

# **BANCO LATINOAMERICANO DE COMERCIO EXTERIOR, S.A.**

## **AUDIT COMMITTEE CHARTER**

### ***I. Objectives***

The Audit Committee (the “Committee”) of Banco Latinoamericano de Comercio Exterior, S.A. (the “Bank”) is a standing committee of the Board of Directors. The Committee is responsible to discharge certain duties established by applicable regulations and to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the integrity of the Bank’s financial statements, the system of internal control over financial reporting, the audit process and the process for monitoring compliance with legal and regulatory requirements, and with the Code of Ethics.

### ***II. Organization and Composition***

The Committee shall consist of no less than three independent directors. Director independence shall be determined pursuant to applicable rules and regulations (see appendix). At least one member shall be designated as the “financial expert.” The Committee will shall determine whether at least one of its members meets this requirement.

The members of the Committee and its Chairman shall be elected and removed by the Board and shall serve for a period of one year, but they may be reelected indefinitely.

### ***III. Responsibilities***

The Committee will carry out the following responsibilities:

#### ***A) Financial Statements***

- Review significant accounting and reporting issues, including unusual or complex transactions, and understand their impact on the financial statements. Be informed about regulatory and professional announcements that may have an effect or impact on the financial statements.
- Review with the Bank’s management and external auditors the results of audits of the financial statements.
- Assess whether the quarterly and annual audited financial statements are complete, consistent with the information known by Committee members and adequately reflect the accounting principles. Recommend their approval to the Board of Directors.



- Review the sections of the Bank's Annual Report in Form 20-F prior to its filing with the Securities and Exchange Commission, considering the accuracy and integrity of the information contained therein.
- Receive reports from the external auditors about issues that should be disclosed to the Committee in accordance with generally accepted auditing standards.

#### **B) Internal Control**

- Oversee the effectiveness of the Bank's internal control system, including the security and control of the information technology.
- Understand the results of the reviews of internal and external auditors, especially their significant findings and recommendations, along with the Bank's management responses.

#### **C) Internal Auditing**

- Approve the charter, structure and activities of the internal audit function.
- Review and approve the Internal Audit Manual and report to the Board of Directors about its approval.
- Approve the annual internal audit plan and review the progress made on execution of the plan.
- Understand any restrictions or limitations to the work of Internal Audit.
- Approve and recommend to the Board of Directors the annual budget for Internal Audit in order to ensure that it has the necessary resources needed to perform its functions.
- Review the effectiveness of the internal audit function, including compliance with applicable international standards.
- Recommend the appointment, hiring and dismissal of the Head of Internal Audit to the Board of Directors, as well as review his or her annual performance, compensation and succession plan.

#### **D) External Auditing**

- Review, approve and monitor the progress of the external audit plan and report to the Board of Directors.
- Present to Shareholders recommendations regarding the ratification or change of the Bank's external auditors at the annual meeting and approve external auditor fees. External auditors shall report directly to the Committee.
- Review the performance of the external auditors.

- Approve all auditing and non-audit services, including tax advice, provided to the Bank by the external auditors.
- Confirm the independence of the external auditors, obtaining specific statements from them on the relationship between the auditors and the Bank, and present its conclusions to the Board of Directors.
- Meet at least once a year, privately, with the Bank's external auditors, to discuss any matter that the Committee or the external auditors consider appropriate.

**E) Other Responsibilities**

- Report regularly to the Board of Directors and annually to the Shareholders Meeting about Committee activities and decisions.
- Perform any oversight activities as may be set forth in the Articles of Incorporation, the Bank's Bylaws and applicable laws that the Committee or the Board of Directors deems necessary or appropriate.
- Institute special investigations as needed.

The Board of Directors has delegated sufficient faculties and powers to the Committee to adopt resolutions of mandatory compliance for performing the duties, functions and responsibilities described in this Charter. Resolutions adopted by the Committee under this delegation of authority and powers shall not at any time contradict the Articles of Incorporation or Statutes of the Bank, this Committee Charter, nor the resolutions of the Shareholders or the Board of Directors of the Bank.

**IV. Meetings and Resolutions**

The Committee shall meet at least six times a year, as required by the Superintendency of Banks of Panama. The Committee meetings shall be called up by its Chairman or upon the request of two of its members. Those meetings shall take place at such venue, date and time as may be determined in the respective call up. The invitations to the meetings should contain their agenda and will be provided sufficiently in advance to Committee members, along with the appropriate briefing materials. The Committee members may also meet by telephone calls or video conferences (virtual).

A presence of the majority of the Committee members shall be needed to constitute the quorum required.

The Committee meetings shall be chaired by its Chairman and in the absence thereof, by such adhoc chairperson as may be designated at the meeting.



All resolutions of the Committee shall be adopted by a favorable vote of no less than a majority of its members.

The discussions and resolutions of the Committee shall be recorded in minutes that shall be numbered and signed by the Chairman and the Secretary of the Committee and kept in registrar of minutes or in electronic form.

The Committee may also adopt resolutions in writing, without convening a meeting, provided that the resolution that is being adopted has been previously communicated to all the members of the Committee and the resolution has been adopted by an affirmative vote of the majority of its members. Votes may be issued in writing or electronically, including by fax, and e-mail. Electronic votes require preparation of a written resolution signed by the Committee members who voted in favor of the resolution for its registration in the registrar of minutes.

#### **V. Authority and Resources of the Committee**

The Committee authority to conduct or authorize investigations into any matters within its scope of responsibility. The Committee has the power and authority to:

- Hire independent legal advisors, accountants or other expert advisors to advise or assist the Committee in conducting an investigation.
- Obtain any information required from the Bank employees – each of whom shall be instructed to cooperate with the Committee’s requirements - or from third parties.
- Meet with the Bank’s officers, external auditors or external legal advisors as needed.

#### **VI. Interaction with Bank Management**

The Bank’s Head of the Internal Audit and the Bank’s Chief Executive Officer (CEO), as well as any other employees or individuals shall attend in the ordinary meetings of the Committee as guests, if the Committee considers it as necessary.

The Head of Internal Audit will act as Secretary of the Committee and will be in charge of preparing the minutes of each meeting.

#### **VII. Compensations**

The Committee members shall receive such compensation as determined by the Board of Directors.



***VIII. Performance Evaluation***

The Committee shall conduct self-assessment of its performance annually.

***IX. Review of this Charter***

The Committee shall review this Charter at least annually and submit to the Board of Directors for its approval any amendments considered necessary.

***X. Amendments***

This Charter may be amended by the Bank's Board of Directors, when it deems convenient or when it is proposed by the Audit Committee.

**Latest revision: December 14, 2021.**

**Exhibit I**  
**Criteria for Qualifying as an Independent Director according to current Rules and Regulations in force**

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**A) Superintendency of Banks of Panama**

Rules No. 005-2011 and No. 005-2014 on “Corporate Governance” issued by the Superintendency of Banks of Panama (SBP) establishes that an independent director shall be understood that member of the board of directors that:

1. During the five years, he/she is not and has not been employed by the bank, neither by a corporation that is a member to its banking group thereof nor by any of its nonbanking affiliates.
2. He/she is not and has not been involved with a consulting or advising company to the bank, neither to any entity that is member to its banking group thereof not to any of its non-banking affiliates.
3. He/she is not and has not been involved with a relevant supplier to the bank, neither to any entity that is member of its banking group thereof not to any of its nonbanking affiliates. For the purposes of this number, is not a relevant supplier the one whose sales to the bank are under 5% of his/her total sales.
4. He/she is not and has not been involved with a relevant supplier to the bank, neither to any entity that is member of its banking group thereof not to any of its non-banking affiliates. For the purposes of this number, is not a relevant supplier the one whose sales to the bank are under 5% of his/her total sales.
5. He/she has no freelance contact with the bank, with any entity that is member to its banking group thereof nor to any of its non-banking affiliates or with any member of top management.
6. He/she is not employed as company executive where any senior officer of the bank, of any entity that is member to its banking group thereof nor any of its non-banking affiliates, serves the board of directors of said company.
7. He/she is not a relative, up to the fourth degree of consanguinity or second degree of affinity, of a person that (1) is or has been, during the last two years, as an executive officer of the bank, of any entity that is member to its banking group, or of any of its non-banking affiliates; or (2) is or has been during the last two years, a member of the board of directors of the bank, of any entity that is a member of its banking group, or of any of its non-banking affiliates.
8. He/she is or has not been, during the last two years, affiliated or employed by the current or last year auditor of the bank, of any entity that is member to its banking group thereof nor of any of its non-banking affiliates.

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9. He/she is not, directly or indirectly, owner of shares issued by the bank, by any entity that is member to its banking group thereof nor by any of its non-banking affiliates, in same proportion or higher than 1% of the total issued and outstanding shares with rights to vote.

**B) Section 303A.02 of the New York Stock Exchange (NYSE) Listed Companies Manual**

Section 303A.02 of the NYSE Listed Companies Manual states that a director is not independent if:

1. The director is, or has been within the last three years, an employee of the listed company, or an immediate family member is, or has been within the last three years, an executive officer, of the listed company.
2. The director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the listed company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
3. (A) The director is a current partner or employee of a firm that is the listed company's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on the listed company's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the listed company's audit within that time.
4. The director or an immediate family member is, or has been with the last three years, employed as an executive officer of another company where any of the listed company's present executive officers at the same time serves or served on that company's compensation committee.
5. The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the listed company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or 2% of such other company's consolidated gross revenues.

General Commentary to Section 303A.02(b): An "immediate family member" includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person's home. When applying the look-back provisions in Section 303A.02(b), listed companies need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

