deemed also to include any Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof. However, no holder of a Note shall be entitled to receive any Additional Amounts greater than the amounts necessary in order that the net amounts receivable by such holder after such withholding or deduction equal the respective amounts which would have been receivable by such holder in the absence of such withholding or deduction, subject to the exceptions above.

The Issuer will provide to the holders of any Series of Notes, upon request, a copy of either (i)(a) the "PDT" (*Programa de Declaración Telemática*) specifying the amount of any Taxes withheld from payment on such Series of Notes and the name of the beneficiary (in whose name the Tax is being paid), and (b) an electronic receipt evidencing payment of such Taxes, or (ii) an executed certificate indicating (a) the date of payment of interest and taxes, (b) the monthly declaration number, (c) taxes withheld in U.S. Dollars and (d) taxes withheld in Soles.

"Taxes" means, with respect to payments on any Series of Notes, all taxes, withholdings, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Peru or pursuant to any agreement between BCP and the United States, or in the event that we appoint additional paying agents, by the jurisdictions of such additional paying agents, or the jurisdiction of any successor corporation (each, a "Relevant Taxing Jurisdiction"), or any political subdivision thereof or any authority or agency therein or thereof having power to tax.

The foregoing provisions will survive any termination or discharge of the Fiscal Agency Agreement (and any transfer of a holder or beneficial owner of its Notes). For a discussion of Peruvian withholding taxes applicable to payments under or with respect to the Notes, see "Taxation."

Modification of Fiscal Agency Agreement and Notes

The Fiscal Agency Agreement may be amended by the Issuer and the Fiscal Agent, without the consent of the holder of any Note of a Series for the purposes, among others, of curing any ambiguity, or of correcting or supplementing any defective or inconsistent provisions contained therein, to effect any assumption of the Issuer's obligations thereunder and under the Notes of a Series under the circumstances described under "Consolidation, Merger, Sale or Conveyance" above, to change the paying agent if such change is made to avoid or mitigate the Issuer's obligation to pay Additional Amounts with respect to any Series of Notes, or in any other manner which the Issuer and the Fiscal Agent may deem necessary or desirable or which, in the sole judgment of the Issuer, does not adversely affect in any material respect the interests of the holders of Notes of such Series outstanding on the date of such amendment. Nothing in the Fiscal Agency Agreement prevents the Issuer and the Fiscal Agent from amending the Fiscal Agency Agreement in such a manner as to only have a prospective effect on Notes issued on or after the date of such amendment.

Modifications and amendments to the Fiscal Agency Agreement and, to the terms of the Notes of a Series may also be made, and future compliance therewith or past Events of Default by the Issuer may be waived, by holders of a majority in aggregate principal amount of the Notes of such Series (or, in each case, such lesser amount as shall have acted at a meeting of holders of such Notes, as described below), *provided, however*, that no such modification or amendment to the Fiscal Agency Agreement, or to the terms of the Notes of a Series may, without the consent of the holders of each Note of such Series directly and adversely affected thereby:

(a) change the stated maturity of the principal of any Note of such Series or extend the scheduled date for payment of interest or Additional Amounts thereon;

(b) reduce the principal amount of any Note of such Series or reduce the stated rate of interest or Additional Amounts payable thereon or the amount payable thereon in the event of redemption or acceleration (or in the case of Original Issue Discount Notes, change the amount that would be due and payable upon an acceleration thereof);

(c) change the currency of payment of principal of, or any other amounts payable on, any Note of such Series;

(d) change the place where payment of principal of or interest on the Notes of any Series is made to the registered holder(s) of such Notes;

(e) amend the contractual right in the Notes of any Series to institute suit for any payment on or with respect to the Notes of such Series on or after the respective due dates provided for in such Notes;

(f) reduce the above-stated percentage of the principal amount of Notes of such Series, the consent of whose holders is necessary to modify or amend the Fiscal Agency Agreement, the terms of the Notes or reduce the percentage of Notes of such Series required for the taking of action or the quorum required at any such meeting of holders of Notes of such Series; or

(g) amend the foregoing requirements to reduce the percentage of outstanding Notes of such Series necessary to waive any future compliance or past default.

The persons entitled to vote a majority in principal amount of the Notes of a Series outstanding shall constitute a quorum at a meeting of Noteholders of such Series except as hereinafter provided. In the absence of such a quorum, a meeting of Noteholders called by the Issuer shall be adjourned for a period of not less than 10 days, and in the absence of a quorum at any such adjourned meeting, the meeting shall be further adjourned for another period of not less than 10 days, at which further adjourned meeting persons entitled to vote 25% in principal amount of Notes of a Series at the time outstanding shall constitute a quorum. Except for modifications or amendments in (a) to (f) above which require the consent of the holders of each Note of such series directly and adversely affected thereby, any modifications, amendments or waivers to the Fiscal Agency Agreement, the terms of the Notes of a Series at a meeting of Noteholders require a favorable vote of holders of the lesser of (i) a majority in principal amount of the outstanding Notes of such Series or (ii) a majority of the principal amount of Notes of such Series represented and voting at the meeting. Any such modifications, amendments or waivers will be conclusive and binding on all holders of Notes of such Series, whether or not they have given such consent or were present at such meeting and whether or not notation of such modifications, amendments or waivers is made upon the Notes, and on all future holders of Notes of such Series. Any instruments given by or on behalf of any holder of a Note of a Series in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note.

Notes owned by the Issuer or any of its affiliates shall not be deemed to be outstanding for purposes of making any modification or amendment of the Notes of such Series.

Replacement of Notes and Coupons

Any Notes or coupons that become mutilated, destroyed, lost or stolen or are apparently destroyed, lost or stolen will be replaced by the Issuer at the expense of the holder upon delivery of the Notes or coupons or satisfactory evidence of the destruction, loss or theft thereof to the Issuer and the Fiscal Agent. In each case, an indemnity satisfactory to the Issuer and the Fiscal Agent may be required at the expense of the holder of such Note or coupon before a replacement Note or coupon will be issued. For so long as the Notes are listed or admitted to trading on or by any other stock exchange, competent authority and/or market and the rules of such stock exchange(s), competent authority(ies) and/or market(s) so require, a noteholder shall be able to obtain a replacement Note or coupon at the offices of the paying agent located in each location required by the rules and regulations of such stock exchange(s), competent authority(ies) and/or market(s).

Applicable Law

The Fiscal Agency Agreement and the Notes will be governed by, and construed in accordance with, the laws of the State of New York, United States.

Notices

All notices concerning the Notes shall be published in a newspaper having a general circulation in Luxembourg (which is currently expected to be *LuxemburgerWort*) or on the official website of the Luxembourg Stock Exchange (www.luxse.com), if and for so long as the Notes are listed on the Luxembourg Stock Exchange and for so long as the rules of the Luxembourg Stock Exchange so require. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication). Notices to holders of Registered Notes will also be given by mailing such notices to each holder by first class mail, postage prepaid, at the respective address of each holder as that address appears upon the books of the relevant Registrar.

So long as no definitive Bearer Notes or definitive Registered Notes are in issue in respect of a particular Series, there may, so long as the global Note(s) for such Series is or are held in its or their entirety on behalf of DTC, Euroclear and/or CBL, and/or another clearance system, as the case may be, and the Notes for such Series are not listed and/or admitted to trading on a stock exchange, competent authority and/or market, or if so listed or admitted to trading, for so long as the relevant stock exchange, competent authority and/or market so permits, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to DTC, Euroclear, CBL and/or such other clearance system for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to DTC, Euroclear, CBL and/or such other clearance system.

Notices to be given by a Noteholder shall be in writing and given by lodging the same, together with the related Note or Notes, with the Fiscal Agent. While any Notes are represented by a global Note, such notice may be given by a Noteholder to the Fiscal Agent via Euroclear, CBL, and/or such other clearance system, as the case may be, in such manner as the Fiscal Agent and Euroclear, CBL and/or such other clearance system may approve for this purpose.

If the Notes are no longer listed on the Luxembourg Stock Exchange, unless otherwise indicated, notices to holders of Bearer Notes will be valid if published (i) in a leading daily English language newspaper with general circulation in Europe, or (iii) so long as the Notes are listed on any other securities exchange, such newspaper or website as the rules of such exchange may require.

Consent to Service

The Issuer has designated Cogency Global Inc., presently located at 10 E 40th Street, New York, New York 10016, as authorized agent for service of process in any legal action or proceeding arising out of or relating to the Fiscal Agency Agreement or the Notes brought in any federal or state court in the Borough of Manhattan, the City of New York, State of New York.

Consent to Jurisdiction

(a) The Issuer irrevocably consents to the exclusive jurisdiction of any court of the State of New York or any United States Federal court sitting, in each case, in the borough of Manhattan, city of New York, State of New York, United States, and any appellate court from any thereof, and waives any immunity from the jurisdiction of such courts over any suit, action or proceeding that may be brought by the Fiscal and Paying Agent or a holder in connection with the Fiscal Agency Agreement or the Notes. The Issuer irrevocably waives, to the fullest extent permitted by law, any objection to any suit, action or proceeding that may be brought in connection with the Fiscal Agency Agreement or the Notes in such courts on the grounds of venue or on the ground that any such suit, action or proceeding has been brought in an inconvenient forum. The Issuer agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Issuer and may be enforced in any court to the jurisdiction of which the Issuer is subject by a suit upon such judgment; provided that service of process is effected upon the Issuer in the manner provided by the Fiscal Agency Agreement. Notwithstanding the foregoing, any suit, action or proceeding brought in connection with the Fiscal Agency Agreement or the Notes against the Issuer may be instituted in any competent court in the Republic of Peru.

(b) The Issuer agrees that service of all writs, process and summonses in any suit, action or proceeding brought in connection with the Fiscal Agency Agreement or the Notes against the Issuer in any court of the State of New

York or any United States Federal court sitting, in each case, in the Borough of Manhattan, The City of New York, may be made upon Cogency Global Inc., presently located at 10 E 40th Street, New York, New York 10016.

(c) Nothing in this Section shall affect the right of any party to serve legal process in any other manner permitted by law or affect the right of any party to bring any action or proceeding against any other party or its property in the courts of other jurisdictions.

Judgment Currency

The Issuer agrees, to the fullest extent that it may effectively do so under applicable law, that (a) if for the purpose of obtaining judgment in any court it is necessary to convert the sum due in respect of the principal of, or premium or interest, if any, on the Notes of any Series (the "Required Currency") into a currency in which a judgment will be rendered (the "Judgment Currency"), the rate of exchange used shall be the rate at which, in accordance with normal banking procedures, the Issuer could purchase the Required Currency with the Judgment Currency and (b) its obligations under the Fiscal Agency Agreement to make payments in the Required Currency (i) shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment (whether or not entered in accordance with subsection (a)), in any currency other than the Required Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Required Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Required Currency the amount, if any, by which such actual receipt shall fall short of the full amount of the Required Currency so expressed to be payable and (iii) shall not be affected by judgment being obtained for any other sum due under the Fiscal Agency Agreement.

FORM OF FINAL TERMS

[**MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subject to MiFID II subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.] [*Legend to be included on front of the Final Terms if transaction is in scope of MiFID II and following the ICMA 1 "all bonds to all professionals" target market approach.*]

PRIIPs Regulation / PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"), (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

UK PRIIPs Regulation / PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565, as amended, as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014, as amended, as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended, as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

FINAL TERMS NO. [●]
Dated [●]

BANCO DE CRÉDITO DEL PERÚ (the "Issuer")
LEI (Legal Entity Identifier): 549300EQYQ8SCQZ4BY14
ISSUE OF MEDIUM-TERM NOTES
[●]% [Fixed Rate][Floating Rate] Notes Due [●]

Series No.: [●]

PART A - CONTRACTUAL TERMS

This document must be read in conjunction with the base prospectus dated [●] [and the supplement(s) to it dated [●]] ([collectively,] the "Base Prospectus"). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [The Base Prospectus has

been, and these Final Terms will be, published on the website of the Luxembourg Stock Exchange (www.luxse.com).]

1. General Information:

(i)	Series Number:	[●]
(ii)	Tranche Number:	[●] [The Notes will be fungible with, have identical terms and conditions (other than issue date and issue price) as, will constitute part of the same series as, and vote together as a single class with, the [●] notes due [●], issued on [●]]
(iii)	Trade Date:	[●]
(iv)	Settlement Date (Original Issue Date):	[●]
(v)	Maturity Date:	[●]
(vi)	Specified Currency:	[●]
(vii)	Principal Amount (in Specified Currency):	[●]
(viii)	Dealer's Discount or Commission:	[●]
(ix)	Price to Public (Issue Price):	[●]
(x)	Ranking:	[Senior][Subordinated]
(xi)	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [●] at [●] per cent. of their nominal amount. [*The redemption price shall in no event be less than 100% of the outstanding principal amount of Notes to be redeemed.*] [*For non-U.S. dollar denominated Notes only*: The provisions set out in "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes" [do not] apply. [*If the provisions set out in "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes" are applicable*: Payments of principal and interest in respect of Notes denominated in a Specified Currency other than U.S. dollars will be made in the Specified Currency unless the holder of such Notes elects to receive payments in U.S. dollars in accordance with the provisions set out in "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes."]] [*For non-U.S. dollar denominated Notes where the Specified Currency (a) is unavailable due to imposition of exchange controls or other circumstances beyond the Issuer's control or (b) is no longer used by the government of the country issuing such Specified Currency*: The provisions set out in "Special Provisions Relating to Foreign Currency Notes—Changing the Specified Currency of Foreign Currency Notes" [do not] apply. [*If the provisions set out in "Special Provisions Relating to Foreign Currency Notes—Changing the Specified Currency of Foreign Currency Notes" are applicable*: The Issuer may settle any

	payment due in respect of the Notes in a currency other than the Specified Currency on the due date for such payment in the circumstances described in "Special Provisions Relating to Foreign Currency Notes—Changing the Specified Currency of Foreign Currency Notes."]]
(xii) Use of Proceeds:	[The net proceeds from the offering will be used for general corporate purposes.][●]
2. Payment of Additional Amounts:	[Applicable/Not applicable]
3. Authorization/Approval:	
(i) Date Board approval for issuance of Notes obtained:	[●] [Not applicable]
4. Fixed Rate Notes Only Interest Rate:	[Applicable/Not applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
(i) Fixed Interest Rate:	[●]
(ii) Interest Payment Period:	[Annual] [Semi-Annual] [Quarterly] [Monthly]
(iii) Fixed Interest Payment Dates:	Each [●], commencing [●]
(iv) Day Count Fraction:	[30/360] *[in the case of Notes denominated in U.S. Dollars]* [Actual/Actual (ICMA)] *[in the case of Notes denominated in a currency other than U.S. Dollars]*
(v) Regular Record Dates (if any):	[The 15th calendar day prior to each Interest Payment Date] [The business day prior to each Interest Payment Date][relevant only to Registered Notes] [Not applicable]
(vi) Determination Dates:	[Each [●]] [Not applicable] [relevant only to Registered Notes]
(vii) Interest Commencement Date:	[●] [Not applicable]
5. Floating Rate Notes Only Interest Rate:	[Applicable/Not applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
(i) Interest Calculation:	[Regular Floating Rate] [Floating Rate/Fixed Rate] [Inverse Floating Rate]
(ii) Interest Rate Basis:	[CD Rate] [Commercial Paper Rate] [Eleventh District Cost of Funds Rate] [Federal Funds Rate] [EURIBOR] [SOFR Arithmetic Mean] [SOFR Compound with Lookback] [SOFR Compound with Observation Period Shift] [SOFR Compound with Payment Delay] [SOFR Index with Observation Period Shift] [Treasury Rate] [Prime Rate]
(iii) Spread (Plus or Minus):	[plus/minus [●]%]

(iv)	Spread Multiplier:	[●]
(v)	Index Maturity:	[●] Months
(vi)	Maximum Interest Rate:	[●]
(vii)	Minimum Interest Rate:	[●][Not applicable] (*if no minimum interest rate is specified or if the Final Terms indicate that the minimum interest rate is "not applicable," then the minimum interest rate shall be zero*)
(viii)	Interest Payment Period:	[Daily/Monthly/Quarterly/Semi-annually]
(ix)	Interest Payment Date:	Each [list interest payment dates]
(x)	Initial Interest Rate Per Annum:	To be determined [●] Business Days prior to the Original Issue Date based upon [interest rate basis plus/minus the spread amount]
(xi)	Interest Reset Periods and Dates:	[Daily/monthly/quarterly/semi-annually] on each Interest Payment Date
(xii)	Interest Determination Date:	[●] Business Days prior to each Interest Reset Date
(xiii)	Regular Record Dates (if any):	[The 15th calendar day prior to each Interest Payment Date] [The business day prior to each Interest Payment Date][relevant only to Registered Notes][Not applicable]
(xiv)	Day Count Fraction:	[Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(xv)	Lookback Days:	[●] U.S. Government Securities Business Days [*include for SOFR Compound with Lookback Notes*]
(xvi)	Observation Shift Days:	[●] U.S. Government Securities Business Days [*include for SOFR Index with Observation Period Shift and SOFR Compound with Observation Period Shift Notes*]
(xvii)	Interest Accrual Period End Dates:	[●] [*Include for SOFR Compound with Payment Delay Notes*]
(xviii)	Interest Payment Delay:	[●] U.S. Government Securities Business Days [*Include for SOFR Compound with Payment Delay Notes*]
(xix)	Index Determination Date:	The date that is [●] U.S. Government Securities Business Days preceding the last date of the relevant interest period. [*Include for SOFR Index with Observation Period Shift Notes*]
(xx)	SOFR Rate Cut-Off Date:	[●] [*Include for SOFR Compound Notes*]
(xxi)	Calculation Agent:	[Fiscal Agent] [Other][if Other, insert name]

6. Repayment and Redemption:

(i)	Issuer Optional Redemption Date:	[Applicable/Not Applicable][if applicable, provide date]
(ii)	Redemption Price:	[●]

(iii)	Make Whole Redemption:	[Applicable/Not Applicable] [if applicable, specify agent calculating the Make Whole Amount][if applicable, specify spread]
(iv)	Calculation Agent:	[Applicable/Not Applicable] [Fiscal Agent] [Other]
7.	**Indexed Notes:**	
(i)	Currency Base Rate:	[●]
(ii)	Determination Agent:	[●]
8.	**Form of Notes:**	
(i)	Temporary global Note to permanent global Note:	[Applicable/Not Applicable]
(ii)	Permanent global Note:	[Applicable/Not Applicable][Bearer/Registered]
(iii)	Bearer Note:	[Applicable/Not Applicable]
(iv)	Registered Notes:	[Applicable/Not Applicable]
(v)	New global Note:	[Applicable/Not Applicable]
(vi)	Exchange of temporary global Notes into definitive Bearer Notes:	[Not applicable][Specify Exchange Date]
(vii)	Exchange of permanent global Notes into definitive Bearer Notes:	[Not applicable][Specify Exchange Date]
(viii)	Exchange of definitive Bearer Notes into Registered Notes:	[Not applicable][Specify Exchange Date]
(ix)	Exchange of Registered Notes into Registered Notes in other authorized denominations:	[Not applicable][Specify Exchange Date]
9.	**U.S. Selling Restrictions:**	[Rule 144A restrictions on transfers and Regulation S Compliance Category 2]; [TEFRA C/TEFRA D/TEFRA not applicable]
10.	**Distribution:**	[Rule 144A/Regulation S]
11.	**Denominations:**	The Notes will be available in denominations of [●] and integral multiples of [●] in excess thereof.
12.	**Managers:**	[●]: [●]*List all Managers (legal names)* (*List amount*)
(i)	The Notes are being purchased[, on a several and not joint basis,] by the following financial institutions (each a "Manager" and collectively, the "Managers") in the respective amounts set forth next to the name of each Manager pursuant to a Terms Agreement between Issuer and the Managers dated [●], executed under the Dealer Agreement. To the extent that any of the Managers are not	Total: [●]

named as Dealers in the Dealer Agreement, Banco de Crédito del Perú has appointed them as Dealers thereunder for this transaction pursuant to the relevant Terms Agreement.

(ii) Stabilizing manager(s): [●][Not applicable]

Part B Other Information

1. Admissions to Listing and Trading:

[(i) Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the Official List of the [Luxembourg Stock Exchange.]]

[(ii) Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [Euro MTF Market of the Luxembourg Stock Exchange.]]

[(iii) *Other admissions to listing and trading to be specified if applicable*]

Estimated expenses related to the admission to trading: [●][Not applicable]

2. Ratings:

The Notes to be issued [have been][are expected to be] rated:

(i) Moody's: [●][Not applicable]

(ii) Standard & Poor's: [●][Not applicable]

(iii) Fitch: [●][Not applicable]

(iv) [Other]: [●][*Insert the full legal name of credit rating agency*]

[[*Insert the full legal name of credit rating agency*] is [not] incorporated in the European Union [or][and] registered under Regulation (EC) No 1060/2009, as amended by Regulation (EC) No 513/2011.]

The Notes to be issued are not expected to be rated: [●][Not applicable]

A rating is not a recommendation to buy, sell or hold Notes issued under the Program and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Issuer may adversely affect the market price of the Notes issued under the Program.

3. Interests of Natural and Legal Persons Involved in the Issue:

[●]/[So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Dealers and their affiliates have engaged, and/or may in the future engage, in investment banking and/or commercial banking transactions with, and/or may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

4. Fixed Rate Notes Only Yield:

(i)	Indication of yield as of the Original Issue Date:	[●][Not applicable]

5. Operational Information:

(i)	ISIN:	[●]
(ii)	CUSIP:	[●]
(iii)	Common Code:	[●]
(iv)	CFI:	[Not applicable] [●] [*If the CFI is not required, requested or available, it should be specified to be "Not Applicable"*]
(v)	FISN:	[Not applicable] [●] [*If the FISN is not required, requested or available, it should be specified to be "Not Applicable*"]
(vi)	Book-entry Clearing Systems:	[Euroclear Bank S.A./N.V.][Clearstream Banking, *société anonyme*][The Depository Trust Company]
(vii)	Names and addresses of additional Paying Agent(s) (if any):	[Not applicable] [●]
(viii)	Intended to be held in a manner which would allow Eurosystem eligibility:	[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank (ECB) being satisfied that Eurosystem eligibility criteria have been met.]

TAXATION

General

The following discussion summarizes certain Peruvian tax and United States federal income tax consequences from the acquisition, ownership and disposition of the Notes. This overview does not purport to be a comprehensive description of all potential Peruvian tax and United States federal income tax considerations that may be relevant and is not intended as tax advice to any particular investor. This overview does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Peru and the United States. As of this date, there is no applicable income tax treaty in effect between the United States and Peru.

Investors should consult their own tax advisors as to the Peruvian, United States or other tax consequences of the acquisition, ownership and disposition of the Notes, including, in particular, the application of the tax considerations discussed below to their particular situations, as well as the application of state, local, foreign or other tax laws.

Peruvian Taxation

The following summary of certain Peruvian tax matters as in force on the date of this Prospectus describes the principal tax consequences of an investment in the Notes by a person or an entity who is not domiciled in Peru for tax purposes. This summary does not intend to be a comprehensive description of all of the tax considerations that may be relevant to a decision to make an investment in the Notes. In addition, it does not intend to describe any tax consequences: (i) arising under the laws of any taxing jurisdiction other than Peru or (ii) applicable to a person or entity domiciled in Peru or to the permanent establishment of foreign entities in Peru.

In this section, the term "Peruvian Holder" means the holder or beneficial owner, as applicable, of a Note who, for Peruvian income tax purposes, is treated as a resident of Peru. A legal entity is treated as a Peruvian tax resident if it has been incorporated in Peru, or if it is deemed to be a permanent establishment in Peru of a foreign entity. An individual is deemed to be a Peruvian tax resident if such individual (i) is a Peruvian citizen and has a regular residence in Peru or, (ii) is not a Peruvian citizen but has resided in Peru for a period of at least 183 days during any 12-month period.

The term "Non-Peruvian Holder" means the holder or beneficial owner of a Note, as applicable, who is not a Peruvian Holder.

Peru has executed treaties to avoid double taxation with the Andean Community (Bolivia, Colombia and Ecuador), Brazil, Canada, Chile, Switzerland, South Korea, Mexico, Portugal and Japan all of which are currently in force. Non-Peruvian Holders that are domiciled in any of these countries should consult an independent tax advisor regarding the application of the relevant tax treaty.

Payment of Interest

In the case of Non-Peruvian Holders, interest paid on debt is subject to income tax withholding, which generally would be imposed at a rate of 30%. However, interest paid on bonds and other debentures issued by Peruvian financial entities are subject to income tax withholding at a preferential rate of 4.99%, provided that the following conditions are met: (i) the Non-Peruvian Holders and the issuer are not considered to be related parties pursuant to Peruvian Income Tax Law and (ii) in the case of Non-Peruvian Holders that are individuals, the interest (a) does not derive from a transaction from or through a low or no-tax jurisdiction or a non-cooperative jurisdiction; and (b) is not subject to a preferential tax regime.

The Issuer is required to act as withholding agent for any income tax due with respect to interest paid on the Notes. However, if the Notes are listed on the BVL, the Peruvian clearing house, CAVALI ICLV S.A. ("CAVALI"), will act as withholding agent with respect to interest paid on the Notes. The Issuer has agreed, subject to specified exceptions and limitations, to pay additional amounts to the holders of the Notes in respect of the Peruvian income taxes mentioned above. See "Description of the Notes—Payment of Additional Amounts."

Sale of the Notes

Any gain by a Non-Peruvian Holder arising from the sale, exchange or other disposition of the beneficial interest in the Notes held through a foreign clearing system will not be subject to Peruvian income tax.

In the case of Bearer Notes or in the event that the beneficial interests in the Notes are exchanged for definitive notes, any capital gain arising from the sale, exchange or other disposition of these Bearer Notes or definitive Notes by Non-Peruvian Holders will be subject to Peruvian income tax at a preferential rate of 5% if the following conditions are met: (i) the Bearer Notes or definitive Notes, as applicable, are registered with the Peruvian Securities Public Registry (*Registro Público del Mercado de Valores*), and (ii) the Bearer Notes or definitive Notes, as applicable, are negotiated on the BVL (in which case CAVALI will act as withholding agent with respect to such capital gain). If such requirements are not met, capital gains will be taxed at a 30% income tax rate.

A capital gain will be equal to the difference between (i) the amount realized on the sale, exchange or disposition of the Bearer Notes or definitive Notes, as applicable, and (ii) the acquisition cost (purchase price) of the Notes, which must be certified by the Peruvian tax administration unless the sale, exchange or disposition is made through the BVL. Each holder should discuss with its own tax advisors the formal obligations that may arise in relation with the determination of the acquisition cost of the Notes.

Redemption of the Notes

Any premium received upon an early redemption of the Notes will be deemed to be Peruvian-source income and characterized as interest, see "Taxation—Peruvian Taxation—Payment of Interest".

The Issuer has agreed, subject to certain exceptions and limitations, to pay Additional Amounts to the holders of the Notes if we are required by Peruvian law to withhold or deduct any taxes from or in respect of any sum payable under the Notes, including the income taxes described above. See "Description of the Notes—Payment of Additional Amounts."

Value Added Tax

Interest paid on the Notes is not subject to Peruvian Value Added Tax (*Impuesto General a las Ventas*) ("VAT"). The sale, exchange or disposition of the Notes or the beneficial interests in the Notes is not subject to VAT.

Financial Transaction Tax

Deposits in and withdrawals from accounts held in Peruvian banks or other financial institutions, whether in Soles or foreign currency, are levied with a financial transactions tax ("FTT") at a 0.005% rate. Therefore, payment of the issue price, interest and principal of the Notes will be levied with FTT, provided they are deposited in or withdrawn from a bank account held in a Peruvian bank or other financial institution.

United States Federal Income Taxation

The following is a discussion of certain U.S. federal income tax consequences of the ownership and disposition of the Notes. This disclosure does not address Bearer Notes, which generally may not be offered or sold in the United States or to U.S. Holders (as defined below). This discussion applies only to Notes that are:

- purchased by those initial holders who purchase the Notes at their "issue price," which generally will equal the first price to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the Notes is sold for money;
- held as capital assets (generally, property held for investment purposes); and
- beneficially owned by U.S. Holders.

This discussion does not describe all of the tax consequences, including Medicare Contribution Tax consequences, that may be relevant to a holder in light of its particular circumstances or to holders subject to special rules, such as:

- financial institutions;
- regulated investment companies;
- insurance companies;
- real estate investment trusts;
- dealers in securities;
- traders in securities that elect to use a mark-to-market method of tax accounting;
- persons holding Notes as part of a hedging transaction, straddle or other integrated transaction;
- persons whose functional currency is not the U.S. dollar;
- partnerships or other entities or arrangements classified as partnerships for U.S. federal income tax purposes;
- an accrual method taxpayer subject to special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account in an "applicable financial statement";
- persons subject to the alternative minimum tax; or
- persons that own, or are deemed to own, ten percent or more of any class of the Issuer's stock.

If a partnership (or other entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Thus, partnerships holding Notes and partners therein should consult their tax advisors.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which subsequent to the date of this Prospectus may affect the tax consequences described herein, possibly with retroactive effect. Persons considering the purchase of Notes are urged to consult their tax advisors with regard to the application of the U.S. federal income tax laws to their particular situations, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

This discussion applies only to Notes that are classified as indebtedness for U.S. federal income tax purposes. This discussion does not apply to every type of Note that may be issued under the Program, including certain Floating Rate Notes. In particular, this discussion does not address the tax consequences of any Notes, including Indexed Notes, that are treated under applicable Treasury regulations as providing for contingent payments and subject to special rules thereunder. Additional material U.S. federal income tax consequences of any such Notes will be addressed in an applicable supplement to this Prospectus.

As used herein, the term "U.S. Holder" means, for U.S. federal income tax purposes, a beneficial owner of a Note that is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; or

- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Payments of Interest

Interest paid on a Note will be taxable to you as ordinary interest income at the time it accrues or is received, in accordance with your method of accounting for U.S. federal income tax purposes, provided that the interest is qualified stated interest (as defined below). Any amounts withheld with respect to interest paid on the Notes and any Additional Amounts paid with respect to interest will be treated as ordinary interest income. Interest income you earn with respect to a Note will constitute foreign-source income for U.S. federal income tax purposes, which may be relevant in calculating your foreign tax credit limitation. The limitation on foreign taxes eligible for credit is calculated separately with respect to two specific classes of income. For this purpose, interest income on the Notes generally will constitute "passive category income" or, in the case of certain U.S. Holders, "general category income." Recently issued Treasury regulations (the "Foreign Tax Credit Regulations") impose additional requirements for foreign taxes to be eligible for credit. We have not determined whether these requirements have been met with respect to any withholding tax imposed on interest paid on the Notes, and, accordingly, no assurance can be given that any such withholding will be creditable. However, recent notices from the Internal Revenue Service (the "IRS") provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). Instead of claiming a credit, you may be able to elect to deduct withheld taxes in computing your taxable income. An election to deduct creditable foreign taxes instead of claiming foreign tax credits applies to all creditable foreign taxes paid or accrued in the taxable year. The rules governing foreign tax credits and deductibility of foreign taxes are complex and you should consult your own tax advisor regarding the availability of foreign tax credits or deductions for any amounts withheld with respect to interest paid on the Notes in your particular circumstances.

Special rules governing the treatment of interest paid with respect to OID Notes and Foreign Currency Notes are described under "—Original Issue Discount" and "—Foreign Currency Notes" below.

Original Issue Discount

A Note that is issued at an issue price less than its "stated redemption price at maturity" will be considered to have been issued with original issue discount for U.S. federal income tax purposes (and will be referred to in this section as an "OID Note") unless the Note satisfies a *de minimis* threshold (as described below). The "stated redemption price at maturity" of a Note will equal the sum of all payments required under the Note other than payments of "qualified stated interest." "Qualified stated interest" is stated interest unconditionally payable as a series of payments in cash or property (other than in debt instruments of the Issuer) at least annually during the entire term of the Note and equal to the outstanding principal balance of the Note multiplied by a single fixed rate of interest or, subject to certain conditions, based on one or more floating rates or indices.

All stated interest on a Variable Rate Note (as defined below) will constitute qualified stated interest if the Note provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof that is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually. Therefore, such a Variable Rate Note will not be treated as having been issued with original issue discount unless it is issued at a "true" discount (i.e., at a price below the Note's stated principal amount that equals or exceeds a specified *de minimis* amount). In general, a "Variable Rate Note" is a Note that provides for one or more qualified floating rates of interest, a single fixed rate and one or more qualified floating rates, a single objective rate, or a single fixed rate and a single objective rate that is a qualified inverse floating rate (as such terms are defined in applicable Treasury regulations), provided that certain other requirements are satisfied.

A "qualified floating rate" is any variable rate variations in the value of which can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Rate Note is denominated. An interest rate that is based on a fixed multiple of a qualified floating rate that is greater than .65 but not more than 1.35, or that subjects a qualified floating rate to a cap, floor, governor or similar restriction, may also be treated as a qualified floating rate if certain conditions are satisfied. An "objective rate" is generally a rate that is determined using a single fixed formula and that is based on objective financial or economic information.

If a Variable Rate Note provides for two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Note, the qualified floating rates together constitute a single qualified floating rate. Two or more qualified floating rates will be conclusively presumed to meet the requirements of the preceding sentence if the values of the applicable rates on the issue date are within 25 basis points of each other. If interest on a debt instrument is stated at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period, and the value of the variable rate on the issue date is intended to approximate the fixed rate, the fixed rate and the variable rate together constitute a single qualified floating rate or objective rate. A fixed rate and a variable rate will be conclusively presumed to meet the requirements of the preceding sentence if the values of the variable rate and the fixed rate on the issue date are within 25 basis points of each other. If, after application of these rules, a Variable Rate Note is treated as having been issued with interest other than qualified stated interest or as issued at a "true" discount, the U.S. federal income tax treatment of such Note will be more fully described in the applicable supplement to this Prospectus.

If the difference between a Note's stated redemption price at maturity and its issue price is less than a *de minimis* amount, i.e., 1/4 of one percent of the stated redemption price at maturity multiplied by the number of complete years to maturity (or weighted average maturity, if any amount included in the stated redemption price at maturity is payable before maturity), then the Note will not be considered to have original issue discount.

Subject to the rules applicable to Short-Term Notes, discussed below, if you hold an OID Note, you will be required to include any qualified stated interest payments in income in accordance with your method of accounting for U.S. federal income tax purposes, and you will be required to include original issue discount in income for U.S. federal income tax purposes as it accrues, in accordance with a constant-yield method based on a compounding of interest. Under this method, you will generally be required to include in income increasingly greater amounts of original issue discount in successive accrual periods.

You may make an election to include in gross income all interest that accrues on any Note (including stated interest and original issue discount or *de minimis* original issue discount, as adjusted by any amortizable bond premium) in accordance with a constant-yield method based on the compounding of interest (a "constant-yield election").

A Note that matures one year or less from its date of issuance (a "Short-Term Note") will be treated as being issued at a discount, and none of the interest paid on the Note will be treated as qualified stated interest. In general, if you are a cash-method U.S. Holder of a Short-Term Note, you will not be required to accrue the discount for U.S. federal income tax purposes unless you elect to do so. If you make such an election, or if you report income on the accrual method of accounting for U.S. federal income tax purposes, you will be required to include the discount in income as it accrues on a straight-line basis, unless you make another election to accrue the discount according to a constant-yield method based on daily compounding. If you are not required and do not elect to include the discount in income currently, you will treat any gain realized on the sale, exchange, retirement or other taxable disposition of the Short-Term Note as ordinary income to the extent of the discount accrued on a straight-line basis (or, if you elect, according to a constant-yield method based on daily compounding) through the date of sale, exchange, retirement or other taxable disposition, and you will be required to defer deductions for any interest paid on indebtedness incurred to purchase or carry Short-Term Notes, in an amount not exceeding the accrued discount, until the accrued discount is included in income or you dispose of the Note in a taxable transaction.

Under applicable Treasury regulations, if the Issuer or you have an unconditional option to redeem a Note prior to its Maturity Date, the Issuer will generally be presumed to exercise an option to redeem a Note if the exercise of the option will lower the yield on the Note. Conversely, you will generally be presumed to exercise an option to require the Issuer to repurchase a Note if the exercise of the option will increase the yield on the Note. If such an option is not in fact exercised, the Note will be treated, solely for purposes of calculating original issue discount, as if it were redeemed and a new Note were issued on the presumed exercise date for an amount equal to the Note's "adjusted issue price" on that date. The "adjusted issue price" of an OID Note at the beginning of any accrual period is the sum of the issue price of the OID Note plus the amount of original issue discount allocable to all prior accrual periods reduced by any payments received on the OID Note that were not qualified stated interest. The rules governing Short-Term Notes described above may apply to a Note treated as reissued. You should consult your own tax advisor regarding the possible application of these rules.

Amortizable Bond Premium

If you purchase a Note for an amount that is greater than the sum of all amounts payable on the Note other than qualified stated interest, you will be considered to have purchased the Note with amortizable bond premium in an amount equal to that excess. In general, you may elect to amortize this premium, using a constant-yield method, over the remaining term of the Note. Special rules may apply in the case of Notes that are subject to optional redemption. You generally may use the amortizable bond premium allocable to an accrual period to offset qualified stated interest required to be included in your income with respect to the Note in that accrual period. If you elect to amortize bond premium, you must reduce your tax basis in the Note by the amount of the premium allowable as an offset in any year. An election to amortize bond premium applies to all taxable debt obligations that you then own and thereafter acquire and may be revoked only with the consent of the IRS.

If you make a constant-yield election (as described under "—Original Issue Discount" above) for a Note with amortizable bond premium, that election will result in a deemed election to amortize bond premium for all of your debt instruments with amortizable bond premium and may be revoked only with the permission of the IRS, and only with respect to debt instruments acquired after revocation.

Sale, Exchange, Retirement or Other Taxable Disposition of the Notes

Upon the sale, exchange, retirement or other taxable disposition of a Note, you will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, retirement or other taxable disposition and your adjusted tax basis in the Note. For these purposes, the amount realized does not include any amount attributable to accrued qualified stated interest, which will be treated as interest as described under "—Payments of Interest" above. Your adjusted tax basis in a Note generally will equal your initial investment in the Note increased by any original issue discount included in income and decreased by any bond premium previously amortized and any payments, other than qualified stated interest, previously received. Gain or loss, if any, generally will be U.S.-source for purposes of computing your foreign tax credit limitation. Treasury regulations generally will preclude U.S. taxpayers from claiming a foreign tax credit with respect to any non-U.S. tax imposed on gains from disposition of bonds, unless the tax is creditable under an applicable income tax treaty. The United States does not currently have an applicable income tax treaty with Peru. Therefore, you generally will not be entitled to claim a foreign tax credit for any Peruvian taxes imposed on gains from taxable dispositions of Notes (although it is possible that such taxes may reduce the amount realized on the disposition). The rules governing foreign tax credits are complex and, therefore, you should consult your own tax advisor regarding the creditability or deductibility of any Peruvian tax on disposition gains (including any applicable limitations) and the determination of the amount realized in your particular circumstances.

Gain or loss realized on the sale, exchange, retirement or other taxable disposition of a Note will be capital gain or loss, which will be long-term capital gain or loss if, at the time of sale, exchange, retirement or other taxable disposition, you have held the Note for more than one year. Long-term capital gain of a non-corporate U.S. Holder generally is taxed at preferential rates. The deductibility of capital losses is subject to limitations.

Foreign Currency Notes

The rules applicable to Notes issued in a currency other than U.S. dollars ("Foreign Currency Notes") could require some or all of the gain or loss on the sale, exchange or other taxable disposition of a Foreign Currency Note to be treated as ordinary income or loss. The rules applicable to Foreign Currency Notes are complex. You are urged to consult your tax advisor regarding the U.S. federal income tax consequences of the ownership and disposition of Foreign Currency Notes.

If you use the cash method of tax accounting and receive a payment of qualified stated interest (or receive proceeds from a sale, exchange or other disposition attributable to accrued qualified stated interest) in a foreign currency with respect to a Foreign Currency Note, you will be required to include in income the U.S. dollar value of the foreign currency payment (determined based on a spot rate on the date the payment is received) regardless of whether the payment is in fact converted into U.S. dollars at that time, and this U.S. dollar value will be your tax basis in the foreign currency received.

If you are an accrual-method U.S. Holder, you will be required to include in income the U.S. dollar value of the amount of interest income (including original issue discount, but reduced by amortizable bond premium to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a Foreign Currency Note during an accrual period. The U.S. dollar value of the accrued income will be determined by translating the income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. You may recognize ordinary income or loss (which will not be treated as interest income or expense) with respect to accrued interest income on the date the interest payment or proceeds from the sale, exchange or other taxable disposition attributable to accrued interest is actually received. The amount of ordinary income or loss recognized will equal the difference between the U.S. dollar value of the foreign currency payment received (determined based on the spot rate on the date the payment is received) in respect of the accrual period and the U.S. dollar value of interest income that has accrued during the accrual period (as determined above). Rules similar to these rules apply if you are a cash-method U.S. Holder who is required currently to accrue original issue discount on a Foreign Currency Note. If you are an accrual-method U.S. Holder (including a cash-method U.S. Holder with respect to original issue discount), you may elect to translate interest income (including original issue discount) into U.S. dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, on the last day of the taxable year) or, if the date of receipt is within five business days of the last day of the interest accrual period, on the date of receipt. If you make this election, you must apply it consistently to all debt instruments from year to year, and you may not change the election without the consent of the IRS.

Original issue discount and amortizable bond premium on a Foreign Currency Note are determined in the relevant foreign currency. If you make an election to amortize bond premium, amortizable bond premium taken into account on a current basis will reduce interest income in units of the relevant foreign currency. Gain or loss attributable to fluctuations in exchange rates is realized on amortized bond premium with respect to any period by treating the bond premium amortized in the period in the same manner as it would have been treated on the sale, exchange, retirement or other taxable disposition of the Foreign Currency Note. Any such exchange gain or loss will be ordinary income or loss as described below. If the election is not made, any bond premium will be taken into account in determining the overall gain or loss on the Notes.

As discussed above under "—Sale, Exchange, Retirement or Other Taxable Disposition of a Note," you will generally recognize gain or loss on the sale, exchange, retirement or other taxable disposition of a Note equal to the difference between the amount realized on the sale, retirement or other taxable disposition and your adjusted tax basis in the Note. Your adjusted tax basis in a Foreign Currency Note will equal the amount you paid for the Foreign Currency Note, increased by the amounts of any OID previously included in income with respect to the Foreign Currency Note and reduced by any amortized bond premium and any principal payments received in respect of the Foreign Currency Note. The amount of any payment in or adjustments measured by foreign currency will be equal to the U.S. dollar value of the foreign currency on the date of the purchase or adjustment. If, however, a Foreign Currency Note is traded on an established securities market and you use the cash method of tax accounting, you will determine the U.S. dollar value of the amount you paid for the Foreign Currency Note by translating the foreign currency payment at the spot rate of exchange on the settlement date of the purchase. If you use the accrual method of tax accounting, you may elect the same treatment with respect to the purchase of Foreign Currency Notes traded on an established securities market, provided that the election is applied consistently. This election cannot be changed without the consent of the IRS.

The amount realized will be based on the U.S. dollar value of the foreign currency on the date the payment is received or the Foreign Currency Note is disposed of. If, however, a Foreign Currency Note is traded on an established securities market and you use the cash method of tax accounting, you will determine the U.S. dollar value of the amount realized by translating the foreign currency payment at the spot rate of exchange on the settlement date of the sale. If you use the accrual method of tax accounting, you may elect the same treatment with respect to the sale of Foreign Currency Notes traded on an established securities market, provided that the election is applied consistently. This election cannot be changed without the consent of the IRS.

Gain or loss on the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss which will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates generally will equal the difference between (i) the U.S. dollar value of your purchase price for the Foreign Currency Note (or if less, the

principal amount of the Foreign Currency Note), determined on the date the payment is received or the Note is disposed of (or if the Note is traded on an established securities market, and you are a cash-method U.S. Holder or an electing accrual-method U.S. Holder, on the settlement date); and (ii) the U.S. dollar value of your purchase price for the Foreign Currency Note (or if less, the principal amount of the Foreign Currency Note), determined on the date you acquired the Note (or if the Note is traded on an established securities market and you are a cash-method U.S. Holder or an electing accrual-method U.S. Holder, on the settlement date). Payments received attributable to accrued qualified stated interest will be treated in accordance with the rules applicable to payments of interest on Foreign Currency Notes described above. The foreign currency gain or loss (including any foreign currency gain or loss with respect to accrued interest on a disposition) will be recognized only to the extent of the total gain or loss you realize on the sale, exchange, retirement or other taxable disposition of the Foreign Currency Note. The foreign currency gain or loss will be U.S.-source. Any gain or loss in excess of the foreign currency gain or loss will be capital gain or loss (except, in the case of a Short-Term Note, to the extent of any discount not previously included in income).

You will have a tax basis in any foreign currency received on the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note equal to the U.S. dollar value of the foreign currency, determined at the time of receipt. As noted above, if the Foreign Currency Notes are traded on an established securities market, a cash-method U.S. Holder or an electing accrual-method U.S. Holder who buys or sells a Foreign Currency Note is required to translate units of foreign currency paid or received into U.S. dollars at the spot rate on the settlement date of the purchase or sale. Any gain or loss realized on a sale or other taxable disposition of foreign currency (including its exchange for U.S. dollars or its use to purchase Foreign Currency Notes) will be ordinary income or loss.

You may be required to file a reportable transaction disclosure statement with your U.S. federal income tax return if you realize a loss on the sale or other taxable disposition of a Foreign Currency Note that is greater than an applicable threshold amount, which depends on your status. If you claim a loss with respect to a Foreign Currency Note, you should consult your tax advisor regarding the need to file a reportable transaction disclosure statement.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS in connection with payments on the Notes and the proceeds from a sale or other taxable disposition of the Notes. You may be subject to backup withholding on these payments if you fail to provide your taxpayer identification number and comply with certain certification procedures or otherwise establish an exemption. The amount of any backup withholding will be allowed as a credit against your U.S. federal income tax liability, and may entitle you to a refund, provided that the required information is timely furnished to the IRS.

Legislation enacted in 2010 requires certain U.S. Holders to report information relating to an interest in the Issuer's Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions). You should consult your tax advisor regarding the effect, if any, of this legislation.

FATCA

Provisions of the Code commonly referred to as "FATCA" require withholding of 30% on payments of interest on and gross proceeds of the disposition of the Notes to "foreign financial institutions" (which is broadly defined for this purpose and in general includes investment vehicles) and certain other non-U.S. entities unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied, or an exemption applies. Under proposed regulations, this withholding tax will not apply to the gross proceeds from the sale or other disposition of the Notes. The preamble to these proposed regulations states that taxpayers may rely on them until final regulations are issued. An intergovernmental agreement (IGA) between the United States and an applicable foreign country may modify these requirements. If we determine that FATCA withholding is required with respect to payments on an issuance of Notes, the applicable Final Terms will so indicate. We will not pay additional amounts with respect to any such withholding taxes. If FATCA withholding is imposed, a beneficial owner that is not a foreign financial institution generally may obtain a refund of any amounts withheld by filing a U.S. federal income tax return (which may entail significant administrative burden). You should consult your tax advisor regarding the potential application of FATCA to the Notes.

The Proposed Financial Transactions Tax

The European Commission has published a proposal (the "Commission's Proposal") for a Directive for a common financial transactions tax ("FTT") in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the "participating Member States"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT remains subject to negotiation between the participating Member States and the scope and timing of any such tax is uncertain. Based on certain public statements, the participating Member States are considering a proposal that would reduce the scope of the FTT and would only concern certain listed shares. This proposal remains subject to change until final approval. The FTT proposals may therefore be altered prior to any implementation. Additional EU Member States may decide to participate and/or certain of the participating Member States may decide to withdraw. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

SPECIAL PROVISIONS RELATING TO FOREIGN CURRENCY NOTES

General

Unless otherwise specified in the applicable Final Terms, the following provisions shall apply to Foreign Currency Notes which are in addition to, and to the extent inconsistent therewith replace, the description of general terms and provisions of the Notes set forth elsewhere in this Prospectus.

Payments on Foreign Currency Notes

Purchasers are required to pay for the Notes in the currency specified in the applicable Final Terms. In certain jurisdictions, there may be limited facilities for conversion of home currencies into foreign currencies, and vice versa. In addition, in certain jurisdictions, many banks may not offer foreign currency denominated checking or savings account facilities.

Payment of principal, premium, if any, and interest, if any, on each Note will be made in immediately available funds in the Specified Currency unless otherwise specified in the applicable Final Terms and except as provided under "Changing the Specified Currency of Foreign Currency Notes" below.

If so provided in the applicable Final Terms, a holder of the equivalent of U.S.$1,000,000 or more aggregate principal amount of a definitive Registered Note denominated in a Specified Currency other than U.S. Dollars may elect subsequent to the issuance thereof that future payments be converted, or not be converted, as the case may be, at the Market Exchange Rate to U.S. Dollars by transmitting a written request for such payments to the relevant Paying Agent on or prior to the Regular Record Date or at least 16 days prior to maturity or earlier redemption or repayment, as the case may be. Such request shall include appropriate payment instructions and shall be in writing (mail or hand delivered) or by cable, telex or facsimile transmission. A holder may elect to receive all future payments of principal, premium, if any, and interest in either the Specified Currency or in U.S. Dollars, as specified in the written request, and need not file a separate election for each payment. Such election will remain in effect until revoked by a subsequent election made in the manner and at the times prescribed in this paragraph. Owners of beneficial interests in permanent global Notes or holders of definitive Bearer Notes should contact their broker or nominee to determine whether and how an election to receive payment in either U.S. Dollars or the Specified Currency may be made.

The "Market Exchange Rate" means, as of any time of determination which shall be two business days prior to payment date the Specified Currencies other than U.S. Dollars to U.S. dollar exchange rate as quoted by the Exchange Rate Agent for similar client driven orders.

All determinations made by the Exchange Rate Agent shall be at its sole discretion and, in the absence of demonstrable error, shall be conclusive for all purposes and binding on holders of the Notes and the Exchange Rate Agent shall have no liability therefor. Under no circumstances shall BCP bear any responsibility for losses incurred by a holder due to fluctuations in the Market Exchange Rate.

Specific information about the Specified Currency in which a particular Foreign Currency Note is denominated will be set forth in the applicable Final Terms. Any information therein concerning exchange rates is furnished as a matter of information only and should not be regarded as indicative of the range of or trends in fluctuations in currency exchange rates that may occur in the future.

Minimum Denominations, Restrictions on Maturities, Repayment and Redemption

General. Notes denominated in Specified Currencies other than U.S. Dollars shall have such minimum denominations and be subject to such restrictions on maturities, repayment and redemption as are set forth below or as are set forth in the applicable Final Terms in the event different restrictions on minimum denominations, maturities, repayment and redemption may be permitted or required from time to time by any relevant central bank or equivalent governmental body, however designated, or by such laws or regulations as are applicable to the Notes or the Specified Currency. Certain restrictions related to the distribution of Notes denominated in Specified Currencies other than U.S. Dollars are set forth under "Plan of Distribution" in this Prospectus. Any other

restrictions applicable to Notes denominated in Specified Currencies other than U.S. Dollars will be set forth in the applicable Final Terms relating to such Notes.

Minimum Denominations. Unless permitted by then current laws, regulations and directives, Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are received by the Issuer in the United Kingdom and which have a maturity of less than one year will only be issued if (a) the redemption value of each such Note is at least £100,000 as determined at the time of issuance or an amount of equivalent value denominated wholly or partly in a currency other than Sterling, (b) no part of any Note may be transferred unless the redemption value of that part is at least £100,000, or such an equivalent amount, and (c) such Notes are issued to a limited class of professional investors, unless the relevant Note(s) can be issued and sold without contravention of Section 19 of the FSMA. See "Plan of Distribution."

Restrictions on Maturities, Repayment and Redemption. All Notes (irrespective of the Specified Currency in which they are denominated) will comply with applicable legal, regulatory and/or central bank requirements in respect of minimum required maturities and limitations on redemption by the Issuer or holder of such Note.

Redenomination

The Issuer may, without the consent of holders of Notes denominated in a Specified Currency of a member state of the European Union, which on or after the issue date of such Notes participates in the European Economic and Monetary Union, on giving at least 30 days' prior notice (the "Redenomination Notice") to the holders of such Notes and on prior notice to the Fiscal Agent, and Euroclear, CBL and/or any other relevant clearing system, elect that, with effect from the date specified in the Redenomination Notice (the "Redenomination Date"), such Notes shall be redenominated in Euro.

The election will have effect as follows:

(a) the Notes shall be deemed to be redenominated into Euro in the denomination of €0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the Specified Currency, converted into Euro at the Established Rate (defined below); provided that, if the Issuer determines after consultation with the Fiscal Agent that the then market practice in respect of the redenomination into Euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the holders of Notes, any stock exchange on which the Notes may be listed, the Fiscal Agent and the relevant Paying Agents of such deemed amendments;

(b) save to the extent that an Exchange Notice (defined below) has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued, subject to compliance with all applicable laws and regulations, at the expense of the Issuer in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations as the relevant Paying Agent may approve) €0.01 and such other denominations as the Issuer shall determine and notify to the Noteholders;

(d) if issued prior to the Redenomination Date, all unmatured coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "Exchange Notice") that replacement Euro-denominated Notes and coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although such Notes will continue to constitute valid exchange obligations of the Issuer. New Euro-denominated Notes and coupons, if any, will be issued in exchange for Notes and coupons, if any, denominated in the Specified Currency in such manner as the relevant Paying Agent may specify and as shall be notified to the holders of Notes in the Exchange Notice. No Exchange

Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

(e) after the Redenomination Date, all payments in respect of the Notes and the coupons, if any, including payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account outside the United States (or any other account to which Euro may be credited or transferred) specified by the payee;

(f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Fixed Interest Rate to each specified denomination, multiplying such sum by the applicable Fixed Day Count Fraction specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

(g) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and

(h) such other changes shall be made as the Issuer may decide, after consultation with the relevant Paying Agent and the Calculation Agent (if applicable), and as may be specified in the Redenomination Notice, to conform them to conventions then applicable to instruments denominated in Euro.

"Established Rate" means the rate for the conversion of the Specified Currency (including compliance with rules relating to rounding in accordance with applicable European Union regulations) into Euro established by the Council of European Union pursuant to Article 109L(4) of the treaty establishing the European Communities, as amended by the Treaty on European Union.

"sub-unit" means, with respect to any Specified Currency other than Euro, the lowest amount of such Specified Currency that is available as legal tender in the country of such Specified Currency and, with respect to Euro, means one cent.

Changing the Specified Currency of Foreign Currency Notes

Unless otherwise specified in the Final Terms, payments of principal, premium, if any, and interest, if any, on any Note denominated in a Specified Currency other than U.S. Dollars shall be made in U.S. Dollars if, on any payment date, such Specified Currency (a) is unavailable due to imposition of exchange controls or other circumstances beyond the Issuer's control or (b) is no longer used by the government of the country issuing such Specified Currency or for the settlement of transactions by public institutions in that country or within the international banking community. Such payments shall be made in U.S. Dollars on such payment date and on all subsequent payment dates until such Specified Currency is again available or so used as determined by such Issuer.

Amounts so payable on any such date in such Specified Currency shall be converted into U.S. Dollars at a rate determined by the Exchange Rate Agent (as defined below) on the basis of the most recently available Market Exchange Rate. The "Exchange Rate Agent" shall be a bank of international standing to be specified by the Issuer. Any payment required to be made on Foreign Currency Notes denominated in a Specified Currency that is instead made in U.S. Dollars under the circumstances described above will not constitute a default of any obligation of the Issuer under such Notes.

The provisions of the two preceding paragraphs shall not apply in the event of the introduction in the country issuing any Specified Currency of the Euro pursuant to the entry of such country into European Economic and Monetary Union. In such an event, payments of principal, premium, if any, and interest, if any, on any Note denominated in any such Specified Currency shall be effected in Euro at such time as is required by, and otherwise in conformity with, legally applicable measures adopted with reference to such country's entry into the European Economic and Monetary Union.

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear, CBL or CBF (together, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been accurately reproduced and far as the Issuer is aware and able to ascertain from information published by such third-party Clearing Systems, no facts have been omitted that would render the reproduced information inaccurate or misleading. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Fiscal Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-Entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to section 17A of the Exchange Act. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations ("Direct Participants"). DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "Rules"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("DTC Notes") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the SEC. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ("Owners") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC

Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "Transfer and Selling Restrictions."

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear, CBL and CBF

Euroclear, CBL and CBF each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective accountholders. Euroclear, CBL and CBF provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear, CBL and CBF also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear, CBL and CBF have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear, CBL and CBF customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear, CBL and CBF is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-Entry Ownership of and Payments in Respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective principal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such

a Registered Global Note will be limited to Direct Participants or Indirect Participants, including the respective depositories of Euroclear and CBL. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the relevant Paying Agent on behalf of DTC or its nominee and the relevant Paying Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and CBL will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of notes in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. However, as discussed above, such exchanges will generally not be available. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "Transfer and Selling Restrictions," cross-market transfers between DTC, on the one hand, and directly or indirectly through CBL or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the relevant Registrar, the relevant Paying Agent and any custodian ("Custodian") with whom the relevant Registered Global Notes have been deposited.

On or after the Original Issue Date for any Series, transfers of Notes of such Series between accountholders in CBL and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in CBL or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Transfers of interests in the relevant Registered Global Notes will be effected through the relevant Registrar, the relevant Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or CBL accountholders and DTC participants cannot be made on a delivery versus payment basis. The notes will be delivered on a free delivery basis and arrangements for payment must be made separately. However, in the case of transfers within DTC or within Euroclear or CBL, transfers can be made on a delivery versus payment basis.

DTC, CBL and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, CBL and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents nor any Dealer will be responsible for any performance by DTC, CBL or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any

liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

PLAN OF DISTRIBUTION

In connection with an offering of the Notes, one or more Dealers designated as Managers in the relevant Final Terms will initially propose to offer the Notes for resale at the issue price that appears in the relevant Final Terms. After the initial offering, the relevant Managers may change the offering price and any other selling terms. Managers may offer and sell Notes through certain of their affiliates.

In connection with any offering of Notes, the Managers may purchase and sell such Notes in the open market. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions.

Short sales involve the sale by a Manager of a greater principal amount of Notes than it is required to purchase in the offering. A Manager may close out any short position by purchasing Notes in the open market. A short position is more likely to be created if a Manager is concerned that there may be downward pressure on the price of the Notes in the open market prior to the completion of the offering.

Stabilizing transactions consist of various bids for or purchases of the Notes made by a Manager in the open market prior to the completion of the offering.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or slowing a decline in the market price of the Notes. Additionally, these purchases may stabilize, maintain or otherwise affect the market price of the Notes. As a result, the price of the Notes may be higher than the price that may otherwise exist in the open market. However, there is no assurance that the Managers will undertake stabilization transactions. If the Managers engage in stabilizing or short-covering transactions, they may discontinue them at any time, and if begun, must be brought to an end after a limited period. Any over-allotment stabilizing and short- covering transaction must be conducted by the relevant managers, or persons acting on their behalf, in accordance with applicable laws. These transactions may be effected in the over-the-counter market or otherwise.

Some of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. If any of the Managers or their affiliates has a lending relationship with the Issuer, certain of those Managers or their affiliates routinely hedge, and certain other of those Managers or their affiliates may hedge, their credit exposure to the Issuer consistent with customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of any issuance of Notes. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with the issue of any Tranche of Notes under the Program, the Dealer or Dealers (if any) named as the stabilizing manager(s) in the applicable Final Terms (the "Stabilizing Managers") (or persons acting on their behalf) may over-allot Notes, or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on their behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the relevant Tranche of Notes or no later than 60 days after the date of the allotment of the relevant Tranche of Notes, whichever is earlier.

TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in the Dealer Agreement, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Description of the Notes.*" In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Program and the issue of Notes under the Program and to indemnify the Dealers for certain liabilities incurred by them in connection therewith.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes. Each purchaser of Registered Notes or person wishing to transfer an interest from one Registered Note to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (ii) it is outside the United States and is not a U.S. person;

(b) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(c) that, unless it holds an interest in a Regulation S Global Note, the applicable distribution compliance period has elapsed and it is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A and which takes delivery in the form of an interest in the Rule 144A Global Note, (iii) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (iv) pursuant to another available exemption from registration under the Securities Act or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;

(d) that it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (c) above, if then applicable;

(e) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes, and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes; and

(f) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE NOTES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE NOTES EXCEPT IN ACCORDANCE WITH THE FISCAL AGENCY AGREEMENT AND OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO

A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144A UNDER THE SECURITIES ACT FOR RESALE OF THIS NOTE."

THIS LEGEND CAN ONLY BE REMOVED AT THE OPTION OF THE ISSUER.

(g) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the 40-day distribution compliance period which commences upon completion of distribution of all the Notes of the Tranche of which the Notes being resold or otherwise transferred forms a part of the offering and the closing date with respect to the original issuance of the Notes, it will do so only (i) outside the United States in compliance with Rule 903 or 904 under the Securities Act and (ii) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE FISCAL AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF FORTY DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.";

(h) that either: (i) no portion of the assets used by it to purchase and hold the Notes constitutes assets of (a) any employee benefit plan subject to Title I of ERISA, (b) any plan, individual retirement account or other arrangement subject to section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (c) any entity whose underlying assets are considered to include "plan assets" (as defined in ERISA) of any such employee benefit, plan, account or arrangement or (d) any non-U.S., governmental or church plan subject to any federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code ("Similar Law") and/or laws or regulations that provide that the assets of the Issuer could be deemed to include "plan assets" of such plan (each, an "Other Plan Investor"), or (ii) the purchase and holding of the Notes by such purchaser will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of Other Plan Investors, will not result in a non-exempt violation of any applicable Similar Law and will not subject the Issuer to any laws, rules, or regulations applicable to such Other Plan Investor solely as the result of the investment in the Issuer by such Other Plan Investor; and such purchaser acknowledges that the Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER: (i) no portion of the assets used by it to purchase and hold the Notes constitutes assets of (a) any employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (b) any plan, individual retirement account or other arrangement subject to section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (c) any entity whose

underlying assets are considered to include "plan assets" (as defined in ERISA) of any such employee benefit, plan, account or arrangement or (d) any non-U.S., governmental or church plan subject to any federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code ("Similar Law") and/or laws or regulations that provide that the assets of the Issuer could be deemed to include "plan assets" of such plan (each, an "Other Plan Investor"), or (ii) the purchase and holding of the Notes by such purchaser will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or, in the case of Other Plan Investors, will not result in a non-exempt violation of any applicable Similar Law and will not subject the Issuer to any laws, rules, or regulations applicable to such Other Plan Investor solely as the result of the investment in the Issuer by such Other Plan Investor;

(i) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.$100,000 (or its foreign currency equivalent) of Registered Notes.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

In connection with any Notes which are offered or sold outside the United States in reliance on the safe harbor from the registration requirements of the Securities Act provided under Regulation S ("Regulation S Notes"), each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer, sell or deliver such Regulation S Notes (a) as part of their distribution at any time or (b) otherwise until forty days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Regulation S Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Program will be required to agree, that it will send to each dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until forty days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers, directly or through their respective U.S. broker dealer affiliates, may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is U.S.$100,000 (or the approximate equivalent thereof in any other Specified Currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4) so long as the Notes are considered "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by United States Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The applicable Final Terms will specify whether the TEFRA C Rules or the TEFRA D Rules are applicable to the Bearer Notes, or whether neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

In the case of Bearer Notes to which the TEFRA D Rules have been specified to apply, the Notes may not be delivered, offered, sold or resold, directly or indirectly, in connection with their original issuance or during the Restricted Period in the United States to or for the account of any United States person, other than to certain persons as provided under United States Treasury Regulations. An offer or sale will be considered to be made to a person within the United States if the offeror or seller has an address within the United States for the offeree or purchaser with respect to the offer or sale. In addition, each Dealer has represented and agreed (and each further Dealer appointed under the Program will be required to represent and agree) that:

(a) except to the extent permitted under the TEFRA D Rules, (i) it has not offered or sold, and during the Restricted Period will not offer or sell, Notes in bearer form to a person who is within the United States or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States definitive Notes in bearer form that are sold during the Restricted Period;

(b) it has and throughout the Restricted Period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the Restricted Period to a person who is within the United States or to a United States person, except as permitted by the TEFRA D Rules;

(c) if such Dealer is a United States person, it represents that it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and, if such Dealer retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation §1.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate (if any) that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the Restricted Period, such Dealer either (i) hereby represents and agrees on behalf of such affiliate (if any) to the effect set forth in sub-paragraphs (a), (b) and (c) of this paragraph or (ii) agrees that it will obtain from such affiliate (if any) for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) of this paragraph.

Where the TEFRA C Rules are specified in the applicable Final Terms as being applicable to any Tranche of Bearer Notes, such Notes must be issued and delivered outside the United States in connection with their original issuance. Accordingly, each Dealer has represented and agreed (and each additional Dealer appointed under the Program will be required to represent and agree) in respect of such Notes that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any such Notes within the United States in connection with the original issuance. Further, each Dealer has represented and agreed (and each further Dealer appointed under the Program will be required to represent and agree) in connection with the original issuance of such Notes in bearer form, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such Dealer or such purchaser is within the United States or its possessions and will not otherwise involve the U.S. office of such Dealer in the offer and sale of Notes.

Each Dealer has agreed, and each further Dealer appointed under the Program will be required to agree, that it has not entered and will not enter into any contractual arrangements with respect to the distribution or delivery of Notes except with its affiliates (if any) or with the prior written consent of the Issuer.

Each Bearer Note having a maturity of more than 365 days (including unilateral rights to rollover) and interest coupons pertaining to such Note, if any, will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code.”

Each issuance of Indexed Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

EEA

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"), (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the Regulation (EU) 2017/1129 (as amended, the "Prospectus Regulation"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes included in this offering in circumstances in which Section 21(1) of the FSMA does not apply to the Bank;

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes included in this offering in, from or otherwise involving the United Kingdom; and

(c) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments(as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Bank.

France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

(a) offer to the public in France:

it has only made and will only make an offer of Notes to the public (*offre au public*) in France in the period (i) beginning (A) when a prospectus in relation to those Notes has been approved by the *Autorité des marchés financiers* ("AMF"), on the date of such publication or (B) when a prospectus has been approved by the competent authority of another Member State of the EEA which has implemented the Regulation (EU) 2017/1129, on the date of notification of such approval to the AMF and (ii) ending at the latest on the date which is twelve months after the date of approval of such prospectus – all in accordance with Articles L.412-1 and L.621-8 of the French Code *monétaire et financier* and the *Règlement général* of the AMF; or

(b) private placement in France:

in connection with their initial distribution, it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France this Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (i) provider of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*.

This Prospectus has not been submitted to the clearance procedure of the AMF.

Italy

The offering of the notes has not been cleared by the Commissione Nazionale per la Società e la Borsa ("CONSOB") pursuant to Italian securities legislation. Accordingly, each Dealer has represented and agreed that it has not offered, sold or delivered, directly or indirectly, any notes to the public in the Republic of Italy.

For the purposes of this provision, the expression "offer of notes to the public" in Italy means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, including the placement through authorized intermediaries.

To the extent that the offering of the Notes has not been registered pursuant to Italian securities legislation and, therefore, no Notes may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*) as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of 1 July 1998, as amended and effected in compliance with the terms and procedures provided therein ("Regulation No. 11522"); or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and its implementing CONSOB regulations including Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must be:

(i) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the relevant provisions of the Italian Financial Act, Regulation No. 16190, Legislative Decree No. 385 of September 1, 1993 as amended (the "Banking Act") and any other applicable laws or regulation;

(ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended, pursuant to which the Bank of Italy may request information on the issue of securities in Italy or by Italian persons outside of Italy; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or any other Italian authority.

Any investor purchasing the Notes in the offering is solely responsible for ensuring that any offer or resale of the Notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations. Insofar as the requirements above are based on laws which are superseded at any time pursuant to the implementation of the EU Directive No. 2003/71, such requirements shall be replaced by the applicable requirements under the Prospectus Directive.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer will be required to represent and agree, that any Notes with a maturity of less than twelve months and a denomination of less than Euro 50,000 will only be offered in the Netherlands to professional market parties as defined in the Financial Supervision Act and the decrees issued pursuant thereto.

People's Republic of China

Each of the Dealers has represented, warranted and undertaken that the Notes may not be offered or sold directly or indirectly within the PRC. This Prospectus or any information contained herein does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. This Prospectus, any information contained herein or the Notes have not been, and will not be, submitted to, approved by, verified by or registered with any relevant governmental authorities in the PRC and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Notes in the PRC. The Notes may only be invested in by PRC investors that are authorized to engage in the investment in the Notes of the type being offered or sold. Investors are responsible for obtaining all relevant governmental approvals, verifications, licenses or registrations (if any) from all relevant PRC governmental authorities, including, but not limited to, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the China Banking Regulatory Commission, the China Insurance Regulatory Commission and/or other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations.

Hong Kong

This offering memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The notes will not be offered or sold in Hong Kong other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the notes which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) has been issued or will be issued in Hong Kong or elsewhere other than with respect to notes which are or are intended to be disposed of only to person outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Notes offered in this Prospectus have not been registered pursuant to the Securities and Exchange Law of Japan, and the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan, except (i) under an exemption from the registration requirements of the Securities and Exchange Law, and (ii) in compliance with any other applicable requirements of Japanese law.

Singapore

This Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act 2001 of Singapore (the "SFA"). Accordingly, each Dealer has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the

Securities and Futures (Classes of Investors) Regulations 2018 of Singapore, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities or securities based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except: (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA; or (ii) where no consideration is or will be given for the transfer; or (iii) where the transfer is by operation of law; or (iv) as specified in Section 276(7) of the SFA; or (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

Australia

No prospectus or other disclosure document (as defined by the Corporations Act 2001 of Australia (the "Corporations Act")) in relation to the Program or any Notes has been, or will be, lodged with the Australian Securities and Investments Commission ("ASIC").

Each Dealer has represented and agreed that unless the applicable Final Terms (or a supplement to this Prospectus) otherwise provides, it:

(a) has not made offers or invited applications (directly or indirectly), and will not make offers or invite applications, for the issue, sale or purchase of the Notes in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, this Prospectus, any Supplement, any other prospectus, any disclosure document, advertisement or other offering material relating to the Notes in Australia,

unless:

(i) the offeree is a "wholesale client" within the meaning of section 761G(4) of the Corporations Act;

(ii) the aggregate consideration payable by each offeree is at least A$500,000 (or its equivalent in any alternative currency but, in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Parts 6D.2 or 7.9 of the Corporations Act;

(iii) such action complies with all applicable laws, regulations and directives (including, without limitation, the licensing requirements of Chapter 7 of the Corporations Act); and

(iv) such action does not require any document to be lodged with ASIC.

Section 708(19) of the Corporations Act provides that an offer of debentures for issue or sale does not need disclosure to investors under Part 6D.2 of the Corporations Act if the Issuer is an Australian ADI (as defined in the Corporations Act). As at the date of this Prospectus, Banco de Crédito del Perú is an Australian ADI for the purposes of the Corporations Act.

Switzerland

This Prospectus is not intended to constitute, and does not constitute, an offer to the public or solicitation to purchase or invest in the notes described therein.

The Notes have not been and will not be publicly offered, directly or indirectly, in Switzerland, within the meaning of the Swiss Financial Services Act ("FinSA") except (i) to any investor that qualifies as a professional within the meaning of the FinSA, and (ii) in any other circumstance qualifying as an exemption within the meaning of article 36 paragraph 1 of the FinSA, provided in each case, that no such offer of notes referred to in clauses (i) and (ii) above shall require the publication of a prospectus for offers of the notes in Switzerland pursuant to FinSA.

The Notes have not been and shall not be admitted to any trading venue (exchange or multilateral trading facility) in Switzerland.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered and will not offer the Notes to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the Markets Rules (MKT Module) of the Dubai Financial Services Authority (the "DFSA") rulebook; and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module of the DFSA rulebook.

This document has not been, and will not be, filed with the DFSA or with any other authority in the DIFC and no such authority assumes any liability for its contents.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Brazil

The offer and sale of the Notes have not been and will not be registered with the Brazilian Securities Commission (*comissão de valores mobiliários*, or "CVM") and, therefore, will not be carried out by any means that would constitute a public offering in Brazil under CVM Resolution No 160, dated 13 July 2022, as amended ("CVM Resolution 160") or unauthorized distribution under Brazilian laws and regulations. The Notes will be authorized for trading on organized non-Brazilian securities markets and may only be offered to Brazilian professional investors (as defined by applicable CVM regulation), who may only acquire the Notes through a non- Brazilian account, with settlement outside Brazil in non-Brazilian currency. The trading of these Notes on regulated securities markets in Brazil is prohibited.

Peru

The Notes and the information contained in this Prospectus have not been and will not be registered with or approved by SMV or the BVL. Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the Notes and therefore, the disclosure obligations set forth therein will not be applicable to the Issuer or the sellers of the Notes before or after their acquisition by prospective investors. Accordingly, the Notes cannot be offered or sold in Peru, except if (i) the notes are previously registered with the SMV, or (ii) such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian Securities Market Law establishes, among others, that an offer directed exclusively to institutional investors qualifies as a private offering.

In making an investment decision, Peruvian investors, must rely on their own examination of the issuer and the terms of the offering of the notes and the guarantees in order to determine their legal ability to invest in the notes.

Chile

The Notes being offered will not be registered under the Securities Market Law (*Ley de Mercado de Valores*) in the Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the Chilean Financial Markets Commission (*Comisión para el Mercado Financiero*, or the "CMF") and, therefore, the Notes are not subject to the supervision of the CMF. As unregistered securities in Chile, we are not required to disclose public information about the Notes in Chile. Accordingly, the Notes will not be publicly offered to persons in Chile unless they are registered in the corresponding Securities Registry. The Notes, as a general rule, may only be offered in Chile in circumstances that do not constitute a public offering under Chilean law or in compliance with General Rule (*Norma de Carácter General*) No. 336 of the CMF, dated June 27, 2012 ("CMF Rule 336"). Pursuant to the Securities Market Law, a public offering of securities is an offering that is addressed to the general public or to certain specific categories or groups thereof. Considering that the definition of public offering is quite broad, even an offering addressed to a small group of investors may be considered to be addressed to a certain specific category or group of the public and therefore be considered public under applicable law. However, pursuant to Rule 336, the Notes may be privately offered in Chile to certain "qualified investors" (*Inversionistas Calificados*) identified as such therein (which in turn are further described in General Rule No. 216 of the CMF, dated June 12, 2008).

CMF Rule 336 requires the following information to be provided to prospective investors in Chile:

1. Date of commencement of the offer: , 2025. The offer of the Notes is subject to CMF Rule 336;

2. The subject matter of this offer are securities not registered with the Securities Registry (*Registro de Valores*) of the CMF, nor with the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the CMF, therefore the Notes are not being subject to the oversight of the CMF;

3. Since the Notes are not registered in Chile there is no obligation by the issuer to make publicly available information about the Notes in Chile; and

4. The Notes shall not be subject to public offering in Chile unless registered with the corresponding Securities Registry of the CMF.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Program.

General

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

LEGAL MATTERS

Certain U.S. legal matters relating to the issuance of the notes will be passed upon for us by Davis Polk & Wardwell LLP, New York, New York, and Peruvian legal matters will be passed upon for us by Payet, Rey, Cauvi, Pérez Abogados, Lima, Peru. Certain legal matters will be passed upon for the Dealers by Milbank LLP, New York, New York.

INDEPENDENT AUDITORS

The consolidated financial statements as of and for the years ended December 31, 2024 and 2023, included in this Prospectus, have been audited by Tanaka, Valdivia & Asociados Sociedad Civil de Responsabilidad Limitada ("EY"), a member firm of Ernst & Young Global Limited, independent auditors, as stated in their reports appearing herein.

The consolidated financial statements as of and for the year ended December 31, 2022 and 2021, included in this Prospectus have been audited by GAA, a member firm of PricewaterhouseCoopers International Limited, independent registered public accountants, as stated in their report appearing herein.

GENERAL INFORMATION

General

1. The Issuer is identified with the tax identification number 20100047218.

2. The Notes are intended to be accepted for clearing and settlement through Euroclear, Clearstream Luxembourg and DTC. The Common Code for the Bearer Notes, together with the relevant ISIN Code or CUSIP number for the Registered Notes, will be contained in the Final Terms relating thereto.

3. There has been no material adverse change in the prospects of the Issuer since December 31, 2024.

4. So long as any Notes are listed on the Luxembourg Stock Exchange, the Issuer will maintain a Paying Agent and a Transfer Agent in Luxembourg. The Issuer has appointed Banque Internationale à Luxembourg, S.A., as its Listing Agent and as its Paying Agent in Luxembourg. The Issuer has also appointed Citibank, N.A., London Branch, as Fiscal Agent, Non-U.S. Registrar, Non-U.S. Paying Agent and Non-U.S. Transfer Agent and has appointed Citibank, N.A., London Branch, as U.S. Registrar, U.S. Paying Agent and U.S. Transfer Agent. The Issuer reserves the right to vary such appointment.

5. The Issuer is involved in routine litigation and other proceedings in the ordinary course of business. The Issuer is not engaged in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) which might have or have had during the 12 months prior to the date of this Prospectus a material adverse effect on our financial position or profitability.

6. Except as disclosed elsewhere in this Prospectus, there has been no significant change in our financial position since December 31, 2024.

7. So long as Notes are outstanding and listed on the Luxembourg Stock Exchange, and the rules of the Luxembourg Stock Exchange so require, the Issuer will make available physical and electronic copies of its by-laws, latest annual report, annual financial statements, as well as this Base Prospectus and any supplements to this Base Prospectus, each Final Terms and the Fiscal Agency Agreement, free of charge, at the specified office of the Paying Agent in Luxembourg during normal business hours.

8. In connection with the offering, the Agents are not acting for anyone other than the Issuer and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

9. As of the date of this Prospectus, there were no material contracts that are reasonably likely to have a material effect on the Issuer.

10. There are no potential conflicts of interest between any duties to the Issuer by any of the members of either the board of directors or management in respect of their private or other duties.

11. We have approved the establishment of this program through a resolution of our executive committee dated May 15, 2019.

Clearing Systems

The relevant Final Terms will specify which clearing system or systems (including DTC, CBL and/or Euroclear) had/have accepted the relevant Notes for clearance and provide any further appropriate information.

DOCUMENTS ON DISPLAY

So long as Notes are capable of being issued under the Program, physical and electronic copies of the following documents will be available from the Issuer and from the specified office of the Fiscal Agent for the time being in London:

(a) the by-laws of the Issuer;

(b) the Issuer's audited consolidated financial statements as of and for the years ended December 31, 2023 and 2024, and the Issuer's audited consolidated financial statements as of and for the years ended December 31, 2022 and 2023;

(c) the Dealer Agreement, the Fiscal Agency Agreement, and the forms of the Notes;

(d) a copy of this Prospectus; and

(e) any future supplements to this Prospectus and Final Terms to this Prospectus.

APPENDIX A

ACCOUNTING PRACTICES

Basis of presentation of the financial statements of Banco de Crédito del Perú and subsidiaries

The financial statements have been prepared from our accounting records, which are carried in nominal Soles as of the date of the transactions, in accordance with accounting standards prescribed by the Peruvian Superintendency of Banks, Insurance and Private Pension Fund Administrators (*Superintendencia de Banca, Seguros y Administradoras Privadas de Fondos de Pensiones* or "SBS") for Peruvian financial entities (Peruvian GAAP), established in the SBS's "Accounting Manual for Financial Entities."

Peruvian GAAP principles differ in certain material respects from IFRS Accounting Standards ("IFRS") and U.S. GAAP. We have not undertaken efforts to prepare a quantitative reconciliation of specific differences among Peruvian GAAP, IFRS and U.S. GAAP. Had such an effort been undertaken other potentially significant differences might have been identified and disclosed herein.

As of January 1, 2018, IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" are effective, and replacing mainly IAS 39 "Financial Instruments: Recognition and Measurement" and IAS 18 "Revenue," respectively.

The following paragraphs summarize the areas in which differences among Peruvian GAAP, IFRS and U.S. GAAP could be significant to our consolidated results of operations and consolidated financial position and that exist as of December 31, 2024. This analysis does not include differences related to IFRS Accounting Standards that have been issued but are not effective as of December 31, 2024. We have not prepared consolidated financial statements in accordance with IFRS or U.S. GAAP and, accordingly, cannot offer any assurances that all existing differences have been identified and that the differences described below would, in fact, be the largest differences between our financial statements prepared under IFRS or U.S. GAAP. In addition, we cannot estimate the net effect that applying IFRS or U.S. GAAP would have on our consolidated result of operations or consolidated financial position or any component thereof, in any of the presentations of financial information in the Prospectus. However, the effect of such differences may be, individually or in aggregate, material, and in particular, as a result of such, it may be that the total shareholders' equity, prepared on the basis of Peruvian GAAP would be materially different from the shareholders' equity reported under IFRS or U.S. GAAP. Differences in the presentation of the financial statements as well as differences in the information provided in the footnotes to the financial statements have not been reported.

Highlights of certain differences among Peruvian GAAP, IFRS and U.S. GAAP

Content and format of the financial statements

Under Peruvian GAAP, the presentation and content of the accounts included in the financial statements are detailed in the "Accounting Manual for Financial Entities" issued by the SBS. Under IFRS, IAS 1 and IFRS 7, there are principles about the presentation of the financial statements for financial services. Under U.S. GAAP, the SEC has established detailed rules about the form and content of the financial statements for banks in its S X regulation.

Cash flow statements

Under IFRS (IAS 7, Statement of Cash Flows) entities report cash flows from operating activities under either the direct or indirect method, while Peruvian GAAP requires entities to use the indirect method. Furthermore, IAS 7 allows cash flows from operating, investing and financing activities to be reported in the manner most appropriate for the business, while Peruvian GAAP requires entities to follow an established template. Thus, under Peruvian GAAP, cash flow statements are presented in accordance with the "Accounting Manual for Financial Entities" issued by the SBS and contain significant presentational differences in respect of cash flow statements prepared in accordance with IFRS (IAS 7, Statement of Cash Flows) and U.S. GAAP.

The format of a cash flow statements prepared under IAS 7 is essentially the same as a cash flow statement prepared under U.S. GAAP. Both standards require cash flows to be classified into three broad categories: operating activities, investing activities and financing activities. However, presentational differences can arise due to differences between IFRS and U.S. GAAP in respect of the definition of cash, cash equivalents and restricted cash, and the classification of specific items.

Consolidation and investment in SPEs

The key principle for consolidation under IFRS is IFRS 10 Consolidated Financial Statements, and under U.S. GAAP it is ASC 810 Consolidations. Consolidation principles under Peruvian GAAP and IFRS (IFRS 10) are based upon the concept of control and are substantially similar, requiring consolidation of all controlled entities irrespective of the sector in which they operate.

Under both IFRS and U.S. GAAP, the determination of whether or not entities are consolidated by a reporting enterprise is based on control, although differences exist in the definition of control. Under IFRS 10, the control requires exposure or rights to variable returns and the ability to affect those returns through power over an investee. In addition, it is said that an investor has power over an investee when the investor has existing rights that give it the current ability to direct the relevant activities, i.e. the activities that significantly affect the investee's returns. Under U.S. GAAP, all entities are first evaluated as potential variable interest entities (VIEs). Entities controlled by voting rights are consolidated as subsidiaries, but potential voting rights are not included in this consideration.

Investments in associates

Under Peruvian GAAP, investments in associates are recorded in accordance with criteria established by SBS Resolution No. 7033-2012, as amended, which became effective on January 1, 2013. This category includes only equity securities acquired with the purpose of (i) having equity participation and/or (ii) having significant influence in other entities or institutions, as defined by IAS 28. Their initial recognition is at fair value; subsequently they are recorded using the equity participation method. Under IFRS (IAS 28) and U.S. GAAP (ASC 323) all the associates in which an entity has significant influence are accounted for using the equity method. For this purpose, under IFRS and U.S. GAAP significant influence is generally presumed if an investor holds directly or indirectly 20% or more of the voting power of the investee.

Indefinite useful live intangible assets (Goodwill)

Under Peruvian GAAP and IFRS, goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

Under Peruvian GAAP, in accordance with the SBS Resolution No. 1967-2010, indefinite useful live assets, such as goodwill, registered before January 1, 2010, are amortized following regulations in force on the date of initial recognition, considering a period of no more than 5 years. Goodwill generated after January 1, 2010 is recognized at cost; then it is measured at cost less any impairment loss.

Peruvian GAAP (to goodwill registered after January 1, 2010), IFRS and U.S. GAAP require goodwill to be reviewed annually or more frequently when any event or change in circumstances indicates that the fair value may be impaired.

Under Peruvian GAAP and IFRS, the method of determining impairment of goodwill requires that an impairment test be done at the cash generating unit (CGU) level by comparing the CGU's carrying amount, including goodwill, with its recoverable amount. Impairment loss on the CGU (amount by which the CGU's carrying amount, including goodwill, exceeds its recoverable amount) is allocated first to reduce goodwill to zero, then, subject to certain limitations, the carrying amounts of other assets in the CGU are reduced pro rata, based on the carrying amounts of each asset.

Under U.S. GAAP, the method of determining impairment of goodwill requires a recoverability test to be performed first at the reporting unit level (carrying amount of the reporting unit is compared to the reporting unit's fair value). If the carrying amount of the reporting unit exceeds its fair value, then impairment testing must be

performed. The impairment loss is the amount by which the carrying amount of goodwill exceeds the implied fair value of the goodwill within its reporting unit.

Property, plant and equipment

ASC 835-20 Capitalization of Interest and IAS 23 Borrowing Costs address the capitalization of borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset under U.S. GAAP and IFRS, respectively. Qualifying assets are generally defined similarly under both accounting models and both standards require interest costs to be capitalized as part of the cost of a qualifying asset.

However, under IFRS, borrowing costs are offset by investment income earned on those borrowings. For borrowings associated with a specific qualifying asset, actual borrowing costs are capitalized.

Under U.S. GAAP, eligible borrowing costs do not include exchange rate differences. Interest earned on the investment of borrowed funds generally cannot offset interest costs incurred during the period. For borrowings associated with a specific qualifying asset, borrowing costs equal to the weighted average accumulated expenditures times the borrowing rate are capitalized.

Under IFRS, a company has the alternative to account for certain fixed assets at amortized historical cost or re-value to fair value. Useful lives and methods of depreciation are reviewed periodically. Under Peruvian and U.S. GAAP, historical cost is the only alternative, and thus fixed asset revaluations are not allowed.

Intangible assets

The definition of intangible assets as nonmonetary assets without physical substance is similar under both U.S. GAAP and IFRS. The recognition criteria for both accounting models generally require that there be probable future economic benefits and costs that can be reliably measured.

Under Peruvian GAAP and IFRS, development costs are capitalized when technical and economic feasibility of a project can be demonstrated in accordance with specific criteria. Some of the stated criteria include demonstrating technical feasibility, intent to complete the asset and ability to sell the asset in the future. Although application of these principles may be largely consistent with U.S. GAAP, there is no separate guidance addressing computer software development costs.

Under U.S. GAAP, development costs are expensed as incurred unless addressed by a separate standard. In the case of software developed for internal use, only those costs incurred during the application development stage may be capitalized.

Amortization of intangible assets over their estimated useful lives is required under both U.S. GAAP and IFRS. If there is no foreseeable limit to the period over which an intangible asset is expected to generate net cash inflows to the entity, the useful life is considered to be indefinite and the asset is not amortized.

Intangible assets with indefinite useful lives are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Impairment

Peruvian GAAP, IFRS (IAS 36) and U.S. GAAP (ASC 350, and ASC 360-10) require that specific and clearly detailed tests be carried out to adjust the carrying value of certain assets (long-lived assets) when indicators of potential impairment exist (or annually for goodwill and intangible assets with an indefinite life).

Impairments under Peruvian GAAP and IFRS are based on discounted cash flows. Under U.S. GAAP, only if an asset's estimated undiscounted future cash flows are below its carrying amount is a determination required of the amount of any impairment based on discounted cash flows. There is no undiscounted test under Peruvian GAAP and IFRS.

Under Peruvian GAAP and IFRS, goodwill is allocated to "cash generating units," which are the smallest group of identifiable assets that include the goodwill under review for impairment and generate cash inflows from continuing use that are largely independent of the cash inflows from other assets. Under U.S. GAAP, goodwill is allocated to "reporting units," which are operating segments or one level below an operating segment (as defined in ASC 280). The goodwill impairment test under U.S. GAAP compares the carrying value for each reporting unit to its fair value based on discounted cash flows.

Under Peruvian GAAP and IFRS, impairment losses are reversed when there has been a change in economic conditions or in the expected use of the asset. Under U.S. GAAP, impairment losses cannot be reversed for assets to be held and used, as the impairment loss results in a new cost basis for the asset.

Debt and equity securities

Under Peruvian GAAP, the initial recognition and the subsequent measurement of investments in debt and equity securities are recorded in accordance with criteria established by SBS Resolution No. 7033-2012, as amended, which became effective on January 1, 2013 and is to be applied prospectively. Investments at fair value through profit or loss (formerly recorded as trading securities) are initially recognized at cost (excluding acquisitions costs, which are recorded as expenses) and subsequently are measured at fair value. Available-for-sale investments and held to-maturity investments are initially recognized at cost including acquisition costs that are directly attributable to the acquisition and subsequently re-measured at fair value and amortized cost (using the effective interest rate method), respectively. Additionally, Resolution No. 7033-2012 established an additional category: Investments in subsidiaries, associates and joint ventures are initially recognized at fair value, and thereafter, are recorded following the equity participation method.

Under IFRS (IAS 32, IFRS 9 and IFRS 13) and U.S. GAAP (ASC 320), all investments in securities are initially recognized at fair value (plus the incremental costs related to the transactions that are directly attributable to the purchase) being the fair value of the consideration given and including acquisition costs associated with the investment. IFRS 13 establishes the definition of fair value and contains a single source of guidance under IFRS for all fair value measurements. Subsequent measurement of investments is based upon the valuation principles of the portfolios they are classified, in at the time of purchase, in one of the categories defined by IFRS 9, financial assets at fair value through profit or loss, at fair value though other comprehensive income and at amortized cost, based on:

- The business model for managing the financial assets, which reflects how the financial assets are managed to generate cash flows, and does not depend on management's intentions with regard to an individual instrument. Financial assets can be managed for the purpose of: (i) obtaining contractual cash flows; (ii) obtaining contractual cash flows and sale or (iii) others.

- The characteristics of the contractual cash flows of the financial asset.

Under Peruvian GAAP and IFRS, foreign exchange gains and losses on the amortized cost of all financial instruments are recognized in the income statement. U.S. GAAP establishes that the foreign exchange gains and losses related to the amortized cost of debt securities classified as available-for-sale must be recognized in equity.

Impairment of debt and equity securities

Under Peruvian GAAP, the impairment of debt and equity securities is recorded in accordance with criteria established by SBS Resolutions No. 7033-2012 (as amended) and No. 2610-2018, which establish a standard methodology for the identification of the impairment on available-for-sale and held-to-maturity investments. This methodology is applied quarterly to all debt-representing and equity instruments classified into the following categories:

(a) Debt instruments: The following occurrences must be assessed for the entire debt-representing portfolio:

(i) any weakening in the financial situation or financial ratios of the issuer and of its economic group,

(ii) a reduction in any of the credit ratings of the instrument or of the issuer, in at least two notches, from the moment the instrument was acquired (a notch corresponds to the minimum difference between two risk ratings within the same rating scale),

(iii) an interruption of transactions or of an active market for the financial asset due to the issuer's financial difficulties,

(iv) if the observable data indicates that since the initial recognition of a group of financial assets with characteristics like the instrument evaluated, there is a measurable decrease in its estimated future cash flows although it cannot yet be identified with the group's individual financial assets,

(v) any decrease in value due to regulatory changes (taxing, regulatory or other governmental),

(vi) any significant decrease in the fair value below its amortized cost (it is considered as a significant decrease if the fair value at the closing date has decreased at least 40% below its amortized cost as of that date), and

(vii) any prolonged decrease in fair value (it is considered as a prolonged decrease if the fair value at the closing date has decreased at least 20% compared to the amortized cost of the previous 12 months and the fair value at the closing date of each month during such previous 12 months has always remained below the amortized cost corresponding to the closing date of each month).

The fair value to be used for assessing criteria (vi) and (vii) is the one considered for the valuation of available-for-sale debt instruments regardless of the accounting classification of the debt instrument; however, if the decrease in the fair value of the debt instrument is the result of an increase in the risk-free interest rate, then this decrease should not be considered as a sign of impairment. If at least two of criteria (i) through (vii) are met, then impairment will be deemed to have occurred.

If not, then impairment will also be deemed to have occurred if at least one of the following specific situations exists:

(A) non-compliance of contractual clauses, such as interruption in the payment of interest or principal,

(B) renegotiation of the instrument's contractual conditions due to legal factors or financial problems related to the issuer,

(C) evidence that the issuer is in the process of forced restructuring or bankruptcy, and

(D) the risk rating of an instrument that was classified as investment grade is reduced to a rating that is below investment grade.

(b) Equity instruments: The following occurrences must be assessed for the entire portfolio of equity instruments:

(i) if the risk rating of a debt instrument of the issuer that was classified as investment grade is reduced to a rating that is below investment grade,

(ii) if there have been significant changes in the technological, market, economic or legal environment within which the issuer operates that might have adverse effects on the recovery of the investment,

(iii) any "weakening" in the financial situation or financial ratios of the issuer and its economic group,

(iv) any interruption of transactions or of an active market for the financial asset due to the issuer's financial difficulties,

(v) if the observable data indicates that since the initial recognition of a group of financial assets with characteristics like the instrument evaluated, there is a measurable decrease in its estimated future cash flows although it cannot yet be identified with the group's individual financial assets, and

(vi) any decrease in value due to regulatory changes (taxing, regulatory or other governmental).

If at least two of criteria (i) through (vi) are met, then impairment will be deemed to have occurred. If not, then impairment will also be deemed to have occurred if at least one of the following specific situations exists:

(A) any significant decrease in the fair value below its acquisition cost (it is considered as a significant decrease if the fair value at the closing date has decreased at least 40% below its acquisition cost as of that date; as cost value or acquisition cost, the initial cost will always be taken as a reference regardless of whether a deterioration in value has been previously recognized for the applicable equity instrument),

(B) any prolonged decrease in fair value (it is considered as a prolonged decrease if the fair value at the closing date has decreased at least 20% compared to the fair value of the previous 12 months and the fair value at the closing date of each month during such previous 12 months has always remained below the acquisition cost),

(C) any breach of the statutory provisions by the issuer related to the payment of dividends, and

(D) evidence that the issuer is in the process of forced restructuring or bankruptcy.

The fair value to be used for assessing the situations indicated in criteria (A) and (B) is the fair value considered for the purposes of the valuation of the available-for-sale equity instruments; however, such criteria are not applicable to equity instruments classified as available-for-sale and valued at cost due to the absence of a reliable fair value.

Under IFRS, the financial assets classified or designated at fair value through profit of loss and the equity instruments designated at fair value through other comprehensive income, are not subject to impairment evaluation. The impairment is based on a forward looking basis the expected credit losses associated with its debt instruments carried at fair value through other comprehensive income ("FVOCI"). The impairment methodology applied depends on whether there has been a significant increase in credit risk. The calculations of credit losses are products of models with a series of underlying assumptions with regard to the choice of the variable inputs and their interdependencies. The impairment mode for expected credit loss reflects the present value of all the cash deficit events related to the events of default, whether (i) during the following twelve months or (ii) during the expected useful life of a financial instrument depending on the impairment of the credit from the beginning. The expected credit loss reflects an unbiased result weighted by probability that considers a range of multiple outcomes based on reasonable and supportable forecasts.

The provision for credit losses is measured on each reporting date following a three-stage model of expected credit losses based on the degree of credit impairment from its origin:

- Stage 1: Financial assets whose credit risk has not increased significantly since its initial recognition, a reserve will be recognized for losses equivalent to the credit losses expected to occur from defaults in the following 12 months. For those instruments with a maturity less than 12 months, a probability of default corresponding to the remaining term until maturity is used.

- Stage 2: Financial assets that have presented a significant increase in credit risk compared with initial recognition, but are not considered impaired, a reserve will be recognized for losses equivalent to the credit losses expected to occur during the remaining life of the asset.

- Stage 3: Financial assets with evidence of impairment on the reporting date, a reserve will be recognized for losses equivalent to the expected credit losses during the entire life of the asset. The interest income will be recognized based on the carrying amount of the asset, net of the loss reserve.

The measurement of the expected credit loss is mainly based on the product of probability of default ("PD") loss given default ("LGD") and exposure at default ("EAD") discounted at the reporting date and considering the expected macroeconomic effects and all in accordance with the new regulation.

Under IFRS, Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows solely represent payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses,

interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

Debt instruments measured at fair value through other comprehensive income: it does not recognize any provision in the statement of financial position because the carrying amount of these assets is their fair value; however, the expected credit loss is presented in other comprehensive income.

Under U.S. GAAP, declines in fair value below cost may result in an impairment loss being recognized in the income statement on an AFS debt instrument due solely to a change in interest rate (risk-free or otherwise) if the entity has the intent to sell the debt instrument or it is more likely than not that it will be required to sell the debt instrument before its anticipated recovery. The impairment loss is measured as the difference between the debt instrument's amortized cost basis and its fair value. When a credit loss exists, but the entity does not intend to sell the debt instrument, nor is it more likely than not that the entity will be required to sell the debt instrument before the recovery of the remaining cost basis, the impairment is separated into (i) the amount representing the credit loss and (ii) the amount related to all other factors. The amount of the total impairment related to the credit loss is recognized in the income statement and the amount related to all other factors is recognized in other comprehensive income, net of applicable taxes.

Under U.S. GAAP, for an AFS equity instrument, an impairment is recognized in the income statement, measured as the difference between the equity instrument's amortized cost basis and its fair value, if the equity instrument's fair value is not expected to recover sufficiently in the near-term to allow a full recovery of the entity's cost basis. An entity must have the intent and ability to hold an impaired security until such near-term recovery; otherwise an impairment loss must be recognized in the income statement. The impairment loss is calculated as the difference between the equity instrument's cost basis and its fair value.

Under IFRS, the impairment loss of a amortized cost investment is measured as the difference between the carrying amount of the investment and the expected credit loss value. The carrying amount of the financial asset is reduced either directly or through the use of an allowance account. The amount of impairment loss is recognized in the income statement.

Under U.S. GAAP, the impairment loss of an amortized cost investment is measured as the difference between its fair value and amortized cost basis. When the entity does not intend to sell the debt instrument and it is not more likely than not that the entity will be required to sell the debt instrument before recovery of its amortized cost basis, the amount of the total impairment related to the credit loss is recognized in the income statement and the amount related to all other factors is recognized in other comprehensive income.

Under U.S. GAAP, the carrying amount of an amortized cost investment after the recognition of an impairment is the fair value of the debt instrument at the date of the impairment. The new cost basis of the debt instrument is equal to the previous cost basis minus the impairment recognized in earnings. The impairment recognized in other comprehensive income is accreted to the carrying amount of amortized cost instrument through other comprehensive income over its remaining life.

Allowance for loan losses

Under Peruvian GAAP, the allowance for loan losses is determinate following guidelines established by SBS Resolutions No. 11356-2008 and No. 6941-2008.

Under U.S. GAAP (ASC 450, and ASC 310-10-35), if there is objective evidence that all amounts due (principal and interest) according to original contractual terms of the loan will not be collected, such loans are considered impaired and the amount of the loss is measured as the difference between the loan's carrying amount and the present value of expected future cash flows discounted at the loan's original effective interest rate or as the difference between the carrying value of the loan and fair value of the collateral, if the loan is collateralized and foreclosure is probable. Impairment and uncollectability are measured and recognized individually for loans and receivables that are individually significant and on a portfolio basis for a group of similar loans and receivables that are not individually identified as impaired if a loss is probable and quantifiable.

Under IFRS (IFRS 9), the impairment loss is calculated using the expected credit loss approach, and recognized in the consolidated income statement. Additionally, the measurement of the expected credit loss is mainly based on the product of PD, LGD, and EAD, discounted at the reporting date and considering the expected macroeconomic effects and all in accordance with the new regulation.

The details of these statistical parameters are the following:

- PD: is an estimate of the probability of default in a determined time horizon. A default can only occur at a determined moment during the remaining estimated life, if the provision has not been previously derecognized and it is still in the loan portfolio.

- LGD: is an estimate of the loss produced in the case a predetermined value is produced at a given time. It is based on the difference between the contractual cash flows owed and those that the lender would expect to receive, even after the liquidation of any guarantee. Generally, it is expressed as a percentage of the EAD.

- EAD: is an estimate of the exposure on a future default date, which considers the changes expected in the exposure after the reporting date, including the reimbursements of principal and interest, whether programmed by contract or otherwise, and the interest accrued due to default payments.

The fundamental difference between the credit loss considered as Stage 1 and Stage 2 is the PD horizon. The estimates of Stage 1 use a 12-month horizon, while those situated in Stage 2 use an expected loss calculated with the remaining term of the asset and considers the effect of the significant increase in credit risk. Finally, Stage 3 will estimate the expected loss based on the best estimate ("ELBE"), according to the situation of the collection process of each asset. Additionally, all the accounts that are classified as default on the reporting date are considered as stage 3. The significant risk increase evaluations from their initial recognition and of credit impairment are carried out independently on each reporting date. The assets can move in both directions, from one stage to another.

Under Peruvian GAAP, recoveries are recorded in a separate income line item under other income. Charge-offs are recorded directly as loan loss provision in the income statement. Under IFRS and U.S. GAAP, recoveries and charge-offs would be recorded in the allowance for loan losses in the balance sheet.

Income tax

Under Peruvian GAAP, IFRS and U.S. GAAP, deferred taxes should be recorded for the tax effect of almost all differences between the tax and accounting bases of assets and liabilities (temporary differences) as well as tax loss carry-forwards. IFRS and Peruvian GAAP require deferred taxes to be recorded for the tax effects of temporary differences between tax and reporting bases of non-monetary assets arising from restatement for the effects of inflation while U.S. GAAP does not. IFRS and Peruvian GAAP measure deferred taxes using the tax rate enacted, or substantially enacted, while U.S. GAAP measures deferred taxes only on the enacted tax rate. Under IFRS and Peruvian GAAP, DTAs are recognized when recovery is probable. Under U.S. GAAP, DTAs are recognized (*i.e.*, no valuation allowance) to the extent that they are more likely than not to be recovered. Under IFRS and Peruvian GAAP, deferred tax in respect of temporary differences on subsidiaries, associates and joint ventures is not recognized in some circumstances. Under U.S. GAAP, such differences on equity method investments, other than certain foreign corporate joint ventures, are recognized in full.

Derivative financial instruments

As detailed elsewhere in the Prospectus, through SBS Resolution No. 1737-2006, the SBS has approved the Regulations for the Trading and Accounting Recording of Derivative Financial Instruments in Companies of the Financial System, which establishes accounting criteria for derivative financial instruments under Peruvian GAAP (which are based in the requirements for derivatives defined by IAS 39) and are consistent with IFRS 9 derivative section.

Under Peruvian GAAP, IFRS (IAS 32, IFRS 9 and IFRS 13) and U.S. GAAP (principally ASC 815), derivative financial instruments are initially recognized at fair value. Derivative transactions that do not qualify for hedge accounting are treated as derivatives held for trading and any gains and losses arising from changes in fair value are taken directly to income. In the specific case of BCP, certain derivative financial instruments maintained by BCP

and its subsidiaries have been designated as hedging operations because the functional currency of Credicorp is the U.S. dollar.

Under IFRS, the hedge relationship meets all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from the economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Under Peruvian GAAP and IFRS, a shortcut method for interest rate swaps is not permitted to assess the effectiveness of the hedging relationship; however, under U.S. GAAP it is permitted. In addition, under Peruvian GAAP and IFRS, the option's time value is not permitted to be included in order to assess the effectiveness of the hedging relationship; however, U.S. GAAP does permit its inclusion. Peruvian GAAP and IFRS allow entities to hedge components (portions) of risk that give rise to changes in fair value. Under U.S. GAAP, the risk components that may be hedged are specifically defined, with no additional flexibility.

The U.S. GAAP literature is far more detailed than Peruvian GAAP and IFRS as it has been developed over a longer period and, often, in response to specific financial instruments. Consequently, there are many differences in the scope of standards under Peruvian GAAP, IFRS and U.S. GAAP.

Interest recognition—non-accrual loans

Under Peruvian GAAP, interest accrued on past due, refinanced, restructured loans, loans under legal collection and loans classified as doubtful or loss is discontinued and recognized as collected.

Under IFRS (based on IFRS 15) and U.S. GAAP, recognition of interest on loans is generally discontinued when, in the opinion of management, there is an assessment that the borrower will likely be unable to meet all contractual payments as they become due. As a general practice, this occurs when loans are 90 days or more overdue. When a loan is placed on non-accrual status, unpaid interest credited to income in the current year is reversed and unpaid interest accrued in prior years is charged against the allowance for credit losses.

Provision for risks and charges

Under Peruvian GAAP and IFRS (IAS 37), a provision should only be made when: (a) an enterprise has a present obligation (legal or constructive) as a result of a past event, (b) it is probable (more likely than not) that a future outflow of economic benefits will be required to settle the obligation and (c) a reliable estimate of the amount of the obligation can be made. The entity must discount the anticipated cash flows expected to be required to settle the obligation if the impact is material, which discount must be calculated using the discount rate before taxes under IFRS.

The treatment of loss contingencies under U.S. GAAP is similar to IFRS. However, if a range of estimates for the obligation is determined and no amount in the range is more likely than any other amount in the range, the "minimum" (rather than the mid-point) amount must be used to measure the liability. The entity must discount the anticipated cash flows expected to be required to settle the obligation if the impact is material.

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BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024, AND 2023

Shape the future
with confidence

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024, AND 2023

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S/ = Sol
US$, U.S. dollars = United States Dollar
¥ = Yen

To the shareholders and Directors of Banco de Crédito del Perú S.A. and Subsidiaries

Opinion

We have audited the consolidated financial statements of Banco de Crédito del Perú S.A. and its subsidiaries (a Peruvian financial institution, subsidiary of Credicorp Ltd. domiciled in Bermuda, hereinafter "the Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of income and comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with the accounting standards established by the Superintendence of Banking, Insurance and AFPs (hereinafter "the SBS") for financial institutions in Peru, see note 3.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) approved for application in Peru by the Board of Deans of the Colleges of Public Accountants of Peru. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements section* of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Peru, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole; and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements section* of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matters	How our audit addressed the key audit matter
Information Technology (IT) environment	
The Group's information technology (IT) environment consists of an infrastructure of a large number of key systems for the processing of its operations, accounting records and preparation of its consolidated financial statements. In addition, the Group's Management has designed a series of automatic controls, interfaces between the systems and executed calculations of the applications; with the aim of ensuring the completeness and accuracy of accounting records and accurate financial reports, thus mitigating the potential risk of fraud or error. For the above reasons, we consider the information technology environment to be a key matter, given that the Group depends on the efficient and continuous operation of IT applications as well as their automatic controls, so there is a risk that breaches in	With the support of our Information Technology (IT) specialists, our audit efforts focused on the key systems related to the processing of operations, accounting records and preparation of the Group's consolidated financial statements, for which we perform the following procedures: - Evaluation of the Group's IT governance framework. - Understanding of the control environment and identification of risks of IT processes. - Testing key controls over application and data access management, program changes and application development and IT operations. - Testing of the design and operational effectiveness of the key automatic controls identified in the various relevant processes of the Group. - Testing of the design and operational effectiveness of applicable compensation controls.

the IT control environment may result in accounting records being materially misstated.	

Estimation of the provision for loan portfolio under SBS standards

As described in notes 3(f), 6 and 29.1 of the consolidated financial statements, the estimation of the provision for the loan portfolio is determined following the methodology defined by the SBS in Resolution 11356-2008 and its amendments, which establishes specific percentages for the provision calculation, depending on the debtor's credit risk classification, the type of loan, and the associated collateral. For the debtor classification, the Group considers payment behavior based on the number of days past due, as well as certain qualitative factors. The loan type assignment is carried out based on the nature of the loan or the debtor. For the above reasons, we consider the estimation of the loan portfolio provision to be a key audit matter; given that the inappropriate credit classification of the debtor, or loan type could generate a material misstatement in the Group's consolidated financial statements.	To test the loan portfolio provision, our audit procedures included, among others, the following: We obtained an understanding, evaluated the design, and tested the operational effectiveness of the key controls in the loan portfolio provision estimation process. This process includes determining the debtor's credit risk classification and loan type, following the methodology defined by the SBS in Resolution 11356-2008. Additionally, through audit procedures, we selectively inspected the debtor's credit classification by evaluating payment behavior and qualitative factors determined by the Group. We also assessed the classification of the loan type based on the nature of the loan or the debtor and independently recalculated the loan provision estimation. Furthermore, we evaluated the adequacy of the disclosures in the consolidated financial statements.

Other information included in the Group's 2024 Annual Report

Other information consists of the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting standards established by the Superintendence of Banking, Insurance and AFPs (SBS) for financial institutions in Peru, and for such internal control that management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate to those responsible for the Group's corporate governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Group's corporate governance officers with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Among the matters communicated with those responsible for the Group's corporate governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lima, Peru
February 26, 2025

Endorsed by:





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Liz Trujillo
Partner in charge
C.P.C. Registration No. 41575

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024 AND 2023
(Amounts expressed in thousands of soles)

	Note	2024	2023
		S/000	S/000
Assets			
Cash and due from banks:	4		
Cash and clearing		4,462,583	4,667,423
Deposits in the Central Reserve Bank of Peru		36,665,480	23,673,778
Deposits in local and foreign banks		3,334,819	2,277,029
Funds subject to restriction		1,106,352	169,552
Accrued interest		59,377	65,605
		45,628,611	30,853,387
Investments:			
At fair value through profit or loss	5(a)	603,635	362,360
Available-for-sale	5(b)	23,371,455	20,588,793
Held-to-maturity	5(c)	7,796,254	9,025,012
		31,771,344	29,976,165
Loans, net	6(a)	124,051,833	123,585,789
Investments in associates		28,061	21,074
Property, furniture and equipment, net	7	1,245,629	1,170,598
Goodwill	8	276,321	276,321
Other assets, net	9(a)	5,941,547	5,974,984
Total assets		208,943,346	191,858,318
Contingent risks and commitments	18	96,441,344	96,478,097

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts expressed in thousands of soles)

	Note	2024	2023	2022
		S/000	S/000	S/000
Financial income and expenses				
Financial income	19	17,446,993	16,526,934	13,002,030
Financial expenses	19	(4,266,834)	(4,455,300)	(2,776,800)
Gross financial margin		13,180,159	12,071,634	10,225,230
Provision for credit losses on loan portfolio	6(g)	(3,851,531)	(3,774,900)	(2,299,341)
Recovery of written-off loans		402,380	313,405	321,151
Provision for credit losses on loan portfolio, net of recoveries		(3,449,151)	(3,461,495)	(1,978,190)
Net financial margin		9,731,008	8,610,139	8,247,040
Non-financial income				
Commissions for banking services, net	20	3,423,153	3,096,714	3,034,281
Net result from trading derivatives		81,703	101,855	4,804
Net result on securities	21	(30,009)	(80,521)	(24,657)
Net gain on foreign exchange transactions		1,166,567	997,648	1,003,855
Other non-financial income	22	284,376	355,973	213,264
		4,925,790	4,471,669	4,231,547
Operating expenses				
Salaries and employee benefits	23	(3,445,637)	(3,071,113)	(2,888,728)
General and administrative expenses	24	(3,141,813)	(2,944,336)	(2,580,473)
Depreciation and amortization	7 and 9(e)	(485,842)	(435,817)	(418,722)
(Provision) reversal for goods received in payment and awarded assets		(15,853)	20,523	(14,954)
Taxes and contributions		(266,375)	(162,185)	(193,846)
Other operating expenses	22	(251,730)	(288,244)	(204,761)
		(7,607,250)	(6,881,172)	(6,301,484)
Net loss for exchange difference		(9,027)	(6,815)	(6,035)
Net profit before income tax		7,040,521	6,193,821	6,171,068
Income tax	14(b)	(1,814,210)	(1,527,751)	(1,668,871)
Net profit for the year		5,226,311	4,666,070	4,502,197
Attributable to:				
Banco de Crédito del Peru's equity holders		5,210,948	4,653,039	4,480,438
Non-controlling Interest		15,363	13,031	21,759
		5,226,311	4,666,070	4,502,197
Net basic and diluted earnings per share attributable to Banco de Crédito del Peru's equity holders	25	0.4017	0.3587	0.3454
Basic and diluted earnings per share (in soles)		0.4029	0.3597	0.3470
Weighted average number of ordinary shares for basic earnings (in thousands of units)		12,973,175	12,973,175	12,973,175

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts expressed in thousands of soles)

	Note	2024 S/000	2023 S/000	2022 S/000
Net profit for the year		5,226,311	4,666,070	4,502,197
Other comprehensive income:				
Net gain (loss) on available-for-sale investments	15(e)	263,782	534,920	(692,051)
Net movement of cash flow hedges	15(e)	15,594	(16,138)	1,419
Exchange differences on translation of foreign operations	15(e)	210	(425)	(4,778)
Deferred income tax	15(d)	(25,996)	(26,333)	53,822
Other comprehensive income (loss) for the year, net of deferred income tax		253,590	492,024	(641,588)
Total comprehensive income for the year, net of deferred income tax		5,479,901	5,158,094	3,860,609
Attributable to:				
Banco de Credito del Peru's equity holders		5,464,728	5,144,540	3,839,160
Non-controlling interest		15,173	13,554	21,449
Net profit of comprehensive income		5,479,901	5,158,094	3,860,609

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts expressed in thousands of soles)

		Attributable to shareholders' equity of Banco c		
	Number of outstanding shares (In thousand Of units)	**Capital stock S/000**	**Legal reserve S/000**	**Other reserves S/000**
Balances as of January 1, 2022	11,317,387	11,317,387	3,970,773	2,464,76
Changes in equity for 2022				
Net profit for the year	-	-	-	
Other comprehensive income, Note15(e)	-	-	-	
Total comprehensive income	-	-	-	
Capitalization of income, Note 15(a)	858,978	858,978	-	
Transfer to Reserves, Note 15(b)(c)	-	-	303,140	505,53
Dividend distribution, Note 15(f)	-	-	-	(757,37
Other	-	-	387	(10,08
Balances as of December 31, 2022	12,176,365	12,176,365	4,274,300	2,202,85
Changes in equity for 2023				
Net profit for the year	-	-	-	
Other comprehensive income, Note15(e)	-	-	-	
Total comprehensive income	-	-	-	
Capitalization of income, Note 15(a)	796,810	796,810	-	
Transfer to Reserves, Note 15(b)(c)	-	-	279,354	
Dividend distribution, Note 15(f)	-	-	-	(448,87
Other	-	-	912	(42,80
Balances as of December 31, 2023	12,973,175	12,973,175	4,554,566	1,711,17
Changes in equity for 2024				
Net profit for the year	-	-	-	
Other comprehensive income, Note15(e)	-	-	-	
Total comprehensive income	-	-	-	
Dividend distribution, Note 15(f)	-	-	-	(467,03
Other	-	-	415	
Balances as of December 31, 2024	12,973,175	12,973,175	4,554,981	1,244,14

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts expressed in thousands of soles)

	Note	2024	2023	2022
		S/000	S/000	S/000
CASH AND CASH EQUIVALENTS FROM OPERATING ACTIVITIES				
Net profit for the year		5,226,311	4,666,070	4,502,197
Adjustments to reconcile net profit to net cash arising from operating activities:				
Provisions		3,913,284	3,831,272	2,350,835
Depreciation and amortization	7(a) and 9(e)	485,842	435,817	418,722
Deferred income tax	14(b)	(38,646)	(51,011)	(70,029)
Other adjustments		30,959	(182,476)	96,265
Net changes in assets and liabilities				
Net (increase) decrease in assets				
Loans		(3,812,259)	(448,582)	(5,101,842)
Investments at fair value through profit or loss		(214,594)	(332,655)	1,188,538
Investments available-for-sale		(1,359,258)	(3,412,631)	1,541,391
Accounts receivable and others		(1,247,365)	(1,813,595)	572,407
Net increase (decrease) of liabilities				
Non-subordinated financial liabilities		12,302,877	752,348	(6,538,224)
Income tax paid		(1,537,407)	(1,503,641)	(887,981)
Accounts payable and others		1,086,489	1,268,362	1,636,322
Net cash flows from operating activities		14,836,233	3,209,278	(291,399)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, furniture and equipment		83,084	53,104	46,658
Purchase of property, furniture and equipment	7(a)	(257,259)	(264,612)	(134,374)
Purchase of intangible assets	9(e)	(595,374)	(662,261)	(544,910)
Net gains of sales of intangible		-	-	5,313
Net redemption of investments held-to-maturity		1,546,764	526,771	414,465
Net cash flows from investing activities		777,215	(346,998)	(212,848)
CASH FLOWS FROM FINANCING ACTIVITIES				
Bonds and subordinated notes issued		2,241,000	-	-
Other outflows related to financing activities		(111,384)	-	(15,000)
Dividends paid to company's shareholders	15(f)	(4,478,340)	(2,690,410)	(2,121,115)
Net cash flows from financing activities		(2,348,724)	(2,690,410)	(2,136,115)
Net increase (decrease) in cash and cash equivalents before the effect of variations in exchange rate		13,264,724	171,870	(2,640,362)
Effect of changes in exchange rate of cash and cash equivalents		573,700	(833,406)	(1,371,627)
Cash and cash equivalents at the beginning of year		30,683,835	31,345,371	35,357,360
Cash and cash equivalents at the end of year		44,522,259	30,683,835	31,345,371

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

RECONCILIATION OF CASH AND CASH EQUIVALENTS AT YEAR END WITH THE ACCOUNT BALANCES OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts expressed in thousands of soles)

	Note	2024 S/000	2023 S/000	2022 S/000
Cash and cash equivalents at the end of the period		44,522,259	30,683,835	31,345,371
Repurchase agreements with BCRP		-	-	200,355
Other restricted funds	4(c)	1,106,352	169,552	162,633
Available funds according to the Statement of Financial Position		45,628,611	30,853,387	31,708,359
Additional information regarding cash flow				
Interest received		17,444,426	16,372,329	12,582,990
Interest paid		(4,592,590)	(4,027,789)	(2,487,468)
Transactions that do not represent cash flow				
Change in classification category from available-for-sale to held-to-maturity investments		-	-	1,683,390
Retained earnings capitalization	15(a)	-	796,810	858,978
Repurchase agreements with BCRP		-	-	200,355

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024, AND 2023

1 OPERATIONS

Banco de Crédito del Peru S.A. (hereinafter "the Bank" or "BCP") is a Peruvian limited company incorporated in 1889 and is a subsidiary of Credicorp Ltd. (a holding company incorporated in Bermuda in 1995), which directly and indirectly owns 97.74 percent of its capital stock as of December 31, 2024, and 2023.

The Bank's legal address is in Calle Centenario N°156, La Molina, Lima, Peru. As of December 31, 2024, the Bank has 319 branches and agencies in Peru and 2 branches abroad; in the United States of America (Miami) and Panama (as of December 31, 2023, it had 321 branches and agencies in Peru and 2 branches abroad).

The legal address of its main subsidiary Mibanco, Banco de la Microempresa SA (hereinafter "Mibanco"), is Av. República de Panamá 4575, Surquillo, Lima, Peru. As of December 31, 2024, and 2023, it has 285 and 294 offices in Lima and the provinces, respectively.

The Bank and its Subsidiaries' operations are governed by the "Ley General del Sistema Financiero y de Seguros y Orgánica de la Superintendencia de Banca, Seguros y AFP" (General Law of the Financial and Insurance Systems and Organic of the SBS - Law 26702), hereinafter the "Banking Law", and is authorized by the Superintendencia de Banca, Seguros y AFP - SBS (Peruvian Banking and Insurance Authority, hereinafter "SBS" for is Spanish acronym) to operate as a universal bank, in accordance with the prevailing Peruvian legislation.

The consolidated financial statements as of December 31, 2023 were approved and authorized by the Audit Committee and Management on February 27, 2024 and by the Board of Directors on February 28, 2024. They were also approved by the Mandatory Annual General Meeting of Shareholders held on March 27, 2024 without amendments. The consolidated financial statements as of December 31, 2024 have been approved and authorized for issuance by the Audit Committee and Management on February 25, 2025 and by the Board of Directors on February 26, 2025 and will be submitted for approval to the Mandatory Annual General Meeting of Shareholders to be held within the time limits established by law. In the opinion of Management, said consolidated financial statements will be approved by the Mandatory Annual General Meeting of Shareholders without amendments.

2 ACQUISITIONS AND TRANSFER OF SUBSIDIARIES

During the periods ended December 31, 2024 and 2023, the Bank and its Subsidiaries have not made acquisitions or transfers of subsidiaries.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the consolidated financial statements of the Bank and its Subsidiaries are set out below:

a) Basis for presentation, and use of estimates -

The consolidated financial statements have been prepared in Soles based on the accounting records of the Bank and its Subsidiaries, in accordance with Generally Accepted Accounting Principles applicable to financial entities in Peru. The accounting principles significantly comprise the SBS standards and, in a supplementary manner, when there are no specific SBS standards, the IFRS

Accounting Standards made official in Peru through the resolutions issued by the Consejo Normativo de Contabilidad (Peruvian Accounting Council, hereinafter “CNC” for its Spanish acronym), and in force as of December 31, 2024, see paragraph (u).

These accounting principles are consistent with those used in 2024 and 2023.

The preparation of the consolidated financial statements requires Management to make estimates that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of significant events in the Notes to the consolidated financial statements. Estimates are continuously evaluated and are based on historical experience and other factors.

The most significant estimates related to the accompanying consolidated financial statements correspond to the allowance for loan losses, valuation and impairment of investments and the valuation of derivatives financial instruments; likewise, Management performs other estimates, such as estimated useful life and the recoverable amount of property, furniture and equipment and intangibles, deferred income tax assets and liabilities. The accounting criteria used for said estimates are described in this Note.

Also, the financial statements of Subsidiaries and Branch offices overseas have been standardized to the accounting standards of the SBS.

b) Basis of consolidation -

The consolidated financial statements include the financial statements of the Bank and its Subsidiaries for all the years presented.

Subsidiaries are all entities over which the Bank has control, meaning the power to govern their financial and operating policies. This is generally evidenced by a shareholding of more than half of the voting rights. Subsidiaries are consolidated from the date on which effective control is transferred to the Bank and are no longer consolidated from the date that control ceases.

All transactions, balances, gains and losses between the Bank and its Subsidiaries have been eliminated in the consolidation process.

Transactions with non-controlling interest -

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as a capital transaction (equity transaction) and any resulting difference between the price paid and the amount corresponding to non-controlling shareholders must be recognized directly in the consolidated equity.

The consolidated financial statements include the financial statements of the Bank and its Subsidiaries over wh
table below shows the main data of the Bank and its Subsidiaries engaged in the process of consolidation as o
eliminations made in said process:

Entity	Activity and country	Percentage of interest (direct and indirect)		Assets		Liabilities		Equity
		2024	2023	2024	2023	2024	2023	2024
		%	%	S/000	S/000	S/000	S/000	S/000
Banco de Crédito del Perú	Banking, Peru	-	-	195,764,854	179,230,213	170,797,796	155,255,702	24,96
Mi banco, Banco de la Microempresa S.A.	Banking small and micro credits, Peru	94.93	94.93	16,663,773	16,584,041	14,124,210	13,718,978	2,53
Solución Empresa Administradora Hipotecaria S.A.	Mortgage loans, Peru	100.00	100.00	62,688	76,552	40,976	53,534	2

c) Foreign currency -

Functional and presentation currency -

The Bank and its Subsidiaries consider the Sol as its functional and presentation currency, because it reflects the nature of economic events and relevant circumstances, since its main operations and/or transactions such as: loans granted, obtained financing, finance income, finance expenses, and a significant percentage of purchases; are established and settled in Soles.

Transactions and balance in foreign currency -

Assets and liabilities in foreign currency are recorded for the Bank and its Subsidiaries at the exchange rate prevailing at the date of transactions. Monetary assets and liabilities denominated in foreign currency are adjusted at the exchange rate of the functional currency prevailing at the date of the statement of financial position, set by the SBS; see Note 29.3(b)(ii).

Profits or losses arising from the revaluation of monetary assets and liabilities in foreign currency at the exchange rates prevailing on the consolidated financial position date are recognized in the income statement under the category “Net loss for exchange difference”.

d) Financial instruments -

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

In accordance with the standards issued by the SBS that regulate the accounting treatment of financial instruments, which include guidelines and criteria of IAS 39, all financial assets and liabilities, including derivative financial instruments, should be recognized in the consolidated statement of financial position and measured as per its classification.

The Bank and its Subsidiaries classify their financial instruments in one of the categories defined by IAS 39 and through SBS Resolution N°7033-2012 and its amendments: (i) financial assets and financial liabilities at fair value through changes in profit or loss; (ii) loan portfolio and receivables; (iii) available-for-sale financial investments; (iv) held-to-maturity financial investments and (v) financial liabilities at amortized cost. The Bank and its Subsidiaries determine the classification of their financial instruments at initial recognition.

Financial instruments classification at initial recognition depends on Management purpose and intention for which the financial instruments were acquired. All financial instruments are initially measured at their fair value plus incremental costs related to the transaction that are directly attributable to the purchase or issuance of the instrument, except in the case of financial assets and liabilities recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, that is the date on which the Bank and its Subsidiaries commits to purchase or sell the asset. Derivatives are recognized on a trade date basis.

Financial assets and liabilities presented in the consolidated statement of financial position correspond to cash and due from banks, interbank funds held, investments at fair value through profit or loss, investments available-for-sale and held-to-maturity, derivative financial instruments at fair value, the loan portfolio, accounts receivable presented “Other assets, net”, see Note 9(a) and liabilities in general, except for the liabilities identified as non-financial instruments presented "Other liabilities", see Note 9(a). In addition, all indirect loans are considered financial instruments. The specific accounting policies on recognition and measurement of these items are disclosed in the accounting policies described in this Note.

e) Recognition of income and expenses -

Interest income and expense are recognized in profit or loss of the period in which they are accrued, based on the effective validity of the operations which generate them and the interest rates freely agreed with customers, except in the case of interest generated by loans which are past due, refinanced, restated, and in judicial collection; as well as loans classified in the doubtful and loss categories and the interest on which is recognized as earned to the extent to which they are collected. When Management determines that the debtor’s financial condition has improved and the loan is reclassified to the status of current and/or the normal categories, with potential problems or deficient, interest is reestablished on an accrual basis.

Interest income includes returns earned on fixed income investments classified as investments at fair value through profit or loss, available-for-sale and held-to-maturity, which includes the accrued discount and premium on said financial instruments.

Dividends are recognized as income when they are declared.

Commissions and expenses for credit formalization, as well as for opening, study and evaluation of direct and indirect loans are recorded as income based on their accrual over the term of the respective contracts.

Commissions for financial services related to the maintenance of approved loans and to fees for additional and/or complementary operations or services to said loans, other than those indicated in the previous paragraph, are recognized as income when received. All other revenues and expenses are recognized as earned or incurred in the period in which they accrue.

f) Loans and allowance for loan losses -

Direct loans are recorded when disbursement of funds is made to clients. Operations with credit cards are recorded as loans for the amount consumed and/or withdrawn. Indirect loans (contingent) are recorded when the documents supporting said facilities are issued. Loans considered as refinanced are loans or direct financing of which the original contractual terms and/or amounts have been modified due to difficulties in the payment capacity of the debtor. Loans considered as restructured are those subject to reprogramming of approved installments under a restructuring process in accordance with Law N°27809 – “General Law of the Bankruptcy System”.

Finance lease operations are accounted for under the financial method, recording as loans the principal of the lease installments pending collection.

Finance income is based on a pattern that reflects a constant interest rate over the net loan.

Allowance for loan losses -

As of December 31, 2024 and 2023, the allowance for loan losses is determined following guidelines established by SBS Resolutions N°11356-2008 “Regulation for the evaluation and classification of the debtor and the requirement for provisions” and amendments and SBS Resolutions N°6941-2008 “Regulation for Managing the Risk of Retail Debtors with High Leverage Levels”.

In accordance with SBS Resolution N°11356-2008, the loan portfolio is separated into retail and non-retail borrowers, who could be individuals or legal entities. Retail borrowers have direct or indirect loans, classified as consumer (revolving and non-revolving), micro-business, small business or mortgage loans. Non-retail borrowers have direct or indirect loans classified as corporate, large business or medium business loans.

The provision includes, in general terms, the following components: (i) the provision resulting from the portfolio classification, (ii) the procyclical provision that is activated by the SBS considering the behavior of certain macroeconomic variables of the country (until 2014), (iii) the provision for over-indebtedness of the retail portfolio, if applicable, and (iv) the provision for foreign exchange credit risk and country risk, if applicable.

In this sense, Management periodically reviews and analyzes the loan portfolio, classifying it into the following categories: normal, potential problem, substandard, doubtful or loss, depending on the degree of risk of default of payment of each debtor.

For non-retail loans, the classification into one of the categories mentioned above considers, among others, the following factors: the payment history of the specific debtor, the history of the commercial relations with the debtor's Management, the debtor's operating history, repayment capability and availability of funds of the debtor, the status of any collateral or guarantee received, the analysis of the debtor's financial statements, the debtor's risk classification given by other financial institutions; plus other relevant factors as well as other factors such as sectoral and macroeconomic. For retail loans, the classification is mainly based on how long payments are overdue.

The allowance for indirect loans is determined based on the "Exposure equivalent to credit risk", in accordance with the loan conversion factor, which can be 0, 20.00, 50.00 and 100.00 percent.

Calculation of provision –

The main considerations taken into account when calculating the provision for allowance for loan losses are described below:

- The calculation of the provision is carried out according to the type of credit of the operations, the client's risk classification, and the guarantees that back the credits, which can be preferred, self-liquidating preferred, or very quickly realizable preferred. It is worth mentioning that for the guarantees, the estimated realization value is taken, determined by independent appraisers or the authorized valuation methodology (in the case of desktop appraisals). Additionally, for the calculation of the provision, the classification of the guarantor or endorser must be considered, in case the credits have the joint responsibility of a financial or insurance company (credits subject to credit counterparty substitution – CAC).

- The provision for customers classified as doubtful or loss for more than 36 and 24 months, respectively, is computed without considering the value of the guarantees.

- For loans over 90 days past due, the expected loss is estimated and, if it is greater than the provision recorded, the Bank and its Subsidiaries must record additional provisions.

- In the case of debtors operating in countries where there is a higher risk of difficulties in servicing external debt, an assessment of the political and economic situation is made, and an additional country risk allowance is recorded.

- Pro-cyclical provisions were calculated for loans classified as normal and according to the percentages established by the SBS. However, as of December 31, 2024, and 2023, the pro-cyclical component of the provision was deactivated as established by the Circular Letter SBS N°2224-2014.

- Risk administration of over-indebtedness of retail borrowers is required by SBS Resolution N°6941-2008, issued on August 25, 2008, “Regulation for managing the risk of over-indebtedness of retail borrowers”, amended by SBS Resolution N°5570-2019, dated November 27,2019. This standard requires that financial entities establish an over-indebtedness risk Management system that will enable them to reduce risk, prior to and after granting the loan; as well as constant monitoring of the loan portfolio to identify over-indebted debtors, which includes the periodic evaluation of the control mechanisms used, as well as the corrective actions or improvements required, as applicable. For provisioning purposes, the financial entities that fail to comply with this standard to the satisfaction of the SBS, must calculate the exposure equivalent to the credit risk by applying a 20.00 percent factor to the unused amount of revolving credit lines for micro-business and consumer loans, and based on said amount, compute the provision according to the debtor’s classification.

  As of December 31, 2024 and 2023, Management considers that the Bank and its Subsidiaries have complied with the requirements of SBS Resolution N°6941-2008, so it was not necessary to record additional general provisions relating to the inadequate administration of risk of over-indebtedness.

As of December 31, 2024 and 2023, the Bank and its Subsidiaries have recorded provisions for allowance for loan losses that exceed the minimums established by SBS regulations, which are included as part of the generic provision for loans.

The direct loans allowance is presented as an asset deduction see Note 6, while the allowance for indirect loans is presented as a liability; see Note 9(a).

g) Derivative financial instruments -

Derivative financial instruments are recorded in accordance with accounting criteria established by SBS Resolution N°1737-2006 “Regulation for Trading and Accounting of Derivatives for Financial Entities” and amendments, as explained below:

Trading -

Derivative financial instruments are initially recognized at fair value recognizing an asset or liability in the consolidated statement of financial position, and the related gains and losses are recorded in the consolidated statement of income. Also, transactions with derivative financial instruments are recorded as contingent risks and commitments at their reference value in the committed currency, see Note 18(d).

Fair values are estimated based on the market exchange and interest rates.

Hedging -

A derivative financial instrument that seeks to achieve a financial hedge for a given risk is designated as for hedge purposes if, at its negotiation, it is foreseen that changes in fair value or cash flows are expected to be highly effective in offsetting the fair value or cash flow changes of the hedged item attributable to the hedged risk from inception, which must be documented when the financial derivative is negotiated and during the period that the hedge relation exists. A hedge is considered as highly effective if changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to be offset in a range of 80.00 percent to 125.00 percent.

If the SBS considers the documentation to be insufficient or finds weaknesses in the methodologies applied, it may require the immediate termination of the hedge relationship and the recording of the derivative financial instrument as trading.

For cash flow hedges, the effective portion of gain or loss over the hedge instrument, net of its tax effect, is recognized directly in the consolidated statement of changes in net equity, in "Unrealized results" as a cash flow hedge reserve. The ineffective portion of gain or loss of the hedging instrument is recognized in the consolidated statement of income. The amounts recorded in equity are transferred to the consolidated statement of income in the periods when the hedged item is recorded in the consolidated statement of income or when a planned transaction occurs.

For fair value hedges which qualify as such, changes in fair value of the hedge derivative are recognized in the consolidated statement of income. Changes in fair value of the hedged item attributed to the hedged risk are recorded as part of the balance of the hedged item and recognized in the consolidated statement of income.

If the hedge instrument expires, is sold, terminated or exercised, or when the hedge does not fulfill the hedging accounting criteria, the hedge relationship is prospectively terminated, and the balances recorded in the consolidated statement of financial position are transferred to the consolidated statement of income during the term the hedged item is kept.

h) Investments at fair value through profit or loss (trading), available-for-sale and held-to-maturity -

As of December 31, 2024, and 2023, investments are valuated in accordance with Resolution SBS N°7033-2012 and amendments.

The criteria for valuation of investments, according to their classification are as follows:

- Investments at fair value through profit or loss - Initial recognition is at fair value, recording the transaction costs associated with such investments as expenses. Subsequent measurement is at fair value and any gain or loss arising from changes in the initial cost and subsequent fair value is recognized directly in the consolidated statement of income.

- Investments available-for-sale - Initial recognition is at fair value, including the transaction costs that are directly attributable to their acquisition. Gains or losses originated by changes between the initial cost and fair value are recognized directly in equity, unless there is a permanent impairment in its value exists, which in this case is recognized in the consolidated statement of income. When an instrument is realized or sold, the unrealized gain or loss previously recognized as part of equity will be transferred to the consolidated statement of income.

  In the case of debt securities, before their subsequent measurement at fair value, the amortized cost is updated applying the effective interest rate; based on this amortized cost, gains or losses due to changes in fair value are recognized.

- Investments held-to-maturity - The initial recognition is recorded at fair value, including transaction costs that are directly attributable to the acquisition of such investments. Subsequent valuation of these investments will be at amortized cost using the effective interest rate method.

Transactions are recorded at the trade date, that is, the date of the assumption of the reciprocal obligations that must be complied with, within the term established by the regulations and practices of the market in which the transaction is performed.

Interest is recognized using the effective interest rate, which includes both the interest receivable and the amortization of the premium or discount existing in the acquisition.

Gains or losses from exchange differences related to the amortized cost of debt instruments affect the consolidated result of the period, and those related to the difference between the amortized cost and the fair value are recorded as part of the unrealized gain or loss in consolidated statement of changes in equity.

Equity instruments are considered non-monetary items; therefore, they are maintained at their historical cost in local currency, and the exchange differences are part of their valuation and are recognized as unrealized results in the consolidated statement of changes in net equity.

The difference between the revenues received from the sale of the investments and their book value is recognized in the consolidated statement of income.

Impairment assessment -

Resolution N°7033-2012, which was modified with SBS Resolution N°2610-2018 and SBS Resolution N°4034-2023 establishes a standard methodology for the identification of impairment of financial instruments classified as available-for-sale investments and held-to-maturity investments, which must be applied quarterly to all debt and equity instruments as follows:

(i) Debt instruments -

The occurrence of the following situations must be evaluated for the entire portfolio:

1. Impairment of financial position or financial ratios of the issuer or its economic group.

2. Discount in any of the credit ratings of the instrument or the issuer, in at least two (02) "notches", from the moment the instrument was acquired, where a "notch" corresponds to the minimum difference between two risk ratings within the same rating scale.

3. Interruption of transactions or of an active market for the financial asset, due to issuer financial difficulties.

4. The observable data indicates that since its initial recognition of a group of financial assets with similar characteristics to the instrument evaluated, there is a measurable decrease in its estimated future cash flows, although it cannot yet be identified with individual financial assets of the group.

5. Decrease in value due to legislation changes (taxes, regulatory or other governmental changes).

6. Significant decrease in fair value below amortized cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40.00 percent below its amortized cost at that date.

7. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20.00 percent compared to the amortized cost of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months, has always remained below the amortized cost corresponding to the closing date of each month.

The fair value to be used for the purposes of evaluating criteria 6 and 7 is that considered for the purposes of valuing the debt instruments available for sale, according to the criteria established in the indicated Resolution, regardless of the accounting classification it has the debt instrument. However, if the total or partial decrease in the fair value of the debt instrument is a consequence of an increase in the risk-free interest rate, this decrease should not be considered for the evaluation of criteria 6 and 7.

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Failure to comply with contractual clauses, such as the disruption in the payment of interest or principal.

2. Forced renegotiation of the contractual terms of the instrument due to legal or financial difficulties related to the issuer.

3. Evidence that the issuer is in the process of a forced restructuring or bankruptcy process.

4. Downgrading of the risk classification, classified as investment grade, towards a classification that is below the investment grade.

(ii) Equity Instruments -

The occurrence of the following situations must be evaluated for the whole portfolio:

1. When the credit rating of a debt instrument issued by the issuer, previously categorized as investment grade, is downgraded to a classification below investment grade.

2. Significant changes have occurred in the technological, market, economic, or legal environment in which the issuer operates, which may have adverse effects on the investment recovery.

3. Impairment of the financial position or financial ratios of the issuer or its economic group.

4. Interruption of transactions or of an active market due to financial difficulties of the issuer.

5. Observable data indicates that since the initial recognition of a financial assets group with similar characteristics to the instrument evaluated, it exists a measurable decrease in their estimated future cash flows, although it cannot be attributed to specific financial assets from the group.

6. Decrease in value due to changes in legislation (taxes, regulatory or other governmental).

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Significant decrease in fair value below its acquisition cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40.00 percent below its cost value.

2. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20.00 percent compared to the fair value of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months has always remained below the cost of acquisition.

3. Breach of the statutory provisions by the issuer, related to the payment of dividends.

4. Evidence that the issuer is in the process of forced restructuring or bankruptcy.

Changes in classification category –

In the case of changes from available-for-sale investment categories to held-to-maturity investments, the carrying amount of the fair value of the investment instrument on the date of the change will become its new amortized cost. Any previous result of that instrument, which previously would have been recognized directly in equity, will be taken to the result of the period throughout the remaining life of the investment held to maturity, using the effective interest rate method. Any difference between the new amortized cost and the amount at maturity will also be amortized over the remaining life of the investment instrument using the effective interest rate method similar to the amortization of a premium or discount. If the investment instrument subsequently suffered an impairment in value, any gain or loss that would have been recognized directly in equity will be transferred and recognized in the result of the period.

i) Investments in associates -

An associate is an entity over which the Bank and its Subsidiaries exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity, but without exercising control over said policies.

The considerations made to determine significant influence are similar to those needed to determine control over subsidiaries.

The Bank and its Subsidiaries investments in its associates are recognized initially at fair value, including the transaction costs that are directly attributable to their acquisition. After initial recognition, these investments are subsequently accounted for using the equity method.

In the case of securities that are quoted in centralized trading mechanisms, when their market value shows a declining trend for reasons considered non-temporary, the Bank and its Subsidiaries must record an impairment provision. However, the SBS, at its discretion, may require a higher impairment provision to be recorded.

The investments in associates are included in “Investments in associates” in the consolidated statement of financial position; gains resulting from the use of the equity method are included in “Net results on securities” of the consolidated statement of income.

j) Property, furniture and equipment and depreciation -

Property, furniture and equipment are recorded at historical acquisition cost, less accumulated depreciation and accumulated amount of impairment losses of the asset, if applicable, see paragraph (n) below. Historical acquisition costs include the expenses that are directly attributable to the acquisition of property, furniture and equipment. Maintenance and repair costs are charged to the consolidated statement of income; significant renewals and improvements are only capitalized when it is probable that future economic benefits, in excess of the originally assessed standard of performance, will flow from the use of the acquired property, furniture and equipment and if its cost can be reliably assessed. The cost and corresponding accumulated depreciation of the assets sold or retired are eliminated in the respective accounts and the gain or loss generated is included in the results for the period.

Work in progress and in transit units are recorded at their acquisition cost. These goods are not depreciated until they are operational.

Land is not depreciated. Depreciation of the other items under this heading is computed on a straight-line basis over the following estimated useful lives:

	Years
Buildings and other constructions	33
Facilities	10
Furniture and fixtures	10
Computer hardware	4
Equipment and vehicles	5

The residual value and the useful life assigned are reviewed annually to ensure that they are consistent with the future economic benefit and life expectancies of property, furniture and equipment items.

Gains and losses on disposals of property, furniture and equipment are recorded in the consolidated statement of income within non-financial income from sale of fixed assets.

k) Finite useful life intangible assets -

The intangible assets are included in “Other assets, net” in the consolidated statement of financial position and are recorded at historical acquisition cost less accumulated amortization and accumulated impairment losses, if applicable; see following paragraph (n). These assets are composed principally of acquisition and development of software used by the Bank and its Subsidiaries in their own operations, which are recorded at cost.

According to SBS Resolution N°1967-2010, finite useful life intangible assets are amortized over a maximum period of five years, except in cases where there is authorization from the SBS.

The amortization of the finite useful life intangible assets of the Bank and its Subsidiaries is calculated using the straight-line method, based on their estimated useful lives which fluctuates between 5 and 10 years; see Note 9(e).

l) Securities, titles, and obligations in circulation

It includes liabilities for the issuance of various types of bonds and subordinated debt, which are initially recorded at their fair value plus the incremental costs related to the transaction that are directly attributable to the issuance of the instrument. After initial recognition, they are measured at amortized cost using the effective interest rate method. The amortized cost is calculated considering any discount or premium in the issuance and the costs that are an integral part of the effective interest rate. The covered bonds are recorded at their fair value. Likewise, the accrued interest is recognized in the consolidated statement of income in the account “Interest on securities, titles and obligations in circulation” in the “Financial expenses” item according to the terms of the contract.

m) Income tax -

Current Income tax is calculated based on taxable income determined for tax purposes, which is determined using principles that differ from the accounting principles used by the Bank and its Subsidiaries.

Therefore, the Bank and its Subsidiaries have recorded deferred income taxes, considering the guidelines of IAS12 - Income Tax, as well as IFRIC23 - Uncertainty regarding Income Tax Treatments. Deferred income tax reflects the effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts determined for tax purposes. Deferred assets and liabilities are measured using the tax rates expected to be applied to taxable income in the years in which temporary differences are expected to be recovered or settled. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences which arise from the way in which the Bank and its Subsidiaries expect to recover or settle the carrying amount of its assets and liabilities at the date of the consolidated statement of financial position.

The carrying amount of deferred tax assets and deferred tax liabilities may change even though there is no change in the amount of temporary differences, due to a change in the rate of income tax. The effect of the change in deferred tax, corresponding to the tax rate change shall be recognized in the consolidated statement of income for the period, except for items previously recognized outside the consolidated statement of income (either in other comprehensive income or directly in equity).

Deferred tax assets and liabilities are recognized without taking into consideration the time when it is estimated that temporary differences will be written off. Deferred assets are recognized when it is probable that sufficient future tax benefits will exist for the deferred assets to be applied. As at the date of the consolidated statement of financial position, the Bank and its Subsidiaries evaluate the non-recognized deferred assets and the balance of the recognized assets, recording a deferred asset not previously recognized to the extent that probable future tax benefits will allow its recovery, or reducing a deferred asset to the extent that it is not likely that sufficient future tax benefits will be available to use part or all of the deferred assets previously recognized.

In accordance with IAS 12, the Bank and its Subsidiaries determine their deferred income tax considering the tax rate applicable to its retained earnings; any additional tax on dividend distribution is recorded on the date a liability is recognized.

n) Impairment of non-financial assets -

When there are events or economic changes indicating that the value of an asset may not be recoverable, it is submitted to tests in order to verify that there is no permanent impairment in its value. When the carrying amount of the asset exceeds its recoverable value, a loss for impairment is recognized in the consolidated statement of income. The recoverable value is the higher between the net sale price and its value in use. The net sale price is the amount that can be obtained from the sale of an asset in a free market, while the value in use is the present value of the estimated future cash flows provided by the continuous use of an asset and its disposal at the end of its useful life. The recoverable amounts are estimated for each asset or, if not possible, for each cash generating unit.

o) Provisions -

Provisions are only recognized when the Bank and its Subsidiaries have a present (implicit or legal) obligation as a result of past events, it is probable that an outflow of resources will be required to settle said obligation and, at the same time, the amount can be reliably estimated. Provisions are reviewed in each period and are adjusted to reflect their best estimate at the date of the consolidated statement of financial position. When the effect of the time value of money is significant, the amount of the provision is the present value of future payments required to settle the obligation.

p) Contingencies -

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in notes to the consolidated financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the consolidated financial statements, but they are disclosed if it is probable that an inflow or income of economics benefits will take place.

q) Earnings per share -

Basic and diluted earnings per share are calculated by dividing consolidated profit by the weighted average number of common shares in circulation during the year. Shares that are issued due to the capitalization of retained earnings are deemed to be stock splits; therefore, for the computation of the weighted average number of shares, they are considered as if they had always been issued.

As of December 31, 2024 and 2023, the Bank and its Subsidiaries do not have financial instruments with dilutive effects, therefore basic and diluted earnings per share are the same.

r) Repurchase agreements -

Through SBS Resolution N°5790-2014, effective on September 3, 2014, the SBS approved the new “Regulations of reporting transactions applicable to companies in the financial system”.

The Resolution allows the development of sales operations with repurchase agreements, simultaneous sale and purchase of securities and operations of temporary transfer of securities; it also establishes the accounting treatment of said transactions.

The provision established in said regulation are in accordance with the criteria in IAS 39, "Financial Instruments: Recognition and Measurement".

Securities sold under agreements to repurchase at a specified future date are not derecognized from the consolidated statement of financial position, because the Bank and its Subsidiaries retain substantially all the risks and rewards of ownership. The related cash received is recognized in the consolidated statement of financial position as an asset with a corresponding obligation to return it, including accrued interest as a liability in "Payables from repurchase agreements", reflecting the transaction's economic substance as a loan to the Bank and its Subsidiaries.

The difference between the sale and repurchase prices is recorded in "Financial expenses" in the consolidated statement of income and is accrued over the life of the agreement using the effective interest rate.

In the same way, securities purchased under agreements to resell at a specified future date are not recognized in the consolidated statement of financial position. The consideration paid, including accrued interest, is recorded in the consolidated statement of financial position, in "Payables from repurchase agreements", reflecting the transaction's economic substance as a loan by the Bank and its Subsidiaries. The difference between the purchase and resale prices is recorded in "Financial Income" of the consolidated statement of income and is accrued over the life of the agreement using the effective interest rate.

If securities purchased under agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale in "Financial liabilities designated at fair value through profit or loss" of the consolidated statement of financial position, and measured at fair value, with any gains or losses included in "Other non-finance income" and "Other operating expenses", as applicable, in the consolidated statement of income".

Securities lending transactions are usually collateralized by securities. The transfer of the securities to counterparties is only reflected on the consolidated statement of financial position if the risks and rewards of ownership are also transferred.

s) Purchase operation and repurchase agreement of foreign currency -

On January 6, 2015, Circular Letter N°002-2015-BCRP came into effect, including three additional currency reporting schemes for the purpose of supporting the process of de-dollarization of credit; denominated as expansion (with the objective of supporting credit growth in local currency and for which the amount transferred in foreign currency to BCRP will be deducted from the general regime of legal cash reserve requirement in foreign currency), substitution (with the objective of supporting the conversion of credits in foreign currency into local currency); and regular (used to alleviate liquidity requirements), annulling the previous circulars.

Under these three schemes, the Bank and its Subsidiaries receive cash in Soles from BCRP that it must return at maturity, for which it recognizes a liability in "Payable for repurchase agreements" in the statement of financial position, including accrued interest computed according to the method of the effective interest rate. Simultaneously, the Bank and its Subsidiaries deliver cash in U.S. dollars to BCRP; the availability of cash will be restricted until the maturity of the operation, so the Bank and its Subsidiaries record an asset under "Restricted funds" in the consolidated statement of financial position.

The interest generated by the cash received will be recorded in "Financial expenses", in the consolidated statement of income.

t) Cash and cash equivalents -

Cash and cash equivalents presented in the consolidated statement of cash flows correspond to the balances of available funds from the statement of financial position, which include deposits with less than three months to maturity from the acquisition date, term deposits with BCRP, funds deposited in central banks and "Overnight" deposits, excluding restricted funds, which are presented in Note 4(c).

u) IFRS Accounting Standards -

IFRS issued and in effect in Peru as of December 31, 2024 -

- Resolution N°002-2024-EF/30, issued on August 9, 2024, formalizes the set of International Financial Reporting Standards version 2024, which include: the Conceptual Framework for financial reporting, from IAS 1 to IAS 41, from IFRS 1 to IFRS 17, pronouncements 7, 10, 25, 29 and 32 of the SIC, as well as the IFRIC interpretations from 1 to 23.

- Resolution N°003-2024-EF/30, issued on September 19, 2024, approves the use of the accounting standard – IFRS 18 Presentation and Disclosure in Financial Statements.

Because these standards only apply in a supplementary manner to the accounting principles and practices established by the SBS, the Bank and its Subsidiaries have not estimated any effect on their financial statements if said standards were adopted by the SBS.

4 CASH AND DUE FROM BANKS

The composition of this item is presented below:

	2024 S/000	2023 S/000
Cash and clearing (a)	4,462,583	4,667,423
Deposits with the Central Reserve Bank of Peru (BCRP) (a)	36,665,480	23,673,778
Deposits with local and foreign banks (b)	3,334,819	2,277,029
Accrued interest	59,377	65,605
Total cash and cash equivalents	44,522,259	30,683,835
Funds subject to restriction (c)	1,106,352	169,552
Total cash and due from banks	45,628,611	30,853,387

(a) These accounts mainly include the legal cash requirements that the Bank and its Subsidiaries must keep to be able to honor their obligations with the public, and they are within the limits established by current legislation. These funds consist of the following:

	2024 S/000	2023 S/000
Legal cash requirements:		
Deposits with the BCRP	21,665,572	21,182,492
Cash in vaults of the Bank and its Subsidiaries	4,448,458	4,490,602
Sub total legal cash requirements	26,114,030	25,673,094
Additional funds:		
Overnight deposits	14,049,388	1,546,478
Term deposits with BCRP	240,000	-
Other deposits with BCRP	710,520	944,808
Cash and others	14,125	176,821
Sub total additional fundsk	15,014,033	2,668,107
Total	41,128,063	28,341,201

As of December 31, 2024, cash and deposits subject to legal cash requirements in local and foreign currency are subject to an implicit rate of 5.61 percent and 34.60 percent, respectively, on the total balance of obligations subject to legal fund requirements, as required by the BCRP (an implicit rate of 6.01 percent and 34.87 percent, respectively, as of December 31, 2023).

The legal cash requirements funds which represent the minimum mandatory do not earn interest; however, the legal cash requirements held at the BCRP in excess of the legal minimum, bear interest at a nominal rate established by the BCRP.

As of December 31, 2024, the Bank and its Subsidiaries had an excess in foreign currency for approximately US$4,032.1 million, equivalent to approximately S/15,177.1 million and accrued interest at a rate of 3.90 percent and an excess in local currency that amounts to approximately S/84.5 million and accrued interest at a rate of 1.05 percent (had an excess in foreign currency for approximately US$3,865.1 million, equivalent to approximately S/14,335.6 million, accruing interest at a rate of 4.86 percent, and an excess reserve in local currency for S/8.9 million, accruing interest at a rate of 2.15 percent, as of December 31, 2023).

As of December 31, 2024 and 2023, the additional reserve funds in dollars at a variable rate, amounting to US$150 million, equivalent to S/564.6 million and S/556.4 million, respectively, have cash flow hedging through interest rate swaps (IRS), whereby these funds are converted to dollars at a fixed rate, see Note 9(c).

As of December 31, 2024, the Bank and its subsidiaries maintain four overnight deposits with the BCRP, of which two are denominated in soles for a total of S/435.0 million and two in U.S. dollars for a total of US$3,617.0 million, equivalent to S/13,614.4 million. As of that date, the deposit in soles and the two deposits in U.S. dollars bear an annual interest rate of 3.00 percent and 4.44 percent, respectively, and have maturities of 3 days. As of December 31, 2023, available funds include four overnight operations, two operations in U.S. dollars with the BCRP, for US$104.2 million equivalent to S/386.5 million at a nominal rate of 5.34 percent, and two operations in Peruvian currency for S/1,160.0 million at a nominal rate of 4.00 percent; all of them with a 5 days maturity.

As of December 31, 2024, the Bank and its Subsidiaries maintain term deposits at the BCRP for an amount of S/ 240.0 million, accruing annual interest between 4.81 and 4.84 percent. As of December 31, 2023, the Bank and its Subsidiaries do not maintain term deposits at the BCRP.

(b) Deposits in local and foreign banks mainly comprise balances in Soles and U.S. dollar; they are freely available and bear interest at market rates. As of December 31, 2024 and 2023 the Bank and its Subsidiaries do not maintain significant deposits with any particular bank.

(c) The Bank and its Subsidiaries maintain restricted funds related to:

	2024 S/000	2023 S/000
Derivative financial instruments (i)	1,079,240	144,940
Repurchase agreements with other entities	19,151	16,924
Others	7,961	7,688
Total	1,106,352	169,552

(i) During 2024, the Bank and its Subsidiaries have increased the volume of derivative instrument transactions carried out through central risk clearing houses, specifically the Chicago Mercantile Exchange (CME) and the London Clearing House (LCH). As a result, the guarantees on the open position (Initial Margin) resulted in a significant increase in restricted funds. As of December 31, 2024, the balance of this item is mainly composed of the guarantees in the central clearing houses indicated above and guarantees for bilateral operations that remain on the balance sheet.

Cash and cash equivalents presented in the consolidated statement of cash flows, excludes the restricted funds, see Note 3(t).

5 INVESTMENTS

As of December 31, 2024 and 2023, this item comprises the following:

	2024 S/000	2023 S/000
Investments at fair value through profit or loss (a)	603,635	362,360
Investments available-for-sale (b)	23,371,455	20,588,793
Held-to-maturity investments (c)	7,796,254	9,025,012
Total	31,771,344	29,976,165

(a) During the year 2024, investments at fair value with changes in results include BCRP certificates of deposit for S/420.0 million, sovereign bonds of the Peruvian Government for S/166.6 million, and corporate bonds for S/4.5 million (BCRP certificates of deposit for S/190.3 million, sovereign bonds of the Peruvian Government for S/121.0 million, foreign government bonds for S/33.5 million and corporate bonds for S/11.2 million, as of December 31, 2023). Likewise, as of December 31, 2024, the interest accrued from these investments amounts to S/12.5 million (S/6.3 thousand as of December 31, 2023). During the year 2024, the trading of bonds generated a net profit of S/5.6 million (it generated a net profit of S/11.4 million during the year 2023), see note 21(b).

(b) The available-for-sale investments comprise the following:

	2024				2023	
		Unrealized gross amount				Unre
	Amortized cost	Gains	Losses	Estimated fair value	Amortized cost	Gain
	S/000	S/000	S/000	S/000	S/000	S/00
Available-for-sale investments:						
Certificates of deposits BCRP (i)	11,431,599	4,542	(384)	11,435,757	10,924,182	
Sovereign bonds – Republic of Peru (ii)	6,944,715	151,903	(30,110)	7,066,508	5,343,205	
Corporate bonds (iii)	4,144,131	21,250	(92,658)	4,072,723	3,891,552	
Foreign Governments Bonds (iv)	454,252	1,997	(9,194)	447,055	283,382	
Listed equity securities - Credicorp Ltd.	54,962	-	-	54,962	58,597	
Securitization instruments	26,519	86	(755)	25,850	31,331	
Peruvian Treasury Bonds	21,537	-	(435)	21,102	22,453	
Non-listed equity securities	6,032	-	(988)	5,044	6,040	
	23,083,747	179,778	(134,524)	23,129,001	20,560,742	
Accrued interest				242,454		
Balance of available-for-sale investments (v)				23,371,455		

(i) As of December 31, 2024, the Bank and its Subsidiaries maintain 116,499 certificates of deposits BCRP, which are instruments issued at a discount through public auction of BCRP, traded on the Peruvian secondary market and payable in Soles (111,613 certificates of deposits BCRP, as of December 31, 2023). Furthermore, as of December 31, 2024, the Bank maintains certificates of deposits issued by the BCRP for S/5,020.5 million restricted in reporting operations (S/2,722.7 million as of December 31, 2023), see Note 11(a).

(ii) As of December 31, 2024, sovereign bonds are issued by Republic of Peru in Soles amounting to S/7,066.5 million (S/5,321.4 million in Soles as of December 31, 2023). Likewise, as of December 31, 2024, the Bank maintains sovereign bonds issued by Peruvian Government for an amount of S/263.5 million restricted in reporting operations (S/259.6 million as of December 31, 2023), see Note 11(a).

(iii) As of December 31, 2024, corporate bonds include bonds issued by companies from the United States, Peru, Colombia and other countries, which represent 54.50 percent, 24.90 percent, 9.00 percent and 11.60 percent of the total, respectively (bonds issued by companies from United States, Peru, Colombia and other countries, which represent 50.30 percent, 24.60 percent, 13.10 percent and 12.00 percent of the total, respectively, as of December 31, 2023).

(iv) As of December 31, 2024, the foreign government bonds amounting to US$90.7 million, equivalent to S/341.3 million, US$21.1 million, equivalent to S/79.3 million, US$6.1 million, equivalent to S/22.9 million, and US$0.1 million, equivalent to S/3.6 correspond to bonds issued by the Government of Colombia, Chile, Panama, and Brazil respectively (US$55.1 million, equivalent to S/204.5 million, and US$21.0 million, equivalent to S/78.0 million, correspond to bonds issued by the Government of Colombia and Chile, respectively, as of December 31, 2023).

(v) As of December 31, 2024, the Bank and its Subsidiaries hold interest rate swaps (“IRS”), which were designated as fair value hedges of certain fixed-rate U.S. dollars bonds issued by corporate companies for a notional amount of S/790.4 million (IRS designated as fair value hedges of certain fixed-rate U.S. dollars bonds issued by corporate companies for a notional amount of S/778.9 million, as of December 31, 2023), see Note 9(c). Through these IRS, these bonds were economically converted to a variable rate.

As of December 31, 2024, the Bank and its Subsidiaries maintain cross currency swaps (“CCS”) designated as cash flow hedging derivative instruments for corporate bonds with a nominal value amounting to S/47.0 million (corporate bonds with a notional amount of S/126.6 million which were hedged through CCS as of December 31, 2023), with similar principal and maturity, see Note 9(c); through which CCS, the bonds were economically converted to Soles at a fixed rate.

As of December 31, 2024 and 2023 the maturities and the annual market rates of the investments available

	Maturity		Annual market rates 2024					
			S/		US$		Other currencies	
	2024	2023	Min	Max	Min	Max	Min	Max
			%	%	%	%	%	%
Certificates of Deposit BCRP	Jan-25/Jun-26	Jan-24/Dec-24	4.24	4.93	-	-	-	
Sovereign Bonds - Republic of Peru	Aug-26/Aug-39	Aug-26/Aug-33	4.40	7.02	-	-	-	
Corporate Bonds	Jan-25/Apr-36	Feb-24/Apr-36	4.40	13.88	3.90	8.72	6.75	8.95
Foreign Government Bonds	Jan-26/Apr-33	May-24/Apr-33	-	-	5.17	7.77	-	
Securitized Debt Instruments	Nov-29/Sep-34	Nov-29/Sep-34	6.59	6.78	5.17	5.17	-	
Peruvian Treasury Bonds	Jul-25	Jul-25	-	-	5.02	5.02	-	

As of December 31, 2024 and 2023, Management has estimated the market value of investments available market or, if the price was not available, by discounting the expected future cash flows at an observable m classification of the financial instrument.

During the years 2024 and 2023, as a result of the negotiation of investments available for sale, net losses generated, respectively, see note 21(a).

Management has determined that the unrealized losses on its available-for-sale investments as of Decemb Likewise, it has decided and has the capacity to maintain each of the investments available for sale that pr time to allow an early recovery in fair value; what may occur at their maturity in the case of debt instrument

c) Held-to-maturity investments -

As of the date of the consolidated statement of financial position, this item comprises the following:

	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	S/000	S/000	S/000	S/000
Sovereign Bonds – Republic of Peru (i)	7,604,092	7,558,307	8,791,610	8,860,624
Certificates of payment on work in progress (ii)	8,321	8,270	22,717	22,433
	7,612,413	7,566,577	8,814,327	8,883,057
Accrued interest	183,841	183,841	210,685	210,685
Total	7,796,254	7,750,418	9,025,012	9,093,742

(i) As of December 31, 2024, they comprise bonds with maturity between August 2026 and February 2042, with an annual market rate between 4.40 and 7.02 percent (as of December 31, 2023, they correspond to bonds with maturity between August 2024 and February 2042, with an annual market rate between 5.59 and 6.82 percent). Likewise, as of December 31, 2024, the Bank maintains sovereign bonds of an amount of S/884.8 million restricted in reporting operations (S/2,909.2 million as of December 31, 2023), see Note 11(a).

(ii) As of December 31, 2024 and 2023, there are 8 and 26 certificates of Annual Recognition of Payment for Work Progress (CRPAOs from Spanish acronym), respectively, which are issued by the Peruvian Government to finance projects and concessions. Said issuance is a mechanism established in the concession agreement signed between the State and the concessionaire, which allows the latter to obtain financing to continue with the work undertaken. As of December 31, 2024, the CRPAOs mature between January 2025 and April 2026, accruing interest at an effective annual rate between 6.54 and 6.75 percent (as of December 31, 2023, the CRPAO's mature between January 2024 and April 2026, accruing interest at an effective annual rate between 7.12 and 7.75 percent).

During 2024, the Government of the Republic of Peru made a public offer to repurchase certain sovereign bonds in order to renew its debt and finance the fiscal deficit. Although the SBS in its Resolution No. 7033-2012, provides that any sale or transfer of investments at maturity obliges financial institutions to reclassify all instruments in this category to investments available for sale, on June 28, 2024, the SBS issued a multiple letter No. 41264-2024-SBS, authorizing financial institutions to participate in said offer, regardless of the classification category assigned to said instruments; taking into consideration the purpose of the repurchase made by the Republic of Peru. In this regard, the Bank participated in this public offering and sold to the Government of the Republic of Peru, sovereign bonds classified as investments held to maturity for approximately S/1,450.0 million. Additionally, sovereign bonds maturing between August 2026 and February 2029 amounting to approximately S/780.8 million were exchanged for sovereign bonds maturing in August 2039 for approximately S/795.4 million. This operation generated a net profit of S/24.5 million that was recognized in the separate income statement.

Likewise, during 2023, the Ministry of Economy and Finance, on behalf of the Peruvian Government, made a public offer to repurchase or exchange sovereign bonds. The SBS issued a multiple official letter No. 28112-2023, authorizing financial institutions to participate in said offer. In this regard, the Bank participated in the securities exchange program, through which it delivered sovereign bonds amounting to S/1,183.6 million with maturities between September 2023 and August 2028, accruing effective interest rates between 5.08 and 6.62 percent; and received in exchange a sovereign bond amounting to S/1,185.8 million with maturity in August 2033 with an effective interest rate of 7.16 percent. This exchange generated losses amounting to S/27.8 million, which were recognized in the consolidated statement of income.

As of December 31, 2024, and 2023, Management of the Bank and its Subsidiaries have determined that unrealized losses of certain held-to-maturity investments are temporary in nature. Accordingly, the Bank and its Subsidiaries have recognized no impairment loss on their held-to-maturity investments at said dates.

The balance of investments available for sale and held to maturity as of December 31, 2024 and 2023, classified by contractual maturity (accrued interest is not considered) is composed of the following:

	2024 S/000	2023 S/000
Up to 3 months	4,411,435	4,529,260
From 3 months to 1 year	7,162,074	7,796,381
From 1 to 3 years	3,601,268	3,093,820
From 3 to 5 years	4,816,667	4,454,956
More than 5 years	10,689,964	9,264,808
Without maturity	60,006	63,649
Total	30,741,414	29,202,874

6 LOANS, NET

a) As of December 31, 2024 and 2023 this item comprises the following:

	2024 S/000	2023 S/000
Direct loans		
Loans	105,914,704	102,964,814
Leasing receivable	5,260,182	5,735,973
Credit cards	5,880,450	6,942,793
Discounted Notes	3,390,855	3,169,393
Factoring receivables	3,243,531	3,431,323
Advances and overdrafts in current accounts	129,541	314,729
Refinanced loans	2,149,248	2,339,799
Total loans to fall due	125,968,511	124,898,824
Past due loans and under court collection	5,069,793	5,825,213
Total gross loans	131,038,304	130,724,037
Add (less)		
Accrued interest from current loans	1,091,080	1,130,533
Deferred interest on discounted Notes	(107,267)	(140,151)
Total direct loans	132,022,117	131,714,419
Allowance for loan losses (g)	(7,970,284)	(8,128,630)
Total direct loans, net	124,051,833	123,585,789
Indirect loans, (e) and Note 18(a)	22,211,662	19,740,908

b) As of December 31, 2024 and 2023, 51.00 percent of the direct loan portfolio was concentrated in approximately 73,035 and 86,150 clients, respectively.

c) The loan portfolio is partially backed by guarantees received from clients, mostly consisting of mortgages, bonds, securities, industrial pledges, and commercial pledges. Additionally, the Bank has participated in the Reactiva Perú I and II Programs (a liquidity program launched by the Peruvian Government in 2020, aimed at providing a quick and effective response to the liquidity needs faced by companies due to the impact of COVID-19, ensuring continuity in the payment chain).

As of December 31, 2024, direct loans from the Reactiva Perú program amount to S/877.3 million, and loans from the FAE-MYPE program amount to S/3.5 million and S/2.1 million for FAE-MYPE 1 and FAE-MYPE 2, respectively. As of December 31, 2023, direct loans from the Reactiva Perú program amounted to S/2,877.2 million, and loans from the FAE-MYPE program amounted to S/3.6 million and S/10.1 million for FAE-MYPE 1 and FAE-MYPE 2, respectively.

d) As of December 31, 2024 and 2023, the distribution of the direct loan portfolio by segments, according to Resolutions SBS N°11356-2008, Note 3(f), is as follows:

	2024 S/000	2023 S/000
Non-retail loans		
Corporate	40,197,627	33,394,238
Large-business	13,485,097	17,529,032
Medium-business	5,141,040	20,731,820
Subtotal	58,823,764	71,655,090
Retail loans		
Mortgage	22,321,645	21,495,440
Revolving and non-revolving consumer loans	18,995,414	18,540,084
Small-business	28,082,752	15,893,996
Micro-business	2,814,729	3,139,427
Subtotal	72,214,540	59,068,947
Total	131,038,304	130,724,037

In October 2024, SBS Resolution No. 2368-2023 came into effect, modifying the Regulation for the Evaluation and Classification of Debtors and the Provision Requirements, approved by SBS Resolution No. 11356-2008. This update considers new criteria for the classification of credit types. The main changes are:

- Individuals with businesses: Currently, they can only be assigned the small and micro-business credit types. Before the modification, they could additionally have the medium-business credit type.
- Medium-business: Currently, the main classification criteria is the level of annual sales, which must exceed S/5.0 million. Before the modification, the level of indebtedness greater than S/300.0 thousand in the financial system was considered.
- Small-business: Currently, the main classification criteria are: (1) level of sales below S/5.0 million and (2) level of indebtedness greater than S/20.0 thousand. In the previous resolution, only the level of indebtedness below S/300.0 thousand and above S/20.0 thousand was considered.
- Economic Group Alignment: It was determined that all companies that are part of the same economic group must receive the same credit type classification as the parent company.

The application of these changes is prospective.

e) According to SBS regulations, as of December 31, 2024 and 2023, the risk classification of the loan portfolio of the Bank

Risk category	2024						2023	
	Direct loans		Indirect loans		Total		Direct loans	
	S/000	%	S/000	%	S/000	%	S/000	%
Normal	119,515,504	91.21	21,064,234	94.83	140,579,738	91.73	118,077,306	90.33
Potential problems	3,727,190	2.84	505,696	2.28	4,232,886	2.76	3,866,635	2.96
Substandard	1,689,391	1.29	297,665	1.34	1,987,056	1.30	2,337,079	1.79
Doubtful	1,927,557	1.48	19,379	0.09	1,946,936	1.27	2,622,629	2.01
Loss	4,178,662	3.18	324,688	1.46	4,503,350	2.94	3,820,388	2.91
Total	131,038,304	100.00	22,211,662	100.00	153,249,966	100.00	130,724,037	100.00

f) As of December 31, 2024 and 2023, financial entities in Peru must constitute their allowance for loan losses based on the risk classification indicated in paragraph (e) and using the percentages indicated in Resolution SBS N°11356-2008, as follows:

(i) For loans classified as “Normal”:

Type of loan	Fixed rate	Pro-cyclical components (*)(**)
	%	%
Corporate	0.70	0.10
Large-business	0.70	0.40
Mortgage	0.70	0.40
Medium-business	1.00	0.60
Small-business	1.00	1.00
Revolving consumer	1.00	1.50
Non-revolving consumer	1.00	1.00
Micro-business	1.00	1.00

(*) If the loans are with highly liquid preferred guarantees (LWHLPG), the procyclical component will be 0 for the portion covered by said guarantees. The procyclical provision was deactivated by the SBS since November 2014.

(**) By means of SBS Resolution No. 3718-2021 dated December 7, 2021, the rates and conditions for the activation and deactivation of the procyclical rule were modified, and special conditions for activation and deactivation were established, such as events of force majeure or fortuitous events; or prudential situations, duly substantiated, such as the need to preserve the stability conditions of the financial system, or when extraordinary circumstances cause excessive volatility in the variables that determine the activation and deactivation of the procyclical rule; among others. As of December 31, 2024, the rule has not been activated by the SBS.

(ii) For loans classified as “Potential problems”, “Substandard”, “Doubtful” and “Loss”; depending on whether the loans are: Loans Without Guarantees (LWG), Loans With Preferred Guarantees (LWPG) or Loans With Readily Preferred Guarantees (LWRPG) or Loans With Highly Liquid Preferred Guarantees (LWHLPG):

Risk category	LWG	LWPG	LWRPG	LWHLPG
	%	%	%	%
Potential problems	5.00	2.50	1.25	1.00
Substandard	25.00	12.50	6.25	1.00
Doubtful	60.00	30.00	15.00	1.00
Loss	100.00	60.00	30.00	1.00

For loans subject to substitution of credit counterparty, Note 3(e), the allowance requirement depends on the classification of the respective counterparty, for the covered amount, regardless of the debtor’s classification, using the percentages indicated above.

g) The movement of the allowance for loan losses (direct and indirect loans) is shown below:

	2024 S/000	2023 S/000	2022 S/000
Balance as of January 1	8,467,458	8,467,345	8,688,291
Provision	3,851,531	3,774,900	2,299,341
Loan portfolio written-off	(3,701,133)	(3,193,529)	(2,317,488)
Sale of portfolio (i)	(161,473)	(435,661)	(19,189)
Exchange difference	19,677	(40,916)	(68,823)
Condonations and others	(149,707)	(104,681)	(114,787)
Balance as of December 31 (ii)	8,326,353	8,467,458	8,467,345
Allowance for indirect loan losses (Note 9(a))	(356,069)	(338,828)	(416,477)
Allowance for direct loan losses (Note 6(a))	7,970,284	8,128,630	8,050,868

(i) As of December 31, 2024, the sale of overdue and judicial portfolio is mainly included for a capital of S/174.1 million (As of December 31, 2023, the sale of overdue and judicial portfolio is mainly included for a capital of S/490.0 million).

(ii) As of December 31, 2024 and 2023, the balance of the provision for doubtful debts includes the provision for indirect credits for approximately S/356.1 million and S/338.8 million, respectively, which is presented in the item “Other liabilities” of the consolidated statement of financial position, see Note 9(a).

As of December 31, the distribution of the provision for doubtful collection by type of credit is showed below:

	2024			2023	
	Generic	Specific	Total	Generic	Spec
	S/000	S/000	S/000	S/000	S/00
Type of loan					
Micro-business	35,899	69,676	105,575	38,139	
Consumer	200,843	913,024	1,113,867	192,378	
Mortgage	147,660	616,621	764,281	143,509	
Public sector	4,390	1	4,391	5,454	
Securities broker	7,361	22,111	29,472	7,030	
Financial system companies	39,717	-	39,717	36,714	
Corporate	313,809	89,853	403,662	248,745	
Large-business	95,652	194,808	290,460	129,633	
Medium-businesses	45,705	227,686	273,391	158,482	
Small-businesses	233,361	2,831,115	3,064,476	149,189	
Risk country	95,272	-	95,272	44,177	
Exchange Risk	2,242	-	2,242	845	
Subtotal	1,221,911	4,964,895	6,186,806	1,154,295	
Voluntary provision	-	-	2,139,547	-	
Total	1,221,911	4,964,895	8,326,353	1,154,295	

The Bank and its Subsidiaries record regulatory provisions for their loan portfolio in accordance with the policy described in Note 3(f) provision balances by type of credit are due to the entry into force of SBS Resolution No. 2368-2023 in October 2024, as explained i and its Subsidiaries, based on business experience, maintain additional voluntary generic provisions to those required by the SBS to as a result of potential adverse economic conditions that increase the probability of credit default. As of December 31, 2024 such pro million (S/2,227.6 million as of December 31, 2023).

In the opinion of the Management of the Bank and its Subsidiaries, the provision for doubtful loans registered as of December 31, 20 SBS regulations in force on those dates, Note 3(f).

h) Interest accrued on the loan portfolio is freely agreed considering the current interest rates prevailing in the markets where the Bank and its Subsidiaries operate.

Interest, commissions and expenses on loans or installments which are past due, refinanced, under legal collection, or classified in the "Doubtful" or "Loss" categories, are recorded in the consolidated statement of income when they are effectively collected.

i) As of December 31, 2024 and 2023, the direct gross loan portfolio classified by maturity, based on the remaining period to repayment date is as follows:

	2024	2023
	S/000	S/000
Outstanding loans:		
Up to 1 month	15,699,079	14,200,759
From 1 to 3 months	14,525,571	15,278,874
From 3 months to 1 year	34,982,666	34,014,236
From 1 to 3 years	26,506,075	27,508,192
From 3 to 5 years	11,665,784	9,376,664
More than 5 years	22,589,336	24,520,099
Outstanding loans total	125,968,511	124,898,824
Past due loans and court collection:		
Up to 4 months	1,295,894	1,906,066
More than 4 months	1,447,867	1,913,484
Court collection	2,326,032	2,005,663
Past due loans and court collection total	5,069,793	5,825,213
Total	131,038,304	130,724,037

j) As of December 31, 2024, the Bank holds cross-currency swap (CCS) contracts PEN-USD for US$20.3 million equivalent to S/76.5 million (for US$20.3 million equivalent to S/75.4 million as of December 31, 2023) designated for cash flow hedging of loans in U.S. dollars up to that amount. Through these contracts, these loans have been converted to soles, see Note 9(c).

7 PROPERTY, FURNITURE AND EQUIPMENT, NET

a) The movement of property, furniture and equipment and accumulated depreciation for the years ended De

	Land	Buildings and other construction	Installations	Furniture and fixtures	Computer hardware	Vehicles and equipment	W pr in- un
	S/000	S/000	S/000	S/000	S/000	S/000	S/
Cost -							
Balance as of January 1	257,705	1,082,458	977,134	417,266	465,002	106,876	
Additions	-	127	5,441	36,620	44,653	179	
Sales	(17,165)	(33,333)	(6,522)	(113)	-	(924)	
Transfers	-	-	162,793	7,121	16,450	1,326	
Disposals and others	-	(253)	(7,445)	(16,994)	(23,818)	(2,301)	
Balance as of December 31	240,540	1,048,999	1,131,401	443,900	502,287	105,156	
Accumulated depreciation -							
Balance as of January 1	-	777,205	729,863	283,864	372,178	89,986	
Depreciation for the year	-	18,717	53,193	25,248	38,274	4,197	
Sales	-	(21,043)	(6,020)	(57)	-	(924)	
Disposals and others	-	(77)	(6,291)	(14,632)	(23,708)	(2,301)	
Balance as of December 31	-	774,802	770,745	294,423	386,744	90,958	
Net carrying amount	240,540	274,197	360,656	149,477	115,543	14,198	

b) Banks in Peru are prohibited from pledging their fixed assets as collateral; the Bank and its subsidiaries maintain insurance on their main assets in accordance with the policies established by Management.

c) During 2024 and 2023, the Bank and its Subsidiaries, as part of the investment in fixed assets, have made disbursements mainly related to the purchase of computer equipment, furniture and fixtures and the remodeling of its various agencies.

d) During 2024, Management decided to sell various properties, mainly land and buildings, whose approximate sale price was S/83.1 million, with a net cost of S/30.0 million. During 2023, Management decided to sell various properties, mainly land and buildings, whose approximate sale price was S/53.1 million, with a net cost of S/51.4 million.

e) Management periodically reviews the residual value of the assets, the useful life and the depreciation method used in order to ensure that they are consistent with the economic benefit and life expectations. In the opinion of the Management of the Bank and its Subsidiaries, there is no evidence of impairment of the value of the fixed assets held by the Bank and its Subsidiaries as of December 31, 2024, and 2023.

8 GOODWILL

Goodwill acquired through business combinations has been allocated to cash-generating units (also identified as a “CGU”) for the purposes of impairment testing made by Management which evaluates the results and allocates resources to each CGU. The Goodwill generated from the acquisition of Edyficar and Mibanco amounts to S/276,321 thousands as of December 31, 2024, and 2023.

The recoverable amounts of all CGUs have been determined based on calculations of fair value less selling cost, determined by discounting the future cash flows expected to be generated from the continuing use of the CGU.

As of December 31, 2024, the key assumptions used to calculate fair value considered a perpetual growth rate of 5.60 percent and a discount rate of 11.90 percent (5.60 percent and 13.10 percent as of December 31, 2023, respectively).

The valuation includes assumptions about various key parameters of the entities. The sensitivity analysis, mainly those of growth and discount rates, show scenarios in which said value is higher, and also some scenarios with a non-material deterioration in the value of the assets. We believe that the balances presented in the financial statements are appropriate and do not require any provision for impairment of our investments, given the reasonableness of the assumptions with the information available at this time; taking into account that the valuation process occurs in a context of exceptionally high rates and that there are no signs of a contraction in growth.

9 OTHER ASSETS, NET AND OTHER LIABILITIES

a) As of December 31, 2024, and 2023 these items include the following:

	2024 S/000	2023 S/000
Other assets, net		
Financial instruments		
Accounts receivable from securities sales	776,795	347,570
Derivatives receivable (c)	710,501	824,567
Other accounts receivable, net (b)	615,722	1,042,289
Operations in process (d)	110,470	32,063
	2,213,488	2,246,489
Non-financial instruments		
Finite life intangible assets, net (e)	1,920,459	1,775,265
Deferred income tax asset, net, see Note 14(a)	1,035,309	1,021,370
Deferred expenses (f)	694,580	908,785
Realizable, received in payment and seized assets, net	67,213	12,576
Others	10,498	10,499
	3,728,059	3,728,495
Total	5,941,547	5,974,984
Other liabilities		
Financials instruments		
Other accounts payable (b)	866,345	1,034,410
Accounts payable for securities sales	781,327	419,563
Derivatives payable (c)	662,562	708,942
Suppliers account payable	342,420	341,784
Allowance for indirect loan losses, see Note 6(g)	356,069	338,828
Employee's legal participations	309,286	270,034
Operations in process (d)	225,804	257,876
Salaries payable	416,312	239,507
Employee's additional participations	279,802	216,007
Share based payments	33,506	35,108
	4,273,433	3,862,059
Non-financial instruments		
Provision for sundry risks (g)	279,899	309,137
Taxes payable (h)	348,045	148,685
Deposit Insurance fund	66,526	60,053
Others (i)	117,456	156,445
	811,926	674,320
Total	5,085,359	4,536,379

b) The balance mainly corresponds to accounts receivable from card transactions, works for taxes and commissions for collection and intermediation with Pacífico Compañía de Seguros y Reaseguros. Miscellaneous accounts payable correspond mainly to card transactions, accounts payable for insurance and accounts payable to remittance companies, among other minor items.

c) The risk in derivatives contracts arises from the possibility that the counterparty does not fulfill the terms and

The following table presents the fair value of the derivative financial instruments, recorded as an asset or liab of the underlying asset and liability of the derivative and is the basis on which changes in the fair value of der

		2024			
		Assets	Liabilities	Nominal amount	Maturity
		S/000	S/000	S/000	
Derivatives held for trading (i) -					
Interest rate swaps		358,308	261,219	43,371,878	Between January 2025 and Janua
Foreign currency forwards		76,010	146,014	29,691,268	Between January 2025 and April 2
Currency swaps		219,531	230,739	13,622,339	Between January 2025 and Nover
Foreign currency options		2,830	8,232	728,146	Between January 2025 and April 2
		656,679	646,204	87,413,631	
Derivatives designated as cash flow hedging (ii) -					
Interest rate swaps (IRS)	4(a)	-	970	564,600	Between April 2026 and May 2026
Cross currency swaps (CCS)	5(b)(v)	-	-	-	-
Cross currency swaps (CCS)	5(b)(v)	1,802	1,852	46,970	Between January 2025 and April 2
Cross currency swaps (CCS)	12(b)(i)	-	2,203	37,640	June 2025
Cross currency swaps (CCS)	12(b)(i)	-	3,037	188,200	May 2025
Cross currency swaps (CCS)	13(a)(ii)	18,993	2,359	828,080	January 2025
Cross currency swaps (CCS)(*)	13(a)(iv)	-	5,937	71,940	November 2025
Foreign currency forward		-	-	-	-
A fair value -					
Interest rate swaps (IRS)	5(b)(v)	33,027	-	790,440	Between March 2025 and Februa
		53,822	16,358	2,527,870	
		710,501	662,562	89,941,501	

(*) As of December 31, 2024, the Bank holds cross-currency swap (CCS) contracts with a nominal amount of 31, 2023), which were decomposed by risk variables into two cross-currency swaps (CCS) for the purpose of

- JPY-PEN for ¥3,000.0 million equivalent to S/71.9 million as of December 31, 2024 (¥3,000.0 million eq
- PEN-USD for US$20.3 million equivalent to S/76.4 million as of December 31, 2024 (US$20.3 million ec see Note 6(j).

(i) Held-for-trading derivatives are mainly negotiated to satisfy clients' needs. On the other hand, the Bank
this item includes any derivatives which do not comply with SBS hedge accounting requirements or app

	As of December 31, 2024				
	Up to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years
	S/000	S/000	S/000	S/000	S/000
Foreign currency forwards	60,105	14,428	1,477	-	
Interest rate swaps	9,454	26,937	91,233	72,756	1
Currency swaps	43,639	31,955	72,826	56,141	
Foreign currency options	987	1,369	474	-	
Total assets	114,185	74,689	166,010	128,897	1
Foreign currency forwards	106,477	37,298	2,239	-	
Interest rate swaps	11,729	44,716	42,908	19,811	1
Currency swaps	26,224	25,459	79,045	71,857	
Foreign currency options	2,987	4,075	1,170	-	
Total liabilities	147,417	111,548	125,362	91,668	1

(ii) The Bank and its Subsidiaries are exposed to movements in future cash flows on assets and liabilities in foreign currency or which bear interest at variable rates. The Bank and its Subsidiaries, in accordance with what is indicated in Note 3(g), use derivative financial instruments as cash flow hedges to cover these risks.

A summary indicating the periods when the current cash flow hedges are expected to occur and that affect the consolidated statement of income, net of deferred income tax is as follows:

	Up to 1 year	From 1 to 3 years	From 3 to 5 years	Total
	S/000	S/000	S/000	S/000
As of December 31, 2024				
Cash inflows (asset)	1,195,914	566,465	-	1,762,379
Cash outflows (liability)	(1,190,159)	(566,730)	-	(1,756,889)
Consolidated statement of income	(3,546)	(502)	-	(4,048)
As of December 31, 2023				
Cash inflows (asset)	160,643	1,742,147	-	1,902,790
Cash outflows (liability)	(153,240)	(1,749,748)	-	(1,902,988)
Consolidated statement of income	485	(17,192)	-	(16,707)

As of December 31, 2024, the accumulated balance of the unrealized result from cash flow hedges, net of the corresponding deferred income tax, results mainly from the Bank as a result of its current hedges which maintain an unrealized loss of approximately S/2.3 million and revoked coverages that maintain an unrealized gain of S/2.4 million (The Bank had unrealized loss of approximately S/12.0 million and revoked coverages that maintain an unrealized gain of S/5.8 million as of December 31, 2023).

d) According to the operational capacity of the Bank and its Subsidiaries, operations in process are related to deposits received, loans granted and/or collected, funds transferred and similar operations, carried out in the last days of the month, which are reclassified to their definitive accounts in the following month. The regularization of these transactions does not affect the consolidated results of the Bank and its Subsidiaries as of December 31, 2024, and 2023.

e) The movement of intangible assets of limited life for the years ended December 31, 2024, 2023 and 2022 i

Description	Brand name	Software and other developments	Intangible assets in progress	2024
	S/000	S/000	S/000	S/000
Cost				
Balance at January 1	170,700	3,252,329	759,594	4,
Additions (i)	-	51,950	543,424	5
Transfers	-	737,788	(737,788)	
Disposals	-	(39,857)	(94,855)	(1
Balance as of December 31	170,700	4,002,210	470,375	4,6
Accumulated amortization				
Balance as of January 1	66,573	2,340,785	-	2,4
Amortization for the year	6,828	339,385	-	3
Disposals and others	-	(30,745)	-	(
Balance as of December 31	73,401	2,649,425	-	2,7
Net carrying amount	97,299	1,352,785	470,375	1,9

(i) The Bank registers designs related to the implementation and development of various IT projects as in see Note 3(k). During the years 2024 and 2023, these implementations include the acquisition of softw the improvement of technological platforms used in the Bank's operations, such as Yape, Aplicación de Telecrédito, among others.

Management periodically reviews the intangibles' residual value, their useful life and the amortization meth their economic benefits and life expectations. In the opinion of the Management of the Bank and its Subsi intangibles held by the Bank and its Subsidiaries as of December 31, 2024, 2023 and 2022.

f) As of December 31, 2024 and 2023, it mainly corresponds to the payment of the loyalty program based on miles that the Bank credits to its customers for the use of their cards, as well as other financial products for S/363.6 million and S/629.5 million, respectively.

g) As of December 31, 2024 and 2023, provisions for estimated losses in legal actions against the Bank and its Subsidiaries, related to operational risk and other similar obligations that have been recorded on the based on estimates made by Management and its internal legal advisors. Management and its internal legal advisors consider that, no additional significant liabilities will result to those already recorded by the Bank and its Subsidiaries. The movement is as follows:

	2024 S/000	2023 S/000
Balance at the beginning of the period	309,137	331,124
Provisions	34,499	31,786
Reversal	(46,391)	(37,850)
Payments	(23,270)	(22,901)
Exchange Differences	489	(1,203)
Others	5,435	8,181
Balance at the end of the period	279,899	309,137

h) As of December 31, 2024 and 2023, it corresponds mainly to annual income tax, general sales tax and withhold taxes payable.

i) The balance corresponds mainly to deferred commissions related to the loan portfolio.

10 DEPOSITS AND OBLIGATIONS

a) As of December 31, 2024 and 2023 the deposits and obligations by type of product are classified as follows:

	2024 S/000	2023 S/000
Saving deposits	56,814,926	49,417,428
Demand deposits	49,741,066	45,485,630
Time deposits (c)	36,674,941	32,421,980
Severance indemnity deposits	2,996,020	3,185,603
Bank´s negotiable certificates	1,101,347	1,194,653
	147,328,300	131,705,294
Interest payable	387,428	603,223
Total	147,715,728	132,308,517

b) As of December 31, 2024, and 2023, of the total balance of deposits and obligations in the Peru, approximately for S/59,413.9 million and S/51,875.6 million, respectively, are secured by the Peruvian “Deposit Insurance Fund”. At said dates, the maximum amount of coverage per depositor recognized by “Fondo de Seguro de Depósitos” totaled S/121,600.0 and S/123,810.0 respectively.

c) The balance of time deposits classified by maturity is as follows:

	2024 S/000	2023 S/000
Up to 3 months	26,201,070	22,244,305
From 3 months to 1 year	9,844,063	9,040,273
From 1 year to 3 years	629,352	1,134,766
From 3 to 5 years	390	2,435
Over 5 years	66	201
Total	36,674,941	32,421,980

11 PAYABLES FROM REPURCHASE AGREEMENTS

a) As of December 31, 2024 and 2023, the Bank and its Subsidiaries have repurchase agreements with loans, part of

	2024			2023
	Maturity	Carrying amount	Guarantee	Maturity
		S/000		
Peruvian Central Bank (BCRP)	Jan-25 / Sep-25	6,115,253	Available-for-sale investments and held -to-maturity	Jan-24 / Sep-25
Peruvian Central Bank (BCRP), Reactiva (*)	May-25 / Dec-25	459,775	Government-backed loans guarantee represented in titles and securities	May-24 / Dec-25
Natixis	Aug-28	270,000	Held-to-maturity investments	Aug-28
Citigroup Global Markets Limited	Aug-26	169,380	Available-for-sale investments	Aug-26
Natixis	Aug-26	94,100	Available-for-sale investments	Aug-26
Peruvian Central Bank (BCRP), Reactiva Especial (*)	Oct-25 / Dec-25	19,212	Government-backed loans guarantee represented in titles and securities	Jun-24 / Dec-25
Barclays Bank PLC	Aug-28	9,090	Available-for-sale investments	-
		7,136,810		
Yields		67,075		
		7,203,885		

As of December 31, 2024, the Bank and its Subsidiaries maintained repurchase agreements guaranteed for Reactiv other financial instruments BCRP certificates of deposit, foreign government bonds, sovereign bonds and Peruvian t available for sale and held to maturity for an approximate value of US$1,859.0 million, equivalent to S/6,997.3 millio (repurchase agreements guaranteed for Reactiva program credits S/2,128.3 million and other financial instruments l government bonds, sovereign bonds and Peruvian treasury bonds classified as investments available for sale and h US$1,763.3 million, equivalent to S/6,540.1 million, as of December 31, 2023).

Said transactions accrue interest at a fixed rate and at a variable rate between 0.50 percent and 6.73 percent and da percent, as of December 31, 2024, (between 0.50 percent and 7.41 percent and daily SOFR between 7.42 percent

(*) Through Reporting Operations, the Bank and its Subsidiaries sell securities representing credits guaranteed by the National G Peru (BCRP), receives Soles and are obliged to buy them back at a later date. The securities representative of Credits with G the form of portfolio of representative credits (Créditos reactiva) or of Certificates of Participation in trust of loan portfolio guara reactiva especial). The BCRP will charge monthly for the Operation a fixed interest rate in Soles of 0.50 percent per annum a without payment of interest or principal.

12 DUE TO BANKS, CORRESPONDENTS AND OTHER ENTITIES

a) As of December 31, 2024 and 2023, this item comprises the following:

	2024 S/000	2023 S/000
By type:		
Due to banks, correspondents and financial institutions (b)	5,234,848	7,036,222
COFIDE and FONCODES credit line (c)	4,550,609	4,389,433
	9,785,457	11,425,655
Interest payable	29,714	119,884
Total	9,815,171	11,545,539
By due date:		
Short-term debt	4,390,889	6,292,271
Long-term debt	5,424,282	5,253,268
Total	9,815,171	11,545,539

b) As of December 31, 2024 and 2023, it includes debts to banks and correspondents and financial institutions borrowings to finance foreign trade operations and for working capital. This item comprises the following without interest:

	2024 S/000	2023 S/000
Sumitomo Mitsui Banking Corporation	752,800	426,535
CaixaBank	590,948	370,900
International Finance Corporation (IFC) (i)	570,540	567,240
Bank of America	564,600	1,019,975
Standard Chartered Bank Hong Kong LTD	564,600	483,654
State Bank of India	564,600	-
Banco de la Nación	400,000	355,000
Commerzbank AG	376,400	370,900
Citibank, N.A.	376,400	185,450
Bank of New York Mellon	188,200	593,440
Corporación Financiera de Desarrollo (COFIDE)	115,760	409,890
Banco BBVA Perú	110,000	60,000
ICBC Perú Bank S.A.	60,000	50,000
Club Deal Loan (ii)	-	923,965
Wells Fargo Bank N.A.	-	890,162
Zürcher Kantonalbank	-	185,450
Bradesco BAC Florida Bank	-	92,725
Banco Internacional del Perú S.A.A.(Interbank)	-	50,936
	5,234,848	7,036,222

i) As of December 31, 2024, the Bank and its Subsidiaries hold cross-currency swaps (CCS) that were designated as cash flow hedges for certain repo operations in U.S. dollars with a nominal amount of US$60 million, equivalent to S/225.8 million.

ii) In December 2024, a loan signed under the Club Deal Loan format for 25 months for US$250.0 million, agreed in November 2022 with five foreign banks: Wells Fargo Bank NY (Administrative Agent), Standard Chartered Bank, JP Morgan Chase Bank N.A., HSBC Bank, and Bank of America, was canceled (as of December 31, 2023, the balance was US$250.0 million equivalent to S/924.0 million).

In April 2023, JP Morgan Chase Bank carried out a partial assignment of its collection rights in favor of ICBC Perú Bank S.A. for US$20.0 million or S/74.2 million.

The loan accrued interest at a variable SOFR rate over 3 months plus a spread of 1.5 percent. Additionally, the expenses related to this transaction were deferred and are being accrued proportionally during the term of the loan.

As of December 31, 2024, the loans have maturities between February 2025 and December 2031. Furthermore, the accrual of their interest is calculated based on rates that fluctuate between 4.80 and 6.00 percent annually. As of December 31, 2023, the loans had maturities between January 2024 and December 2031, and the accrual of their interest was calculated based on rates that fluctuated between 5.78 and 6.90 percent.

c) Promotional credit lines represent borrowings received from Corporación Financiera de Desarrollo (COFIDE) and F
Desarrollo Social (FONCODES) to promote the social development of Peru, have maturities between January 2025
annual interest rates fluctuate between 6.00 percent and 7.60 percent in Soles and 7.75 percent in U.S. dollars, as
(between January 2024 and January 2032 and between 3.50 percent and 7.60 percent and 7.75 percent in U.S. do
2023). These credit lines are secured by a credit portfolio of up to the amount of the credit line used of S/4,550.6 m
of December 31, 2024 and 2023, respectively. Below are the credit lines guaranteed by COFIDE:

		2024						2023		
		BCP		MIBANCO		TOTAL		BCP		MIBANCO
		Net Loans S/000	Backing debt S/000	Net Loans S/000	Backing debt S/000	Net Loans S/000	Backing debt S/000	Net Loans S/000	Backing debt S/000	Net Loans S/000
Mortgage Loans - MiVivienda Found	S/	4,599,249	4,549,463	151	108	4,599,400	4,549,571	4,451,911	4,374,217	197
Mortgage Loans - MiVivienda Found	US$	3,249	1,038	-	-	3,249	1,038	8,168	40	-
		4,602,498	4,550,501	151	108	4,602,649	4,550,609	4,460,079	4,374,257	197

d) As of December 31, 2024 and 2023, the balance of this item, classified by maturity, is as follows, without considering the interest payable:

	2024	2023
	S/000	S/000
Up to 3 months	1,539,466	3,066,045
From 3 months to 1 year	3,227,884	3,490,191
From 1 year to 3 years	1,554,012	1,522,871
From 3 to 5 years	769,574	739,770
More than 5 years	2,694,521	2,606,778
Total	9,785,457	11,425,655

e) Some due to banks, correspondents and other entities include specific agreements on how the funds received should be used, the financial conditions that the Bank and its Subsidiaries must maintain, as well as other administrative matters. In Management's opinion, these specific agreements have been fulfilled by the Bank and its Subsidiaries as of December 31, 2024 and 2023.

13 BONDS AND NOTES ISSUED

a) As of December 31, 2024 and 2023 this item comprises:

	Annual interest rate	Interest payment	Hedge Accounting			Maturity	Issued Ar
			Type	Nominal	Equivalent Nominal Value		
	%			S/000	S/000		000
Senior Notes (*)							
Senior Notes (i) (ii)	2.70	Semi-annual	CCS	US$220,000	828,080	January 2025	US$
Senior Notes (iii)	5.85	Semi-annual				January 2029	US$
Senior Notes (iii)	7.85	Semi-annual				January 2029	S/
Senior Notes	5.05	Semi-annual				June 2027	US$
Senior Notes (iv)	0.97	Semi-annual	CCS	JPY¥3,000,000	71,940	November 2025	¥
Senior Notes (v)	4.65	Semi-annual				September 2024	S/
Total Senior Notes							
Subordinated Bonds							
Subordinated Bonds (vi) (*)	Between 3.13 and 3.25	Semi-annual				July 2030 and September 2031	US$
Subordinated Bonds (vii) (*)	5.80	Semi-annual				March 2035	US$
Second program							
First issuance (Series B) - MiBanco	7.22	Semi-annual				June 2027	S/
Fourth program							
First issuance (Series A) - MiBanco (viii)	5.84	Semi-annual				March 2031	S/
Total Subordinated Bonds							
Negotiable certificates of deposit - Mibanco	Between 3.30 and 5.47	Annual				January 2025 and September 2026	S/
Total Issuance							
Interest payable							
Total							

(*) Most of international issues are listed on the Luxembourg Stock Exchange. In addition, international issues main
Management's opinion, the Bank and its Subsidiaries have complied with at the date of the consolidated stateme

The bonds are supported by the Bank and its Subsidiaries' assets and subject to the order of priority established by the SBS.

(i) The Bank issued Senior Notes under the Medium-Term Program for approximately US$700.0 million at a semi-annual coupon rate of 2.70 percent maturing in January 2025. The Bank can redeem all or part of the notes at any date, between October 11, 2021 and before December 11, 2024, at a redemption price equal to or greater than: (1) 100 percent of the aggregate principal amount of the notes to be redeemed; and (2) the sum of the present value of each remaining scheduled payment discounted at interest rate equal to the Treasury of the United States of America's rate plus 20 basis points. From December 11, 2024 onwards, the Bank can redeem the total or part of the notes to a redemption price equal to 100 percent of the aggregate principal amount of the notes to be redeemed. The payment of principal will take place on the due date or when the Bank redeems the notes.

(ii) As of December 31, 2024, and 2023, the Bank holds cross-currency swaps (CCS) with a notional amount of US$ 220.0 million, equivalent to S/ 828.1 million and S/ 816.0 million, respectively (see Note 9). These swaps were designated as a partial cash flow hedge for a fixed-rate senior note issued in U.S. dollars. Through these cross-currency swaps (CCS), the senior note was economically converted into Peruvian soles at a fixed rate.

(iii) On January 11, 2024, the Bank issued Senior Notes under its Medium-Term Notes program for a total amount of US$ 500.0 million in U.S. Dollars, with a coupon rate of 5.85 percent, and S/ 1,150.0 million in Peruvian Soles, with a coupon rate of 7.85 percent; both issuances mature in January 2029. Prior to December 11, 2028, the Bank may redeem all or part of the Senior Notes at a redemption price equal to the greater of (1) 100 percent of the principal amount of the Senior Notes, or (2) the sum of the remaining cash flows discounted at a rate equivalent to the U.S. Treasury interest rate plus 30 basis points (for the U.S. Dollar issuance) and the interest rate of Peruvian Government Sovereign Bonds or another comparable security plus 30 basis points (for the Peruvian Soles issuance). The principal payment will be made on the maturity date of the Senior Notes or upon their redemption by the Bank. From December 11, 2028, onwards, the Bank may redeem all or part of the Notes at a redemption price equal to 100 percent of the aggregate principal amount of the Notes being redeemed.

(iv) As of December 31, 2024, the Bank holds JPY-PEN cross-currency swaps (CCS) for ¥3,000.0 million, equivalent to S/ 71.9 million, designated as cash flow hedges for fixed-rate bonds issued in Japanese yen, which were converted into Peruvian soles (as of December 31, 2023, the Bank held JPY-PEN cross-currency swaps (CCS) for ¥3,000.0 million, equivalent to S/ 79.0 million).

(v) On September 17, 2024, the bond was fully redeemed. This bond was issued in September 2019 under the framework of the Medium-Term Notes Program for S/ 2,500.0 million, with a semi-annual coupon rate of 4.65 percent, maturing in September 2024.

(vi) On July 1, 2020, the Bank issued Subordinated Notes under the Medium-Term Bond Program for US$850.0 million at a semi-annual coupon rate of 3.125 percent maturing in July 2030 denominated "3.125 percent Subordinated Fixed-to-Fixed Rate Notes due 2030 (Callable 2025)". On July 1, 2025, a fixed interest rate will be paid equal to the interest rate of the Treasury of the United States of America, comparable to 5 years, plus 300.0 basis points. On July 1, 2025, the Bank may redeem all or part of the notes at a redemption price equal to 100.00 percent of the aggregate principal amount of the notes to be redeemed. Thereafter, the Bank may redeem all or part of the notes at a redemption price that is equal to the greater of (1) 100.00 percent of the principal amount of the notes and (2) the sum of the remaining discounted flows at a rate equivalent to the United States Treasury interest rate plus 45 basis points. Payment of the principal will take place on the due date of the notes or when the Bank redeems them.

On the other hand, on March 30, 2021, the Bank issued Subordinated Notes under the Medium-Term Bond Program for US$500.0 million at a semi-annual coupon rate of 3.250 percent maturing in September 2031 denominated "3.250 percent Subordinated Fixed-to-Fixed Rate Notes due 2031 (Callable 2026)". As of September 30, 2026, a fixed interest rate will be paid equal to the United States Treasury interest rate, comparable to 5 years, plus 245.0 basis points. On September 30, 2026, the Bank may redeem all or part of the subordinated notes at a redemption price equal to 100.00 percent of the aggregate principal amount of the subordinated notes to be redeemed. Thereafter, the Bank may redeem all or part of the subordinated notes at a redemption price that is equal to the greater of (1) 100.00 percent of the principal amount of the subordinated notes and (2) the sum of the remaining discounted flows at a rate equivalent to the United States Treasury interest rate plus 40 basis points. Principal payment will take place on the maturity date of the subordinated notes or when the Bank redeems them.

(vii) Additionally, on September 10, 2024, the Bank issued Subordinated Notes under the framework of its Medium-Term Notes Program for US$ 600.0 million at a semi-annual coupon rate of 5.80 percent, maturing in March 2035, designated as "5.800 Subordinated Fixed-to-Fixed Rate Notes due 2035 (Callable 2030)". Starting on March 10, 2030, the notes will bear a fixed interest rate equal to the U.S. Treasury interest rate for a comparable 5-year term plus 224.0 basis points. From March 30, 2030, onwards, the Bank may redeem all or part of the Subordinated Notes at a redemption price equal to 100 percent of the aggregate principal amount of the notes being redeemed. Thereafter, the Bank may redeem all or part of the Subordinated Notes at a redemption price equal to the greater of (1) 100 percent of the principal amount of the Subordinated Notes or (2) the sum of the remaining cash flows discounted at a rate equivalent to the U.S. Treasury interest rate plus 35 basis points. The principal payment will be made on the maturity date of the Subordinated Notes or upon their redemption by the Bank.

(viii) On March 30, 2021, Mibanco S.A. issued the Fourth Program Series A Subordinated Bonds amounting to S/155.0 million with a fixed rate of 5.84 percent, which matures on March 31, 2031. The payment of the principal will take place on the maturity date, or when Mibanco S.A. redeems them, only after a minimum term of 5 years since issuance date.

b) Below is the balance of securities, securities and outstanding obligations classified by maturity, excluding interest payable:

	2024 S/000	2023 S/000
Up to 3 months	2,634,235	92,305
From 3 months to 1 year	190,494	2,811,098
From 1 year to 3 years	142,505	2,653,619
From 3 to 5 years	3,012,468	141,143
More than 5 years	7,457,913	5,113,210
Total	13,437,615	10,811,375

14 INCOME TAX

a) As of December 31, 2024 and 2023, this item comprises:

	Balance as of January 1, 2023	(Debit) credit to results	(Debit) credit to net equity	Others	Balance as of December 31, 2023	(D cr re
	S/000	S/000	S/000	S/000	S/000	S/
Deferred assets						
Allowance for loan losses	1,118,484	(34,080)	(45,093)	-	1,039,311	
Provision for sundry expenses	106,288	20,527	-	-	126,815	
Provision for assets awarded	30,782	(5,987)	-	-	24,795	
Interest on refinanced loans not due	25,255	(814)	-	-	24,441	
Share based plan	17,049	1,496	-	-	18,545	
Unrealized loss from valuation of cash flow hedge derivatives	5,160	-	677	-	5,837	
Unrealized loss on valuation of investments available for sale	67,897	-	(28,533)	-	39,364	
Fair value fluctuation in bonds of the asset (hedged)	8,246	(5,617)	-	-	2,629	
Others	30,775	(2,757)	-	(4,157)	23,861	
Total deferred assets	1,409,936	(27,232)	(72,949)	(4,157)	1,305,598	
Deferred liabilities						
Difference in depreciation rate of buildings	(58,931)	1,066	-	-	(57,865)	
Unrealized gain from valuation of cash flow hedge derivatives	(5,262)	-	4,458	-	(804)	
Unrealized gain from appreciation of investments available for sale	(807)	-	(2,936)	-	(3,743)	
Adjustment for difference in exchange of SBS and the defined by the income tax law	(61,858)	16,842	-	-	(45,016)	
Difference in amortization rate of intangibles	(247,642)	76,919	-	-	(170,723)	
Others	(4,417)	(6,119)	-	4,459	(6,077)	
Total deferred liabilities	(378,917)	88,708	1,522	4,459	(284,228)	
Total deferred income tax asset, net	**1,031,019**	**61,476**	**(71,427)**	**302**	**1,021,370**	

b) The composition of the amounts presented in the consolidated statement of income for the years ended December 31, 2024, 2023 and 2022, is shown below:

	2024 S/000	2023 S/000	2022 S/000
Current	1,852,856	1,589,227	1,737,213
Deferred	(38,646)	(61,476)	(68,342)
	1,814,210	1,527,751	1,668,871

c) Reconciliation of the effective tax rate to the statutory tax rate for the years 2024, 2023 and 2022 is as follows:

	2024		2023		2022	
	S/000	%	S/000	%	S/000	%
Income before income tax -	**7,040,521**	**100.00**	**6,193,821**	**100.00**	**6,171,068**	**100.00**
Tax at the statutory rate	2,076,954	29.50	1,827,177	29.50	1,820,465	29.50
Effect of exempt income						
Exempted finance income	(642,408)	(9.12)	(586,467)	(9.47)	(397,269)	(6.44)
Effect of non-deductible expenses						
Non-deductible finance costs	92,374	1.31	89,673	1.45	97,173	1.57
Other non-deductible expense	287,290	4.08	197,368	3.19	148,502	2.41
Registered Income tax, current and deferred	**1,814,210**	**25.77**	**1,527,751**	**24.67**	**1,668,871**	**27.04**

15 EQUITY

a) Capital stock -

As of December 31, 2024 and 2023, the Bank' s capital stock comprises 12,973.2 million of fully subscribed and paid common shares (12,176.4 million shares, as of December 31, 2022, respectively) with a nominal value of one sol per share.

As of December 31, 2024, 2023 and 2022 Grupo Crédito S.A. (a subsidiary of Credicorp) holds 97.74 percent of the Bank's share capital.

The Annual General Shareholders' Meetings held on March 27, 2023 and March 29, 2022, approved the capitalization of 2022 and 2021 retained earnings for amounts of S/796.8 million and S/859.0 million, respectively.

b) Legal reserve -

In accordance with current legislation, the Bank must reach a legal reserve of not less than 35.00 percent of its paid-in capital. This reserve must be constituted through an annual appropriation of not less than 10.00 percent of its net income. As of December 31, 2024, 2023 and 2022, the Bank and its Subsidiaries covered said legal requirement.

The Annual General Shareholders' Meeting, held on March 27, 2023, and March 29, 2022, approved the increase of the legal reserve by S/279.4 million and S/303.1 million, from the 2022 and 2021 net income, respectively.

As of December 31, 2024, 2023 and 2022, the Subsidiaries' individual legal reserves amounted to S/342.0 million, S/315.4 million and S/279.6 million, respectively.

c) Other reserves -

The other reserves have been funded through the appropriation of retained earnings. Other reserves are freely available.

The Annual General Meeting of Shareholders held on March 29, 2022, it was approved to increase the other reserve by approximately S/505.5 million, from the profit for the year 2021.

Additionally, as of October 23, 2024 and October 25, 2023, the Board of Directors agreed to distribute dividends charged to other reserves for S/467.0 million and S/448.9 million, respectively.

d) Unrealized results -

"Unrealized results" includes the net unrealized gains (losses) from available-for-sale investments, foreign currency translation adjustments and cash flow hedging derivatives. The movement of the unrealized results during 2024, 2023 and 2022, net of deferred income tax was as follows:

	Unrealized gain (loss) of:			
	Available for sale investments	**Derivatives instruments as cash flow hedges**	**Translation results**	**Total**
	S/000	**S/000**	**S/000**	**S/000**
Balance as of January 1, 2022	(499,642)	(939)	3,276	(497,305)
Net unrealized loss from available-for-sale-investments	(753,008)	-	-	(753,008)
Transfer to results of realized loss in investments available for sale, net realized gain	61,261	-	-	61,261
Net unrealized gain on cash flow hedge	-	29,473	-	29,473
Transfer to results of realized gain in cash flow, hedging derivatives	-	(28,048)	-	(28,048)
Foreign currency translation	-	-	(4,778)	(4,778)
Deferred income tax	54,063	(241)	-	53,822
Balance as of December 31, 2022	(1,137,326)	245	(1,502)	(1,138,583)
Net unrealized gain from available-for-sale-investments	473,299	-	-	473,299
Transfer to results of realized loss in investments available for sale, net realized gain	60,803	-	-	60,803
Net unrealized loss on cash flow hedge	-	(2,795)	-	(2,795)
Transfer to results of realized gain in cash flow, hedging derivatives	-	(13,048)	-	(13,048)
Foreign currency translation	-	-	(425)	(425)
Deferred income tax	(31,469)	5,136	-	(26,333)
Balance as of December 31, 2023	(634,693)	(10,462)	(1,927)	(647,082)
Net unrealized gain from available-for-sale-investments	249,416	-	-	249,416
Transfer to results of realized loss in investments available for sale, net realized, gain	14,770	-	-	14,770
Net unrealized gain on cash flow hedge	-	32,796	-	32,796
Transfer to results of realized gain in cash flow, hedging derivatives	-	(17,416)	-	(17,416)
Foreign currency translation	-	-	210	210
Deferred income tax	(20,828)	(5,168)	-	(25,996)
Balance as of December 31, 2024	(391,335)	(250)	(1,717)	(393,302)

As of December 31, 2024, and 2023, the Bank and its Subsidiaries maintain a deferred asset for net income tax for S/14.7 million and S/40.7 million, respectively, comprising the unrealized gains or losses on available-for-sale investments and cash flow hedges.

e) Components of other comprehensive income -

The consolidated statement of comprehensive income includes other comprehensive income on available-for-sale investments and derivatives used as cash flow hedges and translation results, with the following movement:

	2024 S/000	2023 S/000	2022 S/000
Available-for-sale investments:			
Unrealized gain (loss) from available-for-sale investments	249,416	473,299	(753,008)
Transfer of net loss made of investments available for the sale to results	14,770	60,803	61,261
Subtotal	264,186	534,102	(691,747)
Non-controlling interest	(404)	818	(304)
	263,782	534,920	(692,051)
Income tax	(20,828)	(31,469)	54,063
	242,954	503,451	(637,988)
Cash flow hedges:			
Net unrealized gain (loss) from cash flow hedges	32,796	(2,795)	29,473
Transfer of the realized net gain from cash flows hedge derivatives to results	(17,416)	(13,048)	(28,048)
Subtotal	15,380	(15,843)	1,425
Non-controlling interest	214	(295)	(6)
	15,594	(16,138)	1,419
Income tax	(5,168)	5,136	(241)
	10,426	(11,002)	1,178
Foreign currency translation:			
Exchange differences on translation of foreign operations	210	(425)	(4,778)
Non-controlling interest	-	-	-
	210	(425)	(4,778)

f) Dividend distribution -

The General Shareholders' Meetings held on March 27, 2024, March 27, 2023 and March 29, 2022, agreed to distribute dividends for approximately S/4,011.3 million, S/2,690.4 million and S/1,363.7 million, resulting from operations for fiscal years 2023, 2022 and 2021, respectively.

Additionally, as of October 23, 2024, October 25, 2023 and October 26,2022, the Board of Directors agreed to distribute dividends charged to other reserves for S/467.0 million, S/448.9 million and S/757.4, respectively.

In accordance with current Peruvian legislation, there is no restriction for overseas remittance of dividends or the repatriation of foreign investment. With effect from 2017, non-domiciled legal entities in Peru and individuals are subject to an additional income tax of 5.00 percent on the distributed dividends, which must be retained and paid by the entity that distributes the dividends.

According to Legislative Decree N°1261, published on December 10, 2016, it eliminated the provision of Law N°30296 regarding the rates established from 2017 onwards.

g) Regulatory capital -

According to the Article 199 of the General Law of the Financial System, as amended by Legislative Decree No. 1531, the regulatory capital must be equal to or higher than 10.00 percent of the total risk-weighted assets and contingent operations, represented by the sum of: the regulatory capital requirement for market risk multiplied by the inverse of the global limit; the capital requirement for operational risk, multiplied by the inverse of the global limit; and the risk-weighted assets and contingent credits by credit risk. Legislative Decree No. 1531 also distinguishes between Level 1 and Level 2 capital, according to the established definitions and limits.

At the end of 2022, the SBS published various resolutions that complement the provisions of Legislative Decree No. 1531 and incorporate a schedule for the adjustment of the requirements for the three Basel buffers: capital conservation buffer, countercyclical buffer, and systemic risk buffer.

The SBS, through general regulations, established the forms and deadlines for compliance. Thus, through SBS Resolution No. 3952-2022 of December 27, 2022, which was amended by SBS Resolution No. 00274-2024 of January 24, 2024, the compliance schedule for the minimum solvency requirements established in Article 199 of the General Law was modified as follows:

Period	Minimum requirement of ordinary level 1 capital	Minimum Requirement of Level 1 effective assets	Global Limited
January 2023 to March 2023	3.825%	5.10%	8.50%
April 2023 to February 2024	4.05%	5.40%	9.00%
March 2024 to August 2024	4.275%	5.70%	9.50%
September 2024 onwards	4.50%	6.00%	10.00%

As of December 31, 2024, the Bank's effective equity determined according to current legal regulations is S/30,255.1 million (S/26,792.8 million as of December 31, 2023), calculated as follows:

	2024	2023
	S/000	S/000
Level 1 ordinary capital		
More		
Common actions	12,973,175	12,973,175
Accumulated utility	1,372,559	719,357
Net profit for the period	5,216,692	4,664,508
Unrealized profit from investment available for sale	155,435	90,386
Legal reservation	4,554,981	4,554,566
Optional reservation	1,569,321	2,036,355
Less		
Unrealized loss due to investment available for sale	(569,093)	(759,103)
Deductions for regulatory adjustments	(4,115,029)	(4,189,148)
	21,158,041	20,090,096
Level 2 ordinary capital		
More		
Subordinate bonds	7,339,800	5,007,150
Generic provisions for credits	1,757,256	1,695,577
	9,097,056	6,702,727
Total effective equity	30,255,097	26,792,823

As of December 31, 2024, and December 31, 2023, the Bank and its Subsidiaries have fulfilled the requirements of Resolutions N°2115-2009, N°6328-2009 and N°14354-2009, Regulations for the Requirement of Regulatory Capital by Operational Risk, Market Risk and Credit Risk Regulations, respectively, and amendments. Those resolutions establish, mainly, the methodology to be applied by financial entities to calculate the weighted assets and credits for each type of risk. During the year, the first two Resolutions were amended by Resolution SBS No. 525-2024, which primarily incorporated new adjustment factors for APR from 2023 to March 2025, onwards.

Through the Regulation for the Additional Risk-Based Capital Requirement, approved by Resolution SBS N03953-2022, it is stipulated that the additional capital requirement shall equal the sum of the capital requirements calculated for each of the following components: concentration risk and interest rate risk in the banking book. Furthermore, via the Regulation for the Conservation Buffer Requirement, for Economic Cycle and Market Concentration Risk, sanctioned by Resolution SBS N°03954-2022, methodologies for computing the economic cycle buffer requirements, the activation and operation of the economic cycle buffer requirement, market concentration risk buffer requirement, capital conservation buffer requirement, applicable constraints upon failure to meet buffer requirements, and other measures are delineated. As of December 31, 2024, the additional requirement for effective equity and conservation buffers estimated by the Bank amounts to approximately S/1,626.3 million and S/5,256.4 million, respectively (S/1,355.0 million and S/4,028.7 million, respectively, as of December 31, 2023).

As of December 31, 2022, Resolution SBS N°8425-2011 was in effect, mandating financial institutions to maintain additional effective capital equivalent to the aggregate of capital requirements calculated for each of the following components: economic cycle, concentration risk, market concentration risk, interest rate risk, and other risks. As of December 31, 2024, and December 31, 2023, the effective equity of the consolidated financial group amounted to US$9,983.2 million, equivalent to S/37,576.8 million and US$8,550.7 million, equivalent to S/31,714.4 million, respectively.

In Management's opinion, the Bank and its Subsidiaries have been complying with the requirements established in the afore mentioned resolution.

16 TAX SITUATION

a) The Bank and its Subsidiaries are subject to the Peruvian tax regime. The income tax rate as of December 31, 2024, 2023 and 2022 was 29.50 percent.

   Enterprises and individuals not domiciled in Peru and domiciled individuals are subject to additional withholding tax on the dividends received of 5.00 percent.

b) To determine the income tax, the transfer prices of transactions with related companies and those carried out from, to or through non-cooperative or low or no tax countries or territories; or those carried out with subjects whose income, income or gains from such transactions are subject to a preferential tax regime, must be supported with documentation and information on the valuation methods used and the criteria considered for their determination. Based on the analysis of the operations of the Bank and its Subsidiaries, Management and its internal legal advisors are of the opinion that, as a consequence of the application of these standards, no contingencies of importance will arise for the Bank and its Subsidiaries as of December 31, 2024 and 2023.

c) Through Legislative Decree No. 1425, effective as of January 1, 2019, the concept of accrual for tax purposes was defined, establishing general and specific rules for the recognition of income and expenses for tax purposes.

In this regard, the Third Final Complementary Provision of Supreme Decree No. 339-2018-EF established that the special or sectoral regulations referred to in D. Leg. No.1425, are those provisions of a tax nature that establish special treatment for the accrual of income or expenses for Income Tax purposes.

d) Through Law No. 31659, which modifies Law No. 30309, a rule that promotes scientific research, development and technological innovation in force since January 1, 2023, it is established that companies may make additional deductions in the determination of the Income Tax. Income ranging between 60.00 percent, 90.00 percent or 140.00 percent that cannot exceed in each case the annual limit of 500 UIT. The aforementioned tax benefit is extended until 2025.

e) Through Legislative Decree N°1529, the Law for the fight against evasion and for the formalization of the economy regarding the use of types of payment is modified. Among the modifications made, the amount from which means of payment must be used is reduced from S/3,500.0 or US$1,000.0 to S/2,000.0 or US$500.0, respectively. Likewise, it is established that the use of types of payment is considered fulfilled only if the payment is made directly to the creditor, provider of the good and/or service provider, or when said payment is made to a third party designated by the creditor, provided that the designation is communicated to SUNAT prior to payment, in the form and conditions indicated by resolution of the superintendency. These provisions are in force as of April 1, 2022.

f) Regarding to sales tax, income from credit services received, among others, by banking and financial companies, domiciled or not in the country, as capital gains, derived from bills of exchange trading, promissory notes, invoices and other commercial papers, as well as for commissions and interest derived from operations of these companies are not taxed.

g) As of January 1, 2024, through Law No. 31962 and Supreme Decree No. 259-2024, changes are established in the way of calculating interest on debts for fines and interest and for returns of improper and/or excess payments.

With this modification, the fines will be updated by applying the legal interest established by the BCRP and published by the SBS, and the returns of improper and/or excess payments will be updated by applying the Default Interest Rate - TIM. For violations committed prior to this rule, the fines will be updated by applying the Default Interest Rate – TIM, and for improper or excess payments generated prior to this rule, they will be updated by applying the interest rates established in article 38 of the Tax Code.

h) From 2026 onwards, the Tax Authority will provide taxpayers with a rating of their tax profile, determined in accordance with current regulations. This rating will not have a direct impact on the determination of taxes.

i) The Peruvian Tax Authority is entitled to review and, if applicable, amend the individual annual income tax returns of the Bank and its Subsidiaries established in said countries up to four years after the year of their submission.

The income tax returns which are open to review by the Tax Authorities are the following:

Banco de Crédito del Peru S.A. (*)	2016-2023
Mibanco Banco de la Microempresa S.A.	2023
Solución Empresa Administradora Hipotecaria S.A.	2020-2023

(*) Except for 2018 and 2019, which have been reviewed by the Tax Authority in 2023 and 2024 respectively. As of December 31, 2024, the Tax Authority has been reviewing the income tax return for the 2020 financial year.

On November 11, 2024, Mibanco has been notified by the Tax Authority to begin the inspection of the 2022 Income Tax, currently the inspection procedure is in process.

Due to the tax regulations being subject to interpretation by the Tax Authorities it is not possible to determine at present whether or not the reviews carried out will generate additional liabilities for the Bank and its Subsidiaries. Therefore, any unpaid tax, penalties or interests that might result from said reviews will be expensed in the year in which they are determined. Nevertheless, Management of the Bank and its internal legal advisors consider that any additional tax assessments would not have a significant impact on the 2024 and 2023 consolidated financial statements of the Bank and its Subsidiaries.

17 CONTINGENCIES

As of December 31, 2024 and 2023, the Bank and its Subsidiaries have pending various tax processes and lawsuits related to the activities they carry out, as well as arbitration processes related to Works for Taxes and that, in the opinion of Management and its internal legal advisors, will not result in significant additional liabilities to those already recorded by the Bank and its Subsidiaries; Therefore, Management has not considered necessary an additional provision to the one recorded for these contingencies, see Note 9(g).

18 CONTINGENT RISKS AND COMMITMENTS

a) As of December 31, 2024 and 2023, this item comprises the following:

	2024 S/000	2023 S/000
Contingent operations (indirect loans) (b):		
Guarantees and standby letters of credit	a	17,242,372
Import and export letters of credit	2,576,490	2,086,135
Bank acceptances	528,184	412,401
	22,211,662	19,740,908
Unused credit lines and undisbursed granted loans (c)	74,193,794	76,719,565
Other contingent operations	35,888	17,624
Total contingent operations	96,441,344	96,478,097

b) In the normal course of their business, the Bank and its Subsidiaries perform contingent operations (indirect loans). These operations expose them to credit risk in addition to the amounts recognized in the consolidated statement of financial position. The Bank and its Subsidiaries' exposure to credit losses from export and import letters of credit, performance bonds and guarantees, is represented by the contractual amounts specified in the related contracts.

The Bank and its Subsidiaries apply the same credit policies in making commitments and conditional obligations as they do for direct loans, including the requirement to obtain collateral to support off-balance sheet financial instruments when it is deemed necessary. Collateral held varies, and may include deposits held in financial institutions, mortgages, securities or other assets.

Because most of the contingent operations (indirect credits) are expected to expire without any performance being required, the total of contingent operations does not necessarily represent future cash requirements.

Export and import letters of credit are mainly issued as credit guarantees used to facilitate commercial transactions abroad. The related credit risk is reduced by the participation of third parties.

Bank on acceptances represent collection rights for the Bank and its Subsidiaries that arise at the time of negotiation of the letter of credit; a collection right from the local importer (in the case of imports) or a collection right from the correspondent bank (in the case of exports).

c) Unused lines of credit and lines of credit conceded include lines of consumer loans, micro-business, small business, medium and corporate business, that are payable upon notification to the client.

d) As of December 31, 2024 and 2023 transactions with derivatives are recorded off-balance sheet for control purposes, at their reference value and are expressed in the committed currency. This item is made up as follows:

	2024	2023
	S/000	S/000
Derivative instruments, Note 9(c) -		
Derivatives held for trading:		
Interest rate swap contracts	43,371,878	13,387,572
Foreign currency contracts on the Sol:		
Foreign currency sales	21,758,592	17,018,956
Foreign currency purchases	7,470,684	10,627,117
Foreign currency forward contracts on currencies, other than Sol	461,992	565,060
Currency swap contracts:		
Sol delivery/ Foreign currency reception	10,083,833	9,910,769
Foreign currency delivery/ Sol reception	3,538,506	2,943,407
Foreign currency options	728,146	464,099
Derivatives held as hedge:		
Interest rate swap contracts	1,355,040	1,335,240
Cross currency swap contracts on the Sol:		
Sol reception / Foreign currency delivery	1,053,920	1,092,912
Foreign currency delivery/ Sol reception	-	54,849
Cross currency swap in other currency than Sol	118,910	150,744
	89,941,501	57,550,725

19 FINANCE INCOME AND EXPENSES

These items comprise the following:

	2024 S/000	2023 S/000	2022 S/000
Finance income			
Interest from loan portfolio	14,363,214	13,847,951	11,388,122
Interest from trading, available-for-sale and held-to-maturity investments, net	1,729,885	1,595,689	1,148,760
Interest from cash and due from banks and inter-bank funds	1,337,315	1,075,166	427,399
Others	16,579	8,128	37,749
	17,446,993	16,526,934	13,002,030
Finance expenses			
Interest and commissions on deposits and obligations	(2,254,832)	(2,536,249)	(1,252,113)
Interest on due to banks and correspondents and other entities	(701,741)	(538,918)	(666,784)
Interest on bonds and subordinated notes issued	(1,052,659)	(1,139,428)	(628,657)
Deposit insurance fund	(251,757)	(233,362)	(227,733)
Others	(5,845)	(7,343)	(1,513)
	(4,266,834)	(4,455,300)	(2,776,800)
Gross financial margin	13,180,159	12,071,634	10,225,230

20 COMMISSIONS FOR BANKING SERVICES, NET

This item comprises the following:

	2024 S/000	2023 S/000	2022 S/000
Gain to related banking service commissions			
Card associated services	1,271,046	1,089,589	903,451
Transfer and collection services	950,334	914,559	1,058,310
Commissions on special services	498,823	403,859	330,059
Maintenance of accounts	352,509	384,913	391,330
Commissions from contingent operations	284,393	284,137	306,689
Fees from consulting and technical studies	141,127	89,391	92,842
Insurance commissions	114,839	124,820	116,910
Commission on transfers overseas and other	72,174	48,688	46,015
Withholding and collection services	45,849	41,487	36,596
Commission from salary in advance and payment of services	43,421	59,903	66,330
Check issuance	2,338	3,598	3,841
Others	88,189	39,572	27,679
Subtotal	3,865,042	3,484,516	3,380,052

	2024 S/000	2023 S/000	2022 S/000
Expenses related to banking service commissions			
Card associated services	(317,862)	(268,099)	(246,905)
Currency conversion services	(69,381)	(59,914)	(53,481)
Expenses related to check issuance	(1,157)	(2,252)	(2,281)
Others	(53,489)	(57,537)	(43,104)
Subtotal	(441,889)	(387,802)	(345,771)
Balance, net	3,423,153	3,096,714	3,034,281

21 NET RESULT ON SECURITIES

This item comprises the following:

	2024 S/000	2023 S/000	2022 S/000
Share of results obtained by associates	4,343	(9,868)	10,832
Net loss from purchase and sale of investments available for sale (a)	(23,746)	(76,261)	(7,840)
Net gain (loss) from purchase and sale of securities at fair value through profit or loss (trading) (b)	5,590	11,473	(22,669)
Others, net	(16,196)	(5,865)	(4,980)
Total	(30,009)	(80,521)	(24,657)

(a) During the year 2024, the amount includes net losses on sovereign bonds for S/21.7 million and on corporate bonds for S/14.0 million. On the other hand, it includes net gains on sovereign bonds for S/ 11.6 million and on other available-for-sale investments for S/0.4 million (During the year 2023, the amount included net losses on sovereign bonds for S/74.6 million and on other available-for-sale investments for S/1.6 million), see Note 5(b). Additionally, during the year 2024, a loss of S/ 51.1 million was recognized, corresponding to the accrual of the unrealized loss associated with sovereign bonds that were reclassified from the available-for-sale to held-to-maturity category (loss of approximately S/47.0 million during 2023).

(b) During the year 2024, the amount includes net gains on foreign government bonds for S/ 17.8 million and corporate bonds for S/ 0.9 million, as well as net losses on sovereign bonds for S/ 13.1 million (During the year 2023, the amount included net gains on sovereign bonds for S/ 1.3 million, foreign government bonds for S/ 10.0 million, and corporate bonds for S/ 0.2 million).

22 OTHER NON-FINANCE INCOME AND OTHER OPERATING EXPENSES

These items comprise the following:

	2024 S/000	2023 S/000	2022 S/000
Other non-finance income			
Gain on sale of property, furniture and equipment (a)	53,072	1,745	12,804
Gain on sale of loan portfolio (b)	37,276	168,738	22,842
Reversal of provisions from previous periods	29,105	15,124	10,789
Revenues from technical outsourcing services	27,337	27,255	26,491
Recovery of expenses of judicial collection of credits	12,144	12,127	24,757
Use of BCP Bolivia brand	10,217	8,803	8,004
Gain on sale of assets received in payment and awarded	2,649	10,939	4,250
Others (c)	112,576	111,242	103,327
Total	284,376	355,973	213,264
Other operating expense			
Derecognition of intangibles due to withdrawals and rejected projects	(84,983)	(67,426)	(19,432)
Losses for operating risk	(80,385)	(71,257)	(84,579)
Donations	(22,969)	(22,617)	(16,007)
Customer claims and litigation	(18,426)	(16,724)	(16,529)
Other administrative contingencies	(13,799)	(16,051)	(10,673)
Derecognition of furniture and equipment out of use	(5,340)	(3,149)	(3,325)
Tax penalties and fines	(3,518)	(27,720)	(286)
Expenses related to assets under finance lease	(3,470)	(3,781)	(3,014)
Provision for uncollectible receivables	(2,046)	(8,351)	(3,433)
Others (d)	(16,794)	(51,168)	(47,483)
Total	(251,730)	(288,244)	(204,761)

(a) As of December 31, 2024, corresponds to sales of various properties, mainly land and buildings, whose sale value was S/83.1 million, with a net cost of S/30.0 million.

(b) As of December 31, 2024, mainly includes sales of judicial and written-off portfolios in the form of assignment of rights to third parties for amounts of S/174.1 million and S/212.7 million, respectively; which were sold at a value of S/50.1 million, and which generated a total profit of S/37.3 million.

(c) Corresponds mainly to cash surpluses, collection of commissions from leasing clients for relocation, vehicle taxes, property taxes, fines and infractions regarding the leasing product, improvements in the negotiation process for shared services with group companies, among others

(d) The balance is mainly composed of provisions for various risks, commission and interest refunds, non-deductible expenses, penalties for card transactions, among others.

23 SALARIES AND EMPLOYEE BENEFITS

This item comprises the following:

	2024 S/000	2023 S/000	2022 S/000
Salaries	1,879,836	1,704,118	1,549,750
Legal profit sharing	320,123	272,253	300,868
Legal gratifications	292,492	279,414	265,816
Vacations, medical assistance and others	266,569	244,786	204,991
Additional profit sharing	262,091	177,397	194,707
Social security	203,095	191,925	181,511
Employees' severance indemnities	161,724	153,199	143,025
Share-based payment plan	59,707	48,021	48,060
Total	3,445,637	3,071,113	2,888,728
Number of employees	29,471	27,793	27,523

24 GENERAL AND ADMINISTRATIVE EXPENSES

This item comprises the following:

	2024 S/000	2023 S/000	2022 S/000
Systems	1,191,980	1,044,651	857,121
Publicity	631,279	578,823	471,672
Consulting and professional fees	254,497	228,594	227,726
Rental	192,902	188,237	182,595
Transport and communications	172,197	174,001	175,976
Third party services	128,512	109,636	102,598
BCP agent commission	118,156	115,120	106,356
Repair and maintenance of equipment	116,457	114,716	110,314
Sundry supplies	71,087	112,079	81,636
Security	51,080	49,906	32,906
Insurance	45,028	48,652	45,428
Energy and water utilities	43,941	48,244	35,021
Others (a)	124,697	131,677	151,124
Total	3,141,813	2,944,336	2,580,473

a) The balance is made up mainly of cleaning and fumigation services, agency maintenance expenses, Reniec expenses, card printing, ATM installation services, printer rentals, subscription expenses, among others.

25 EARNINGS PER SHARE

As of December 31, 2024, 2023 and 2022, the weighted average number of shares outstanding was determined as follows:

	Outstanding shares	Shares for calculation	Effective days year end	Weighted outstanding Average of shares
	S/000	S/000		S/000
2022				
Balance at January 1, 2022	11,317,387	11,317,387	365	11,317,387
Capitalization of profits in 2022	858,978	858,978	365	858,978
Capitalization of profits in 2023	-	796,810	365	796,810
Balance as of December 31, 2022	12,176,365	12,973,175		12,973,175
2023				
Balance at January 1, 2023	12,176,365	12,176,365	365	12,176,365
Capitalization of profits in 2023	796,810	796,810	365	796,810
Balance as of December 31, 2023	12,973,175	12,973,175		12,973,175
2024				
Balance at January 1, 2024	12,973,175	12,973,175	365	12,973,175
Balance as of December 31, 2024	12,973,175	12,973,175		12,973,175

As of December 31, 2024, 2023 and 2022; earnings per share determined on the basis of the weighted average of outstanding shares was S/0.4017, S/0.3587 and S/0.3454.

	2024	2023	2022
	S/000	S/000	S/000
Net profit attributable to the parent company	5,210,948	4,653,039	4,480,438
Weighted average number of common shares	12,973,175	12,973,175	12,973,175
Basic and diluted earnings per share attributable the parent company	0.4017	0.3587	0.3454
Basic and diluted earnings per share from operations continue	0.4029	0.3597	0.3470

26 TRANSACTIONS WITH RELATED PARTIES

a) During 2024 and 2023, the Bank and its Subsidiaries have acquired bonds, granted loans, supplied and received banking services, correspondent relationships and other operations with the Subsidiaries of Credicorp, the balances of which are shown below:

	2024	2023
	S/000	S/000
Assets -		
Cash	10,437	4,403
Loans portfolios, net	96,266	109,023
Available-for-sale investments (shares of Credicorp Ltd.), Note 5(b)	54,962	58,597
Others assets	99,044	112,645
Liabilities -		
Deposits and obligations	3,026,951	1,597,033
Bonds and subordinated notes issued	20,399	15,488
Other liabilities	40,804	9,353
Contingent risk and commitments -	438,140	666,210

Below is the breakdown of the following items on the consolidated income statement:

	2024	2023	2022
	S/000	S/000	S/000
Financial income	23,072	28,761	58,315
Financial expenses	65,089	51,368	37,525
Other income	591,420	580,700	520,691
Other expenses	105,151	80,267	94,036

The Bank and its Subsidiaries have contracted insurance coverage with Pacífico Compañía de Seguros y Reaseguros S.A., a subsidiary of Credicorp Ltd.; the related premiums amount to S/39.4 million in 2024 (S/41.9 million in 2023); the accrued part is recorded in “General and administrative expenses” of the consolidated statement of income.

The Bank and its Subsidiaries also receive fees for selling life insurance coverage through its network of offices to customers who have saving accounts; with fees which amounted to approximately S/504.3 million and S/455.8 million, in 2024 and 2023, respectively.

According to the Peruvian legislation, loans to related parties cannot be granted on terms more favorable than those that would have been offered to the general public. Management of the Bank and its Subsidiaries consider that they have complied with all legal requirements for transactions with related parties. Loans granted to related parties are secured by guarantees and collaterals.

Balances with related entities are as follows:

	2024 S/000	2023 S/000
Direct loans	2,175,979	1,927,656
Indirect loans	531,475	302,804
Derivatives, market value	(3,821)	116
Deposits (*)	670,623	834,940

(*) Comprising deposits of legal persons and individuals.

b) All transactions with related parties are made in accordance with normal market conditions available to other customers. As of December 31, 2024, direct loans to related companies are secured by collateral, had maturities between January 2025 an July 2032, at an annual Soles average interest rate of 7.44 percent and at an annual average interest rate in foreign currency of 5.67 percent (as of December 31, 2023, maturities where between January 2024 and July 2032, and the annual Soles average interest rate was 7.54 percent and the annual average interest rate in foreign currency was 6.26 percent).

c) Loans to employees and their relatives -

The Bank and its Subsidiaries grant loans to their employees and relatives for terms that fluctuate according to the different types of loans that the Bank and its Subsidiaries maintain towards third parties. Loans granted to employees and their relatives are mainly mortgage loans and are included “Loans portfolios” of the consolidated statement of financial position.

As of December 31, 2024 and 2023, the balance of loans and other facilities granted to employees, directors, key executives and their relatives of the Bank and its Subsidiaries amounted to S/1,389.6 million and S/1,383.3 million, respectively.

d) The compensation of the key personnel of the Bank and its Subsidiaries for the years 2024 and 2023, considering all payments made, was as follows:

	2024 S/000	2023 S/000	2022 S/000
Salaries	30,404	21,079	20,034
Directors’ compensation	6,570	6,780	7,275
Total	36,974	27,859	27,309

Additionally, during 2024, 2023 and 2022, the Bank and its Subsidiaries recorded approximately S/6.2 million, S/7.9 million and S/11.7 million, respectively an expense related to stock awards. The related income tax is assumed by the Bank and its Subsidiaries.

27 FINANCIAL INFORMATION BY GEOGRAPHICAL AREA

The following detail shows the operations of the Bank and its Subsidiaries for the years ended December 31, 2

	2024					2023	
	Total income (*)	Gross financial margin	Depreciation and amortization	Property, furniture and equipment, net/ Intangible assets/ Goodwill	Total assets	Total income (*)	Gros finan marg
Peru	22,612	13,105	487	3,411	210,291	21,230	
Panama	16	8	(1)	9	439	51	
United States of America	154	67	-	22	2,431	166	
Eliminations	(409)	-	-	-	(4,218)	(448)	
Total	22,373	13,180	486	3,442	208,943	20,999	

(*) Including the total finance and non-finance

28 FINANCIAL INSTRUMENTS CLASSIFICATION

The following are the amounts of financial assets and liabilities of the consolidated statement of financial positi

	As of December 31, 2024				
	Financial assets and liabilities at fair value				
	Held for trading or hedging	At inception	Loans and receivables	Investments available-for-sale	Investments held-to-maturity
	S/000	S/000	S/000	S/000	S/000
Assets					
Cash and due from banks	-	-	45,628,611	-	
Interbank funds	-	-	-	-	
Investments at fair value through profit or loss and available for sale	603,635	-	-	23,371,455	
Held-to-maturity investments	-	-	-	-	7,796,2
Loans, net	-	-	124,051,833	-	
Other assets, net, Note 9(a)	710,501	-	1,502,987	-	
	1,314,136	-	171,183,431	23,371,455	7,796,2
Liabilities					
Deposits and obligations	-	-	-	-	
Interbank funds	-	-	-	-	
Payables from repurchase agreements	-	-	-	-	
Due to banks, correspondents and other entities	-	-	-	-	
Bonds and Subordinated Notes issued	-	-	-	-	
Other liabilities, net, Note 9(a)	662,563	-	-	-	
	662,563	-	-	-	

29 FINANCIAL RISK MANAGEMENT

The activities of the Bank and its Subsidiaries mainly involve the use of financial instruments, including derivatives. They also accept deposits from customers at both fixed and variable rates, for different periods, and invest these funds in high-quality assets. Moreover, they place these deposits at fixed and variable rate with legal entities and individuals, considering the finance costs and expected yield.

The Bank and its Subsidiaries trade in financial instruments when they assume positions in traded and over-the-counter instruments, including derivatives, to take advantage of short-term market movements, through trading strategies which include the use of equities, bonds, currencies and interest rates.

In this regard, risk is inherent to the Bank and its Subsidiaries activities, which is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk Management is critical to the continuing profitability of the Bank and its Subsidiaries, and each Management is accountable for the risk exposures relating to his responsibilities. The Bank and its Subsidiaries are mainly exposed to operating risk, credit risk, liquidity risk and market risk.

a) Risk Management structure -

The Board of Directors of the Bank and its Subsidiaries is responsible for identifying and controlling risks; however, there are separate independent bodies responsible for managing and monitoring risks, as further explained bellow:

(i) Board of Directors -

The Board of Directors is responsible for the overall risk Management approach and for the approval of the levels of risk appetite and tolerance that the Bank and its Subsidiaries are prepared to assume. Furthermore, it approves the objectives, guidelines and policies for Overall Risk Management. On the other hand, the Board of Directors establishes an organizational culture which emphasizes the importance of risk Management, supervises the internal control system, and ensures the appropriate performance of the regulatory compliance function.

(ii) Risk Committee -

The Risk Committee represents the Board of Directors in decision making focused on risk Management, is responsible for the strategy used for mitigating risks, as well as establishing the overall principles, policies and limits for the different types of risks; it is also responsible for monitoring fundamental risk issues and managing and monitoring the relevant risk decisions.

It is made up of no less than four members of the Board of Directors (at least one must be independent), the General Manager of the BCP, the Central Planning and Finance Manager, the Central Risk Manager and the Manager of the Risk Management Division.

In addition, to effectively manage all the risks, the Risk Committee designates some risk functions to the following tactical committees which report on a monthly basis all relevant changes or issues of the managed risks:

Credit Risk Committee (Retail and Non-Retail) -

The Credit Risk Committees (Retail and Non-Retail) are responsible for reviewing the tolerance level of the appetite for credit risk, the exposure limits and the actions for the implementation of corrective measures, in case there are deviations. In addition, it proposes the norms and policies of credit risk Management within the framework of governance and the organization for the comprehensive Management of credit risk. Furthermore, it proposes the approval of any change in the functions described above and important findings to the Risk Committee.

Treasury and ALM Risk Committee - (Asset Liability Management) -

The Treasury and ALM Risk Committee proposes the guidelines and policies for Treasury and ALM Risk Management within the governance and organization framework for the comprehensive Management of market and liquidity risks. It is responsible for analyzing and proposing corrective actions in case there are deviations in the risk tolerance levels assumed in the risk appetite for Treasury. Furthermore, it is responsible for proposing the approval of any changes in the functions described above and for reporting any finding to the Risk Committee.

BCP Model Risk Committee -

The BCP Model Risk Committee monitors the Bank's data strategy and analytics and the health status of its portfolio of models. It is in charge of analyzing and proposing corrective actions in case there are deviations with respect to the degrees of exposure assumed in the model risk appetite. Likewise, it proposes the creation and / or modification of the government for the Management of the model risk, supervising its compliance. Likewise, it is responsible for informing the Risk Committee about exposures related to model risk that involve variations in BCP's risk profile.

Non-Financial Risk Strategic Committee -

The Non-Financial Risks Strategic Committee is responsible for reviewing the tolerance level of the appetite for non-financial risks and the exposure limits. This committee also proposes standards, non-financial risk Management policies and mechanisms for the implementation of corrective actions within the governance framework.

Non-Financial Risks Tactical Committee -

The Non-Financial Risk Tactical Committee is responsible for approving the non-financial risk culture program, reviewing the annual schedule of non-financial risk self-assessments and their treatment, and reviewing and monitoring the tactical risk indicator dashboard. This committee also reviews the implementation of action plans and reviews quarterly indicators on business continuity management within the established governance framework.

(iii) Central Risk Management -

The Central Risk Management is responsible for implementing policies, procedures, methodologies and of the actions to be taken to identify, measure, monitor, mitigate, report and control the different types of risks to which the Bank and its Subsidiaries are exposed. Also, is responsible to participate in the design and definition of the strategic plans of the business units to ensure that they are aligned within the risk parameters approved by the Board of Directors of the Bank and its Subsidiaries. Likewise, it disseminates the importance of adequate risk Management, specifying in each of the units, the role that corresponds to them in the timely identification and definition of the corresponding actions.

Central Risk Management is comprised of the following units:

Risk Management Division -

The Risk Management Division is responsible for ensuring fulfillment of the risk Management guidelines and policies established by the Senior Management Team. It supervises the risk Management process and coordinates with the units of the Bank and its Subsidiaries involved in said process. It also has the task of informing Senior Management regarding the global exposure, as well as the specific exposure of each subsidiary.

Credit Division -

The Credit Division proposes the credit policies and the credit risk evaluation and Management criteria that the Bank and its Subsidiaries assume with customers in the wholesale segment. Evaluates and authorizes credit proposals up to their autonomy and proposes their approval to the higher authorities for those that exceed it. These guidelines are established on the basis of the policies established by the Board of Directors and the General Management, respecting the laws and regulations in force. In addition, it assesses the evolution of the risk of wholesale customers and identifies problematic situations, taking actions to mitigate or resolve them.

Retail Banking Risk Division -

The Retail Banking Risk Division is responsible for managing the risk profile of the retail portfolio and developing credit policies that are in accordance with the guidelines and risk levels established by the Board of Directors. Likewise, it participates in the definition of products and campaigns aligned with said policies, as well as in the design, optimization and integration of credit assessment tools and income estimation for credit Management.

Payment Solutions Division -

The Payment Solutions Division Management is responsible for providing payment solutions to customers in arrears or in good standing who present temporary financial difficulties. Its objective is to obtain optimal recovery levels that allow the level of provisions to be reduced and made more predictable, reduce exposure to default, the expected loss given default, keep the impaired portfolio at acceptable levels, as well as maximize the recovery of the written-off portfolio.

Non-Financial Risk Division -

The Non-Financial Risk Division is responsible for defining a non-financial risk strategy aligned with the objectives and risk appetite established by the Board of Directors and Credicorp Group. This strategy seeks to strengthen the Management process, generate synergies, optimize resources and achieve better results among the units responsible for managing non-financial risks in the Bank and its Subsidiaries. In addition, to achieve the objectives defined in the non-financial risk strategy, the Division is responsible for promoting a risk culture, developing talent, defining indicators, generating and monitoring projects and strategic initiatives.

Treasury Risk Management -

Treasury Risk Management is responsible for planning, coordinating, and supervising the implementation of the methodologies and limits used by the Treasury Division and approved by the Risk Management Committee. It is also responsible for evaluating the effectiveness of the hedging derivatives and the valuation of investments. As well as evaluating the profitability-risk relationship of the investment strategies taken by the Treasury Division Management.

Pricing Management –

The Pricing department is responsible for managing pricing for the financial products of the Retail and Wholesale Businesses. It defines, supervises, adjusts and monitors pricing strategies according to client's risk appetite, using robust monitoring capabilities to identify deviations from objectives in coordination with product strategy.

Risk Transformation Office -

The Risk Transformation Office is responsible for turning risk management into a competitive advantage, enhancing the following capabilities: i) origination, ii) portfolio monitoring, iii) life cycle of credit models, iv) cybersecurity, and v) human talent.

(iv) Internal Audit Division and Compliance Division -

The Internal Audit Division is responsible for permanently evaluating the effectiveness and efficiency of the risk Management control and governance processes of the Bank and its Subsidiaries, verifying compliance with the regulations, policies, objectives and guidelines approved by the Board of Directors, providing assurance agile and timely, advice and analysis based on risks and data. On the other hand, it evaluates the sufficiency and degree of integration of the databases and information systems of the Bank and its Subsidiaries. Finally, it ensures independence between the functions of the risk and business units.

The Compliance and Ethics Division is responsible for providing corporate policies and guidelines that ensure adequate compliance of the laws, regulations, and the Code of Ethics.

b) Risk monitoring and reporting systems -

The Bank and its Subsidiaries have independent information bases which are then integrated through corporate reports. These reports allow monitoring, at the accumulated level and detailed for the different types of risks to which each subsidiary is exposed. The system has the ability to meet the appetite review needs by risk requested by the committees and areas described above; as well as complying with regulatory requirements.

c) Risk mitigation -

Depending on the type of risk, the Bank and its Subsidiaries use mitigating methods to reduce their exposure, such as guarantees, derivatives, controls and insurance, among others. In addition, they have policies linked to risk appetite and established procedures for each type of risk. Finally, the Bank and its Subsidiaries actively use guarantees in order to reduce their credit risks.

d) Risk appetite -

The Bank and its Subsidiaries' Board of Directors approves on an annual basis the establishment of a Risk Appetite framework for the purpose of defining the maximum level of risk that the Bank and its Subsidiaries are prepared to assume in the achievement of their strategic and financial objectives. This Risk Appetite framework is based on "core" and "specific" metric objectives:

- The core metrics preserve the strategic pillars of the organization, defined as solvency, liquidity, profit and growth, stability of results, balance sheet structure and cybersecurity risks.

- Specific metrics seek to monitor qualitatively and quantitatively the different risks to which the Bank and its Subsidiaries are exposed, as well as define a tolerance threshold in each one of them, so as to preserve the risk profile established by the Board of Directors and anticipate points of risk on a more detailed level.

For its part, risk appetite is instrumented through the following elements:

- Declaration of risk appetite: this makes explicit the general principles and qualitative declarations which complement the risk strategy of the Bank and its Subsidiaries.

- Metrics tables: metrics are used to define the levels of risk exposure in different strategic pillars.

- Limits: they permit risk taking to be controlled within the tolerance established by the Board of Directors. They also provide accountability to the risk-taking process and define guidelines regarding the target risk profile.

- Government Scheme: it seeks to guarantee compliance of the framework through the different roles and responsibilities assigned to the units involved.

The appetite is integrated in the processes of strategic and capital guidelines, as well as in the definition of the budget exercise, facilitating the strategic decision-making of the organization.

e) Risk concentration -

Concentrations arise when a reduced and representative number of counterparties of the Bank and its Subsidiaries are engaged in similar business activities, or activities in the same geographic region, or have similar economic, political or other conditions.

In order to avoid excessive risk concentrations, the policies and procedures include specific limits to guarantee a diversified portfolio.

29.1 Credit risk -

a) The Bank and its Subsidiaries take on exposure to credit risk, which is the probability of suffering losses caused by breach of payment on the part of debtors or counterparties of on and off balance sheet exposure.

Credit risk is the most important risk for the activities of the Bank and its Subsidiaries; therefore, Management carefully manages its exposure to this risk. Credit exposures mainly arise from lending activities that lead to direct loans; in addition, they originate from investment activities. There is also credit risk in off-balance sheet financial instruments, such as contingent credits (indirect loans), which could expose the Bank and its Subsidiaries to similar risks to those of direct loans. Likewise, credit risk also arises from derivative financial instruments contained in those instruments with positive fair values. Finally, all exposure to credit risk (direct or indirect) is mitigated by control process and policies.

As part of the Management of this type of risk, the Bank and its Subsidiaries assign impairment provisions for their portfolio at the date of the statement of financial position.

The Bank and its Subsidiaries define levels of credit risk based on risk exposure limits, which are frequently monitored. Said risks are established in relation to the amounts of exposure to one debtor or group of debtors, geographical segments and the industry. Furthermore, risk limits by product, industry sector and geographic segment are approved by the Risk Management Committee.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and principal repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below:

(i) Collateral -

The Bank and its Subsidiaries use a range of policies and practices to mitigate credit risk. The most traditional of these is taking of collateral for loans granted, which constitutes a common practice. The Bank and its Subsidiaries implement policies on the acceptability of specific classes of collateral or credit risk mitigation. The Bank and its Subsidiaries implement policies for the acceptance of specific classes of guarantees or mitigation of credit risk. The main types of collateral obtained for credits are as follows:

- For loans and advances, collateral includes, among others, home mortgages; liens on business assets such as plant, inventory and accounts receivable; as well as liens on financial instruments such as debt and equity securities.

- For repurchase agreements and securities lending, collaterals are fixed income instruments and cash.

Likewise, medium and long-term loans and financing granted to corporate entities mostly are guaranteed. Credits to small companies and micro enterprises are not generally guaranteed. In order to minimize credit losses, the Bank and its Subsidiaries request additional guarantees from the counterparty as soon as impairment indicators arise.

Collateral held as security for financial assets other than loans is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured, with the exception of asset backed securities and similar instruments, which are secured by portfolios of financial instruments.

Management monitors the fair value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the fair value of collateral obtained during its review of the adequacy of the allowance for doubtful accounts. As part of the policies of the Bank and its Subsidiaries, the recovered assets are sold, and the proceeds of the sale are used to reduce or amortize the outstanding credit. The proceeds are used to reduce or repay the outstanding amount due. In general, the Bank and its Subsidiaries do not use repossessed properties for operating purposes.

(ii) Derivatives -

The amount subject to credit risk is limited to the current and potential fair value of instruments that are favorable to the Bank and its Subsidiaries (where fair value is positive). In the case of derivatives, this is only a small fraction of the contract, or notional amounts used to express the volume of instruments outstanding. The credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. The credit risk of the derivatives portfolio is reduced if the instrument is agreed through a clearing house.

(iii) Credit-related commitments -

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and letters of credit have the same credit risk as direct loans. Documentary and commercial letters of credit - which are written undertakings by the Bank and its Subsidiaries on behalf of a customer authorizing a third party to draw drafts on the Bank and its Subsidiaries up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore have less risk than a direct loan. The Bank and its Subsidiaries have no commitment to extend credit.

b) The maximum exposure to credit risk as of December 31, 2024 and 2023, before the effect of mitigation through any collateral, is the carrying amount of each class of financial assets indicated in Note 28 and the contingent operations detailed in Note 18(a).

Management is confident of its ability to continue to control and sustain minimal exposure of credit risk for the Bank and its Subsidiaries resulting from both its loan portfolio and investments based on the following:

- 94.05 percent of the direct loan portfolio is considered neither past due nor impaired as of December 31, 2024 (93.29 percent as of December 31, 2023); Note 6(e);

- 92.25 percent of the gross loan portfolio is considered neither past due nor impaired as of December 31, 2024 (90.62 percent as of December 31,2023);

- 95.39 percent of the investments have at least investment grade (BBB- or higher) or are debt securities issued by BCRP (unrated) as of December 31, 2024 (96.46 percent as of December 31, 2023);

- 9.78 percent and 80.36 percent of the cash and due from banks represent amounts deposited in the Bank, in its Subsidiaries and in the BCRP, respectively, as of December 31, 2024 (15.13 percent and 76.73 percent, respectively, as of December 31, 2023).

c) Credit risk Management for loans -

The Bank and its Subsidiaries establish policies to manage credit risk, for each of the operations in which they decide to participate. These policies are established based on the risk appetite established by the Board of Directors, respecting current laws and regulations.

The measurement of credit risk is carried out through a quantitative and qualitative analysis of the client or the requested operation, taking into account their financial situation, their credit behavior in the market in which they operate. The quantitative measurement is based on the use of rating and scoring models, for wholesale and retail banks respectively.

The Bank and its Subsidiaries classify their loan portfolio into one of five risk categories, according to subsection 2 Chapter ll of SBS Resolution N°11356-2008, which considers the degree of risk of non-payment of each borrower. The categories used by the Bank and its Subsidiaries are: (i) normal - (0), (ii) potential problems - (1), (iii) substandard - (2), (iv) doubtful - (3) and (v) loss - (4), which have the following characteristics:

(i) Normal (0): Non-retail borrowers are classified into this category, when their financial position is liquid, their debt-to-equity ratio is low and their ability to generate profit and cash flows allows them to fulfill payment of their obligations in a timely manner. Likewise, retail borrowers are included in this category when payments are current or up to 8 days past due. On the other hand, mortgage borrowers are classified in this category when they are current or up to 30 days past due.

(ii) Potential problems (1): Non-retail borrowers are classified into this category, when their financial position is solid, their debt-to-equity ratio is moderate and their cash flows are enough to pay off capital and interest, however, such cash flows could weaken in the following twelve months. On the other hand, retail and mortgage borrowers are included in this category when payments are between 9 and 30 days past due and 31 and 60 days past due, respectively.

(iii) Substandard (2): Non-retail borrowers are classified in this category, when their financial position is weak and their cash flows do not allow them to make full payment of capital and interest and payments are between 60 and 120 days past due. On the other hand, retail and mortgage borrowers are included in this category when payments are between 31 and 60 days past due and 61 and 120 days past due, respectively.

(iv) Doubtful (3): Non-retail borrowers are classified in this category, when the financial position does not allow them to pay off either capital or interest, their debt-to-equity ratio is high and they are forced to sell their significant assets or payments are between 120 and 365 days past due; in this category the recovery of the credit is doubtful. On the other hand, retail and mortgage borrowers are included in this category when payments are between 61 and 120 days past due and 121 and 365 days past due, respectively.

(v) Loss (4): Non-retail borrowers are classified in this category, when the financial position does not allow them to deal with refinancing agreements, the entity is not in operation or is in liquidation or payments are more than 365 days past due. On the other hand, retail and mortgage borrowers are included into this category when payments are more than 120 days past due and more than 365 days past due, respectively.

When a loan is uncollectible, it is written off against the related provision for loan impairment. Said credits are written off in accordance with Resolution SBS N°11356-2008 "Regulations for the evaluation and classification of the debtor and the requirement of provisions". The income from the subsequent recovery of the amounts previously written off is presented net of the amount of the provision for doubtful accounts in the separate statement of income.

The Bank and its Subsidiaries consider as past due credits the corporate credits, large and medium companies more than 15 days past due, small and micro companies more than 30 days past due, checking account overdrafts more than 30 days past due, and consumer credits, mortgage loans and finance leases more than 90 days past due. In the case of consumer credits, mortgage loans and finance of which payments are between 30 and 90 days past due, only the delinquent quota is considered past due; however, after 90 days of delinquency, the entire balance is considered past due.

The Bank and its Subsidiaries review their loan portfolios on an ongoing basis in order to assess the completion and accuracy of their risk categories. In addition, they comply with calculating the provisions for credit risk according to local requirements defined by current local regulations.

The Bank and its Subsidiaries have different methodologies for calculating provisions for credit risk, which are based on the regulator to which they report, the business segment to which the loans belong, the situation of impairment of the loans, among others.

Direct loans are presented according to the credit classification of customers established in SBS Resolution N°11356-2008, classified into three groups: i) Non-matured or impaired loans, which include those direct loans that currently do not have delinquency characteristics and are related to customers classified as normal and with potential problems; ii) past due but not impaired loans, which include past due loans from customers classified as normal or with potential problems and iii) impaired loans, those past due loans classified as deficient, doubtful or loss. The provision for doubtful receivables is also presented for each of the types of receivables:

	As of December 31, 2024			
	Commercial loans	Residential Mortgage loans	Small and Micro-business loans	Consumer loans
	S/000	S/000	S/000	S/000
Neither past due nor impaired -				
Normal(*)	53,736,200	20,060,674	26,415,743	17,075,234
Potential problem	2,997,144	160,975	179,938	253,805
Past due but not impaired -				
Normal	1,230,700	647,303	2,840	346,810
Potential problem	6,153	122,143	2,010	5,022
Impaired -				
Substandard	645,174	200,101	566,907	277,209
Doubtful	151,666	402,134	822,001	551,756
Loss	56,727	728,315	2,908,042	485,578
Gross	58,823,764	22,321,645	30,897,481	18,995,414
Less: Provision for doubtful accounts	903,585	973,515	4,029,326	2,063,858
Total, net	57,920,179	21,348,130	26,868,155	16,931,556

(*) The provision for doubtful debts includes additional provisions for rescheduled credits required by the SBS Note 6(f).

As of December 31, 2024 and 2023, refinanced loans amounted to approximately S/2,149.3 million and S/2,33 impaired, S/291.5 million and S/407.2 million past due but not impaired, and S/913.6 million and S/973.1 millio

As of December 31, 2024 and 2023, past due but not impaired loans are between 30 and 60 days past due.

The breakdown of the gross amount of impaired loans by class, together with the fair value of related collateral

	As of December 31, 2024			
	Commercial loans	Residential mortgage loans	Micro-business loans	Consum loans
	S/000	S/000	S/000	S/000
Impaired loans	853,567	1,330,550	4,296,950	1,
Fair value of collateral	444,187	1,100,440	2,239,266	
Provision for doubtful accounts	254,362	607,700	2,864,987	

The main variations between the balances of non-retail loans and loans to small and micro businesses are due

d) Credit risk Management on investments in trading securities, available-for-sale and held-to-maturity.

The Bank and its Subsidiaries evaluate the credit risk identified of each of the financial instruments in these categories, considering the risk rating granted to them by a risk rating agency. For investments traded in Peru, the risk ratings used are those provided by the tree most prestigious Peruvian rating agencies (authorized by the Peruvian banking regulator "Superintendencia de Banca, Seguros y AFP" - SBS) and for investments traded abroad, the risk-ratings used are those provided by the three most prestigious international rating agencies.

The following table shows the analysis of the risk-rating of investments at fair value through profit or loss (trading) available-for-sale and held-to-maturity, provided by the institutions referred to above:

	As of December 31,			
	2024		2023	
	S/000	%	S/000	%
Instruments rated in Peru:				
AAA	135,629	0.43	238,073	0.79
AA- a AA+	3,369	0.01	4,235	0.01
BBB- a BBB+	15,828,502	49.82	15,028,747	50.14
BB- a BB+	556,607	1.75	317,318	1.06
B- a B+	-	-	22,091	0.07
CCC+	23,732	0.07	-	-
Unrated				
BCRP certificates of deposit	11,435,757	35.99	11,127,918	37.12
Listed and non-listed securities	275	0.01	283	0.01
Subtotal	27,983,871	88.08	26,738,665	89.20
Instruments rated abroad:				
AAA	261,207	0.82	165,448	0.55
AA- a AA+	129,445	0.41	202,988	0.68
A- a A+	316,002	0.99	308,551	1.03
BBB- a BBB+	2,197,832	6.92	1,839,231	6.14
BB- a BB+	787,047	2.48	657,917	2.19
Unrated				
Listed and non-listed securities	95,940	0.30	63,365	0.21
Subtotal	3,787,473	11.92	3,237,500	10.80
Total	31,771,344	100.00	29,976,165	100.00

e) Concentration of financial instruments exposed to credit risk:

As of December 31, 2024 and 2023, financial instruments with exposure to credit risk were distributed cons

	As of December 31, 2024			
	At fair value through profit or loss			
	Held for trading and hedging (i)	At inception	Loans and receivables (ii)	Investments available-for-sale
	S/000	S/000	S/000	S/000
Banco Central de Reserva del Peru	46,230	-	36,640,462	11,435,757
Commerce	2,218	-	24,229,553	134,546
Manufacturing	2,216	-	18,159,518	732,452
Government and public administration	599,037	-	85,338	7,745,447
Financial services	564,049	-	14,210,231	531,558
Communications, storage and transportation	141	-	9,310,369	191,426
Electricity, gas and water	86,182	-	5,341,016	635,019
Leaseholds and real estate activities	975	-	4,524,146	-
Mining	22	-	3,552,360	40,419
Agriculture	1,127	-	3,113,327	-
Education, health and other services	1,293	-	2,483,888	471,757
Hotels and restaurants	-	-	2,428,796	-
Construction	922	-	2,276,113	-
Fishing	5	-	569,938	-
Insurance	3,252	-	16,237	-
Others	6,467	-	5,135,487	1,453,074
Subtotal	1,314,136	-	132,076,779	23,371,455
Residential mortgage loans	-	-	21,416,113	-
Revolving and non-revolving loans	-	-	17,690,539	-
Total	1,314,136	-	171,183,431	23,371,455

(i) Includes investments at fair value through profit or loss, see Note 5, and accounts receivable for deriva
(ii) Includes cash and due from banks, see Note 4; total net direct credits, see Note 6, and the total of fina

Loans and accounts receivable correspond to the total net balances of accrued income and the provision

By means of SBS Official Communication No. 34669-2022, the SBS stipulated that as of July 2024 all ann
mainly composed of the new headings Administrative and support services, and Professional activities for

As of December 31, 2024 and 2023, the financial instruments with exposure to credit risk were distributed by th

	As of December 31, 2024				
	At fair value through profit or loss				
	Held for trading and hedging (i)	At inception	Loans and receivables (ii)	Investments available-for-sale	Investm held-to-maturity
	S/000	S/000	S/000	S/000	S/000
America:					
Peru	600,802	-	163,945,038	19,756,796	
United States of America	308,079	-	3,519,247	2,242,287	
Brazil	3,549	-	1,454,920	87,083	
Colombia	7,153	-	701,496	722,779	
Chile	137	-	880,273	285,036	
Panama	43,748	-	177,473	71,405	
Mexico	44,595	-	8,691	138,924	
Canada	5,607	-	108,070	-	
Ecuador	-	-	93,432	-	
Guatemala	-	-	62,038	7,415	
Venezuela	-	-	-	4,384	
Uruguay	-	-	-	-	
Europe:					
United Kingdom	191,076	-	10,481	-	
Germany	1,706	-	183,040	-	
France	94,121	-	13,411	-	
Spain	13,563	-	3,917	-	
Netherlands	-	-	728	-	
Switzerland	-	-	138	-	
Others in Europe	-	-	303	384	
Others	-	-	20,735	54,962	
Total	1,314,136	-	171,183,431	23,371,455	

(i) Includes investments at fair value through profit or loss, see Note 5, and accounts receivable for deriva
(ii) Includes cash and due from banks, see Note 4; total net direct credits, see Note 6, and the total of fina

29.2 Liquidity risk -

Liquidity risk is the risk that the Bank and its Subsidiaries are unable to comply with their short term obligations related to financial liabilities at maturity and replace funds when they are withdrawn. In this regard, if the Bank and its Subsidiaries face a liquidity crisis it would be failing to comply with the payment of its obligations to its depositors, loan commitments and other operating cash requirements.

The Bank and its Subsidiaries are exposed to daily calls on, their available cash resources from overnight deposits, checking accounts, maturing deposits, loans draw-downs, guarantees and other calls. The Management of the Bank and its Subsidiaries set limits on the minimum amount of available funds to meet said calls and on the minimum level of inter-bank and other borrowing facilities that should be in place to cover unexpected levels of withdrawals. Sources of liquidity are periodically reviewed by the corresponding risk teams so as to guarantee adequate diversification by currency, geography, type of funding, supplier, producer and term.

The process of controlling mismatching of the maturities and interest rates of assets and liabilities is fundamental to the Management of the Bank and its Subsidiaries. It is unusual for banks to be completely matched, as transacted business is often based on uncertain terms and of different types. An unmatched position potentially enhances profitability, but also increases the risk of illiquidity, which generates exposure to potential losses.

The maturities of assets and liabilities and the ability to replace them at maturity, at an acceptable cost, are important factors in assessing the liquidity of the Bank and its Subsidiaries.

A mismatch in the maturities of the illiquid long term assets against short term liabilities exposes the consolidated statement of financial position to risks related both to refinancing as well as interest rates. If the liquid assets do not cover the debts at maturity, the consolidated statement of financial position is vulnerable to the risk of refinancing. Moreover, a significant increase in interest rates can substantially increase the cost of refinancing liabilities at short term, leading to a rapid increase in the cost of debt. The mismatch report of contractual maturity is useful for showing the liquidity position.

Guidelines have been established in the Bank and its Subsidiaries for liquidity risk Management. Risk Management establishes limits and a scheme of autonomies for the liquidity indicators which are being managed.

Liquidity Risk Management is carried out through indicators like Internal Liquidity Coverage Ratio (ILCR), which measures the amount of liquid assets available to meet the cash outflows in a determined stress scenario (specific or systemic) usually for a period of 30 days (The Bank and its Subsidiaries perform an additional control of the 15 and 60 days RCLI) and the Net Stable Internal Funding Ratio (NSIFR), which has been defined to guarantee that long term assets are financed at least with a minimum of stable liabilities in a prolonged liquidly crisis scenario and functions as a mechanism of minimum compliance which complements the ILCR. These indicators have core limits of 100.00 percent and any excess is presented in the Treasury Risks Committee, Risk Committee and Assets, Liabilities Committee (ALCO).

The Notes to the financial statements include an analysis of the relevant liabilities of the Bank and its Subsidiaries based on contractual maturity.

The table below presents the cash flows payable and receivable by the Bank and its Subsidiaries according to position. The amounts disclosed in the table are the contractual undiscounted cash flows:

	As of December 31, 2024				
	Up to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Ove year
	S/000	S/000	S/000	S/000	S/00
Financial assets	69,016,285	55,848,392	48,569,568	27,317,201	
Financial liabilities by type					
Deposits and obligations and interbank funds	48,294,393	33,812,720	30,156,959	13,936,661	
Payables from repurchase agreements, due to banks, correspondents and other entities	7,192,518	4,389,174	2,218,689	1,386,589	
Bonds and subordinated Notes issued	3,068,202	3,660,164	2,778,757	3,612,646	
Other liabilities	2,579,645	39,290	-	-	
Equity	-	-	-	-	
Total non-derivative liabilities	61,134,758	41,901,348	35,154,405	18,935,896	
Derivative financial liabilities					
Contractual amounts receivable (inflow)	5,337,549	4,812,846	963,048	14,437	
Contractual amounts payable (outflow)	5,334,972	4,842,232	984,681	17,182	
Total derivative liabilities	2,577	(29,386)	(21,633)	(2,745)	

The table below shows the contractual maturity of the contingent credits of the Bank and its Subsidiaries at the

	As of December 31, 2024				
	Up to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years
	S/000	S/000	S/000	S/000	S/000
Contingent credits					
(Indirect loans)	434,032	958,233	14,792,603	5,981,647	45,14

The Bank and its Subsidiaries expect that not all of the contingent liabilities or commitments will be drawn befo

29.3 Market risk -

The Bank and its Subsidiaries are exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, foreign exchange rates, commodities and equity products; all of which are exposed to general and specific market movements, and changes in the level of price volatility, such as interest rates, credit margins, foreign currency exchange rates and share prices. Due to the mandate of the current operations of the Bank and its Subsidiaries, the price risk of "Commodities" has not been approved, therefore this type of instrument is not agreed.

The Bank and its Subsidiaries separate exposures to market risk into two groups: (i) those that arise from value fluctuation of investment trading portfolios due to movements of market rates or prices (Trading Book) and (ii) those that arise from changes in the structural positions of non-trading portfolios (Banking book), due to movements of the interest rates, prices and foreign exchange ratios.

The risks that the trading portfolios are exposed to are managed through historical simulation techniques of Value at Risk (VaR); while non-trading portfolios are monitored using rate sensitivity metrics which form part of Asset and Liability Management (ALM).

a) Trading Book -

The trading book is characterized for having liquid positions in equities, bonds, foreign currencies and derivatives, arising from market-making transactions where the Bank and its Subsidiaries act as a principal with the customers or with the market. This portfolio includes investments and derivatives classified by Management as held for trading.

(i) Value at Risk (VaR) -

The Bank and its Subsidiaries apply the VaR approach to their trading portfolio to estimate the market risk of positions held and the maximum losses that are expected, based upon a number of assumptions for various changes in market conditions, as well as being applied to estimate the foreign exchange risk of the structured exchange position.

Daily calculation of VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements.

The VaR model expresses the "maximum" amount the Bank and its Subsidiaries might lose, but only to a certain level of confidence (99.00 percent). There is therefore a specified statistical probability (1.00 percent) that the actual loss could be greater than the VaR estimate. The VaR model assumes a certain "holding period" until positions can be closed (1 - 10 days).

The time horizon used to calculate VaR is one day; however, the one-day VAR is amplified to a 10-days time frame and calculated multiplying the one-day VaR times the square root of 10. This adjustment assumes that the changes in the portfolio in the following days have a normal distribution, identical and independent. Thus, the result is multiplied by an adjustment factor of non-normality.

The assessment of trading portfolio movements has been based on historical one-year data and 42 market risk factors, which are composed as follows: 25 market curves, 15 foreign exchange rates, and 2 volatility series. The Bank and its Subsidiaries apply these historical changes in the risk factors directly to its current positions (a method known as historical simulation).

Management of the Bank and its Subsidiaries believe that market and exchange risk factors incorporated into the VaR model are adequate to measure the market risk to which its trading book is exposed.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. Losses exceeding the VaR figure may occur, on average under normal market conditions, no more than once every hundred days.

VaR limits have been established to control and keep track of all the risks taken which arise from the size of the positions and/or the volatility of the risk factors embedded in each financial instrument. Regular reports are prepared for the Treasury and ALM Risk Committee, the Risk Management Committee and Senior Management.

The VaR results are used to generate economic capital estimates for market risk, which are periodically monitored and form part of the Bank and its Subsidiaries' global risk appetite.

The VaR of the Bank and its Subsidiaries showed a decrease during 2024, due to lower exchange rate risk as a result of lower volatility of the exchange rate USD/PEN. During the period, the VaR remained within the limits of the appetite for risk established by the Risk Management of the Bank and its Subsidiaries.

As of December 31, 2024 and 2023, the Bank and its Subsidiaries VaR by risk type is as follows:

	2024	**2023**
	S/000	**S/000**
Interest rate risk	27,145	21,233
Volatility risk	462	20
Exchange rate risk	23,226	16,717
Diversification effect	(27,914)	(13,684)
Consolidated VaR by risk type	22,919	24,286

b) Banking Book -

Non-trading portfolios, which belong to the Banking Book, are exposed to different risks given that they are sensitive to movements in market rates that can bring about a deterioration in the value of the assets compared to its liabilities and, hence, to a reduction in its net value.

(i) Interest rate risk -

Interest rate risk in the banking book refers to the risk that changes in interest rates may negatively affect the expected profits (profits at risk) or market value of the assets and liabilities of the balance sheet (Net economic value). The Bank and its Subsidiaries assume the exposure to the effects of fluctuations in the prevailing levels of market interest rates which affect the fair value and future cash flow risks of assets and liabilities.

The Risk Committee sets limits on the level of mismatch of interest rate re-pricing that may be undertaken, which is monitored periodically in the ALCO.

The Management of interest rate risk in the Bank and its Subsidiaries are carried out through the analysis of re-pricing gaps, financial margin sensitivity and sensitivity of the Net Economic Value (NEV). These calculations consider different rate shocks, which are generated through different simulations of sceneries and take in account periods of high volatility.

Re-pricing gap -

The repricing gap analysis is intended to measure the interest rate risk exposure due to re-pricing periods in which assets and liabilities both on and off-balance sheet are grouped together. By this analysis, Management can identify the tranches in which the interest rate variations may have a potential impact on the expected profits.

The table below summarizes the Bank and its Subsidiaries exposure to interest rate risks. It includes the financ
Subsidiaries at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates, whichev

	As of December 31, 2024			
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years
	S/000	S/000	S/000	S/000
Assets				
Cash and interbank funds	33,777,178	1,041,852	1,549,614	2,045,794
Loan portfolio (*)	18,314,787	16,168,713	36,251,137	41,221,880
Investments	1,321,641	3,442,046	7,528,720	8,243,216
Other assets (**)	-	-	-	-
Total assets	53,413,606	20,652,611	45,329,471	51,510,890
Liabilities				
Deposits and obligations and interbank funds	28,462,023	19,223,335	33,151,284	43,572,006
Payable from repurchase agreements, due to banks, correspondents and other entities	2,372,419	6,061,250	3,792,646	1,684,620
Bonds and subordinated Notes issued	2,629,382	73	3,387,541	5,048,971
Other liabilities (**)	-	-	-	-
Equity	-	-	-	-
Total liabilities and equity	33,463,824	25,284,658	40,331,471	50,305,597
Risk and contingent commitments				
Hedging derivatives asset	853,295	723,255	361,392	556,350
Hedging derivatives liabilities	1,373,549	111,270	352,459	649,075
Marginal gap	19,429,528	(4,020,062)	5,006,933	1,112,568
Accumulated gap	19,429,528	15,409,466	20,416,399	21,528,967

(*) The amount presented in the column "Non-interest bearing" includes accrued gains of loans, overdue loan doubtful accounts.

(**) Other Assets and Other Liabilities only include financial accounts.

	As of December 31, 2023			
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years
	S/000	S/000	S/000	S/000
Assets				
Cash and interbank funds	11,384,144	1,689,911	2,852,003	8,372,509
Loan portfolio (*)	18,697,586	15,841,366	34,660,678	42,355,955
Investments	1,059,769	3,638,012	8,002,682	7,442,706
Other assets (**)	-	-	-	-
Total assets	31,141,499	21,169,289	45,515,363	58,171,170
Liabilities				
Deposits and obligations and interbank funds	38,373,249	15,566,966	19,161,614	53,573,099
Payable from repurchase agreements, due to banks, correspondents and other entities	4,584,880	5,397,643	3,286,735	3,155,732
Bonds and subordinated Notes issued	6	92,215	5,384,906	5,180,319
Other liabilities (**)	-	-	-	-
Equity	-	-	-	-
Total liabilities and equity	42,958,135	21,056,824	27,833,255	61,909,150
Risk and contingent commitments				
Hedging derivatives asset	91,488	516,137	936,010	1,500,941
Hedging derivatives liabilities	630,109	19,140	437,439	1,936,331
Marginal gap	(12,355,257)	609,462	18,180,679	(4,173,370)
Accumulated gap	(12,355,257)	(11,745,795)	6,434,884	2,261,514

(*) The amount presented in the column "Non-interest bearing" includes the balance of internal overdue loans interest, unearned interest and the provision for loan doubtful accounts.

(**) Other Assets and Other Liabilities only include financial accounts.

Investments accounted at fair value through profit or loss and trading derivatives are not considered, since and the Value at Risk methodology is used to measure their market risks.

Sensitivity to changes in interest rates -

The sensitivity analysis of interest rates on ALM is performed by conducting an assessment of the sensitivity of the financial margin, which measures variances in the expected accruals over a given period of time and in the event of a parallel movement of the interest rate curves together with the sensitivity of the net Economic Value, which is a long-term measurement determined as the difference between the net carrying amount of assets and liabilities before and after a variance in interest rates.

Sensitivity of the financial margin is the effect of the estimated changes in interest rates on the finance income, net for a year, before income tax and non-controlling interest based on non-negotiable financial assets at variable rates and financial liabilities as of December 31, 2024 and 2023, including the effect of derivative financial instruments. The sensitivity of the Net Economic Value is calculated by re-assessing the financial assets and liabilities sensitive to interest rate changes and which comprise the ALM and held to maturity at a fixed interest rate, before income tax and any non-controlling interest, included the effect of any hedge relating to derivatives designated as cash flow hedges. For purposes of interest rate risk Management, there is no distinction made by accounting category of the investments comprising the ALM, in which instruments classified as available-for-sale and held-to-maturity are included. The results of the sensitivity analysis from the estimated changes in interest rates as of December 31, 2024 and 2023, are as follows:

Currency	Changes in basis points		Sensitivity of financial margin		Sensitivity of economic value	
			S/000		S/000	
As of December 31, 2024 -						
U.S. dollars	+/-	50	+/-	139,752	+/-	247,103
U.S. dollars	+/-	75	+/-	209,628	+/-	370,655
U.S. dollars	+/-	100	+/-	279,504	+/-	494,206
U.S. dollars	+/-	150	+/-	419,255	+/-	741,309
U.S. dollars	+/-	300	+/-	838,511	+/-	1,482,619
Soles	+/-	50	+/-	27,194	-/+	378,290
Soles	+/-	75	+/-	40,791	-/+	567,436
Soles	+/-	100	+/-	54,388	-/+	756,581
Soles	+/-	150	+/-	81,581	-/+	1,134,871
Soles	+/-	300	+/-	163,163	-/+	2,269,742
As of December 31, 2023 -						
U.S. dollars	+/-	50	+/-	47,377	+/-	68,399
U.S. dollars	+/-	75	+/-	71,065	+/-	102,599
U.S. dollars	+/-	100	+/-	94,754	+/-	136,799
U.S. dollars	+/-	150	+/-	142,130	+/-	205,198
U.S. dollars	+/-	300	+/-	284,261	+/-	410,396
Soles	+/-	50	+/-	9,817	-/+	492,666
Soles	+/-	75	+/-	14,725	-/+	738,999
Soles	+/-	100	+/-	19,634	-/+	985,332
Soles	+/-	150	+/-	29,450	-/+	1,477,998
Soles	+/-	300	+/-	58,901	-/+	2,955,995

The sensitivities of the interest rates shown above are only for illustrative purposes and are based on simplified scenarios. The figures reflect the effect of the pro-forma movements on the net finance income on the basis of the projected scenarios of the yield curve and the interest rate risk profile that the Bank and its Subsidiaries currently have. However, this effect does not include the actions that would be taken by Management to mitigate the potential impact of this risk on interest rates.

In addition, the Bank and its Subsidiaries seek proactively to change the interest rate risk profile to minimize losses and optimize net revenues. The projections above also assume that the interest rate of all maturities moves by the same amount and, therefore, do not reflect the potential impact on net finance income of some rates changing while others remain unchanged. The projections also include assumptions for simplifying calculations, such as, for example, that all positions run to maturity.

Equity securities and mutual funds, classified as available-for-sale investments, are not considered as part of the investment securities for interest rate sensitivity calculation purposes; however, sensitivity tests have been carried out of changes of 10.00, 25.00 and 30.00 percent in the market prices of these price-sensitivity securities in order to evaluate the effect of the expected unrealized gain or loss on other comprehensive income, before income tax, as of December 31, 2024 and 2023, as presented below:

Market price sensitivity	Changes in Market prices		2024	2023
		%	S/000	S/000
Equity securities	+/-	10.00	6,001	6,365
Equity securities	+/-	25.00	15,002	15,912
Equity securities	+/-	30.00	18,002	19,095

(ii) Foreign exchange risk -

The Bank and its Subsidiaries are exposed to the fluctuations of foreign currency exchange rates on their financial position and consolidated cash flows. Management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The foreign currency transactions are made at the free-market exchange rates.

As of December 31, 2024, the weighted average market exchange rate published by the SBS for transactions in U.S. dollars was S/3.758 for buying and S/3.770 for selling (S/3.705 and S/3.713, as of December 31, 2023, respectively). As of December 31, 2024, this exchange rate was S/3.764 (S/3.709 as of December 31, 2023).

A detail of the Bank and its Subsidiaries' foreign currency assets and liabilities expressed in thousands of U.S. dollars and other currencies is shown below:

	2024		2023	
	U.S. dollars	Other currencies (*)	U.S. dollars	Other currencies (*)
	US$000	US$000	US$000	US$000
Assets				
Available funds and Interbank funds	10,770,809	5,208	6,919,929	11,274
Investments at fair value through profit or loss and available for sale investments, net	1,190,865	26,074	1,051,335	35,390
Held-to-maturity investments	2,211		6,125	
Loan portfolio, net	10,008,460	-	10,101,245	-
Other assets	453,643	-	340,251	-
	22,425,988	31,282	18,418,885	46,664

	2024		2023	
	U.S. dollars	Other currencies (*)	U.S. dollars	Other currencies (*)
	US$000	US$000	US$000	US$000
Liabilities				
Deposits and obligations	(15,819,856)	(605)	(15,068,943)	(88)
Accounts payable from repurchase agreements	(71,932)	-	(72,029)	-
Due to banks, correspondents, other entities and interbank funds	(1,152,817)	-	(1,629,758)	-
Bonds and subordinated Notes issues	(3,202,248)	(19,118)	(2,086,951)	(21,311)
Other liabilities	(437,134)	(34)	(222,662)	(73)
	(20,683,987)	(19,757)	(19,080,343)	(21,472)
Off-balance sheet position				
Net forward position overbought (oversold) - forwards	(3,623,395)	(12,543)	(1,436,444)	(8,765)
Net position - currency swaps	1,776,497	566	1,916,070	566
Net position - cross currency swaps hedge	235,713	4,709	239,104	(14,372)
Foreign currency options, net	(23,127)	-	(13,131)	-
	(1,634,312)	(7,268)	705,599	(22,571)
Net monetary position	107,689	4,257	44,141	2,621

(*) Mainly Japanese Yen and Colombian Pesos.

As of December 31, 2024, the Bank and its Subsidiaries have contingent operations (indirect loans) in foreign currency for US$4,486.1 million, equivalent to S/16,885.5 million (US$3,919.0 million, equivalent to S/14,535.4 million, as of December 31, 2023).

The Bank and its Subsidiaries manage foreign exchange risk by monitoring and controlling the exchange positions exposed to changes in exchange rates. The Bank and its Subsidiaries measure their performance in Soles, so if the net foreign exchange position (e.g. U.S. dollars) is positive, any depreciation of the Soles with respect to this currency would positively affect the consolidated statement of financial position of the Bank and its Subsidiaries. The current position in a foreign currency comprises exchange rate-linked assets and liabilities in that currency. An institution's open position in individual currencies comprises assets, liabilities and off-balance sheet items denominated in the respective foreign currency for which the institution itself bears the risk; any appreciation/depreciation of the foreign exchange would affect the consolidated statement of income.

The Bank and its Subsidiaries net foreign exchange balance is the sum of its positive open non- Soles positions (net long position) less the sum of its negative open non- Soles positions (net short position); and any devaluation/revaluation of the foreign exchange position would affect the consolidated statement of income. A currency mismatch would leave the consolidated statement of financial position of the Bank and its Subsidiaries vulnerable to a fluctuation of the foreign currency (exchange rate shock).

The table below shows the sensitivity analysis of the U.S. dollars, the principal currency to which the Bank and its Subsidiaries have significant exposure as of December 31, 2024 and 2023, in its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the exchange rate Sol against U.S. dollars, with all other variables held constant, on the consolidated statement of income, before income tax. A negative amount in the table reflects a potential net reduction in the consolidated statement of income, while a positive amount reflects a net potential increase:

Sensitivity analysis	Change in currency rate	2024	2023
	%	S/000	S/000
Depreciation -			
Sol against U.S. dollars	5.00	19,302	7,796
Sol against U.S. dollars	10.00	36,849	14,884
Appreciation -			
Sol against U.S. dollars	5.00	(21,334)	(8,617)
Sol against U.S. dollars	10.00	(45,038)	(18,191)

29.4 Non-financial risks -

A non-financial risk (NFR) is broadly defined by exclusion, encompassing any risk other than financial market, credit, and liquidity risks. NFRs may have substantial negative strategic, commercial, economic, and/or reputational implications. They include operational risks as defined by Basel's seven types of operational risk events, as well as other significant risks such as technology, cyber, conduct, model, compliance, strategic, and third-party risks.

The management of non-financial risks has become increasingly challenging due to the added complexity of rapid technological advancements, extensive process automation, greater reliance on systems rather than people, and transformational processes. These changes in the way financial institutions operate have led to new risk exposures, including attacks affecting the Group's services, data theft, and online fraud.

Operational risk -

Operational risk refers to the possibility of incurring losses due to inadequate processes, human error, information technology failures, third-party relationships, or external events. These risks can result in financial losses and have legal or regulatory compliance consequences, but they exclude strategic or reputational risk.

Operational risks are categorized into internal fraud, external fraud, labor relations and job security, customer relations, business products and practices, damage to material assets, business and systems interruption, and failures in process execution, delivery, and management.

One of the Bank´s pillars is to cultivate an efficient risk culture. To achieve this, it records operational risks and their respective process controls. The risk map allows for the monitoring, prioritization, and proposed treatment of these risks according to established governance. Additionally, the Bank actively manages cybersecurity and fraud prevention, aligning with best international practices.

The business continuity management system enables the establishment, implementation, operation, monitoring, review, maintenance, and improvement of business continuity based on best practices and regulatory requirements. The Bank implements recovery strategies for resources that support critical products and services, which are periodically tested to measure the effectiveness of these strategies.

We also have recovery mechanisms for the materialization of operational risks, mainly through insurance policies contracted for all Credicorp Group (including BCP) in the international market, which cover losses due to fraud events, professional liability, cyber risks and directors' liability. Likewise, we have insurance policies individually contracted by Credicorp companies in the local market that cover losses due to material damage to physical assets and civil liability.

Cybersecurity -

The Bank and its Subsidiaries focus their efforts on cost-efficient strategies to reduce exposure to cybersecurity risk, thus aligning with their risk appetite. To achieve this, they implement various levels of controls tailored to potentially exposed areas. In addition, they maintain a significant investment program that ensures the availability of technologies and processes necessary to protect operations and assets.

As part of the Cybersecurity Governance, the Bank and its subsidiaries have developed a Cybersecurity Strategy with a preventive, detective and resilient approach. This strategy is reviewed annually, taking into account the global scenario, the current threat profile, as well as standards, frameworks and regulations. The objective is to ensure business continuity, resilience and data privacy. In this process, the Bank and its Subsidiaries have strengthened its cybersecurity framework, enabling it to adapt cybersecurity controls. In addition, a focus on Identity Governance, comprehensive Vulnerability Governance, Cloud Governance and Software Development Security has been established for early and timely risk management.

The Bank and its Subsidiaries also have a continuous awareness and training program for its employees, fostering a culture of cybersecurity awareness in all group companies. In addition, cybersecurity indicators are used to ensure alignment between the Bank and its Subsidiaries' operations and business strategy.

The Bank and its Subsidiaries' third-party governance policies establish the security requirements to be met by service providers, compliance with which is mandatory.

Information security management is conducted through a systematic process, documented and known throughout the organization, adhering to best practices and regulatory requirements. The Bank and its Subsidiaries design and develops guidelines described in the policy and procedures to ensure strategies for the availability, privacy, and integrity of the organization's information assets.

Corporate Security and Cyber Crime -

As part of non-financial risk Management, the Corporate Security & Cybercrime Operations Center's function is to detect and respond to incidents of fraud, cyber-crime and physical security.

These tasks are carried out by specialized teams in transactional monitoring, investigations, cybercrime, electronic security, disaster risk Management and strategic intelligence activities, including social conflicts, which allow safeguarding the safety of employees, customers, suppliers and assets of the organization.

For this, the designed strategy includes the use of state-of-the-art technological tools in the monitoring platform, digital video surveillance and advanced risk profile analysis models, among other fronts. Likewise, there is highly specialized and trained talent on these fronts that allows the proper use of artificial intelligence, electronics, advanced analytics and cyber forensic, achieving high efficiency standards.

Finally, we contribute to the security of the Financial System through union activities that we develop at the local level in the Association of Banks of Peru (ASBANC by its acronym in Spanish) and at the LATAM level in the Committee of Security Experts of the Latin American Federation of Banks (FELABAN by its acronym in Spanish).

29.5 Model Risk -

Model is defined as an algorithm or system of optimized algorithms that processes data to convert it into useful information for decision-making in a relevant population for the business.

Models are simplified representations of the real world that are the object of interest, study, or analysis. This simplification allows the Bank and its Subsidiaries to focus its attention on the specific aspects that are considered most important for the application of a given model. The Bank and its Subsidiaries use models for different purposes such as credit admission, capital calculation, behavior, provisions, market risk, liquidity, among others.

Model risk is defined as the probability of loss resulting from decisions (credit, market, among others) based on the use of poorly designed and / or poorly implemented models. The sources that generate this risk are mainly: deficiencies in data, errors in the model (from design to implementation), use of the model.

Model risk Management is proportional to the importance of each model. In this regard, a concept of “tiering” is defined as the main attribute to synthesize the level of importance or relevance of a model, from which the intensity of the model risk Management processes that must be followed is determined.

Model risk Management is structured around a set of processes known as the model life cycle. The definition of the phases of the life cycle of the model in the Bank and its Subsidiaries is detailed below: Identification, Planning, Development, Internal validation, Approval, Implementation and use, and Monitoring and control.

29.6 Capital Management -

The Bank and its Subsidiaries actively manage a capital base to cover the inherent risks in their activities. The capital adequacy of the Bank and its Subsidiaries is monitored using, among other measures, the norms and ratios established by the SBS, the supervising authority of its main Subsidiaries and for consolidation purposes, see Note 15(g). Furthermore, capital Management responds to market expectations in relation to the solvency of the Bank and its Subsidiaries and to support the growth of the businesses considered in the strategic planning. In this way, the capital maintained by the Bank and its Subsidiaries permits them to assume unexpected losses in normal conditions and conditions of severe stress.

Capital Management has as its main objectives: (i) to comply with the capital requirements established by the regulatory entities; (ii) to safeguard the operating capacity of the Bank and its Subsidiaries so that it continues providing returns to the shareholders and benefits to other stakeholders; (iii) to maintain a solid capital base to support the development of its activities, in line with the limits and tolerances established in the declaration of Risk Appetite.

As of December 31, 2024 and 2023, the Bank and its Subsidiaries have complied with Legislative Decree No. 1028 and SBS Resolutions No. 2115-2009, No. 6328-2009, and No. 14354-2009 Regulations for the Requirement of Effective Equity for Operational Risk, Market Risk, and Credit Risk, respectively; and their amendments. These Resolutions mainly establish the methodologies to be used by financial entities to calculate regulatory capital requirements.

On the other hand, through SBS Resolution No. 03921-2021, the requirement for Additional Cash Equity, approved by SBS Resolution No. 8425-2011, is modified, and the requirement is determined based on the Market Concentration Risk Indicator. Additionally, the criteria for activating the procyclical rule is modified (the average annualized percentage change in GDP over the last 30 months changes from a level below 4.0% to one greater than or equal to this threshold, previously 5.0%). The procyclical rule can be activated from December 31, 2023.

In March 2022, Legislative Decree N°1531 was approved, which modified Law 26702 (General Law of the Financial System and the Insurance and Organic System of the Superintendency of Banking and Insurance). In this way, the legal basis was established to complete the alignment to Basel III capital quality standards.

By the end of 2022, the SBS has published two resolutions that complement the provisions of Legislative Decree N°1531 and establish an adaptation schedule for the requirements of the three Basel buffers: conservation buffer of capital, buffer against cyclical and buffer for systemic risk. Management has evaluated the effects of this new regulation on the Bank and its Subsidiarias' financial statements and does not expect a significant impact on them.

29.7 Fair values -

a) Financial instruments recorded at fair value and fair values hierarchy -

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value as of December 31, 2024 and 2023, including the hierarchy level into which the fair value measurement is categorized. The amounts are based on the values recognized in the consolidated statement of financial position:

	Note	Level 1	Level 2	Level 3	Total
		S/000	S/000	S/000	S/000
December 31, 2024					
Financial assets					
Derivative financial instruments:					
Forward exchange contracts		-	76,010	-	76,010
Interest rate swaps		-	391,335	-	391,335
Cross currency swaps		-	20,795	-	20,795
Currency swaps		-	219,531	-	219,531
Options		-	2,830	-	2,830
Derivatives receivable	9(c)	-	710,501	-	710,501
Investments at fair value through profit or loss (trading)	5(a)	602,585	1,050	-	603,635
Subtotal		602,585	711,551	-	1,314,136
Available-for-sale investments:					
Debt securities:					
BCRP Certificates of deposit		-	11,435,757	-	11,435,757
Corporate bonds		3,459,515	665,290	-	4,124,805
Government treasury bonds		7,724,893	-	-	7,724,893
Negotiable certificates of deposits		-	-	-	-
Securitization instruments		-	25,994	-	25,994
Other instruments					
Equity instruments:					
Listed securities		54,962	-	-	54,962
Unlisted securities		-	-	5,044	5,044
Subtotal	5(b)	11,239,370	12,127,041	5,044	23,371,455
Total financial assets		11,841,955	12,838,592	5,044	24,685,591
Financial liabilities					
Derivative financial instruments:					
Forward exchange contracts		-	146,014	-	146,014
Interest rate swaps		-	262,189	-	262,189
Cross currency Swaps		-	15,388	-	15,388
Currency swaps		-	230,739	-	230,739
Options		-	8,232	-	8,232
Derivatives payable	9(c)		662,562	-	662,562
Total financial liabilities		-	662,562	-	662,562

	Note	Level 1 S/000	Level 2 S/000	Level 3 S/000	Total S/000
December 31, 2023					
Financial assets					
Derivative financial instruments:					
Forward exchange contracts		-	275,561	-	275,561
Interest rate swaps		-	281,862	-	281,862
Cross currency swaps		-	36,540	-	36,540
Currency swaps		-	229,755	-	229,755
Options		-	849	-	849
Derivatives receivable	9(c)	-	824,567	-	824,567
Investments at fair value through profit or loss (trading)	5(a)	158,450	203,910	-	362,360
Subtotal		158,450	1,028,477	-	1,186,927
Available-for-sale investments:					
Debt securities:					
BCRP Certificates of deposit		-	10,935,252	-	10,935,252
Corporate bonds		2,915,135	865,628	-	3,780,763
Government treasury bonds		5,779,811	-	-	5,779,811
Negotiable certificates of deposits		-	-	-	-
Securitization instruments		-	29,319	-	29,319
Other instruments					
Equity instruments:					
Listed securities		58,687	-	-	58,687
Unlisted securities		-	-	4,961	4,961
Subtotal	5(b)	8,753,633	11,830,199	4,961	20,588,793
Total financial assets		8,912,083	12,858,676	4,961	21,775,720
Financial liabilities					
Derivative financial instruments:					
Forward exchange contracts		-	134,332	-	134,332
Interest rate swaps		-	95,623	-	95,623
Cross currency Swaps		-	46,888	-	46,888
Currency swaps		-	428,352	-	428,352
Options		-	3,747	-	3,747
Derivatives payable	9(c)		708,942	-	708,942
Total financial liabilities		-	708,942	-	708,942

Financial instruments included in the Level 1 category are those that are measured on the basis of quotations obtained in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and said prices represent actual and regularly occurring market transactions on an arm's length basis.

Financial instruments included in the Level 2 category are measured on the basis of observed market factors. This category includes instruments valued using quoted prices for similar instruments, either in active or less active markets and other valuation techniques (models) where all significant inputs are directly or indirectly observable based on market data.

The financial instruments included in Level 3 are measured using valuation techniques (internal models), based on assumptions that are not supported by prices of observable transactions on the market for the same instrument, nor based on available market data.

We present a description of how fair value is determined for the Bank and its Subsidiaries financial instruments where valuation techniques were used with inputs based on observable market data which incorporate the estimates of the Bank and its Subsidiaries, on the assumptions that market participants would use for measuring these financial instruments:

- Valuation of derivate financial instruments -

  Interest rate swaps, currency swaps and foreign exchange forward contracts are evaluated by using valuation techniques where inputs are based on observable market data. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs, including the credit quality of counterparties, foreign exchange, forward rates and interest rate curves. Options are valued using well-known, widely accepted valuation models.

  A credit value adjustment (CVA) is applied to the exposure of the “Over-The-Counter” derivatives in order to consider the risk of default of the counterparties when the fair value of the derivatives is measured. The effect of this adjustment is measured in the income statement. The CVA is a cost at market prices of protection required to hedge the credit risk of the counterparties in this type of portfolio of derivatives. The CVA is calculated by multiplying the probability of default (PD), the likelihood of given deterioration (LGD) and the expected exposure (EE) at the date of impairment.

- Valuation of debt securities available for sale and included in level 2 -

  Valuation of BCRP certificates of deposit, corporate bonds, leasing, subordinated bonds and Government treasury bonds are estimated calculating their Net Present Values (NPV) through discounted cash flows, using appropriate and relevant zero-coupon rate curves to discount cash flows in the respective currency and considering observable current market transactions.

  The certificates of BCRP deposits (CD BCRP) are securities issued at a discount, in order to regulate the liquidity of the financial system. They are placed through public auction or direct placement, are freely negotiable by their holders in the Peruvian secondary market and can be used as collateral in Securities Report Operations with the BCRP.

  Other debt instruments are evaluated using valuation techniques based on assumptions supported by prices from observable current market transactions, obtained via pricing services. Nevertheless, when prices have not been determined in an active market, fair values are based on broker quotes and assets that are valued using models whereby the majority of assumptions are market observable.

  The financial instruments included in Level 3 are measured using valuation techniques (internal models), based on assumptions that are not supported by observable transaction prices in the market for the same instrument, nor based on available market data.

b) Financial instruments not measured at fair value -

Set out below is the disclosure of the comparison between the carrying amounts and fair values of the fina
value, presented in the consolidated statement of financial position by level of the fair value hierarchy:

	As of December 31, 2024					As of December 3	
	Level 1	Level 2	Level 3	Fair value	Book value	Level 1	Le
	S/000	S/000	S/000	S/000	S/000	S/000	S/
Assets							
Available funds	-	45,628,611	-	45,628,611	45,628,611	-	
Interbank funds	-	-	-	-	-	-	
Held-to-maturity investments	7,742,148	8,270	-	7,750,418	7,796,254	9,071,309	
Loans, net	-	124,051,833	-	124,051,833	124,051,833	-	
Other assets	-	1,502,987	-	1,502,987	1,502,987	-	
Total	7,742,148	171,191,701	-	178,933,849	178,979,685	9,071,309	
Liabilities							
Deposits and obligations	-	147,715,728	-	147,715,728	147,715,728	-	
Interbank funds	-	350,095	-	350,095	350,095	-	
Payables from repurchase agreements	-	7,203,885	-	7,203,885	7,203,885	-	
Due to banks, correspondents and other entities	-	9,816,677	-	9,816,677	9,815,171	-	
Bonds and subordinated Notes issued	-	13,706,974	-	13,706,974	13,627,208	-	
Other liabilities	-	3,610,870	-	3,610,870	3,610,870	-	
Total	-	182,404,229	-	182,404,229	182,322,957	-	

The methodologies and assumptions used by the Bank and its Subsidiaries to determine the values prices depend on the terms and risk characteristics of the various instruments listed above and comprise the following:

(i) Assets for which fair values approximate their carrying value - For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying amounts are similar to their fair values. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

(ii) Financial instruments at fixed rate - The fair value of the financial assets and financial liabilities at fixed rate and at amortized cost is determined by comparing the market interest rate at the time of their initial recognition to the current market rates related to similar financial instruments. In the case of listed debt, the fair value is determined on the basis of the quoted market prices. When quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity. The fair value of the loan portfolio and deposits and obligation, according to SBS Multiple Official Letter N°1575-2014, corresponds to it carrying amount.

30 EVENTS AFTER THE REPORTING PERIOD

The Bank and its subsidiaries have evaluated the period after the closing of the financial statements and have determined that there are no subsequent events or transactions that require recognition or disclosure in the consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2023, AND 2022

Building a better working world

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2023, AND 2022

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US$, U.S. dollars = United States Dollar
S/ = Sol
¥ = Yen

To the Shareholders and Directors of Banco de Crédito del Perú S.A. and Subsidiaries

Opinion

We have audited the consolidated financial statements of Banco de Crédito del Perú S.A. (a subsidiary of Credicorp Ltd. incorporated in Bermuda) and Subsidiaries (hereinafter "the Group"), which comprise the consolidated statement of financial position as of December 31, 2023, and the consolidated statements of income, comprehensive income, changes in net equity and cash flows for the year then ended; as well as the explanatory notes to the consolidated financial statements, which include a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023, as well as its consolidated financial performance and cash flows for the year then ended, in accordance with accounting standards prescribed by the Superintendence of Banking, Insurance and Private Pension Funds Administrators ("SBS", by its Spanish acronym) for Peruvian financial entities, see note 3.

Basis of the opinion

We conduct our audit in accordance with the International Standards on Auditing (ISAs) approved for application in Peru by the Board of Deans of Associations of Public Accountants of Peru. Our responsibilities under these standards are described in more detail in the Auditor's *Responsibilities in relation to the audit of the* consolidated *financial statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Accounting Professionals of the International Ethical Standards Council for Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Peru, and we have complied with our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional opinion, were of the greatest importance in the audit of the consolidated financial statements for the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion on them; so, we do not provide a separate opinion on these matters. Based on the above, below is how each key issue was addressed during our audit.

We have complied with the responsibilities described in the Auditor's *Responsibilities section in connection with the audit of the consolidated financial statements* in our report, including in connection with these matters. Accordingly, our audit included the performance of procedures designed to respond to the risks of material misstatement assessed in the consolidated financial statements. The results of the audit procedures, including the procedures undertaken to address the matters mentioned below, form the basis for the audit opinion on the accompanying consolidated financial statements.

Key Audit Issue	Audit Response
Information Technology (IT) Environment	
The Group's information technology (IT) environment consists of an infrastructure of many key systems for the processing of its operations, accounting records and preparation of its consolidated financial statements. In addition, the Group's Management has designed a series of automatic controls, interfaces between the systems and executed calculations of the applications; with the aim of ensuring the completeness and accuracy of accounting records and accurate financial reports, and thus mitigating the potential risk of fraud or error. In light of the above, we consider the information technology environment to be a key issue, as the Group depends on the efficient and continuous operation of IT applications as well as their automatic controls, so there is a risk that breaches in the IT control environment may result in accounting records being materially misstated.	With the support of our Information Technology (IT) specialists, our audit efforts focused on the key systems related to the processing of its operations, accounting records and preparation of the Group's consolidated financial statements, performing the following procedures: - Evaluation of the Group's IT governance framework. - Understanding of the control environment and identification of risks of IT processes. - Testing key controls over application and data access management, program changes and application development, and IT operations. - Testing of the design and operational effectiveness of the key automatic controls identified in the various relevant processes of the Group. - Testing of the design and operational effectiveness of applicable compensation controls.

Key Audit Issue	Audit Response
Estimation of the provision for loan portfolio under SBS standards As described in notes 3(f), 6 and 29.1 of the consolidated financial statements, the estimation of the provision for the loans portfolio is determined following the methodology defined by the SBS in Resolution 11356-2008 and its amendments, which establishes specific percentages for the provision calculation, depending on the risk credit classification of the debtor, the type of credit, and the guarantees associated with the credits. The allocation of the credit type is based on the nature of the loan for retail credits and the nature of the debtor for non-retail credits. Regarding the classification of the debtor, the Group mainly considers the days of delay and alignment with the financial system. Additionally, in the case of non-retail debtors, for the credit rating of the debtor, apart from the days of delay, the following factors are considered: the debtor's payment experience, the history of operations, thecapacity to pay and availability of funds of the debtor, the situations of collaterals and guarantees received, the analysis of the debtor's financial statements and the debtor's risk in other financial institutions, as well as other factors such as sectoral and macroeconomic ones. Therefore, we consider the estimation of the loan portfolio provision to be a key audit issue; given that inappropriate allocation of the required percentages for the calculation, incorrect credit classification of the debtor, or loan type could generate a material misstatement in the Group's consolidated financial statements.	We gained an understanding, evaluated the design and tested the operational effectiveness of controls of the estimation of the provision for doubtful accounts in accordance with the requires of the SBS standards, which included: - Methodology and criteria established for the calculation according to SBS required regulations. - Integrity and accuracy of the database in the Bank's systems. - Correct assignment of the type of credit to each of the operations recorded by the Group. - Credit classification of debtors, considering the Bank's methodology and SBS regulations. - Reviewing of the calculation of the estimation of the provision for the loan portfolio in the Group systems. - Review of the registration and update of the value of the guarantees associated with the loans. - Disclosure in the notes to the financial statements. In addition, we carried out detailed substantive procedures, which included: - We assessed whether the accounting policies defined by the Bank are coherent with the SBS methodology. - - We tested the integrity and accuracy of the data used in the provision calculation. - - We inspected in a selective manner the credit classification of the debtor, assessing the reasonability of Management's most relevant assumptions.

Key Audit Issue	Audit Response
	- Selective inspection of the classification of the type of credit, considering the nature of the retail loan and the nature of the non-retail debtor. We independently tested the calculation of the provision estimation. - Review of the registration and update of the value of the guarantees associated with the credits. - We independently tested the calculation of the provision estimation.

Other Matter

The consolidated financial statements as of and for the year ended December 31, 2022 and 2021, were audited by other independent auditors, whose opinion dated February 22, 2023 and February 22, 2022, respectively, did not contain any qualifications. As described in Note 25, these statements were restated due to a retroactive adjustment in the calculation of basic and diluted earnings per share, resulting from the capitalization of profits that the Group has made. As part of our audit of the consolidated financial statements as of December 31, 2023, we also examined these adjustments described in Note 25 related to the comparative periods ended December 31, 2022, and 2021. We concluded that these adjustments are appropriate and have been correctly applied. We were not hired to audit, review or apply any other procedures to those consolidated financial statements and, consequently, we do not express an opinion or any other form of assurance on the consolidated financial statements as of and for the year ended December 31, 2022 and 2021 of Banco de Crédito del Perú S.A. and its Subsidiaries, taken as a whole.

Other information included in the Group's 2023 Annual Report

Other information consists of the information included in the Annual Report, other than the consolidated financial statements and our audit report thereon. Management is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of conclusion that would provide a degree of assurance about it.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge gained in the audit or whether it otherwise appears to be materially misstated. If, based on the work we have done, we conclude that there is a material error in this other information, we are obliged to report that fact. We have nothing to report in this regard.

Responsibilities of the Group's Management and Corporate Governance Officers in Relation to the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards established by the SBS for financial entities in Peru, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing as appropriate matters relating to the going concern and using the going concern's accounting basis, unless Management intends to liquidate the Group or cease operations, or have no realistic alternative to doing so.

Those responsible for the Group's corporate governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the Auditor in connection with the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but it does not guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and are considered material if, individually or cumulatively, you could reasonably expect them to influence the economic decisions that users make based on the consolidated financial statements.

As part of an audit in accordance with the International Standards on Auditing (ISAs) approved for application in Peru by the Board of Deans of Associations of Public Accountants of Peru, we exercise professional judgment and maintain professional skepticism throughout the audit. Also:

- We identify and evaluate the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and execute audit procedures that respond to those risks and obtain audit evidence that is sufficient and appropriate to provide us with a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than that resulting from an error, as fraud may involve collusion, falsification, intentional omissions, misrepresentations, or overstepping the internal control system.
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the adequacy of the accounting policies used, the reasonableness of the accounting estimates and the respective disclosures made by management.
- We conclude on the adequacy of Management's use of the going concern accounting basis and, based on the audit evidence obtained, whether there is material uncertainty related to events or conditions that may raise significant doubts about the Group's ability to continue as a going concern. If we conclude that there is a material uncertainty, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. The findings are based on the audit evidence obtained to date from our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, content of the consolidated financial statements, including disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.
- We obtained sufficient and adequate audit evidence in relation to the financial information of the entities or business activities that are part of the Group, in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and execution of the Group's audit and therefore for our audit opinion.

We communicate to those responsible for the Group's corporate governance, among other matters, the planned scope and timing of the audit, the significant findings of the audit, as well as any significant internal control deficiencies identified during the audit.

We also provide the Group's corporate governance officers with a statement that we have complied with relevant ethical requirements in relation to independence and have communicated to them about all relationships and other matters that could reasonably affect our independence and, as appropriate, including the respective safeguards.

Among the matters that have been the subject of communication with those responsible for the Group's corporate governance, we have identified those that have been of the greatest significance in the audit of the consolidated financial statements for the current period and, therefore, are the key audit matters. We have described such matters in our audit report unless legal or regulatory provisions prohibit public disclosure of the matter or, in extremely rare circumstances, we determine that a matter should not be disclosed in our report because it would reasonably be expected that the adverse consequences of doing so would outweigh the public interest benefits of the report.

Lima, Peru
February 28, 2024

Countersigned by:



Tanaka, Valdivia & Soc.

_____

Victor Tanaka
Partner-in-Charge
C.P.C.C. Registration No.25613

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Amounts expressed in thousands of soles)

	Note	2023	2022
		S/000	S/000
Assets			
Cash and due from banks:	4		
Cash and clearing		4,667,423	4,903,160
Deposits in Central Reserve Bank of Peru		23,673,778	24,160,723
Deposits in local and foreign banks		2,277,029	1,964,782
Funds subject to restriction		169,552	362,988
Accrued interest		65,605	49,646
		30,853,387	31,441,299
Interbank funds		-	267,082
Investments:			
At fair value through profit or loss	5(a)	362,360	1,011
Available-for-sale	5(b)	20,588,793	15,255,787
Held-to-maturity	5(c)	9,025,012	9,254,469
		29,976,165	24,511,267
Loan portfolio, net	6(a)	123,585,789	127,948,099
Investments in associates		21,074	28,770
Property, furniture and equipment, net	7	1,170,598	1,095,261
Goodwill	8	276,321	276,321
Other assets, net	9(a)	5,974,984	5,287,180
Total assets		191,858,318	190,855,279
Contingent risks and commitments	18	96,723,812	95,727,964

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts expressed in thousands of soles)

	Note	2023	2022	2021
		S/000	S/000	S/000
Financial income and expenses				
Financial income	19	16,526,934	13,002,030	9,777,661
Financial expenses	19	(4,455,300)	(2,776,800)	(1,871,900)
Gross financial margin		12,071,634	10,225,230	7,905,761
Provision for credit losses on loan portfolio		(3,774,900)	(2,299,341)	(2,193,858)
Recovery of written-offs loans		313,405	321,151	323,538
Provision for credit losses on loan portfolio, net of recoveries	6(f)	(3,461,495)	(1,978,190)	(1,870,320)
Net financial margin		8,610,139	8,247,040	6,035,441
Non-financial income				
Commissions for banking services, net	20	3,096,714	3,034,281	2,718,530
Net result from derivatives instruments		101,855	4,804	72,095
Net result on securities	21	(80,521)	(24,657)	(132,712)
Net gain on foreign exchange transactions		997,648	1,003,855	891,739
Other non-financial income	22	355,973	213,264	155,000
		4,471,669	4,231,547	3,704,652
Operating expenses				
Salaries and employee benefits	23	(3,071,113)	(2,888,728)	(2,585,269)
General and administrative expenses	24	(2,944,336)	(2,580,473)	(2,249,233)
Depreciation and amortizations	7 y 9(e)	(435,817)	(418,722)	(409,429)
Provision for goods received in payment and awarded		20,523	(14,954)	(14,807)
Taxes and contributions		(162,185)	(193,846)	(182,760)
Other operating expenses	22	(288,244)	(204,761)	(210,105)
		(6,881,172)	(6,301,484)	(5,651,603)
Net gain for exchange difference		(6,815)	(6,035)	107,858
Net result before income tax		6,193,821	6,171,068	4,196,348
Income tax	14(b)	(1,527,751)	(1,668,871)	(1,151,815)
Net result after income tax		4,666,070	4,502,197	3,044,533
Attributable to:				
Banco de Crédito del Peru's equity holders		4,653,039	4,480,438	3,036,113
Non-controlling Interest		13,031	21,759	8,420
		4,666,070	4,502,197	3,044,533
Net basic and dilutive earnings per share attributable to Banco de Crédito del Peru's equity holders	25	0.3587	0.3454	0.2340
Basic and diluted earnings per share (in soles)		0.3597	0.3470	0.2347
Weighted average number of ordinary shares for basic earnings (in thousands of units)		12,973,175	12,973,175	12,973,175

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts expressed in thousands of soles)

	Note	2023 S/000	2022 S/000	2021 S/000
Net profit for the year		4,666,070	4,502,197	3,044,533
Other comprehensive income				
Net gain (loss) on available-for-sale investments	15(e)	534,920	(692,051)	(1,271,766)
Net movement of cash flow hedges	15(e)	(16,138)	1,419	57,778
Exchange differences on translation of foreign operations	15(e)	(425)	(4,778)	1,460
Income tax	15(e)	(26,333)	53,822	23,456
Other comprehensive income (loss) for the year, net of income tax		492,024	(641,588)	(1,189,072)
Total comprehensive income for the year, net of income tax		5,158,094	3,860,609	1,855,461
Attributable to:				
Banco de Credito del Peru's equity holders		5,144,540	3,839,160	1,847,714
Non-controlling interest		13,554	21,449	7,747
Net profit of comprehensive income		5,158,094	3,860,609	1,855,461

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts expressed in thousands of soles)

		Attributable to shareholders' equity of B		
	Number of outstanding shares	**Capital stock**	**Legal reserve**	**Other reserv**
	(In thousand Of units)	**S/000**	**S/000**	**S/000**
Balances as of January 1, 2021	11,067,387	11,067,387	3,887,157	2
Changes in equity for 2021				
Net profit for the year	-	-	-	
Other comprehensive income	-	-	-	
Total comprehensive income	-	-	-	
Capitalization of income, Note 15(a)	250,000	250,000	-	
Transfer to Reserves, Note 15(b)	-	-	83,289	
Dividend distribution, Note 15(f)	-	-	-	
Mibanco Capital Reduction	-	-	-	(
Other	-	-	327	
Balances as of December 31, 2021	11,317,387	11,317,387	3,970,773	2
Changes in equity for 2022				
Net profit for the year	-	-	-	
Other comprehensive income	-	-	-	
Total comprehensive income	-	-	-	
Capitalization of income, Note 15(a)	858,978	858,978	-	
Transfer to Reserves, Note 15(b)	-	-	303,140	
Dividend distribution, Note 15(f)	-	-	-	(
Mibanco Capital Reduction	-	-	-	
Other	-	-	387	
Balances as of December 31, 2022	12,176,365	12,176,365	4,274,300	2
Changes in equity for 2023				
Net profit for the year	-	-	-	
Other comprehensive income	-	-	-	
Total comprehensive income	-	-	-	
Capitalization of income, Note 15(a)	796,810	796,810	-	
Transfer to Reserves, Note 15(b)	-	-	279,354	
Dividend distribution, Note 15(f)	-	-	-	(
Mibanco Capital Reduction	-	-	-	
Other	-	-	912	
Balances as of December 31, 2023	12,973,175	12,973,175	4,554,566	1,

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021
(Amounts expressed in thousands of soles)

	Note	2023	2022	2021
		S/000	S/000	S/000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit of the year		4,666,070	4,502,197	3,044,533
Adjustments to reconcile net profit to net cash arising from operating activities:				
Provision for credit losses on loan portfolio	6(f)	3,774,900	2,299,341	2,193,858
Depreciation and amortization	7(a) y 9(e)	435,818	418,722	409,429
Deferred income tax	14(b)	(51,011)	(70,029)	291,648
Net result in values	21	(80,521)	24,657	132,712
Loss on net fluctuation due to positions in derivative financial instruments		(101,855)	(4,804)	(72,095)
Expense for share-based compensation plan	23	48,021	48,061	52,214
Provision for seized assets		(20,523)	14,954	14,807
Provision for uncollectable receivables	22	8,351	3,433	2,890
Provisions for litigation, lawsuits and other contingencies		29,401	7,502	7,045
Derecognition cost of out-of-use and intangible assets due to withdrawals	22	70,575	22,757	25,883
Net gain on the sale of goods received in payment and adjudicated	22	(10,939)	(4,250)	(7,340)
Net gain on sales of property, furniture and equipment	22	(1,745)	(12,804)	(6,410)
Variation in the fair value of outstanding securities and obligations		691	2,794	6,572
Amortization of expenses related to the issuance of securities, bonds, and obligation in circulation		57,635	68,899	58,201
Net gain of sales of intangible		-	(2,961)	(3,576)
Net gain from the sale of credit portfolio	22	(168,738)	(22,842)	(17,113)
Provision for sundry risks		71,257	84,579	64,674
Net decrease (increase) in assets				
Loans		(448,582)	(5,101,842)	(8,115,371)
Investment at fair value through profit or loss		(332,655)	1,188,538	1,151,456
Investment available-for-sale		(3,412,631)	1,541,391	9,220,556
Investments held-to-maturity		(298,338)	(308,512)	(284,869)
Sale of written off portfolio		239,599	24,024	24,443
Other assets		(1,711,314)	859,258	11,150
Net increase (decrease) of liabilities				
Deposits and obligations		4,117,660	90,523	345,944
Payables for repurchase agreements		(3,837,750)	(8,407,145)	(6,016,848)
Due to banks, correspondent and financial institutions and interbank funds		3,137,446	1,973,071	701,756
Bonds and notes issued		(2,665,008)	(194,673)	(534,435)
Income tax paid		(1,503,641)	(887,981)	(931,557)
Other liabilities		1,197,105	1,551,743	1,002,838
Net cash flows from operating activities		3,209,278	-291,399	2,772,995
NET CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, furniture and equipment	7(a)	(264,612)	(134,374)	(78,686)
Revenue from sale of property, furniture and equipment		53,104	46,658	15,931
Purchase of intangibles assets	9(e)	(662,261)	(544,910)	(416,765)
Net gains of sales of intangible		-	5,313	18,931
Revenue from sales and reimbursement of investments held-to-maturity		630,588	414,465	331,819
Purchase of investments held-to-maturity		(103,817)	-	(2,784,228)
Net cash flows from investing activities		(346,998)	(212,848)	(2,912,998)
NET CASH FLOWS FROM FINANCING ACTIVITIES				
Bonds and subordinated notes issued		-	(15,000)	193,458
Dividends paid to company's shareholders	15(f)	(2,690,410)	(2,121,115)	(42,056)
Net cash flows from financing activities		(2,690,410)	(2,136,115)	151,402
Net (decrease) increase in cash and cash equivalents before the effect of variations in exchange rate		171,870	(2,640,362)	11,399
Effect of changes in exchange rate of cash and cash equivalents		(833,406)	(1,371,627)	2,317,912
Cash and cash equivalents at the beginning of year		31,345,371	35,357,360	33,028,049
Cash and cash equivalents at the end of year		30,683,835	31,345,371	35,357,360

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

RECONCILIATION OF CASH AND CASH EQUIVALENTS AT YEAR END WITH THE ACCOUNT BALANCES OF THE STATEMENT OF FINANCIAL POSITION
(Amounts expressed in thousands of soles)

	Note	2023 S/000	2022 S/000	2021 S/000
Cash and cash equivalents at the end of the period		30,683,835	31,345,371	35,357,360
Repurchase agreements with BCRP	4(c)	-	200,355	328,369
Other restricted funds	4(c)	169,552	162,633	436,785
Available funds according to the Statement of Financial Position		30,853,387	31,708,359	36,122,514
Additional information regarding cash flow				
Interest received		16,372,329	12,582,990	9,777,139
Interest paid		(4,027,789)	(2,487,468)	(1,973,967)
Transactions which do not result in cash flow				
Change in classification category from available-for-sale to held-to-maturity investments	5(c)	-	1,683,390	-
Retained earnings capitalization	15(a)	796,810	858,978	250,000
Repurchase agreements with BCRP	4(c)	-	200,355	328,369
Other restricted funds	4(c)	169,552	162,633	436,785
Reduction of Mibanco's Capital	15(c)	42,806	10,082	272,089

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Amounts expressed in thousands of soles)

		Changes that generate cash flows			Changes that do not generate	
	At January 1, 2023	New issues	Amortization of principal	Past due / repurchase of principal	Exchange difference	Changes in fair value
	S/000	S/000	S/000	S/000	S/000	S/000
Amortized cost	5,254,130	-	-	-	(139,750)	-
	5,254,130	-	-	-	(139,750)	-

		Changes that generate cash flows			Changes that do not generate	
	At January 1, 2022	New issues	Amortization of principal	Past due / repurchase of principal	Exchange difference	Changes in fair value
	S/000	S/000	S/000	S/000	S/000	S/000
Amortized cost	5,469,458	-	-	(15,000)	(228,828)	-
	5,469,458	-	-	(15,000)	(228,828)	-

The accompanying notes are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED
AS OF DECEMBER 31, 2023, AND 2022

1 OPERATIONS

Banco de Crédito del Peru S.A. (hereinafter "the Bank" or "BCP") is a Peruvian limited company incorporated in 1889 and is a subsidiary of Credicorp Ltd. (a holding incorporated in Bermuda in 1995), which directly and indirectly owns 97.74 percent of its capital stock as of December 31, 2023, and 2022.

The Bank's legal address is in Calle Centenario N°156, La Molina, Lima, Peru. As of December 31, 2023, the Bank has 321 branches and agencies in Peru and 2 branches abroad; in the United States of America (Miami) and Panama (as of December 31, 2022, it had 336 branches and agencies in Peru and 2 branches abroad).

The legal address of its main subsidiary Mibanco, Banco de la Microempresa SA (hereinafter "Mibanco"), is Av. República de Panamá 4575, Surquillo, Lima, Peru. As of December 31, 2023, and 2022, it has 294 and 289 offices in Lima and the provinces, respectively.

The Bank's operations are governed by the "Ley General del Sistema Financiero y de Seguros y Orgánica de la Superintendencia de Banca, Seguros y AFP" (General Law of the Financial and Insurance Systems and Organic of the SBS - Law 26702), hereinafter the "Banking Law", and is authorized by the Superintendencia de Banca, Seguros y AFP - SBS (Peruvian Banking and Insurance Authority, hereinafter "SBS" for is Spanish acronym) to operate as a universal bank, in accordance with the prevailing Peruvian legislation.

The consolidated financial statements as of December 31, 2022, and for the year ended on that date were approved by the Mandatory Annual Shareholders' Meeting held on March 27, 2023 without amendments. The consolidated financial statements as of December 31, 2023, and for the year then ended were approved and authorized by the Audit Committee and Management on February 27, 2024 and will be submitted for their final approval by the Board of Directors on February 28, 2024 and the Mandatory Annual Shareholders' Meeting within the period established by law. Management considers that the consolidated financial statements will be approved by the Board of Directors and the Mandatory Annual Shareholders' Meeting without amendments.

2 SIGNIFICANT EVENTS

Between the months of December 2022 and March 2023, our country was affected by political and social events, as well as by natural events that affected different regions, as indicated below:

- In December 2022, in response to various political events that occurred in Peru, a series of riots and social protests took place in different regions of the country, which resulted in a decrease in commercial activity in said regions and, therefore, the temporary restriction of liquidity in certain people and companies.

- During the first quarter of 2023, the Peruvian government declared certain areas in state of emergency due to the imminent danger of intense rainfall and other large-scale disasters. As a result of the rains and floods, there were economic losses and payment difficulties for debtors in these areas.

  On June 8, 2023, the Government declared a State of Emergency for 60 days in certain areas, due to intense rainfall and possible El Niño Phenomenon, a measure that has been extended to date.

As a consequence of these events, the SBS implemented exceptional measures in order to allow entities in the financial system modify contractual conditions of retail loans, without these modifications constituting refinancing. In this context, within the framework of Official Letter SBS N°12174-2023 which details the conditions that must be met in order to grant these facilities to debtors who were affected by the aforementioned events, the Bank and its Subsidiaries have rescheduled a net amount of S/959.6 million of retail loans as of December 31, 2023 (S/650.2 million as of December 31, 2022). In Management's opinion, this current situation has not affected our operations or generated any significant impact on the financial statements presented as of December 31, 2023, and as of December 31, 2022.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the consolidated financial statements of the Bank and its Subsidiaries are set out below:

a) Basis for presentation, and use of estimates -

The consolidated financial statements have been prepared in soles based on the accounting records of the Bank and its Subsidiaries, in accordance with Generally Accepted Accounting Principles applicable to financial entities. The accounting principles significantly comprise the SBS standards and, in a supplementary manner, when there are no specific SBS standards, the International Financial Reporting Standards - IFRS made official in Peru through the resolutions issued by the Consejo Normativo de Contabilidad (Peruvian Accounting Council, hereinafter “CNC” for its Spanish acronym), and in force as of December 31, 2023. These accounting principles are consistent with those used in 2023 and 2022, see paragraph (u).

The preparation of the consolidated financial statements requires Management to make estimates that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of significant events in the Notes to the consolidated financial statements.

Estimates are continuously evaluated and are based on historical experience and other factors. The final results may differ from said estimates; however, Management expects that the variations, if any, would not have a material impact on the consolidated financial statements.

The most significant estimates related to the accompanying consolidated financial statements correspond to the allowance for loan losses, valuation and impairment of investments, the valuation of derivatives financial instruments; likewise, Management performs other estimates, such as estimated useful life and the recoverable amount of property, furniture and equipment and intangibles, deferred income tax assets and liabilities. The accounting criteria used for said estimates are described in this Note.

Also, the financial statements of Subsidiaries and Branch offices overseas have been standardized to the accounting standards of the SBS.

b) Basis of consolidation -

The consolidated financial statements include the financial statements of the Bank and its Subsidiaries for all the years presented.

Subsidiaries are all entities over which the Bank has control, meaning the power to govern their financial and operating policies. This is generally evidenced by a shareholding of more than half of the voting rights. Subsidiaries are consolidated from the date on which effective control is transferred to the Bank and are no longer consolidated from the date that control ceases.

All transactions, balances, gains and losses between the Bank and its Subsidiaries have been eliminated in the consolidation process.

Transactions with non-controlling interest -

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as a capital transaction (equity transaction) and any resulting difference between the price paid and the amount corresponding to non-controlling shareholders must be recognized directly in the consolidated net equity.

The consolidated financial statements include the financial statements of the Bank and its Subsidiaries over wh
table below shows the main data of the Bank and its Subsidiaries engaged in the process of consolidation as o
eliminations made in said process:

Entity	Activity and country	Percentage of interest (direct and indirect)		Assets		Liabilities		Net equ
		2023	2022	2023	2022	2023	2022	2023
		%	%	S/000	S/000	S/000	S/000	S/000
Banco de Crédito del Peru	Banking, Peru	-	-	179,230,213	178,287,530	155,255,702	156,286,661	23,974
Mibanco, Banco de la Microempresa S.A.	Banking small and micro credits, Peru	94.93	94.93	16,584,041	16,917,052	13,718,978	14,283,149	2,86
Solución Empresa Administradora Hipotecaria S.A.	Mortgage loans, Peru	100.00	100.00	76,552	93,771	53,534	62,214	2

c) Foreign currency -

Functional and presentation currency -

The Bank and its Subsidiaries consider the Sol as its functional and presentation currency, because it reflects the nature of economic events and relevant circumstances, since its main operations and/or transactions such as loans granted, obtained financing, finance income, finance expenses, and a significant percentage of purchases; are established and settled in soles.

Transactions and balance in foreign currency -

Assets and liabilities in foreign currency are recorded for the Bank and its Subsidiaries at the exchange rate prevailing at the date of transactions. Monetary assets and liabilities denominated in foreign currency are adjusted at the exchange rate of the functional currency prevailing at the date of the statement of financial position, set by the SBS; see Note 29.3(b)(ii).
Profits or losses arising from the revaluation of monetary assets and liabilities in foreign currency at the exchange rates prevailing on the consolidated financial position date are recognized in the income statement under the category “Net gain on for exchange difference”.

d) Financial instruments -

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

In accordkance with the standards issued by the SBS that regulate the accounting treatment of financial instruments, which include guidelines and criteria of IAS 39, all financial assets and liabilities, including derivative financial instruments, should be recognized in the consolidated statement of financial position and measured as per its classification.

The Bank and its Subsidiaries classify their financial instruments in one of the categories defined by IAS 39 and through SBS Resolution N°7033-2012 and its amendments: (i) financial assets and financial liabilities at fair value through changes in profit or loss; (ii) loan portfolio and receivables; (iii) available-for-sale financial investments; (iv) held-to-maturity financial investments and (v) financial liabilities at amortized cost. The Bank and its Subsidiaries determine the classification of their financial instruments at initial recognition.

Financial instruments classification at initial recognition depends on Management purpose and intention for which the financial instruments were acquired and their characteristics. All financial instruments are initially measured at their fair value plus incremental costs related to the transaction that are directly attributable to the purchase or issuance of the instrument, except in the case of financial assets and liabilities recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, that is the date on which the Bank and its Subsidiaries commits to purchase or sell the asset. Derivatives are recognized on a trade date basis.

Financial assets and liabilities presented in the consolidated statement of financial position correspond to cash and due from banks, interbank funds held, investments at fair value through profit or loss, investments available-for-sale and held-to-maturity, derivative financial instruments at fair value, the loan portfolio, accounts receivable (presented “Other assets, net”, see Note 9(a) and liabilities in general, except for the liabilities identified as non-financial instruments presented "Other liabilities", see Note 9(a). In addition, all derivative products and indirect loans are financial instruments. The specific accounting policies on recognition and measurement of these items are disclosed in the accounting policies described in this Note.

e) Recognition of income and expenses -

Interest income and expense are recognized in profit or loss of the period in which they are accrued, based on the effective validity of the operations which generate them and the interest rates freely agreed with customers, except in the case of interest generated by loans which are past due, refinanced, restated, and in judicial collection; as well as loans classified in the doubtful and loss categories and the interest on which is recognized as earned to the extent to which they are collected. When Management determines that the debtor's financial condition has improved and the loan is reclassified to the status of current and/or the normal categories, with potential problems or deficient, interest is reestablished on an accrual basis.

Interest income includes returns earned on fixed income investments classified as investments at fair value through profit or loss, available-for-sale and held-to-maturity, which includes the accrued discount and premium on said financial instruments.

Dividends are recognized as income when they are declared.

Commissions and expenses for credit formalization, as well as for opening, study and evaluation of direct and indirect loans are recorded as income based on their accrual over the term of the respective contracts.

Commissions for financial services related to the maintenance of approved loans and to fees for additional and/or complementary operations or services to said loans, other than those indicated in the previous paragraph, are recognized as income when received. All other revenues and expenses are recognized as earned or incurred in the period in which they accrue.

f) Loans and allowance for loan losses -

Direct loans are recorded when disbursement of funds is made to clients. Operations with credit cards are recorded as loans for the amount consumed and/or withdrawn. Indirect loans (contingent) are recorded when the documents supporting said facilities are issued. Loans considered as refinanced are loans or direct financing of which the original contractual terms and/or amounts have been modified due to difficulties in the payment capacity of the debtor. Loans considered as restructured are those subject to reprogramming of approved installments under a restructuring process in accordance with Law N°27809 - "Ley General del Sistema Concursal"

Finance lease operations are accounted for under the financial method, recording as loans the principal of the lease installments pending collection.

Finance income is based on a pattern that reflects a constant interest rate over the net loan.

Allowance for loan losses -

As of December 31, 2023 and 2022, the allowance for loan losses is determined following guidelines established by SBS Resolutions N°11356-2008 "Regulation for the evaluation and classification of the debtor and the requirement for provisions" and amendments and SBS Resolutions N°6941-2008 "Regulation for Managing the Risk of Retail Debtors with High Leverage Levels".

In accordance with SBS Resolution N°11356-2008, the loan portfolio is separated into retail and non-retail borrowers, who could be individuals or legal entities. Retail borrowers have direct or indirect loans, classified as consumer (revolving and non-revolving), micro-business, small business or mortgage loans. Non-retail borrowers have direct or indirect loans classified as corporate, large business or medium business loans.

The provision includes, in general terms, the following components: (i) the provision resulting from the portfolio classification, (ii) the procyclical provision that is activated by the SBS considering the behavior of certain macroeconomic variables of the country (until 2014), (iii) the provision for over-indebtedness of the retail portfolio, if applicable, and (iv) the provision for foreign exchange credit risk and country risk, if applicable.

In this sense, Management periodically reviews and analyzes the loan portfolio, classifying it into the following categories: normal, potential problem, substandard, doubtful or loss, depending on the degree of risk of default of payment of each debtor.

For non-retail loans, the classification into one of the categories mentioned above considers, among others, the following factors: the payment history of the specific debtor, the history of the commercial relations with the debtor's Management, the debtor's operating history, repayment capability and availability of funds of the debtor, the status of any collateral or guarantee received, the analysis of the debtor's financial statements, the debtor's risk classification given by other financial institutions; plus other relevant factors as well as other factors such as sectoral and macroeconomic. For retail loans, the classification is based, mainly, on how long payments are overdue.

The allowance for indirect loans is determined based on the "Exposure equivalent to credit risk", in accordance with the loan conversion factor, which can be 0, 20.00, 50.00 and 100.00 percent.

Calculation of provision –

The main considerations taken into account when calculating the provision for allowance for loan losses are described below:

- The provision is computed considering the risk classifications assigned and using specific percentages, which vary depending on whether or not the loans are secured by self-liquidating preferred guarantees (mainly cash deposits and rights on credit certificates); highly liquid preferred guarantees (treasury bonds issued by the Peruvian Government, financial instruments of the Peruvian Central Bank - BCRP, debt instruments issued by governments and central banks traded on a stock exchange, among others) or preferred guarantees (primary pledge on financial instruments, machinery, property, agriculture products or mineral, insurance credit on exports, among others), considered at their net realizable value as determined by independent appraisers. Furthermore, for the calculation of the provision, the classification of the guarantor or cosignatory must be considered, in case the credits have the joint and several responsibilities of a company of the financial or insurance system (credits subject to the substitution of credit counterparty – CAC).

- The provision for customers classified as doubtful or loss for more than 36 and 24 months, respectively, is computed without considering the value of the guarantees.

- For loans over 90 days past due, the expected loss is estimated and, if it is greater than the provision recorded, the Bank and its Subsidiaries must record additional provisions.

- In the case of debtors operating in countries where there is a higher risk of difficulties in servicing external debt, an assessment of the political and economic situation is made, and an additional country risk allowance is recorded.

- Pro-cyclical provisions were calculated for loans classified as normal and according to the percentages established by the SBS. However, as of December 31, 2023, and 2022, the pro-cyclical component of the provision was deactivated as established by the Circular Letter SBS N°2224-2014 and its amendment, SBS Resolution N°3718-2021.

- Risk administration of over-indebtedness of retail borrowers is required by SBS Resolution N°6941-2008, issued on August 25, 2008, “Regulation for managing the risk of over-indebtedness of retail borrowers”, amended by SBS Resolution N°5570-2019, dated November 27,2019. This standard requires that financial entities establish an over-indebtedness risk Management system that will enable them to reduce risk, prior to and after granting the loan; as well as constant monitoring of the loan portfolio to identify over-indebted debtors, which includes the periodic evaluation of the control mechanisms used, as well as the corrective actions or improvements required, as applicable. For provisioning purposes, the financial entities that fail to comply with this standard to the satisfaction of the SBS, must calculate the exposure equivalent to the credit risk by applying a 20.00 percent factor to the unused amount of revolving credit lines for micro-business and consumer loans, and based on said amount, compute the provision according to the debtor’s classification.

  As of December 31, 2023 and 2022, Management considers that the Bank and its Subsidiaries have complied with the requirements of SBS Resolution N°6941-2008, so it was not necessary to record additional general provisions relating to the inadequate administration of risk of over-indebtedness.

As of December 31, 2023 and 2022, the Bank and its Subsidiaries have recorded provisions for allowance for loan losses that exceed the minimums established by SBS regulations, which are included as part of the generic provision for loans.

The direct loans allowance is presented as an asset deduction see Note 6, while the allowance for indirect loans is presented as a liability; see Note 9(a).

g) Derivative financial instruments -

Derivative financial instruments are recorded in accordance with accounting criteria established by SBS Resolution N°1737-2006 “Regulation for Trading and Accounting of Derivatives for Financial Entities” and amendments, as explained below:

Trading -

Derivative financial instruments are initially recognized at fair value recognizing an asset or liability in the consolidated statement of financial position, and the related gains and losses are recorded in the consolidated statement of income. Also, transactions with derivative financial instruments are recorded as contingent risks and commitments at their reference value in the committed currency, see Note 18(d).

Fair values are estimated based on the market exchange and interest rates.

Hedging -

A derivative financial instrument that seeks to achieve a financial hedge for a given risk is designated as for hedge purposes if, at its negotiation, it is foreseen that changes in fair value or cash flows are expected to be highly effective in offsetting the fair value or cash flow changes of the hedged item attributable to the hedged risk from inception, which must be documented when the financial derivative is negotiated and during the period that the hedge relation exists. A hedge is considered as highly effective if changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to be offset in a range of 80.00 percent to 125.00 percent.

If the SBS considers the documentation to be insufficient or finds weaknesses in the methodologies applied, it may require the immediate termination of the hedge relationship and the recording of the derivative financial instrument as trading.

For cash flow hedges, the effective portion of gain or loss over the hedge instrument, net of its tax effect, is recognized directly in the consolidated statement of changes in net equity, in "Unrealized results" as a cash flow hedge reserve. The ineffective portion of gain or loss of the hedging instrument is recognized in the consolidated statement of income. The amounts recorded in equity are transferred to the consolidated statement of income in the periods when the hedged item is recorded in the consolidated statement of income or when a planned transaction occurs.

For fair value hedges which qualify as such, changes in fair value of the hedge derivative are recognized in the consolidated statement of income. Changes in fair value of the hedged item attributed to the hedged risk are recorded as part of the balance of the hedged item and recognized in the consolidated statement of income.

If the hedge instrument expires, is sold, terminated or exercised, or when the hedge does not fulfill the hedging accounting criteria, the hedge relationship is prospectively terminated, and the balances recorded in the consolidated statement of financial position are transferred to the consolidated statement of income during the term the hedged item is kept.

h) Investments at fair value through profit or loss (trading), available-for-sale and held-to-maturity -

As of December 31, 2023, and 2022, investments are valuated in accordance with Resolution SBS N°7033-2012 and amendments.

The criteria for valuation of investments, according to their classification are as follows:

- Investments at fair value through profit or loss - Initial recognition is at fair value, recording the transaction costs associated with such investments as expenses. Subsequent measurement is at fair value and any gain or loss arising from changes in the initial cost and subsequent fair value is recognized directly in the consolidated statement of income.

- Investments available-for-sale - Initial recognition is at fair value, including the transaction costs that are directly attributable to their acquisition. Gains or losses originated by changes between the initial cost and fair value are recognized directly in equity, unless there is a permanent impairment in its value exists, which in this case is recognized in the consolidated statement of income. When an instrument is realized or sold, the unrealized gain or loss previously recognized as part of equity will be transferred to the consolidated statement of income.

  In the case of debt securities, before their subsequent measurement at fair value, the amortized cost is updated applying the effective interest rate; based on this amortized cost, gains or losses due to changes in fair value are recognized.

- Investments held-to-maturity - The initial recognition is recorded at fair value, including transaction transaction costs that are directly attributable to the acquisition of such investments. Subsequent valuation of these investments will be at amortized cost using the effective interest rate method.

Transactions are recorded at the trade date, that is, the date of the assumption of the reciprocal obligations that must be complied with, within the term established by the regulations and practices of the market in which the transaction is performed.

Interest is recognized using the effective interest rate, which includes both the interest receivable and the amortization of the premium or discount existing in the acquisition.

Gains or losses from exchange differences related to the amortized cost of debt instruments affect the consolidated result of the period, and those related to the difference between the amortized cost and the fair value are recorded as part of the unrealized gain or loss in consolidated statement of changes in equity.

Equity instruments are considered non-monetary items; therefore, they are maintained at their historical cost in local currency, and the exchange differences are part of their valuation and are recognized as unrealized results in the consolidated statement of changes in net equity.

The difference between the revenues received from the sale of the investments and their book value is recognized in the consolidated statement of income.

Impairment assessment -

Resolution N°7033-2012, which was modified with SBS Resolution N°2610-2018 and SBS Resolution N°4034-2022 establishes a standard methodology for the identification of impairment of financial instruments classified as available-for-sale investments and held-to-maturity investments, which must be applied quarterly to all debt and equity instruments as follows:

(i) Debt instruments -

The occurrence of the following situations must be evaluated for the entire portfolio:

1. Impairment of financial position or financial ratios of the issuer or its economic group.

2. Discount in any of the credit ratings of the instrument or the issuer, in at least two (02) "notches", from the moment the instrument was acquired, where a "notch" corresponds to the minimum difference between two risk ratings within the same rating scale.

3. Interruption of transactions or of an active market for the financial asset, due to issuer financial difficulties.

4. The observable data indicates that since its initial recognition of a group of financial assets with similar characteristics to the instrument evaluated, there is a measurable decrease in its estimated future cash flows, although it cannot yet be identified with individual financial assets of the group.

5. Decrease in value due to legislation changes (taxes, regulatory or other governmental changes).

6. Significant decrease in fair value below amortized cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40.00 percent below its amortized cost at that date.

7. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20.00 percent compared to the amortized cost of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months, has always remained below the amortized cost corresponding to the closing date of each month.

The fair value to be used for the purposes of evaluating criteria 6 and 7 is that considered for the purposes of valuing the debt instruments available for sale, according to the criteria established in the indicated Resolution, regardless of the accounting classification it has the debt instrument. However, if the total or partial decrease in the fair value of the debt instrument is a consequence of an increase in the risk-free interest rate, this decrease should not be considered for the evaluation of criteria 6 and 7.

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Failure to comply with contractual clauses, such as the disruption in the payment of interest or principal.

2. Forced renegotiation of the contractual terms of the instrument due to legal or financial difficulties related to the issuer.

3. Evidence that the issuer is in the process of a forced restructuring or bankruptcy process.

4. Downgrading of the risk classification, classified as investment grade, towards a classification that is below the investment grade.

(ii) Equity Instruments -

The occurrence of the following situations must be evaluated for the whole portfolio:

1. When the credit rating of a debt instrument issued by the issuer, previously categorized as investment grade, is downgraded to a classification below investment grade.

2. Significant changes have occurred in the technological, market, economic, or legal environment in which the issuer operates, which may have adverse effects on the investment recovery.

3. Impairment of the financial position or financial ratios of the issuer or its economic group.

4. Interruption of transactions or of an active market due to financial difficulties of the issuer.

5. Observable data indicates that since the initial recognition of a financial assets group with similar characteristics to the instrument evaluated, it exists a measurable decrease in their estimated future cash flows, although it cannot be attributed to specific financial assets from the group.

6. Decrease in value due to changes in legislation (taxes, regulatory or other governmental).

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Significant decrease in fair value below its acquisition cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40.00 percent below its cost value.

2. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20.00 percent compared to the fair value of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months has always remained below the cost of acquisition.

3. Breach of the statutory provisions by the issuer, related to the payment of dividends.

4. Evidence that the issuer is in the process of forced restructuring or bankruptcy.

Changes in classification category –

In the case of changes from available-for-sale investment categories to held-to-maturity investments, the carrying amount of the fair value of the investment instrument on the date of the change will become its new amortized cost. Any previous result of that instrument, which previously would have been recognized directly in equity, will be taken to the result of the period throughout the remaining life of the investment held to maturity, using the effective interest rate method. Any difference between the new amortized cost and the amount at maturity will also be amortized over the remaining life of the investment instrument using the effective interest rate method similar to the amortization of a premium or discount. If the investment instrument subsequently suffered an impairment in value, any gain or loss that would have been recognized directly in equity will be transferred and recognized in the result of the period. During the year 2022, the Bank reclassified a group of available-for-sale investments to the held-to-maturity investment category for an amount of S/1,683.4 million, see Note 5(c).

i) Investments in associates -

An associate is an entity over which the Bank and its Subsidiaries exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity, but without exercising control over said policies.

The considerations made to determine significant influence are similar to those needed to determine control over subsidiaries.

The Bank and its Subsidiaries investments in its associates are recognized initially at fair value, including the transaction costs that are directly attributable to their acquisition. After initial recognition, these investments are subsequently accounted for using the equity method.

In the case of securities that are quoted in centralized trading mechanisms, when their market value shows a declining trend for reasons considered non-temporary, the Bank and its Subsidiaries must record an impairment provision. However, the SBS, at its discretion, may require a higher impairment provision to be recorded.

The investments in associates are included in “Investments in associates” in the consolidated statement of financial position; gains resulting from the use of the equity method are included in “Net results on securities” of the consolidated statement of income.

j) Property, furniture and equipment and depreciation -

Property, furniture and equipment are recorded at historical acquisition cost, less accumulated depreciation and accumulated amount of impairment losses of the asset, if applicable, see paragraph (n) below. Historical acquisition costs include the expenses that are directly attributable to the acquisition of property, furniture and equipment. Maintenance and repair costs are charged to the consolidated statement of income; significant renewals and improvements are only capitalized when it is probable that future economic benefits, in excess of the originally assessed standard of performance, will flow from the use of the acquired property, furniture and equipment and if its cost can be reliably assessed. The cost and corresponding accumulated depreciation of the assets sold or retired are eliminated in the respective accounts and the gain or loss generated is included in the results for the period.

Work in progress and in transit units are recorded at their acquisition cost. These goods are not depreciated until they are operational.

Land is not depreciated. Depreciation of the other items under this heading is computed on a straight-line basis over the following estimated useful lives:

	Years
Buildings and other constructions	33
Facilities	10
Furniture and fixtures	10
Computer hardware	4
Equipment and vehicles	5

The residual value and the useful life assigned are reviewed annually to ensure that they are consistent with the future economic benefit and life expectancies of property, furniture and equipment items.

Gains and losses on disposals of property, furniture and equipment are recorded in the statement of income within non-financial income from sale of fixed assets.

k) Finite useful life intangible assets -

The intangible assets are included in “Other assets, net” in the consolidated statement of financial position and are recorded at historical acquisition cost less accumulated amortization and accumulated impairment losses, if applicable; see following paragraph (n). These assets are composed principally of acquisition and development of software used by the Bank and its Subsidiaries in their own operations, which are recorded at cost.

According to SBS Resolution N°1967-2010, finite useful life intangible assets are amortized over a maximum period of five years, except in cases where there is authorization from the SBS.

The amortization of the finite useful life intangible assets of the Bank and its Subsidiaries is calculated using the straight-line method, based on their estimated useful lives which fluctuates between 5 and 10 years; see Note 9(e).

l) Securities, titles, and obligations in circulation

It includes liabilities for the issuance of various types of bonds and subordinated debt, which are initially recorded at their fair value plus the incremental costs related to the transaction that are directly attributable to the issuance of the instrument. After initial recognition, they are measured at amortized cost using the effective interest rate method. The amortized cost is calculated considering any discount or premium in the issuance and the costs that are an integral part of the effective interest rate. The covered bonds are recorded at their fair value. Likewise, the accrued interest is recognized in the consolidated statement of income in the account “Interest on securities, titles and obligations in circulation” in the “Financial expenses” item according to the terms of the contract.

m) Income tax -

Current Income tax is calculated based on taxable income determined for tax purposes, which is determined using principles that differ from the accounting principles used by the Bank and its Subsidiaries.

Therefore, the Bank and its Subsidiaries have recorded deferred income taxes, considering the guidelines of IAS12 - Income Tax, as well as IFRIC23 - Uncertainty regarding Income Tax Treatments. Deferred income tax reflects the effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts determined for tax purposes. Deferred assets and liabilities are measured using the tax rates expected to be applied to taxable income in the years in which temporary differences are expected to be recovered or settled. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences which arise from the way in which the Bank and its Subsidiaries expect to recover or settle the carrying amount of its assets and liabilities at the date of the consolidated statement of financial position.

The carrying amount of deferred tax assets and deferred tax liabilities may change even though there is no change in the amount of temporary differences, due to a change in the rate of income tax. The effect of the change in deferred tax, corresponding to the tax rate change shall be recognized in the consolidated statement of income for the period, except for items previously recognized outside the consolidated statement of income (either in other comprehensive income or directly in equity).

Deferred tax assets and liabilities are recognized without taking into consideration the time when it is estimated that temporary differences will be written off. Deferred assets are recognized when it is probable that sufficient future tax benefits will exist for the deferred assets to be applied. As at the date of the consolidated statement of financial position, the Bank and its Subsidiaries evaluate the non-recognized deferred assets and the balance of the recognized assets, recording a deferred asset not previously recognized to the extent that probable future tax benefits will allow its recovery, or reducing a deferred asset to the extent that it is not likely that sufficient future tax benefits will be available to use part or all of the deferred assets previously recognized.

In accordance with IAS 12, the Bank and its Subsidiaries determine their deferred income tax considering the tax rate applicable to its retained earnings; any additional tax on dividend distribution is recorded on the date a liability is recognized.

n) Impairment of non-financial assets -

When there are events or economic changes indicating that the value of an asset may not be recoverable, it is submitted to tests in order to verify that there is no permanent impairment in its value. When the carrying amount of the asset exceeds its recoverable value, a loss for impairment is recognized in the consolidated statement of income. The recoverable value is the higher between the net sale price and its value in use. The net sale price is the amount that can be obtained from the sale of an asset in a free market, while the value in use is the present value of the estimated future cash flows provided by the continuous use of an asset and its disposal at the end of its useful life. The recoverable amounts are estimated for each asset or, if not possible, for each cash generating unit.

o) Provisions -

Provisions are only recognized when the Bank and its Subsidiaries have a present (implicit or legal) obligation as a result of past events, it is probable that an outflow of resources will be required to settle said obligation and, at the same time, the amount can be reliably estimated. Provisions are reviewed in each period and are adjusted to reflect their best estimate at the date of the consolidated statement of financial position. When the effect of the time value of money is significant, the amount of the provision is the present value of future payments required to settle the obligation.

p) Contingencies -

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in notes to the consolidated financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the consolidated financial statements, but they are disclosed if it is probable that an inflow or income of economics benefits will take place.

q) Earnings per share -

Basic and diluted earnings per share are calculated by dividing consolidated profit by the weighted average number of common shares in circulation during the year. Shares that are issued due to the capitalization of retained earnings are deemed to be stock splits; therefore, for the computation of the weighted average number of shares, they are considered as if they had always been issued.

As of December 31, 2023 and 2022, the Bank and its Subsidiaries do not have financial instruments with dilutive effects, therefore basic and diluted earnings per share are the same.

r) Repurchase agreements -

Through SBS Resolution N°5790-2014, effective on September 3, 2014, the SBS approved the new “Regulations of reporting transactions applicable to companies in the financial system”.

The Resolution allows the development of sales operations with repurchase agreements, simultaneous sale and purchase of securities and operations of temporary transfer of securities; it also establishes the accounting treatment of said transactions.

The provision established in said regulation are in accordance with the criteria in IAS 39, "Financial Instruments: Recognition and Measurement”.

Securities sold under agreements to repurchase at a specified future date are not derecognized from the consolidated statement of financial position, because the Bank and its Subsidiaries retain substantially all the risks and rewards of ownership. The related cash received is recognized in the consolidated statement of financial position as an asset with a corresponding obligation to return it, including accrued interest as a liability in “Payables from repurchase agreements”, reflecting the transaction’s economic substance as a loan to the Bank and its Subsidiaries.

The difference between the sale and repurchase prices is recorded in “Financial expenses” in the consolidated statement of income and is accrued over the life of the agreement using the effective interest rate.

In the same way, securities purchased under agreements to resell at a specified future date are not recognized in the consolidated statement of financial position. The consideration paid, including accrued interest, is recorded in the consolidated statement of financial position, in “Payables from repurchase agreements”, reflecting the transaction’s economic substance as a loan by the Bank and its Subsidiaries. The difference between the purchase and resale prices is recorded in “Financial Income” of the consolidated statement of income and is accrued over the life of the agreement using the effective interest rate.

If securities purchased under agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale in “Financial liabilities designated at fair value through profit or loss” of the consolidated statement of financial position, and measured at fair value, with any gains or losses included in “Other non-finance income” and “Other operating expenses”, as applicable, in the consolidated statement of income”.

Securities lending transactions are usually collateralized by securities. The transfer of the securities to counterparties is only reflected on the consolidated statement of financial position if the risks and rewards of ownership are also transferred.

s) Purchase operation and repurchase agreement of foreign currency -

On January 6, 2015, Circular Letter N°002-2015-BCRP came into effect, including three additional currency reporting schemes for the purpose of supporting the process of de-dollarization of credit; denominated as expansion (with the objective of supporting credit growth in local currency and for which the amount transferred in foreign currency to BCRP will be deducted from the general regime of legal cash reserve requirement in foreign currency), substitution (with the objective of supporting the conversion of credits in foreign currency into local currency); and regular (used to alleviate liquidity requirements), annulling the previous circulars.

Under these three schemes, the Bank and its Subsidiaries receive cash in Soles from BCRP that it must return at maturity, for which it recognizes a liability in "Payable for repurchase agreements" in the statement of financial position, including accrued interest computed according to the method of the effective interest rate. Simultaneously, the Bank and its Subsidiaries deliver cash in U.S. dollars to BCRP; the availability of cash will be restricted until the maturity of the operation, so the Bank and its Subsidiaries record an asset under "Restricted funds" in the consolidated statement of financial position.

The interest generated by the cash received will be recorded in "Financial expenses", in the consolidated statement of income.

t) Cash and cash equivalents -

Cash and cash equivalents presented in the consolidated statement of cash flows correspond to the balances of available funds from the statement of financial position, which include deposits with less than three months to maturity from the acquisition date, term deposits with BCRP, funds deposited in central banks and “Overnight” deposits, excluding restricted funds, which are presented in Note 4(c).

u) International Financial Reporting Standards (IFRS) -

(i) IFRS issued and in effect in Peru as of December 31, 2023 -

- Resolution N°001-2023-EF/30 issued on March 30, 2023, approves the modification to the International Accounting Standard IAS 1 Presentation of financial statements and the modification to the International Financial Reporting Standard – IFRS 16 Leases.

- Resolution N°002-2023-EF/30, issued on June 23, 2023, formalizes the set of International Financial Reporting Standards version 2023: Conceptual Framework for financial reporting, from IAS 1 to IAS 41, of the IFRS 1 to IFRS 17, SIC pronouncements 7, 10, 25, 29 and 32, as well as IFRIC interpretations 1 to 23.

- Resolution N°004-2023-EF/30, issued on December 5, 2023, approves the use of the modifications to the International Accounting Standard – IAS 12 Income Tax, International Financial Reporting Standard – IFRS 1 Adoption by first time of the International Financial Reporting Standards, International Accounting Standard – IAS 7 Statement of cash flows, International Financial Reporting Standard – IFRS 7 Financial instruments: Disclosure and International Financial Reporting Standard – IAS 21 Effects of variations in foreign currency exchange rates.

The application of the versions is from the day following the issuance of the Resolution, or later, according to the entry into force stipulated in each specific standard.

Not all standards are for adoption by financial entities in Peru, unless the SBS standards on their adoption.

(ii) IFRS issued but not yet effective as of December 31, 2023 -

The modifications whose application is not required for the year 2023 and that have not been adopted in advance by the Bank and its Subsidiaries are summarized below:

- Amendments to IAS 1: Presentation of Financial Statements - classification of liabilities as current or non-current, effective for annual periods beginning on January 1, 2024. Early application is permitted.
- Amendments to IFRS 16: Sale and leaseback transactions. Effective for annual periods beginning on January 1, 2024. Early application is permitted, provided that it is disclosed.
- Amendments to IAS 21: Effects of changes in foreign exchanges rates. Effective for annual periods beginning on January 1, 2025. Early adoption is allowed, with the condition that this matter is disclosed.
- Amendments to IAS 7: Statement of cash flows and IFRS 7 financial Instruments. Effective for annual periods beginning on January 1, 2024. Early application is permitted, provided that this fact is disclosed.

As these standards only serve in a supplementary capacity to the accounting principles and practices established by the SBS, the Bank and its Subsidiaries have not anticipated any impact on their financial statements if such standards were to be adopted by the SBS.

4 CASH AND DUE FROM BANKS

The composition of this item is presented below:

	2023 S/000	2022 S/000
Cash and clearing (a)	4,667,423	4,903,160
Deposits with Central Reserve Bank of Peru (BCRP) (a)	23,673,778	24,160,723
Deposits with local and foreign banks (b)	2,277,029	1,964,782
Accrued interest	65,605	49,646
Total cash and cash equivalents	30,683,835	31,078,311
Funds subject to restriction (c)	169,552	362,988
Total cash and due from banks	30,853,387	31,441,299

(a) These accounts mainly include the legal cash requirements that the Bank and its Subsidiaries must keep to be able to honor their obligations with the public, and they are within the limits established by current legislation. These funds consist of the following:

	2023	2022
	S/000	S/000
Legal cash requirements:		
Deposits with BCRP	21,182,492	21,103,687
Cash in vaults of the Bank and its Subsidiaries	4,490,602	4,714,275
Sub total legal cash requirements	25,673,094	25,817,962
Additional funds:		
Overnight deposits	1,546,478	2,013,703
Term deposits with BCRP	-	545,000
Other deposits with BCRP	944,808	498,333
Cash and others	176,821	188,885
Sub total additional funds	2,668,107	3,245,921
Total	28,341,201	29,063,883

As of December 31, 2023, cash and deposits subject to legal cash requirements in local and foreign currency are subject to an implicit rate of 6.01 percent and 34.87 percent, respectively, on the total balance of obligations subject to legal fund requirements, as required by the BCRP (6.01 percent and 34.55 percent, respectively, as of December 31, 2022).

The legal cash requirements funds which represent the minimum mandatory do not earn interest; however, the legal cash requirements held at the BCRP in excess of the legal minimum, bear interest at a nominal rate established by the BCRP.

As of December 31, 2023, the Bank and its Subsidiaries had an excess in foreign currency for approximately US$3,865.1 million, equivalent to approximately S/14,335.6 million and accrued interest at a rate of 4.86 percent and an excess in local currency that amounts to approximately S/8.9 million and accrued interest at a rate of 2.15 percent (had an excess in foreign currency for approximately US$3,664.2 million, equivalent to approximately S/13,975.3 million, accruing interest at a rate of 3.79 percent, and an excess reserve in local currency for S/8.0 million, accruing interest at a rate of 3.30 percent, as of December 31, 2022).

As of December 31, 2023, part of the additional reserve funds in dollars at a variable rate amounting to US$150 million, equivalent to S/556.4 million, have cash flow coverage through interest rate swaps (IRS), through which said funds are converted to dollars at a fixed rate, see Note 9(c).

As of December 31, 2023, available funds include four overnight operations, two operations in U.S. dollars with the BCRP, for US$104.2 million equivalent to S/386.5 million at a nominal rate of 5.34 percent, and two operations in Peruvian currency for S/1,160.0 million at a nominal rate of 4.00 percent; all of them with a 5 days maturity.(US$518.8 million, equivalent to S/1,978.7 million at a nominal rate of 4.39 percent with a 4 days maturity and another for S/35.0 million at an effective rate of 5.25 percent with a 4 days maturity as of December 31, 2022).

As of December 31, 2023, the bank does not have time deposits with the BCRP. As of December 31, 2022, the group held four term deposits denominated in Soles for a nominal value of S/545.0 million, which accrued interest at an annual rate of 7.30 percent and 7.49 percent and they had expirations of 3 days.

(b) Deposits in local and foreign banks mainly comprise balances in Soles and U.S. dollar; they are freely available and bear interest at market rates. As of December 31, 2023 and 2022 the Bank and its Subsidiaries do not maintain significant deposits with any particular bank.

(c) The Bank and its Subsidiaries maintain restricted funds related to:

	2023 S/000	2022 S/000
Repurchase agreements with BCRP (*)	-	200,355
Derivative financial instruments	144,940	113,930
Repurchase agreements with other entities	16,924	24,593
Others	7,688	24,110
Total	169,552	362,988

(*) As of December 31, 2023, there were no deposits delivered to the BCRP that guarantee repurchase agreements (As of December 31, 2022, corresponds to deposits in U.S. dollars held at the BCRP securing repurchase agreements amounting to S/185.0 million), see Note 11(a).

Cash and cash equivalents presented in the consolidated statement of cash flows, excludes the restricted funds, see Note 3(t).

5 INVESTMENTS

As of December 31, 2023 and 2022, this item comprises the following:

	2023 S/000	2022 S/000
Investments at fair value through profit or loss (a)	362,360	1,011
Investments available-for-sale (b)	20,588,793	15,255,787
Held-to-maturity investments (c)	9,025,012	9,254,469
Total	29,976,165	24,511,267

(a) During the year 2023, investments at fair value with changes in results include BCRP certificates of deposit for S/190.3 million, sovereign bonds of the Peruvian Government for S/121.0 million, foreign government bonds for S/33.5 million and bonds corporate financial leasing for S/11.2 million. (securitization instruments for S/1.0 million, as of December 31, 2022. Likewise, as of December 31, 2023, the interest accrued from these investments amounts to S/6.3 million (S /19.0 thousand as of December 31, 2022).

(b) The available-for-sale investments comprise the following:

	2023				2022
		Unrealized gross amount			
	Amortized cost	Gains	Losses	Estimated fair value	Amortized cost
	S/000	S/000	S/000	S/000	S/000
Available-for-sale investments:					
Certificates of deposits BCRP (i)	10,924,182	11,125	(53)	10,935,254	7,021,
Sovereign bonds – Republic of Peru (ii)	5,343,205	88,872	(110,718)	5,321,359	4,115,
Corporate bonds (iii)	3,891,552	18,169	(174,381)	3,735,340	4,271,
Foreign Governments Bonds (iv)	283,382	6,671	(7,497)	282,556	224,
Listed equity securities - Credicorp Ltd.	58,597	-	-	58,597	68,
Securitization instruments	31,331	-	(2,175)	29,156	36,
Peruvian Treasury Bonds	22,453	-	(1,220)	21,233	24,
Non-listed equity securities	6,040	-	(988)	5,052	6,
Negotiable certificates of deposit	-	-	-	-	17,
	20,560,742	124,837	(297,032)	20,388,547	15,784,
Accrued interest				200,246	
Balance of available-for-sale investments (v)				20,588,793	

(i) As of December 31, 2023, the Bank and its Subsidiaries maintains 111,613 certificates of deposits BCRP, which are instruments issued at a discount through public auction of BCRP, traded on the Peruvian secondary market and payable in Soles (70,253 certificates of deposits BCRP, as of December 31, 2022). Furthermore, as of December 31, 2023, the Bank maintains certificates of deposits issued by the BCRP for S/2,722.7 million restricted in reporting operations (S/804.8 million as of December 31, 2022), see Note 11(a).

(ii) As of December 31, 2023, sovereign bonds are issued by Republic of Peru in Soles amounting to S/5,321.4 million (S/3,754.4 million in Soles as of December 31, 2022). Likewise, as of December 31, 2023, the Bank maintains sovereign bonds issued by Peruvian Government for an amount of S/259.6 million restricted in reporting operations (S/277.1 million as of December 31, 2022), see Note 11(a).

(iii) As of December 31, 2023, corporate bonds include bonds issued by companies from the United States, Peru, Colombia and other countries, which represent 49.11 percent, 24.57 percent, 14.27 percent and 12.05 percent of the total, respectively (bonds issued by companies from Peru, United States, Colombia and other countries, which represent 43.52 percent, 32.40 percent, 11.19 percent and 12.89 percent of the total, respectively, as of December 31, 2022).

(iv) As of December 31, 2023, the foreign government bonds amounting to US$55.1 million, equivalent to S/204.5 million, and US$21.0 million, equivalent to S/78.0 million, correspond to bonds issued by the Government of Colombia and Chile, respectively (US$34.3 million, equivalent to S/130.7 million, and US$20.6 million, equivalent to S/78.5 million, correspond to bonds issued by the Government of Colombia and Chile, respectively, as of December 31, 2022).

(v) As of December 31, 2023, the Bank and its Subsidiaries hold interest rate swaps (“IRS”), which were designated as fair value hedges of certain fixed-rate U.S. dollars bonds issued by corporate companies for a notional amount of S/778.9 million (IRS designated as fair value hedges of certain fixed-rate U.S. dollars bonds issued by corporate companies for a notional amount of S/926.5 million, as of December 31, 2022), see Note 9(c). Through these IRS, these bonds were economically converted to a variable rate.

As of December 31, 2023, the Bank and its Subsidiaries maintain cross currency swaps (“CCS”) designated as cash flow hedging derivative instruments for corporate bonds with a nominal value amounting to S/126.6 million (corporate bonds and negotiable certificates of deposit for a notional amount of S/131.4 million which were hedged through CCS as of December 31, 2022), with similar principal and maturity, see Note 9(c); through which CCS, the bonds were economically converted to Soles at a fixed rate.

As of December 31, 2023 and 2022 the maturities and the annual market rates of the investments available

	Maturity		Effective annual interest rates 2023 S/		US$		Other currency	
	2023	2022	Min	Max	Min	Max	Min	Max
			%	%	%	%	%	%
Certificates of Deposit BCRP	Jan-24/Dec-24	Jan-23/Sep-23	5.42	6.74	-	-	-	-
Sovereign Bonds - Republic of Peru	Aug-26/Aug-33	Sep-23/Aug-31	5.59	6.63	-	-	-	-
Corporate Bonds	Feb-24/Apr-36	Jan-23/Apr-36	6.24	18.23	4.10	9.82	6.18	14.60
Foreign Government Bonds	May-24/Apr-33	May-24/Feb-28	-	-	4.60	6.76	-	-
Securitized Debt Instruments	Nov-29/Sep-34	Nov-29/Sep-34	8.10	9.05	6.58	6.58	-	-
Peruvian Treasury Bonds	Jul-25	Jul-25	-	-	5.10	5.10	-	-
Negotiable Certificates of Deposit	-	Jan-23	-	-	-	-	-	-

As of December 31, 2023 and 2022, Management has estimated the market value of investments available market or, if the price was not available, by discounting the expected future cash flows at an observable m classification of the financial instrument.

Management of the Bank and its Subsidiaries has determined that the unrealized losses of available-for-sa 2023 and 2022 are of a temporary nature. The Bank and its Subsidiaries have decided and have the ability for-sale investments for a period of time sufficient to allow for an anticipated recovery in fair value, which ca of debt instruments.

During the years 2023 and 2022, as a result of the negotiation of available-for-sale investments generated S/7.8 million, respectively, see Note 21(a).

c) Held-to-maturity investments -

As of the date of the consolidated statement of financial position, this item comprises the following:

	2023		2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	S/000	S/000	S/000	S/000
Sovereign Bonds – Republic of Peru (i)	8,791,610	8,860,624	8,995,523	8,055,873
Certificates of payment on work in progress (ii)	22,717	22,433	47,591	46,786
	8,814,327	8,883,057	9,043,114	8,102,659
Accrued interest	210,685	210,685	211,355	211,355
Total	9,025,012	9,093,742	9,254,469	8,314,014

(i) As of December 31, 2023, they comprise bonds with maturity between August 2024 and February 2042, accruing interest at an effective annual rate between 5.59 and 6.82 percent (as of December 31, 2022, they correspond to bonds with maturity between September 2023 and February 2042, accruing interest at an effective annual rate between 6.65 and 8.13 percent). Likewise, as of December 31, 2023, the Bank maintains sovereign bonds of an amount of S/2,909.2 million restricted in reporting operations (S/2,643.8 million as of December 31, 2022), see Note 11(a).

(ii) As of December 31, 2023 and 2022, there are 26 and 57 certificates of Annual Recognition of Payment for Work Progress (CRPAOs from Spanish acronym), respectively, which are issued by the Peruvian Government to finance projects and concessions. Said issuance is a mechanism established in the concession agreement signed between the State and the concessionaire, which allows the latter to obtain financing to continue with the work undertaken. As of December 31, 2023, the CRPAOs mature between January 2024 and April 2026, accruing interest at an effective annual rate between 7.12 and 7.75 percent (as of December 31, 2022, the CRPAO's mature between January 2023 and April 2026, accruing interest at an effective annual rate between 6.20 and 7.59 percent).

In June 2023, the Bank participated in a securities exchange program offered by the Ministry of Economy and Finance on behalf of the Peruvian Government through which it delivered sovereign bonds for S/1,183.6 million maturing between September 2023 and August 2028 that accrued effective interest rates between 5.08 and 6.62; and received in exchange a sovereign bond for S/1,185.8 million maturing in August 2033 and an effective interest rate of 7.16 percent. This exchange generated a loss of S/27.8 million that was recognized in the consolidated income statement.

In October 2022, the Bank has reclassified sovereign bonds of the Republic of Peru classified as available for sale into maturing investments for a value of S/1,683.4 million, net of an unrealized loss recorded in equity for S/549.2 millions. In accordance with the provisions of the Regulations for Classification and Valuation of Investments of Companies of the Financial System, the unrealized net loss associated with these bonds will be transferred to the income statement during the remaining maturity period of the bonds. During 2023, the effect of the accrual of the unrealized loss has been recognized in the consolidated results of the year for approximately S/47.0 million, which were recorded in the heading of net loss on the purchase and sale of investments available for sale (loss unrealized of S/9.0 million during the year 2022), see Note 21(a).

As of December 31, 2023, and 2022, Management of the Bank and its Subsidiaries have determined that unrealized losses of certain held-to-maturity investments are temporary in nature. Accordingly, the Bank and its Subsidiaries have recognized no impairment loss on their held-to-maturity investments at said dates.

The balance of investments available for sale and held to maturity as of December 31, 2023 and 2022, classified by contractual maturity (accrued interest is not considered) is composed of the following:

	2023 S/000	2022 S/000
Up to 3 months	4,529,260	6,807,930
From 3 months to 1 year	7,796,381	1,129,252
From 1 to 3 years	3,093,820	3,355,395
From 3 to 5 years	4,454,956	2,857,680
More than 5 years	9,264,808	9,923,176
Without maturity	63,649	77,656
Total	29,202,874	24,151,089

6 LOAN PORTFOLIOS

a) As of December 31, 2023 and 2022 this item comprises the following:

	2023 S/000	2022 S/000
Direct loans		
Loans	102,964,814	107,962,169
Leasing receivable	5,735,973	6,174,850
Credit cards	6,942,793	6,066,283
Discounted Notes	3,169,393	2,980,070
Factoring receivables	3,431,323	3,976,898
Advances and overdrafts in current accounts	314,729	212,259
Refinanced loans	2,339,799	2,066,472
Total loans to fall due	124,898,824	129,439,001
Past due loans and under court collection	5,825,213	5,656,467
Total gross loans	130,724,037	135,095,468
Add (less)		
Accrued interest from current loans	1,130,533	1,036,924
Deferred interest on discounted Notes	(140,151)	(133,425)
Total direct loans	131,714,419	135,998,967
Allowance for loan losses (f)	(8,128,630)	(8,050,868)
Total direct loans, net	123,585,789	127,948,099
Indirect loans, Note 18(a)	19,740,908	20,437,570

b) The loan portfolio is partially backed by guarantees received from clients, consisting mostly of mortgages, bonds, securities, industrial pledges and commercial pledges. Additionally, the Bank has participated in the Reactiva Peru I and II Program (liquidity program launched by the Peruvian Government in 2020, aimed at providing a quick and effective response to the liquidity needs that companies faced due to the impact of COVID-19), ensure continuity in the payment chain).

As of December 31, 2023, he direct loans of the Reactiva Peru program amount to S/2,877.2 million and the loans of the FAE-MYPE program amount to S/3.6 million and S/10.1 million for FAE-MYPE 1 and FAE-MYPE 2, respectively. As of December 2022, the direct loans of the Reactiva Peru program amounted to S/8,877.2 million and the loans of the FAE-MYPE program to S/3.9 million and S/83.6 million for FAE-MYPE 1 and FAE-MYPE 2, respectively.

c) As of December 31, 2023 and 2022, 51.00 percent of the direct loan portfolio was concentrated in approximately 86,150 and 92,842 clients, respectively.

As of December 31, 2023 and 2022, the distribution of the direct loan portfolio by segments, according to Resolutions SBS N°11356-2008, Note 3(f), is as follows:

	2023 S/000	2022 S/000
Non-retail loans		
Corporate	33,394,238	31,974,131
Large-business	17,529,032	20,717,205
Medium-business	20,731,820	24,234,162
Subtotal	71,655,090	76,925,498
Retail loans		
Mortgage	21,495,440	20,489,812
Revolving and non-revolving consumer loans	18,540,084	18,295,899
Small-business	15,893,996	15,653,679
Micro-business	3,139,427	3,730,580
Subtotal	59,068,947	58,169,970
Total	130,724,037	135,095,468

d) According to SBS regulations, as of December 31, 2023 and 2022, the risk classification of the loan portfolio of the Bank

Risk category	2023						2022	
	Direct loans		Indirect loans		Total		Direct loans	
	S/000	%	S/000	%	S/000	%	S/000	%
Normal	118,077,306	90.33	17,883,617	90.59	135,960,923	90.36	122,046,782	90.35
Potential problems	3,866,635	2.96	1,157,328	5.86	5,023,963	3.34	4,241,676	3.15
Substandard	2,337,079	1.79	357,663	1.81	2,694,742	1.79	2,598,587	1.92
Doubtful	2,622,629	2.01	24,780	0.13	2,647,409	1.76	2,546,310	1.88
Loss	3,820,388	2.91	317,520	1.61	4,137,908	2.75	3,662,113	2.70
Total	130,724,037	100.00	19,740,908	100.00	150,464,945	100.00	135,095,468	100.00

e) As of December 31, 2023 and 2022, financial entities in Peru must constitute their allowance for loan losses based on the risk classification indicated in paragraph (d) and using the percentages indicated in Resolution SBS N°11356-2008, as follows:

(i) For loans classified as "Normal":

Type of loan	Fixed rate	Pro-cyclical components (*)(**)
	%	%
Corporate	0.70	0.10
Large-business	0.70	0.40
Mortgage	0.70	0.40
Medium-business	1.00	0.60
Small-business	1.00	1.00
Revolving consumer	1.00	1.50
Non-revolving consumer	1.00	1.00
Micro-business	1.00	1.00

(*) If the loans have preferred self-liquidating guarantees (CGPA), the procyclical component will be 0 for the portion covered by said guarantees. The procyclical provision was deactivated by the SBS from November 2014.

(**) Through SBS Resolution N°3718-2021of December 7, 2021, the rates and activation and deactivation conditions of the procyclical standard were modified and special activation and deactivation conditions were established as events of fortuitous event or force majeure; or prudential situations, duly substantiated, such as the need to preserve the stability conditions of the financial system, or when due to extraordinary circumstances an excessive volatility is originated on the variables that determine the activation and deactivation of the procyclical standard; among other. The procyclical standard can be activated with the new guidelines effective June 30, 2024.

(ii) For loans classified as "Potential problems", "Substandard", "Doubtful" and "Loss"; depending on whether the loans are: Loans Without Guarantees (LWG), Loans With Preferred Guarantees (LWPG) or Loans With Readily Preferred Guarantees (LWRPG) or Loans With Highly Liquid Preferred Guarantees (CGPA):

Risk category	LWG	LWPG	LWRPG	LWHLPG
	%	%	%	%
Potential problems	5.00	2.50	1.25	1.00
Substandard	25.00	12.50	6.25	1.00
Doubtful	60.00	30.00	15.00	1.00
Loss	100.00	60.00	30.00	1.00

For loans subject to substitution of credit counterparty, Note 3(f), the allowance requirement depends on the classification of the respective counterparty, for the covered amount, regardless of the debtor's classification, using the percentages indicated above.

Through SBS Resolution N°1214-2023, the SBS exceptionally establishes applying a provision rate for credit risk of 0% to the part of the credit that is covered by the MYPE Business Program – IMPULSO MYPERU created by Law No. 31658 with the purpose is to support the process of economic recovery and growth of MYPEs and promote their financial inclusion.

f) The movement of the allowance for loan losses (direct and indirect loans) is shown below:

	2023 S/000	2022 S/000	2021 S/000
Balance as of January 1	8,467,345	8,688,291	8,932,488
Provision	3,774,900	2,299,341	2,193,858
Loan portfolio written-off	(3,193,529)	(2,317,488)	(2,814,363)
Sale of portfolio (i)	(435,661)	(19,189)	(41,028)
Exchange difference	(40,916)	(68,823)	127,453
Condonations and others	(104,681)	(114,787)	289,883
Balance as of December 31 (ii)	8,467,458	8,467,345	8,688,291
Allowance for indirect loan losses (Note 9)	(338,828)	(416,477)	(465,323)
Allowance for direct loan losses (Note 6(a))	8,128,630	8,050,868	8,222,968

(i) As of December 31, 2023, the sale of overdue and judicial portfolio is mainly included for a capital of S/490.0 million (as of December 31, 2022, a part of the judicial collection portfolio was sold for S/51.1 million, with a value of S/41.0 million). Total income is included in the consolidated income statement in the “Other non-financial income” item for S/168.7 million (S/22.8 million as of December 31, 2022). See Note 22(a).

(ii) As of December 31, 2023 and 2022, the balance of the provision for doubtful debts includes the provision for indirect credits for approximately S/338.8 million and S/416.5 million, respectively, which is presented in the item “Other liabilities” of the consolidated statement of financial position, see Note 9.

As of December 31, the distribution of the provision for doubtful collection by type of credit is showed below:

	2023				2022	
	Generic	Specific	Volunteer	Total	Generic	Specific
	S/000	S/000	S/000	S/000	S/000	S/000
Type of loan						
Micro-business	38,139	99,911	252,232	390,282	40,682	103,578
Consumption	192,378	977,646	864,946	2,034,970	186,485	716,896
Mortgage	143,509	570,093	150,216	863,818	139,131	565,764
Public sector	5,454	529	-	5,983	5,256	1
Securities broker	7,030	45,877	-	52,907	6,110	93,209
Financial system companies	36,714	-	-	36,714	39,471	-
Corporate	248,745	165,437	(577)	413,605	257,302	262,195
Big-business	129,633	215,203	-	344,836	145,080	263,226
Medium-businesses	158,482	1,996,938	310,783	2,466,203	159,088	2,028,391
Small-businesses	149,189	1,013,957	649,972	1,813,118	141,118	912,689
Risk country	44,177	-	-	44,177	77,407	-
Exchange Risk	845	-	-	845	716	-
Total	1,154,295	5,085,591	2,227,572	8,467,458	1,197,846	4,945,949

The Bank and its Subsidiaries record regulatory provisions for their loan portfolio in accordance with the policy described in Note 3(f) Subsidiaries, based on business experience, maintain additional voluntary generic provisions to those required by the SBS to cover result of potential adverse economic conditions that increase the probability of credit default. As of December 31, 2023 such provisio (S/2,323.5 million as of December 31, 2022).

In the opinion of the Management of the Bank and its Subsidiaries, the provision for doubtful loans registered as of December 31, 20 SBS regulations in force on those dates, Note 3(f).

g) A portion of the loan portfolio is secured by guarantees received from clients, which are principally composed of mortgages, stand-by letters, financial instruments, and industrial and commercial pledges.

h) Interest accrued on the loan portfolio is freely agreed considering the current interest rates prevailing in the markets where the Bank and its Subsidiaries operate.

Interest, commissions and expenses on loans or installments which are past due, refinanced, under legal collection, or classified in the “Doubtful” or “Loss” categories, are recorded in the consolidated statement of income when they are effectively collected.

i) As of December 31, 2023 and 2022, the direct gross loan portfolio classified by maturity, based on the remaining period to repayment date is as follows:

	2023	2022
	S/000	S/000
Outstanding loans:		
Up to 1 month	14,200,759	14,902,497
From 1 to 3 months	15,278,874	17,311,089
From 3 months to 1 year	34,014,236	33,907,866
From 1 to 3 years	27,508,192	28,208,376
From 3 to 5 years	9,376,664	10,273,241
More than 5 years	24,520,099	24,835,932
Outstanding loans total	124,898,824	129,439,001
Past due loans and court collection:		
Up to 4 months	1,906,066	1,555,796
More than 4 months	1,913,484	1,907,881
Court collection	2,005,663	2,192,790
Past due loans and court collection total	5,825,213	5,656,467
Total	130,724,037	135,095,468

j) As of December 31, 2023, the Bank maintains PEN-USD cross currency swap (CCS) contracts for $20.3 million equivalent to S/75.4 million (for US$43.4 million equivalent to S/145.5 million as of December 31, 2022) designated for cash flow coverage of placements in US dollars up to said amount. Through these contracts, said placements have been converted to soles.

7 PROPERTY, FURNITURE AND EQUIPMENT, NET

a) The movement of property, furniture and equipment and accumulated depreciation for the years ended De

	Land	Buildings and other construction	Installations	Furniture and fixtures	Computer hardware	Vehicles and equipment	W pr in- un
	S/000	S/000	S/000	S/000	S/000	S/000	S/
Cost -							
Balance as of January 1	302,583	1,091,948	905,356	397,443	452,188	111,240	
Additions	-	13	10,577	29,517	56,709	192	
Sales	(44,878)	(9,503)	(3,574)	-	-	-	
Transfers	-	-	75,796	10,834	818	259	
Disposals and others	-	-	(11,021)	(20,528)	(44,713)	(4,815)	
Balance as of December 31	257,705	1,082,458	977,134	417,266	465,002	106,876	
Accumulated depreciation -							
Balance as of January 1	-	760,987	703,775	276,363	392,555	89,814	
Depreciation for the year	-	19,401	40,357	25,231	24,227	4,979	
Sales	-	(3,183)	(3,409)	-	-	-	
Disposals and others	-	-	(10,860)	(17,730)	(44,604)	(4,807)	
Balance as of December 31	-	777,205	729,863	283,864	372,178	89,986	
Net carrying amount	257,705	305,253	247,271	133,402	92,824	16,890	

b) Banks in Peru are prohibited from pledging their fixed assets as collateral; the Bank and its subsidiaries maintain insurance on their main assets in accordance with the policies established by Management.

c) During 2023 and 2022, the Bank and its Subsidiaries, as part of the investment in fixed assets, have made disbursements mainly related to the purchase of computer equipment, furniture and fixtures and the remodeling of its various agencies.

d) During 2023, Management decided to sell various properties, mainly land and buildings, whose approximate sale price was S/53.1 million, with a net cost of S/51.4 million. During 2022, Management decided to sell various properties, mainly land and buildings, whose approximate sale price was S/46.1 million, with a net cost of S/33.8 million.

e) Management periodically reviews the residual value of the assets, the useful life and the depreciation method used in order to ensure that they are consistent with the economic benefit and life expectations. In the opinion of the Management of the Bank and its Subsidiaries, there is no evidence of impairment of the value of the fixed assets held by the Bank and its Subsidiaries as of December 31, 2023, and 2022.

8 GOODWILL

Goodwill acquired through business combinations has been allocated to cash-generating units (also identified as a “CGU”) for the purposes of impairment testing made by Management which evaluates the results and allocates resources to each CGU. The Goodwill generated from the acquisition of Edyficar and Mibanco amount to S/276,321.0 thousands as of December 31, 2023, and 2022.

The recoverable amounts of all CGUs have been determined based on calculations of fair value less selling cost, determined by discounting the future cash flows expected to be generated from the continuing use of the CGU.

As of December 31, 2023, the key assumptions used to calculate fair value considered a perpetual growth rate of 5.60 percent and a discount rate of 13.10 percent (5.60 percent and 14.30 percent as of December 31, 2022, respectively).

The valuation includes assumptions about various key parameters of the entities. The parameter sensitization exercises, mainly those of growth and discount rates, show scenarios in which said value is higher, and also some scenarios with a non-material deterioration in the value of the assets. We believe that the balances presented in the financial statements are appropriate and do not require any provision for impairment of our investments, given the reasonableness of the assumptions with the information available at this time; taking into account that the valuation process occurs in a context of exceptionally high rates and that there are no signs of a contraction in growth.

9 OTHER ASSETS, NET AND OTHER LIABILITIES

a) As of December 31, 2023, and 2022 these items include the following:

	2023 S/000	2022 S/000
Other assets, net		
Financial instruments		
Accounts receivable, net (b)	1,389,859	762,321
Derivatives receivable (c)	824,567	1,154,796
Operations in process (d)	32,063	29,698
	2,246,489	1,946,815
Non-financial instruments		
Finite life intangible assets, net (e)	1,775,265	1,568,252
Deferred income tax asset, net, see Note 14(a)	1,021,370	1,031,019
Deferred expenses (f)	908,785	705,764
Realizable, received in payment and seized assets, net	12,576	24,833
Others	10,499	10,497
	3,728,495	3,340,365
Total	5,974,984	5,287,180
Other liabilities		
Financials instruments		
Other accounts payable (b)	1,453,973	576,039
Derivatives payable (c)	708,942	1,038,136
Suppliers account payable	341,784	402,421
Allowance for indirect loan losses, see Note 6(f)	338,828	416,477
Employee's legal participations	270,034	275,083
Operations in process (d)	257,876	88,241
Salaries payable	239,507	230,369
Employee's additional participations	216,007	237,459
Share based payments	35,108	40,341
	3,862,059	3,304,566
Non-financial instruments		
Provision for sundry risks (g)	309,137	331,124
Taxes payable (h)	148,685	692,108
Deposit Insurance fund	60,053	57,665
Others (i)	156,445	225,824
	674,320	1,306,721
Total	4,536,379	4,611,287

b) The balance corresponds mainly to accounts receivable from Visa for payments to establishments, accounts receivable for the sale of securities, commissions for collection and intermediation with Pacífico Compañía de Seguros y Reaseguros, accounts receivable for short sales and works for taxes. Miscellaneous accounts payable correspond mainly to Visa operations to be settled, accounts payable for the sale of securities, accounts payable to cash remittance companies and accounts payable for insurance, among other minor items.

c) The risk in derivatives contracts arises from the possibility that the counterparty does not fulfill the terms and

		2023			
		Assets	Liabilities	Nominal amount	Maturity
		S/000	S/000	S/000	
Derivaties held for trading (i) -					
Foreign currency fowards		275,504	134,332	28,211,133	Between January 2024 and January
Interest rate swaps		240,308	95,623	13,387,572	Between January 2024 and Decemb
Currency swaps		229,755	428,352	12,854,176	Between January 2024 and August
Foreign currency options		849	3,747	464,099	Between January 2024 and April 202
		746,416	662,054	54,916,980	
Derivatives designated as cash flow hedging (ii) -					
Interest rate swaps (IRS)	4(a)	786	337	556,350	-
Cross currency swaps (CCS)	5(b)(v)	20,359	-	54,849	Between August 2024 and Septemb
Cross currency swaps (CCS)	5(b)(v)	-	9,784	71,775	Between February 2024 and Januar
Cross currency swaps (CCS)	5(b)(v)	-	-	-	-
Cross currency swaps (CCS)	12(b)(ii)	-	3,060	37,090	June 2025
Cross currency swaps (CCS)	12(b)(ii)	-	8,183	185,450	May 2025
Cross currency swaps (CCS)	11(ii)	-	-	-	-
Cross currency swaps (CCS)	11(i)	-	-	-	-
Cross currency swaps (CCS)	13(a)(iii)	13,843	25,524	815,980	January 2025
Cross currency swaps (CCS)	13(a)(v)	1,552	-	78,969	November 2025
Foreign currency forward	12(b)(iii)	57	-	54,392	June 2024
A fair value -					
Interest rate swaps (IRS)	5(b)(v)	41,554	-	778,890	Between January 2025 and Februar
		78,151	46,888	2,633,745	
		824,567	708,942	57,550,725	

The following table presents the fair value of the derivative financial instruments, recorded as an asset or lia amount of the underlying asset and liability of the derivative and is the basis on which changes in the fair va

The decrease in the nominal amount of currency swaps as of December 31, 2023 compared to December

(i) Held-for-trading derivatives are mainly negotiated to satisfy clients' needs. On the other hand, the Bank
this item includes any derivatives which do not comply with SBS hedge accounting requirements or app

	As of December 31, 2023				
	Up to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years
	S/000	S/000	S/000	S/000	S/000
Foreign currency forwards	162,842	109,836	2,826	-	-
Interest rate swaps	857	8,033	60,208	102,352	6
Currency swaps	4,692	44,645	69,953	78,513	3
Foreign currency options	369	439	41	-	-
Total assets	168,760	162,953	133,028	180,865	10
Foreign currency forwards	97,738	33,809	2,785	-	-
Interest rate swaps	730	8,184	23,262	12,581	5
Currency swaps	78,696	129,171	86,453	99,804	3
Foreign currency options	1,253	2,372	122	-	-
Total liabilities	178,417	173,536	112,622	112,385	8

(ii) The Bank and its Subsidiaries are exposed to movements in future cash flows on assets and liabilities in foreign currency or which bear interest at variable rates. The Bank and its Subsidiaries, in accordance with what is indicated in Note 3(g), use derivative financial instruments as cash flow hedges to cover these risks.

A summary indicating the periods when the current cash flow hedges are expected to occur and that affect the consolidated statement of income, net of deferred income tax is as follows:

	Up to 1 year	From 1 to 3 years	From 3 to 5 years	Total
	S/000	S/000	S/000	S/000
As of December 31, 2023				
Cash inflows (asset)	160,643	1,742,147	-	1,902,790
Cash outflows (liability)	(153,240)	(1,749,748)	-	(1,902,988)
Consolidated statement of income	485	(17,192)	-	(16,707)
As of December 31, 2022				
Cash inflows (asset)	250,835	938,513	76,280	1,265,628
Cash outflows (liability)	(294,548)	(934,119)	(73,232)	(1,301,899)
Consolidated statement of income	397	(7,222)	7,070	245

As of December 31, 2023, the accumulated balance of the unrealized result from cash flow hedges, net of the corresponding deferred income tax, results from current hedges which maintain an unrealized loss of approximately S/16.7 million and revoked coverages that maintain an unrealized gain of S/5.8 million (unrealized gain of approximately S/0.2 million as of December 31, 2022).

d) According to the operational capacity of the Bank and its Subsidiaries, operations in process are related to deposits received, loans granted and/or collected, funds transferred and similar operations, carried out in the last days of the month, which are reclassified to their definitive accounts in the following month. The regularization of these transactions does not affect the consolidated results of the Bank and its Subsidiaries as of December 31, 2023, and 2022.

e) The movement of intangible assets of limited life for the years ended December 31, 2023, 2022 and 2021 i

Description	Brand name	Software and other developments	Intangible assets in progress	2023
	S/000	S/000	S/000	S/000
Cost				
Balance at January 1	170,700	2,839,904	686,050	3,(
Additions (i)	-	52,763	586,102	6
Transfers	-	407,451	(407,451)	-
Disposals	-	(47,789)	(105,107)	(1
Balance as of December 31	170,700	3,252,329	759,594	4,1
Accumulated amortization				
Balance as of January 1	59,745	2,068,657	-	2,1
Amortization for the year	6,828	314,795	-	3
Disposals and others	-	(42,667)	-	(
Balance as of December 31	66,573	2,340,785	-	2,4
Net carrying amount	104,127	911,544	759,594	1,1

(i) During 2023, the activated disbursements were mainly related to the implementation and development Collection Suite, Telecrédito - Office Banking, Data Lake - Data Vault, Integrated Payment Solutions M among others.

During 2022, the activated disbursements were mainly related the implementation and development of Mis Financiero, CRMA_Campaign, Operative CRM, Digital Sales, among others.

Management periodically reviews the intangibles' residual value, their useful life and the amortization meth their economic benefits and life expectations. In the opinion of the Management of the Bank and its Subsi intangibles held by the Bank and its Subsidiaries as of December 31, 2023 and 2022.

f) As of December 31, 2023, the balances correspond mainly to the payment in favor of Latam Airlines Group S.A. Sucursal Peru for US$169.7 million, equivalent to S/629.5 million (US$128.1 million, equivalent to S/488.4 million, as of December 31, 2022) on account of the Latam Pass Miles that the Bank and its Subsidiaries have been crediting its customers for the use of their credit and debit cards, and other BCP Latam Pass financial products. Customers will be able to use those miles directly with Latam to exchange tickets, goods or services offered by them.

g) As of December 31, 2023 and 2022, provisions for estimated losses in legal actions against the Bank and its Subsidiaries, related to operational risk and other similar obligations that have been recorded on the based on estimates made by Management and its internal legal advisors. Management and its internal legal advisors consider that, no additional significant liabilities will result to those already recorded by the Bank and its Subsidiaries. The movement is as follows:

	2023 S/000	2022 S/000
Balance at the beginning of the period	331,124	321,289
Provisions	31,786	21,762
Reversal	(37,850)	(6,644)
Payments	(22,901)	(26,520)
Exchange Differences	(1,203)	(2,086)
Others	8,181	23,323
Balance at the end of the period	309,137	331,124

On August 20, 2021, the SBS issued Resolution No. 02451-2021, which establishes the minimum procedures for the management, classification, reporting and constitution of provisions for disputes, as well as the definition of specific accounting accounts for the registration of these. provisions. The Bank and its Subsidiaries have incorporated these adjustments in the consolidated financial statements as of January 1, 2022, in accordance with the provisions of the resolution.

h) As of December 31, 2023 and 2022, it corresponds mainly to annual income tax, general sales tax and withhold taxes payable.

i) The balance corresponds mainly to deferred commissions related to the credit card.

10 DEPOSITS AND OBLIGATIONS

a) As of December 31, 2023, and 2022 this item comprises the following:

	2023 S/000	2022 S/000
Non-interest bearing deposits and obligations -		
In Peru	43,391,678	42,561,377
In other countries	1,661,338	1,460,617
	45,053,016	44,021,994
Interest bearing deposits and obligations -		
In Peru	86,214,758	84,777,722
In other countries	437,520	712,774
	86,652,278	85,490,496
Sub Total	131,705,294	129,512,490
Interest payable for deposits and obligations	603,223	307,175
Total	132,308,517	129,819,665

The Bank and its Subsidiaries have established a policy to pay interest on demand deposits and savings deposits according to a growing interest rate scale, based on the term and the average balance maintained in those accounts. Additionally, as part of this policy, it was established that accounts with balances lower than a determined amount for each type of account, do not bear interest. Interest rates applied to the different deposit accounts and obligations are determined by the Bank and its Subsidiaries considering current interest rates in the markets where they operate.

b) As of December 31, 2023 and 2022 the deposits and obligations by type of product are classified as follows:

	2023 S/000	2022 S/000
Saving deposits	49,417,428	51,668,786
Demand deposits	45,485,630	44,881,970
Time deposits (d)	32,421,980	27,718,365
Severance indemnity deposits	3,185,603	3,824,629
Bank´s negotiable certificates	1,194,653	1,418,740
	131,705,294	129,512,490
Interest payable	603,223	307,175
Total	132,308,517	129,819,665

c) As of December 31, 2023, and 2022 of the total balance of deposits and obligations in the Peru, approximately for S/51,875.6 million and S/52,745.2 million, respectively, are secured by the Peruvian “Deposit Insurance Fund”. At said dates, the maximum amount of coverage per depositor recognized by “Fondo de Seguro de Depósitos” totaled S/123,810.0 and S/125,603.0, respectively.

d) The balance of time deposits classified by maturity is as follows:

	2023 S/000	2022 S/000
Up to 3 months	22,244,305	15,607,631
From 3 months to 1 year	9,040,273	10,053,954
From 1 year to 3 years	1,134,766	2,053,980
From 3 to 5 years	2,435	2,715
Over 5 years	201	85
Total	32,421,980	27,718,365

11 PAYABLES FROM REPURCHASE AGREEMENTS

a) As of December 31, 2023 and 2022, the Bank and its Subsidiaries have repurchase agreements with: (i) cash, see investments, see Note 5(b), (iii) held-to-maturity investments, see Note 5(c) and (iv) loans, see Note 6, as shown in

	2023			2022	
	Maturity	**Carrying amount**	**Guarantee**	**Maturity**	**Carryin**
		S/000			**S/000**
Peruvian Central Bank (BCRP)	Jan-24 / Sep-25	5,436,564	Available-for-sale investments and held -to-maturity and credit portfolio	Jan-23 / Sep-25	
Peruvian Central Bank (BCRP), Reactiva (*)	May-24 / Dec-25	1,779,934	Credits with National Government Guarantee represented in titles and securities	May-23 / Dec-25	
Natixis	Aug-28	270,000	Held-to-maturity investments	Aug-28	
Citigroup Global Markets Limited (i)	Aug-26	166,905	Available-for-sale investments	Aug-26	
Peruvian Central Bank (BCRP), Reactiva Especial (*)	Jun-24 / Dec-25	133,309	Credits with National Government guarantee represented in titles and securities	Jun-23 / Dec-25	
Natixis (ii)	Aug-26	92,725	Available-for-sale investments	Aug-26	
Peruvian Central Bank (BCRP) See Note 4(c)	-	-	-	Mar-23	
		7,879,437			1
Yields		126,407			
		8,005,844			1

As of December 31, 2023, the Bank and its Subsidiaries maintained repurchase agreements guaranteed for Reacti million and other financial instruments BCRP certificates of deposit, foreign government bonds, sovereign bonds an classified as investments available for sale and held to maturity for an approximate value of US$1,763.3 million, eq of December 31, 2022, repurchase agreements guaranteed with cash were maintained for approximately S/200.3 m credits S/8,851.0 million and other financial instruments such as BCRP certificates of deposit, foreign government b Peruvian treasury bonds classified as investments available for sale and held to maturity for an approximate value o to S/4,226.6 million).

Said transactions accrue interest at a fixed rate and at a variable rate between 0.50 percent and 7.41 percent and S percent, as of December 31, 2023, (between 0.50 percent and 9.00 percent and between six-month Libor plus 1.90 December 31, 2022).

(*) Through Reporting Operations, the Bank and its Subsidiaries sell securities representing credits guaranteed by the National Government to the Central Reserve Bank of Peru (BCRP), receives Soles and are obliged to buy them back at a later date. The securities representative of Credits with Guarantee of the National Government can have the form of portfolio of representative credits (Reactive Credits) or of Certificates of Participation in trust of loan portfolio guaranteed by the National Government (Special Reactive Credits). The BCRP will charge monthly for the Operation a fixed interest rate in Soles of 0.50 percent per annum and will include a grace period of twelve months without payment of interest or principal.

In July 2023, cross currency swaps (CCS) that cover certain repurchase agreements were canceled early, the details of which are as follows:

(i) Cross currency swaps (CCS) which was designated as cash flow hedge of certain repurchase agreements in U.S. dollars at a variable rate for a nominal amount of US$45 million (US$45 million, equivalent to S/171.6 million, as of December 31, 2022). Through the cross currency swap (CCS), these repurchase agreements were economically converted into Soles at a fixed rate, see Note 9(c).

(ii) Cross currency swap (CCS) which was designated as cash flow hedge of certain repurchase agreements in U.S. dollars at a variable rate for a nominal amount of US$25 million (US$25.0 million, equivalent to S/95.4 million, as of December 31, 2022). Through the cross currency swap (CCS), these repurchase agreements were economically converted into Soles at a fixed rate, see Note 9(c).

12 DUE TO BANKS, CORRESPONDENTS AND OTHER ENTITIES

a) As of December 31, 2023 and 2022, this item comprises the following:

	2023 S/000	2022 S/000
By type:		
Due to banks, correspondents and financial institutions (b)	7,036,222	4,373,346
COFIDE and FONCODES credit line (c)	4,389,433	4,107,294
	11,425,655	8,480,640
Interest payable	119,884	58,555
Total	11,545,539	8,539,195
By due date:		
Short-term debt	6,292,271	2,381,716
Long-term debt	5,253,268	6,157,479
Total	11,545,539	8,539,195

b) As of December 31, 2023 and 2022, it includes debts to banks and correspondents and financial institutions borrowings to finance foreign trade operations and for working capital. This item comprises the following without interest:

	2023 S/000	2022 S/000
Bank of America	1,019,975	-
Club Deal Loan (i)	923,965	946,605
Wells Fargo Bank N.A.	890,162	190,699
Bank of New York Mellon	593,440	572,100
International Finance Corporation (IFC) (ii)	567,240	382,840
Standard Chartered Bank Hong Kong LTD	483,654	-
Sumitomo Mitsui Bankin Corporation	426,535	-
Corporación Financiera de Desarrollo (COFIDE)	409,890	503,538
Caixabank	370,900	190,700
Commerzbank AG	370,900	-
Banco de la Nación	355,000	-
Citibank, N.A.	185,450	381,400
Zürcher Kantonalbank	185,450	95,350
Bradesco BAC Florida Bank	92,725	76,280
Banco BBVA Peru	60,000	114,000
Banco Internacional del Peru S.A.A.(Interbank) (iii)	50,936	150,000
ICBC Peru Bank S.A.	50,000	100,000
Standard Chartered Bank	-	266,923
The Toronto Dominion Bank	-	247,910
Scotiabank Peru S.A.A.	-	120,000
Others	-	35,001
	7,036,222	4,373,346

As of December 31, 2023, the borrowings have maturities between January 2024 and December 2031 (as of December 31, 2022, they had maturities in January 2023 and January 2031). In addition, the accrual of interest is calculated based on rates that fluctuate between 2.23 and 9.33 percent in Soles and 5.78 and 7.09 percent in U.S. dollars (2.23 and 9.45 percent in Soles and 3.03 and 6.32 percent in U.S. dollars as of December 31, 2022).

i) Corresponds to a 25-month Club Deal Loan format loan for US$250.0 million equivalent to S/924.0 million, net of associated expenses, agreed in November 2022 with five foreign banks: Wells Fargo Bank NY – Administrative Agent, Standard Chartered Bank, JP Morgan Chase Bank N.A., HSBC Bank and Bank of America.

   Subsequently, in April 2023, JP Morgan Chase Bank carried out a partial transfer of its collection rights in favor of ICBC Peru Bank S.A. for US$20.0 million or S/74.2 million, making it the sixth borrower of the Deal Club.

   The loan accrues interest at a 3-month SOFR variable rate plus a spread of 1.5 percent. Likewise, the expenses linked to said transaction were deferred and are accruing proportionally during the term of the loan.

ii) As of December 31, 2023, the Bank and its Subsidiaries maintain cross currency swaps (CCS) that were designated as cash flow hedges of certain repo operations in US dollars for a nominal amount of US$60 million, equivalent to S/222.5 million.

iii) As of December 31, 2023, the Bank and its Subsidiaries maintain a foreign currency forward for a nominal amount of US$14.7 million, equivalent to S/54.4 million.

c) Promotional credit lines represent borrowings received from Corporación Financiera de Desarrollo (COFIDE) and F
Desarrollo Social (FONCODES) to promote the social development of Peru, have maturities between January 2024
annual interest rates fluctuate between 3.50 percent and 7.60 percent in Soles and 7.75 percent in U.S. dollars, as
(between January 2023 and January 2032 and between 3.50 percent and 7.60 percent and 7.75 percent in U.S. do
2022). These credit lines are guaranteed by a credit portfolio of up to S4,389.4 million and S/4,107.3 million as of D
respectively.

		2023						2022		
		BCP		MIBANCO		TOTAL		BCP		MIBANCO
		Net Loans	Backing debt	Net Loans	Backing debt	Net Loans	Backing debt	Net Loans	Backing debt	Net Loans
		S/000	S/000	S/000	S/000	S/000	S/000	S/000	S/000	S/000
Mortgage Loans - MiVivienda Found	S/	4,451,911	4,374,217	196,804	176	4,648,715	4,374,393	4,159,379	4,090,474	286,635
Mortgage Loans - MiVivienda Found	US$	8,168	40	-	-	8,168	40	14,870	1,461	-
		4,460,079	4,374,257	196,804	176	4,656,883	4,374,433	4,174,249	4,091,935	286,635

d) As of December 31, 2023 and 2022, the balance of this item, classified by maturity, is as follows, without considering the interest payable:

	2023	2022
	S/000	S/000
Up to 3 months	3,066,045	1,283,152
From 3 months to 1 year	3,490,191	1,513,970
From 1 year to 3 years	1,522,871	2,531,373
From 3 to 5 years	739,770	692,022
More than 5 years	2,606,779	2,460,123
Total	11,425,656	8,480,640

e) Some due to banks, correspondents and other entities include specific agreements on how the funds received should be used, the financial conditions that the Bank and its Subsidiaries must maintain, as well as other administrative matters. In Management's opinion, these specific agreements have been fulfilled by the Bank and its Subsidiaries as of December 31, 2023 and 2022.

13 BONDS AND NOTES ISSUED

a) As of December 31, 2023 and 2022 this item comprises:

			Accounting hedge			
	Annual interest rate	Interest payment	Type	Nominal	Equivalent Nominal Value	Maturity
	%			S/000	S/000	
Senior Notes (i) (ii) (iii)	2.70	Semi-annual	CCS	US$220,000	815,980	January 2025
Senior Notes (iv)	4.65	Semi-annual				September 2024
Senior Notes	5.05	Semi-annual				June 2027
Senior Notes (v)	0.97	Semi-annual	CCS	JPY¥3,000,000	78,969	November 2025
Senior Notes (v)	0.45	Semi-annual				December 2023
Senior Notes (vi)	4.25	Semi-annual				April 2023
Total Senior Notes						
Subordinated Bonds						
Subordinated Bonds (vii) (*)	Between 3.13 and 3.25	Semi-annual				Between April 2027 and September 2031
Second program						
First issuance (Series B) - MiBanco	7.22	Semi-annual				June 2027
Fourth program						
First issuance (Series A) - MiBanco (viii)	5.84	Semi-annual				March 2031
Total Subordinated Bonds						
Negotiable certificates of deposit - Mibanco	Between 3.30 y 8.41	Annual				Between January 2024 and June 2025
Total Issuance						
Interest payable						
Total						

(*) Most of international issues are listed on the Luxembourg Stock Exchange. In addition, international issue
Management's opinion, the Bank and its Subsidiaries have complied with at the date of the consolidated state

The bonds are supported by the Bank and its Subsidiaries's assets and subject to the order of priority established by the SBS.

(i) The Bank can redeem the total or part of the notes at any time, having as a penalty an interest rate equal to the Treasury of the United States of America's rate plus 40 basis point. The payment of principal will take place on the due date of the notes or when the Bank redeems these notes.

(ii) The Bank issued Senior Notes under the Medium-Term Program proof approximately US$700.0 million at a semi-annual coupon rate of 2.70 percent maturing in January 2025. The Bank can redeem all or part of the notes at any date, between October 11, 2021 and before December 11, 2024, at a redemption price equal to or greater than: (1) 100.00 percent of the aggregate principal amount of the notes to be redeemed; and (2) the sum of the present value of each remaining scheduled payment discounted at interest rate equal to the Treasury of the United States of America's rate plus 20 basis points. From December 11, 2024 onwards, the Bank can redeem the total or part of the notes to a redemption price equal to 100.00 percent of the aggregate principal amount of the notes to be redeemed. The payment of principal will take place on the due date or when the Bank redeems the notes.

(iii) As of December 31, 2023, the Bank maintains a CCS which was designated as cash flows hedges of a part of Senior Notes in U.S dollars subject to exchange rate risk for a notional amount of US$220.0 million, equivalent to S/815.9 million (US$220.0 million equivalent to S/839.1 million, as of December 31, 2022), see Note 9(c). By means of the CCS, the cover part of Senior Notes was economically converted to Soles to a fix rate.

(iv) Between October 17, 2021 and before August 17, 2024, at a redemption price equal to or greater than: (1) 100.00 percent of the aggregate principal amount of the notes to be redeemed; and (2) the sum of the present value of each remaining scheduled payment discounted at interest rate equal to the Treasury of the United States of America's rate plus 25 basis points. From August 17, 2024 onwards, the Bank can redeem the total or part of the notes to a redemption price equal to 100.00 percent of the aggregate principal amount of the notes to be redeemed. The payment of principal will take place on the due date or when the Bank redeems the notes.

(v) As of December 31, 2023, the Bank maintains a cross currency swap (CCS) for a nominal amount of JPY3,000.0 million equivalent to S/78.9 million (JPY5,000.0 million equivalent to S/145.7 million as of December 31, 2022), see Note 9(c), which was broken down by risk variables into two cross currency swap (CCS) in order to designate them as a cash flow hedge of a fixed-rate yen issued bond, which was converted to Soles at a fixed rate and as cash flow hedge of loans.

(vi) The Bank can redeem the total or part of the notes at any time, having as a penalty an interest rate equal to the Treasury of the United States of America's rate plus 50 basis point. The payment of principal will take place on the due date of the notes or when the Bank redeems these notes.

(vii) On July 1, 2020, the Bank issued Subordinated Notes under the Medium-Term Bond Program for US$850.0 million at a semi-annual coupon rate of 3.125 percent maturing in July 2030 denominated “3.125 percent Subordinated Fixed-to-Fixed Rate Notes due 2030 (Callable 2025)”. On July 1, 2025, a fixed interest rate will be paid equal to the interest rate of the Treasury of the United States of America, comparable to 5 years, plus 300.0 basis points. On July 1, 2025, the Bank may redeem all or part of the notes at a redemption price equal to 100.00 percent of the aggregate principal amount of the notes to be redeemed. Thereafter, the Bank may redeem all or part of the notes at a redemption price that is equal to the greater of (1) 100.00 percent of the principal amount of the notes and (2) the sum of the remaining discounted flows at a rate equivalent to the United States Treasury interest rate plus 45 basis points. Payment of the principal will take place on the due date of the notes or when the Bank redeems them.

On the other hand, on March 30, 2021, the Bank issued Subordinated Notes under the Medium-Term Bond Program for US$500.0 million at a semi-annual coupon rate of 3.250 percent maturing in September 2031 denominated “3.250 percent Subordinated Fixed-to-Fixed Rate Notes due 2031 (Callable 2026)”. As of September 30, 2026, a fixed interest rate will be paid equal to the United States Treasury interest rate, comparable to 5 years, plus 245.0 basis points. On September 30, 2026, the Bank may redeem all or part of the subordinated notes at a redemption price equal to 100.00 percent of the aggregate principal amount of the subordinated notes to be redeemed. Thereafter, the Bank may redeem all or part of the subordinated notes at a redemption price that is equal to the greater of (1) 100.00 percent of the principal amount of the subordinated notes and (2) the sum of the remaining discounted flows at a rate equivalent to the United States Treasury interest rate plus 40 basis points. Principal payment will take place on the maturity date of the subordinated notes or when the Bank redeems them.

(viii) On March 30, 2021, Mibanco S.A. issued the Fourth Program Series A Subordinated Bonds amounting to S/155.0 million with a fixed rate of 5.84 percent, which matures on March 31, 2031. The payment of the principal will take place on the maturity date, or when Mibanco S.A. redeems them, only after a minimum term of 5 years since issuance date.

b) Below is the balance of securities, securities and outstanding obligations classified by maturity, excluding interest payable:

c)

	2023 S/000	2022 S/000
Up to 3 months	92,305	70,321
From 3 months to 1 year	2,811,098	3,159,041
From 1 year to 3 years	2,653,619	5,118,761
From 3 to 5 years	141,143	114,246
More than 5 years	5,113,210	5,254,131
Total	10,811,375	13,716,500

14 INCOME TAX

a) As of December 31, 2023 and 2022, this item comprises:

	2023 S/000	2022 S/000
Net deferred income tax asset		
Deferred assets		
Allowance for loan losses	1,039,310	1,118,483
Provision for sundry expenses	71,552	41,823
Additional profit sharing	61,970	66,949
Unrealized gain in valuation on available-for-sale investments	39,364	67,897
Provision for assets awarded	24,795	30,782
Interest on refinanced loans not due	24,441	25,255
Depreciation of leased premises	14,977	14,092
Share based plan	13,991	16,370
Others (i)	15,078	28,304
	1,305,478	1,409,955
Deferred liabilities		
Difference in intangibles (ii)	(170,722)	(247,641)
Adjustment for difference in exchange of SBS and the defined by the income tax law	(45,016)	(61,858)
Difference in depreciation rate of buildings	(57,865)	(58,931)
Others	(10,505)	(10,506)
	(284,108)	(378,936)
Total	1,021,370	1,031,019

(i) As of December 31, 2023, the decrease is mainly due to the deferred effect of the decrease in the fluctuation of the fair value of debt instruments for S/5.6 million, return of the provision for credit card memberships for S/9.6 million, net of the increase in the deferred for audit services of S/0.8 million.

(ii) As of December 31, 2023, the decrease corresponds to the change in the tax amortization methodology, previously it was tax amortized in a single year; while starting in 2023, the registered assets are tax amortized over 10 years.

b) The composition of the amounts presented in the consolidated statement of income for the years ended December 31, 2023, 2022 and 2021, is shown below:

	2023 S/000	2022 S/000	2021 S/000
Current	1,578,762	1,737,213	860,167
Deferred	(51,011)	(68,342)	291,648
	1,527,751	1,668,871	1,151,815

As of December 31, 2023, the variation in the expense for deferred income tax is mainly due to the the adjustment for the previous year's BCP income tax return form for S/43.9 million and to the effect of the generic provision for MiBanco loans of S/20.0 million. As of December 31, 2022, the variation in deferred income tax expense is mainly due to the generic provision for BCP loans for S/126.0 million and the generic provision for MiBanco loans for S/112.0 million.

c) Reconciliation of the effective tax rate to the statutory tax rate for the years 2023, 2022 and 2021 is as follows:

	2023		2022		2021	
	S/000	%	S/000	%	S/000	%
Income before income tax -	6,193,821	100.00	6,171,068	100.00	4,196,348	100.00
Theoretical expense	1,827,177	29.50	1,820,465	29.50	1,237,923	29.50
Effect of exempt income						
Exempted finance income	(586,467)	(9.47)	(397,269)	(6.44)	(277,761)	(6.62)
Effect of non-deductible expenses						
Non-deductible finance costs	89,673	1.45	97,173	1.57	41,258	0.98
Other non-deductible expense	197,368	3.19	148,502	2,41	150,395	3.59
Income tax current and deferred	1,527,751	24.67	1,668,871	27.04	1,151,815	27.45

15 EQUITY

a) Capital stock -

As of December 31, 2023, the Bank' s capital stock comprises 12,973.2 million of fully subscribed and paid common shares (12,176.4 million and 11,317.4 million shares, as of December 31, 2022 and 2021, respectively) with a nominal value of one sol per share.

As of December 31, 2023, 2022 and 2021 Grupo Crédito S.A. (a subsidiary of Credicorp) holds 97.74 percent of the Bank's share capital.

The Annual General Shareholders' Meetings held on March 27, 2023, March 29, 2022 and March 31, 2021, approved the capitalization of 2022, 2021 and 2020 retained earnings for amounts of S/796.8 million, S/859.0 million and S/250.0 million, respectively.

b) Legal reserve -

In accordance with current legislation, the Bank must reach a legal reserve of not less than 35.00 percent of its paid-in capital. This reserve must be constituted through an annual appropriation of not less than 10.00 percent of its net income. As of December 31, 2023, 2022 and 2021, the Bank and its subsidiaries covered said legal requirement.

The Annual General Shareholders' Meeting, held on March 27, 2023, and March 29, 2022, and March 31, 2021, approved the increase of the legal reserve by approximately S/279.4 million, S/303.1 million and S/83.3 million, from the 2022, 2021 and 2020 net income, respectively.

As of December 31, 2023, 2022 and 2021, the Subsidiaries' individual legal reserves amounted to approximately S/315.4 million, S/279.6 million and S/261.2 million, respectively.

c) Other reserves -

The other reserves have been funded through the appropriation of retained earnings. Other reserves are freely available.

The Annual General Meeting of Shareholders held on March 29, 2022, it was approved to increase the optional reserve by approximately S/505.5 million, from the profit for the year 2021. Likewise, at the Annual General Meeting of Shareholders held on March 31, 2021, it was approved to increase the optional reserve by approximately S/457.5 million, from the profit for the 2020 fiscal year.

Additionally, as of October 25, 2023 and October 26, 2022, the Board of Directors agreed to distribute dividends charged to other reserves for approximately S/448.9 million and S/757.4 million, respectively.

The subsidiary Mibanco, Banco de la Microempresa SA agreed at its General Shareholders' Meeting held on February 4, 2021 to reduce the Capital Stock and Additional Capital by a total of S/ 400.0 million. The net effect of deferred income tax for the Bank amounted to S/325.2 million as of December 31, 2023 (S/282.4 million as of December 31, 2022)

d) Unrealized results -

"Unrealized results" includes the net unrealized gains (losses) from available-for-sale investments, foreign currency translation adjustments and cash flow hedging derivatives. The movement of the unrealized results during 2023, 2022 and 2021, net of deferred income tax was as follows:

	Unrealized gain (loss) of:			
	Available for sale investments	Derivatives instruments as cash flow hedges	Translation results	Total
	S/000	S/000	S/000	S/000
Balance as of January 1, 2021	731,040	(41,768)	1,822	691,094
Net unrealized loss from available-for-sale-investments	(1,375,388)	-	-	(1,375,388)
Transfer to results of realized loss in investments available for sale, net realized gain	104,301	-	-	104,301
Net unrealized gain on cash flow hedge	-	114,200	-	114,200
Transfer to results of realized gain in cash flow, hedging derivatives	-	(56,422)	-	(56,422)
Foreign currency translation	-	-	1,454	1,454
Deferred income tax	40,405	(16,949)	-	23,456
Balance as of December 31, 2021	(499,642)	(939)	3,276	(497,305)
Net unrealized loss from available-for-sale-investments	(753,008)	-	-	(753,008)
Transfer to results of realized loss in investments available for sale, net realized, gain	61,261	-	-	61,261
Net unrealized gain on cash flow hedge	-	29,473	-	29,473
Transfer to results of realized gain in cash flow, hedging derivatives	-	(28,048)	-	(28,048)
Foreign currency translation	-	-	(4,778)	(4,778)
Deferred income tax	54,063	(241)	-	53,822
Balance as of December 31, 2022	(1,137,326)	245	(1,502)	(1,138,583)
Net unrealized gain from available-for-sale-investments	473,299	-	-	473,299
Transfer to results of realized loss in investments available for sale, net realized, gain	60,803	-	-	60,803
Net unrealized loss on cash flow hedge	-	(2,795)	-	(2,795)
Transfer to results of realized gain in cash flow, hedging derivatives	-	(13,048)	-	(13,048)
Foreign currency translation	-	-	(425)	(425)
Deferred income tax	(31,469)	5,136	-	(26,333)
Balance as of December 31, 2023	(634,693)	(10,462)	(1,927)	(647,082)

As of December 31, 2023, and 2022, the Bank and its Subsidiaries maintain a deferred asset for net income tax for S/40.7 million and a deferred asset for net income tax for S/67.0 million, respectively, comprising the unrealized gains or losses on available-for-sale investments and cash flow hedges.

e) Components of other comprehensive income -

The consolidated statement of comprehensive income includes other comprehensive income on available-for-sale investments and derivatives used as cash flow hedges and translation results, with the following movement:

	2023 S/000	2022 S/000	2021 S/000
Available-for-sale investments:			
Unrealized gain (loss) from available-for-sale investments	473,299	(753,008)	(1,375,388)
Transfer of net loss made of investments available for the sale to results	60,803	61,261	104,301
Subtotal	534,102	(691,747)	(1,271,087)
Non-controlling interest	818	(304)	(679)
	534,920	(692,051)	(1,271,766)
Income tax	(31,469)	54,063	40,405
	503,451	(637,988)	(1,231,361)
Cash flow hedges:			
Net unrealized (loss) gain from cash flow hedges	(2,795)	29,473	114,200
Transfer of net gain realized from derivatives of flow coverage from cash to results	(13,048)	(28,048)	(56,422)
Subtotal	(15,843)	1,425	57,778
Non-controlling interest	(295)	(6)	-
	(16,138)	1,419	57,778
Income tax	5,136	(241)	(16,949)
	(11,002)	1,178	40,829
Foreign currency translation:			
Exchange differences on translation of foreign operations	(425)	(4,778)	1,454
Non-controlling interest	-	-	6
Subtotal	(425)	(4,778)	1,460

f) Dividend distribution -

The General Shareholders' Meetings held on March 27, 2023, March 29, 2022 and March 31, 2021, agreed to distribute dividends for approximately S/2,690.4 million, S/1,363.7 million and S/42.1 million, resulting from operations for fiscal years 2022, 2021 and 2020, respectively.

Additionally, as of October 25, 2023 and October 26, 2022, the Board of Directors agreed to distribute dividends charged to other reserves for approximately S/448.9 million and S/757.4 million, respectively.

In accordance with current Peruvian legislation, there is no restriction for overseas remittance of dividends or the repatriation of foreign investment. With effect from 2017, non-domiciled legal entities in Peru and individuals are subject to an additional income tax of 5.00 percent on the distributed dividends, which must be retained and paid by the entity that distributes the dividends.

According to Legislative Decree N°1261, published on December 10, 2016, it eliminated the provision of Law N°30296 regarding the rates established from 2017 onwards.

g) Regulatory capital -

According to Article 199 of Legislative Decree N°1028, the regulatory capital must be equal to or higher than 10.00 percent of the total risk weighted assets and contingent operations, represented by the sum of: the regulatory capital requirement for market risk multiplied by 10; the regulatory capital requirement for operational risk multiplied by 10 and the weighted assets and contingent credits by credit risk.

Through Emergency Decree 003-2022, it was established that in the period from March 2022 to August 2022, the effective equity for financial companies must be equal to or greater than 8.00 percent and from September 2022 the effective equity for financial companies must be equal to or greater than 8.50 percent of total risk-weighted assets and contingencies, equivalent to the sum of the effective capital requirement for market risk multiplied by 10, the effective capital requirement for operational risk multiplied by 10, and credit risk-weighted assets and contingencies.

In March 2022, Legislative Decree No. 1531 was approved modifying Law No. 26702, which establishes the legal basis to complete the alignment to the Basel III capital quality standards. At the end of 2022, the SBS published various resolutions that complement what is established in Legislative Decree No. 1531 and incorporates an adaptation schedule for the requirements of the three Basel buffers: capital conservation buffer, countercyclical buffer, and systemic risk buffer.

The SBS, through general regulations, established the forms and deadlines for adaptation. Thus, through SBS Resolution No. 03952-2022 of December 27, 2022 and modified by SBS Resolution No. 2192-2023 of June 23, 2023, the minimum solvency requirements established in article 199 were established, of the General Law, with the following adaptation deadlines:

Period	Minimum requirement of ordinary level 1 capital	Minimum Requirement of Level 1 effective assets	Global Limited
January 2023 to March 2023	3.83%	5.10%	8.50%
April 2023 to February 2023	4.05%	5.40%	9.00%
March 2024 to August 2024	4.28%	5.70%	9.50%
September 2024 onwards	4.50%	6.00%	10.00%

As of December 31, 2023, the Bank's effective equity determined according to current legal regulations is S/26,792.8 million (S/23,364.4 million as of December 31, 2022), calculated as follows:

	2023	2022
Level 1 ordinary capital		
More		
Common actions	12,973,175	12,176,365
Accumulated utility	719,357	-
Net profit of the year	4,664,508	-
Unrealized profit from investment available for sale	90,386	-
Legal reservation	4,554,566	4,274,300
Optional reservation	2,036,355	1,108,814
Less		
Unrealized loss due to investment available for sale	(759,103)	-
Deductions for regulatory adjustments	(4,189,148)	(1,340,346)
	20,090,096	16,219,133
Level 2 ordinary capital		
More		
Additions due to regulatory adjustments	-	1,376,413
Subordinate bonds	5,007,150	5,148,900
Generic provisions for credits	1,695,577	1,838,178
Less		
Deduction for regulatory adjustments	-	(1,218,263)
	6,702,727	7,145,228
Total effective equity	26,792,823	23,364,361

As of December 31, 2023, and December 31, 2022, the Bank and its Subsidiaries have fulfilled the requirements of Resolutions N°2115-2009, N°6328-2009 and N°14354-2009, Regulations for the Requirement of Regulatory Capital by Operational Risk, Market Risk and Credit Risk Regulations, respectively, and amendments. Those resolutions establish, mainly, the methodology to be applied by financial entities to calculate the weighted assets and credits for each type of risk.

Through the Regulation for the Additional Risk-Based Capital Requirement, approved by Resolution SBS N03953-2022, it is stipulated that the additional capital requirement shall equal the sum of the capital requirements calculated for each of the following components: concentration risk and interest rate risk in the banking book. Furthermore, via the Regulation for the Conservation Buffer Requirement, for Economic Cycle and Market Concentration Risk, sanctioned by Resolution SBS N°03954-2022, methodologies for computing the economic cycle buffer requirements, the activation and operation of the economic cycle buffer requirement, market concentration risk buffer requirement, capital conservation buffer requirement, applicable constraints upon failure to meet buffer requirements, and other measures are delineated. As of December 31, 2023, the estimated additional capital requirement and conservation buffer by the Bank amounts to approximately S/5,383.7 million.

As of December 31, 2022, Resolution SBS N°8425-2011 was in effect, mandating financial institutions to maintain additional effective capital equivalent to the aggregate of capital requirements calculated for each of the following components: economic cycle, concentration risk, market concentration risk, interest rate risk, and other risks. As of December 31, 2023, and December 31, 2022, the effective equity of the consolidated financial group amounted to US$8,550.7million, equivalent to S/ 31,714.4million and US$7,873.3 million, equivalent to S/30,028.7 million, respectively.

In Management's opinion, the Bank and its Subsidiaries have been complying with the requirements established in the afore mentioned resolution.

16 TAX SITUATION

a) The Bank and its principals Subsidiaries are subject to the Peruvian tax regime. The income tax rate as of December 31, 2023, 2022 and 2021 was 29.50 percent.

Enterprises and individuals not domiciled in Peru and domiciled individuals are subject to additional withholding tax on the dividends received of 5.00 percent.

b) Law N°30341, and its amendments establishes the income tax exemption on income arising from the disposal of shares and other equity instruments until December 31, 2022 if the transaction is performed via a centralized trading mechanism overseen by “Superintendencia del Mercado de Valores” (Peruvian company regulator).

c) For income tax calculation purposes, the transfer prices agreed in transactions between related parties and with entities located in tax havens require the presentation of supporting documentation and information on the valuation methods and criteria applied for the price calculation. Based on the analysis of the operations of the Bank and its Subsidiaries, Management and its internal legal advisors consider that no significant contingencies will arise for the Bank and its Subsidiaries as a consequence of the application of these provisions for fiscal year 2023 and 2022.

d) Legislative Decree N°1425, effective as of January 1, 2019, accrual for tax purposes was defined, establishing general and specific standards for the recognition of income and expenses for tax purposes.

The Third Final Complementary Provision of Supreme Decree N°399-2018-EF established that the special or sectorial standards referred to in Legislative Decree N°1425, are those provisions of tax nature that establish a special treatment to the income or expenses accrual for the purposes of Income Tax.

e) Through Law No. 31659, which modifies Law No. 30309, a rule that promotes scientific research, development and technological innovation in force since January 1, 2023, it is established that companies may make additional deductions in the determination of the Income Tax. Income ranging between 60.00 percent, 90.00 percent or 140.00 percent that cannot exceed in each case the annual limit of 500 UIT. The aforementioned tax benefit is extended until 2025.

f) Through Legislative Decree N°1529, the Law for the fight against evasion and for the formalization of the economy regarding the use of types of payment is modified. Among the modifications made, the amount from which means of payment must be used is reduced from S/3,500.0 or US$1,000.0 to S/2,000.0 or US$500.0, respectively. Likewise, it is established that the use of types of payment is considered fulfilled only if the payment is made directly to the creditor, provider of the good and/or service provider, or when said payment is made to a third party designated by the creditor, provided that the designation is communicated to SUNAT prior to payment, in the form and conditions indicated by resolution of the superintendency. These provisions are in force as of April 1, 2022.

g) Regarding to sales tax, income from credit services received, among others, by banking and financial companies, domiciled or not in the country, as capital gains, derived from bills of exchange trading, promissory notes, invoices and other commercial papers, as well as for commissions and interest derived from operations of these companies are not taxed.

h) Law No. 31651, effective as of January 1, 2023, extends the exemptions contained in Appendix II, which will be in force until December 31, 2025.

i) The Peruvian Tax Authority is entitled to review and, if applicable, amend the individual annual income tax returns of the Bank and its Subsidiaries established in said countries up to four years after the year of their submission.

The income tax returns which are open to review by the Tax Authorities are the following:

Banco de Crédito del Peru S.A.(*)	2016-2022
Mibanco Banco de la Microempresa S.A.	2018-2022
Solución Empresa Administradora Hipotecaria S.A.	2017-2022

(*) Except for 2018, which was audited by the tax authority this year. As of December 31, 2023, the Tax Authority has been reviewing the Income Tax form for the 2019 financial year.

On December 15, 2023, Mibanco has been notified by the Tax Authority to begin the inspection of the 2021 Income Tax, currently the inspection procedure is in process.

Due to the tax regulations being subject to interpretation by the Tax Authorities it is not possible to determine at present whether or not the reviews carried out will generate additional liabilities for the Bank and its Subsidiaries. Therefore, any unpaid tax, penalties or interests that might result from said reviews will be expensed in the year in which they are determined. Nevertheless, Management of the Bank and its internal legal advisors consider that any additional tax assessments would not have a significant impact on the 2023 and 2022 consolidated financial statements of the Bank and its Subsidiaries.

17 COMMITMENTS AND CONTINGENCIES

As of December 31, 2023 and 2022, the Bank and its Subsidiaries have pending various tax processes and lawsuits related to the activities they carry out, as well as arbitration processes related to Works for Taxes and that, in the opinion of Management and its internal legal advisors, will not result in significant additional liabilities to those already recorded by the Bank and its Subsidiaries; Therefore, Management has not considered necessary an additional provision to the one recorded for these contingencies, see Note 9(g).

18 CONTINGENT RISK AND COMMITMENTS

a) As of December 31, 2023 and 2022, this item comprises the following:

	2023 S/000	2022 S/000
Contingent operations (indirect loans) (b)		
Guarantees and performance bonds	17,242,372	17,578,019
Import and export letters of credit	2,086,135	2,159,873
Bank acceptances	412,401	699,678
	19,740,908	20,437,570
Unused lines of credit and undisbursed loans granted not disbursed (c)	76,719,565	75,276,664
Other contingent operations	263,339	13,730
Total contingent operations	96,723,812	95,727,964

b) In the normal course of their business, the Bank and its Subsidiaries perform contingent operations (indirect loans). These operations expose them to credit risk in addition to the amounts recognized in the consolidated statement of financial position. The Bank and its Subsidiaries' exposure to credit losses from export and import letters of credit, performance bonds and guarantees, is represented by the contractual amounts specified in the related contracts.

The Bank and its Subsidiaries apply the same credit policies in making commitments and conditional obligations as they do for direct loans, including the requirement to obtain collateral to support off-balance sheet financial instruments when it is deemed necessary. Collateral held varies, and may include deposits held in financial institutions, mortgages, securities or other assets.

Because most of the contingent operations (indirect credits) are expected to expire without any performance being required, the total of contingent operations does not necessarily represent future cash requirements.

Export and import letters of credit are mainly issued as credit guarantees used to facilitate commercial transactions abroad. The related credit risk is reduced by the participation of third parties.

Bank on acceptances represent collection rights for the Bank and its Subsidiaries that arise at the time of negotiation of the letter of credit; a collection right from the local importer (in the case of imports) or a collection right from the correspondent bank (in the case of exports).

c) Unused lines of credit and lines of credit conceded include lines of consumer loans, micro-business, small business, medium and corporate business, that are payable upon notification to the client.

d) As of December 31, 2023 and 2022 transactions with derivatives are recorded off-balance sheet for control purposes, at their reference value and are expressed in the committed currency. This item is made up as follows:

	2023 S/000	2022 S/000
Derivative instruments, Note 9(c) -		
Derivatives held for trading:		
Foreign currency contracts on the Sol:		
Foreign currency sales	17,018,956	18,708,504
Foreign currency purchases	10,627,117	9,302,587
Interest rate swap contracts	13,387,572	6,859,135
Foreign currency forward contracts on currencies, other than Sol	565,060	426,867
Currency swap contracts:		
Sol delivery/ Foreign currency reception	9,910,769	11,124,796
Foreign currency delivery/ Sol reception	2,943,407	2,943,079
Foreign currency options	464,099	362,252
Foreign currency delivery/ Foreign currency reception	-	23,664
Derivatives held as hedge:		
Sol reception / Foreign currency delivery	1,092,912	1,144,200
Interest rate swap contracts	1,335,240	926,497
Cross currency swap contracts on the Sol:		
Cross currency swap in other currency than Sol	150,744	210,167
Foreign currency delivery/ Sol reception	54,849	66,930
	57,550,725	52,098,678

19 FINANCE INCOME AND EXPENSES

These items comprise the following:

	2023 S/000	2022 S/000	2021 S/000
Finance income			
Interest from loan portfolio	13,847,951	11,388,122	8,904,046
Interest from trading, available-for-sale and held-to-maturity investments, net	1,595,689	1,148,760	827,803
Interest from cash and due from banks and inter-bank funds	1,075,166	427,399	41,461
Others	8,128	37,749	4,351
	16,526,934	13,002,030	9,777,661
Finance expenses			
Interest and commissions on deposits and obligations	(2,536,249)	(1,252,113)	(483,363)
Interest on due to banks and correspondents and other entities	(538,918)	(666,784)	(434,794)
Interest on bonds and subordinated notes issued	(1,139,428)	(628,657)	(736,239)
Deposit Insurance fund	(233,362)	(227,733)	(213,741)
Others	(7,343)	(1,513)	(3,763)
	(4,455,300)	(2,776,800)	(1,871,900)
Gross financial margin	12,071,634	10,225,230	7,905,761

The increase in the net interest margin is primarily attributed to the growth in financial income, resulting from the rise in interest rates throughout much of 2023, both- in local currency and in dollars. This growth is partially offset by the rise in financial expenses, which was also influenced by the increase in market rates.

20 COMMISSIONS FOR BANKING SERVICES, NET

This item comprises the following:

	2023 S/000	2022 S/000	2021 S/000
Gain to related banking service commissions			
Card-associated services credit debit	1,089,589	903,451	731,231
Transfer and collection services	914,559	1,058,310	962,193
Commissions on special services - Credipago	403,859	330,059	275,676
Maintenance of accounts	384,913	391,330	369,037
Commissions from contingent operations	284,137	306,689	308,495
Insurance commissions	124,820	116,910	99,374
Fees from consulting and technical studies	89,391	92,842	95,560
Commission from salary in advance and payment of services	59,903	66,330	52,557
Commission on transfers overseas and other	48,688	46,015	41,368
Withholding and collection services	41,487	36,596	30,476
Check issuance	3,598	3,841	3,837
Others	39,572	27,679	46,139
Subtotal	3,484,516	3,380,052	3,015,943

	2023 S/000	2022 S/000	2021 S/000
Expenses related to banking service commissions			
Credit and debit card services	(268,099)	(246,905)	(192,272)
Currency conversion services	(59,914)	(53,481)	(49,504)
Expenses related to check issuance	(2,252)	(2,281)	(2,011)
Others	(57,537)	(43,104)	(53,626)
Subtotal	(387,802)	(345,771)	(297,413)
Balance, net	3,096,714	3,034,281	2,718,530

21 NET RESULT ON SECURITIES

This item comprises the following:

	2023 S/000	2022 S/000	2021 S/000
Share of results obtained by associates	(9,868)	10,832	8,288
Net loss from purchase and sale of investments available for sale (a)	(76,261)	(7,840)	(91,750)
Net gain (loss) from purchase and sale of securities at fair value through profit or loss (trading) (b)	11,473	(22,669)	(66,842)
Others, net	(5,865)	(4,980)	17,592
Total	(80,521)	(24,657)	(132,712)

(a) During 2023, it mainly includes net loss on Sovereign bonds sales amounting to S/74.6 million, and net gains for sales of other available-for-sale investments amounting to S/1.7 million (During 2022, it mainly includes net loss on Sovereign bonds sales amounting to S/2.0 million, and net gains from sales of other investments available for sale amounting to S/3.2 million), see Note 5(b). It also includes a loss of S/47.0 million corresponding to the accrual of the unrealized loss associated with sovereign bonds that were reclassified from the category available for sale to maturity (loss of S/9.0 million during 2022), see Note 5(c).

(b) During 2023, it mainly includes net gain on the sale of sovereign bonds for S/1.3 million, foreign government bonds for S/10.0 million and corporate bonds for S/0.2 million (During 2022, it mainly includes net loss on the sale of sovereign bonds for S/11.0 million, foreign government bonds for S/8.5 million and corporate bonds for S/3.2 million). See Note 5(a)

22 OTHER NON-FINANCE INCOME AND OTHER OPERATING EXPENSES

These items comprise the following:

	2023 S/000	2022 S/000	2021 S/000
Other non-finance income			
Gain on sale of loan portfolio (a)	168,738	22,842	17,113
Revenues from technical outsourcing services	27,255	26,491	33,688
Recovery of previous years' interest	15,124	10,789	10,338
Recovery of expenses of judicial collection of credits	12,127	24,757	14,885
Gain on sale of assets received in payment and foreclosed assets	10,939	4,250	7,340
Use of BCP Bolivia brand	8,803	8,004	8,330
Visa Incentives	8,563	15,210	3,061
Matrix Exclusivity Bonus	8,114	-	-
Gain on sale of property, plant and equipment	1,745	12,804	6,410
SUNAT tax recovery (b)	-	36,055	1,602
Gain on sale of intangible assets	-	2,961	3,576
Others (c)	94,565	49,101	48,657
Total	355,973	213,264	155,000
Other operating expense			
Losses for operating risk	(71,257)	(84,579)	(64,674)
Derecognition of intangibles due to withdrawals and rejected projects	(67,426)	(19,432)	(17,630)
Tax penalties and fines (d)	(27,720)	(286)	(403)
Donations	(22,617)	(16,007)	(9,579)
Customer claims and litigation	(16,724)	(16,529)	(11,452)
Other administrative contingencies	(16,051)	(10,673)	(6,448)
Provision for uncollectible receivables	(8,351)	(3,433)	(2,890)
Contingency and emergency expenses (e)	(7,775)	(20,177)	(50,107)
Expenses related to assets under finance lease	(3,781)	(3,014)	(3,209)
Derecognition of furniture and equipment out of use	(3,149)	(3,325)	(8,253)
Maintenance of assets awarded	(1,099)	(1,138)	(1,273)
Others (f)	(42,294)	(26,168)	(34,187)
Total	(288,244)	(204,761)	(210,105)

(a) As of December 31, 2023, income from sale of loan portfolio was due to the sale of written-off and in litigation portfolio in the modality of assignment of rights to third parties with a net cost of provision for credit risks of S/70.9 million, which was sold at a value of S/239. 6 million (as of December 31, 2022, the bank's income from the sale of loan portfolio was due to the sale of written-off and in litigation portfolio with a net cost of provision for credit risks of S/1.2 million, which was sold at a value of S/24.0 million), see Note 6(f).

(b) Corresponds mainly to the favorable results of cases that were in the process of being filed with the tax regulator related to income tax from previous years.

(c) The balance is mainly comprised of cash surpluses, penalties for breach of contract, collection of commissions from leasing customers for relocation, vehicle taxes, property taxes, fines and infractions related to the leasing product, improvements in the negotiation process of shared services with group companies, among others.

(d) Corresponds mainly to the provision for fines related to the audit process for the 2018 period and the fines corresponding to the audit process of transactions with non-domiciled persons for the 2020 period.

(e) During the year 2023 the balance corresponds to purchases made as a result of the floods and rains; while for 2022 it corresponds mainly to expenses related to the sanitary emergency such as rapid tests, security equipment, cleaning of premises, mobility bonus, food, among others. In turn, during 2021 the balance corresponds to purchases that were made by the Engineering, Logistics and Marketing & Staff team as a result of the health emergency, such as: safety equipment, mobility vouchers, food, medical and operating expenses, rapid tests, temperature measurement service, surveillance, transportation, among others.

(f) The balance is mainly comprised of provisions for sundry risks, reimbursement of commissions and interest, non-deductible expenses, write-offs for Visa operations, among others.

23 SALARIES AND EMPLOYEE BENEFITS

This item comprises the following:

	2023 S/000	2022 S/000	2021 S/000
Salaries	1,704,118	1,549,750	1,436,992
Legal gratifications	279,414	265,816	240,919
Legal profit sharing	272,253	300,868	151,005
Vacations, medical assistance and others	244,786	204,991	189,054
Social security	191,925	181,511	157,535
Additional profit sharing	177,397	194,707	228,755
Employees' severance indemnities	153,199	143,025	128,795
Share-based payment plan	48,021	48,060	52,214
Total	3,071,113	2,888,728	2,585,269
Number of employees	27,793	27,523	27,369

24 GENERAL AND ADMINISTRATIVE EXPENSES

This item comprises the following:

	2023	2022	2021
	S/000	S/000	S/000
Systems	1,044,651	857,121	616,225
Publicity	578,823	471,672	410,218
Transport and communications	226,802	175,976	169,620
Rental	206,619	182,595	188,590
Consulting and professional fees	157,411	227,726	215,526
Repair and maintenance of equipment	121,462	110,314	152,020
BCP agent commission	115,120	106,356	104,700
Third party services	109,636	102,598	90,282
Sundry supplies	105,333	81,636	51,263
Security	49,906	32,906	32,598
Insurance	48,652	45,428	45,387
Energy and water utilities	48,244	35,021	33,126
Others (a)	131,678	151,124	139,678
Total	2,944,337	2,580,473	2,249,233

a) The balance is made up mainly of cleaning and fumigation services, agency maintenance expenses, Reniec expenses, card printing, ATM installation services, printer rentals, subscription expenses, among others.

25 EARNINGS PER SHARE

As of December 31, 2023, 2022 and 2021, the weighted average number of shares outstanding was determined as follows:

	Outstanding shares	Shares for calculation	Effective days year end	Weighted outstanding Average of shares
	S/000	S/000		S/000
2021				
Balance at January 1, 2021	11,067,387	11,067,387	365	11,067,387
Capitalization of profits in 2021	250,000	250,000	365	250,000
Capitalization of profits in 2022	-	858,978	365	858,978
Capitalization of profits in 2023	-	796,810	365	796,810
Balance as of December 31, 2021	11,317,387	12,973,175		12,973,175
2022				
Balance at January 1, 2022	11,317,387	11,317,387	365	11,317,387
Capitalization of profits in 2022	858,978	858,978	365	858,978
Capitalization of profits in 2023	-	796,810	365	796,810
Balance as of December 31, 2022	12,176,365	12,973,175		12,973,175
2023				
Balance at January 1, 2023	12,176,365	12,176,365	365	12,176,365
Capitalization of profits in 2023 (i)	796,810	796,810	365	796,810
Balance as of December 31, 2023	12,973,175	12,973,175		12,973,175

(i) During 2023, the Bank issued 796,810 thousand shares through the capitalization of retained earnings. Since the shares were issued without any inflow of resources, they have been treated as if they had been in issue throughout the period and have also been included in the calculation of earnings per share for the previous period to give a comparable result, according to with what is required by IAS 33.

As of December 31, 2023, 2022 and 2021; earnings per share determined on the basis of the weighted average of outstanding shares was S/0.3587, S/0.3454 and S/0.2340.

	2023 S/000	2022 S/000	2021 S/000
Net profits attributable to the parent company	4,653,039	4,480,438	3,036,113
Weighted average number of common shares	12,973,175	12,973,175	12,973,175
Basic and diluted earnings per share attributable the parent company	0.3587	0.3454	0.2340
Basic and diluted earnings per share from operations continue	0.3597	0.3470	0.2347

26 FINANCIAL INFORMATION BY GEOGRAPHICAL AREA

The following detail shows the operations of the Bank and its Subsidiaries for the years ended December 31, 2

	2023					2022	
	Total income (*)	Gross financial margin	Depreciation and amortization	Property, furniture and equipment, net/ Intangible assets/ Goodwill	Total assets	Total income (*)	Gros finan marg
Peru	21,230	11,958	440	3,190	194,495	17,669	
Panama	51	46	(1)	8	269	27	
United States of America	166	68	(3)	24	2,618	88	
Eliminations	(448)	-	-	-	(5,524)	(550)	
Total	20,999	12,072	436	3,222	191,858	17,234	

(*) Including the total finance and non-finance income.

27 TRANSACTIONS WITH RELATED PARTIES

a) During 2023 and 2022, the Bank and its Subsidiaries have acquired bonds, granted loans, supplied and received banking services, correspondent relationships and other operations with the Subsidiaries of Credicorp, the balances of which are shown below:

	2023	2022
	S/000	S/000
Assets -		
Cash	4,403	5,234
Loans portfolios, net	109,023	310,558
Available-for-sale investments (share of Credicorp Ltd.), Note 5(b)	58,597	68,780
Others assets	112,645	97,806
Liabilities -		
Deposits and obligations	1,597,033	1,207,955
Bonds and subordinated notes issued	15,488	30,598
Other liabilities	9,353	6,909
Contingent risk and commitments -	666,210	333,644

Below is the breakdown of the following items on the income statement:

	2023	2022	2021
	S/000	S/000	S/000
Financial income	28,761	58,315	28,837
Financial expenses	51,368	37,525	37,819
Other income	580,700	520,691	479,610
Other expenses	80,267	94,036	94,448

The Bank and its Subsidiaries have contracted insurance coverage with Pacífico Compañía de Seguros y Reaseguros S.A., a subsidiary of Credicorp Ltd.; the related premiums amount to S/41.9 million in 2023 (S/45.7 million in 2022); the accrued part is recorded in “General and administrative expenses” of the consolidated statement of income.

The Bank and its Subsidiaries also receive fees for selling life insurance coverage through its network of offices to customers who have saving accounts; with fees which amounted to approximately S/455.8 million and S/448.4 million, in 2023 and 2022, respectively.

According to the Peruvian legislation, loans to related parties cannot be granted on terms more favorable than those that would have been offered to the general public. Management of the Bank and its Subsidiaries consider that they have complied with all legal requirements for transactions with related parties. Loans granted to related parties are secured by guarantees and collaterals.

Balances with related entities are as follows:

	2023 S/000	2022 S/000
Direct loans	1,927,656	1,696,643
Indirect loans	302,804	393,855
Derivatives, market value	116	476
Deposits (*)	834,940	1,081,795

(*) Comprising deposits of legal persons and individuals.

b) All transactions with related parties are made in accordance with normal market conditions available to other customers. As of December 31, 2023, direct loans to related companies are secured by collateral, had maturities between January 2024 an July 2032, at an annual Soles average interest rate of 7.54 percent and at an annual average interest rate in foreign currency of 6.26 percent (as of December 31, 2022, maturities where between January 2023 and September 2032, and the annual Soles average interest rate was 6.87 percent and the annual average interest rate in foreign currency was 5.89 percent). As of December 31, 2023 and 2022, the Bank and its Subsidiaries maintain an allowance for doubtful loans granted to related parties for S/15.2 million and S/2.2 million, respectively.

c) Loans to employees and their relatives -

The Bank and its Subsidiaries grant loans to their employees and relatives for terms that fluctuate according to the different types of loans that the Bank and its Subsidiaries maintain towards third parties. Loans granted to employees and their relatives are mainly mortgage loans and are included “Loans portfolios” of the consolidated statement of financial position.

As of December 31, 2023 and 2022, the balance of loans and other facilities granted to employees, directors, key executives and their relatives of the Bank and its Subsidiaries amounted to S/1,383.3 million and S/1,179.2 million, respectively.

d) The compensation of the key personnel of the Bank and its Subsidiaries for the years 2023 and 2022, considering all payments made, was as follows:

	2023 S/000	2022 S/000	2021 S/000
Salaries	21,079	20,034	11,380
Directors’ compensation	6,780	7,275	7,872
Total	27,859	27,309	19,252

Additionally, during 2023, 2022 and 2021, the Bank and its Subsidiaries recorded approximately S/7.9 million, S/11.7 million and S/7.2 million, respectively an expense related to stock awards. The related income tax is assumed by the Bank and its Subsidiaries.

28 FINANCIAL INSTRUMENTS CLASSIFICATION

The following are the amounts of financial assets and liabilities of the consolidated statement of financial positi

	As of December 31, 2023				
	Financial assets and liabilities at fair value				
	Held for trading or hedging	At inception	Loans and receivables	Investments available-for-sale	Investments held-to-matur
	S/000	S/000	S/000	S/000	S/000
Assets					
Cash and due from banks	-	-	30,853,387	-	-
Interbank funds	-	-	-	-	-
and at fair value available for sale	362,360	-	-	20,588,793	-
Held-to-maturity investments	-	-	-	-	9,025,0
Loans, net	-	-	123,585,789	-	-
Other assets, net, Note 9(a)	824,567	-	1,421,922	-	-
	1,186,927	-	155,861,098	20,588,793	9,025,0
Liabilities					
Deposits and obligations	-	-	-	-	-
Interbank funds	-	-	-	-	-
Payables from repurchase agreements	-	-	-	-	-
Due to banks, correspondents and other entities	-	-	-	-	-
Bonds and Subordinated Notes issued	-	-	-	-	-
Other liabilities, net, Note 9(a)	708,942	-	-	-	-
	708,942	-	-	-	-

29 FINANCIAL RISK MANAGEMENT

The activities of the Bank and its Subsidiaries mainly involve the use of financial instruments, including derivatives. They also accept deposits from customers at both fixed and variable rates, for different periods, and invest these funds in high-quality assets. Moreover, they place these deposits at fixed and variable rate with legal entities and individuals, considering the finance costs and expected yield.

The Bank and its Subsidiaries trade in financial instruments when they assume positions in traded and over-the-counter instruments, including derivatives, to take advantage of short-term market movements, through trading strategies which include the use of equities, bonds, currencies and interest rates.

In this regard, risk is inherent to the Bank and its Subsidiaries activities, which is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk Management is critical to the continuing profitability of the Bank and its Subsidiaries, and each individual is accountable for the risk exposures relating to his responsibilities. The Bank and its Subsidiaries are mainly exposed to operating risk, credit risk, liquidity risk and market risk.

a) Risk Management structure -

The Board of Directors of the Bank and its Subsidiaries is responsible for identifying and controlling risks; however, there are separate independent bodies responsible for managing and monitoring risks, as further explained bellow:

(i) Board of Directors -

The Board of Directors is responsible for the overall risk Management approach and for the approval of the levels of risk appetite and tolerance that the Bank and its Subsidiaries are prepared to assume. Furthermore, it approves the objectives, guidelines and policies for Overall Risk Management. On the other hand, the Board of Directors establishes an organizational culture which emphasizes the importance of risk Management, supervises the internal control system, and ensures the appropriate performance of the regulatory compliance function.

(ii) Risk Committee -

The Risk Committee represents the Board of Directors in decision making focused on risk Management, is responsible for the strategy used for mitigating risks, as well as establishing the overall principles, policies and limits for the different types of risks; it is also responsible for monitoring fundamental risk issues and managing and monitoring the relevant risk decisions.

It is made up of no less than four members of the Board of Directors (at least one must be independent), the General Manager of the BCP, the Central Planning and Finance Manager, the Central Risk Manager and the Manager of the Risk Management Division.

In addition, to effectively manage all the risks, the Risk Committee designates some risk functions to the following tactical committees which report on a monthly basis all relevant changes or issues of the managed risks:

Credit Risk Committee (Retail and Non-Retail) -

The Credit Risk Committees (Retail and Non-Retail) are responsible for reviewing the tolerance level of the appetite for credit risk, the exposure limits and the actions for the implementation of corrective measures, in case there are deviations. In addition, it proposes the norms and policies of credit risk Management within the framework of governance and the organization for the comprehensive Management of credit risk. Furthermore, it proposes the approval of any change in the functions described above and important findings to the Risk Committee.

Treasury and ALM Risk Committee - (Asset Liability Management) -

The Treasury and ALM Risk Committee proposes the guidelines and policies for Treasury and ALM Risk Management within the governance and organization framework for the comprehensive Management of market and liquidity risks. It is responsible for analyzing and proposing corrective actions in case there are deviations in the risk tolerance levels assumed in the risk appetite for Treasury. Furthermore, it is responsible for proposing the approval of any changes in the functions described above and for reporting any finding to the Risk Committee.

BCP Model Risk Committee -

The BCP Model Risk Committee monitors the Bank's data strategy and analytics and the health status of its portfolio of models. It is in charge of analyzing and proposing corrective actions in case there are deviations with respect to the degrees of exposure assumed in the model risk appetite. Likewise, it proposes the creation and / or modification of the government for the Management of the model risk, supervising its compliance. Likewise, it is responsible for informing the Risk Committee about exposures related to model risk that involve variations in BCP's risk profile.

Non-Financial Risk Strategic Committee -

The Non-Financial Risks Strategic Committee is responsible for reviewing the tolerance level of the appetite for non-financial risks and the exposure limits. This committee also proposes standards, non-financial risk Management policies and mechanisms for the implementation of corrective actions within the governance framework.

(iii) Central Risk Management -

The Central Risk Management is responsible for implementing policies, procedures, methodologies and of the actions to be taken to identify, measure, monitor, mitigate, report and control the different types of risks to which the Bank and its Subsidiaries are exposed. Also, is responsible to participate in the design and definition of the strategic plans of the business units to ensure that they are aligned within the risk parameters approved by the Board of Directors of the Bank and its Subsidiaries. Likewise, it disseminates the importance of adequate risk Management, specifying in each of the units, the role that corresponds to them in the timely identification and definition of the corresponding actions.

Central Risk Management is comprised of the following units:

Risk Management Division -

The Risk Management Division is responsible for ensuring fulfillment of the risk Management guidelines and policies established by the Senior Management Team. It supervises the risk Management process and coordinates with the units of the Bank and its Subsidiaries involved in said process. It also has the task of informing Senior Management regarding the global exposure, as well as the specific exposure of each subsidiary.

Credit Division -

The Credit Division proposes the credit policies and the credit risk evaluation and Management criteria that the Bank and its Subsidiaries assume with customers in the wholesale segment. Evaluates and authorizes credit proposals up to their autonomy and proposes their approval to the higher authorities for those that exceed it. These guidelines are established on the basis of the policies established by the Board of Directors and the General Management, respecting the laws and regulations in force. In addition, it assesses the evolution of the risk of wholesale customers and identifies problematic situations, taking actions to mitigate or resolve them.

Retail Banking Risk Division -

The Retail Banking Risk Division is responsible for managing the risk profile of the retail portfolio and developing credit policies that are in accordance with the guidelines and risk levels established by the Board of Directors. Likewise, it participates in the definition of products and campaigns aligned with said policies, as well as in the design, optimization and integration of credit assessment tools and income estimation for credit Management.

Payment Solutions Division -

The Payment Solutions Division Management is responsible for providing payment solutions to customers in arrears or in good standing who present temporary financial difficulties. Its objective is to obtain optimal recovery levels that allow the level of provisions to be reduced and made more predictable, reduce exposure to default, the expected loss given default, keep the impaired portfolio at acceptable levels, as well as maximize the recovery of the written-off portfolio.

Non-Financial Risk Division -

The Non-Financial Risk Division is responsible for defining a non-financial risk strategy aligned with the objectives and risk appetite established by the Board of Directors. This strategy seeks to strengthen the Management process, generate synergies, optimize resources and achieve better results among the units responsible for managing non-financial risks in the Bank and its Subsidiaries. In addition, in order to achieve the objectives defined in the non-financial risk strategy, the Division is responsible for promoting a risk culture, developing talent, defining indicators, generating and monitoring projects and strategic initiatives.

Treasury Risk Management -

Treasury Risk Management is responsible for planning, coordinating, and supervising the implementation of the methodologies and limits used by the Treasury Division and approved by the Risk Management Committee. It is also responsible for evaluating the effectiveness of the hedging derivatives and the valuation of investments. As well as evaluating the profitability-risk relationship of the investment strategies taken by the Treasury Division Management.

(iv) Internal Audit Division and Compliance Divisions -

The Internal Audit Division is responsible for permanently evaluating the effectiveness and efficiency of the risk Management control and governance processes of the Bank and its Subsidiaries, verifying compliance with the regulations, policies, objectives and guidelines approved by the Board of Directors, providing assurance agile and timely, advice and analysis based on risks and data. On the other hand, it evaluates the sufficiency and degree of integration of the databases and information systems of the Bank and its Subsidiaries. Finally, it ensures independence between the functions of the risk and business units.

The Compliance and Ethics Division is responsible for providing corporate policies and guidelines that ensure adequate compliance of the laws, regulations, and the Code of Ethics.

b) Risk monitoring and reporting systems -

The Bank and its Subsidiaries have independent information bases which are then integrated through corporate reports. These reports allow monitoring, at the accumulated level and detailed for the different types of risks to which each subsidiary is exposed. The system has the ability to meet the appetite review needs by risk requested by the committees and areas described above; as well as complying with regulatory requirements.

c) Risk mitigation -

Depending on the type of risk, the Bank and its Subsidiaries use mitigating methods to reduce their exposure, such as guarantees, derivatives, controls and insurance, among others. In addition, they have policies linked to risk appetite and established procedures for each type of risk. Finally, the Bank and its Subsidiaries actively use guarantees in order to reduce their credit risks.

d) Risk appetite -

The Board of Directors approves on an annual basis the establishment of a Risk Appetite framework for the purpose of defining the maximum level of risk that the Bank and its Subsidiaries are prepared to assume in the achievement of their strategic and financial objectives. This Risk Appetite framework is based on "core" and "specific" metric objectives:

- The core metrics preserve the strategic pillars of the organization, defined as solvency, liquidity, profit and growth, stability of results, balance sheet structure and cybersecurity risks.

- Specific metrics seek to monitor qualitatively and quantitatively the different risks to which the Bank and its Subsidiaries are exposed, as well as define a tolerance threshold in each one of them, so as to preserve the risk profile established by the Board of Directors and anticipate points of risk on a more detailed level.

For its part, risk appetite is instrumented through the following elements:

- Declaration of risk appetite: this makes explicit the general principles and qualitative declarations which complement the risk strategy of the Bank and its Subsidiaries.

- Metrics tables: metrics are used to define the levels of risk exposure in different strategic pillars.

- Limits: they permit risk taking to be controlled within the tolerance established by the Board of Directors. They also provide accountability to the risk-taking process and define guidelines regarding the target risk profile.

- Government Scheme: it seeks to guarantee compliance of the framework through the different roles and responsibilities assigned to the units involved.

The appetite is integrated in the processes of strategic and capital guidelines, as well as in the definition of the budget exercise, facilitating the strategic decision-making of the organization.

e) Risk concentration -

Concentrations arise when a reduced and representative number of counterparties of the Bank and its Subsidiaries are engaged in similar business activities, or activities in the same geographic region, or have similar economic, political or other conditions.

In order to avoid excessive risk concentrations, the policies and procedures include specific limits to guarantee a diversified portfolio.

29.1 Credit risk -

a) The Bank and its Subsidiaries take on exposure to credit risk, which is the probability of suffering losses caused by breach of payment on the part of debtors or counterparties of on and off balance sheet exposure.

Credit risk is the most important risk for the activities of the Bank and its Subsidiaries; therefore, Management carefully manages its exposure to this risk. Credit exposures mainly arise from lending activities that lead to direct loans; in addition, they originate from investment activities. There is also credit risk in off-balance sheet financial instruments, such as contingent credits (indirect loans), which could expose the Bank and its Subsidiaries to similar risks to those of direct loans. Likewise, credit risk also arises from derivative financial instruments contained in those instruments with positive fair values. Finally, all exposure to credit risk (direct or indirect) is mitigated by control process and policies.

As part of the Management of this type of risk, the Bank and its Subsidiaries assign impairment provisions for their portfolio at the date of the statement of financial position.

The Bank and its Subsidiaries define levels of credit risk based on risk exposure limits, which are frequently monitored. Said risks are established in relation to the amounts of exposure to one debtor or group of debtors, geographical segments and the industry. Furthermore, risk limits by product, industry sector and geographic segment are approved by the Risk Management Committee.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and principal repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below:

(i) Collateral -

The Bank and its Subsidiaries use a range of policies and practices to mitigate credit risk. The most traditional of these is taking of collateral for loans granted, which constitutes a common practice. The Bank and its Subsidiaries implement policies on the acceptability of specific classes of collateral or credit risk mitigation. The Bank and its Subsidiaries implement policies for the acceptance of specific classes of guarantees or mitigation of credit risk. The main types of collateral obtained for credits are as follows:

- For loans and advances, collateral includes, among others, home mortgages; liens on business assets such as plant, inventory and accounts receivable; as well as liens on financial instruments such as debt and equity securities.

- For repurchase agreements and securities lending, collaterals are fixed income instruments and cash.

Long-term loans and financing to corporate entities are generally secured. Working capital loans to small and micro businesses are generally not guaranteed. In order to minimize losses associated with credits, the Bank and its subsidiaries request additional guarantees from the counterparty as soon as indicators of deterioration arise.

Collateral held as security for financial assets other than loans is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured, with the exception of asset backed securities and similar instruments, which are secured by portfolios of financial instruments.

Management monitors the fair value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the fair value of collateral obtained during its review of the adequacy of the allowance for doubtful accounts. As part of the policies of the Bank and its Subsidiaries, the recovered assets are sold, and the proceeds of the sale are used to reduce or amortize the outstanding credit. The proceeds are used to reduce or repay the outstanding amount due. In general, the Bank and its Subsidiaries do not use repossessed properties for operating purposes.

(ii) Derivatives -

The amount subject to credit risk is limited to the current and potential fair value of instruments that are favorable to the Bank and its Subsidiaries (where fair value is positive). In the case of derivatives, this is only a small fraction of the contract, or notional amounts used to express the volume of instruments outstanding. The credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. The credit risk of the derivatives portfolio is reduced if the instrument is agreed through a clearing house.

(iii) Credit-related commitments -

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and letters of credit have the same credit risk as direct loans. Documentary and commercial letters of credit - which are written undertakings by the Bank and its Subsidiaries on behalf of a customer authorizing a third party to draw drafts on the Bank and its Subsidiaries up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore have less risk than a direct loan. The Bank and its Subsidiaries have no commitment to extend credit.

b) The maximum exposure to credit risk as of December 31, 2023 and 2022, before the effect of mitigation through any collateral, is the carrying amount of each class of financial assets indicated in Note 28 and the contingent operations detailed in Note 18(a).

Management is confident of its ability to continue to control and sustain minimal exposure of credit risk for the Bank and its Subsidiaries resulting from both its loan portfolio and investments based on the following:

- 93.29 percent of the direct loan portfolio is considered neither past due nor impaired as of December 31, 2023 (93.48 percent as of December 31, 2022); Note 6(d);

- 90.62 percent of the gross loan portfolio is considered neither past due nor impaired as of December 31, 2023 (91.64 percent as of December 31,2022);

- 96.46 percent of the investments have at least investment grade (BBB- or higher) or are debt securities issued by BCRP (unrated) as of December 31, 2023 (95.38 percent as of December 31, 2022);

- 15.13 percent and 76.73 percent of the cash and due from banks represent amounts deposited in the Bank, in its Subsidiaries and in the BCRP, respectively, as of December 31, 2023 (15.59 percent and 76.84 percent, respectively, as of December 31, 2022).

c) Credit risk Management for loans -

The Bank and its Subsidiaries establish policies to manage credit risk, for each of the operations in which they decide to participate. These policies are established based on the risk appetite established by the Board of Directors, respecting current laws and regulations.

The measurement of credit risk is carried out through a quantitative and qualitative analysis of the client or the requested operation, taking into account their financial situation, their credit behavior in the market in which they operate. The quantitative measurement is based on the use of rating and scoring models, for wholesale and retail banks respectively.

The Bank and its Subsidiaries classify their loan portfolio into one of five risk categories, according to subsection 2 Chapter ll of SBS Resolution N°11356-2008, which considers the degree of risk of non-payment of each borrower. The categories used by the Bank and its Subsidiaries are: (i) normal - (0), (ii) potential problems - (1), (iii) substandard - (2), (iv) doubtful - (3) and (v) loss - (4), which have the following characteristics:

(i) Normal (0): Non-retail borrowers are classified into this category, when their financial position is liquid, their debt-to-equity ratio is low and their ability to generate profit and cash flows allows them to fulfill payment of their obligations in a timely manner. Likewise, retail borrowers are included in this category when payments are current or up to 8 days past due. On the other hand, mortgage borrowers are classified in this category when they are current or up to 30 days past due.

(ii) Potential problems (1): Non-retail borrowers are classified into this category, when their financial position is solid, their debt-to-equity ratio is moderate and their cash flows are enough to pay off capital and interest, however, such cash flows could weaken in the following twelve months. On the other hand, retail and mortgage borrowers are included in this category when payments are between 9 and 30 days past due and 31 and 60 days past due, respectively.

(iii) Substandard (2): Non-retail borrowers are classified in this category, when their financial position is weak and their cash flows do not allow them to make full payment of capital and interest and payments are between 60 and 120 days past due. On the other hand, retail and mortgage borrowers are included in this category when payments are between 31 and 60 days past due and 61 and 120 days past due, respectively.

(iv) Doubtful (3): Non-retail borrowers are classified in this category, when the financial position does not allow them to pay off either capital or interest, their debt-to-equity ratio is high and they are forced to sell their significant assets or payments are between 120 and 365 days past due; in this category the recovery of the credit is doubtful. On the other hand, retail and mortgage borrowers are included in this category when payments are between 61 and 120 days past due and 121 and 365 days past due, respectively.

(v) Loss (4): Non-retail borrowers are classified in this category, when the financial position does not allow them to deal with refinancing agreements, the entity is not in operation or is in liquidation or payments are more than 365 days past due. On the other hand, retail and mortgage borrowers are included into this category when payments are more than 120 days past due and more than 365 days past due, respectively.

When a loan is uncollectible, it is written off against the related provision for loan impairment. Said credits are written off in accordance with Resolution SBS N°11356-2008 "Regulations for the evaluation and classification of the debtor and the requirement of provisions". The income from the subsequent recovery of the amounts previously written off is presented net of the amount of the provision for doubtful accounts in the separate statement of income.

The Bank and its Subsidiaries consider as past due credits the corporate credits, large and medium companies more than 15 days past due, small and micro companies more than 30 days past due, checking account overdrafts more than 30 days past due, and consumer credits, mortgage loans and finance leases more than 90 days past due. In the case of consumer credits, mortgage loans and finance of which payments are between 30 and 90 days past due, only the delinquent quota is considered past due; however, after 90 days of delinquency, the entire balance is considered past due.

The Bank and its Subsidiaries review their loan portfolios on an ongoing basis in order to assess the completion and accuracy of their risk categories. In addition, they comply with calculating the provisions for credit risk according to local requirements defined by current local regulations.

The Bank and its Subsidiaries have different methodologies for calculating provisions for credit risk, which are based on the regulator to which they report, the business segment to which the loans belong, the situation of impairment of the loans, among others.

Direct loans are presented according to the credit classification of customers established in SBS Resolution N°11356-2008, classified into three groups: i) Non-matured or impaired loans, which include those direct loans that currently do not have delinquency characteristics and are related to customers classified as normal and with potential problems; ii) past due but not impaired loans, which include past due loans from customers classified as normal or with potential problems and iii) impaired loans, those past due loans classified as deficient, doubtful or loss. The provision for doubtful receivables is also presented for each of the types of receivables:

	As of December 31, 2023			
	Commercial loans	Residential Mortgage loans	Micro-business loans	Consumer loans
	S/000	S/000	S/000	S/000
Neither past due nor impaired -				
Normal(*)	62,333,031	19,158,564	17,092,559	16,258,513
Potential problem	2,967,617	173,141	209,782	263,623
Past due but not impaired -				
Normal	1,871,783	792,409	12,517	557,930
Potential problem	120,786	121,884	755	9,047
Impaired -				
Substandard	1,402,919	221,975	347,375	364,810
Doubtful	1,097,407	357,783	557,482	609,957
Loss	1,861,547	669,684	812,953	476,204
Gross	71,655,090	21,495,440	19,033,423	18,540,084
Less: Provision for doubtful accounts	3,105,056	886,188	2,158,528	1,978,858
Total, net	68,550,034	20,609,252	16,874,895	16,561,226

(*) These balances include S/902.1 million and S/2,134.3 million as of December 31, 2023 and 2022, respecti customers as a result of financial impacts with the COVID-19 pandemic. As required by the SBS, the Bank 3922-2021. See Note 6(e).

The following table shows the credit rating of customers according to SBS resolution N°11356-2008 and Note

As of December 31, 2023 and 2022, refinanced loans amounted to approximately S/2,339.8 million and S/2,06 impaired, S/407.2 million and S/279.1 million past due but not impaired, and S/973.1 million and S/938.4 millio

As of December 31, 2023 and 2022, past due but not impaired loans are between 30 and 60 days past due.

The breakdown of the gross amount of impaired loans by class, together with the fair value of related collateral

	As of December 31, 2023			
	Commercial loans	Residential mortgage loans	Micro-business loans	Consum loans
	S/000	S/000	S/000	S/000
Impaired loans	4,361,873	1,249,442	1,717,810	1,
Fair value of collateral	3,341,437	1,034,641	11,993	
Provision for doubtful accounts	2,098,594	560,963	1,094,136	

d) Credit risk Management on investments in trading securities, available-for-sale and held-to-maturity.

The Bank and its Subsidiaries evaluate the credit risk identified of each of the financial instruments in these categories, considering the risk rating granted to them by a risk rating agency. For investments traded in Peru, the risk ratings used are those provided by the tree most prestigious Peruvian rating agencies (authorized by the Peruvian banking regulator "Superintendencia de Banca, Seguros y AFP" - SBS) and for investments traded abroad, the risk-ratings used are those provided by the three most prestigious international rating agencies.

The following table shows the analysis of the risk-rating of investments at fair value through profit or loss (trading) available-for-sale and held-to-maturity, provided by the institutions referred to above:

	As of December 31,			
	2023		2022	
	S/000	%	S/000	%
Instruments rated in Peru:				
AAA	238,073	0.79	292,152	1.19
AA- a AA+	4,235	0.01	9,122	0.04
A- a A+	-	-	2,426	0.01
BBB- a BBB+	15,028,747	50.14	13,785,129	56.24
BB- a BB+	317,318	1.06	376,526	1.54
B- a B+	22,091	0.07	-	-
Unrated				
BCRP certificates of deposit	11,127,918	37.12	7,019,479	28.64
Listed and non-listed securities	283	0.01	3,134	0.01
Subtotal	26,738,665	89.20	21,487,968	87.67
Instruments rated abroad:				
AAA	165,448	0.55	166,536	0.68
AA- a AA+	202,988	0.68	173,393	0.71
A- a A+	308,551	1.03	281,742	1.15
BBB- a BBB+	1,839,231	6.14	1,647,755	6.72
BB- a BB+	657,917	2.19	661,913	2.70
Unrated				
Negotiable certificates of deposit	-	-	17,438	0.07
Listed and non-listed securities	63,365	0.21	74,522	0.30
Subtotal	3,237,500	10.80	3,023,299	12.33
Total	29,976,165	100.00	24,511,267	100.00

e) Concentration of financial instruments exposed to credit risk:

As of December 31, 2023 and 2022, financial instruments with exposure to credit risk were distributed cons

	As of December 31, 2023			
	At fair value through profit or loss			
	Held for trading and hedging	At inception	Loans and receivables	Investments available-for-sale
	S/000	S/000	S/000	S/000
Banco Central de Reserva del Peru	209,398	-	23,642,580	10,935,254
Commerce	3,681	-	22,588,450	108,153
Manufacturing	18,591	-	19,853,337	738,072
Government and public administration	158,450	-	157,943	5,815,302
Financial services	686,465	-	9,691,581	700,951
Leaseholds and real estate activities	3,994	-	8,631,499	-
Communications, storage and transportation	2,440	-	7,697,593	135,555
Community services	-	-	6,432,492	-
Electricity, gas and water	84,897	-	4,123,187	631,164
Mining	13	-	3,616,948	-
Agriculture	3,645	-	3,146,437	1,227
Education, health and other services	2,341	-	2,411,303	462,514
Construction	1,353	-	2,599,169	-
Hotels and restaurants	-	-	2,350,462	-
Fishing	-	-	550,756	-
Insurance	5,138	-	100,094	-
Others	6,521	-	99,626	1,060,601
Sub - Total	1,186,927	-	117,693,457	20,588,793
Residential mortgage loans	-	-	20,657,435	-
Revolving and non-revolving loans	-	-	17,510,206	-
Total	1,186,927	-	155,861,098	20,588,793

As of December 31, 2023 and 2022, the financial instruments with exposure to credit risk were distributed by th

	As of December 31, 2023				
	At fair value through profit or loss				
	Held for trading and hedging	At inception	Loans and receivables	Investments available-for-sale	Investm held-to-maturity
	S/000	S/000	S/000	S/000	S/000
América:					
Peru	511,993	-	150,862,863	17,385,665	
United States of America	365,687	-	2,088,747	1,853,282	
Colombia	34,372	-	1,016,115	751,273	
Chile	210	-	1,065,700	320,814	
Panama	-	-	169,523	45,248	
Mexico	-	-	4,470	139,934	
Ecuador	-	-	110,563	-	
Canada	31,774	-	29,491	-	
Guatemala	-	-	47,610	4,766	
Uruguay	-	-	22,462	-	
Brazil	-	-	-	12,921	
Europa:					
Germany	8,972	-	266,007	-	
France	145,041	-	7,600	-	
United Kingdom	65,520	-	39,591	-	
Spain	23,358	-	11,797	-	
Netherlands	-	-	2,247	-	
Switzerland	-	-	166	-	
Others in Europe	-	-	142	11,909	
Others	-	-	116,004	62,981	
Total	1,186,927	-	155,861,098	20,588,793	

29.2 Liquidity risk -

Liquidity risk is the risk that the Bank and its Subsidiaries are unable to comply with their short term obligations related to financial liabilities at maturity and replace funds when they are withdrawn. In this regard, if the Bank and its Subsidiaries face a liquidity crisis it would be failing to comply with the payment of its obligations to its depositors, loan commitments and other operating cash requirements.

The Bank and its Subsidiaries are exposed to daily calls on, their available cash resources from overnight deposits, checking accounts, maturing deposits, loans draw-downs, guarantees and other calls. The Management of the Bank and its Subsidiaries set limits on the minimum amount of available funds to meet said calls and on the minimum level of inter-bank and other borrowing facilities that should be in place to cover unexpected levels of withdrawals. Sources of liquidity are periodically reviewed by the corresponding risk teams so as to guarantee adequate diversification by currency, geography, type of funding, supplier, producer and term.

The process of controlling mismatching of the maturities and interest rates of assets and liabilities is fundamental to the Management of the Bank and its Subsidiaries. It is unusual for banks to be completely matched, as transacted business is often based on uncertain terms and of different types. An unmatched position potentially enhances profitability, but also increases the risk of illiquidity, which generates exposure to potential losses.

The maturities of assets and liabilities and the ability to replace them at maturity, at an acceptable cost, are important factors in assessing the liquidity of the Bank and its Subsidiaries.

A mismatch in the maturities of the illiquid long term assets against short term liabilities exposes the consolidated statement of financial position to risks related both to refinancing as well as interest rates. If the liquid assets do not cover the debts at maturity, the consolidated statement of financial position is vulnerable to the risk of refinancing. Moreover, a significant increase in interest rates can substantially increase the cost of refinancing liabilities at short term, leading to a rapid increase in the cost of debt. The mismatch report of contractual maturity is useful for showing the liquidity position.

Guidelines have been established in the Bank and its Subsidiaries for liquidity risk Management. Risk Management establishes limits and a scheme of autonomies for the liquidity indicators which are being managed.

Liquidity Risk Management is carried out through indicators like Internal Liquidity Coverage Ratio (ILCR), which measures the amount of liquid assets available to meet the cash outflows in a determined stress scenario (specific or systemic) usually for a period of 30 days (The Bank and its Subsidiaries perform an additional control of the 15 and 60 days RCLI) and the Net Stable Internal Funding Ratio (NSIFR), which has been defined to guarantee that long term assets are financed at least with a minimum of stable liabilities in a prolonged liquidly crisis scenario and functions as a mechanism of minimum compliance which complements the ILCR. These indicators have core limits of 100.00 percent and any excess is presented in the Treasury Risks Committee, Risk Committee and Assets, Liabilities Committee (ALCO).

The Notes to the financial statements include an analysis of the relevant liabilities of the Bank and its Subsidiaries based on contractual maturity.

The table below presents the cash flows payable and receivable by the Bank and its Subsidiaries according to
position. The amounts disclosed in the table are the contractual undiscounted cash flows:

	As of December 31, 2023				
	Up to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Ove yea
	S/000	S/000	S/000	S/000	S/00
Financial assets	54,475,547	54,001,724	48,958,212	30,945,854	
Financial liabilities by type					
Deposits and obligations and interbank funds	55,003,845	19,988,381	22,059,292	32,457,743	
Payables from repurchase agreements, due to banks, correspondents and other entities	6,888,426	5,960,738	3,716,943	1,380,837	
Bonds and subordinated Notes issued	403,619	5,645,301	5,339,760	163,278	
Other liabilities	2,333,930	103,598	-	-	
Equity	-	-	-	-	
Total non-derivative liabilities	64,629,820	31,698,018	31,115,995	34,001,858	
Derivative financial liabilities					
Contractual amounts receivable (inflow)	1,964,547	3,123,995	655,189	689,191	
Contractual amounts payable (outflow)	1,959,727	3,155,563	661,003	622,098	
Total derivative liabilities	4,820	(31,568)	(5,814)	67,093	

The table below shows the contractual maturity of the contingent credits of the Bank and its Subsidiaries at the

	As of December 31, 2023				
	Up to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years
	S/000	S/000	S/000	S/000	S/000
Contingent credits					
(Indirect loans)	385,752	851,642	13,147,121	5,316,268	40,12

The Bank and its Subsidiaries expect that not all of the contingent liabilities or commitments will be drawn befo

29.3 Market risk -

The Bank and its Subsidiaries are exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, foreign exchange rates, commodities and equity products; all of which are exposed to general and specific market movements, and changes in the level of price volatility, such as interest rates, credit margins, foreign currency exchange rates and share prices. Due to the mandate of the current operations of the Bank and its Subsidiaries, the price risk of "Commodities" has not been approved, therefore this type of instrument is not agreed.

The Bank and its Subsidiaries separate exposures to market risk into two groups: (i) those that arise from value fluctuation of investment trading portfolios due to movements of market rates or prices (Trading Book) and (ii) those that arise from changes in the structural positions of non-trading portfolios (Banking book), due to movements of the interest rates, prices and foreign exchange ratios.

The risks that the trading portfolios are exposed to are managed through historical simulation techniques of Value at Risk (VaR); while non-trading portfolios are monitored using rate sensitivity metrics which form part of Asset and Liability Management (ALM).

a) Trading Book -

The trading book is characterized for having liquid positions in equities, bonds, foreign currencies and derivatives, arising from market-making transactions where the Bank and its Subsidiaries act as a principal with the customers or with the market. This portfolio includes investments and derivatives classified by Management as held for trading.

(i) Value at Risk (VaR) -

The Bank and its Subsidiaries apply the VaR approach to their trading portfolio to estimate the market risk of positions held and the maximum losses that are expected, based upon a number of assumptions for various changes in market conditions, as well as being applied to estimate the foreign exchange risk of the structured exchange position.

Daily calculation of VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements.

The VaR model expresses the "maximum" amount the Bank and its Subsidiaries might lose, but only to a certain level of confidence (99.00 percent). There is therefore a specified statistical probability (1.00 percent) that the actual loss could be greater than the VaR estimate. The VaR model assumes a certain "holding period" until positions can be closed (1 - 10 days).

The time horizon used to calculate VaR is one day; however, the one-day VAR is amplified to a 10-days time frame and calculated multiplying the one-day VaR times the square root of 10. This adjustment assumes that the changes in the portfolio in the following days have a normal distribution, identical and independent. Thus, the result is multiplied by an adjustment factor of non-normality.

The assessment of trading portfolio movements has been based on historical one-year data and 42 market risk factors, which are composed as follows: 25 market curves, 15 foreign exchange rates, and 2 volatility series. The Bank and its Subsidiaries apply these historical changes in the risk factors directly to its current positions (a method known as historical simulation).

Management of the Bank and its Subsidiaries believe that market and exchange risk factors incorporated into the VaR model are adequate to measure the market risk to which its trading book is exposed.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. Losses exceeding the VaR figure may occur, on average under normal market conditions, no more than once every hundred days.

VaR limits have been established to control and keep track of all the risks taken which arise from the size of the positions and/or the volatility of the risk factors embedded in each financial instrument. Regular reports are prepared for the Treasury and ALM Risk Committee, the Risk Management Committee and Senior Management.

The VaR results are used to generate economic capital estimates for market risk, which are periodically monitored and form part of the Bank's global risk appetite.

The VaR of the Bank and its Subsidiaries showed a decrease during 2023, due to lower exchange rate risk as a result of lower volatility of the exchange rate USD/PEN. During the period, the VaR remained within the limits of the appetite for risk established by the Risk Management of the Bank and its Subsidiaries.

As of December 31, 2023 and 2022, the Bank and its Subsidiaries VaR by risk type is as follows:

	2023 S/000	2022 S/000
Interest rate risk	21,233	19,308
Volatility risk	20	2,032
Exchange rate risk	16,717	22,018
Diversification effect	(13,684)	(12,127)
Consolidated VaR by risk type	24,286	31,231

b) Banking Book -

Non-trading portfolios, which belong to the Banking Book, are exposed to different risks given that they are sensitive to movements in market rates that can bring about a deterioration in the value of the assets compared to its liabilities and, hence, to a reduction in its net value.

(i) Interest rate risk -

Interest rate risk in the banking book refers to the risk that changes in interest rates may negatively affect the expected profits (profits at risk) or market value of the assets and liabilities of the balance sheet (Net economic value). The Bank and its Subsidiaries assume the exposure to the effects of fluctuations in the prevailing levels of market interest rates which affect the fair value and future cash flow risks of assets and liabilities.

The Risk Committee sets limits on the level of mismatch of interest rate re-pricing that may be undertaken, which is monitored periodically in the ALCO.

The Management of interest rate risk in the Bank and its Subsidiaries are carried out through the analysis of re-pricing gaps, financial margin sensitivity and sensitivity of the Net Economic Value (NEV). These calculations consider different rate shocks, which are generated through different simulations of sceneries and take in account periods of high volatility.

Re-pricing gap -

The repricing gap analysis is intended to measure the interest rate risk exposure due to re-pricing periods in which assets and liabilities both on and off-balance sheet are grouped together. By this analysis, Management can identify the tranches in which the interest rate variations may have a potential impact on the expected profits.

The table below summarizes the Bank and its Subsidiaries exposure to interest rate risks. It includes the financ
Subsidiaries at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates, whichev

	As of December 31, 2023			
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years
	S/000	S/000	S/000	S/000
Assets				
Cash and interbank funds	11,384,144	1,689,911	2,852,003	8,372,509
Loan portfolio (*)	18,697,586	15,841,366	34,660,678	42,355,955
Investments	1,059,769	3,638,012	8,002,682	7,442,706
Other assets	-	-	-	-
Total assets	31,141,499	21,169,289	45,515,363	58,171,170
Liabilities				
Deposits and obligations and interbank funds	38,373,249	15,566,966	19,161,614	53,573,099
Payable from repurchase agreements, due to banks, correspondents and other entities	4,584,880	5,397,643	3,286,735	3,155,732
Bonds and subordinated Notes issued	6	92,215	5,384,906	5,180,319
Other liabilities	-	-	-	-
Equity	-	-	-	-
Total liabilities and equity	42,958,135	21,056,824	27,833,255	61,909,150
Risk and contingent commitments				
Hedging derivatives asset	91,488	516,137	936,010	1,500,941
Hedging derivatives liabilities	630,109	19,140	437,439	1,936,331
Marginal gap	(12,355,257)	609,462	18,180,679	(4,173,370)
Accumulated gap	(12,355,257)	(11,745,795)	6,434,884	2,261,514

(*) The amount presented in the column "Non-interest bearing" includes accrued gains of loans, overdue loan
doubtful accounts.

	As of December 31, 2022			
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years
	S/000	S/000	S/000	S/000
Assets				
Cash and interbank funds	13,148,654	1,323,767	2,559,633	8,895,267
Loan portfolio (*)	17,897,569	19,766,384	34,373,683	42,320,632
Investments	5,353,725	1,500,022	1,164,754	6,362,005
Other assets (**)	-	-	-	-
Total assets	36,399,948	22,590,173	38,098,070	57,577,904
Liabilities				
Deposits and obligations and interbank funds	33,598,463	11,865,165	20,829,185	55,986,938
Payable from repurchase agreements, due to banks, correspondents and other entities	2,433,455	2,106,173	4,652,835	7,356,697
Bonds and subordinated Notes issued	40	71,060	3,045,575	10,555,419
Other liabilities (**)	-	-	-	-
Equity	-	-	-	-
Total liabilities and equity	36,031,958	14,042,398	28,527,595	73,899,054
Risk and contingent commitments				
Hedging derivatives asset	171,485	830,415	450,835	931,208
Hedging derivatives liabilities	149,938	46,232	165,610	1,844,839
Marginal gap	389,537	9,331,958	9,855,700	(17,234,781)
Accumulated gap	389,537	9,721,495	19,577,195	2,342,414

(*) The amount presented in the column "Non-interest bearing" includes the balance of internal overdue loans interest, unearned interest and the provision for loan doubtful accounts.

(**) Other Assets and Other Liabilities only include financial accounts.

Investments accounted at fair value through profit or loss and trading derivatives are not considered, since and the Value at Risk methodology is used to measure their market risks.

Sensitivity to changes in interest rates -

The sensitivity analysis of interest rates on ALM is performed by conducting an assessment of the sensitivity of the financial margin, which measures variances in the expected accruals over a given period of time and in the event of a parallel movement of the interest rate curves together with the sensitivity of the net Economic Value, which is a long-term measurement determined as the difference between the net carrying amount of assets and liabilities before and after a variance in interest rates.

Sensitivity of the financial margin is the effect of the estimated changes in interest rates on the finance income, net for a year, before income tax and non-controlling interest based on non-negotiable financial assets at variable rates and financial liabilities as of December 31, 2023 and 2022, including the effect of derivative financial instruments. The sensitivity of the Net Economic Value is calculated by re-assessing the financial assets and liabilities sensitive to interest rate changes and which comprise the ALM and held to maturity at a fixed interest rate, before income tax and any non-controlling interest, included the effect of any hedge relating to derivatives designated as cash flow hedges. For purposes of interest rate risk Management, there is no distinction made by accounting category of the investments comprising the ALM, in which instruments classified as available-for-sale and held-to-maturity are included. The results of the sensitivity analysis from the estimated changes in interest rates as of December 31, 2023 and 2022, are as follows:

Currency	Changes in basis points		Sensitivity of financial margin		Sensitivity of economic value	
			S/000		S/000	
As of December 31, 2023 -						
U.S. dollars	+/-	50	+/-	47,377	+/-	68,399
U.S. dollars	+/-	75	+/-	71,065	+/-	102,599
U.S. dollars	+/-	100	+/-	94,754	+/-	136,799
U.S. dollars	+/-	150	+/-	142,130	+/-	205,198
U.S. dollars	+/-	300	+/-	284,261	+/-	410,396
Soles	+/-	50	+/-	9,817	-/+	492,666
Soles	+/-	75	+/-	14,725	-/+	738,999
Soles	+/-	100	+/-	19,634	-/+	985,332
Soles	+/-	150	+/-	29,450	-/+	1,477,998
Soles	+/-	300	+/-	58,901	-/+	2,955,995
As of December 31, 2022 -						
U.S. dollars	+/-	50	+/-	92,462	+/-	178,407
U.S. dollars	+/-	75	+/-	138,693	+/-	267,610
U.S. dollars	+/-	100	+/-	184,924	+/-	356,814
U.S. dollars	+/-	150	+/-	277,386	+/-	535,220
U.S. dollars	+/-	300	+/-	554,772	+/-	1,070,441
Soles	+/-	50	+/-	37,764	-/+	370,585
Soles	+/-	75	+/-	56,646	-/+	555,877
Soles	+/-	100	+/-	75,528	-/+	741,170
Soles	+/-	150	+/-	113,293	-/+	1,111,754
Soles	+/-	300	+/-	226,585	-/+	2,223,509

The sensitivities of the interest rates shown above are only for illustrative purposes and are based on simplified scenarios. The figures reflect the effect of the pro-forma movements on the net finance income on the basis of the projected scenarios of the yield curve and the interest rate risk profile that the Bank and its Subsidiaries currently have. However, this effect does not include the actions that would be taken by Management to mitigate the potential impact of this risk on interest rates.

In addition, the Bank and its Subsidiaries seek proactively to change the interest rate risk profile to minimize losses and optimize net revenues. The projections above also assume that the interest rate of all maturities moves by the same amount and, therefore, do not reflect the potential impact on net finance income of some rates changing while others remain unchanged. The projections also include assumptions for simplifying calculations, such as, for example, that all positions run to maturity.

Equity securities and mutual funds, classified as available-for-sale investments, are not considered as part of the investment securities for interest rate sensitivity calculation purposes; however, sensitivity tests have been carried out of changes of 10.00, 25.00 and 30.00 percent in the market prices of these price-sensitivity securities in order to evaluate the effect of the expected unrealized gain or loss on other comprehensive income, before income tax, as of December 31, 2023 and 2022, as presented below:

Market price sensitivity	Changes in Market prices		2023	2022
	%		S/000	S/000
Equity securities	+/-	10.00	6,365	7,766
Equity securities	+/-	25.00	15,912	19,414
Equity securities	+/-	30.00	19,095	23,297

(ii) Foreign exchange risk -

The Bank and its Subsidiaries are exposed to the fluctuations of foreign currency exchange rates on their financial position and consolidated cash flows. Management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The foreign currency transactions are made at the free-market exchange rates.

As of December 31, 2023, the weighted average market exchange rate published by the SBS for transactions in U.S. dollars was S/3.705 for buying and S/3.713 for selling (S/3.808 and S/3.820, as of December 31, 2022, respectively). As of December 31, 2023, this exchange rate was S/3.709 (S/3.814 as of December 31, 2022).

A detail of the Bank and its Subsidiaries' foreign currency assets and liabilities expressed in thousands of U.S. dollars and other currencies is shown below:

	2023		2022	
	U.S. dollars	Other currencies (*)	U.S. dollars	Other currencies (*)
	US$000	US$000	US$000	US$000
Assets				
Available funds and Interbank funds	6,919,929	11,274	7,213,181	-
Investments at fair value through profit or loss and available for sale investments, net	1,051,335	35,390	968,468	27,811
Held-to-maturity investments	6,125		12,478	-
Loan portfolio, net	10,101,245	-	9,936,322	-
Other assets	340,251	-	267,272	-
	18,418,885	46,664	18,397,721	27,811

	2023		2022	
	U.S. dollars	Other currencies (*)	U.S. dollars	Other currencies (*)
	US$000	US$000	US$000	US$000
Liabilities				
Deposits and obligations	(15,068,943)	(88)	(14,506,661)	(94)
Accounts payable from repurchase agreements	(72,029)	-	(70,509)	-
Due to banks, correspondents, other entities and interbank funds	(1,629,758)	-	(838,792)	-
Bonds and subordinated Notes issues	(2,086,951)	(21,311)	(2,783,111)	(38,156)
Other liabilities	(222,662)	(73)	(197,132)	(453)
	(19,080,343)	(21,472)	(18,396,205)	(38,703)
Off-balance sheet position				
Net forward position overbought (oversold) - forwards	(1,436,444)	(8,765)	(2,381,775)	(378)
Net position - currency swaps (a)	1,916,070	566	2,132,745	566
Net position - cross currency swaps hedge	239,104	(14,372)	284,263	9,495
Foreign currency options, net	(13,131)	-	(3,800)	-
	705,599	(22,571)	31,433	9,683
Net monetary position	44,141	2,622	32,949	(1,209)

(*) Mainly Japanese Yen and Colombian Pesos.

As of December 31, 2023, the Bank and its Subsidiaries have contingent operations (indirect loans) in foreign currency for approximately US$3,919.0 million, equivalent to approximately S/14,535.4 million (approximately US$3,906.8 million, equivalent to approximately S/14,900.5 million, as of December 31, 2022).

The Bank and its Subsidiaries manage foreign exchange risk by monitoring and controlling the exchange positions exposed to changes in exchange rates. The Bank and its Subsidiaries measure their performance in Soles, so if the net foreign exchange position (e.g. U.S. dollars) is positive, any depreciation of the Soles with respect to this currency would positively affect the consolidated statement of financial position of the Bank and its Subsidiaries. The current position in a foreign currency comprises exchange rate-linked assets and liabilities in that currency. An institution's open position in individual currencies comprises assets, liabilities and off-balance sheet items denominated in the respective foreign currency for which the institution itself bears the risk; any appreciation/depreciation of the foreign exchange would affect the consolidated statement of income.

The Bank and its Subsidiaries net foreign exchange balance is the sum of its positive open non- Soles positions (net long position) less the sum of its negative open non- Soles positions (net short position); and any devaluation/revaluation of the foreign exchange position would affect the consolidated statement of income. A currency mismatch would leave the consolidated statement of financial position of the Bank and its Subsidiaries vulnerable to a fluctuation of the foreign currency (exchange rate shock).

The table below shows the sensitivity analysis of the U.S. dollars, the principal currency to which the Bank and its Subsidiaries have significant exposure as of December 31, 2022 and 2021, in its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the exchange rate Sol against U.S. dollars, with all other variables held constant, on the consolidated statement of income, before income tax. A negative amount in the table reflects a potential net reduction in the consolidated statement of income, while a positive amount reflects a net potential increase:

Sensitivity analysis	Change in currency rate	2023	2022
	%	S/000	S/000
Depreciation -			
Sol against U.S. dollars	5.00	7,796	5,984
Sol against U.S. dollars	10.00	14,884	11,424
Appreciation -			
Sol against U.S. dollars	5.00	(8,617)	(6,614)
Sol against U.S. dollars	10.00	(18,191)	(13,963)

29.4 Non-financial risks -

A non-financial risk (NFR) is a broad term that is generally defined by exclusion; that is, any risk other than the traditional financial risks of the market, credit and liquidity. NFRs can have substantial negative strategic, business, economic and/or reputational implications. NFR includes the operational risks defined in the seven Basel operational risk event types, but also other major risks such as technology, cyber, behavioral, model, compliance, strategic, and third-party risk.

Non-Financial Risk Management has become more challenging due to the added complexity of rapid changes in technology, extensive process automation, increased reliance on systems rather than people, as well as transformational processes such as business agility. These changes in the way financial institutions do business have led to new risk exposures, whether in the form of attacks affecting the Bank's service, data theft or online fraud.

Operational risk -

The operational risk is the possibility of the occurrence of losses due to inadequate processes, staff errors, information technology and relations with third parties or external events. Operational risk can produce financial losses and have legal or regulatory compliance consequences but exclude strategic or reputation risk.

Operational risks are grouped into internal fraud, external fraud, labor relations and safety in the workplace, customer relations, business products and practices, damages to material assets, business and systems interruption and faults in process execution, delivery and Management.

The Bank and its Subsidiaries have, as one of their core values, the development of an efficient risk culture, and to achieve this, it records the operational risks and their respective controls per process. Risk mapping permits their monitoring, prioritization, and proposed treatment in accordance with the established governance.

The business continuity Management system allows establishing, implementing, operating, monitoring, reviewing, maintaining and improving business continuity based on best practices and regulatory requirements. The Bank and its Subsidiaries implements recovery strategies for the resources that support important products and services of the organization, which will be periodically tested to measure the effectiveness of the strategy.

The Management of information security is carried out through a systemic process, documented and known by the entire organization under the best practices and regulatory requirements. The Bank and its Subsidiaries designs and develops the guidelines described in the policy and procedures to have strategies for availability, privacy and integrity of the information assets of the organization.

Finally, the Management of the Transfer of Non-Financial Risks is incorporated as a recovery mechanism before the materialization of operational risks, mainly through Insurance Policies contracted individually or corporately in the local and international market, which cover losses due to fraud, civil and professional liability, cyber risks, damage to physical assets, among others. The design of the Insurance is in accordance with the main operational risks of the Bank and its Subsidiaries, the coverage needs of key areas and the risk appetite of the organization, constantly seeking efficiencies in the cost of policies, working together with Pacifico Compañía de Seguros y Reaseguros and the most important reinsurance brokers in the international market.

Cybersecurity -

The Bank and its Subsidiaries focus their efforts on the most cost-efficient strategies to reduce exposure to cybersecurity risk; by doing this, they fulfill its appetite for risk. To achieve this, different levels of controls are applied adapted to the different potentially exposed areas and companies. Therefore, it maintains an important investment program, which allows it to have the technologies and processes necessary to keep operations and assets safe.

As part of cybersecurity Management, the Bank and its Subsidiaries have lines of action that allow mitigating these risks. These lines of work include the Cybersecurity Strategy, which is constantly reviewed considering the global scenario, standards, frameworks and regulations, in order to guarantee business continuity, resilience and data privacy, as well as the adoption of security and cybersecurity frameworks that allow cybersecurity controls to be adapted for each of the Group companies, adequate Management and remediation of vulnerabilities in an early and timely manner[1].

There is an awareness program, constant training for employees to generate a culture of cybersecurity awareness in all Group companies and cybersecurity indicators, which ensure alignment between operations and the business strategy of group companies.

The Government of Third Parties[2] allows us to ensure adherence and compliance with Group policies, as well as the implementation of security technologies, to comprehensively ensure all business processes.

Finally, information security Management of information assets is carried out through a systemic process, documented and known by the entire organization under the best practices and regulatory requirements. Guidelines are designed and developed based on the policies and procedures to have availability, privacy and integrity strategies.

Corporate Security and Cyber Crime -

As part of non-financial risk Management, the Corporate Security & Cybercrime Operations Center's function is to detect and respond to incidents of fraud, cyber-crime and physical security.

These tasks are carried out by specialized teams in transactional monitoring, investigations, cybercrime, electronic security, disaster risk Management and strategic intelligence activities, including social conflicts, which allow safeguarding the safety of employees, customers, suppliers and assets of the organization.

[1] NIST 800-53: Catalog of Security and Privacy Controls for Information Systems and Organizations
FFIEC CAT: Cybersecurity Assessment Tool of the Federal Financial Institutions Examination Council
ISO 27002; International standard used as a reference for controls when implementing an Information Security Management System
NIST CSF: Cybersecurity Framework for Mitigating Organizational Cybersecurity Risks
CSA: Catalog of Cybersecurity Controls for the Cloud

[2] Including Suppliers, Consumers, Strategic Allies and Customers

For this, the designed strategy includes the use of state-of-the-art technological tools in the monitoring platform, digital video surveillance and advanced risk profile analysis models, among other fronts. Likewise, there is highly specialized and trained talent on these fronts that allows the proper use of artificial intelligence, electronics, advanced analytics and cyber forensic, achieving high efficiency standards.

Finally, we contribute to the security of the Financial System through union activities that we develop at the local level in the Association of Banks of Peru (ASBANC by its acronym in Spanish) and at the LATAM level in the Committee of Security Experts of the Latin American Federation of Banks (FELABAN by its acronym in Spanish).

29.5 Model Risk -

Model is defined as an algorithm or system of optimized algorithms that processes data to convert it into useful information for decision-making in a relevant population for the business.

Models are simplified representations of the real world that are the object of interest, study, or analysis. This simplification allows the Bank and its Subsidiaries to focus its attention on the specific aspects that are considered most important for the application of a given model. The Bank and its Subsidiaries use models for different purposes such as credit admission, capital calculation, behavior, provisions, market risk, liquidity, among others.

Model risk is defined as the probability of loss resulting from decisions (credit, market, among others) based on the use of poorly designed and / or poorly implemented models. The sources that generate this risk are mainly: deficiencies in data, errors in the model (from design to implementation), use of the model.

Model risk Management is proportional to the importance of each model. In this regard, a concept of “tiering” is defined as the main attribute to synthesize the level of importance or relevance of a model, from which the intensity of the model risk Management processes that must be followed is determined.

Model risk Management is structured around a set of processes known as the model life cycle. The definition of the phases of the life cycle of the model in the Bank and its Subsidiaries is detailed below: Identification, Planning, Development, Internal validation, Approval, Implementation and use, and Monitoring and control.

29.6 Capital Management -

The Bank and its Subsidiaries actively manage a capital base to cover the inherent risks in their activities. The capital adequacy of the Bank and its Subsidiaries is monitored using, among other measures, the norms and ratios established by the SBS, the supervising authority of its main Subsidiaries and for consolidation purposes, see Note 15(g). Furthermore, capital Management responds to market expectations in relation to the solvency of the Bank and its Subsidiaries and to support the growth of the businesses considered in the strategic planning. In this way, the capital maintained by the Bank and its Subsidiaries permits them to assume unexpected losses in normal conditions and conditions of severe stress.

Capital Management has as its main objectives: (i) to comply with the capital requirements established by the regulatory entities; (ii) to safeguard the operating capacity of the Bank and its Subsidiaries so that it continues providing returns to the shareholders and benefits to other stakeholders; (iii) to maintain a solid capital base to support the development of its activities, in line with the limits and tolerances established in the declaration of Risk Appetite.

Legislative Decree N°1028 modified the Peruvian Banking, Insurance and Pension Law, establishing that the mandatory capital of all financial institutions must be equal to or greater than 10.00 percent of the risk weighted assets and contingent credits which corresponds to the sum of: the mandatory capital requirement for market risk multiplied by 10, the mandatory capital requirement for operational risk multiplied by 10, and the credit risk weighted assets and contingent credits. Additionally, in July of 2011, SBS issued Resolution N°8425-2011, by which it requires additional mandatory capital for economic cycle, concentration risk, market concentration risk, interest rate risk and others.

On the other hand, through SBS Resolution N°03921-2021, the requirement of Additional Cash Equity, approved by SBS Resolution N°8425-2011, is modified, and the requirement is determined based on the Market Concentration Risk Indicator. Likewise, through SBS resolution N°03921-2021, the activation criterion of the procyclical standard is modified (average of the annualized percentage variation of the GDP of the last 30 months goes from a level less than 4.00 percent to one greater than or equal to this threshold, before 5.00 percent). The procyclical standard can be activated from December 31, 2023.

In March 2022, Legislative Decree N°1531 was approved, which modified Law 26702 (General Law of the Financial System and the Insurance and Organic System of the Superintendency of Banking and Insurance). In this way, the legal basis was established to complete the alignment to Basel III capital quality standards By the end of 2022, the SBS has published two resolutions that complement the provisions of Legislative Decree N°1531 and establish an adaptation schedule for the requirements of the three Basel buffers: conservation buffer of capital, buffer against cyclical and buffer for systemic risk. Management has evaluated the effects of this new regulation on the Bank's financial statements and does not expect a significant impact on them.

29.7 Fair values -

a) Financial instruments recorded at fair value and fair values hierarchy -

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value as of December 31, 2023 and 2022, including the hierarchy level into which the fair value measurement is categorized. The amounts are based on the values recognized in the consolidated statement of financial position:

	Note	Level 1	Level 2	Level 3	Total
		S/000	S/000	S/000	S/000
December 31, 2023					
Financial assets					
Derivative financial instruments:					
Forward exchange contracts		-	275,561	-	275,561
Interest rate swaps		-	281,862	-	281,862
Cross currency swaps		-	36,540	-	36,540
Currency swaps		-	229,755	-	229,755
Options		-	849	-	849
Derivatives receivable	9(c)	-	824,567	-	824,567
Investments at fair value through profit or loss (trading)	5(a)	158,450	203,910	-	362,360
Subtotal		158,450	1,028,477	-	1,186,927
Available-for-sale investments:					
Debt securities					
BCRP Certificates of deposit		-	10,935,252	-	10,935,252
Corporate bonds		2,915,135	865,628	-	3,780,763
Government treasury bonds		5,779,811	-	-	5,779,811
Negotiable certificates of deposits		-	-	-	-
Securitization instruments		-	29,319	-	29,319
Other instruments					
Equity instruments:					
Listed securities		58,687	-	-	58,687
Unlisted securities		-	-	4,961	4,961
Subtotal	5(b)	8,753,633	11,830,199	4,961	20,588,793
Total financial assets		8,912,083	12,858,676	4,961	21,775,720

	Note	Level 1	Level 2	Level 3	Total
		S/000	S/000	S/000	S/000
Financial liabilities					
Derivative financial instruments:					
Forward exchange contracts		-	134,332	-	134,332
Interest rate swaps		-	95,623	-	95,623
Cross currency Swaps		-	46,888	-	46,888
Currency swaps		-	428,352	-	428,352
Options		-	3,747	-	3,747
Derivatives payable	9(c)		708,942	-	708,942
Total financial liabilities		-	708,942	-	708,942
December 31, 2022					
Financial assets					
Derivative financial instruments:					
Forward exchange contracts		-	343,841	-	343,841
Interest rate swaps		-	309,025	-	309,025
Cross currency swaps		-	98,656	-	98,656
Currency swaps		-	401,926	-	401,926
Options		-	1,348	-	1,348
Derivatives receivable	9(c)	-	1,154,796	-	1,154,796
Investments at fair value through profit or loss (trading)	5(a)	-	1,011	-	1,011
Sub-Total		-	1,155,807	-	1,155,807
Available-for-sale investments:					
Debt securities:					
BCRP Certificates of deposit		-	7,019,479	-	7,019,479
Corporate bonds		2,839,147	1,183,313	-	4,022,460
Government treasury bonds		4,085,754	-	-	4,085,754
Negotiable certificates of deposits		-	17,438	-	17,438
Securitization instruments		-	33,000	-	33,000
Other instruments					
Equity instruments:					
Listed securities		68,780	-	-	68,780
Unlisted securities		-	-	8,876	8,876
Subtotal	5(b)	6,993,681	8,253,230	8,876	15,255,787
Total financial assets		6,993,681	9,409,037	8,876	16,411,594
Financial liabilities					
Derivative financial instruments:					
Forward exchange contracts		-	141,814	-	141,814
Interest rate swaps		-	126,066	-	126,066
Cross currency Swaps		-	24,385	-	24,385
Currency swaps		-	742,704	-	742,704
Options		-	3,167	-	3,167
Derivatives payable	9(c)		1,038,136	-	1,038,136
Total financial liabilities		-	1,038,136	-	1,038,136

Financial instruments included in the Level 1 category are those that are measured on the basis of quotations obtained in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and said prices represent actual and regularly occurring market transactions on an arm's length basis.

Financial instruments included in the Level 2 category are measured on the basis of observed market factors. This category includes instruments valued using quoted prices for similar instruments, either in active or less active markets and other valuation techniques (models) where all significant inputs are directly or indirectly observable based on market data.

The financial instruments included in Level 3 are measured using valuation techniques (internal models), based on assumptions that are not supported by prices of observable transactions on the market for the same instrument, nor based on available market data.

We present a description of how fair value is determined for the Bank and its Subsidiaries financial instruments where valuation techniques were used with inputs based on observable market data which incorporate the estimates of the Bank and its Subsidiaries, on the assumptions that market participants would use for measuring these financial instruments:

- Valuation of derivate financial instruments -

  Interest rate swaps, currency swaps and foreign exchange forward contracts are evaluated by using valuation techniques where inputs are based on observable market data. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs, including the credit quality of counterparties, foreign exchange, forward rates and interest rate curves. Options are valued using well-known, widely accepted valuation models.

  A credit value adjustment (CVA) is applied to the exposure of the “Over-The-Counter” derivatives in order to consider the risk of default of the counterparties when the fair value of the derivatives is measured. The effect of this adjustment is measured in the income statement. The CVA is a cost at market prices of protection required to hedge the credit risk of the counterparties in this type of portfolio of derivatives. The CVA is calculated by multiplying the probability of default (PD), the likelihood of given deterioration (LGD) and the expected exposure (EE) at the date of impairment.

- Valuation of debt securities available for sale and included in level 2 -

  Valuation of BCRP certificates of deposit, corporate bonds, leasing, subordinated bonds and Government treasury bonds are estimated calculating their Net Present Values (NPV) through discounted cash flows, using appropriate and relevant zero-coupon rate curves to discount cash flows in the respective currency and considering observable current market transactions.

  The certificates of BCRP deposits (CD BCRP) are securities issued at a discount, in order to regulate the liquidity of the financial system. They are placed through public auction or direct placement, are freely negotiable by their holders in the Peruvian secondary market and can be used as collateral in Securities Report Operations with the BCRP.

  Other debt instruments are evaluated using valuation techniques based on assumptions supported by prices from observable current market transactions, obtained via pricing services. Nevertheless, when prices have not been determined in an active market, fair values are based on broker quotes and assets that are valued using models whereby the majority of assumptions are market observable.

  The financial instruments included in Level 3 are measured using valuation techniques (internal models), based on assumptions that are not supported by observable transaction prices in the market for the same instrument, nor based on available market data.

b) Financial instruments not measured at fair value -

Set out below is the disclosure of the comparison between the carrying amounts and fair values of the fina
value, presented in the consolidated statement of financial position by level of the fair value hierarchy:

	As of December 31, 2023					As of December 3	
	Level 1	Level 2	Level 3	Fair value	Book value	Level 1	Le
	S/000	S/000	S/000	S/000	S/000	S/000	S/(
Assets							
Available funds	-	30,853,387	-	30,853,387	30,853,387	-	
Interbank funds	-	-	-	-	-	-	
Held-to-maturity investments	9,071,308	14,228	-	9,085,536	9,025,012	8,478,583	
Loans, net	-	123,585,789	-	123,585,789	123,585,789	-	
Other assets	-	1,421,922	-	1,421,922	1,421,922	-	
Total	9,071,308	155,875,326	-	164,946,634	164,886,110	8,478,583	
Liabilities							
Deposits and obligations	-	132,308,517	-	132,308,517	132,308,517	-	
Interbank funds	-	324,577	-	324,577	324,577	-	
Payables from repurchase agreements	-	8,005,844	-	8,005,844	8,005,844	-	
and other entities	-	11,670,737	-	11,670,737	11,545,539	-	
Bonds and subordinated Notes issued	-	10,385,383	-	10,385,383	10,961,427	-	
Other liabilities	-	3,153,117	-	3,153,117	3,153,117	-	
Total	-	165,848,175	-	165,848,175	166,299,021	-	

The methodologies and assumptions used by the Bank and its Subsidiaries to determine the values prices depend on the terms and risk characteristics of the various instruments listed above and comprise the following:

(i) Assets for which fair values approximate their carrying value - For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying amounts are similar to their fair values. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments.

(ii) Financial instruments at fixed rate - The fair value of the financial assets and financial liabilities at fixed rate and at amortized cost is determined by comparing the market interest rate at the time of their initial recognition to the current market rates related to similar financial instruments. In the case of listed debt, the fair value is determined on the basis of the quoted market prices. When quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity. The fair value of the loan portfolio and deposits and obligation, according to SBS Multiple Official Letter N°1575-2014, corresponds to it carrying amount.

29 EVENTS AFTER THE REPORTING PERIOD

At the beginning of January 2024, Banco de Crédito del Peru issued bonds for a total of US$800 million with a term of 5 years in the international market. This operation included the issuance of bonds valued at US$500 million and bonds in soles for a total of S/1,150 million, with a coupon rate of 5.85 percent and 7.85 percent, respectively.

BANCO DE CREDITO DEL PERÚ S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022 AND 2021

Gaveglio Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada.
Av. Santo Toribio 143, Piso 7, San Isidro, Lima, Perú T: +51 (1) 211 6500, F: +51 (1) 211-6565
www.pwc.pe

BANCO DE CREDITO DEL PERÚ S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022 AND 2021

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US$, U.S. dollars = United States Dollar
S/ = Sol

(A free translation of the original in Spanish)

Independent auditor's report

To the Shareholders
Banco de Crédito del Perú and subsidiaries

Our opinion

In our opinion, the consolidated financial statements of **Banco de Crédito del Perú S.A.** (a subsidiary of Credicorp Ltd. incorporated in Bermuda) **and subsidiaries**, present fairly, in all material respect, the consolidated financial position of **Banco de Crédito del Perú S.A. and its subsidiaries** as of December 31, 2022, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Generally Accepted Accounting Principles in Peru applicable for Financial Institutions.

What we have audited

Banco de Crédito del Perú S.A. (the Bank) **and its subsidiaries** consolidated financial statements comprise:

- the consolidated statement of financial position as of December 31, 2022;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in net equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of the significant accounting policies.

Basis for our opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) applicable in Perú and approved by the Board of Deans of the Institutes of Peruvian Certified Public Accountants. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank and its subsidiaries in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code of Ethics) as well as the ethical requirements that are applicable to our audit of the consolidated financial statements in Peru. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code of Ethics.

Gaveglio Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada es una firma miembro de la red global de PricewaterhouseCoopers International Limited (PwCIL). Cada una de las firmas es una entidad legal separada e independiente que no actúa en nombre de PwCIL ni de cualquier otra firma miembro de la red.
Inscrita en la Partida No. 11028527, Registro de Personas Jurídicas de Lima y Callao



Our audit approach

An audit is designed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to error or fraud. These are considered material if, individually or in the aggregate, they could reasonably influence the economic decisions that users make based on the consolidated financial statements.

The scope of our audit and the nature, timing and extent of our procedures were determined by our risk assessment that the consolidated financial statements may contain material errors, whether due to fraud or error.
We performed our audit procedures based on the legal entities considered financially significant relative to the Bank and its subsidiaries, with a combination of full scope audits and certain audit procedures to achieve the desired level of audit evidence at a consolidated level.

Key Audit Matters are those which, in our professional judgment, were the most significant in our audit of the consolidated financial statements of the current period:

- Information technology environment (IT); and
- Provision for doubtful accounts.

As part of the design of our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered situations where management has made critical judgments; for example, in respect of significant accounting estimates that involve making assumptions and considering future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement in the consolidated financial statements due to fraud.

How we designed the scope of our audit of the Bank and its subsidiaries

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Bank and its subsidiaries, the accounting processes and controls, and the industries in which the Bank and its subsidiaries operate.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. However, we do not provide a separate opinion on these matters.

Key Audit Matters	*How our audit addressed the key audit matter*

Information technology environment (IT)

The Bank and its subsidiaries are highly dependent on its technological structure for the processing of its business operations, as well as for the preparation and fair presentation of its consolidated financial statements, which makes us consider the IT environment as a key audit matter.

Technology is key in the evolution of the businesses of the Bank and its subsidiaries, with significant investments in the IT environment, information security and cybersecurity.

The Bank and its subsidiaries have a technological infrastructure to support its business activities, as well as continuous improvement plans, maintenance of access management, changes in systems and applications, development of new programs and automated controls in relevant business processes. The controls to authorize, control, restrict and withdraw access to the systems and the change management programs are important to mitigate the potential risk of fraud or error based on misuse or improper changes in the systems of the Bank and its subsidiaries, thus ensuring the integrity of the financial information and accounting records.

The Bank and its subsidiaries have an integrated information technology structure with different processes and segregated controls. In addition, at present it is continuously changing due to digital transformation and changes of the structural, functional, and third-party support levels. This situation increases the risks related to information security and cybersecurity.

The lack of a proper general IT control environment and the dependent controls could impact the capacity for processing and preparation of the consolidated financial statements.

Considering the above, this is a key audit matter.

With the participation of systems audit specialists, we evaluate the design and test operational effectiveness of general IT controls. We reviewed the IT governance framework of the Bank and its subsidiaries and key controls over program and data access management, program development and changes, and IT operations. We evaluated the mechanisms implemented by the Bank and its subsidiaries to respond to possible cybersecurity events and segregation of duties, including compensatory controls, if necessary.

The IT environment and controls defined by Management, together with the tests of key controls, including compensatory controls, that we have reviewed and the substantive tests that we have performed, provide us with a reasonable basis to trust in the completeness and reliability of the information generated for the preparation of the Bank and its subsidiaries consolidated financial statements. We have also reviewed the existence of technology risk mitigation mechanisms and containment of cyber-attacks, preventive measures to ensure the continuous operation of its security and access controls, awareness campaigns for personnel regarding information security, management of identities and access, among others, that contribute to mitigating cybersecurity risks.

Key Audit Matters	*How our audit addressed the key audit matter*

Provision for doubtful accounts (notes 3 f and 6 of the consolidated financial statements)

The amount recognized as provisions for doubtful accounts is S/8,467 million as of December 31, 2022.

The Bank and its subsidiaries determine the provision for doubtful accounts in accordance with the requires of the Peruvian banking regulator ("Superintendencia de Banca, Seguros y AFP" – SBS for its Spanish acronym), under the Resolution No. 11356-2008 and its amendments framework, which considers percentages to apply according to the types of loan and the category of credit classification of the debtor considering the type of guarantee. The credit classification of the debtor is mainly defined based on the past due of the credits. In addition, in order to assign the debtor final classification, the Bank and its subsidiaries perform the alignment procedure, considering the debtor classification in the financial sector.

Moreover, the Bank and its subsidiaries perform qualitative evaluation in the non-retail portfolio and evaluates if a different credit classification for any particular customer, according to the past due of the credits, is needed. The analysis of qualitative and quantitative variables is performed on an individual basis for each customer, in which information about payment capacity, financial performance, sector performance, and guarantees, among others, is reviewed.

Complementarily, the Bank and its subsidiaries, based on their business experience, maintain voluntary generic provisions in addition to the minimum required by the SBS to cover eventual additional losses resulting from potential adverse economic conditions that increase the probability of credit default.

We obtained an understanding and applied key controls testing procedures in the processes for determining the provision for doubtful accounts and other related, as well as the input data used in those processes, such as past due.

With the assistant of our credit-risk specialists, we evaluate that the key controls related to obtaining the data comprising the customers and the calculation methodology have been designed and implemented and it operate effectively in accordance with the provisions established in the Resolution No. 11356-2008 of the SBS.

We have also performed detailed tests with the support of our credit-risk specialists, which have consisted, among others, in the following:

- We obtained the debtor database of the Bank and its subsidiaries and evaluated its completeness and, according to a sample of items, we evaluated the accuracy of the inputs regarding the relevant aspects use in the provision for doubtful accounts calculation.
- We reprocessed the debtor's internal classification assigned by the Bank and its subsidiaries and, on a sample of items, we evaluated the accuracy in the application of the classification criteria for each debtor.
- We reprocessed the alignment of the debtors' classification to the financial system, in accordance with the provisions of the SBS, to determine the final classification of each of them.
- We performed analytical procedures on the provision for doubtful accounts by applying the percentages established for each of the loan portfolio, according to their classification.
- We reviewed the qualitative analyzes used by the Bank and its subsidiaries to determine the credit classification for non-retail customers, through a sample of debtors.

Key Audit Matters	How our audit addressed the key audit matter
Considering the above, this accounting stimate is a key audit matter.	• We review the supporting evidence associated with the additional risks above the regulatory minimums, to determine voluntary provisions.

Other information

Management is responsible for the other information. The other information comprises the Annual report required by the Peruvian Superintendencia del Mercado de Valores - 'SMV' for its Spanish acronym, but does not include the financial statements and our auditor opinion thereon, which is expected to be made available to us after the date of the audit opinion.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance of the Bank and its subsidiaries.

Responsibilities of management and those charged with corporate governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Generally Accepted Accounting Principles in Peru applicable for Financial Institutions, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Bank and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, the matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank and its subsidiaries or cease operations, or has no realistic alternative but to do so.

Those charged with corporate governance of the Bank and its subsidiaries are responsible for overseeing the Bank and its subsidiaries' financial reporting preparation process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material



if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; and design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and its subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and its subsidiary's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and its subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank and its subsidiaries to express an opinion on the consolidated financial statements. We were responsible for the direction, supervision, and performance of the Bank and its subsidiaries audit. We remain solely responsible for our audit opinion.

We communicated with those charged with corporate governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with corporate governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, including the respective safeguards.

From the matters communicated with those charged with corporate governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lima, February 22, 2023

Countersigned by

----------(partner)
Gustavo Villafana
Peruvian Public Accountant
Registration No. 46192

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022 AND 2021
(Amounts expressed in thousands of soles)

	Note	2022	2021	
		S/000	S/000	
Assets				**Liabilities**
Cash and due from banks:	4			Deposits and obligations
Cash and clearing		4,903,160	4,441,447	Interbank funds
Deposits in Central Reserve Bank of Peru		24,160,723	25,359,565	Payables from repurchase agreements
Deposits in local and foreign banks		1,964,782	5,555,382	Due to banks, correspondents and other ent
Funds subject to restriction		362,988	765,154	Bonds and subordinated notes issued
Accrued interest		49,646	966	Other liabilities
		31,441,299	36,122,514	**Total liabilities**
Interbank funds		267,082	-	
				Equity, net
				Equity attributable to Banco de Crédito del P
Investments:				holders:
At fair value through profit or loss	5(a)	1,011	1,261,896	Capital stock
Available-for-sale	5(b)	15,255,787	19,335,277	Legal reserve
Held-to-maturity	5(c)	9,254,469	7,679,342	Other reserves
		24,511,267	28,276,515	Unrealized results
				Retained earnings
Loan portfolio, net	6 (a)	127,948,099	126,466,940	Non-controlling interest
Investments in associates		28,770	28,443	
Property, furniture and equipment, net	7	1,095,261	1,130,254	**Total equity, net**
Goodwill	8	276,321	276,321	
Other assets, net	9 (a)	5,287,180	5,531,653	
Total assets		190,855,279	197,832,640	**Total liabilities and net equity**
Contingent risks and commitments	19	95,727,964	97,081,185	**Contingent risks and commitments**

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(Amounts expressed in thousands of soles)

	Note	2022	2021	2020
		S/000	S/000	S/000
Financial income and expenses				
Financial income	20	13,002,030	9,777,661	10,271,433
Financial expenses	20	(2,776,800)	(1,871,900)	(2,422,347)
Gross financial margin		10,225,230	7,905,761	7,849,086
Provision for credit losses on loan portfolio		(2,299,341)	(2,193,858)	(5,171,691)
Recovery of writen-offs loans		321,151	323,538	147,854
Provision for credit losses on loan portfolio, net of recoveries	6(f)	(1,978,190)	(1,870,320)	(5,023,837)
Net financial margin		8,247,040	6,035,441	2,825,249
Non-financial income				
Commissions for banking services, net	21	3,034,281	2,718,530	2,248,910
Net result from derivatives instruments		4,804	72,095	52,426
Net result on securities	22	(24,657)	(132,712)	132,910
Net gain on foreign exchange transactions		1,003,855	891,739	656,282
Other non-financial income	23	213,264	155,000	180,012
		4,231,547	3,704,652	3,270,540
Operating expenses				
Salaries and employees benefits	24	(2,888,728)	(2,585,269)	(2,341,141)
General and administrative expenses	25	(2,580,473)	(2,249,233)	(1,804,551)
Depreciation and amortization	7 y 9 (e)	(418,722)	(409,429)	(400,138)
Provision for goods received in payment and awarded		(14,954)	(14,807)	(19,858)
Taxes and contributions		(193,846)	(182,760)	(176,230)
Other operating expenses	23	(204,761)	(210,105)	(419,245)
		(6,301,484)	(5,651,603)	(5,161,163)
Net gain for exchange difference		(6,035)	107,858	37,299
Net result before income tax		6,171,068	4,196,348	971,925
Income tax	14 (b)	(1,668,871)	(1,151,815)	(155,139)
Net result after income tax		4,502,197	3,044,533	816,786
Attributable to:				
Banco de Crédito del Perú's equity holders		4,480,438	3,036,113	819,927
Non-controlling Interest		21,759	8,420	(3,141)
		4,502,197	3,044,533	816,786
Net basic and dilutive earnings per share attributable to Banco de Crédito del Perú's equity holders	26	0.3680	0.2493	0.0673
Basic and diluted earnings per share (in soles)		0.3697	0.2500	0.0671
Weighted average number of ordinary shares for basic earnings (in thousand of units)		12,176,365	12,176,365	12,176,365

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(Amounts expressed in thousands of soles)

	Note	2022 S/000	2021 S/000	2020 S/000
Net profit for the year		4,502,197	3,044,533	816,786
Other comprehensive income				
Net gain (loss) on available-for-sale investments	15(e)	(692,051)	(1,271,766)	418,537
Net movement of cash flow hedges	15(e)	1,419	57,778	(15,114)
Exchange differences on translation of foreign operations	15(e)	(4,778)	1,460	1,233
Income tax	15(e)	53,822	23,456	(11,506)
Other comprehensive income (loss) for the year, net of income tax		(641,588)	(1,189,072)	393,150
Total comprehensive income for the year, net of income tax		3,860,609	1,855,461	1,209,936
Attributable to:				
Banco de Crédito del Perú's equity holders		3,839,160	1,847,714	1,212,909
Non-controlling interest		21,449	7,747	(2,973)
Net profit of comprehensive income		3,860,609	1,855,461	1,209,936

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(Amounts expressed in thousands of soles)

		Attributable to shareholders' equity of Banco de Crédito del Perú					
					Unrealized results		
	Number of outstanding shares (in thousand of units)	Capital stock S/000	Legal reserve S/000	Other reserves S/000	Available-for-sale investment reserve S/000	Cash flow hedges reserve S/000	Foreing currency translation reserve S/000
Balances as of January 1, 2020	10,217,387	10,217,387	3,586,304	1,108,814	328,302	(30,770)	58
Changes in equity for 2020							
Net profit for the year	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	402,738	(10,998)	1,24
Total comprehensive income	-	-	-	-	402,738	(10,998)	1,24
Capitalization of income, Note 15(a)	850,000	850,000	-	-	-	-	-
Transfer to Reserves, Note 15(b)	-	-	298,349	1,170,699	-	-	-
Dividend distribution, Note 15(f)	-	-	-	-	-	-	-
Non controlling interest capital contribution to Mibanco	-	-	-	-	-	-	-
Other	-	-	2,504	-	-	-	-
Balances as of December 31, 2020	11,067,387	11,067,387	3,887,157	2,279,513	731,040	(41,768)	1,82
Changes in equity for 2021							
Net profit for the year	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	(1,230,682)	40,829	1,45
Total comprehensive income	-	-	-	-	(1,230,682)	40,829	1,45
Capitalization of income, Note 15(a)	250,000	250,000	-	-	-	-	-
Transfer to Reserves, Note 15(b)	-	-	83,289	457,544	-	-	-
Dividend distribution, Note 15(f)	-	-	-	-	-	-	-
Mibanco Capital Reduction, Note 2(a)	-	-	-	(272,289)	-	-	-
Other	-	-	327	1	-	-	-
Balances as of December 31, 2021	11,317,387	11,317,387	3,970,773	2,464,769	(499,642)	(939)	3,27
Changes in equity for 2022							
Net profit for the year	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	(637,684)	1,184	(4,77
Total comprehensive income	-	-	-	-	(637,684)	1,184	(4,77
Capitalization of income, Note 15(a)	858,978	858,978	-	-	-	-	-
Transfer to Reserves, Note 15(b)	-	-	303,140	505,539	-	-	-
Dividend distribution, Note 15(f)	-	-	-	(757,370)	-	-	-
Mibanco Capital Reduction, Note 2(a)	-	-	-	(10,082)	-	-	-
Other	-	-	387	-	-	-	-
Balances as of December 31, 2022	12,176,365	12,176,365	4,274,300	2,202,856	(1,137,326)	245	(1,50

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(Amounts expressed in thousands of soles)

	Note	2022	2021	2020
		S/000	S/000	S/000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit of the year		4,502,197	3,044,533	816,786
Adjustments to reconcile net profit to net cash arising from operating activities:				
Provision for credit losses on loan portfolio	6(f)	2,299,341	2,193,858	5,171,691
Depreciation and amortization	7(a) and 9(e)	418,722	409,429	400,138
Deferred income tax	14(b)	(70,029)	291,648	(680,728)
Net (gain) loss on securities	22	24,657	132,712	(132,910)
Net loss (gain) of trading derivatives instruments		(4,804)	(72,095)	(23,994)
Expense for share-based compensation plan	24	48,061	52,214	64,249
Provision for seized assets		14,954	14,807	19,858
Provision for uncollectable receivables	23	3,433	2,890	17,028
Provisions for litigation, lawsuits and other contingencies		7,502	7,045	10,186
Provision reversal for closure of the Millas Travel program		-	-	(10,880)
Derecognition cost of out-of-use and intangible assets due to withdrawals	23	22,757	25,883	47,840
Net loss (gain) on the sale of goods received in payment and foreclosed	23	(4,250)	(7,340)	(2,957)
Net gain on sales of property, furniture and equipment	23	(12,804)	(6,410)	(12,576)
Variation in the fair value of outstanding securities and obligations		2,794	6,572	21,235
Amortization of bond issuance expenses		68,899	58,201	(62,572)
Net gain of sales of intangible		(2,961)	(3,576)	
Net gain (loss) from sale of written off portfolio	23	(22,842)	(17,113)	(35,818)
Net decrease (increase) in assets				
Loans		(5,101,842)	(8,115,371)	(19,447,152)
Investment at fair value through profit or loss		1,188,538	1,151,456	(2,092,637)
Investment available-for-sale		1,541,391	9,220,556	(14,592,719)
Investments held-to-maturity		(308,512)	(284,869)	(207,415)
Other assets		859,258	11,150	2,039,148
Sale of written off portfolio		24,024	24,443	36,971
Net increase (decrease) of liabilities				
Deposits and obligations		90,523	345,944	23,544,202
Payables for repurchase agreements		(8,407,145)	(6,016,848)	20,464,251
Due to banks, correspondent and financial institutions and interbank funds		1,973,071	701,756	(3,341,371)
Bonds and notes issued		(194,673)	(534,435)	(1,883,761)
Other liabilities		1,636,322	1,067,512	912,690
Income tax paid		(887,981)	(931,557)	(952,260)
Net cash flows from operating activities		(291,399)	2,772,995	10,086,520
NET CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, furniture and equipment	7(a)	(134,374)	(78,686)	(77,852)
Revenue from sale of property, furniture and equipment		46,658	15,931	22,864
Purchase of intangibles assets	9(e)	(544,910)	(416,765)	(469,494)
Net gains of sales of intangible		5,313	18,931	-
Revenue from sales and reimbursement of investments held-to-maturity		414,465	331,819	1,097,919
Purchase of investments held-to-maturity		-	(2,784,228)	(2,358,670)
Net cash flows from investing activities		(212,848)	(2,912,998)	(1,785,233)
NET CASH FLOWS FROM FINANCING ACTIVITIES				
Bonds and subordinated notes issued		(15,000)	193,458	466,181
Dividends paid to company's shareholders	15(f)	(2,121,115)	(42,056)	(1,303,739)
Dividends paid to non-controlling interests in subsidiaries		-	-	-
Non controlling interest capital contribution to Mibanco		-	-	20,131
Net cash flows from financing activities		(2,136,115)	151,402	(817,427)
Net (decrease) increase in cash and cash equivalents before the effect of variations in exchange rate		(2,640,362)	11,399	7,483,860
Effect of changes in exchange rate of cash and cash equivalents		(1,371,627)	2,317,912	1,903,232
Cash and cash equivalents at the beginning of year		35,357,360	33,028,049	23,640,957
Cash and cash equivalents at the end of year		31,345,371	35,357,360	33,028,049

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020
(Amounts expressed in thousands of soles)

RECONCILIATION OF CASH AND CASH EQUIVALENTS AT YEAR END WITH THE ACCOUNT BALANCES OF THE STATEMENT OF FINANCIAL POSITION

	Note	2022
		S/000
Cash and cash equivalents at the end of the period		31,345,37
Repurchase agreements with BCRP	4(c)	200,35
Other restricted funds	4(c)	162,63
Available funds according to the Statement of Financial Position		31,708,35
Additional information regarding cash flow		
Interest received		12,582,99
Interest paid		(2,487,46
Transactions which do not result in cash flow		
Change in classification category from available-for-sale to held-to-maturity investments	5(c)	1,683,39
Retained earnigs capitilization	15(a)	858,97
Repurchase agreements with BCRP	4(c)	200,35
Other restricted funds	4(c)	162,63
Reduction of Mibanco's Capital	15(c)	10,08

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERU S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES:
(Amounts expressed in thousands of soles)

		Changes that generate cash flows			Changes that do not generate cash	
	At January 1, 2022	New issues	Amortization of principal	Past due / repurchase of principal	Exchange difference	Changes in fair value
	S/000	S/000	S/000	S/000	S/000	S/000
Amortized cost	5,469,458	-	-	(15,000)	(228,828)	-
Fair value	-	-	-	-	-	-
	5,469,458	-	-	(15,000)	(228,828)	-

		Changes that generate cash flows			Changes that do not generate cash	
	At January 1, 2021	New issues	Amortization of principal	Past due / repurchase of principal	Exchange difference	Changes in fair value
	S/000	S/000	S/000	S/000	S/000	S/000
Amortized cost	4,835,159	2,028,514	-	(1,835,056)	419,155	3,735
Fair value	-	-	-	-	-	-
	4,835,159	2,028,514	-	(1,835,056)	419,155	3,735

The accompanying notes in pages 15 to 112 are an integral part of these consolidated financial statements.

BANCO DE CREDITO DEL PERÚ S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022 AND 2021

1 OPERATIONS

Banco de Crédito del Perú S.A. (hereinafter "the Bank" or "BCP") is a Peruvian limited company incorporated in 1889, and is a subsidiary of Credicorp Ltd. (a holding incorporated in Bermuda in 1995), which directly and indirectly owns 97.74 percent of its capital stock as of December 31, 2022 and 2021.

The Bank's legal address is in Calle Centenario N°156, La Molina, Lima, Perú. As of December 31, 2022, the Bank has 336 branches and agencies in Perú and 2 branches abroad; in the United States of America (Miami) and Panama (as of December 31, 2021, it had 357 branches and agencies in Perú and 2 branches abroad).

The legal address of its main subsidiary Mibanco, Banco de la Microempresa SA (hereinafter "Mibanco"), is Av. República de Panamá 4575, Surquillo, Lima, Perú. As of December 31, 2022 and 2021, it has 289 and 305 offices in Lima and the provinces, respectively.

The Bank's operations are governed by the "Ley General del Sistema Financiero y de Seguros y Orgánica de la Superintendencia de Banca, Seguros y AFP" (General Law of the Financial and Insurance Systems and Organic of the SBS - Law 26702), hereinafter the "Banking Law", and is authorized by the Superintendencia de Banca, Seguros y AFP - SBS (Peruvian Banking and Insurance Authority, hereinafter "SBS" for is Spanish acronym) to operate as a universal bank, in accordance with the prevailing Peruvian legislation.

The consolidated financial statements as of December 31, 2021 and for the year ended on that date were approved by the Mandatory Annual Shareholders' Meeting held on March 29, 2022 without amendments. The consolidated financial statements as of December 31, 2022 and for the year then ended were approved and authorized by the Audit Committee and Management on February 21, 2023 and will be submitted for their final approval by the Board of Directors and the Mandatory Annual Shareholders' Meeting within the period established by law. Management considers that the consolidated financial statements will be approved by the Board of Directors and the Mandatory Annual Shareholders' Meeting without amendments.

2 SIGNIFICANT EVENTS

a) Constitution of voluntary provision for loan losses -

The subsidiary Mibanco managed, at its General Shareholders' Meeting held on February 4, 2021, to reduce Capital Stock and Additional Capital for a total of S/400.0 million (see Note 6(f)), to constitute voluntary provisions for credits losses on loan portfolio in accordance with as indicated in the SBS Multiple Official Letter N°42138-2020 issued by the SBS in December 2020, net of deferred income tax for a total of S/282.0 million. In addition, the commitment to capitalize at least 80 percent of the profit for the year 2021 was approved. Shareholders Meeting held on March 30, 2022, the capitalization of the profits corresponding to the fiscal year 2021 for S/126.0 million.

This reduction was approved by the SBS through Resolution N°00868-2021-SBS dated March 24, 2021. As of December 31, 2022, S/52.4 million of the voluntary provision has been allocated to specific provision and the associated deferred income tax is S/15.5 million, resulting in total equity of S/245.1 million (S/16.4 million; S/4.8 million; and S/286.8 million; respectively as of December 31, 2021).

As of December 31, 2022, BCP reduces its equity proportionally to its equivalent participation for S/282.4 million (S/10.1 million as of December 31, 2022, and S/272.3 million as of December 31, 2021) and is included in “Other Reserves” in the consolidated statement of changes in equity. These voluntary provisions charged to the capital stock may not be reversed, but only reallocated to cover new credit risk requirements.

b) Current situation -

As of December 2022, in response to various political events that occurred in Perú, a series of riots and social protests have been taking place in different regions of the country; which has resulted in a decrease in commercial activity in these regions and, therefore, the temporary restriction of liquidity in certain people and companies. In this sense, the Group has carried out during the month of January 2023, rescheduling of loans to its customers within the framework of the measures implemented by the SBS for an amount of S/650,179 thousand, see Note 3(e).

In Management's opinion, this current situation has not affected our operations or generated any significant impact on the financial statements presented as of December 31, 2022.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of the consolidated financial statements of the Bank and its Subsidiaries are set out below:

a) Basis for presentation, and use of estimates -

The consolidated financial statements have been prepared in soles based on the accounting records of the Bank and its Subsidiaries, in accordance with Generally Accepted Accounting Principles applicable to financial entities. The accounting principles significantly comprise the SBS standards and, in a supplementary manner, when there are no specific SBS standards, the International Financial Reporting Standards - IFRS made official in Perú through the resolutions issued by the Consejo Normativo de Contabilidad (Peruvian Accounting Council, hereinafter “CNC” for its Spanish acronym), and in force as of December 31, 2022, see paragraph (z) of this Note.

These accounting principles are consistent with those used in 2022 and 2021.

The preparation of the consolidated financial statements requires Management to make estimates that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of significant events in the Notes to the consolidated financial statements.

Estimates are continuously evaluated and are based on historical experience and other factors. The final results may differ from said estimates; however, Management expects that the variations, if any, would not have a material impact on the consolidated financial statements.

The most significant estimates related to the accompanying consolidated financial statements correspond to the allowance for loan losses, valuation and impairment of investments, goodwill impairment valuation, the valuation of derivatives financial instruments and share - based payments plans; likewise, Management performs other estimates, such as estimated useful life and the recoverable amount of intangible assets, property, furniture and equipment and deferred income tax assets and liabilities. The accounting criteria used for said estimates are described in this Note.

Also, the financial statements of Subsidiaries and Branch offices overseas have been standardized to the accounting standards of the SBS.

b) Basis of consolidation -

The consolidated financial statements include the financial statements of the Bank and its Subsidiaries for all the years presented.

Subsidiaries are all entities over which the Bank has control, meaning the power to govern their financial and operating policies. This is generally evidenced by a shareholding of more than half of the voting rights. Subsidiaries are consolidated from the date on which effective control is transferred to the Bank and are no longer consolidated from the date that control ceases.

All transactions, balances, gains and losses between the Bank and its Subsidiaries have been eliminated in the consolidation process.

Transactions with non-controlling interest -

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as a capital transaction (equity transaction) and any resulting difference between the price paid and the amount corresponding to non-controlling shareholders must be recognized directly in the consolidated net equity.

The consolidated financial statements include the financial statements of the Bank and its Subsidiaries over wh
table below shows the main data of the Bank and its Subsidiaries engaged in the process of consolidation as o
eliminations made in said process:

Entity	Activity and country	Percentage of interest (direct and indirect)		Assets		Liabilities	
		2022	2021	2022	2021	2022	2021
		%	%	S/000	S/000	S/000	S/000
Banco de Crédito del Perú	Banking, Perú	-	-	178,287,543	185,707,116	156,286,674	165
Mibanco, Banco de la Microempresa, S.A. (1)	Banking small and micro credits, Perú	94.93	94.93	16,893,086	15,794,129	14,259,183	13
Solución Empresa Administradora Hipotecaria S.A.	Mortgage loans, Perú	100.00	100.00	93,771	109,244	62,214	
BCP Emisiones Latam 1 S.A. (2)	Investments, Chile	-	50.39	-	12	-	

(1) The subsidiary Mibanco, Banco de la Microempresa SA managed, at its General Shareholders' Meeting he
and Additional Capital for a total of S/400.0 million, to constitute voluntary provisions in accordance with as
42138-2020 in December 2020. See Note 2(a).

(2) The subsidiary BCP Emisiones Latam 1 S.A. was settled in April 2022.

c) Foreign currency -

Functional and presentation currency -

The Bank and its Subsidiaries consider the sol as its functional and presentation currency, because it reflects the nature of economic events and relevant circumstances, since its main operations and/or transactions such as loans granted, obtained financing, finance income, finance expenses, and a significant percentage of purchases; are established and settled in soles.

BCP Emisiones Latam 1 S.A. had a functional currency different from the sol; therefore, for consolidation purposes, as of December 31, 2021, and the period comprised on that date, their balances were translated to soles as follows:

- Assets and liabilities were translated at the free-market exchange rate prevailing at the date of the consolidated statement of financial position.

- Income and expenses, were translated at the average exchange rates on a monthly basis.

All differences resulting from the translation were included in "Translation results" of the consolidated statement of changes in net equity.

Transactions and balance in foreign currency -

Assets and liabilities in foreign currency are recorded for the Bank and its Subsidiaries at the exchange rate prevailing at the date of transactions. Monetary assets and liabilities denominated in foreign currency are adjusted at the exchange rate of the functional currency prevailing at the date of the statement of financial position, set by the SBS; see Note 30.3(b)(ii). Gains or losses resulting from the translation of foreign currency monetary assets and liabilities at the exchange rates prevailing at the date of the consolidated financial statements are included in “Net gain for exchange difference” in the consolidated statement of income.

d) Financial instruments -

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

In accordance with the standards issued by the SBS that regulate the accounting treatment of financial instruments, which include guidelines and criteria of IAS 39, all financial assets and liabilities, including derivative financial instruments, should be recognized in the consolidated statement of financial position and measured as per its classification.

The Bank and its Subsidiaries classify their financial instruments in one of the categories defined by IAS 39 and through SBS Resolution N°7033-2012 and its amendments: (i) financial assets and financial liabilities at fair value through changes in profit or loss; (ii) loan portfolio and receivables; (iii) available-for-sale financial investments; (iv) held-to-maturity financial investments and (v) financial liabilities at amortized cost. The Bank and its Subsidiaries determine the classification of their financial instruments at initial recognition.

Financial instruments classification at initial recognition depends on Management purpose and intention for which the financial instruments were acquired and their characteristics. All financial instruments are initially measured at their fair value plus incremental costs related to the transaction that are directly attributable to the purchase or issuance of the instrument, except in the case of financial assets and liabilities recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, that is the date on which the Bank and its Subsidiaries commits to purchase or sell the asset. Derivatives are recognized on a trade date basis.

Financial assets and liabilities presented in the consolidated statement of financial position correspond to cash and due from banks, interbank funds held, investments at fair value through profit or loss, investments available-for-sale and held-to-maturity, derivative financial instruments at fair value, the loan portfolio, accounts receivable (presented “Other assets, net”, see Note 9(a) and liabilities in general, except for the liabilities identified as non-financial instruments presented "Other liabilities", see Note 9(a). In addition, all derivative products and indirect loans are financial instruments. The specific accounting policies on recognition and measurement of these items are disclosed in the accounting policies described in this Note.

e) Recognition of income and expenses -

Interest income and expense are recognized in profit or loss of the period in which they are accrued, based on the effective validity of the operations which generate them and the interest rates freely agreed with customers, except in the case of interest generated by loans which are past due, refinanced, restated, and in judicial collection; as well as loans classified in the doubtful and loss categories and the interest on which is recognized as earned to the extent to which they are collected. When Management determines that the debtor’s financial condition has improved and the loan is reclassified to the status of current and/or the normal categories, with potential problems or deficient, interest is reestablished on an accrual basis.

As part of the prudential measures of the state of emergency due to COVID-19 outbreak, the SBS established through Multiple Official Letter N°11150-2020-SBS that companies in the financial system could modify the contractual conditions of different loan methods, without this constituting a refinancing as long as customers were up to date with their payments. Likewise, pursuant to Multiple Official Letter N°11170-2020-SBS, permission was established for the application of the accrual principle for the accounting recognition of interest associated with retail rescheduled loans, maintaining the criterion of what is received in the case of massively rescheduled non-retail debtors.

Likewise, through SBS Resolutions N°3155-2020 and N°3922-2021, it was established that accrued interest not collected at the rescheduling date, recognized as income, which is capitalized due to the rescheduling, must be reversed, and recorded as deferred income, accounting for income based on the new loan term and as the respective installments are paid.

Likewise, through SBS Resolution N°54961-2022-SBS, the SBS established exceptional measures applicable to retail debtor who may have been affected as a result of the occurrence of social conflicts at the national level registered as of December 7, 2022, allowing financial entities to modify the contractual conditions of the various types of credit for retail debtors, see Note 2(b), without this modification constituting a refinancing, to the extent that certain criteria are met. In these cases, the accounting record of the interest associated with the rescheduled credit operations must be carried out by cash basis. Likewise, the accrued interest not collected on the date of the rescheduling, recognized as income, that is capitalized as a result of the rescheduling, must be returned and recorded as deferred income, accounting as income based on the new term of the credit and as they are cancelled the respective quotas.

Interest income includes returns earned on fixed income investments classified as investments at fair value through profit or loss, available-for-sale and held-to-maturity, which includes the accrued discount and premium on said financial instruments.

Dividends are recognized as income when they are declared.

Commissions and expenses for credit formalization, as well as for opening, study and evaluation of direct and indirect loans are recorded as income based on their accrual over the term of the respective contracts.

Commissions for financial services related to the maintenance of approved loans and to fees for additional and/or complementary operations or services to said loans, other than those indicated in the previous paragraph, are recognized as income when received. All other revenues and expenses are recognized as earned or incurred in the period in which they accrue.

f) Loans and allowance for loan losses -

Direct loans are recorded when disbursement of funds is made to clients. Operations with credit cards are recorded as loans for the amount consumed and/or withdrawn. Indirect loans (contingent) are recorded when the documents supporting said facilities are issued.

Loans considered as refinanced are loans or direct financing of which the original contractual terms and/or amounts have been modified due to difficulties in the payment capacity of the debtor. Loans considered as restructured are those subject to reprogramming of approved installments under a restructuring process in accordance with Law N°27809 - “Ley General del Sistema Concursal”

Finance lease operations are accounted for under the financial method, recording as loans the principal of the lease installments pending collection.

Finance income is based on a pattern that reflects a constant interest rate over the net loan.

As of December 31, 2022 and 2021, the allowance for loan losses is determined following guidelines established by SBS Resolutions N°11356-2008 “Regulation for the evaluation and classification of the debtor and the requirement for provisions” and amendments and SBS Resolutions N°6941-2008 “Regulation for Managing the Risk of Retail Debtors with High Leverage Levels”.

Since December 2020, due to the national state of emergency due to Covid-19, through SBS Resolutions N°3922-2021 and N°3155-2020, the SBS modified SBS Resolution N°11356-2008 establishing higher provisions for rescheduled loans. Likewise, through SBS Resolutions N°1314-2020, N°1333-2021 and N°2165-2022, it established exceptional measures for the provision for credit risk with respect to loans covered by the guarantee of the Reactiva Perú Program, even if they are rescheduled, see Note 6(k).

In accordance with SBS Resolution N°11356-2008, the loan portfolio is separated into retail and non-retail borrowers, who could be individuals or legal entities. Retail borrowers have direct or indirect loans, classified as consumer (revolving and non-revolving), micro-business, small business or mortgage loans. Non-retail borrowers have direct or indirect loans classified as corporate, large business or medium business loans.

The provision includes, in general terms, the following components: (i) the provision resulting from the portfolio classification, (ii) the procyclical provision that is activated by the SBS considering the behavior of certain macroeconomic variables of the country (until 2014), (iii) the provision for over-indebtedness of the retail portfolio, if applicable, and (iv) the provision for foreign exchange credit risk and country risk, if applicable.

In this sense, Management periodically reviews and analyzes the loan portfolio, classifying it into the following categories: normal, potential problem, substandard, doubtful or loss, depending on the degree of risk of default of payment of each debtor.

For non-retail loans, the classification into one of the categories mentioned above considers, among others, the following factors: the payment history of the specific debtor, the history of the commercial relations with the debtor’s Management, the debtor’s operating history, repayment capability and availability of funds of the debtor, the status of any collateral or guarantee received, the analysis of the debtor’s financial statements, the debtor’s risk classification given by other financial institutions; plus other relevant factors as well as other factors such as sectoral and macroeconomic. For retail loans, the classification is based, mainly, on how long payments are overdue.

The allowance rate for indirect loans, is determined according to the loan conversion factor, which can be 0, 20, 50 and 100 percent, on the basis of “Exposure equivalent to credit risk”.

The provision is computed considering the risk classifications assigned and using specific percentages, which vary depending on whether or not the loans are secured by self-liquidating preferred guarantees (mainly cash deposits and rights on credit certificates); highly liquid preferred guarantees (treasury bonds issued by the Peruvian Government, financial instruments of the Peruvian Central Bank - BCRP, debt instruments issued by governments and central banks traded on a stock exchange, among others) or preferred guarantees (primary pledge on financial instruments, machinery, property, agriculture products or mineral, insurance credit on exports, among others), considered at their net realizable value as determined by independent appraisers.

Furthermore, for the calculation of the provision, the classification of the guarantor or cosignatory must be considered, in case the credits have the joint and several responsibilities of a company of the financial or insurance system (credits subject to the substitution of credit counterparty – CAC).

The provision for customers classified as doubtful or loss for more than 36 and 24 months, respectively, is computed without considering the value of the guarantees.

For loans over 90 days past due, the expected loss is estimated and, if it is greater than the provision recorded, the Bank and its Subsidiaries must record additional provisions.

In the case of debtors operating in countries where there is a higher risk of difficulties in servicing external debt, an assessment of the political and economic situation is made, and an additional country risk allowance is recorded.

Pro-cyclical provisions were calculated for loans classified as normal and according to the percentages established by the SBS. However, as of December 31, 2022, and 2021, the pro-cyclical component of the provision was deactivated as established by the Circular Letter SBS N°2224-2014 and its amendment, SBS Resolution N°3718-2021.

Risk administration of over-indebtedness of retail borrowers is required by SBS Resolution N°6941-2008, issued on August 25, 2008, “Regulation for managing the risk of over-indebtedness of retail borrowers”, amended by SBS Resolution N°5570-2019, dated November 27,2019. This standard requires that financial entities establish an over-indebtedness risk Management system that will enable them to reduce risk, prior to and after granting the loan; as well as constant monitoring of the loan portfolio to identify over-indebted debtors, which includes the periodic evaluation of the control mechanisms used, as well as the corrective actions or improvements required, as applicable. For provisioning purposes, the financial entities that fail to comply with this standard to the satisfaction of the SBS, must calculate the exposure equivalent to the credit risk by applying a 20 percent factor to the unused amount of revolving credit lines for micro-business and consumer loans, and based on said amount, compute the provision according to the debtor’s classification.

As of December 31, 2022 and 2021 Management considers that the Bank and its Subsidiaries have complied with the requirements of SBS Resolution N°6941-2008, so it was not necessary to record additional general provisions relating to the inadequate administration of risk of over-indebtedness.

As of December 31, 2022 and 2021 the Bank and its Subsidiaries have recorded provisions for doubtful accounts that exceed the minimum established by the standards of the SBS, to cover additional risks of impairment which are estimated in the loan portfolio, based on the existence of objective evidence that the financial asset or a group of them is impaired or could be in the future.

The direct loans allowance is presented as an asset deduction, while the allowance for indirect loans is presented as a liability; see Note 9(a).

g) Derivative financial instruments -

Derivative financial instruments are recorded in accordance with accounting criteria established by SBS Resolution N°1737-2006 “Regulation for Trading and Accounting of Derivatives for Financial Entities” and amendments, as explained below:

Trading -

Derivative financial instruments are initially recognized at fair value recognizing an asset or liability in the consolidated statement of financial position, and the related gains and losses are recorded in the consolidated statement of income. Also, transactions with derivative financial instruments are recorded as contingent risks and commitments at their reference value in the committed currency, see Note 19(d).

Fair values are estimated based on the market exchange and interest rates.

Hedging -

A derivative financial instrument that seeks to achieve a financial hedge for a given risk is designated as for hedge purposes if, at its negotiation, it is foreseen that changes in fair value or cash flows are expected to be highly effective in offsetting the fair value or cash flow changes of the hedged item attributable to the hedged risk from inception, which must be documented when the financial derivative is negotiated and during the period that the hedge relation exists. A hedge is considered as highly effective if changes in fair value or cash flows attributable to the hedged risk during the period for which the hedge is designated are expected to be offset in a range of 80 percent to 125 percent.

If the SBS considers the documentation to be insufficient or finds weaknesses in the methodologies applied, it may require the immediate termination of the hedge relationship and the recording of the derivative financial instrument as trading.

For cash flow hedges, the effective portion of gain or loss over the hedge instrument, net of its tax effect, is recognized directly in the consolidated statement of changes in net equity, in “Unrealized gains (losses)” as a cash flow hedge reserve. The ineffective portion of gain or loss of the hedging instrument is recognized in the consolidated statement of income. The amounts recorded in equity are transferred to the consolidated statement of income in the periods when the hedged item is recorded in the consolidated statement of income or when a planned transaction occurs.

For fair value hedges which qualify as such, changes in fair value of the hedge derivative are recognized in the consolidated statement of income. Changes in fair value of the hedged item attributed to the hedged risk are recorded as part of the balance of the hedged item and recognized in the consolidated statement of income.

If the hedge instrument expires, is sold, terminated or exercised, or when the hedge does not fulfill the hedging accounting criteria, the hedge relationship is prospectively terminated, and the balances recorded in the consolidated statement of financial position are transferred to the consolidated statement of income during the term the hedged item is kept.

h) Investments at fair value through profit or loss (trading), available-for-sale and held-to-maturity -

As of December 31, 2022, and 2021, investments are valuated in accordance with Resolution SBS N°7033-2012 and amendments.

The criteria for valuation of investments, according to their classification are as follows:

- Investments at fair value through profit or loss - Initial recognition is at fair value, recording the transaction costs associated with such investments as expenses. Subsequent measurement is at fair value and any gain or loss arising from changes in the initial cost and subsequent fair value is recognized directly in the consolidated statement of income.

- Investments available-for-sale - Initial recognition is at fair value, including the transaction costs that are directly attributable to their acquisition. Gains or losses originated by changes between the initial cost and fair value are recognized directly in equity, unless there is a permanent impairment in its value exists, which in this case is recognized in the consolidated statement of income. When an instrument is realized or sold, the unrealized gain or loss previously recognized as part of equity will be transferred to the consolidated statement of income.

In the case of debt securities, before their subsequent measurement at fair value, the amortized cost is updated applying the effective interest rate; based on this amortized cost, gains or losses due to changes in fair value are recognized.

- Investments held-to-maturity - Initial recognition is at fair value, including the transaction costs that are directly attributable to their acquisition; subsequent measurement is at amortized cost, using the effective interest rate method.

Transactions are recorded at the trade date, that is, the date of the assumption of the reciprocal obligations that must be complied with, within the term established by the regulations and practices of the market in which the transaction is performed.

Interest is recognized using the effective interest rate, which includes both the interest receivable and the amortization of the premium or discount existing in the acquisition.

Gains or losses from exchange differences related to the amortized cost of debt instruments affect the consolidated result of the period, and those related to the difference between the amortized cost and the fair value are recorded as part of the unrealized gain or loss in equity.

Equity instruments are considered non-monetary items, therefore, they are maintained at their historical cost in local currency, and the exchange differences are part of their valuation and are recognized as unrealized results in the consolidated equity.

The difference between the revenues received from the sale of the investments and their book value is recognized in the consolidated statement of income.

Impairment assessment -

Resolution No.7033-2012, which was modified with SBS Resolution No. 2610-2018 and SBS Resolution No.4034-2022 establishes a standard methodology for the identification of impairment of financial instruments classified as available-for-sale investments and held-to-maturity investments, which must be applied quarterly to all debt and equity instruments as follows:

(i) Debt instruments -

The occurrence of the following situations must be evaluated for the entire portfolio:

1. Impairment of financial position or financial ratios of the issuer or its economic group.

2. Discount in any of the credit ratings of the instrument or the issuer, in at least two (02) "notches", from the moment the instrument was acquired, where a "notch" corresponds to the minimum difference between two risk ratings within the same rating scale.

3. Interruption of transactions or of an active market for the financial asset, due to issuer financial difficulties.

4. The observable data indicates that since its initial recognition of a group of financial assets with similar characteristics to the instrument evaluated, there is a measurable decrease in its estimated future cash flows, although it can not yet be identified with individual financial assets of the group.

5. Decrease in value due to legislation changes (taxes, regulatory or other governmental changes).

6. Significant decrease in fair value below amortized cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40 percent below its amortized cost at that date.

7. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20 percent compared to the amortized cost of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months, has always remained below the amortized cost corresponding to the closing date of each month.

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Breach of contractual clauses like interruption of the interest or capital payments due to financial difficulties of the issuer.

2. Forced renegotiation of the contractual conditions of the instrument due to legal or financial difficulties related to the issuer.

3. Evidence that the issuer is to enter into a forced restructuring or bankruptcy process.

4. Downgrading of the risk classification, classified as investment grade, towards a classification that is below the investment grade.

(ii) Equity Instruments -

The occurrence of the following situations must be evaluated for the whole portfolio:

1. Downgrading of the risk classification, of a debt instrument classified as investment grade, towards a classification that is below the investment grade.

2. Adverse conditions of the investment and the issuer. Adverse conditions include unfavorable changes in the technological, market, economic or legal environment in which the investment or issuer operates.

3. Impairment of the financial position or financial ratios of the issuer or its economic group.

4. Interruption of transactions or of an active market due to financial difficulties of the issuer.

5. Observable data indicates that since the initial recognition of a financial assets group with similar characteristics to the instrument evaluated, it exists a measurable decrease in their estimated future cash flows, although it cannot be attributed to specific financial assets from the group.

6. Decrease in value due to legislation changes (taxes, regulatory or other governmental changes).

In case at least two (2) of the situations described above are met, it will be considered that there is impairment.

In case that at least two (2) of the situations described above have not been given, it is sufficient that one of the following specific situations be presented to consider that there is impairment:

1. Significant decrease in fair value below its acquisition cost. It will be considered as a significant decrease if the fair value at the closing date has decreased at least 40 percent below its cost value.

2. Prolonged decrease in fair value. It will be considered as a prolonged decrease if the fair value at the closing date has decreased by at least 20 percent compared to the fair value of twelve (12) months ago and, the fair value at the closing date of each month during the period of twelve (12) previous months has always remained below the cost of acquisition.

3. Breach of the statutory provisions by the issuer, related to the payment of dividends.

4. Evidence that the issuer is to enter into a forced restructuring or bankruptcy process.

In the case of changes from available-for-sale investment categories to held-to-maturity investments, the carrying amount of the fair value of the investment instrument on the date of the change will become its new amortized cost. Any previous result of that instrument, which previously would have been recognized directly in equity, will be taken to the result of the period throughout the remaining life of the investment held to maturity, using the effective interest rate method. Any difference between the new amortized cost and the amount at maturity will also be amortized over the remaining life of the investment instrument using the effective interest rate method similar to the amortization of a premium or discount. If the investment instrument subsequently suffered an impairment in value, any gain or loss that would have been recognized directly in equity will be transferred and recognized in the result of the period. During the year 2022, the Bank reclassified a group of available-for-sale investments to the held-to-maturity investment category for an amount of S/1,683.4 million, see Note 5(d).

i) Investments in associates -

An associate is an entity over which the Bank and its Subsidiaries exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity, but without exercising control over said policies.

The considerations taken into account to determine significant influence are similar to those necessary to determine control over subsidiaries.

The Bank and its Subsidiaries investments in its associates are recognized initially at fair value, including the transaction costs that are directly attributable to their acquisition. These investments are subsequently accounted for using the equity method.

In the case of securities that are quoted in centralized trading mechanisms, when their market value shows a declining trend for reasons considered non-temporary, the Bank and its Subsidiaries must record an impairment provision, however, the SBS, at its discretion, may require a higher impairment provision to be recorded.

The investments in associates are included in “Investments in associates” in the consolidated statement of financial position; gains resulting from the use of the equity method are included in “Net results on securities” of the consolidated statement of income.

j) Property, furniture and equipment and depreciation -

Property, furniture and equipment are recorded at historical acquisition cost, less accumulated depreciation and accumulated amount of impairment losses of the asset, if applicable, see paragraph (r) below. Historical acquisition costs include the expenses that are directly attributable to the acquisition of property, furniture and equipment. Maintenance and repair costs are charged to the consolidated statement of income; significant renewals and improvements are only capitalized when it is probable that future economic benefits, in excess of the originally assessed standard of performance, will flow from the use of the acquired property, furniture and equipment and if its cost can be reliably assessed. The cost and corresponding accumulated depreciation of the assets sold or retired are eliminated in the respective accounts and the gain or loss generated is included in the results for the period.

Work in progress and in transit units are recorded at their acquisition cost. These goods are not depreciated until they are operational.

Land is not depreciated. Depreciation of the other items under this heading is computed on a straight-line basis over the following estimated useful lives:

	Years
Buildings and other constructions	33
Facilities	10
Furniture and fixtures	10
Computer hardware	4
Equipment and vehicles	5

The residual value and the useful life assigned are reviewed annually to ensure that they are consistent with the future economic benefit and life expectancies of property, furniture and equipment items.

Gains and losses on disposals of property, furniture and equipment are recorded in the statement of income within non-financial income from sale of fixed assets.

k) Seized assets, assets received in payment and adjudicated assets -

Realizable assets include assets purchased specifically for granting them as part of finance leasing operations and are recorded initially at their acquisition cost; realizable assets not granted in finance lease operations are recorded at the lower of cost or market value.

Assets received in payment, adjudicated and seized (originating from terminated finance lease contracts) are initially recorded at the value assigned to them, through a legal proceeding, out-of-court settlement, market value or at the unpaid value of the debt, whichever is lower. At the time of initial recognition, a provision equivalent to 20 percent of the above determined value must be recorded; being able to stabilize for this purpose the provision that was constituted by the related credit.

Thereafter, additional provisions should be recorded using the following guideline:

- Assets other than real estate - a uniform monthly provision is established with effect from the first month of the date, seizure or recovery, for a period of twelve months, until providing for 100 percent of the net seized or recovered value.

- Real estate - uniform monthly provisions are made over the net carrying amount obtained at the twelfth month; as long as the six-month extension contemplated in SBS Resolution N°1535-2005 has not been obtained, in which case uniform monthly provisions are made over the net carrying amount obtained in the eighteenth month. In both situations, the provisions are made until providing for 100 percent of the net carrying amount in a term of three and a half years, starting from the date in which monthly provisions began to be made.

The annual update of the valuations of these assets, determined by an independent appraiser, involves, if necessary, the recording of impairment provisions.

l) Business combination -

Business combinations are accounted for using the acquisition method according to IFRS 3 "Business Combinations". The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Bank and its Subsidiaries elect whether to measure the non-controlling interest in the acquired business at fair value or at the proportionate share of the acquired business's identifiable net assets. Acquisition costs incurred are expensed and included in "General and administrative expenses" in the consolidated statement of income.

When the Bank and its Subsidiaries acquires a business, it assesses the financial assets and liabilities assumed for their appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquired business.

Any contingency to be transferred by the acquirer must be recognized at fair value at the acquisition date. The contingency classified as an asset or liability that is a financial instrument and is within the scope of SBS Manual of Accounting, is measured at fair value with changes in the consolidated statement of income or as a change in the consolidated statement of comprehensive income. If the contingency is not within the scope of SBS Manual of Accounting, it is measured in accordance with the applicable IFRS. The contingency that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Acquisition of a non-controlling interest is recorded directly in the consolidated statement of changes in net equity; the difference between the amount paid and the share of the net assets acquired is recorded as an equity transaction. Therefore, no additional goodwill is recorded upon purchase of the non-controlling interest, nor is a gain or loss recognized upon disposal of the non-controlling interest.

The net equity attributable to the non-controlling interest is presented separately in the consolidated statement of financial position. The profit attributable to the non-controlling interest is presented separately in the statement of income and the statement of comprehensive income.

As of December 31, 2022, and 2021, there have been no business combinations.

m) Finite useful life intangible assets -

The intangible assets are included in "Other assets, net" in the consolidated statement of financial position and are recorded at historical acquisition cost less accumulated amortization and accumulated impairment losses, if applicable; see following paragraph (r). These assets are composed principally of acquisition and development of software used by the Bank and its Subsidiaries in their own operations, which are recorded at cost; cession of brand use rights, which are recorded considering the related contract; as well as finite useful life intangible assets identified in the acquisition of Edyficar and Mibanco in 2009 and 2014, respectively, which were recognized in the consolidated statement of financial position at their fair values determined at their acquisition date, corresponding to the brand name; customer relationships, and depositor relationships, see Note 9(e).

The amortization of the finite useful life intangible assets of the Bank and its Subsidiaries is calculated using the straight-line method, based on their estimated useful lives; see Note 9(e).

According to SBS Resolution N°1967-2010, finite useful life intangible assets are amortized over a maximum period of five years, except for the brand that is amortized over 25 years.

n) Indefinite useful life intangible assets - Goodwill -

Goodwill is the excess of the aggregate of the consideration transferred and the fair value recognized for the acquisition of the net value of the identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, then the gain is recognized in the consolidated statement of income.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units (CGU) of the Bank and its Subsidiaries that are expected to benefit from the business combination, irrespective of whether other assets or liabilities of the acquired business have been distributed to these units.

If the goodwill has been distributed to a CGU and part of the assets with which said unit operates are disposed of, the goodwill and the assets disposed of are included in the carrying amount of the transaction upon determining the loss or reduction for said disposal. Under these circumstances, the goodwill disposed of is measured based on the relative value of the assets disposed of and the retained portion of the CGU.

Impairment of goodwill is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

o) Bonds and subordinated notes issued -

Includes liabilities from the issuance of the various types of bonds and subordinated Notes, which are initially recorded at their fair value plus the incremental costs related to the transaction that are directly attributable to the instrument's issuance. Upon initial recognition, they are measured at their amortized cost applying the effective interest rate method. The amortized cost is calculated taking into account any issuance discount or premium, as well as the costs that are an integral part of the effective interest rate and the hedged bonds are at fair value. The hedged bonds are recorded at their fair value.

Likewise, accrued interest is recognized in the consolidated statement of income in the account "Interest on bonds and subordinated Notes issued" of the "Finance expenses" item, according to the contractual terms.

p) Income tax -

Current Income tax is calculated based on taxable income determined for tax purposes, which is determined using principles that differ from the accounting principles used by the Bank and its Subsidiaries.

Therefore, the Bank and its Subsidiaries have recorded deferred income taxes, considering the guidelines of IAS12 - Income Tax. Deferred income tax reflects the effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the amounts determined for tax purposes. Deferred assets and liabilities are measured using the tax rates expected to be applied to taxable income in the years in which temporary differences are expected to be recovered or settled. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences which arise from the way in which the Bank and its Subsidiaries expect to recover or settle the carrying amount of its assets and liabilities at the date of the consolidated statement of financial position.

The carrying amount of deferred tax assets and deferred tax liabilities may change even though there is no change in the amount of temporary differences, due to a change in the rate of income tax. The effect of the change in deferred tax, corresponding to the tax rate change shall be recognized in the consolidated statement of income for the period, except for items previously recognized outside the consolidated statement of income (either in other comprehensive income or directly in equity).

Deferred tax assets and liabilities are recognized without taking into consideration the time when it is estimated that temporary differences will be written off. Deferred assets are recognized when it is probable that sufficient future tax benefits will exist for the deferred assets to be applied. As at the date of the consolidated statement of financial position, the Bank and its Subsidiaries evaluate the non-recognized deferred assets and the balance of the recognized assets, recording a deferred asset not previously recognized to the extent that probable future tax benefits will allow its recovery, or reducing a deferred asset to the extent that it is not likely that sufficient future tax benefits will be available to use part or all of the deferred assets previously recognized.

In accordance with IAS 12, the Bank and its Subsidiaries determine their deferred income tax considering the tax rate applicable to its retained earnings; any additional tax on dividend distribution is recorded on the date a liability is recognized.

q) Share-based payment transactions -

The Bank and its Subsidiaries have a voluntary share-based participation plan, which was implemented in the year 2009 and consists of granting a number of shares of Credicorp Ltd. For said purpose, the Bank acquires each year shares of Credicorp Ltd., which are legally delivered to the executives, vesting in 3 years from the granting date (March or April of each year).

The Bank is responsible for settling the transaction with Credicorp Ltd shares, recording it as though they were settled in cash.

When terms or price of the plan are modified, the effect of the change is recorded in the consolidated statement of income.

r) Impairment of non-financial assets -

When changes or certain events indicate that the value of an asset may not be recoverable, it is submitted to tests in order to verify that there is no permanent impairment in its value. When the carrying amount of the asset exceeds its recoverable value, a loss for impairment is recognized in the consolidated statement of income. The recoverable value is the higher between the net sale price and its value in use. The net sale price is the amount that can be obtained from the sale of an asset in a free market, while the value in use is the present value of the estimated future cash flows provided by the continuous use of an asset and its disposal at the end of its useful life. The recoverable amounts are estimated for each asset or, if not possible, for each cash generating unit.

s) Fiduciary activities -

Assets and cash flows from fiduciary operations in which there is a commitment to return such assets and cash flows to clients and in which the Bank and its Subsidiaries participate as a fiduciary, have been excluded from these consolidated financial statements, because the Bank and its Subsidiaries are not owners of said assets and cash flows and they do not assume the risks and rewards that arise from their ownership. The commissions for these activities are included in “Commissions for banking services, net”.

t) Provisions -

Provisions are only recognized when the Bank and its Subsidiaries have a present (implicit or legal) obligation as a result of past events, it is probable that an outflow of resources will be required to settle said obligation and, at the same time, the amount can be reliably estimated. Provisions are reviewed in each period and are adjusted to reflect their best estimate at the date of the consolidated statement of

financial position. When the effect of the time value of money is significant, the amount of the provision is the present value of future payments required to settle the obligation.

u) Contingencies -

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed in notes to the consolidated financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the consolidated financial statements, but they are disclosed if it is probable that an inflow or income of economics benefits will take place.

v) Earnings per share -

Basic and diluted earnings per share are calculated by dividing the net profit by the weighted average number of shares in circulation during the year. Shares that are issued due to the capitalization of retained earnings are deemed to be stock splits; therefore, for the computation of the weighted average number of shares, they are considered as if they had always been issued.

As of December 31, 2022 and 2021, the Bank and its Subsidiaries do not have financial instruments with dilutive effects, therefore, basic and diluted earnings per share are the same.

w) Repurchase agreements -

Through SBS Resolution N°5790-2014, effective on September 3, 2014, the SBS approved the new “Regulations of reporting transactions applicable to companies in the financial system”.

The Resolution allows the development of sales operations with repurchase agreements, simultaneous sale and purchase of securities and operations of temporary transfer of securities; it also establishes the accounting treatment of said transactions.

The provision established in said regulation are in accordance with the criteria in IAS 39, "Financial Instruments: Recognition and Measurement”.

Securities sold under agreements to repurchase at a specified future date are not derecognized from the consolidated statement of financial position, as the Bank and its Subsidiaries retain substantially all the risks and rewards of ownership. The related cash received is recognized in the consolidated statement of financial position as an asset with a corresponding obligation to return it, including accrued interest as a liability in “Payables from repurchase agreements”, reflecting the transaction’s economic substance as a loan to the Bank and its Subsidiaries.

The difference between the sale and repurchase prices is recorded in “Financial expenses” in the consolidated statement of income and is accrued over the life of the agreement using the effective interest rate.

In the same way, securities purchased under agreements to resell at a specified future date are not recognized in the consolidated statement of financial position. The consideration paid, including accrued interest, is recorded in the consolidated statement of financial position, in “Receivables from reverse repurchase agreements”, reflecting the transaction’s economic substance as a loan by the Bank and its Subsidiaries. The difference between the purchase and resale prices is recorded in “Financial Income” of the consolidated statement of income and is accrued over the life of the agreement using the effective interest rate.

If securities purchased under agreement to resell are subsequently sold to third parties, the obligation to return the securities is recorded as a short sale in “Financial liabilities designated at fair value through profit or loss” of the consolidated statement of financial position, and measured at fair value, with any gains or losses included in “Other non-finance income” and “Other operating expenses”, as applicable, in the consolidated statement of income”.

Securities lending transactions are usually collateralized by securities. The transfer of the securities to counterparties is only reflected on the consolidated statement of financial position if the risks and rewards of ownership are also transferred.

x) Purchase operation and repurchase agreement of foreign currency -

On January 6, 2015, Circular Letter N°002-2015-BCRP came into effect, including three additional currency reporting schemes for the purpose of supporting the process of de-dollarization of credit; denominated as Expansion (with the objective of supporting credit growth in local currency and for which the amount transferred in foreign currency to BCRP will be deducted from the general regime of legal cash reserve requirement in foreign currency), Substitution (with the objective of supporting the conversion of credits in foreign currency into local currency); and Regular (used to alleviate liquidity requirements), annulling the previous circulars.

Under these three schemes, the Bank and its Subsidiaries receive cash in Soles from BCRP that it must return at maturity, for which it recognizes a liability in "Payable for repurchase agreements" in the statement of financial position, including accrued interest computed according to the method of the effective interest rate. Simultaneously, the Bank and its Subsidiaries deliver cash in U.S. dollars to BCRP; the availability of cash will be restricted until the maturity of the operation, so the Bank and its Subsidiaries record an asset under "Restricted funds" in the consolidated statement of financial position. The interest generated by the cash received will be recorded in "Financial expenses", in the consolidated statement of income.

y) Cash and cash equivalents -

Cash and cash equivalents presented in the consolidated statement of cash flows correspond to the balances of available funds from the statement of financial position, which include deposits with less than three months to maturity from the acquisition date, term deposits with BCRP, funds deposited in central banks and “overnight” deposits, excluding restricted funds.

z) International Financial Reporting Standards (IFRS):

z.i) IFRS issued and in effect in Perú as of December 31, 2022 -

The CNC has issued the following Resolutions during the period 2022:

- Resolution N°002-2022-EF / 30, issued on September 8, 2022, makes official the set of International Financial Reporting Standards version 2022: Conceptual Framework for financial information, from IAS 1 to IAS 41, of the IFRS 1 to IFRS 17, pronouncements 7, 10, 25, 29 and 32 of the SIC, as well as the interpretations from IFRIC from 1 to 23”.

The application of the versions is from the day following the issuance of the Resolution, or later, according to the entry into force stipulated in each specific standard.

Not all standards are for adoption by financial entities in Perú, unless the SBS standards on their adoption.

Through Official Letter N°467-2019-SBS issued on January 7, 2019, the SBS specified that IFRS 16 - "Leases" will not apply to supervised companies, and they must continue to apply specific standards issued, as well as IAS 17 - "Leases” in what is not specified by them.

z.ii) IFRS issued but not yet effective as of December 31, 2022 -

New IFRS and amendments, the application of which is not required for the year 2022 and which have not been early adopted by the Bank and its Subsidiaries are summarized below:

- Amendments to IAS 1: Presentation of Financial Statements. Classification of liabilities as current or non-current. Effective for annual periods beginning on or after January 1, 2023. Early application is allowed.

- Modifications to IAS 8: Accounting policies, changes in accounting estimates and errors - Definition of accounting estimates. Effective for annual periods that begin as of January 1, 2023 and apply for changes in accounting policies and changes in accounting estimates that occur on or after the beginning of the period annual. Early application is permitted provided this fact is disclosed.

- Amendments to IAS 12: Deferred taxes related to assets and liabilities that arise from a Single Transaction. Effective for annual periods beginning on or after January 1, 2023. Early application is allowed as long as this fact is disclosed.

- Amendments to IFRS 16: Sales with leaseback. Effective for periods years beginning on or after January 1, 2024. Its application is allowed anticipated provided that this fact is disclosed.

Because these standards only apply in a supplementary manner to the accounting principles and practices established by the SBS, the Bank and its Subsidiaries have not estimated any effect on their financial statements if said standards were adopted by SBS.

4 CASH AND DUE FROM BANKS

The composition of this item is presented below:

	2022 S/000	2021 S/000
Cash and clearing (a)	4,903,160	4,441,447
Deposits with Central Reserve Bank of Peru (BCRP) (a)	24,160,723	25,359,565
Deposits with local and foreign banks (b)	1,964,782	5,555,382
Accrued interest	49,646	966
Total cash and cash equivalents	31,078,311	35,357,360
Restricted funds (c)	362,988	765,154
Total cash and due from banks	31,441,299	36,122,514

(a) These accounts mainly include the legal cash requirements that the Bank and its Subsidiaries must keep to be able to honor their obligations with the public, and they are within the limits established by current legislation. These funds consist of the following:

	2022 S/000	2021 S/000
Legal cash requirements:		
Deposits with BCRP	21,103,687	19,383,577
Cash in vaults of the Bank and its Subsidiaries	4,714,275	4,275,997
Sub total legal cash requirements	25,817,962	23,659,574

	2022 S/000	2021 S/000
Additional funds:		
Overnight deposits	2,013,703	4,536,379
Term deposits with BCRP	545,000	1,260,000
Other deposits with BCRP	498,333	179,610
Cash and others	188,885	165,449
Sub total additional funds	3,245,921	6,141,438
Total	29,063,883	29,801,012

As of December 31, 2022, cash and deposits subject to legal cash requirements in local and foreign currency are subject to an implicit rate of 6.01 percent and 34.55 percent, respectively, on the total balance of obligations subject to legal fund requirements, as required by the BCRP (4.77 percent and 33.17 percent, respectively, as of December 31, 2021).

The legal cash requirements funds which represent the minimum mandatory do not earn interest; however, the legal cash requirements held at the BCRP in excess of the legal minimum, bear interest at a nominal rate established by the BCRP. As of December 31, 2022 the excess reserve requirement in foreign currency accrued interest at a higher rate between: (i) 25.00 percent of the Chicago Mercantile Exchange (CME) Term Secured Overnight Financing Rate (SOFR) accrued at 1 month less 10 basis points , and (ii) the CME Term SOFR rate accrued at 1 month less 50 basis points (It accrued interest at a rate equivalent to Libor at one month less 50 basis points, in 2021), in none of these cases can this remuneration be negative.

On the other hand, the excess reserve requirement in local currency accrued interest at the rate of overnight deposits in Soles less 195 basis points as of December 31, 2022 and 2021.

As of December 31, 2022, the Bank and its Subsidiaries had an excess in foreign currency for approximately US$3,664.2 million, equivalent to approximately S/13,975.3 million and accrued interest at a rate of 3.79 percent and an excess in local currency that amounts to approximately S/8.0 million and accrued interest at a rate of 3.30 percent (US$3,601.2 million, equivalent to approximately S/14,358.0 million, and an excess reserve in local currency for S/2.5 million as of December 31, 2021, which did not accrue interest).

As of December 31, 2022, available funds have overnight operations in U.S. dollars and Soles with the BCRP, for US$518.8 million equivalent to S/1,978.7 million at a nominal rate of 4.39 percent with a 4 days maturity and for S/35.0 million at an effective rate of 5.25 percent with a 4 days maturity.(US$964.7 million, equivalent to S/3,846.4 million at a nominal rate of 0.05 percent with a 3 day maturity and another for S/690.0 million at an effective rate of 1.85 percent with a 3 day maturity as of December 31, 2021).

To manage liquidity and in view of the BCRP's offer of profitable rates for short-term deposits, the Bank and its Subsidiaries maintain four term deposits, which are denominated in Soles for a nominal value of S/545.0 million, accrue interest at an annual rate of 7.30 percent and 7.49 percent and have maturities on January 3, 2023. As of December 31, 2021, the group held four term deposits denominated in Soles for a nominal value of S/1,260.0 million, which accrued interest at an annual rate of 2.48 percent and 2.49 percent and had maturities between January 3 and January 4, 2022. The decrease in term deposits at the BCRP is mainly due to lower liquidity surpluses due to a lower level of customer deposits.

(b) Deposits in local and foreign banks mainly comprise balances in Soles and U.S. dollar; they are freely available and bear interest at market rates. As of December 31, 2022 and 2021 the Bank and its Subsidiaries do not maintain significant deposits with any particular bank.

(c) The Bank and its Subsidiaries maintain restricted funds related to:

	2022 S/000	2021 S/000
Repurchase agreements with BCRP (*)	200,355	328,369
Derivative financial instruments	113,930	407,736
Repurchase agreements with other entities	24,593	16,091
Others	24,110	12,958
Total	362,988	765,154

(*) Comprising deposits in U.S. dollars held at the BCRP which guarantee repurchase agreements amounting to S/185.0 million as of December 31, 2022 (S/285.0 million as of December 31, 2021), see Note 11(a).

Cash and cash equivalents presented in the consolidated statement of cash flows, excludes the restricted funds, see Note 3(y).

5 INVESTMENTS

As of December 31, 2022 and 2021, this item comprises the following:

	2022 S/000	2021 S/000
Investments at fair value through profit or loss (a)	1,011	1,261,896
Investments available-for-sale (b)	15,255,787	19,335,277
Held-to-maturity investments (c)	9,254,469	7,679,342
Total	24,511,267	28,276,515

a) During 2022, as part of its strategy, the Bank and its Subsidiaries maintained low positions of investments at fair value through profit or loss. Likewise, during that year, the negotiation of certificates of deposit and bonds generated a net loss of S/22.7 million (net loss of S/66.8 million in 2021), see Note 22(b).

b) The available-for-sale investments comprise the following:

	2022				2021
		Unrealized gross amount			
	Amortized cost S/000	Gains S/000	Losses S/000	Estimated fair value S/000	Amortized cost S/000
Available-for-sale investments:					
Certificates of deposits BCRP (i)	7,021,219	868	(2,608)	7,019,479	8,347
Corporate bonds (ii)	4,271,545	1,702	(298,238)	3,975,009	5,423
Sovereign bonds – Republic of Perú (iii)	4,115,149	-	(360,775)	3,754,374	5,507
Foreign governments bonds (iv)	224,104	197	(15,059)	209,242	171
Listed equity securities – Credicorp Ltd.	68,780	-	-	68,780	74
Securitization instruments	36,507	-	(3,686)	32,821	41
Peruvian Treasury bonds	24,337	-	(2,177)	22,160	26
Negotiable certificates of deposit (v)	17,268	-	(35)	17,233	74
Non-listed equity securities	6,038	3,826	(988)	8,876	5
Investment funds	-	-	-	-	
	15,784,947	6,593	(683,566)	15,107,974	19,672
Accrued interest				147,813	
Balance of available-for-sale investments (vi)				15,255,787	

(i) As of December 31, 2022, the Bank and its Subsidiaries maintains 70,253 certificates of deposits BpCRP, which are instruments issued at a discount through public auction of BCRP, traded on the Peruvian secondary market and payable in Soles (84,041 certificates of deposits BCRP, as of December 31, 2021). Furthermore, as of December 31, 2022, the Bank maintains certificates of deposits issued by the BCRP for S/804.8 million restricted in reporting operations (S/0.9 million as of December 31, 2021).

(ii) As of December 31, 2022, corporate bonds include bonds issued by companies from the United States, Perú, Colombia and other countries, which represent 43.52 percent, 32.40 percent, 11.19 percent and 12.89 percent of the total, respectively (bonds issued by companies from Perú, United States, Colombia and other countries, which represent 43.23 percent, 33.15 percent, 8.09 percent and 15.53 percent of the total, respectively, as of December 31, 2021).

(iii) As of December 31, 2022, sovereign bonds are issued by Republic of Perú in Soles amounting to S/3,754.4 million (S/5,046.0 million in Soles as of December 31, 2021). Likewise, as of December 31, 2022, the Bank maintains sovereign bonds issued by Peruvian Government for an amount of S/277.1 million restricted in reporting operations (S/310.4 million as of December 31, 2021), see Note 11(a).

The largest unrealized loss compared to the balance in 2021 is due to the impact of the political uncertainty of the country. In October 2022, the Bank has reclassified available-for-sale bonds to the held-to-maturity category for an amount of S/1,683.4 million, see Note 5(c).

(iv) As of December 31, 2022, the foreign government bonds amounting to US$34.3 million, equivalent to S/130.7 million, and US$20.6 million, equivalent to S/78.5 million, correspond to bonds issued by the Government of Colombia and Chile, respectively (US$21.9 million, equivalent to S/87.5 million, and US$21.0 million, equivalent to S/83.9 million, correspond to bonds issued by the Government of Colombia and Chile, respectively, as of December 31, 2021).

(v) As of December 31, 2022, negotiable certificates of deposit amounting to COP 21,925.4 million, equivalent to S/17.2 million, correspond to certificates issued by the financial system of Colombia. (COP 77,021.6 million, equivalent to S/75.6 million, correspond to certificates issued by the Colombian financial system, as of December 31, 2021).

(vi) As of December 31, 2022, the Bank and its Subsidiaries hold interest rate swaps (“IRS”), which were designated as fair value hedges of certain fixed-rate U.S. dollars bonds issued by corporate companies for a notional amount of S/926.5 million (IRS designated as fair value hedges of certain fixed-rate U.S. dollars bonds issued by corporate companies for a notional amount of S/636.4 million, as of December 31, 2021), see Note 9(b). Through these IRS, these bonds were economically converted to a variable rate.

As of December 31, 2022, the Bank and its Subsidiaries maintain cross currency swaps (“CCS”) which were designated as hedges of certain corporate bonds and negotiable certificates of deposit, for a notional amount of S/131.4 million (corporate bonds and negotiable certificates of deposit for a notional amount of S/154.6 million which were hedged through CCS as of December 31, 2021), with similar principal and maturity, see Note 9(b); through these CCS, the bonds were economically converted to Soles at a fixed rate.

As of December 31, 2022 and 2021 the maturities and the annual market rates of the investments available

	Maturity		Effective annual interest rates 2022					
			S/		US$		Other currency	
	2022	2021	Min	Max	Min	Max	Min	Max
			%	%	%	%	%	%
Certificates of deposit BCRP	Jan-23/Sep-23	Jan-22/Mar-23	7.13	7.48	-	-	-	-
Corporate bonds	Jan-23/Apr-36	Feb-22/Apr-36	7.44	12.09	4.39	11.39	10.60	17.61
Sovereign bonds - Republic of Perú	Sep-23/Aug-31	Sep-23/Aug-40	6.65	7.68	-	-	-	-
Foreign government bonds	May-24/Feb-28	Mar-23/Feb-28	-	-	4.89	7.88	-	-
Negotiable certificates of deposit	Jan-23	Jan-22/Jan-23	-	-	-	-	12.46	13.50
Peruvian treasury bonds	Jul-25	Jul-25	-	-	5.31	5.31	-	-
Securitized debt instruments	Nov-29/Sep-34	Nov-29/Sep-34	9.45	14.21	5.64	5.64	-	-

As of December 31, 2022 and 2021, Management has estimated the market value of investments available in the market or, if the price was not available, by discounting the expected future cash flows at an observa the risk classification of the financial instrument.

Management of the Bank and its Subsidiaries has determined that the unrealized losses of available-for-sa 2022 and 2021 are of a temporary nature. The Bank and its Subsidiaries have decided and have the ability for-sale investments for a period of time sufficient to allow for an anticipated recovery in fair value, which ca of debt instruments.

In 2022, the negotiation of available-for-sale investments generated a net loss of S/7.8 million (net loss of S transferred from unrealized results to results for the year, see Note 22(a).

c) Held-to-maturity investments -

As of the date of the consolidated statement of financial position, this item comprises the following:

	2022	
	Carrying amount	Fair value
	S/000	S/000
Sovereign bonds - Republic of Perú (i)	8,995,523	8,055,873
Certificates of payment on work in progress (ii)	47,591	46,786
	9,043,114	8,102,659
Accrued interest	211,355	211,355
Total	9,254,469	8,314,014

	2021	
	Carrying amount	Fair value
	S/000	S/000
Sovereign bonds - Republic of Perú (i)	7,439,947	7,005,058
Certificates of payment on work in progress (ii)	74,509	76,987
	7,514,456	7,082,045
Accrued interest	164,886	164,886
Total	7,679,342	7,246,931

(i) As of December 31, 2022, they comprise bonds with maturity between September 2023 and February 2042, accruing interest at an effective annual rate between 6.65 and 8.13 percent (as of December 31, 2021, they correspond to bonds with maturity between September 2023 and February 2042, accruing interest at an effective annual rate between 3.62 and 6.77 percent). Likewise, as of December 31, 2022, the Bank maintains sovereign bonds of an amount of S/2,643.8 million restricted in reporting operations (S/3,101.4 million as of December 31, 2021), see Note 11(a).

(ii) As of December 31, 2022 and 2021, there are 57 and 89 certificates of Annual Recognition of Payment for Work Progress (CRPAOs from Spanish acronym), respectively, which are issued by the Peruvian Government to finance projects and concessions. Said issuance is a mechanism established in the concession agreement signed between the State and the concessionaire, which allows the latter to obtain financing to continue with the work undertaken. As of December 31, 2022, the CRPAOs mature between January 2023 and April 2026, accruing interest at an effective annual rate between 6.20 and 7.59 percent (as of December 31, 2021, the CRPAO's mature between January 2022 and April 2026, accruing interest at an effective annual rate between 2.32 and 4.26 percent).

In October 2022, the Bank has reclassified available-for-sale Republic of Perú's sovereign bonds to the held-to-maturity investment category for a value of S/1,683.4 million, net of an unrealized loss recorded in equity for S/549.2 million. In accordance with the "Regulations for the Classification and Valuation of Investments of Financial System Companies" supervised by the SBS, the unrealized net loss associated with these bonds will be transferred to the income statement during their remaining maturity term. In 2022, the effect of the accrual of the unrealized lost have been recognized in the consolidated statement of income of the year for approximately S/9.0 million, which were recorded on net loss from purchase and sale of investments available for sale, see Note 22(a).

As of December 31, 2022, and 2021, Management of the Bank and its Subsidiaries have determined that unrealized losses of certain held-to-maturity investments are temporary in nature.

Accordingly, the Bank and its Subsidiaries have recognized no impairment loss on their held-to-maturity investments at said dates.

The balance of investments at fair value through profit or loss, available-for-sale and held-to-maturity as of December 31, 2022, and 2021, classified by contractual maturity, (accrued interest is not considered) consists of the following:

	2022 S/000	2021 S/000
Up to 3 months	6,807,930	9,013,425
From 3 months to 1 year	1,129,252	1,616,986
From 1 to 3 years	3,356,386	4,147,894
From 3 to 5 years	2,857,680	2,908,057
More than 5 years	9,923,176	9,866,838
Without maturity	77,656	382,894
Total	24,152,080	27,936,094

6 LOAN PORTFOLIOS

a) As of December 31, 2022 and 2021 this item comprises the following:

	2022 S/000	2021 S/000
Direct loans		
Loans	107,962,169	108,666,970
Leasing receivable	6,174,850	6,446,450
Credit cards	6,066,283	5,495,276
Discounted Notes	2,980,070	2,716,731
Factoring receivables	3,976,898	3,572,697
Advances and overdrafts in current accounts	212,259	52,681
Refinanced loans	2,066,472	1,753,625
Total loans to fall due	129,439,001	128,704,430
Past due loans and under court collection	5,656,467	5,433,592
Total gross loans	135,095,468	134,138,022
Add (less)		
Accrued interest from current loans	1,036,924	727,714
Deferred interest on discounted Notes	(133,425)	(175,828)
Allowance for loan losses (f)	(8,050,868)	(8,222,968)
Total direct loans	127,948,099	126,466,940
Indirect loans, Note 19(a)	20,437,570	21,735,965

b) As of December 31, 2022, he direct loans of the Reactiva Perú program amount to S/8,877.2 million and the loans of the FAE-MYPE program amount to S/3.9 million and S/83.6 million for FAE-MYPE 1 and FAE-MYPE 2, respectively. These amounts include the rescheduled loans of the Reactiva Perú and FAE-MYPE 2 programs for S/5,669.2 and S/36.7 million, respectively, see Note 6(k). As of December 2021, the direct loans of the Reactiva Perú program amounted to S/18,404.6 million and the loans of the FAE-MYPE program to S/14.8 million and S/209.9 million for FAE-MYPE 1 and FAE-MYPE 2, respectively.

c) As of December 31, 2022 and 2021, 51.00 percent of the direct loan portfolio was concentrated in approximately 92,842 and 98,089 clients, respectively.

As of December 31, 2022 and 2021, the distribution of the direct loan portfolio by segments, according to Resolutions SBS N° 11356-2008, Note 3(f), is as follows:

	2022 S/000	2021 S/000
Non-retail loans		
Corporate	31,974,131	30,835,952
Large-business	20,717,205	22,496,637
Medium-business	24,234,162	29,153,893
Subtotal	76,925,498	82,486,482
Retail loans		
Mortgage	20,489,812	18,957,457
Revolving and non-revolving consumer loans	18,295,899	14,135,525
Small-business	15,653,679	14,503,206
Micro-business	3,730,580	4,055,352
Subtotal	58,169,970	51,651,540
Total	135,095,468	134,138,022

d) According to SBS regulations, as of December 31, 2022 and 2021, the risk classification of the loan portfolio of the Bank

Risk category	2022						2021		
	Direct loans		Indirect loans		Total		Direct loans		Indirect
	S/000	%	S/000	%	S/000	%	S/000	%	S/000
Normal	122,046,782	90.35	18,073,366	88.42	140,120,148	90.09	120,187,108	89.60	18,8
Potential problems	4,241,676	3.15	873,275	4.26	5,114,951	3.29	5,112,846	3.81	1,1
Substandard	2,598,587	1.92	1,082,835	5.29	3,681,422	2.37	2,552,264	1.90	1,3
Doubtful	2,546,310	1.88	148,319	0.73	2,694,629	1.73	2,469,946	1.85	1
Loss	3,662,113	2.70	259,775	1.30	3,921,888	2.52	3,815,858	2.84	2
	135,095,468	100.00	20,437,570	100.00	155,533,038	100.00	134,138,022	100.00	21,7

e) As of December 31, 2022 and 2021, financial entities in Perú must constitute their allowance for loan losses based on the risk classification indicated in paragraph (c) and using the percentages indicated in Resolution SBS N° 11356-2008, as follows:

(i) For loans classified as "Normal":

Type of loan	Fixed rate %	Pro-cyclical components (*)(**) %
Corporate	0.70	0.10
Large-business	0.70	0.40
Mortgage	0.70	0.40
Medium-business	1.00	0.60
Small-business	1.00	1.00
Revolving consumer	1.00	1.50
Non-revolving consumer	1.00	1.00
Micro-business	1.00	1.00

(*) If the loans have preferred self-liquidating guarantees (CGPA), the procyclical component will be 0 for the portion covered by said guarantees. The procyclical provision was deactivated by the SBS from November 2014.

(**) Through SBS Resolution N°3718-2021of December 7, 2021, the rates and activation and deactivation conditions of the procyclical standard were modified and special activation and deactivation conditions were established as events of fortuitous event or force majeure; or prudential situations, duly substantiated, such as the need to preserve the stability conditions of the financial system, or when due to extraordinary circumstances an excessive volatility is originated on the variables that determine the activation and deactivation of the procyclical standard; among other. The procyclical standard can be activated with the new guidelines as of December 31, 2023.

(ii) For loans classified as "Potential problems", "Substandard", "Doubtful" and "Loss"; depending on whether the loans are: Loans Without Guarantees (LWG), Loans With Preferred Guarantees (LWPG) or Loans With Readily Preferred Guarantees (LWRPG) or Loans With Highly Liquid Preferred Guarantees (CGPA):

Risk category	LWG %	LWPG %	LWRPG %	LWHLPG %
Potential problems	5.00	2.50	1.25	1.00
Substandard	25.00	12.50	6.25	1.00
Doubtful	60.00	30.00	15.00	1.00
Loss	100.00	60.00	30.00	1.00

For loans subject to substitution of credit counterparty, Note 3(f), the allowance requirement depends on the classification of the respective counterparty, for the covered amount, regardless of the debtor's classification, using the percentages indicated above.

Due to the national state of emergency through SBS Resolution N° 1314-2020, the SBS established exceptionally to apply a provision rate for credit risk of zero percent to the part of the loans covered by the guarantee of the Reactiva Perú program. Likewise, through Resolution N°1333-2021, it was specified that said measure is also applicable to the part of the rescheduled loans that have the guarantee of the Reactiva Perú program. For the part that does not have the coverage of the granted guarantee, the provision of the original type of loan corresponds according to the classification corresponding to the debtor of the loan.

In December 2021, through SBS Resolution N°3922-2021, the SBS modified the requirement of specific provisions for rescheduled loans - COVID 19 implemented as of December 31, 2020 through Resolution N°3155-2020. The standard provides the following with respect to consumer loans, microenterprise, small business and medium business:

- Apply provisions corresponding to the category of credit risk with potential problems (hereinafter CPP) to debtors with a normal classification.
- Apply provisions corresponding to the category of deficient credit risk to debtors with a normal classification and CPP that have not made the payment of at least one full installment that includes capital in the last six months at the end of the month.
- Apply provisions corresponding to the category of doubtful credit risk to debtors with normal, CPP and deficient classification who have not made the payment of at least one full installment that includes capital in the last twelve months at the end of the month.
- Apply provisions corresponding to the category of deficient credit risk to accrued interest on current rescheduled loans and loss credit risk to interest from customers who have not made the payment of at least one full installment that includes principal in the last six months. months at the end of the month.

As of December 31, 2022, the constitution of all the provisions was fulfilled specific for rescheduled Covid 19 loans for S/193.8 million (S/466.4 million as of December 31, December 2021 according to SBS Resolution N°3155-2020).

f) The movement of the allowance for loan losses (direct and indirect loans) is shown below:

	2022 S/000	2021 S/000	2020 S/000
Balance as of January 1	8,688,291	8,932,488	4,847,449
Provision	2,299,341	2,193,858	5,171,691
Loan portfolio written-off	(2,317,488)	(2,814,363)	(1,103,576)
Sale of portfolio (i)	(19,189)	(41,028)	(30,362)
Exchange difference	(68,823)	127,453	95,456
Condonations and others (ii)	(114,787)	289,883	(48,170)
Balance as of December 31	8,467,345	8,688,291	8,932,488
Allowance for indirect loan losses (Note 9)	(416,477)	(465,323)	(437,980)
Allowance for direct loan losses (Note 6(a))	8,050,868	8,222,968	8,494,508

(i) During 2022, a part of the judicial collection portfolio was sold for S/51.1 million, with a value of S/41.0 million (S/24.1 million and S/16.9 million corresponding to the sale value of the written-off portfolio and judicial portfolio, respectively). Total income is included in the consolidated statement of income under the heading "Other non-financial income" for S/22.8 million. See Note 23(b).

(ii) As of December 31, 2022, the condonation expense is S/115.5 million (S/108.5 million as of December 31, 2021). SBS Resolution N°00868-2021-SBS dated March 24, 2021 authorized Mibanco to reduce the equity account to increase the voluntary provision for S/400.0 million. See Note 2(a).

As of December 31, the distribution of the provision for doubtful collection by type of credit is showed below:

	2022				2021	
	Generic	Specific	Volunteer	Total	Generic	Specific
	S/000	S/000	S/000	S/000	S/000	S/000
Type of loan						
Micro-business	40,682	103,578	347,632	491,892	39,401	90,
Consumption	186,485	716,896	715,355	1,618,736	139,209	844,
Mortgage	139,131	565,764	165,404	870,299	128,878	577,
Public sector	5,256	1	-	5,257	4,057	-
Securities broker	6,110	93,209	-	99,319	6,390	64,
Financial system companies	39,471	-	-	39,471	37,876	-
Corporate	257,302	262,195	-	519,497	263,010	362,
Big-business	145,080	263,226	-	408,306	134,851	394,
Medium-businesses	159,088	2,028,391	415,517	2,602,996	156,782	1,894,
Small-businesses	141,118	912,689	679,642	1,733,449	110,587	1,012,
Risk country	77,407	-	-	77,407	53,731	-
Exchange Risk	716	-	-	716	328	-
Total	1,197,846	4,945,949	2,323,550	8,467,345	1,075,100	5,241,

The Bank and its Subsidiaries record regulatory provisions for their loan portfolio in accordance with the policy described in Note 3(f) Subsidiaries, based on business experience, maintain additional voluntary generic provisions to those required by the SBS to cover result of potential adverse economic conditions that increase the probability of credit default. As of December 31, 2022 such provisio (S/2,371.7 million as of December 31, 2021).

In the opinion of the Management of the Bank and its Subsidiaries, the provision for doubtful loans registered as of December 31, 20 SBS regulations in force on those dates, Note 3(f).

g) A portion of the loan portfolio is secured by guarantees received from clients, which are principally composed of mortgages, stand-by letters, financial instruments, and industrial and commercial pledges.

h) Interest accrued on the loan portfolio is freely agreed considering the current interest rates prevailing in the markets where the Bank and its Subsidiaries operate.

Interest, commissions and expenses on loans or installments which are past due, refinanced, under legal collection, or classified in the "Doubtful" or "Loss" categories, are recorded in the consolidated statement of income when they are effectively collected. The amounts which were not recognized as income in this respect amounted to S/4,150.2 million and S/2,220.4 million as of December 31, 2022 and 2021, respectively.

i) As of December 31, 2022 and 2021, the direct gross loan portfolio classified by maturity, based on the remaining period to repayment date is as follows:

	2022 S/000	2021 S/000
Outstanding loans:		
Up to 1 month	14,902,497	12,593,141
From 1 to 3 months	17,311,089	14,273,385
From 3 months to 1 year	33,907,866	34,017,392
From 1 to 3 years	28,208,376	34,508,362
From 3 to 5 years	10,273,241	8,441,297
More than 5 years	24,835,932	24,870,853
Outstanding loans total	129,439,001	128,704,430
Past due loans and court collection:		
Up to 4 months	1,555,796	1,774,058
More than 4 months	1,907,881	1,636,381
Court collection	2,192,790	2,023,153
Past due loans and court collection total	5,656,467	5,433,592
Total	135,095,468	134,138,022

j) As of December 30, 2022, the Bank and its Subsidiaries has a cross currency swap (CCS) for a nominal amount of ¥5,000.0 million equivalent to S/145.7 million (¥5,000.0 million equivalent to S/173.2 million, as of December 31, 2021), see Note 9(b), which was broken down by risk variables into two cross currency swaps (CCS) in order to be designated as a cash flow hedge of a bond issued, see Note 13(a)(vii), and as a cash flow hedge of placements for US$43.4 million equivalent to S/165.6 million (US$43.4 million equivalent to S/173.1 million, as of December 31, 2021); through said cross currency swap (CCS), these placements have been converted to Soles.

k) Due to the effects of the COVID-19 pandemic, the Bank and its Subsidiaries have offered their Retail Banking clients the opportunity to reschedule their loans for 30 or 90 days without incurring commissions due and principal interest. As of December 2022, the rescheduled portfolio amounts to S/11,448.7 million. This amount includes the rescheduled credits of the Reactiva Perú and FAE-MYPE 2 programs for S/5,669.2 and S/36.7 million, respectively. (S/20,961.0 million of reprogrammed portfolio as of December 31, 2021, which include the reprogrammed credits of the Reactiva Perú and FAE-MYPE 2 programs for S/7,539.9 and S/55.9 million, respectively).

In the loan portfolio, the most vulnerable segments are Pyme loans and consumer loans, where debt rescheduling rates reached 25.78 percent and 4.08 percent respectively at the end of December 2022 (39.25 percent and 11.04 percent as of December 2021, respectively).

As of December 31, 2022, the distribution of the rescheduled loan portfolio by segment, due to the effects of the COVID-19 pandemic, is as follows:

	BCP S/000	MIBANCO S/000	SEAH S/000	Total S/000
Reschedule loans				
Non-retail loans				
Corporate	147,025	-	-	147,025
Large-business	1,304,677	-	-	1,304,677
Medium-business	5,774,145	48,921	-	5,823,066
Total non-retail loans	7,225,847	48,921	-	7,274,768
Retail loans				
Mortgage	1,639,399	30,346	16,814	1,686,559
Revolving and non-revolving consumer loans	724,396	5,777	-	730,173
Small-business	1,176,893	443,326	-	1,620,219
Micro-business	19,647	117,360	-	137,007
Total retail loans	3,560,335	596,809	16,814	4,173,958
Total reschedule loans	10,786,182	645,730	16,814	11,448,726

As of December 31, 2021, the distribution of the rescheduled loan portfolio by segment, due to the effects of the COVID-19 pandemic, is as follows:

	BCP S/000	MIBANCO S/000	SEAH S/000	Total S/000
Reschedule loans				
Non-retail loans				
Corporate	1,171,629	-	-	1,171,629
Large-business	2,626,213	-	-	2,626,213
Medium-business	7,663,515	107,897	-	7,771,412
Total non-retail loans	11,461,357	107,897	-	11,569,254
Retail loans				
Mortgage	4,612,851	60,868	49,922	4,723,641
Revolving and non-revolving consumer loans	1,494,476	28,171	-	1,522,647
Small-business	1,764,181	1,166,351	-	2,930,532
Micro-business	24,756	190,222	-	214,978
Total retail loans	7,896,264	1,445,612	49,922	9,391,798
Total reschedule loans	19,357,621	1,553,509	49,922	20,961,052

7 PROPERTY, FURNITURE AND EQUIPMENT, NET

a) The movement of property, furniture and equipment and accumulated depreciation for the years ended De

	Land	Buildings and other construction	Installations	Furniture and fixtures	Computer hardware	Vehicles and equipment	Wor prog in-tr unit
	S/000	S/000	S/000	S/000	S/000	S/000	S/00
Cost -							
Balance as of January 1	329,445	1,107,625	1,006,397	395,918	465,786	114,612	
Additions	-	3,551	10,987	20,829	30,724	1,453	
Sales	(26,852)	(13,373)	(3,276)	(33)	-	(1,433)	
Transfers	(-)	-	16,649	11,207	3,059	2,004	(
Disposals and others	(10)	(5,855)	(125,401)	(30,478)	(47,381)	(5,396)	(
Balance as of December 31	302,583	1,091,948	905,356	397,443	452,188	111,240	
Accumulated depreciation -							
Balance as of January 1	-	753,058	787,016	278,701	414,751	91,329	
Depreciation for the year	-	20,279	40,473	25,814	25,009	5,282	
Sales	-	(6,628)	(3,049)	(22)	-	(1,415)	
Disposals and others	-	(5,722)	(120,665)	(28,130)	(47,205)	(5,382)	
Balance as of December 31	-	760,987	703,775	276,363	392,555	89,814	
Net carrying amount	302,583	330,961	201,581	121,080	59,633	21,426	

b) Banks in Perú are not allowed to pledge their fixed assets.

c) During 2022, the Bank and its Subsidiaries, as part of the investment in fixed assets, has made disbursements related mainly to the purchase of furniture and fixtures, for the conditioning and remodeling of its various agencies and administrative offices. Likewise, during 2021, the Bank and its Subsidiaries has made disbursements related mainly to the purchase of computer equipment, furniture and fixtures and the comprehensive remodeling of the San Pedro Building located in Lima and the office located in Piura.

d) During 2022, Management decided to sell various properties, mainly land and buildings, whose approximate sale price was S/46.7 million, with a net cost of S/33.8 million. During 2021, Management decided to sell various properties, mainly land and buildings, whose approximate sale price was S/14.6 million, with a net cost of S/8.0 million.

e) As of December 31, 2022 and 2021, the Bank and its Subsidiaries maintain fully depreciated fixed assets that are still in use for approximately S/63,628.0 and S/192,126.0 respectively. During 2022 period, fully depreciated assets that were not in use were written off.

f) The Bank and its Subsidiaries maintain insurance over their main assets, according to policies established by Management.

g) Management periodically reviews the residual value of the assets, the useful life and the depreciation method used in order to ensure that they are consistent with the economic benefit and life expectations. In the opinion of the Management of the Bank and its Subsidiaries, there is no evidence of impairment of the value of the fixed assets held by the Bank and its Subsidiaries as of December 31, 2022, and 2021.

8 GOODWILL

Goodwill acquired through business combinations has been allocated to cash-generating units (also identified as a “CGU”) for the purposes of impairment testing made by Management which evaluates the results and allocates resources to each CGU. The Goodwill generated from the acquisition of Edyficar and Mibanco amount to S/276,321.0 thousands as of December 31, 2022, and 2021.

The recoverable amounts of all CGUs have been determined based on calculations of fair value less selling cost, determined by discounting the future cash flows expected to be generated from the continuing use of the CGU.

As of December 31, 2022, the key assumptions used to calculate fair value considered a perpetual growth rate of 5.60 percent and a discount rate of 14.30 percent (3.00 percent and 11.80 percent as of December 31, 2021, respectively).

The valuation includes assumptions about various key parameters of the entities. The parameter sensitization exercises, mainly those of growth and discount rates, show scenarios in which said value is higher, and also some scenarios with a non-material deterioration in the value of the assets. We believe that the balances presented in the financial statements are appropriate and do not require any provision for impairment of our investments, given the reasonableness of the assumptions with the information available at this time; taking into account that the valuation process occurs in a context of exceptionally high rates and that there are no signs of a contraction in growth.

9 OTHER ASSETS, NET AND OTHER LIABILITIES

a) As of December 31, 2022, and 2021 these items include the following:

	2022 S/000	2021 S/000
Other assets, net		
Account receivables from financials instruments		
Derivatives receivable (b)	1,154,796	1,437,620
Accounts receivable, net (c)	762,321	653,002
Operations in process (d)	29,698	162,136
	1,946,815	2,252,758
Non-financial instruments		
Finite life intangible assets, net (e)	1,568,252	1,383,405
Deferred income tax asset, net, see Note 14(a)	1,031,019	927,804
Deferred expenses (f)	705,764	683,357
Realizable, received in payment and seized assets, net	24,833	35,462
Advance income tax payment, net	-	216,606
Value added tax credit	-	21,763
Others	10,497	10,498
	3,340,365	3,278,895
Total	5,287,180	5,531,653
Other liabilities		
Account liabilities from financials instruments		
Derivatives payable (b)	1,038,136	1,319,187
Other accounts payable (c)	576,039	403,257
Allowance for indirect loan losses, see Note 6(f)	416,477	465,323
Suppliers account payable	402,421	283,553
Employee's legal participations	275,083	151,437
Employee's additional participations	237,459	278,167
Salaries payable	230,369	170,215
Operations in process (d)	88,241	51,430
Share based payments, see Note 17	40,341	48,751
	3,304,566	3,171,320
Non-financial instruments		
Taxes payable	692,108	-
Provision for sundry risks (g)	331,124	321,289
Deposit Insurance fund	57,665	56,047
Others (h)	225,824	243,934
	1,306,721	621,270
Total	4,611,287	3,792,590

b) The risk in derivatives contracts arises from the possibility that the counterparty does not fulfill the terms and conditions agreed, and that the reference rates, at which the transaction was agreed, change.

The following table presents, as of December 31, 2022, and 2021, the fair value of the derivative financial instruments, recorded as an asset or a liability, together with their nominal amount and maturity. The nominal amount is the amount of a derivative's underlying asset and liability and is the basis upon which changes in fair value of derivatives are measured; see Note 19(d).

	2022			
	Assets S/000	Liabilities S/000	Nominal amount S/000	Maturity
Derivatives held for trading (i) -				
Foreign currency fowards	343,841	141,814	28,437,958	Between January 2023 and August 2
Interest rate swaps	256,919	125,669	6,859,135	Between January 2023 and Decembe
Currency swaps	401,926	742,704	14,091,539	Between January 2023 and January 2
Foreign currency options	1,348	3,167	362,252	Between January 2023 and June 202
	1,004,034	1,013,354	49,750,884	
Derivatives designated as cash flow hedging (ii) -				
Interest rate swaps (IRS)	-	-	-	-
Cross currency swaps (CCS) 5(b)(vi)	31,865	2,123	66,930	Between January 2023 and Septemb
Cross currency swaps (CCS) 5(b)(vi)	6,802	-	47,160	Between January 2023 and January 2
Cross currency swaps (CCS) 5(b)(vi)	3,079	-	17,292	January 2023
Cross currency swaps (CCS)	-	156	38,140	June 2025
Cross currency swaps (CCS) 5(b)(vi)	-	-	-	-
Cross currency swaps (CCS) 11(iii)	14,861	-	95,350	August 2026
Cross currency swaps (CCS) 11(ii)	21,935	-	171,630	August 2026
Cross currency swaps (CCS) 13(a)(iv)	20,114	8,418	839,080	January 2025
Cross currency swaps (CCS) 6(j)/13(a)(vii)	-	13,688	145,715	December 2023
A fair value -				
Interest rate swaps (IRS) 5(b)(vi)	52,106	397	926,497	Between January 2023 and February
	150,762	24,782	2,347,794	
	1,154,796	1,038,136	52,098,678	

The decrease in the nominal value of cross currency swaps as of December 31, 2022 with respect to Dece

(i) Held-for-trading derivatives are mainly negotiated to satisfy clients' needs. On the other hand, the Bank this item includes any derivatives which do not comply with SBS hedge accounting requirements or app

	As of December 31, 2022				
	Up to 3 months S/000	From 3 months to 1 year S/000	From 1 to 3 years S/000	From 3 to 5 years S/000	O ye S/
Foreign currency forwards	158,285	185,273	283	-	
Interest rate swaps	724	7,545	15,786	95,124	
Currency swaps	61,926	55,090	88,762	81,714	
Foreign currency options	153	1,162	33	-	
Total assets	221,088	249,070	104,864	176,838	
Foreign currency forwards	97,113	44,336	365	-	
Interest rate swaps	44	1,902	4,697	31,457	
Currency swaps	139,167	254,517	99,194	127,404	
Foreign currency options	554	2,482	131	-	
Total liabilities	236,878	303,237	104,387	158,861	

(ii) The Bank and its Subsidiaries are exposed to movements in future cash flows on assets and liabilities in foreign currency or which bear interest at variable rates. The Bank and its Subsidiaries, in accordance with what is indicated in Note 3(g), use derivative financial instruments as cash flow hedges to cover these risks.

A summary indicating the periods when the current cash flow hedges are expected to occur and that affect the consolidated statement of income, net of deferred income tax is as follows:

	Up to 1 year	From 1 to 3 years	From 3 to 5 years	Total
	S/000	S/000	S/000	S/000
As of December 31, 2022				
Cash inflows (asset)	250,835	938,513	76,280	1,265,628
Cash outflows (liability)	(294,548)	(934,119)	(73,232)	(1,301,899)
Consolidated statement of income	397	(7,222)	7,070	245
As of December 31, 2021				
Cash inflows (asset)	191,962	327,914	496,552	1,016,428
Cash outflows (liability)	(209,707)	(338,518)	(446,583)	(994,808)
Consolidated statement of income	(461)	(20)	197	(284)

The retained unrealized gain or loss, net of the related deferred income tax, on cash flow hedges results from the current hedges (as of December 31, 2022 and 2021; unrealized loss for approximately S/0.2 million and S/0.3 million, respectively) and the hedges revoked (as of December 31, 2021, unrealized loss for approximately S/0.7 million), which was transferred to the statement of income during the remaining term of the underlying financial instrument (during 2022 no hedges revoked was reported).

c) As of December 31, 2022, the balance corresponds mainly to works for taxes, active reporting operations, intermediation commission with related parties, accounts receivable from Visa for payment to establishments and a higher balance in favor of income tax from previous years. Other accounts payable correspond mainly to Visa operations to be settled, accounts payable for the sale of securities, accounts payable for insurance, among other minor.

d) According to the operational capacity of the Bank and its Subsidiaries, operations in process are related to deposits received, loans granted and/or collected, funds transferred and similar operations, carried out in the last days of the month, which are reclassified to their definitive accounts in the following month. The regularization of these transactions does not affect the consolidated results of the Bank and its Subsidiaries as of December 31, 2022, and 2021.

e) The movement of intangible assets of limited life for the years ended December 31, 2022, 2021 and 2020 i

Description	Brand name S/000	Client relationships S/000	Core deposits intangible S/000	Software and other developments S/000	Intangible assets in progress S/000	2022 S/000
Cost						
Balance at January 1	170,700	84,200	21,100	2,601,511	557,309	3,434,820
Additions (i)	-	-	-	38,973	505,937	544,910
Transfers	-	-	-	329,080	(329,080)	-
Disposals	-	-	-	(129,660)	(48,116)	(177,776
Others	-	-	-	-	-	-
Balance as of December 31	170,700	84,200	21,100	2,839,904	686,050	3,801,954
Accumulated amortization						
Balance as of January 1	52,917	84,200	21,100	1,893,198	-	2,051,415
Amortization for the year	6,828	-	-	295,037	-	301,865
Disposals and others	-	-	-	(119,578)	-	(119,578
Balance as of December 31	59,745	84,200	21,100	2,068,657	-	2,233,702
Net carrying amount	110,955	-	-	771,247	686,050	1,568,252

(i) During 2022, the activated disbursements were mainly related to the implementation and development - Mis Financiero, CRMA_Campaign, Operative CRM, Digital Sales, among others.

During 2021, the activated disbursements were mainly related the implementation and development of Data Vault, Costumer Identity and Access Management, Mobile Banking I14, Telephone Banking Voic

In turn, the sale of intangibles was made, generating an income of S/5.3 million in 2022 and S/18.9 million

Management periodically reviews the intangibles' residual value, their useful life and the amortization meth their economic benefits and life expectations. In the opinion of the Management of the Bank and its Subsi intangibles held by the Bank and its Subsidiaries as of December 31, 2022 and 2021.

f) As of December 31, 2022, the balances correspond mainly to the payment in favor of Latam Airlines Group S.A. Sucursal Perú for US$128.1 million, equivalent to S/488.4 million (US$113.9 million, equivalent to S/454.0 million, as of December 31, 2021) on account of the Latam Pass Miles that the Bank and its Subsidiaries have been crediting its customers for the use of their credit and debit cards, and other BCP Latam Pass financial products. Customers will be able to use those miles directly with Latam to exchange tickets, goods or services offered by them.

g) As of December 31, 2022 and 2021, provisions for estimated losses in legal actions against the Bank and its Subsidiaries, related to operational risk and other similar obligations that have been recorded on the based on estimates made by Management and its internal legal advisors. Management and its internal legal advisors consider that, no additional significant liabilities will result to those already recorded by the Bank and its Subsidiaries. The movement is as follows:

	2022 S/000	2021 S/000
Balance at the beginning of the period	321,289	301,959
Provisions	21,762	33,337
Reversal	(6,644)	(7,252)
Payments	(26,520)	(18,408)
Exchange Differences	(2,086)	4,614
Others	23,323	7,039
Balance at the end of the period	331,124	321,289

On August 20, 2021, the SBS issued Resolution N°02451-2021, which establishes the minimum procedures for the Management, classification, reporting and constitution of provisions for disputes and the modification of the Accounting Manual for companies in the financial system of as follows (i) incorporates a numeral on the "Accounting treatment of disputes", (ii) replaces the information referring to provisions, contingent assets and contingent liabilities, and (iii) modifies what is related to the "Accounts Catalog" and the “Description and Dynamics of Accounts”. The Resolution will be effective as of January 1, 2022 and is applied prospectively.

h) The balance corresponds mainly to deferred commissions related to the credit card.

10 DEPOSITS AND OBLIGATIONS

a) As of December 31, 2022, and 2021 this item comprises the following:

	2022 S/000	2021 S/000
Non-interest bearing deposits and obligations -		
In Perú	42,561,377	48,501,384
In other countries	1,460,617	2,472,629
	44,021,994	50,974,013
Interest bearing deposits and obligations -		
In Perú	84,777,722	78,658,506
In other countries	712,774	2,440,926
	85,490,496	81,099,432
	129,512,490	132,073,445
Interest payable for deposits and obligations	307,175	77,170
Total	129,819,665	132,150,615

The Bank and its Subsidiaries have established a policy to pay interest on demand deposits and savings deposits according to a growing interest rate scale, based on the term and the average balance maintained in those accounts. Additionally, as part of this policy, it was established that accounts with balances lower than a determined amount for each type of account, do not bear interest.

Interest rates applied to the different deposit accounts and obligations are determined by the Bank and its Subsidiaries considering current interest rates in the markets where they operate.

b) As of December 31, 2022 and 2021 the deposits and obligations by type of product are classified as follows:

	2022 S/000	2021 S/000
Saving deposits	51,668,786	53,822,915
Demand deposits	44,881,970	53,402,847
Time deposits (d)	27,718,365	19,502,928
Severance indemnity deposits	3,824,629	4,017,065
Bank´s negotiable certificates	1,418,740	1,327,690
	129,512,490	132,073,445
Interest payable	307,175	77,170
Total	129,819,665	132,150,615

c) As of December 31, 2022, and 2021, of the total balance of deposits and obligations in the Perú, approximately for S/52,745.2 million and S/50,478.8 million, respectively, are secured by the Peruvian “Deposit Insurance Fund”. At said dates, the maximum amount of coverage per depositor recognized by “Fondo de Seguro de Depósitos” totaled S/125,603.0 and S/115,637.0, respectively.

d) The balance of time deposits classified by maturity is as follows:

	2022 S/000	2021 S/000
Up to 3 months	15,607,631	12,830,225
From 3 months to 1 year	10,053,954	6,310,999
From 1 year to 3 years	2,053,980	359,846
From 3 to 5 years	2,715	1,785
Over 5 years	85	73
Total	27,718,365	19,502,928

11 PAYABLES FROM REPURCHASE AGREEMENTS

a) As of December 31, 2022 and 2021, the Bank and its Subsidiaries have repurchase agreements with: (i) cash, see investments, see Note 5(b), (iii) held-to-maturity investments, see Note 5(c) and (iv) loans, see Note 6, as shown in

	2022			2021	
	Maturity	Carrying amount S/000	Guarantee	Maturity	Carrying S/000
Peruvian Central Bank (BCRP), Reactiva (i)	May-23 / Dic-25	6,981,698	Credits with National Government Guarantee represented in titles and securities	May-23/ Dic-25	1
Peruvian Central Bank (BCRP)	Ene-23 / Set-25	3,263,472	Available-for-sale investments and held -to-maturity investments	Ene-22 / Set-25	
Peruvian Central Bank (BCRP), Reactiva Especial (i)	Jun-23 / Dic25	793,734	Credits with National Government Guarantee represented in titles and securities	Jun-23/ Dic-25	
Natixis	Ago-28	270,000	Held-to-maturity investments	Ago-28	
Peruvian Central Bank (BCRP) see Note 5(c)	Mar-23	185,000	Cash	Mar-22/ Mar-23	
Citigroup Global Markets Limited (ii)	Ago-26	171,630	Available-for-sale investments	Ago-26	
Natixis (iii)	Ago-26	95,350	Available-for-sale investments	Ago-26	
		11,760,884			2
Yields		82,710			
		11,843,594			2

As of December 31, 2022, the Bank and its Subsidiaries maintained repurchase agreements guaranteed mainly wit million (see Note 4), for Reactiva program credits S/8,851.0 million and other financial instruments BCRP certificate bonds, sovereign bonds and Peruvian treasury bonds classified as investments available for sale and held to matur US$1,108.2 million, equivalent to S/4,226.6 million (As of December 31, 2021, repurchase agreements guaranteed approximately S/328.4 million, for Reactiva program credits S/17,866.1 million and other financial instruments BCR government bonds, sovereign bonds and Peruvian treasury bonds classified as investments available for sale and h approximate value of US$1,024.8 million, equivalent to S/4,085.7 million).

Said transactions accrue interest at a fixed rate and at a variable rate between 0.50 percent and 9.00 percent and b 1.90 percent, as of December 31, 2022, (between 0.50 percent and 6.73 percent and between six-month Libor plus December 31, 2021).

Certain repurchase agreements have been hedged through cross currency swaps (CCS), as detailed bellow:

(i) Through Reporting Operations, the Bank and its Subsidiaries sell securities representing credits guaranteed by the National Government to the Central Reserve Bank of Perú (BCRP), receives Soles and are obliged to buy them back at a later date. The securities representative of Credits with Guarantee of the National Government can have the form of portfolio of representative credits of credits (Reactive Credits) or of Certificates of Participation in trust of loan portfolio guaranteed by the National Government (Special Reactive Credits). The BCRP will charge monthly for the Operation a fixed interest rate in Soles of 0.50 percent per annum and will include a grace period of twelve months without payment of interest or principal.

(ii) As of December 31, 2022, the Bank and its Subsidiaries maintain cross currency swaps (CCS) which was designated as cash flow hedge of certain repurchase agreements in U.S. dollars at a variable rate for a nominal amount of US$45 million, equivalent to S/171.6 million (US$45 million, equivalent to S/179.4 million, as of December 31, 2021). Through the cross currency swap (CCS), these repurchase agreements were economically converted into Soles at a fixed rate, see Note 9(b).

(iii) As of December 31, 2022, the Bank and its Subsidiaries maintain a cross currency swap (CCS) which was designated as cash flow hedge of certain repurchase agreements in U.S. dollars at a variable rate for a nominal amount of US$25 million, equivalent to S/95.4 million (US$25 million, equivalent to S/99.7 million, as of December 31, 2021). Through the cross currency swap (CCS), these repurchase agreements were economically converted into Soles at a fixed rate, see Note 9(b).

12 DUE TO BANKS, CORRESPONDENTS AND OTHER ENTITIES

a) As of December 31, 2022 and 2021, this item comprises the following:

	2022 S/000	2021 S/000
By type:		
Due to banks, correspondents and financial institutions (b)	4,373,346	3,011,536
Promotional credit lines (c)	4,107,294	3,592,008
Due to related parties (d)	-	75,017
	8,480,640	6,678,561
Interest payable	58,555	5,630
Total	8,539,195	6,684,191
By due date:		
Short-term debt	2,381,716	2,452,271
Long-term debt	6,157,479	4,231,920
Total	8,539,195	6,684,191

b) As of December 31, 2022 and 2021, it includes debts to banks and correspondents and financial institutions borrowings to finance foreign trade operations and for working capital. This item comprises the following:

	2022 S/000	2021 S/000
Bank of New York Mellon	572,100	-
Corporación Financiera de Desarrollo (COFIDE) (ii)	503,538	563,136
Standard Chartered Bank (i)	456,244	-
International Finance Corporation (IFC)	382,840	-
Citibank, N.A.	381,400	398,700
Wells Fargo Bank N.A. (i)	380,020	677,790
The Toronto Dominion Bank	247,910	-
Caixabank	190,700	-
HSBC Bank (i)	189,321	-
JP Morgan Chase Bank N. A. (i)	189,321	-
Bank of America (i)	189,321	917,010
Banco Internacional del Perú S.A.A. (Interbank)	150,000	-
Scotiabank Perú S.A.A.	120,000	100,000
Banco BBVA Perú	114,000	119,900
ICBC Perú Bank S.A.	100,000	-
Zurcher Kantonalbank	95,350	-
Bradesco BAC Florida Bank	76,280	-
Banco de la Nación	-	185,000
Others	35,001	50,000
	4,373,346	3,011,536

As of December 31, 2022, the borrowings have maturities between January 2023 and January 2031 (as of December 31, 2021, they had maturities in January 202 and March 2032). In addition, the accrual of interest is calculated based on rates that fluctuate between 2.23 and 9.45 percent in Soles and 3.03 and 6.32 percent in U.S. dollars (1.15 and 7.53 percent in Soles and 0.43 and 6.30 percent in U.S. dollars as of December 31, 2021).

i) In November 2022, the Bank agreed on a loan under the 25-month Club Deal Loan format for US$250.0 million equivalent to S/953.5 million, with five foreign banks as borrowers: Wells Fargo – Administrative Agent, Standard Chartered, JP Morgan Chase, HSBC Bank and Bank of America. The loan accrues interest at a 3-month SOFR variable interest rate plus a spread of 1.50 percent, likewise, the expenses related to said transaction were deferred and accrued proportionally during the months of November and December 2022 and will continue to accrue during the term of the loan.

ii) As of December 2022, the amount of S/76.9 million for the FAE-MYPE concept is being included as part of the balance of the Corporación Financiera de Desarrollo (COFIDE) at rates that fluctuate between 2.23 percent and 7.56 percent. As of December 31, 2021, the amount was S/208.3 million concept FAE-MYPE at a rates that fluctuate between 2.23 percent and 7.53 percent.

c) Promotional credit lines represent borrowings received from Corporación Financiera de Desarrollo (COFIDE) and Fondo de Cooperación para el Desarrollo Social (FONCODES) to promote the social development of Perú, have maturities between January 2023 and January 2032, and their annual interest rates fluctuate between 3.50 percent and 7.60 percent in Soles and 7.75 percent in U.S. dollars, as of December 31, 2022 (between January 2022 and July 2032 and between 6.00 percent and 7.60 percent and 7.75 percent in U.S. dollars as of December 31, 2021). These credit lines are guaranteed by a loan portfolio amounting to S/4,107.3 million and S/3,592.0 million as of December 31, 2022 and 2021, respectively.

In thousand of Soles		2022 BCP Net Loans S/000	BCP Backing debt S/000	MIBANCO Net Loans S/000	MIBANCO Backing debt S/000	TOTAL Net Loans S/000	TOTAL Backing debt S/000
Mortgage Loans - MiVivienda Found	S/	4,159,379	4,090,474	-	359	4,159,379	4,090,833
Mortgage Loans - MiVivienda Found	US$	14,870	1,461	-	-	14,870	1,461
		4,174,249	4,091,935	-	359	4,174,249	4,092,294

In thousand of Soles		2021 BCP Net Loans S/000	BCP Backing debt S/000	MIBANCO Net Loans S/000	MIBANCO Backing debt S/000	TOTAL Net Loans S/000	TOTAL Backing debt S/000
Mortgage Loans - MiVivienda Found	S/	3,640,369	3,588,194	-	438	3,640,369	3,588,632
Mortgage Loans - MiVivienda Found	US$	22,881	3,376	-	-	22,881	3,376
		3,663,250	3,591,570	-	438	3,663,250	3,592,008

d) As of December 31, 2022, the Bank and its Subsidiaries do not have loans with related entities. As of December 31, 2021, those owed to related entities consisted of a loan that was maintained with CCR Inc. amounting to US$18.8 million, equivalent to S/75.0 million at a rate of 5.53 percent. Said loan was canceled in June 2022.

e) As of December 31, 2022 and 2021, the balance of this item, classified by maturity, is as follows, without considering the interest payable:

	2022 S/000	2021 S/000
Up to 3 months	1,283,152	1,619,847
From 3 months to 1 year	1,513,970	1,220,114
From 1 year to 3 years	2,531,373	1,041,779
From 3 to 5 years	692,022	607,402
More than 5 years	2,460,123	2,189,419
Total	8,480,640	6,678,561

f) Some due to banks, correspondents and other entities include specific agreements on how the funds received should be used, the financial conditions that the Bank and its Subsidiaries must maintain, as well as other administrative matters. In Management's opinion, these specific agreements have been fulfilled by the Bank and its Subsidiaries as of December 31, 2022 and 2021.

13 BONDS AND NOTES ISSUED

a) As of December 31, 2022 and 2021 this item comprises:

	Annual interest rate %	Interest payment	Type	Accounting hedge Nominal S/000	Accounting hedge Equivalent Nominal Value S/000	Maturity
Senior Notes (*)						
Senior Notes (i)	4.25	Semi-anual				April 2023
Senior Notes (ii) (iii) (iv) (v)	2.70	Semi-anual	CCS	US$220,000	839,080	January 2025
Senior Notes (vi)	4.65	Semi-anual				September 2024
Senior Notes (vii)	Between 0.42 y 0.45	Semi-anual	CCS	JPY¥5,000,000	145,715	December 2023
Senior Notes	5.05	Semi-anual				June 2027
Senior Notes (viii)	Libor 3M + 0.55%	Quarterly				March 2022
Corporate bonds						
Fourth program						
Tenth issuance (Series B and C)	Between 5.31 y 5.50	Semi-anual				Between October and November 2022
Fifth program						
Third issuance (Serie A,B,C,D)	Between 3.88 y 4.25	Semi-anual				Between July and August 2022
Total Senior Notes and Corporate bonds						
Subordinated bonds						
Subordinated bonds (ix) (*)	Between 3.13 y 6.13	Semi-anual				Between April 2027 and September 2031
First program						
First issuance (Serie A) - BCP (x)	6.22	Semi-anual				May 2027
Second program						
First issuance (Serie B) - MiBanco	7.22	Semi-anual				June 2027
Fourth program						
First issuance (Serie A) - MiBanco (xi)	5.84	Semi-anual				March 2031
Total subordinated bonds						
Negotiable certificates of deposit - Mibanco	Between 3.30 y 5.35	Anual				Between January 2023 and June 2024
Total issuance						
Interest payable						
Total						

The bonds are supported by the Bank and its Subsidiaries's assets and subject to the order of priority established by the SBS.

(*) Most of international issues are listed on the Luxembourg Stock Exchange.

In addition, international issues maintain certain covenants, which, in Management's opinion, the Bank and its Subsidiaries have complied with at the date of the consolidated statement of financial position.

(i) The Bank can redeem the total or part of the notes at any time, having as a penalty an interest rate equal to the Treasury of the United States of America's rate plus 50 basis point. The payment of principal will take place on the due date of the notes or when the Bank redeems these notes.

(ii) The Bank may redeem all or part of the notes at any, discounting the remaining flows at a discount rate equivalent to the United States Treasury interest rate plus 40 basis points. The payment of the principal will take place on the maturity date of the notes or when the Bank redeems them.

(iii) The Bank issued Senior Notes under the Medium-Term Program proof approximately US$700.0 million at a semi-annual coupon rate of 2.70 percent maturing in January 2025. The Bank can redeem all or part of the notes at any date, between October 11, 2021 and December 11, 2024, at a redemption price equal to or greater than: (1) 100 percent of the aggregate principal amount of the notes to be redeemed; and (2) the sum of the present value of each remaining scheduled payment discounted at interest rate equal to the Treasury of the United States of America's rate plus 20 basis points. From December 11, 2024 onwards, the Bank can redeem the total or part of the notes to a redemption price equal to 100 percent of the aggregate principal amount of the notes to be redeemed. The payment of principal will take place on the due date or when the Bank redeems the notes.

(iv) As of December 31, 2022, the Bank maintains a CCS which was designated as cash flows hedges of a part of Senior Notes in U.S dollars subject to exchange rate risk for a notional amount of US$220.0 million, equivalent to S/839.1 million (US$50.0 million equivalent to S/199.4 million, as of December 31, 2021), see Note 9(b). By means of the CCS, the cover part of Senior Notes was economically converted to Soles to a fix rate.

(v) During the first quarter of 2018, in accordance with the risk exposure strategy of the interest rate, Bank and its Subsidiaries discontinued the fair value hedge of certain bonds, issued in U.S. dollars at a fixed rate, through the liquidation of the IRS. The accumulated profit of the fair value of these bonds at the time of the liquidation of the derivatives amounted to S/71.7 million (equivalent to US$22.0 million), recorded in the liability, which has been transferred to the consolidated statement of income up to the date of maturity of said bonds. As of December 31, 2022, the liability and the he amount recorded in the consolidated statement of income amounts to US$0.2 million (S/0.7 million) and US$0.7 million (S/2.8 million), respectively (US$0.9 million (S/3.6 million) and US$1.7 million (S/6.6 million) as of December 31, 2021).

(vi) In September 2019, the Bank announced a repurchase offer and proposed an exchange to the holders of Senior Notes of the S/2,000.0 million maturing in October 2020, a total of S/1,308.8 million were exchanged and S/291.2 million were repurchased.

At the same time, the Bank issued Senior Notes under the Medium-Term Bond Program for S/2,500.0 million at a semi-annual coupon rate of 4.65 percent maturing in September 2024. Between October 17, 2021 and until August 17, 2024, at a redemption price equal to or greater than: (1) 100 percent of the aggregate principal amount of the notes to be redeemed;

and (2) the sum of the present value of each remaining scheduled payment discounted at interest rate equal to the Treasury of the United States of America's rate plus 25 basis points. From August 17, 2024 onwards, the Bank can redeem the total or part of the notes to a redemption price equal to 100 percent of the aggregate principal amount of the notes to be redeemed. The payment of principal will take place on the due date or when the Bank redeems the notes.

(vii) As of December 31, 2021, the Bank maintains a cross currency swap (CCS) for a nominal amount of JPY5,000.0 million equivalent to S/145.7 million (JPY5,000.0 million equivalent to S/173.2 million as of December 31, 2021), see Note 9(b), which was broken down by risk variables into two cross currency swap (CCS) in order to designate them as a cash flow hedge of a fixed-rate yen issued bond, which was converted to Soles at a fixed rate and as cash flow hedge of loans.

(viii) As of December 31, 2022, the Bank holds an interest rate swap (IRS) for a nominal amount of US$30.0 million (US$30.0 million equivalent to S/119.6 million, as of December 31, 2021), see Note 9(a), which was designated as cash flow hedge of a Senior Note issued in U.S. dollars at a fixed rate; through said IRS, the bond was economically converted to a fixed rate.

(ix) On July 1, 2020, the Bank issued Subordinated Notes under the Medium-Term Bond Program for US$850.0 million at a semi-annual coupon rate of 3.125 percent maturing in July 2030 denominated "3.125 percent Subordinated Fixed-to-Fixed Rate Notes due 2030 (Callable 2025)". On July 1, 2025, a fixed interest rate will be paid equal to the interest rate of the Treasury of the United States of America, comparable to 5 years, plus 300.0 basis points. On July 1, 2025, the Bank may redeem all or part of the notes at a redemption price equal to 100 percent of the aggregate principal amount of the notes to be redeemed. Thereafter, the Bank may redeem all or part of the notes at a redemption price that is equal to the greater of (1) 100 percent of the principal amount of the notes and (2) the sum of the remaining discounted flows at a rate equivalent to the United States Treasury interest rate plus 45 basis points. Payment of the principal will take place on the due date of the notes or when the Bank redeems them.

On the other hand, on March 30, 2021, the Bank issued Subordinated Notes under the Medium-Term Bond Program for US$500.0 million at a semi-annual coupon rate of 3.250 percent maturing in September 2031 denominated "3.250 percent Subordinated Fixed-to-Fixed Rate Notes due 2031 (Callable 2026)". As of September 30, 2026, a fixed interest rate will be paid equal to the United States Treasury interest rate, comparable to 5 years, plus 245.0 basis points. On September 30, 2026, the Bank may redeem all or part of the subordinated notes at a redemption price equal to 100 percent of the aggregate principal amount of the subordinated notes to be redeemed. Thereafter, the Bank may redeem all or part of the subordinated notes at a redemption price that is equal to the greater of (1) 100 percent of the principal amount of the subordinated notes and (2) the sum of the remaining discounted flows at a rate equivalent to the United States Treasury interest rate plus 40 basis points. Principal payment will take place on the maturity date of the subordinated notes or when the Bank redeems them.

(x) On May 25, 2022, the repurchase of subordinated bond for S/15.0 million was carried out.

(xi) On March 30, 2021, Mibanco S.A. issued the Fourth Program Series A Subordinated Bonds amounting to S/ 155.0 million with a fixed rate of 5.84 percent, which matures on March 31, 2031. The payment of the principal will take place on the maturity date, or when Mibanco S.A. redeems them, only after a minimum term of 5 years since issuance date.

Also, on May 13, 2021, Mibanco S.A. exercised the option for early redemption from Second Program Series A Subordinated Bonds issue amounting to S/100.0 million.

b) Below is the balance of securities, securities and outstanding obligations classified by maturity, excluding interest payable:

	2022 S/000	2021 S/000
Up to 3 months	70,321	119,705
From 3 months to 1 year	3,159,041	552,084
From 1 year to 3 years	5,118,761	5,492,101
From 3 to 5 years	114,246	2,725,433
More than 5 years	5,254,131	5,469,457
Total	13,716,500	14,358,780

14 INCOME TAX

a) As of December 31, 2022 and 2021, this item comprises:

	2022 S/000	2021 S/000
Net deferred income tax asset		
Deferred assets		
Allowance for loan losses	1,118,483	1,123,525
Unrealized gain in valuation on available-for-sale investments	67,897	23,744
Additional profit sharing	66,949	74,308
Provision for sundry expenses	41,823	39,223
Provision for assets awarded	30,782	26,635
Interest on refinanced loans not due	25,255	37,124
Share based plan	16,370	14,641
Depreciation of leased premises	14,092	14,310
Commissions and memberships for credit cards	9,126	6,016
Unrealized losses on valuation on cash flow hedge derivatives	5,160	3,545
Audit services	2,020	568
Provision for sundry risks	1,029	1,390
Others	2,723	1,564
	1,401,709	1,366,593
Deferred liabilities		
Difference in intangibles	(247,641)	(230,639)
Adjustment for difference in exchange of SUNAT and SBS (i)	(61,858)	(119,246)
Difference in depreciation rate of buildings	(58,931)	(59,029)
Unrealized gain in valuation on cash flow hedge derivatives	(5,262)	(3,407)
Unrealized gain in valuation on available-for-sale investments	(807)	(10,716)
Unrealized gain on hedged investments	8,246	(8,800)
Others (ii)	(4,437)	(6,952)
	(370,690)	(438,789)
Total	1,031,019	927,804

(i) As of December 31, 2022, the closing exchange rate of the SBS was S/3.81 and the closing exchange rate of the SBS as of December 31, 2021 was S/3.98, said variation will mainly follow the decrease at the end of December 2022.

(ii) As of December 31, 2022 and 2021, the balance is mainly made up of deferred tax related to expenses for real estate insurance brokerage commissions.

b) The composition of the amounts presented in the consolidated statement of income for the years ended December 31, 2022, 2021 and 2020, is shown below:

	2022 S/000	2021 S/000	2020 S/000
Current	1,737,213	860,167	835,867
Deferred	(68,342)	291,648	(680,728)
	1,668,871	1,151,815	155,139

As of December 31, 2022, the variation in the expense for deferred income tax is mainly due to the generic provision for BCP loans for S/126.0 million and the effect of the return of the voluntary provision for MiBanco loans for S/112.0 million. As of December 31, 2021, the variation in deferred income tax expense is mainly due to the generic provision for BCP loans for S/793.0 million and the generic provision for MiBanco loans for S/122.0 million.

c) Reconciliation of the effective tax rate to the statutory tax rate for the years 2022, 2021 and 2020 is as follows:

	2022 S/000	%	2021 S/000	%	2020 S/000	%
Income before income tax -	6,171,068	100.00	4,196,348	100.00	971,925	100.00
Theoretical expense	1,820,465	29.50	1,237,923	29.50	286,718	29.50
Effect of exempt income						
Exempted finance income	(397,269)	(6.44)	(277,761)	(6.62)	(340,861)	(35.07)
Effect of non-deductible expenses						
Non-deductible finance costs	97,173	1.57	41,258	0.98	56,300	5.79
Other non-deductible expense	148,502	2.41	150,395	3.59	152,982	15.74
Income tax current and deferred	1,668,871	27.04	1,151,815	27.45	155,139	15.96

15 EQUITY

a) Capital stock -

As of December 31, 2022, the Bank' s capital stock comprises 12,176.4 million of fully subscribed and paid common shares (11,317.4 million and 11,067.4 million shares, as of December 31, 2021 and 2020, respectively) with a nominal value of one sol per share.

As of December 31, 2022 and 2021 Grupo Crédito S.A. (a subsidiary of Credicorp) holds 97.74 percent of the Bank's share capital. (97.71 percent as of December 31, 2020).

The Annual General Shareholders' Meetings held on March 29, 2022, March 31, 2021 and April 03, 2020, approved the capitalization of 2021, 2020 and 2019 retained earnings for amounts of S/859.0 million, S/250.0 million and S/850.0 million, respectively.

b) Legal reserve -

In accordance with current legislation, the Bank must reach a legal reserve of not less than 35 percent of its paid-in capital. This reserve must be constituted through an annual appropriation of not less than 10 percent of its net income. As of December 31, 2022, 2021 and 2020, the Bank and its subsidiaries covered said legal requirement.

The Annual General Shareholders' Meeting, held on March 29, 2022 and March 31, 2021 and April 3, 2020 approved the increase of the legal reserve by approximately S/303.1 million, S/83.3 million and S/298.3 million, from the 2021, 2020 and 2019 net income, respectively.

As of December 31, 2022, 2021 and 2020, the Subsidiaries' individual legal reserves amounted to approximately S/ 279.6, S/261.2 million and S/260.6 million, respectively.

c) Other reserves -

The other reserves have been funded through the appropriation of retained earnings. Other reserves are freely available.

The Annual General Meeting of Shareholders held on March 29, 2022, it was approved to increase the optional reserve by approximately S/505.5 million, from the profit for the year 2021. Likewise, at the Annual General Meeting of Shareholders held on March 31, 2021, it was approved to increase the optional reserve by approximately S/457.5 million, from the profit for the 2020 fiscal year.

The subsidiary Mibanco, Banco de la Microempresa SA agreed at its General Shareholders' Meeting held on February 4, 2021 to reduce the Capital Stock and Additional Capital by a total of S/ 400.0 million. See Note 2(a).

d) Unrealized results -

"Unrealized results" includes the net unrealized gains (losses) from available-for-sale investments, foreign currency translation adjustments and cash flow hedging derivatives. The movement of the unrealized results during 2022, 2021 and 2020, net of deferred income tax was as follows:

	Unrealized gain (loss) of:			
	Available for sale investments	Derivatives instruments as cash flow hedges	Translation results	Total
	S/000	S/000	S/000	S/000
Balance as of January 1, 2020	328,302	(30,770)	580	298,112
Net unrealized gain from available-for-sale-investments	594,242	-	-	594,242
Transfer to results of realized profit in investments available for sale, net realized loss	(175,882)	-	-	(175,882)
Net unrealized loss on cash flow hedge	-	(74,052)	-	(74,052)
Transfer to results of realized loss in cash flow hedging derivatives, net of realized gain	-	58,938	-	58,938
Foreign currency translation	-	-	1,242	1,242
Deferred income tax	(15,622)	4,116	-	(11,506)
Balance as of December 31, 2020	731,040	(41,768)	1,822	691,094
Net unrealized loss from available-for-sale-investments	(1,375,388)	-	-	(1,375,388)
Transfer to results of realized loss in investments available for sale, net realized gain	104,301	-	-	104,301
Net unrealized gain on cash flow hedge	-	114,200	-	114,200
Transfer to results of realized loss in cash flow hedging derivatives	-	(56,422)	-	(56,422)
Foreign currency translation	-	-	1,454	1,454
Deferred income tax	40,405	(16,949)	-	23,456
Balance as of December 31, 2021	(499,642)	(939)	3,276	(497,305)
Net unrealized loss from available-for-sale-investments	(753,008)	-	-	(753,008)
Transfer to results of realized loss in investments available for sale, net realized gain	61,261	-	-	61,261
Net unrealized gain on cash flow hedge	-	29,473	-	29,473
Transfer to results of realized loss in cash flow hedging derivatives	-	(28,048)	-	(28,048)
Foreign currency translation	-	-	(4,778)	(4,778)
Deferred income tax	54,063	(241)	-	53,822
Balance as of December 31, 2022	(1,137,326)	245	(1,502)	(1,138,583)

As of December 31, 2022, and 2021, the Bank and its Subsidiaries maintain a deferred asset for net income tax for S/67.0 million and a deferred asset for net income tax for S/13.2 million, respectively, comprising the unrealized gains or losses on available-for-sale investments and cash flow hedges.

The variation in deferred tax for the period is mainly due to investments available for sale.

e) Components of other comprehensive income -

The consolidated statement of comprehensive income includes other comprehensive income on available-for-sale investments and derivatives used as cash flow hedges and translation results, with the following movement:

	2022 S/000	2021 S/000	2020 S/000
Available-for-sale investments:			
Unrealized loss (gains) from available-for-sale investments	(753,008)	(1,375,388)	594,242
Transfer of loss (gain) made of investments available for the sale to results	61,261	104,301	(175,882)
Subtotal	(691,747)	(1,271,087)	418,360
Non-controlling interest	(304)	(679)	177
	(692,051)	(1,271,766)	418,537
Income tax	54,063	40,405	(15,622)
	(637,988)	(1,231,361)	402,915
Cash flow hedges:			
Net unrealized gain (loss) from cash flow hedges	29,473	114,200	(74,052)
Transfer of net profit (loss) realized from derivatives of flow coverage from cash to results	(28,048)	(56,422)	58,938
Subtotal	1,425	57,778	(15,114)
Non-controlling interest	(6)	-	-
	1,419	57,778	(15,114)
Income tax	(241)	(16,949)	4,116
	1,178	40,829	(10,998)
Foreign currency translation:			
Exchange differences on translation of foreign operations	(4,778)	1,454	1,242
Non-controlling interest	-	6	(9)
Subtotal	(4,778)	1,460	1,233

f) Dividend distribution -

The General Shareholders' Meetings held on March 29, 2022, March 31, 2021 and April 3, 2020, agreed to distribute dividends for approximately S/1,363.7 million, S/42.1 million and S/1,303.7 million, resulting from operations for fiscal years 2021, 2020 and 2019, respectively.

Additionally, as of October 26, 2022, it was agreed to distribute dividends charged to optional reserves for approximately S/ 757.4 million.

In accordance with current Peruvian legislation, there is no restriction for overseas remittance of dividends or the repatriation of foreign investment. With effect from 2017, non-domiciled legal entities in Perú and individuals are subject to an additional income tax of 5.00 percent on the distributed dividends, which must be retained and paid by the entity that distributes the dividends.

According to Legislative Decree N°1261, published on December 10, 2016, it eliminated the provision of Law N°30296 with regard to the rates established from 2017 onwards.

g) Regulatory capital -

According to Article 199 of Legislative Decree N°1028, the regulatory capital must be equal to or higher than 10.00 percent of the total risk weighted assets and contingent operations, represented by the sum of: the regulatory capital requirement for market risk multiplied by 10; the regulatory capital requirement for operational risk multiplied by 10 and the weighted assets and contingent credits by credit risk.

Through Multiple Official Letter N°27358-2021-SBS, the SBS established that in the period between April 2021 and March 2022, the effective equity for financial companies must be equal to or greater than 8.00 percent of the assets and contingent weighted by total risk, equivalent to the sum of the effective equity requirement for market risk multiplied by 10, the effective equity requirement for operational risk multiplied by 10, and the weighted assets and contingents for credit risk.

Through Emergency Decree 003-2022, it was established that in the period from March 2022 to August 2022, the effective equity for financial companies must be equal to or greater than 8.00 percent and from September 2022 to March 2023 the effective equity for financial companies must be equal to or greater than 8.50 percent of total risk-weighted assets and contingencies, equivalent to the sum of the effective capital requirement for market risk multiplied by 10, the effective capital requirement for operational risk multiplied by 10, and credit risk-weighted assets and contingencies.

As of December 31, 2022 and 2021, in compliance with Legislative Decree N° 1028, as amended, the Bank and its Subsidiaries maintain the following amounts in relation to contingent assets and contingent loans weighted for risk and regulatory capital (basic and supplementary), expressed in millions of Soles:

	2022	2021
Assets and risk weighted by overall risk	161,938.8	152,376.2
Regulatory capital	23,364.3	22,772.2
Basic regulatory capital	16,219.1	15,143.0
Supplementary regulatory capital	7,145.2	7,629.2
Global equity on regulatory capital ratio	14.43%	14.94%

As of December 31, 2022 and 2021, the Bank and its Subsidiaries have fulfilled the requirements of Resolutions N°2115-2009, N°6328-2009 and N°14354-2009, Regulations for the Requirement of Regulatory Capital by Operational Risk, Market Risk and Credit Risk Regulations, respectively, and amendments. Those resolutions establish, mainly, the methodology to be applied by financial entities in order to calculate the weighted assets and credits for each type of risk.

On July 20, 2011, the SBS, through SBS Resolution N°8425-2011, required financial entities an additional effective equity equivalent to the sum of the effective equity requirements calculated for each of the following components: economic cycle, risk concentration risk, market concentration risk, interest rate risk and others risks. In December 2021, SBS Resolution N°3921-2021 modified the calculation of the additional effective capital requirement for market concentration, which considers the criteria of size, interconnection, substitutability and complexity, in order to adapt it to international standards. As of December 31, 2022, the additional effective equity requirement

estimated by the Bank includes the impact of the new methodology and amounts to approximately S/3,726.2 million (S/1,949.6 million, as of December 31, 2021).

In Management's opinion, the Bank and its Subsidiaries have been complying with the requirements established in the aforementioned resolution.

Resolution N°11823-2010 "Regulations for the consolidated supervision of financial and mixed conglomerates", establishes that the consolidable group must have effective equity destined to cover the risks it faces in the operations and activities it carries out, which does not It must be less than the minimum capital requirements of the consolidable group of the financial system. As of December 31, 2022 and December 31, 2021, the effective equity of the consolidated financial group amounted to US$7,873.3 million, equivalent to S/30,028.7 million and US$6,980.2 million, equivalent to S/27,830.0 million, respectively.

16 TAX SITUATION

a) The Bank and its principals Subsidiaries are subject to the Peruvian tax regime. The income tax rate as of December 31, 2022 and 2021 was 29.50 percent.

Enterprises and individuals not domiciled in Perú and domiciled individuals are subject to additional withholding tax on the dividends received of 5.00 percent.

b) Law N°30341, effective January 1, 2016 establishes the income tax exemption on income arising from the disposal of shares and other equity instruments until December 31, 2018 if the transaction is performed via a centralized trading mechanism overseen by the Peruvian securities and company regulator (“Superintendencia del Mercado de Valores”).

Subsequently, Legislative Decree N°1262, effective January 1, 2017, extended this benefit until December 31, 2019; and incorporated new exoneration assumptions, such as: American Depositary Receipts (ADR) and Global Depositary Receipts (GDR), Exchange Trade Fund (ETF) which have as underlying shares and/or debt securities, Equity instruments, Participation Certificates in Securities-based Mutual Investment Funds, Participation Certificates in Real Estate Income Investment Funds (FIRBI from Spanish acronym) and Participation Certificates in securitization trusts for investment in Real Estate Income (FIBRA), as well as factoring.

Emergency Decree 005-2019 effective as of January 1, 2020, extended the benefit until December 31, 2022, likewise, the conditions were modified to determine if the securities have a stock market presence.

This exoneration will be applicable as long as the conditions established in the referred Legislative Decree are expressly complied with.

In accordance with the First Final Complementary Provision of Law No. 31662, published on December 30, 2022, this benefit has been extended until December 31, 2023; however, its scope has been restricted to (i) individuals, undivided estates or marital partnerships that opted to be taxed as such; and (ii) up to the first 100 UIT of the capital gain generated in each taxable year.

c) For income tax calculation purposes, the transfer prices agreed in transactions between related parties and with entities located in tax havens require the presentation of supporting documentation and information on the valuation methods and criteria applied for the price calculation. Based on the analysis of the operations of the Bank and its Subsidiaries, Management and its internal legal advisors consider that no significant contingencies will arise for the Bank and its Subsidiaries as a consequence of the application of these provisions for fiscal year 2022 and 2021.

With the enactment of Legislative Decree N°1312, effective January 1, 2017, the formal obligations are modified for the entities subject to transfer price regulations; incorporating 3 new informative

declarations; the first, a Local Report, the second, a Master Report and the third a Country-by-Country Report. The first with effect from 2017 for the operations during 2016, and the last two with effect from 2018 for the operations during 2017.

As established by Supreme Decree N°337-2018-EF, the content referring to the benefit test for intra-group services was regulated and specified, defining, among others: the concept of benefit test, information on costs and expenses incurred by the provider of the service, profit margin, support documentation that should contain the aforementioned test, which will be applicable as of January 1, 2019.

d) Through Legislative Decree N°1369 in force since January 1, 2019, the obligation to pay the amount equivalent to the withholding in operations with non-residents at the time of their accounting registration was eliminated, remaining at the time of their accreditation or payment and it was established that royalties and compensation for services, technical assistance, assignment of use or others of a similar nature in favor of non-resident beneficiaries; They may be deducted as a cost or expense in the taxable year to which they correspond when they have been paid or accredited within the term established by the regulations for the presentation of the affidavit corresponding to said year. Additionally, it specified that the aforementioned costs or expenses that are not deducted in the fiscal year to which they correspond; They will be deductible in the year in which they are actually paid, even when they are duly provisioned in a previous year.

e) Legislative Decree N°1425, effective as of January 1, 2019, accrual for tax purposes was defined, establishing general and specific standards for the recognition of income and expenses for tax purposes.

Likewise, the Fifth Final Complementary Provision of the Decree indicates that the amendments to the Law included in the Legislative Decree do not modify the income or expenditure accrual treatment established in special or sectorial regulations.

The Third Final Complementary Provision of Supreme Decree N°399-2018-EF established that the special or sectorial standards referred to in Legislative Decree N°1425, are those provisions of tax nature that establish a special treatment to the income or expenses accrual for the purposes of Income Tax.

f) Ministerial Resolution N°387-2020-EF/15, established that the provisions for Reprogrammed Credits due to COVID-19 pandemic, referred to in the Eighth Final and Transitory Provision of the Regulation for the Evaluation and Classification of the Debtor and the Requirement of Provisions, approved by SBS Resolution N°11356-2008, modified by SBS Resolution N°3155-2020; They jointly meet the expenses deductibility requirements for the determination of third category net income, required by the Law and the Income Tax Regulations.

Subsequently, on December 31, 2021, Ministerial Resolution N°384-2021-EF/15 was published in the Official Gazette "El Perúano", which provided that the provisions for Rescheduled Credits due to COVID-19, referred to in the Ninth Final and Transitory Provision of the Regulation for the Evaluation and Classification of the Debtor and the Requirement of Provisions, approved by SBS Resolution N°11356-2008, modified by SBS Resolution N°3922-2021, comply with the requirements indicated in subparagraph h) of the Article 37 of the TUO of the Income Tax Law. The aforementioned Ninth Final and Transitory Provision annulled the Eighth Final and Transitory Provision of the Regulation for the Evaluation and Classification of the Debtor and the Requirement of Provisions approved by SBS Resolution N°11356-2008.

g) Through Legislative Decree N°1529, the Law for the fight against evasion and for the formalization of the economy regarding the use of types of payment is modified. Among the modifications made, the amount from which means of payment must be used is reduced from S/3,500.0 or US$1,000.0 to S/2,000.0 or US$500.0, likewise, it is established that the use of types of payment is considered fulfilled only if the payment is made directly to the creditor, provider of the good and/or service provider, or when said payment is made to a third party designated by the creditor, provided that the designation is communicated to SUNAT prior to payment, in the form and conditions indicated by resolution of the superintendency. These provisions are in force as of April 1, 2022.

h) Regarding to sales tax, income from credit services received, among others, by banking and financial companies, domiciled or not in the country, as capital gains, derived from bills of exchange trading, promissory notes, invoices and other commercial papers, as well as for commissions and interest derived from operations of these companies.

i) The Peruvian Tax Authority is entitled to review and, if applicable, amend the individual annual income tax returns of the Bank and its Subsidiaries established in said countries up to four years after the year of their submission.

The income tax returns which are open to review by the Tax Authorities are the following:

Banco de Crédito del Perú S.A.	2016-2021
Mibanco Banco de la Microempresa S.A.	2017-2021
Solución Empresa Administradora Hipotecaria S.A.	2017-2021

On March 01, 2022, and December 16, 2022, Mibanco has been notified by the Tax Authority for the start of the examination of Income Tax 2019 and 2020, currently the examination procedure is in process.

Due to the tax regulations being subject to interpretation by the Tax Authorities it is not possible to determine at present whether or not the reviews carried out will generate additional liabilities for the Bank and its Subsidiaries. Therefore, any unpaid tax, penalties or interests that might result from said reviews will be expensed in the year in which they are determined. Nevertheless, Management of the Bank and its internal legal advisors consider that any additional tax assessments would not have a significant impact on the 2022 and 2021 consolidated financial statements of the Bank and its Subsidiaries.

17 SHARE-BASED COMPENSATIONS PLANS

As indicated in Note 3(q), in March or April of each year, the Bank and its Subsidiaries grant rights over Credicorp Ltd.'s shares to certain executives, which are settled by the delivery of the shares ("share-based payment plan settled by equity instruments"). The rights granted accrue in the three following years from the date of grant. On this date, in order to execute the plan, all the shares required to settle the plan are acquired, which are legally delivered to the executives; however, they are held as restricted until accrual.

During March 2022, 2021 and 2020, the Compensation Committee of the Credicorp Group agreed to deliver 61,645, 54,262 and 108,712 shares of Credicorp Ltd. to certain executives, respectively. Of which, as of December 31, 2022 are pending delivery for the 2022 plans (59,479), for 2021 plans (32,443) and for 2020 (32,155). As of December 31, 2021, there were pending deliveries for the 2021 plans (58,451), for 2020 (76,127) and for 2019 (19,097).

Also, as of December 31, 2022, the recorded liability amounted to S/40.3 million, (S/48.8 million as of December 31, 2021), which is included in "Share-based payment of other liabilities" in the statement of financial position, see Note 9(a).

As of December 31, 2022, the expense amounts to S/48.1 million. As of December 31, 2021, the recorded expense amounted to S/52.2 million and as of December 31, 2020, it amounted to S/64.2 million, which are included in "Salaries and employees benefits" item. See Note 24.

The accrued shares were fully delivered to the beneficiaries. It should be noted that the first to third of the rights of 2019 plan (56,119), the first and second third of 2020 plan (69,346) and the first third of 2021 plan (16,866) were delivered to their beneficiaries in April 2021.

18 COMMITMENTS AND CONTINGENCIES

a) Commitments -

In June 2022, the contract maintained by the Panama Branch of the Bank with CCR Inc., a related entity abroad, expired, which guaranteed the future collection of electronic payment orders sent to the Bank through the Society for Worldwide Interbank Financial Telecommunications ("Swift"), through which the correspondent bank uses the network to make payment orders to a beneficiary in Perú that is not a financial institution.

For these transactions, the related entity obtained loans guaranteed by the aforementioned rights, the funds of which were transferred to the Panama branch through loans, see note 12(d). Both loans were canceled in June 2022 (as of December 31, 2021, they had balances of US$18.8 million).

b) Contingencies -

As of December 31, 2022 and 2021, the Bank and its Subsidiaries have pending various tax processes and lawsuits related to the activities they carry out, as well as arbitration processes related to Works for Taxes and that, in the opinion of Management and its internal legal advisors, will not result in significant additional liabilities to those already recorded by the Bank and its Subsidiaries; Therefore, Management has not considered necessary an additional provision to the one recorded for these contingencies, see Note 9(g).

19 OFF-BALANCE SHEET ACCOUNTS

a) As of December 31, 2022 and 2021, this item comprises the following:

	2022 S/000	2021 S/000
Contingent operations (indirect loans) (b)		
Guarantees and performance bonds	17,578,019	19,174,505
Import and export letters of credit	2,159,873	2,029,056
Bank acceptances	699,678	532,404
	20,437,570	21,735,965
Unused lines of credit and undisbursed loans granted not disbursed (c)	75,276,664	75,333,998
Other contingent operations	13,730	11,222
Total contingent operations	95,727,964	97,081,185

b) In the normal course of their business, the Bank and its Subsidiaries perform contingent operations (indirect loans). These operations expose them to credit risk in addition to the amounts recognized in the consolidated statement of financial position. The Bank and its Subsidiaries' exposure to credit losses from export and import letters of credit, performance bonds and guarantees, is represented by the contractual amounts specified in the related contracts.

The Bank and its Subsidiaries apply the same credit policies in making commitments and conditional obligations as they do for direct loans, including the requirement to obtain collateral to support off-balance sheet financial instruments when it is deemed necessary. Collateral held varies, and may include deposits held in financial institutions, mortgages, securities or other assets.

Because most of the contingent operations (indirect credits) are expected to expire without any performance being required, the total of contingent operations does not necessarily represent future cash requirements.

Export and import letters of credit are mainly issued as credit guarantees used to facilitate commercial transactions abroad. The related credit risk is reduced by the participation of third parties.

Bank on acceptances represent collection rights for the Bank and its Subsidiaries that arise at the time of negotiation of the letter of credit; a collection right from the local importer (in the case of imports) or a collection right from the correspondent bank (in the case of exports).

c) Unused lines of credit and lines of credit conceded include lines of consumer loans, micro-business, small business, medium and corporate business, that are payable upon notification to the client.

d) As of December 31, 2022 and 2021 transactions with derivatives are recorded off-balance sheet for control purposes, at their reference value and are expressed in the committed currency. This item is made up as follows:

	2022 S/000	2021 S/000
Derivative instruments, Note 9(b) -		
Derivatives held for trading:		
Foreign currency contracts on the Sol:		
Foreign currency sales	18,708,504	14,878,226
Foreign currency purchases	9,302,587	9,882,117
Interest rate swap contracts	6,859,135	17,926,879
Foreign currency forward contracts on currencies, other than Sol	426,867	441,083
Currency swap contracts:		
Sol delivery/ Foreign currency reception	11,124,796	10,203,561
Foreign currency delivery/ Sol reception	2,943,079	3,431,248
Foreign currency options	362,252	576,398
Foreign currency delivery/ Foreign currency reception	23,664	435,959
Derivatives held as hedge:		
Sol reception / Foreign currency delivery	1,144,200	478,440
Interest rate swap contracts	926,497	756,015
Cross currency swap contracts on the Sol:		
Cross currency swap in other currency than Sol	210,167	248,752
Foreign currency delivery/ Sol reception	66,930	79,098
	52,098,678	59,337,776

20 FINANCE INCOME AND EXPENSES

These items comprises the following:

	2022 S/000	2021 S/000	2020 S/000
Finance income			
Interest from loan portfolio	11,388,122	8,904,046	9,436,048
Interest from trading, available-for-sale and held-to-maturity investments, net	1,148,760	827,803	761,370
Interest from cash and due from banks and inter-bank funds	427,399	41,461	67,644
Others	37,749	4,351	6,371
	13,002,030	9,777,661	10,271,433
Finance expenses			
Interest and commissions on deposits and obligations	(1,252,113)	(483,363)	(833,479)
Interest on due to banks and correspondents and other entities	(666,784)	(434,794)	(557,154)
Interest on bonds and subordinated notes issued	(628,657)	(736,239)	(841,175)
Deposit Insurance fund	(227,733)	(213,741)	(183,132)
Others	(1,513)	(3,763)	(7,407)
	(2,776,800)	(1,871,900)	(2,422,347)
Gross financial margin	10,225,230	7,905,761	7,849,086

The increase in the financial margin during 2022 is mainly due to the increase in financial income as a result of an increase in interest rates that have been growing significantly during the year 2022, both in Soles and in U.S. dollars, compared to a year 2021 with historically low rates. This growth is partially offset by the increase in financial expenses, which was also affected by the increase in market rates.

21 COMMISSIONS FOR BANKING SERVICES, NET

This item comprises the following:

	2022 S/000	2021 S/000	2020 S/000
Gain to related banking service commissions			
Transfer and collection services	1,058,310	962,193	763,883
Card-associated services credit debit	903,451	731,231	528,399
Maintenance of accounts	391,330	369,037	334,357
Commissions from contingent operations	306,689	308,495	243,454
Commissions on special services - Credipago	330,059	275,676	222,905
Insurance commissions	116,910	99,374	82,535
Fees from consulting and technical studies	92,842	95,560	90,855
Commission from salary in advance and payment of services	66,330	52,557	34,766
Commission on transfers overseas and other	46,015	41,368	48,373
Withholding and collection services	36,596	30,476	34,953
Penalty commissions	781	15,536	53,423
Check issuance	3,841	3,837	3,477
Others	26,898	30,603	32,986
Sub total	3,380,052	3,015,943	2,474,366

	2022 S/000	2021 S/000	2020 S/000
Expenses related to banking service commissions			
Credit and debit card services	(246,905)	(192,272)	(159,266)
Currency conversion services	(53,481)	(49,504)	(27,698)
Expenses related to check issuance	(2,281)	(2,011)	(2,321)
Others	(43,104)	(53,626)	(36,171)
Sub total	(345,771)	(297,413)	(225,456)
Balance, net	3,034,281	2,718,530	2,248,910

22 NET RESULT ON SECURITIES

This item comprises the following:

	2022 S/000	2021 S/000	2020 S/000
Share of profits obtained by associates	10,832	8,288	(4,930)
Net (loss) gain from purchase and sale of investments available for sale (a)	(7,840)	(91,750)	156,977
Net (loss) gain from purchase and sale of securities at fair value through profit or loss (trading) (b)	(22,669)	(66,842)	(1,755)
Loss from sale of Comercio Digital Intregral S.A.C	-	(5,343)	-
Others, net	(4,980)	22,935	(17,382)
Total	(24,657)	(132,712)	132,910

(a) During 2022, it mainly includes net loss on Sovereign bonds sales amounting to S/2.0 million, and net gains for sales of other available-for-sale investments amounting to S/3.2 million (During 2021, it mainly includes net gains on Sovereign bonds sales amounting to S/95.1 million, among others amounting to S/3.3 million of net losses), see Note 5(b). It also includes a loss of S/9.0 million corresponding to the accrual of the unrealized loss associated with sovereign bonds that were reclassified from the category available for sale at maturity, see Note 5(c).

(b) During 2022, it mainly includes net loss on the sale of sovereign bonds for S/10.2 million, foreign government bonds for S/8.5 million and corporate bonds for S/3.2 million. (During 2021, it mainly includes net loss on the sale of sovereign bonds for S/34.6 million, foreign government bonds for S/17.9 million and corporate bonds for S/13.6 million and Peruvian Public Treasury bonds for S/0.9 million). See Note 5(a).

23 OTHER NON-FINANCE INCOME AND OTHER OPERATING EXPENSES

These items comprise the following:

	2022 S/000	2021 S/000	2020 S/000
Other non-finance income			
SUNAT tax recovery (a)	36,055	1,602	-
Technical support - Outsourcing	26,491	33,688	34,656
Recovery of expenses of judicial collection of personal credits and credit cards	24,757	14,885	5,209
Portfolio sale (b)	22,842	17,113	35,818
Gain on sale of fixed assets (c)	12,804	6,410	12,576
Recovery of previous years' interest	10,789	10,338	3,279
Use of BCP Bolivia brand	8,004	8,330	7,739
Net gain from sales of assets awarded	4,250	7,340	2,957
Provision reversal due to closing of the previous Travel Miles loyalty program	-	-	10,880
Gain on sale of intangible assets	2,961	3,576	-
Others (d)	64,311	51,718	66,898
Total	213,264	155,000	180,012
Other operating expense			
Losses for operating risk	(84,579)	(64,674)	(70,680)
Covid-Health Emergency (e)	(20,177)	(50,107)	(86,101)
Derecognition of intangibles due to withdrawals and rejected projects	(19,432)	(17,630)	(40,342)
Losses for examination, lawsuit and customers' claims	(16,529)	(11,452)	(17,082)
Donations	(16,007)	(9,579)	(119,708)
Administrative and tax penalties	(10,673)	(6,448)	(3,958)
Provision for uncollectible receivables	(3,433)	(2,890)	(17,028)
Derecognition assets out of use cost due to disposals	(3,325)	(8,253)	(7,498)
Expenses related to assets under finance lease	(3,014)	(3,209)	(2,961)
Maintenance of assets awarded	(1,138)	(1,273)	(1,442)
Others (f)	(26,454)	(34,590)	(52,445)
Total	(204,761)	(210,105)	(419,245)

(a) Comprising the favorable results of cases that were in the process of claming before the tax regulator related to income tax for the years 2014 and 2015.

(b) Comprising the gain from the sale of portfolio for a total of S/22.8 million, mainly due to the sale of portfolio written off in the modality of assignment of rights to third parties with a capital of S/911.0 million and US$7.4 million, which was sold at a value of S/9.2 million and US$42.3 thousand.

(c) Comprising the profits obtained from the sale of real estate agencies, mainly Argentina agency for S/3.6 million, Soledad agency for S/3.3 million, Panama agency for S/1.9 million, Molicentro agency for S/1.5 million, Trujillo property for S/1.5 million, among others, see Note 7(d).

(d) The balance is made up mainly of cash surpluses, liquidations for the sale of Credicorp shares, penalties for breach of contract, higher value of the assets relocated in leasing with respect to the principal balance of the debt, commissions for the administration of vehicle taxes, property taxes, fines and infractions related to the leasing product, improvements in the negotiation process of shared services with group companies, among others.

(e) Comprising purchases that were made by the Engineering, Logistics - Marketing & Staff team, as a consequence of the health emergency, such as: security equipment, mobility bonus, food, medical and operating expenses, rapid tests, service temperature measurement, surveillance, transportation, among others.

(f) The balance is made up mainly of the provision for miscellaneous risks, tax sanctions, expenses and fees related to civil, criminal and administrative proceedings, losses due to damage suffered in tangible assets of the Bank, legal expenses, non-deductible expenses, penalties for operations Visa, rejected projects, penalty for agency closure, among others.

24 SALARIES AND EMPLOYEE BENEFITS

This item comprises the following:

	2022 S/000	2021 S/000	2020 S/000
Salaries	1,549,750	1,436,992	1,363,918
Legal profit sharing	300,868	151,005	153,856
Legal gratifications	265,816	240,919	234,403
Vacations, medical assistance and others	204,991	189,054	143,796
Additional profit sharing	194,707	228,755	92,770
Social security	181,511	157,535	159,794
Employees' severance indemnities	143,025	128,795	128,356
Share-based payment plan, see Note 17	48,060	52,214	64,248
Total	2,888,728	2,585,269	2,341,141
Number of employees	27,523	27,369	27,671

25 GENERAL AND ADMINISTRATIVE EXPENSES

This item comprises the following:

	2022 S/000	2021 S/000	2020 S/000
Systems	857,121	616,225	467,944
Publicity	471,672	410,218	308,848
Rental	182,595	188,590	188,805
Consulting and professional fees	227,726	215,526	137,877
Transport and communications	175,976	169,620	119,743
Repair and maintenance	110,314	152,020	112,318
BCP agent commission	106,356	104,700	87,899
Third party services	102,598	90,282	64,626
Insurance	45,428	45,387	62,680
Sundry supplies	81,636	51,263	62,248
Energy and water utilities	35,021	33,126	35,103
Security	32,906	32,598	33,753
Others (a)	151,124	139,678	122,707
Total	2,580,473	2,249,233	1,804,551

(a) The balance is made up mainly of cleaning and fumigation services, agency maintenance expenses, Reniec expenses, appraisal expenses, ATM installation services, printer rentals, subscription expenses, among others.

26 EARNINGS PER SHARE

As of December 31, 2022, 2021 and 2020, the weighted average number of shares outstanding was determined as follows:

	Outstanding shares S/000	Shares for calculation S/000	Effective days year end	Weighted outstanding average of shares S/000
2020				
Balance at January 1, 2020	10,217,387	10,217,387	365	10,217,387
Capitalization of profits in 2020	850,000	850,000	365	850,000
Capitalization of profits in 2021	-	250,000	365	250,000
Capitalization of profits in 2022	-	858,978	365	858,978
Balance as of December 31, 2020	11,067,387	12,176,365		12,176,365
2021				
Balance at January 1, 2021	11,067,387	11,067,387	365	11,067,387
Capitalization of profits in 2021	250,000	250,000	365	250,000
Capitalization of profits in 2022	-	858,978	365	858,978
Balance as of December 31, 2021	11,317,387	12,176,365		12,176,365
2022				
Balance at January 1, 2022	11,317,387	11,317,387	365	11,317,387
Capitalization of profits in 2022	858,978	858,978	365	858,978
Balance as of December 31, 2022	12,176,365	12,176,365		12,176,365

As of December 31, 2022, 2021 and 2020; earnings per share determined on the basis of the weighted average of outstanding shares was S/0.3680, S/0.2493 and S/0.0673.

	2022 S/000	2021 S/000	2020 S/000
Net profits attributable to the parent company	4,480,438	3,036,113	819,927
Weighted average number of common shares	12,176,365	12,176,365	12,176,365
Basic and diluted earnings per share attributable the parent company	0.3680	0.2493	0.0673
Basic and diluted earnings per share from operations continue	0.3697	0.2500	0.0671

27 FINANCIAL INFORMATION BY GEOGRAPHICAL AREA

The following detail shows the operations of the Bank and its Subsidiaries for the years ended December 31, 2
in millions of soles):

	2022					2021		
	Total income (*)	Gross financial margin	Depreciation and amortization	Property, furniture and equipment, net/ intangible assets	Total assets	Total income (*)	Gross financial margin	D ar ar
Perú	17,669	10,154	422	2,628	194,990	13,647	7,874	
Panama	27	26	-	10	1,655	51	7	
United States of America	88	45	(3)	26	2,795	46	27	(
Eliminations	(550)	-	-	-	(8,585)	(262)	(2)	
Total	17,234	10,225	419	2,664	190,855	13,482	7,906	

(*) Including the total finance and non-finance income.

28 TRANSACTIONS WITH RELATED PARTIES

a) During 2022 and 2021, the Bank and its Subsidiaries have acquired bonds, granted loans, supplied and received banking services, correspondent relationships and other operations with the Subsidiaries of Credicorp, the balances of which are shown below:

	2022 S/000	2021 S/000
Assets -		
Cash	5,234	8,533
Loans portfolios, net	310,558	435,872
Available-for-sale investments (shares of Credicorp Ltd.) Note 5(b)	68,780	74,526
Other assets	97,806	174,346
Liabilities -		
Deposits and obligations	1,207,955	2,786,028
Due to banks, correspondents and other entities	-	75,293
Bonds and subordinated notes issued	30,598	15,161
Other liabilities	6,909	20,877
Contingent risk and commitments -		
Contingent operations	333,644	549,184
Income -		
Finance income	58,315	28,837
Finance expenses	37,525	37,819
Other income	520,691	479,610
Operating expenses	94,036	94,448

The Bank and its Subsidiaries have contracted insurance coverage with Pacífico Compañía de Seguros y Reaseguros S.A., a subsidiary of Credicorp Ltd.; the related premiums amount to S/45.7 million in 2022 (S/53.5 million in 2021); the accrued part is recorded in “General and administrative expenses” of the consolidated statement of income.

The Bank and its Subsidiaries also receive fees for selling life insurance coverage through its network of offices to customers who have saving accounts; with fees which amounted to approximately S/448.4 million and S/381.4 million, in 2022 and 2021, respectively.

According to the Peruvian legislation, loans to related parties cannot be granted on terms more favorable than those that would have been offered to the general public. Management of the Bank and its Subsidiaries consider that they have complied with all legal requirements for transactions with related parties. Loans granted to related parties are secured by guarantees and collaterals.

Balances with related entities, that are not from the Grupo Credicorp, are as follows:

	2022 S/000	2021 S/000
Direct loans	1,696,643	1,848,299
Indirect loans	393,855	459,562
Derivatives, market value	476	2,325
Deposits (*)	1,081,795	768,700

(*) Comprising deposits of legal persons and individuals.

b) All transactions with related parties are made in accordance with normal market conditions available to other customers. As of December 31, 2022, direct loans to related companies are secured by collateral, had maturities between January 2023 an September 2032, at an annual Soles average interest rate of 6.87 percent and at an annual average interest rate in foreign currency of 5.89 percent (as of December 31, 2021, maturities where between January 2022 and December 2031, and the annual Soles average interest rate was 6.37 percent and the annual average interest rate in foreign currency was 4.03 percent). As of December 31, 2022 and 2021, the Bank and its Subsidiaries maintain an allowance for doubtful loans granted to related parties for S/2.2 million and S/23.1 million, respectively.

c) Loans to employees and their relatives -

The Bank and its Subsidiaries grant loans to their employees and relatives for terms that fluctuate according to the different types of loans that the Bank and its Subsidiaries maintain towards third parties. Loans granted to employees and their relatives are mainly mortgage loans and are included “Loans portfolios” of the consolidated statement of financial position. Generally, interest rates applied are lower than market interest rates; however, other terms are similar to those prevailing in the market, according to the Bank´s Law.

As of December 31, 2022 and 2021, the balance of loans and other facilities granted to employees, directors, key executives and their relatives of the Bank and its Subsidiaries amounted to S/1,179.2 million and S/1,054.7 million, respectively.

d) The compensation of the key personnel of the Bank and its Subsidiaries for the years 2022 and 2021, considering all payments made, was as follows:

	2022 S/000	2021 S/000
Salaries	20,034	11,380
Directors’ compensation	7,275	7,872
Total	27,309	19,252

Additionally, during 2022 and 2021, the Bank and its Subsidiaries recorded approximately S/11.7 million and S/7.2 million, respectively an expense related to stock awards. The related income tax is assumed by the Bank and its Subsidiaries.

29 FINANCIAL INSTRUMENTS CLASSIFICATION

The following are the amounts of financial assets and liabilities of the consolidated statement of financial positi

	As of December 31, 2022				
	Financial assets and liabilities at fair value				
	Held for trading or hedging	At inception	Loans and receivables	Investments available-for-sale	Investments held-to maturity
	S/000	S/000	S/000	S/000	S/000
Assets					
Cash and due from banks	-	-	31,441,299	-	-
Interbank funds	-	-	267,082	-	-
Investments at fair value through profit or loss and at fair value available for sale	1,011	-	-	15,255,787	-
Held-to-maturity investments	-	-	-	-	9,254,469
Loans, net	-	-	127,948,099	-	-
Other assets, net, Note 9(a)	1,154,796	-	792,019	-	-
	1,155,807	-	160,448,499	15,255,787	9,254,469
Liabilities					
Deposits and obligations	-	-	-	-	-
Interbank funds	-	-	-	-	-
Payables from repurchase agreements	-	-	-	-	-
Due to banks, correspondents and other entities	-	-	-	-	-
Bonds and Subordinated Notes issued	-	-	-	-	-
Other liabilities, net, Note 9(a)	1,038,136	-	-	-	-
	1,038,136	-	-	-	-

30 FINANCIAL RISK MANAGEMENT

The activities of the Bank and its Subsidiaries mainly involve the use of financial instruments, including derivatives. They also accept deposits from customers at both fixed and variable rates, for different periods, and invest these funds in high-quality assets. Moreover, they place these deposits at fixed and variable rate with legal entities and individuals, considering the finance costs and expected yield.

The Bank and its Subsidiaries trade in financial instruments when they assume positions in traded and over-the-counter instruments, including derivatives, to take advantage of short-term market movements, through trading strategies which include the use of equities, bonds, currencies and interest rates.

In this regard, risk is inherent to the Bank and its Subsidiaries activities, which is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk Management is critical to the continuing profitability of the Bank and its Subsidiaries and each individual is accountable for the risk exposures relating to his responsibilities. The Bank and its Subsidiaries are mainly exposed to operating risk, credit risk, liquidity risk and market risk.

a) Risk Management structure -

The Board of Directors of the Bank and its Subsidiaries is responsible for identifying and controlling risks; however, there are separate independent bodies responsible for managing and monitoring risks, as further explained bellow:

(i) Board of Directors -

The Board of Directors is responsible for the overall risk Management approach and for the approval of the levels of risk appetite and tolerance that the Bank and its Subsidiaries are prepared to assume. Furthermore, it approves the objectives, guidelines and policies for Overall Risk Management. On the other hand, the Board of Directors establishes an organizational culture which emphasizes the importance of risk Management, supervises the internal control system, and ensures the appropriate performance of the regulatory compliance function.

(ii) Risk Committee -

The Risk Committee represents the Board of Directors in decision making focused on risk Management, is responsible for the strategy used for mitigating risks, as well as establishing the overall principles, policies and limits for the different types of risks; it is also responsible for monitoring fundamental risk issues and managing and monitoring the relevant risk decisions.

It is formed by five Board members, the General Manager of BCP, the Central Manager of Planning and Finance, the Central Risk Manager and the Manager of the Risk Management Division.

In addition, in order to effectively manage all the risks, the Risk Committee designates some risk functions to the following tactical committees which report on a monthly basis all relevant changes or issues of the managed risks:

Credit Risk Committee (Retail and Non-Retail) -

The Credit Risk Committees (Retail and Non-Retail) are responsible for reviewing the tolerance level of the appetite for credit risk, the exposure limits and the actions for the implementation of corrective measures, in case there are deviations. In addition, it proposes the norms and policies of credit risk Management within the framework of governance and the organization for the comprehensive Management of credit risk. Furthermore, it proposes the approval of any change in the functions described above and important findings to the Risk Committee.

Treasury and ALM Risk Committee - (Asset Liability Management) -

The Treasury and ALM Risk Committee proposes the guidelines and policies for Treasury and ALM Risk Management within the governance and organization framework for the comprehensive Management of market and liquidity risks. It is responsible for analyzing and proposing corrective actions in case there are deviations in the risk tolerance levels assumed in the risk appetite for Treasury. Furthermore, it is responsible for proposing the approval of any changes in the functions described above and for reporting any finding to the Risk Committee.

BCP Model Risk Committee -

The BCP Model Risk Committee monitors the Bank's data strategy and analytics and the health status of its portfolio of models. It is in charge of analyzing and proposing corrective actions in case there are deviations with respect to the degrees of exposure assumed in the model risk appetite. Likewise, it proposes the creation and / or modification of the government for the Management of the model risk, supervising its compliance. Likewise, it is responsible for informing the Risk Committee about exposures related to model risk that involve variations in BCP's risk profile.

Operational Risk Committee -

The Operational Risk Committee is responsible for reviewing the tolerance level of the appetite for operational risk and limits of exposure. It also proposes the norms and policies for managing operational risks and the mechanisms for implementing corrective actions, within the framework of governance. Furthermore, it is responsible for proposing the approval of any changes in the functions described above and for reporting any finding to the Risk Management Committee.

Non-Financial Risk Committee -

The Non-Financial Risks Committee is responsible for reviewing the tolerance level of the appetite for non-financial risks and the exposure limits (except for technological and cybersecurity risks, which are dealt with in the Technological Risk Committee). This committee also proposes standards, non-financial risk Management policies and mechanisms for the implementation of corrective actions within the governance framework. In addition, it is responsible for proposing the approval of any modification of the functions described above and for reporting any findings to the Risk Committee.

Technological Risk Committee -

The Technology Risk Committee is responsible for reviewing the tolerance level of IT risk appetite (including cybersecurity), as well as the exposure limits. This committee also proposes standards, IT risk Management policies (including cybersecurity), and mechanisms for the implementation of corrective actions within the governance framework. In addition, it is responsible for proposing the approval of any modification of the functions described above and for reporting any findings to the Risk Committee.

(iii) Central Risk Management -

The Central Risk Management is responsible for implementing policies, procedures, methodologies and of the actions to be taken to identify, measure, monitor, mitigate, report and control the different types of risks to which the Bank and its Subsidiaries are exposed. Also, it participates in the design and definition of the strategic plans of the business units to ensure that they are aligned within the risk parameters approved by the Board of Directors of the Bank and its Subsidiaries. Likewise, it disseminates the importance of adequate risk Management, specifying in each of the units, the role that corresponds to them in the timely identification and definition of the corresponding actions.

Central Risk Management is comprised of the following units:

Risk Management Division -

The Risk Management Division is responsible for ensuring fulfillment of the risk Management guidelines and policies established by the Senior Management Team. It supervises the risk Management process and coordinates with the units of the Bank and its Subsidiaries involved in said process. It also has the task of informing Senior Management regarding the global exposure, as well as the specific exposure of each subsidiary.

Credit Division -

The Credit Division proposes the credit policies and the credit risk evaluation and Management criteria that the Bank and its Subsidiaries assume with customers in the wholesale segment. Evaluates and authorizes credit proposals up to their autonomy and proposes their approval to the higher authorities for those that exceed it. These guidelines are established on the basis of the policies established by the Board of Directors, respecting the laws and regulations in force. In addition, it assesses the evolution of the risk of wholesale customers and identifies problematic situations, taking actions to mitigate or resolve them.

Retail Banking Risk Division -

The Retail Banking Risk Division is responsible for managing the risk profile of the retail portfolio and developing credit policies that are in accordance with the guidelines and risk levels established by the Board of Directors. Likewise, it participates in the definition of products and campaigns aligned with said policies, as well as in the design, optimization and integration of credit assessment tools and income estimation for credit Management.

Payment Solutions Division -

The Payment Solutions Division Management is responsible for providing payment solutions to customers in arrears or in good standing who present temporary financial difficulties. Its objective is to obtain optimal recovery levels that allow the level of provisions to be reduced and made more predictable, reduce exposure to default, the expected loss given default, keep the impaired portfolio at acceptable levels, as well as maximize the recovery of the written-off portfolio.

Non-Financial Risk Division -

The Non-Financial Risk Division is responsible for defining a non-financial risk strategy aligned with the objectives and risk appetite established by the Board of Directors. This strategy seeks to strengthen the Management process, generate synergies, optimize resources and achieve better results among the units responsible for managing non-financial risks in the Bank and its Subsidiaries. In addition, in order to achieve the objectives defined in the non-financial risk strategy, the Division is responsible for promoting a risk culture, developing talent, defining indicators, generating and monitoring projects and strategic initiatives.

Treasury Risk Management -

Treasury Risk Management is responsible for planning, coordinating and supervising the implementation of the methodologies and limits used by the Treasury Division and approved by the Risk Management Committee. It is also responsible for evaluating the effectiveness of the hedging derivatives and the valuation of investments. As well as evaluating the profitability-risk relationship of the investment strategies taken by the Treasury Division Management.

(iv) Audit and Compliance Divisions -

The Audit Division is responsible for permanently evaluating the effectiveness and efficiency of the risk Management control and governance processes of the Bank and its Subsidiaries, verifying compliance with the regulations, policies, objectives and guidelines approved by the Board of Directors, providing assurance agile and timely, advice and analysis based on risks and data. On the other hand, it evaluates the sufficiency and degree of integration of the databases and information systems of the Bank and its Subsidiaries. Finally, it ensures independence between the functions of the risk and business units.

The Compliance and Ethics Division reports to the Board of Directors and is responsible for providing corporate policies and guidelines that ensure adequate compliance of the laws, regulations and the Code of Ethics.

b) Risk monitoring and reporting systems -

The Bank and its Subsidiaries have independent information bases which are then integrated through corporate reports. These reports allow monitoring, at the accumulated level and detailed for the different types of risks to which each subsidiary is exposed. The system has the ability to meet the appetite review needs by risk requested by the committees and areas described above; as well as complying with regulatory requirements.

c) Risk mitigation -

Depending on the type of risk, the Bank and its Subsidiaries use mitigating methods to reduce their exposure, such as guarantees, derivatives, controls and insurance, among others. In addition, they have policies linked to risk appetite and established procedures for each type of risk. Finally, the Bank and its Subsidiaries actively use guarantees in order to reduce their credit risks.

d) Risk appetite -

The Board of Directors approves on an annual basis the establishment of a Risk Appetite framework for the purpose of defining the maximum level of risk that the Bank and its Subsidiaries are prepared to assume in the achievement of their strategic and financial objectives. This Risk Appetite framework is based on "core" and "specific" metric objectives:

The core metrics preserve the strategic pillars of the organization, defined as solvency, liquidity, profit and growth, stability of results, balance sheet structure and cybersecurity risks.

Specific metrics seek to monitor qualitatively and quantitatively the different risks to which the Bank and its Subsidiaries are exposed, as well as define a tolerance threshold in each one of them, so as to preserve the risk profile established by the Board of Directors and anticipate points of risk on a more detailed level.

For its part, risk appetite is instrumented through the following elements:

- Declaration of risk appetite: this makes explicit the general principles and qualitative declarations which complement the risk strategy of the Bank and its Subsidiaries.

- Metrics tables: metrics are used to define the levels of risk exposure in different strategic pillars.

- Limits: they permit risk taking to be controlled within the tolerance established by the Board of Directors. They also provide accountability to the risk-taking process and define guidelines regarding the target risk profile.

- Government Scheme: it seeks to guarantee compliance of the framework through the different roles and responsibilities assigned to the units involved.

The appetite is integrated in the processes of strategic and capital guidelines, as well as in the definition of the budget exercise, facilitating the strategic decision-making of the organization.

e) Risk concentration -

Concentrations arise when a reduced and representative number of counterparties of the Bank and its Subsidiaries are engaged in similar business activities, or activities in the same geographic region, or have similar economic, political or other conditions.

In order to avoid excessive risk concentrations, the policies and procedures include specific limits to guarantee a diversified portfolio.

30.1 Credit risk -

a) The Bank and its Subsidiaries take on exposure to credit risk, which is the probability of suffering losses caused by breach of payment on the part of debtors or counterparties of on and off balance sheet exposure.

Credit risk is the most important risk for the activities of the Bank and its Subsidiaries; therefore, Management carefully manages its exposure to this risk. Credit exposures mainly arise from lending activities that lead to direct loans; in addition, they originate from investment activities. There is also credit risk in off-balance sheet financial instruments, such as contingent credits (indirect loans), which could expose the Bank and its Subsidiaries to similar risks to those of direct loans. Likewise, credit risk also arises from derivative financial instruments contained in those instruments with positive fair values. Finally, all exposure to credit risk (direct or indirect) is mitigated by control process and policies.

As part of the Management of this type of risk, the Bank and its Subsidiaries assign impairment provisions for their portfolio at the date of the statement of financial position.

The Bank and its Subsidiaries define levels of credit risk based on risk exposure limits, which are frequently monitored. Said risks are established in relation to the amounts of exposure to one debtor or group of debtors, geographical segments and the industry. Furthermore, risk limits by product, industry sector and geographic segment are approved by the Risk Management Committee. Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and principal repayment obligations and by changing these lending limits where appropriate. Some other specific control and mitigation measures are outlined below:

(i) Collateral -

The Bank and its Subsidiaries use a range of policies and practices to mitigate credit risk. The most traditional of these is taking of collateral for loans granted, which constitutes a common practice. The Bank and its Subsidiaries implement policies on the acceptability of specific classes of collateral or credit risk mitigation. The Bank and its Subsidiaries implement policies for the acceptance of specific classes of guarantees or mitigation of credit risk. The main types of collateral obtained for credits are as follows:

- For repurchase agreements and securities lending, collaterals are fixed income instruments and cash.

- Mortgages on homes, liens on business assets such as plant, inventories and receivables; as well as liens on financial instruments such as debt securities and shares.

Likewise, medium and long-term loans and financing granted to corporate entities (mostly) are guaranteed. Credits to small companies and micro enterprises are not generally guaranteed. In order to minimize credit losses, the Bank and its Subsidiaries request additional guarantees from the counterparty as soon as impairment indicators arise.

Collateral held as security for financial assets other than loans is determined by the nature of the instrument. Debt securities, treasury and other eligible bills are generally unsecured, with the exception of asset backed securities and similar instruments, which are secured by portfolios of financial instruments.

Management monitors the fair value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the fair value of collateral obtained during its review of the adequacy of the allowance for doubtful accounts. As part of the policies of the Bank and its Subsidiaries, the recovered assets are sold, and the proceeds of the sale are used to reduce or amortize the outstanding credit. The proceeds are used to reduce or repay the outstanding amount due. In general, the Bank and its Subsidiaries do not use repossessed properties for operating purposes.

(ii) Derivatives -

The amount subject to credit risk is limited to the current and potential fair value of instruments that are favorable to the Bank and its Subsidiaries (where fair value is positive). In the case of derivatives, this is only a small fraction of the contract, or notional amounts used to express the volume of instruments outstanding. The credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for this type of credit risk exposures.

(iii) Credit-related commitments -

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and letters of credit have the same credit risk as direct loans. Documentary and commercial letters of credit - which are written undertakings by the Bank and its Subsidiaries on behalf of a customer authorizing a third party to draw drafts on the Bank and its Subsidiaries up to a stipulated amount under specific terms and conditions - are collateralized by the underlying shipments of goods to which they relate and therefore have less risk than a direct loan. The Bank and its Subsidiaries have no commitment to extend credit.

b) The maximum exposure to credit risk as of December 31, 2022 and 2021, before the effect of mitigation through any collateral, is the carrying amount of each class of financial assets indicated in Note 29 and the contingent operations detailed in Note 19(a).

Management is confident of its ability to continue to control and sustain minimal exposure of credit risk for the Bank and its Subsidiaries resulting from both its loan portfolio and investments based on the following:

- 93.48 percent of the loan portfolio is considered neither past due nor impaired as of December 31, 2022 (93.40 percent as of December 31, 2021); Note 6(d);

- 91.64 percent of the gross loan portfolio is considered neither past due nor impaired as of December 31, 2022 (92.00 percent as of December 31,2021);

- 95.24 percent of the investments have at least investment grade (BBB- or higher) or are debt securities issued by BCRP (unrated) as of December 31, 2022 (94.45 percent as of December 31, 2021);

- 15.59 percent and 76.84 percent of the cash and due from banks represent amounts deposited in the Bank, in its Subsidiaries and in the BCRP, respectively, as of December 31, 2022 (12.30 percent and 70.20 percent, respectively, as of December 31, 2021).

c) Credit risk Management for loans -

The Bank and its Subsidiaries classify their loan portfolio into one of five risk categories, according to subsection 2 Chapter ll of SBS Resolution N°11356-2008, which considers the degree of risk of non-payment of each borrower. The categories used by the Bank and its Subsidiaries are: (i) normal - (0), (ii) potential problems - (1), (iii) substandard - (2), (iv) doubtful - (3) and (v) loss - (4), which have the following characteristics:

(i) Normal (0): Non-retail borrowers are classified into this category, when their financial position is liquid, their debt-to-equity ratio is low and their ability to generate profit and cash flows allows them to fulfill payment of their obligations in a timely manner. Likewise, retail borrowers are included in this category when payments are current or up to 8 days past due. On the other hand, mortgage borrowers are classified in this category when they are current or up to 30 days past due.

(ii) Potential problems (1): Non-retail borrowers are classified into this category, when their financial position is solid, their debt-to-equity ratio is moderate and their cash flows are enough to pay off capital and interest, however, such cash flows could weaken in the following twelve months. On the other hand, retail and mortgage borrowers are included in this category when payments are between 9 and 30 days past due and 31 and 60 days past due, respectively.

(iii) Substandard (2): Non-retail borrowers are classified in this category, when their financial position is weak and their cash flows do not allow them to make full payment of capital and interest and payments are between 60 and 120 days past due. On the other hand, retail and mortgage borrowers are included in this category when payments are between 31 and 60 days past due and 61 and 120 days past due, respectively.

(iv) Doubtful (3): Non-retail borrowers are classified in this category, when the financial position does not allow them to pay off either capital or interest, their debt-to-equity ratio is high and they are forced to sell their significant assets or payments are between 120 and 365 days past due; in this category the recovery of the credit is doubtful. On the other hand, retail and mortgage borrowers are included in this category when payments are between 61 and 120 days past due and 121 and 365 days past due, respectively.

(v) Loss (4): Non-retail borrowers are classified in this category, when the financial position does not allow them to deal with refinancing agreements, the entity is not in operation or is in liquidation or payments are more than 365 days past due. On the other hand, retail and mortgage borrowers are included into this category when payments are more than 120 days past due and more than 365 days past due, respectively.

When a loan is uncollectible, it is written off against the related provision for loan impairment. Said credits are written off in accordance with Resolution SBS N°11356-2008 "Regulations for the evaluation and classification of the debtor and the requirement of provisions". The income from the subsequent recovery of the amounts previously written off is presented net of the amount of the provision for doubtful accounts in the separate statement of income.

The Bank and its Subsidiaries consider as past due credits the corporate credits, large and medium companies more than 15 days past due, small and micro companies more than 30 days past due, checking account overdrafts more than 30 days past due, and consumer credits, mortgage loans and finance leases more than 90 days past due. In the case of consumer credits, mortgage loans and finance of which payments are between 30 and 90 days past due, only the delinquent quota is considered past due; however, after 90 days of delinquency, the entire balance is considered past due.

The Bank and its Subsidiaries review their loan portfolios on an ongoing basis in order to assess the completion and accuracy of their risk categories. In addition, they comply with calculating the provisions for credit risk according to local requirements defined by current local regulations.

In addition, the Bank and its Subsidiaries carry out a review of provisions, governed by the standard IFRS 9. The calculation of IFRS provisions is based on the estimate of the expected credit loss, which is made up of the product of the following risk parameters: (i) probability of default (PD) (ii) loss given default (LGD), and (iii) exposure at the time of default (EAD), discounted to the reporting period using the effective interest rate or an approximation of it. Additionally, it considers information about current conditions, as well as projections of future macroeconomic events and conditions in three scenarios (base, optimistic and pessimistic), which are weighted to obtain the expected loss.

The Bank and its Subsidiaries have different methodologies for calculating provisions for credit risk, which are based on the regulator to which they report, the business segment to which the loans belong, the situation of impairment of the loans, among others.

Direct loans are presented according to the credit classification of customers established in SBS Resolution N°11356-2008, classified into three groups: i) Non-matured or impaired loans, which include those direct loans that currently do not have delinquency characteristics and are related to customers classified as normal and with potential problems; ii) past due but not impaired loans, which include past due loans from customers classified as normal or with potential problems and iii) impaired loans, those past due loans classified as deficient, doubtful or loss. The provision for doubtful receivables is also presented for each of the types of receivables:

	As of December 31, 2022			
	Commercial loans S/000	Residential mortgage loans S/000	Micro-business loans S/000	Consumer loans S/000
Neither past due nor impaired -				
Normal(*)	66,765,176	18,817,684	17,445,330	16,751,2
Potential problem	3,525,582	101,870	227,210	162,3
Past due but not impaired -				
Normal	1,441,713	447,287	10,132	368,2
Potential problem	147,882	69,692	1,048	5,9
Impaired -				
Substandard	1,819,383	168,816	347,162	263,2
Doubtful	1,288,768	277,968	534,152	445,4
Loss	1,936,994	606,495	819,225	299,3
Gross	76,925,498	20,489,812	19,384,259	18,295,8
Less: Provision for doubtful accounts	3,369,451	883,061	2,186,172	1,612,1
Total, net	73,556,047	19,606,751	17,198,087	16,683,7

(*) These balances include S/2,134.3 million and S/3,967.8 million as of December 31, 2022 and 2021, respe by customers as a result of financial impacts with the COVID-19 pandemic. As required by the SBS, the Ba

The following table shows the credit rating of customers according to SBS resolution N°11356-2008 and Note

As of December 31, 2022 and 2021, refinanced loans amounted to approximately S/2,066.5 million and S/1,75 impaired, S/279.1 million and S/406.3 million past due but not impaired, and S/938.4 million and S/626.7 millio

As of December 31, 2022 and 2021, past due but not impaired loans are between 30 and 60 days past due.

The breakdown of the gross amount of impaired loans by class, together with the fair value of related collateral

	As of December 31, 2022			
	Commercial loans S/000	Residential mortgage loans S/000	Micro-business loans S/000	Cons loans S/000
Impaired loans	5,045,145	1,053,279	1,700,539	
Fair value of collateral	4,144,016	869,049	23,044	
Provision for doubtful accounts	2,224,122	559,872	990,197	

d) Credit risk Management on investments in trading securities, available-for-sale and held-to-maturity.

The Bank and its Subsidiaries evaluate the credit risk identified of each of the financial instruments in these categories, considering the risk rating granted to them by a risk rating agency. For investments traded in Perú, the risk ratings used are those provided by the tree most prestigious Peruvian rating agencies (authorized by the Peruvian banking regulator "Superintendencia de Banca, Seguros y AFP" - SBS) and for investments traded abroad, the risk-ratings used are those provided by the three most prestigious international rating agencies.

The following table shows the analysis of the risk-rating of investments at fair value through profit or loss (trading) available-for-sale and held-to-maturity, provided by the institutions referred to above:

	As of December 31, 2022		As of December 31, 2021	
	S/000	%	S/000	%
Instruments rated in Perú:				
AAA	292,152	1.19	323,081	1.14
AA- a AA+	9,122	0.04	62,287	0.22
A- a A+	2,426	0.01	3,636	0.01
BBB- a BBB+	13,785,129	56.24	13,934,551	49.28
BB- a BB+	376,526	1.54	489,669	1.73
B- a B+	-	-	-	-
CCC+	-	-	-	-
Unrated				
BCRP certificates of deposit	7,019,479	28.64	9,448,576	33.41
Listed and non-listed securities	3,134	0.01	2,372	0.01
Subtotal	21,487,968	87.67	24,264,172	85.80
Instruments rated abroad:				
AAA	166,536	0.68	67,048	0.24
AA- a AA+	173,393	0.71	367,211	1.30
A- a A+	281,742	1.15	616,353	2.18
BBB- a BBB+	1,647,755	6.72	1,884,379	6.67
BB- a BB+	661,913	2.70	920,601	3.26
Unrated				
Negotiable certificates of deposit	17,438	0.07	76,238	0.27
Listed and non-listed securities	74,522	0.30	80,513	0.28
Subtotal	3,023,299	12.33	4,012,343	14.20
Total	24,511,267	100.00	28,276,515	100.00

e) Concentration of financial instruments exposed to credit risk:

As of December 31, 2022 and 2021, financial instruments with exposure to credit risk were distributed cons

	As of December 31, 2022				
	At fair value through profit or loss				
	Held for trading and hedging	At inception	Loans and receivables	Investments available-for-sale	Inves held-t matur
	S/000	S/000	S/000	S/000	S/000
Banco Central de Reserva del Perú	3,345	-	24,408,936	7,019,479	
Financial services	978,675	-	11,338,598	1,063,211	
Manufacturing	12,773	-	20,238,335	531,051	
Commerce	8,750	-	24,668,986	535,649	
Electricity, gas and water	121,582	-	4,316,099	895,099	
Government and public administration	-	-	370,011	4,229,762	
Leaseholds and real estate activities	15,506	-	9,600,425	-	
Communications, storage and transportation	3,672	-	6,260,677	237,422	
Mining	2	-	3,756,050	7,451	
Community services	-	-	6,273,022	-	
Construction	76	-	2,929,274	-	
Agriculture	484	-	3,592,513	2,426	
Education, health and other services	4,290	-	2,555,489	362,511	
Insurance	1,363	-	86,070	-	
Fishing	506	-	474,805	-	
Hotels and restaurants	-	-	2,619,632	-	
Others	4,783	-	118,829	371,726	
Sub - Total	1,155,807	-	123,607,751	15,255,787	
Residential mortgage loans	-	-	19,630,461	-	
Revolving and non-revolving loans	-	-	17,210,287	-	
Total	1,155,807	-	160,448,499	15,255,787	

As of December 31, 2022 and 2021, the financial instruments with exposure to credit risk were distributed by th

	At fair value through profit or loss			
	Held for trading and hedging	At inception	Loans and receivables	Investments available fo sale
	S/000	S/000	S/000	S/000
As of December 31, 2022				
Perú	349,788	-	154,265,642	12,232,
United States of America	487,169	-	1,033,705	1,747,
Colombia	-	-	2,208,206	603,
Chile	538	-	1,414,228	403,
Brazil	-	-	927,122	17,
Panama	-	-	201,198	25,
Mexico	-	-	3,155	135,
Canada	38,412	-	34,174	-
Guatemala	-	-	35,053	4,
Europe:				
France	160,784	-	23,429	-
United Kingdom	93,570	-	15,944	-
Germany	25,546	-	20,562	-
Spain	-	-	33,904	-
Netherlands	-	-	31,483	-
Switzerland	-	-	175	-
Others in Europe	-	-	643	12,
Multilateral Organizations (*)	-	-	-	5,
Others	-	-	199,876	68,
Total	1,155,807	-	160,448,499	15,255,

(*) Banco de Desarrollo de América Latina (CAF).

	At fair value through profit or loss			
	Held for trading and hedging	At inception	Loans and receivables	Investments available for sale
	S/000	S/000	S/000	S/000
As of December 31, 2021				
Perú	1,801,018	-	153,901,523	15,377,
United States of America	358,734	-	5,644,417	2,340,
Colombia	47,888	-	766,551	606,
Chile	107,142	-	1,095,833	505,
Brazil	662	-	754,362	20,
Panama	-	-	490,543	139,
Mexico	-	-	5,014	178,
Canada	46,131	-	66,528	-
Guatemala	-	-	-	5,
Europe:				
France	236,802	-	14,457	66,
United Kingdom	70,375	-	106,795	-
Germany	30,765	-	162,374	-
Spain	-	-	32,573	-
Netherlands	-	-	27,095	-
Switzerland	-	-	811	-
Others in Europe	-	-	1,995	14,
Multilateral Organizations (*)	-	-	-	5,
Others	-	-	333,720	74,
Total	2,699,517	-	163,404,591	19,335,

(*) Banco de Desarrollo de América Latina (CAF).

30.2 Liquidity risk -

Liquidity risk is the risk that the Bank and its Subsidiaries are unable to comply with their short term obligations related to financial liabilities at maturity and replace funds when they are withdrawn. In this regard, if the Bank and its Subsidiaries face a liquidity crisis it would be failing to comply with the payment of its obligations to its depositors, loan commitments and other operating cash requirements.

The Bank and its Subsidiaries are exposed to daily calls on, their available cash resources from overnight deposits, checking accounts, maturing deposits, loans draw-downs, guarantees and other calls. The Management of the Bank and its Subsidiaries set limits on the minimum amount of available funds to meet said calls and on the minimum level of inter-bank and other borrowing facilities that should be in place to cover unexpected levels of withdrawals. Sources of liquidity are periodically reviewed by the corresponding risk teams so as to guarantee adequate diversification by currency, geography, type of funding, supplier, producer and term.

The process of controlling mismatching of the maturities and interest rates of assets and liabilities is fundamental to the Management of the Bank and its Subsidiaries. It is unusual for banks to be completely matched, as transacted business is often based on uncertain terms and of different types. An unmatched position potentially enhances profitability, but also increases the risk of illiquidity, which generates exposure to potential losses.

The maturities of assets and liabilities and the ability to replace them at maturity, at an acceptable cost, are important factors in assessing the liquidity of the Bank and its Subsidiaries.

A mismatch in the maturities of the illiquid long term assets against short term liabilities exposes the consolidated statement of financial position to risks related both to refinancing as well as interest rates. If the liquid assets do not cover the debts at maturity, the consolidated statement of financial position is vulnerable to the risk of refinancing. Moreover, a significant increase in interest rates can substantially increase the cost of refinancing liabilities at short term, leading to a rapid increase in the cost of debt. The mismatch report of contractual maturity is useful for showing the liquidity position.

Guidelines have been established in the Bank and its Subsidiaries for liquidity risk Management. Risk Management establishes limits and a scheme of autonomies for the liquidity indicators which are being managed.

Liquidity Risk Management is carried out through indicators like Internal Liquidity Coverage Ratio (ILCR), which measures the amount of liquid assets available to meet the cash outflows in a determined stress scenario (specific or systemic) usually for a period of 30 days (The Bank and its Subsidiaries perform an additional control of the 15 and 60 day RCLI) and the Net Stable Internal Funding Ratio (NSIFR), which has been defined to guarantee that long term assets are financed at least with a minimum of stable liabilities in a prolonged liquidly crisis scenario and functions as a mechanism of minimum compliance which complements the ILCR. These indicators have core limits of 100 percent and any excess is presented in the Treasury Risks Committee, Risk Committee and Assets, Liabilities Committee (ALCO).

The Notes to the financial statements include an analysis of the relevant liabilities of the Bank and its Subsidiaries based on contractual maturity.

The table below presents the cash flows payable and receivable by the Bank and its Subsidiaries according to position. The amounts disclosed in the table are the contractual undiscounted cash flows:

	As of December 31, 2022				
	Up to 3 months S/000	From 3 months to 1 year S/000	From 1 to 3 years S/000	From 3 to 5 years S/000	Over 5 years S/000
Financial assets	60,864,467	45,411,659	48,895,278	30,458,009	
Financial liabilities by type					
Deposits and obligations and interbank funds	47,959,715	21,389,941	23,006,556	33,904,997	
Payables from repurchase agreements, due to banks, correspondents and other entities	5,096,912	5,428,316	7,047,698	1,095,185	
Bonds and subordinated Notes issued	386,307	3,291,222	9,007,857	2,160,817	
Other liabilities	1,938,019	85,725	-	-	
Equity	-	-	-	-	
Total non-derivative liabilities	55,380,953	30,195,204	39,062,111	37,160,999	
Derivative financial liabilities					
Contractual amounts receivable (inflow)	3,382,026	970,483	221,887	654,383	
Contractual amounts payable (outflow)	3,380,955	975,283	250,763	589,451	
Total derivative liabilities	1,071	(4,800)	(28,876)	64,932	

The table below shows the contractual maturity of the contingent credits of the Bank and its Subsidiaries at the

	As of December 31, 2022				
	Up to 3 months S/000	From 3 months to 1 year S/000	From 1 to 3 years S/000	From 3 to 5 years S/000	Over 5 years S/000
Contingent credits					
(Indirect loans)	399,365	881,697	13,611,087	5,503,880	

The Bank and its Subsidiaries expect that not all of the contingent liabilities or commitments will be drawn befo

30.3 Market risk -

The Bank and its Subsidiaries are exposed to market risk, which is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, foreign exchange rates, commodities and equity products; all of which are exposed to general and specific market movements, and changes in the level of price volatility, such as interest rates, credit margins, foreign currency exchange rates and share prices. Due to the mandate of the current operations of the Bank and its Subsidiaries, the price risk of "commodities" has not been approved, therefore this type of instrument is not agreed.

The Bank and its Subsidiaries separate exposures to market risk into two groups: (i) those that arise from value fluctuation of investment trading portfolios due to movements of market rates or prices (Trading Book) and (ii) those that arise from changes in the structural positions of non-trading portfolios (Banking book), due to movements of the interest rates, prices and foreign exchange ratios.

The risks that the trading portfolios are exposed to are managed through historical simulation techniques of Value at Risk (VaR); while non-trading portfolios are monitored using rate sensitivity metrics which form part of Asset and Liability Management (ALM).

a) Trading Book -

The trading book is characterized for having liquid positions in equities, bonds, foreign currencies and derivatives, arising from market-making transactions where the Bank and its Subsidiaries act as a principal with the customers or with the market. This portfolio includes investments and derivatives classified by Management as held for trading.

(i) Value at Risk (VaR) -

The Bank and its Subsidiaries apply the VaR approach to their trading portfolio to estimate the market risk of positions held and the maximum losses that are expected, based upon a number of assumptions for various changes in market conditions, as well as being applied to estimate the foreign exchange risk of the structured exchange position.

Daily calculation of VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements.

The VaR model expresses the "maximum" amount the Bank and its Subsidiaries might lose, but only to a certain level of confidence (99.00 percent). There is therefore a specified statistical probability (1.00 percent) that the actual loss could be greater than the VaR estimate. The VaR model assumes a certain "holding period" until positions can be closed (1 - 10 days).

The time horizon used to calculate VaR is one day; however, the one-day VAR is amplified to a 10-day time frame and calculated multiplying the one-day VaR times the square root of 10. This adjustment assumes that the changes in the portfolio in the following days have a normal distribution, identical and independent. Thus, the result is multiplied by an adjustment factor of non-normality.

The assessment of trading portfolio movements has been based on historical one-year data and 39 market risk factors, which are composed as follows: 22 market curves, 16 foreign exchange rates, and 1 volatility series. The Bank and its Subsidiaries apply these historical changes in the risk factors directly to its current positions (a method known as historical simulation).

Management of the Bank and its Subsidiaries believe that market and exchange risk factors incorporated into the VaR model are adequate to measure the market risk to which its trading book is exposed.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. Losses exceeding the VaR figure may occur, on average under normal market conditions, no more than once every hundred days.

VaR limits have been established to control and keep track of all the risks taken which arise from the size of the positions and/or the volatility of the risk factors embedded in each financial instrument. Regular reports are prepared for the Treasury and ALM Risk Committee, the Risk Management Committee and Senior Management.

The VaR results are used to generate economic capital estimates for market risk, which are periodically monitored and form part of the Bank's global risk appetite.

The VaR of the Bank and its Subsidiaries showed a slight increase during 2022, due to a higher interest rate risk caused by less diversification due to fewer asset classes in the rate portfolio. During the period, the VaR remained within the limits of the appetite for risk established by the Risk Management of the Bank and its Subsidiaries.

As of December 31, 2022 and 2021, the Bank and its Subsidiaries VaR by risk type is as follows:

	2022 S/000	2021 S/000
Interest rate risk	19,308	16,351
Volatility risk	2,032	2,662
Exchange rate risk	22,018	24,479
Diversification effect	(12,127)	(13,836)
Consolidated VaR by risk type	31,231	29,656

b) Banking Book -

Non-trading portfolios, which belong to the Banking Book, are exposed to different risks given that they are sensitive to movements in market rates that can bring about a deterioration in the value of the assets compared to its liabilities and, hence, to a reduction in its net value.

(i) Interest rate risk -

Interest rate risk in the banking book refers to the risk that changes in interest rates may negatively affect the expected profits (profits at risk) or market value of the assets and liabilities of the balance sheet (Net economic value). The Bank and its Subsidiaries assume the exposure to the effects of fluctuations in the prevailing levels of market interest rates which affect the fair value and future cash flow risks of assets and liabilities.

The Risk Committee sets limits on the level of mismatch of interest rate re-pricing that may be undertaken, which is monitored periodically in the ALCO.

The Management of interest rate risk in the Bank and its Subsidiaries are carried out through the analysis of re-pricing gaps, financial margin sensitivity and sensitivity of the Net Economic Value (NEV). These calculations consider different rate shocks, which are generated through different simulations of sceneries and take in account periods of high volatility.

Re-pricing gap -

The repricing gap analysis is intended to measure the interest rate risk exposure due to re-pricing periods in which assets and liabilities both on and off-balance sheet are grouped together. By this analysis, Management can identify the tranches in which the interest rate variations may have a potential impact on the expected profits.

The table below summarizes the Bank and its Subsidiaries' exposure to interest rate risks. It includes the finan
Subsidiaries at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates, whichev

	As of December 31, 2022			
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years
	S/000	S/000	S/000	S/000
Assets				
Available funds and interbank funds	13,148,654	1,323,767	2,559,633	8,895,2
Loan portfolio (*)	17,897,569	19,766,384	34,373,683	42,320,6
Investments	5,353,725	1,500,022	1,164,754	6,362,0
Other assets	-	-	-	-
Total assets	36,399,948	22,590,173	38,098,070	57,577,9
Liabilities				
Deposits and obligations and interbank funds	33,598,463	11,865,165	20,829,185	55,986,9
Payable from repurchase agreements, due to banks, correspondents and other entities	2,433,455	2,106,173	4,652,835	7,356,6
Bonds and subordinated Notes issued	40	71,060	3,045,575	10,555,4
Other liabilities	-	-	-	-
Equity	-	-	-	-
Total liabilities and equity	36,031,958	14,042,398	28,527,595	73,899,0
Risk and contingent commitments				
Hedging derivatives asset	171,485	830,415	450,835	931,2
Hedging derivatives liabilities	149,938	46,232	165,610	1,844,8
Marginal gap	389,537	9,331,958	9,855,700	(17,234,7
Accumulated gap	389,537	9,721,495	19,577,195	2,342,4

(*) The amount presented in the column "Non-interest bearing" includes accrued gains of loans, overdue loan
doubtful accounts.

	As of December 31, 2021			
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years
	S/000	S/000	S/000	S/000
Assets				
Available funds and interbank funds	16,573,553	848,712	2,144,388	8,826,2
Loan portfolio (*)	15,366,694	17,891,388	34,198,705	44,424,8
Investments	7,705,718	907,251	1,725,281	6,983,8
Other assets (**)	-	-	-	-
Total assets	39,645,965	19,647,351	38,068,374	60,234,9
Liabilities				
Deposits and obligations and interbank funds	35,320,634	11,343,063	17,745,720	60,199,5
Payable from repurchase agreements, due to banks, correspondents and other entities	1,163,166	2,296,852	9,019,208	11,700,4
Bonds and subordinated Notes issued	70	119,660	552,369	13,529,5
Other liabilities (**)	-	-	-	-
Equity	-	-	-	-
Total liabilities and equity	36,483,870	13,759,575	27,317,297	85,429,5
Risk and contingent commitments				
Hedging derivatives asset	221,370	700,009	167,250	486,4
Hedging derivatives liabilities	43,164	222,228	223,146	1,001,5
Marginal gap	3,340,301	6,365,557	10,695,181	(25,709,7
Accumulated gap	3,340,301	9,705,858	20,401,039	(5,308,7

(*) The amount presented in the column "Non-interest bearing" includes the balance of internal overdue loans interest, unearned interest and the provision for loan doubtful accounts.

(**) Other Assets and Other Liabilities only include financial accounts.

Investments accounted at fair value through profit or loss and trading derivatives are not considered, since and the Value at Risk methodology is used to measure their market risks.

Sensitivity to changes in interest rates -

The sensitivity analysis of interest rates on ALM is performed by conducting an assessment of the sensitivity of the financial margin, which measures variances in the expected accruals over a given period of time and in the event of a parallel movement of the interest rate curves together with the sensitivity of the net Economic Value, which is a long-term measurement determined as the difference between the net carrying amount of assets and liabilities before and after a variance in interest rates.

Sensitivity of the financial margin is the effect of the estimated changes in interest rates on the finance income, net for a year, before income tax and non-controlling interest based on non-negotiable financial assets at variable rates and financial liabilities as of December 31, 2022 and 2021, including the effect of derivative financial instruments. The sensitivity of the Net Economic Value is calculated by re-assessing the financial assets and liabilities sensitive to interest rate changes and which comprise the ALM and held to maturity at a fixed interest rate, before income tax and any non-controlling interest, included the effect of any hedge relating to derivatives designated as cash flow hedges. For purposes of interest rate risk Management, there is no distinction made by accounting category of the investments comprising the ALM, in which instruments classified as available-for-sale and held-to-maturity are included. The results of the sensitivity analysis from the estimated changes in interest rates as of December 31, 2022 and 2021, are as follows:

Currency	Changes in basis points		Sensitivity of financial margin S/000		Sensitivity of economic value S/000	
As of December 31, 2022 -						
U.S. dollars	+/-	50	+/-	92,462	+/-	178,407
U.S. dollars	+/-	75	+/-	138,693	+/-	267,610
U.S. dollars	+/-	100	+/-	184,924	+/-	356,814
U.S. dollars	+/-	150	+/-	277,386	+/-	535,220
U.S. dollars	+/-	300	+/-	554,772	+/-	1,070,441
Soles	+/-	50	+/-	37,764	-/+	370,585
Soles	+/-	75	+/-	56,646	-/+	555,877
Soles	+/-	100	+/-	75,528	-/+	741,170
Soles	+/-	150	+/-	113,293	-/+	1,111,754
Soles	+/-	300	+/-	226,585	-/+	2,223,509
As of December 31, 2021 -						
U.S. dollars	+/-	50	+/-	98,477	+/-	316,157
U.S. dollars	+/-	75	+/-	147,715	+/-	474,236
U.S. dollars	+/-	100	+/-	196,954	+/-	632,315
U.S. dollars	+/-	150	+/-	295,431	+/-	948,472
U.S. dollars	+/-	300	+/-	590,862	+/-	1,896,944
Soles	+/-	50	+/-	44,757	-/+	455,428
Soles	+/-	75	+/-	67,136	-/+	683,142
Soles	+/-	100	+/-	89,515	-/+	910,856
Soles	+/-	150	+/-	134,272	-/+	1,366,284
Soles	+/-	300	+/-	268,544	-/+	2,732,568

The sensitivities of the interest rates shown above are only for illustrative purposes and are based on simplified scenarios. The figures reflect the effect of the pro-forma movements on the net finance income on the basis of the projected scenarios of the yield curve and the interest rate risk profile that the Bank and its Subsidiaries currently have. However, this effect does not include the actions that would be taken by Management to mitigate the potential impact of this risk on interest rates.

In addition, the Bank and its Subsidiaries seek proactively to change the interest rate risk profile to minimize losses and optimize net revenues. The projections above also assume that the interest rate of all maturities moves by the same amount and, therefore, do not reflect the potential impact on net finance income of some rates changing while others remain unchanged. The projections also include assumptions for simplifying calculations, such as, for example, that all positions run to maturity.

Equity securities and mutual funds, classified as available-for-sale investments, are not considered as part of the investment securities for interest rate sensitivity calculation purposes; however, sensitivity tests have been carried out of changes of 10.00, 25.00 and 30.00 percent in the market prices of these price-sensitivity securities in order to evaluate the effect of the expected unrealized gain or loss on other comprehensive income, before income tax, as of December 31, 2022 and 2021, as presented below:

Market price sensitivity	**Changes in market prices** %		**2022** **S/000**	**2021** **S/000**
Equity securities	+/-	10.00	7,766	8,289
Equity securities	+/-	25.00	19,414	20,722
Equity securities	+/-	30.00	23,297	24,866

(ii) Foreign exchange risk -

The Bank and its Subsidiaries are exposed to the fluctuations of foreign currency exchange rates on their financial position and consolidated cash flows. Management sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

The foreign currency transactions are made at the free-market exchange rates.

As of December 31, 2022, the weighted average market exchange rate published by the SBS for transactions in U.S. dollars was S/3.808 for buying and S/3.820 for selling (S/3.975 and S/3.998, as of December 31, 2021, respectively). As of December 31, 2022, this exchange rate was S/3.814 (S/3.987 as of December 31, 2021).

A detail of the Bank and its Subsidiaries' foreign currency assets and liabilities expressed in thousands of U.S. dollars and other currencies is shown below:

	2022		**2021**	
	U.S. dollars **US$000**	**Other currencies(*)** **US$000**	**U.S. dollars** **US$000**	**Other currencies(*)** **US$000**
Assets				
Available funds and Interbank funds	7,213,181	-	7,722,464	-
Investments at fair value through profit or loss and available for sale investments, net	968,468	27,811	1,268,004	33,581
Held-to-maturity investments	12,478	-	18,688	-
Loan portfolio, net	9,936,322	-	8,827,195	1,321
Other assets	267,272	-	299,061	-
	18,397,721	27,811	18,135,412	34,902

	2022		2021	
	U.S. dollars	Other currencies (*)	U.S. dollars	Other currencies(*)
	US$000	US$000	US$000	US$000
Liabilities				
Deposits and obligations	(14,506,661)	(94)	(14,983,623)	(104)
Accounts payable from repurchase agreements	(70,509)	-	(70,542)	-
Due to banks, correspondents, other entities and interbank funds	(838,792)	-	(565,307)	-
Bonds and subordinated Notes issues	(2,783,111)	(38,156)	(2,765,301)	(43,351)
Other liabilities	(197,132)	(453)	(251,557)	(1,619)
	(18,396,205)	(38,703)	(18,636,330)	(45,074)
Net forward position overbought (oversold)	(2,381,775)	(378)	(1,221,165)	2,065
Net position - currency swaps (a)	2,132,745	566	1,698,599	-
Net position - cross currency swaps hedge	284,263	9,495	88,790	12,038
Foreign currency options, net	(3,800)	-	(14,943)	-
	31,433	9,683	551,281	14,103
Net monetary position	32,949	(1,209)	50,363	3,931

(*) Mainly Japanese Yen and Colombian Pesos.
(a) The explanation of the variation in Note 9(b).

As of December 31, 2022, the Bank and its Subsidiaries have contingent operations (indirect loans) in foreign currency for approximately US$3,906.8 million, equivalent to approximately S/14,900.5 million (approximately US$4,077.9 million, equivalent to approximately S/16,258.6 million, as of December 31, 2021), see Note 19(a).

The Bank and its Subsidiaries manage foreign exchange risk by monitoring and controlling the exchange positions exposed to changes in exchange rates. The Bank and its Subsidiaries measure their performance in Soles, so if the net foreign exchange position (e.g. U.S. dollars) is positive, any depreciation of the Soles with respect to this currency would positively affect the consolidated statement of financial position of the Bank and its Subsidiaries. The current position in a foreign currency comprises exchange rate-linked assets and liabilities in that currency. An institution's open position in individual currencies comprises assets, liabilities and off-balance sheet items denominated in the respective foreign currency for which the institution itself bears the risk; any appreciation/depreciation of the foreign exchange would affect the consolidated statement of income.

The Bank and its Subsidiaries net foreign exchange balance is the sum of its positive open non- Soles positions (net long position) less the sum of its negative open non- Soles positions (net short position); and any devaluation/revaluation of the foreign exchange position would affect the consolidated statement of income. A currency mismatch would leave the consolidated statement of financial position of the Bank and its Subsidiaries vulnerable to a fluctuation of the foreign currency (exchange rate shock).

The table below shows the sensitivity analysis of the U.S. dollars, the principal currency to which the Bank and its Subsidiaries have significant exposure as of December 31, 2022 and 2021, in its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the exchange rate Sol against U.S. dollars, with all other variables held constant, on the consolidated statement of income, before income tax. A negative amount in the table reflects a potential net reduction in the consolidated statement of income, while a positive amount reflects a net potential increase:

Sensitivity analysis	Change in currency rate %	2022 S/000	2021 S/000
Depreciation -			
Sol against U.S. dollars	5.00	5,984	9,562
Sol against U.S. dollars	10.00	11,424	18,254
Appreciation -			
Sol against U.S. dollars	5.00	(6,614)	(10,568)
Sol against U.S. dollars	10.00	(13,963)	(22,311)

30.4 Non-financial risks -

A non-financial risk (NFR) is a broad term that is generally defined by exclusion; that is, any risk other than the traditional financial risks of the market, credit and liquidity. NFRs can have substantial negative strategic, business, economic and/or reputational implications. NFR includes the operational risks defined in the seven Basel operational risk event types, but also other major risks such as technology, cyber, behavioral, model, compliance, strategic, and third-party risk.

Non-Financial Risk Management has become more challenging due to the added complexity of rapid changes in technology, extensive process automation, increased reliance on systems rather than people, as well as transformational processes such as business agility. These changes in the way financial institutions do business have led to new risk exposures, whether in the form of attacks affecting the Bank's service, data theft or online fraud.

Operational risk -

The operational risk is the possibility of the occurrence of losses due to inadequate processes, staff errors, information technology and relations with third parties or external events. Operational risk can produce financial losses and have legal or regulatory compliance consequences, but excludes strategic or reputation risk.

Operational risks are grouped into internal fraud, external fraud, labor relations and safety in the workplace, customer relations, business products and practices, damages to material assets, business and systems interruption and faults in process execution, delivery and Management.

The Bank and its Subsidiaries have, as one of their core values, the development of an efficient risk culture, and to achieve this, it records the operational risks and their respective controls per process. Risk mapping permits their monitoring, prioritization, and proposed treatment in accordance with the established governance.

The business continuity Management system allows establishing, implementing, operating, monitoring, reviewing, maintaining and improving business continuity based on best practices and regulatory requirements. The Bank and its Subsidiaries implements recovery strategies for the resources that support important products and services of the organization, which will be periodically tested to measure the effectiveness of the strategy.

The Management of information security is carried out through a systemic process, documented and known by the entire organization under the best practices and regulatory requirements. The Bank and its Subsidiaries designs and develops the guidelines described in the policy and procedures to have strategies for availability, privacy and integrity of the information assets of the organization.

Finally, the Management of the Transfer of Non-Financial Risks is incorporated as a recovery mechanism before the materialization of operational risks, mainly through Insurance Policies contracted individually or corporately in the local and international market, which cover losses due to

fraud, civil and professional liability, cyber risks, damage to physical assets, among others. The design of the Insurance is in accordance with the main operational risks of the Bank and its Subsidiaries, the coverage needs of key areas and the risk appetite of the organization, constantly seeking efficiencies in the cost of policies, working together with Pacifico Compañía de Seguros y Reaseguros and the most important reinsurance brokers in the international market.

Cybersecurity -

The Bank and its Subsidiaries focus their efforts on the most cost-efficient strategies to reduce exposure to cybersecurity risk; by doing this, they fulfill its appetite for risk. To achieve this, different levels of controls are applied adapted to the different potentially exposed areas and companies. Therefore, it maintains an important investment program, which allows it to have the technologies and processes necessary to keep operations and assets safe.

As part of cybersecurity Management, the Bank and its Subsidiaries have lines of action that allow mitigating these risks. These lines of work include the Cybersecurity Strategy, which is constantly reviewed considering the global scenario, standards, frameworks and regulations, in order to guarantee business continuity, resilience and data privacy, as well as the adoption of security and cybersecurity frameworks that allow cybersecurity controls to be adapted for each of the Group companies, adequate Management and remediation of vulnerabilities in an early and timely manner[1].

There is an awareness program, constant training for employees to generate a culture of cybersecurity awareness in all Group companies and cybersecurity indicators, which ensure alignment between operations and the business strategy of group companies.

The Government of Third Parties[2] allows us to ensure adherence and compliance with Group policies, as well as the implementation of security technologies, to comprehensively ensure all business processes.

Finally, information security Management of information assets is carried out through a systemic process, documented and known by the entire organization under the best practices and regulatory requirements. Guidelines are designed and developed based on the policies and procedures to have availability, privacy and integrity strategies.

Corporate Security and Cyber Crime -

As part of non-financial risk Management, the Corporate Security & Cybercrime Operations Center's function is to detect and respond to incidents of fraud, cyber-crime and physical security.

These tasks are carried out by specialized teams in transactional monitoring, investigations, cybercrime, electronic security, disaster risk Management and strategic intelligence activities, including social conflicts, which allow safeguarding the safety of employees, customers, suppliers and assets of the organization.

For this, the designed strategy includes the use of state-of-the-art technological tools in the monitoring platform, digital video surveillance and advanced risk profile analysis models, among other fronts. Likewise, there is highly specialized and trained talent on these fronts that allows the proper use of artificial intelligence, electronics, advanced analytics and cyber forensic, achieving high efficiency standards.

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[1] NIST 800-53: Catalog of Security and Privacy Controls for Information Systems and Organizations
FFIEC CAT: Cybersecurity Assessment Tool of the Federal Financial Institutions Examination Council
ISO 27002; International standard used as a reference for controls when implementing an Information Security Management System
NIST CSF: Cybersecurity Framework for Mitigating Organizational Cybersecurity Risks
CSA: Catalog of Cybersecurity Controls for the Cloud

[2] Including Suppliers, Consumers, Strategic Allies and Customers

Finally, we contribute to the security of the Financial System through union activities that we develop at the local level in the Association of Banks of Perú (ASBANC by its acronym in Spanish) and at the LATAM level in the Committee of Security Experts of the Latin American Federation of Banks (FELABAN by its acronym in Spanish).

30.5 Model Risk -

Model is defined as an algorithm or system of optimized algorithms that processes data to convert it into useful information for decision-making in a relevant population for the business.

Models are simplified representations of the real world that are the object of interest, study, or analysis. This simplification allows the Bank and its Subsidiaries to focus its attention on the specific aspects that are considered most important for the application of a given model. The Bank and its Subsidiaries use models for different purposes such as credit admission, capital calculation, behavior, provisions, market risk, liquidity, among others.

Model risk is defined as the probability of loss resulting from decisions (credit, market, among others) based on the use of poorly designed and / or poorly implemented models. The sources that generate this risk are mainly: deficiencies in data, errors in the model (from design to implementation), use of the model.

Model risk Management is proportional to the importance of each model. In this regard, a concept of “tiering” is defined as the main attribute to synthesize the level of importance or relevance of a model, from which the intensity of the model risk Management processes that must be followed is determined.

Model risk Management is structured around a set of processes known as the model life cycle. The definition of the phases of the life cycle of the model in the Bank and its Subsidiaries is detailed below: Identification, Planning, Development, Internal validation, Approval, Implementation and use, and Monitoring and control.

30.6 Capital Management -

The Bank and its Subsidiaries actively manage a capital base to cover the inherent risks in their activities. The capital adequacy of the Bank and its Subsidiaries is monitored using, among other measures, the norms and ratios established by the SBS, the supervising authority of its main Subsidiaries and for consolidation purposes, see Note 15(g). Furthermore, capital Management responds to market expectations in relation to the solvency of the Bank and its Subsidiaries and to support the growth of the businesses considered in the strategic planning. In this way, the capital maintained by the Bank and its Subsidiaries permits them to assume unexpected losses in normal conditions and conditions of severe stress.

Capital Management has as its main objectives: (i) to comply with the capital requirements established by the regulatory entities; (ii) to safeguard the operating capacity of the Bank and its Subsidiaries so that it continues providing returns to the shareholders and benefits to other stakeholders; (iii) to maintain a solid capital base to support the development of its activities, in line with the limits and tolerances established in the declaration of Risk Appetite.

Legislative Decree N°1028 modified the Peruvian Banking, Insurance and Pension Law, establishing that the mandatory capital of all financial institutions must be equal to or greater than 10.00 percent of the risk weighted assets and contingent credits which corresponds to the sum of: the mandatory capital requirement for market risk multiplied by 10, the mandatory capital requirement for operational risk multiplied by 10, and the credit risk weighted assets and contingent credits. Additionally, in July of 2011, SBS issued Resolution N°8425-2011, by which it requires additional mandatory capital for economic cycle, concentration risk, market concentration risk, interest rate risk and others.

On the other hand, through SBS Resolution N°03921-2021, the requirement of Additional Cash Equity, approved by SBS Resolution N°8425-2011, is modified, and the requirement is determined based on the Market Concentration Risk Indicator. Likewise, through SBS resolution N°03921-2021, the activation criterion of the procyclical standard is modified (average of the annualized percentage variation of the GDP of the last 30 months goes from a level less than 4 percent to one greater than or equal to this threshold, before 5 percent). The procyclical standard can be activated from December 31, 2023.

In March 2022, Legislative Decree N°1531 was approved, which modified Law 26702 (General Law of the Financial System and the Insurance and Organic System of the Superintendency of Banking and Insurance). In this way, the legal basis was established to complete the alignment to Basel III capital quality standards By the end of 2022, the SBS has published two resolutions that complement the provisions of Legislative Decree N°1531 and establish an adaptation schedule for the requirements of the three Basel buffers: conservation buffer of capital, buffer against cyclical and buffer for systemic risk. Management has evaluated the effects of this new regulation on the Bank's financial statements and does not expect a significant impact on them.

30.7 Fair values -

a) Financial instruments recorded at fair value and fair values hierarchy -

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value as of December 31, 2022 and 2021, including the hierarchy level into which the fair value measurement is categorized. The amounts are based on the values recognized in the consolidated statement of financial position:

	Note	Level 1	Level 2	Level 3	Total
		S/000	S/000	S/000	S/000
December 31, 2022					
Financial assets					
Derivative financial instruments:					
Forward exchange contracts		-	343,841	-	343,841
Interest rate swaps		-	309,025	-	309,025
Cross currency swaps		-	98,656	-	98,656
Currency swaps		-	401,926	-	401,926
Options		-	1,348	-	1,348
Derivatives receivable	9(b)	-	1,154,796	-	1,154,796
Investments at fair value through profit or loss (trading)	5(a)	-	1,011	-	1,011
Available-for-sale investments:					
Debt securities					
BCRP Certificates of deposit		-	7,019,479	-	7,019,479
Corporate bonds		2,839,147	1,183,313	-	4,022,460
Government treasury bonds		4,085,754	-	-	4,085,754
Negotiable certificates of deposits		-	17,438	-	17,438
Securitization instruments		-	33,000	-	33,000
Other instruments					
Equity instruments:					
Listed securities		68,780	-	-	68,780
Unlisted securities		-	-	8,876	8,876
Subtotal	5(b)	6,993,681	8,253,230	8,876	15,255,787
Total financial assets		6,993,681	9,409,037	8,876	16,411,594
Financial liabilities					
Derivative financial instruments:					
Forward exchange contracts		-	141,814	-	141,814
Interest rate swaps		-	126,066	-	126,066
Cross currency Swaps		-	24,385	-	24,385
Currency swaps		-	742,704	-	742,704
Options		-	3,167	-	3,167
Derivatives payable		-	1,038,136	-	1,038,136
Total financial liabilities		-	1,038,136	-	1,038,136

	Note	Level 1 S/000	Level 2 S/000	Level 3 S/000	Total S/000
December 31, 2021					
Financial assets					
Derivative financial instruments:					
Forward exchange contracts		-	257,458	-	257,458
Interest rate swaps		-	289,540	-	289,540
Cross currency swaps		-	86,268	-	86,268
Currency swaps		-	801,876	-	801,876
Options		-	2,478	-	2,478
Derivatives receivable	9(b)	-	1,437,620	-	1,437,620
Investments at fair value through profit or loss (trading)	5(a)	131,877	1,130,019	-	1,261,896
Available-for-sale investments:					
Debt securities					
BCRP Certificates of deposit		-	8,337,432	-	8,337,432
Corporate bonds		2,439,621	2,991,947	-	5,431,568
Government treasury bonds		5,365,838	-	-	5,365,838
Negotiable certificates of deposits		-	76,238	-	76,238
Securitization instruments		-	41,316	-	41,316
Other instruments					
Equity instruments:					
Listed securities		74,526	-	-	74,526
Unlisted securities		-	-	8,359	8,359
Subtotal	5(a)	7,879,985	11,446,933	8,359	19,335,277
Total financial assets		8,011,862	14,014,572	8,359	22,034,793
Financial liabilities					
Derivative financial instruments:					
Forward exchange contracts		-	326,458	-	326,458
Interest rate swaps		-	250,139	-	250,139
Cross currency Swaps		-	4,342	-	4,342
Currency swaps		-	734,997	-	734,997
Options		-	3,251	-	3,251
Derivatives payable		-	1,319,187	-	1,319,187
Total financial liabilities		-	1,319,187	-	1,319,187

Financial instruments included in the Level 1 category are those that are measured on the basis of quotations obtained in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and said prices represent actual and regularly occurring market transactions on an arm's length basis.

Financial instruments included in the Level 2 category are measured on the basis of observed market factors. This category includes instruments valued using quoted prices for similar instruments, either in active or less active markets and other valuation techniques (models) where all significant inputs are directly or indirectly observable based on market data.

The financial instruments included in Level 3 are measured using valuation techniques (internal models), based on assumptions that are not supported by prices of observable transactions on the market for the same instrument, nor based on available market data.

We present a description of how fair value is determined for the Bank and its Subsidiaries financial instruments where valuation techniques were used with inputs based on observable market data which incorporate the estimates of the Bank and its Subsidiaries, on the assumptions that market participants would use for measuring these financial instruments:

- Valuation of derivate financial instruments -

  Interest rate swaps, currency swaps and foreign exchange forward contracts are evaluated by using valuation techniques where inputs are based on observable market data. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs, including the credit quality of counterparties, foreign exchange, forward rates and interest rate curves. Options are valued using well-known, widely accepted valuation models.

  A credit value adjustment (CVA) is applied to the exposure of the “Over-The-Counter” derivatives in order to consider the risk of default of the counterparties when the fair value of the derivatives is measured. The effect of this adjustment is measured in the income statement. The CVA is a cost at market prices of protection required to hedge the credit risk of the counterparties in this type of portfolio of derivatives. The CVA is calculated by multiplying the probability of default (PD), the likelihood of given deterioration (LGD) and the expected exposure (EE) at the date of impairment.

- Valuation of debt securities available for sale -

  Valuation of BCRP certificates of deposit, corporate bonds, leasing, subordinated bonds and Government treasury bonds are estimated calculating their Net Present Values (NPV) through discounted cash flows, using appropriate and relevant zero-coupon rate curves to discount cash flows in the respective currency and considering observable current market transactions. The certificates of BCRP deposits (CD BCRP) are securities issued at a discount, in order to regulate the liquidity of the financial system. They are placed through public auction or direct placement, are freely negotiable by their holders in the Peruvian secondary market and can be used as collateral in Securities Report Operations with the BCRP Other debt instruments are evaluated using valuation techniques based on assumptions supported by prices from observable current market transactions, obtained via pricing services. Nevertheless, when prices have not been determined in an active market, fair values are based on broker quotes and assets that are valued using models whereby the majority of assumptions are market observable.

b) Financial instruments not measured at fair value -

Set out below is the disclosure of the comparison between the carrying amounts and fair values of the fina
value, presented in the consolidated statement of financial position by level of the fair value hierarchy:

	As of December 31, 2022					As of December 31	
	Level 1 S/000	Level 2 S/000	Level 3 S/000	Fair value S/000	Book value S/000	Level 1 S/000	Lev S/00
Assets							
Available funds	-	31,441,299	-	31,441,299	31,441,299	-	3
Interbank funds	-	267,082	-	267,082	267,082	-	
Held-to-maturity investments	8,478,583	46,787	-	8,525,370	9,254,469	7,606,226	
Loans, net	-	127,948,099	-	127,948,099	127,948,099	-	12
Other assets	-	792,019	-	792,019	792,019	-	
Total	8,478,583	160,495,286	-	168,973,869	169,702,968	7,606,226	16
Liabilities							
Deposits and obligations	-	129,819,665	-	129,819,665	129,819,665	-	13
Interbank funds	-	22	-	22	22	-	
Payables from repurchase agreements	-	11,843,594	-	11,843,594	11,843,594	-	2
Due to banks, correspondents and other entities	-	8,716,193	-	8,716,193	8,539,195	-	
Bonds and subordinated Notes issued	-	13,241,289	-	13,241,289	13,840,114	-	1
Other liabilities	-	2,266,430	-	2,266,430	2,266,430	-	
Total	-	165,887,193	-	165,887,193	166,309,020	-	17

The methodologies and assumptions used by the Bank and its Subsidiaries to determine the values prices depend on the terms and risk characteristics of the various instruments listed above and comprise the following:

(i) Assets for which fair values approximate their carrying value - For financial assets and financial liabilities that are liquid or have a short-term maturity (less than three months), it is assumed that the carrying amounts are similar to their fair values. This assumption is also applied to demand deposits, savings accounts without a specific maturity and variable rate financial instruments

(ii) Financial instruments at fixed rate - The fair value of the financial assets and financial liabilities at fixed rate and at amortized cost is determined by comparing the market interest rate at the time of their initial recognition to the current market rates related to similar financial instruments. In the case of listed debt, the fair value is determined on the basis of the quoted market prices. When quoted market prices are not available, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity. The fair value of the loan portfolio and deposits and obligation, according to SBS Multiple Official Letter N°1575-2014, corresponds to its carrying amount.

31 EVENTS AFTER THE REPORTING PERIOD

The Bank and its Subsidiaries have evaluated the period after the closing of the consolidated financial statements and have determined that there are no subsequent events or transactions that require recognition or disclosure in the consolidated financial statements.

NAMES AND ADDRESSES

Issuer

Banco de Crédito del Perú
Calle Centenario 156, La Molina, Lima 12, Perú

Arrangers and Dealers

BofA Securities, Inc.
One Bryant Park
New York, NY 10036
United States

Citigroup Global Markets Inc.
388 Greenwich Street
New York, NY 10013
United States

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179
United States

Dealers

BNP Paribas Securities Corp.
787 Seventh Avenue
New York, NY 10019
United States

Daiwa Capital Markets America Inc.
Financial Square
32 Old Slip
New York, NY 10005
United States

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

Natixis Securities Americas LLC
1251 Avenue of the Americas, 4th floor,
New York, NY 10021
United States

SMBC Nikko Securities America, Inc.
277 Park Avenue
New York, NY 10172
United States

Fiscal Agent, Non-U.S. Paying Agent, Non-U.S. Transfer Agent, Calculation Agent, U.S. Paying Agent, U.S. Registrar U.S. Transfer Agent and U.S. Authenticating Agent

Citibank, N.A., London Branch
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB, United Kingdom

Luxembourg Listing Agent

Banque Internationale à Luxembourg, S.A.
69, Route d'Esch
L-2953 Luxembourg

Legal Advisers

To the Issuer as to New York law
Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10017
United States

To the Dealers as to New York law
Milbank LLP
55 Hudson Yards
New York, NY 10001-2163
United States

To the Issuer as to Peruvian law
Payet, Rey, Cauvi, Pérez Abogados
Torre Real Tres, Piso 12, Victor A.
Belaunde 147, Distrito de San Isidro, 15073
Perú

Independent Auditors

Tanaka, Valdivia & Asociados Sociedad Civil de Responsabilidad Limitada, a member firm of Ernst & Young Global Limited
Av. Victor Andres Belaunde 171,
Distrito de San Isidro, Lima
Perú

Gaveglio Aparicio & Asociados S.C.R.L., a member firm of PricewaterhouseCoopers International Limited
Av. Santo Toribio 143, Piso 8,
Distrito de San Isidro, 15073
Perú