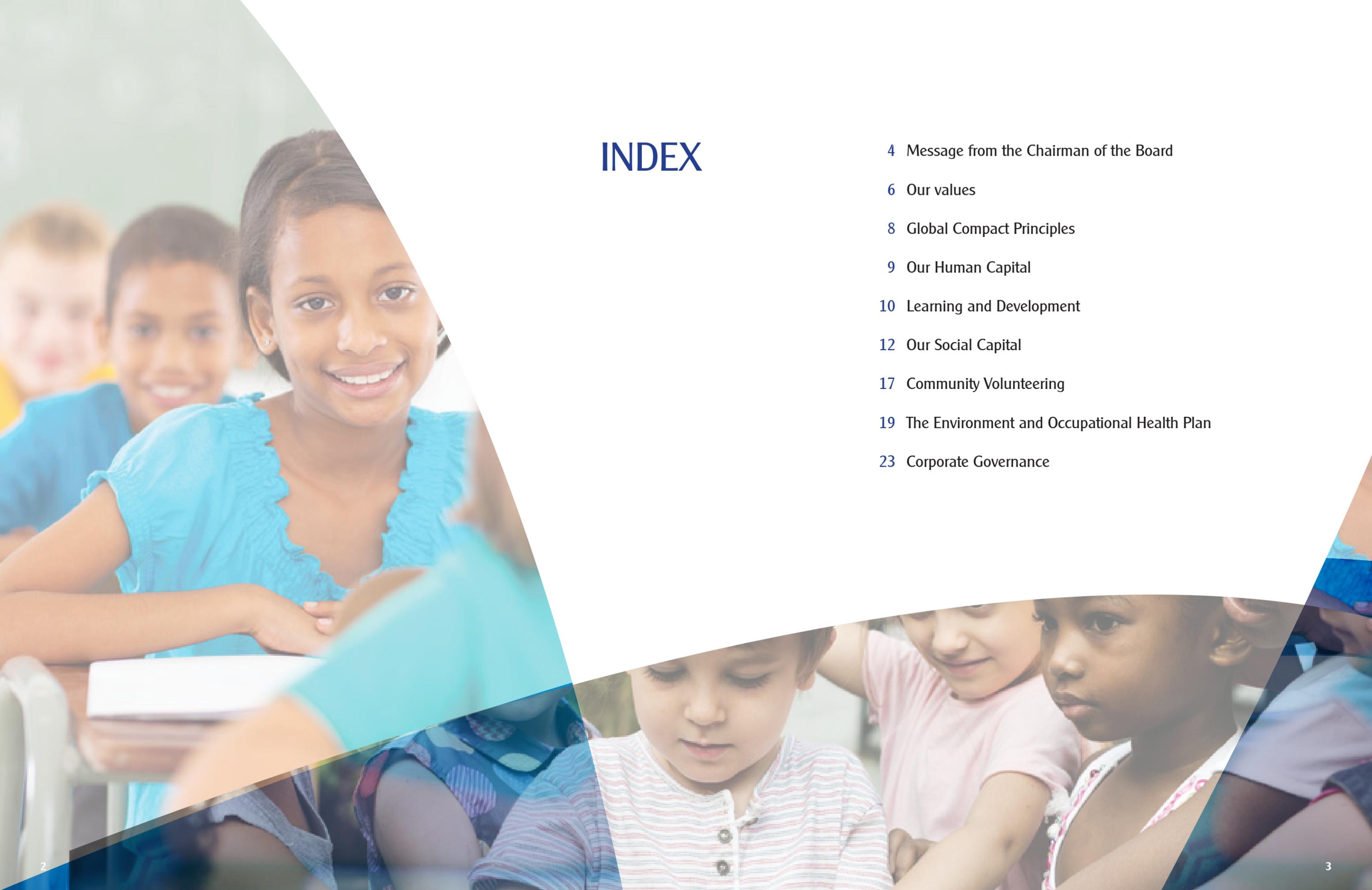


SOCIAL
RESPONSABILITY
REPORT
2017





INDEX

4 Message from the Chairman of the Board

6 Our values

8 Global Compact Principles

9 Our Human Capital

10 Learning and Development

12 Our Social Capital

17 Community Volunteering

19 The Environment and Occupational Health Plan

23 Corporate Governance



Gonzalo Menéndez Duque

Message from the Chairman of the Board

We are pleased to present the 2017 Social Responsibility report, reflecting the actions undertaken during the year by our Institution.

The work done by the Fundación Crece Latinoamérica (Foundation Grow Latin America), the body that carries out the Bank's social work, represents a key component of our comprehensive corporate social responsibility vision, which enables Bladex to support the communities where we operate. Our efforts are focused on promoting education and supporting children in the most deprived communities in Latin America, thus contributing to their social development and progress.

In 2017 we supported programs and projects in five countries of our Region, in partnership with other organization that promote the education of and work with children at social risk. We invested a total of US\$ 343,000 (three hundred and forty-three thousand Dollars), benefitting some 7,000 children and young people.

We continue to work on actions focused on recognizing talent and on encouraging the personal and professional growth of our employees, who make up a key component of our Organization's success.

The Social Responsibility report we share following hereunder complements the 2017 Annual Report, providing our stakeholders with valuable information about the qualitative and quantitative results achieved during the year.

Like in the previous years, we renewed our commitment with the principles of the United Nations Global Pact, which fits well into our corporate values of Integrity, Commitment, Excellence, Respect and Humility that make up the foundation of our organizational culture.

Gonzalo Menéndez Duque
Chairman of the Board of Directors



Our values make up the foundation of our culture, setting the course guiding individual and collective behavior.



Integrity

Is the foundation of our Organization, centered on an ethical behavior that reflects honesty and transparency.



Commitment

Is the hallmark of how we work at Bladex, focused on meeting our clients' needs and creating value for our Shareholders.



Excellence

Remains our overriding goal. The pursuit of quality through creativity and innovation is present in everything we do.



Respect

Guides us in our behavior toward our co-workers, clients, shareholders and the community.



Humility

Is the bond that gives us strength, enabling us to appreciate the contribution of each member of the Organization toward achieving the success and goals of the Institution.

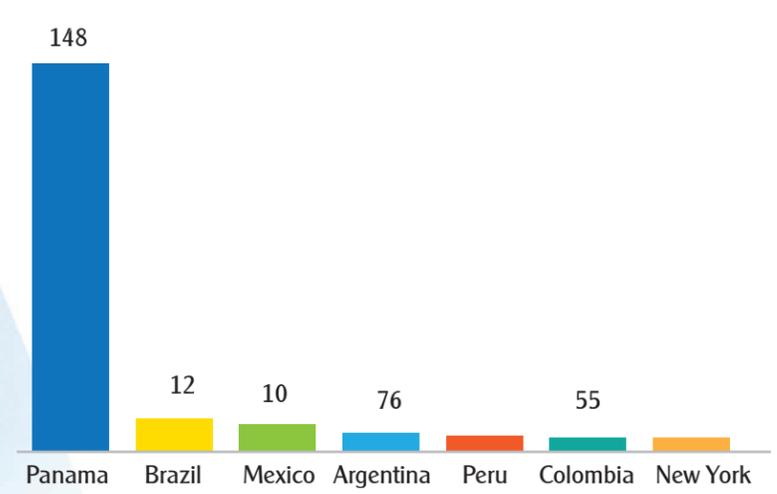
GLOBAL COMPACT PRINCIPLES



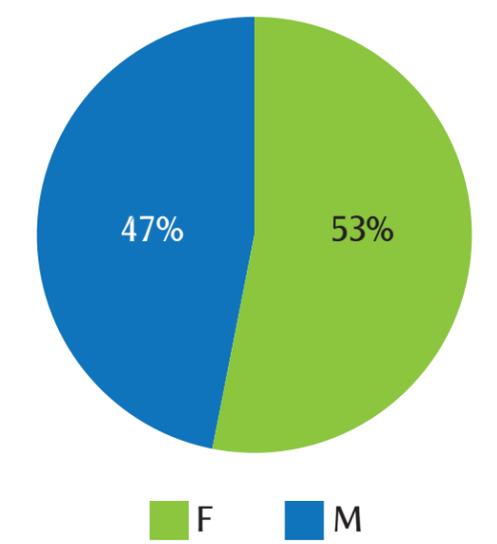
Our Human Capital

Our Employees represent the image of our values and our brand. The diversity of our workforce is the main strength that distinguishes the Bank's culture.

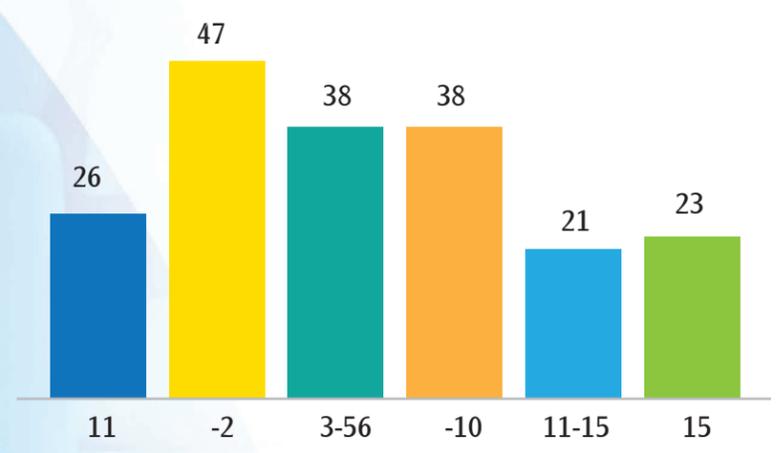
Employees per location



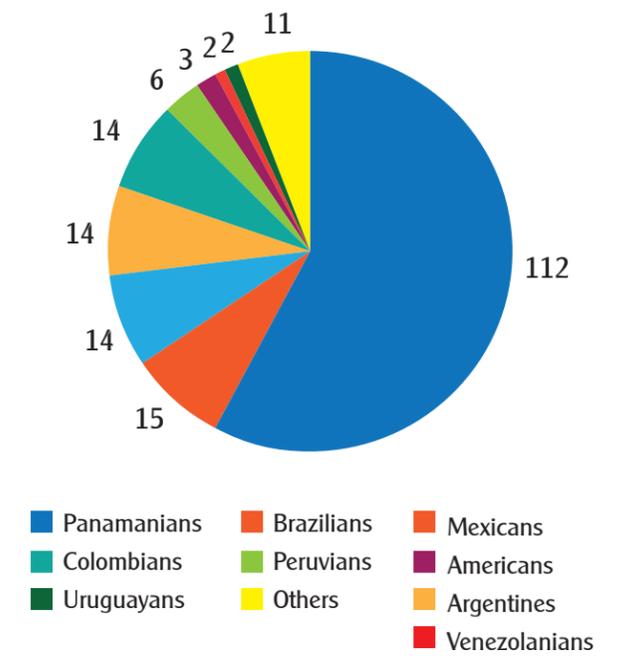
Distribution by Gender



Employees by Seniority



Nationalities represented at Bladex



Training Plan

Functional Training: Employees are trained to provide them with the knowledge and skills required for keeping them up-to-date and help them work at the best of their capacity.

Corporate Training: This program aims to develop competencies and know-how at all levels of the Organization. In January 2017, the Leadership Program was completed, which was carried out between the years 2015 and 2017, with the main objective of developing managerial and inter-personal skills.

During 2017, emphasis was placed on developing knowledge of Foreign Trade at all of the Bank's levels.

Foreign Trade Program

Level	Content	Participants	Quality	% Completed
Basic	General Knowledge of Foreign Trade and its Products	Support Level	34	94%
General	Training in Trade Finance	Professional Level and Up	71	100%
Advanced	Advanced Training in Trade Finance	Business, Risks, Compliance, Others	93	96%
Specialized	Specialized Training in Letters of Credit	Business, Operations	5	100%

Annual Employee Meeting

Over the past four years we have held integration sessions called Bladex Day, where all Employees participate. With these sessions, we bolster pro-active participation and communications, as well as our values and we define the objectives for the year.

In 2017, the primordial objective was to culminate the Leadership Program started in 2014. As a tool thereto, all Employees underwent a test for determining their individual strengths. This set the bases for getting to know themselves better and for building up their strengths, guiding them to achieving the Bank's objectives. Hence the slogan "Feel the Bladex Force".



Comprehensive Well-Being Program

In order to promote a comprehensive well-being among all Employees, we have health programs, including the health fair held every year in the month of October. At that fair we create awareness of the importance of prevention with the participation of different health providers, where we carry out vision test, measure weight and blood pressure as well as lab tests, among others. Apart from that, we also have an annual anti-flu vaccination campaign.



Employee of the Year 2017

Every year we have a practice of rewarding the Employee who, because of his or her day to day performance, has been a model, during the year, of our values: Commitment, Humility, Excellence, Respect and Integrity.

In 2017, 20 Employees were nominated, with Mrs. Maritza Sanchez being selected as the Living Example of the Bladex Values because of her great commitment and perseverance in doing her job excellently.



Education and children are the fundamental pillars of our social commitment. Some 7,000 children and teens benefit from the projects and programs undertaken during the year.

Projects	No. of beneficiaries	Country
Reading Program Sabiá II y Otonoiel Assis School	1,800	Brazil
Monge Foundation	130	Costa Rica
Unicomer Foundation	770	El Salvador
Ficohsa Foundation	150	Honduras
Marie Poussepin Educational Center	710	Panama
“Hogar Divina Gracia” Shelter	30	Panama
El Bale Community Center in Veraguas	25	Panama
Casa Esperanza	150	Panama
School for Parents Program	500	Panama
Panama Canal Museum	300	Panama
Financial Literacy Program	3,000	Panama

In Panama, where our Head Office is located, we continue to categorically support six local organizations. During the year, the Foundation continued to improve the facilities of Bladex’s main project, the Marie Poussepin Educational Center (CEMP), a school that benefits 700 students aged between 3 and 18 years old, from sectors at social risk. We proceeded to remodel 12 primary school class rooms, build another class room for the high school and equip two pre-school class rooms with new furniture, as well as the primary school computer room and four high school class rooms. In order to enhance the students’ safety, a new fire alarm system was installed and internal traffic optimized by building a connection between the middle school building and one of the primary school ones, as well as an additional staircase in the high school building. (picture of the pre-school with the new furniture).



12 CEMP primary school classrooms were totally remodeled, including new furniture for the pre-school area.

Convinced that the success of school education is directly related to an active participation of student’s parents, we continue to sponsor the “School for Parents” program, implemented at the CEMP by the “Bankers’ Wives Society”. This program, which has already been going on for ten years, has graduated more than 3,500 CEMP Parents and this year schooled 500 parents, of whom a total of 215 graduated at different levels (photo of the group of parents graduated at the CEMP).



215 CEMP parents received their graduation diploma from the School for Parents program.

At the “Hogar Divina Gracia” shelter for girls at risk, we proceeded to fence in the whole property, in order to provide the young girls that stay there with better security. We also sponsored a dance and aerobics program as part of the more playful activities being undertaken with the students.



Cultural tour with the girls from the Hogar Divina Gracia.

In the countryside we support the work done by “Casa Esperanza” in El Roble at Aguadulce, providing them with an outside playground as well as furniture and equipment for the pre-school section. At the center located in Boquete, Chiriquí, whose priority is to provide assistance to the indigenous communities in that sector, we contributed in optimizing the computer room with the acquisition of eight laptops and other support equipment. In the province of Veraguas, we continue to support the boarding school run by the El Bale Community Center, which houses 25 students from remote communities.



Recognition given by Casa Esperanza to Bladex for its contribution in improving the study centers located at Aguadulce and Boquete, benefitting some 300 students.

This year we implemented a 10-month academic improvement program, which contributed to strengthen subjects like mathematics, Spanish and English mainly and we provided a personalized monitoring of those students with the most academic difficulties, enabling all of them to finish out their school year successfully. We also proceeded to install internet service in the library of the Community Center, as well as a turbine for distributing drinking water to all of the boarding school’s facilities. By sponsoring the pedagogic workshop program organized by the Canal Museum, some 300 students from schools in the countryside could make an educational tour of the Museum and visit the Panama Canal facilities.



Thanks to the alliance between the Fundación Crece Latinoamérica and Unicomer, the Corazón de María School located in San Salvador now has a modern computer room, benefitting 700 students.

As part of our objective to support other countries in the Region, this year we continued to develop education projects in Brazil and Honduras and we started, for the first time, projects in Costa Rica and El Salvador, as a result of new alliances established between the Crece Latinoamérica Foundation and some local NGOs focused on education. In Brazil we continue to support the Brascri Foundation, through which we implement reading programs at the Sabia II and Otoniel Assis primary schools, to the benefit of pupils between the ages of 6 and 11. Through this program that is being carried out throughout the school year, the kids work on comprehensive reading techniques, developing skills like theatre, recitation and storytelling, which contribute to the teaching-learning process at those schools.



Workshops given by the Monge Foundation to teachers and the Senior Class at the CEMP in Panama.

In Costa Rica we joined forces with the Monge Foundation to include 130 high school students from public schools in the “21st Century Competencies” program. This program, led by the Monge Foundation aims to improve the employability profile of the students, strengthening their technological, communication and innovation skills as well as their critical thinking, among others. The alliance between both foundations made it also possible to start the program at the Marie Poussepin Educational Center in Panama, with the participation of that school’s Senior class. The alliance between the Crece Latinoamérica Foundation and the Monge Foundation made it possible for 130 Costa Rican students to participate in the 21st Century Competencies Program and for 20 Seniors at the CEMP in Panama to receive training in those competencies.



Sponsoring 140 students in the program “Soy Cambio” [I am Change], developed by the Monge Foundation in Costa Rica.

In Honduras we continue to develop projects in alliance with the Ficohsa Foundation and this year, in the month of September, we inaugurated a kids’ technology room at the Republica del Japon Pre-School Center in San Pedro Sula. The computer room, built and equipped between both organizations, supports 150 pre-school age pupils, who, through the modern educational programs installed on the computers, have the opportunity to learn dynamically and interactively.



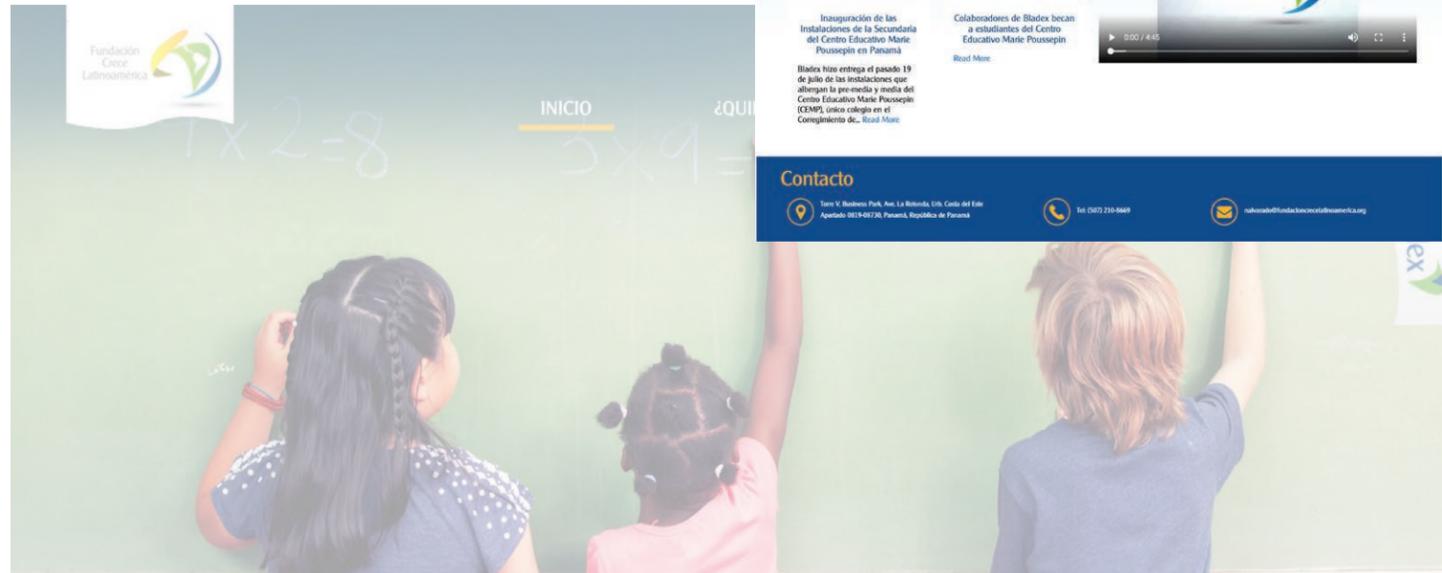
A technology room was delivered to a school in Honduras, together with the Ficohsa Foundation

The Crece Latinoamérica Foundation got into El Salvador through an alliance with the Unicomer Group to provide a possibility for more than 750 students at the Corazon de Maria School Center, located in San Salvador, to have their own computer room, duly equipped and set up with the equipment, programs and furniture needed for enhancing their academic performance.

The Fundación Crece Latinoamérica launches its Website

As from the month of May, the Foundation now has its own internet pages, located on the Bladex website. Through its different sections, information is provided about the objectives, programs and projects that the Foundation is undertaking, in Panama as well as in different other countries.

<http://www.bladex.com/es/fundacrece>



Comprometidos con la educación
y la niñez como ejes
del desarrollo y progreso

Volunteers in Action

Every year, the Bank's employees join forces in complementing the work being done by the Foundation through volunteer work and contributions. During the year 2017, the Volunteers Committee undertook the following activities:

- Sponsoring 110 scholarships for CEMP Students in Panama
- Financial education talks, given to the senior class at the CEMP
- Sponsoring of a phono-audiologic study for 60 CEMP kindergarten pupils
- Cultural activities for students at the Hogar Divina Gracia, the El Bale Community Center and the CEMP
- Two-day tour of the city of Panama for 25 boarding school students from the Community Center (CCVG) located in El Bale, province of Veraguas - Panama, as well as the delivery of audio-visual equipment, food and medications
- Christmas parties, organized by Panama Office Volunteers for all of the CEMP students, the young girls at the "Hogar Divina Gracia" and the students at the El Bale Community Center and, organized by Brazil Office Volunteers, for the children of the Brascri Foundation.



The sponsoring program benefitted 110 students at the CEMP



Five topics were developed by volunteers at the CEMP



Handing out food and medicines at the El Bale Community Center



CEMP Christmas Party

GLOBAL COMPACT PRINCIPLES



THE ENVIRONMENT

The Bladex Head office and its offices abroad continue to comply with the LEED parameters.



During the year, we strived to remain efficient in electric power consumption, to save in using paper and supplies and to introduce a new, more environmentally friendly, form of dispensing drinks for the employees. Hence, we totally eliminated the use of Styrofoam cups throughout the Bank, for which every employee at the Head Office in Panama, as well as those at the offices abroad, was given two reusable cups, thus avoiding any more use of around 50,000 expanded polystyrene (Styrofoam) cups; while we also replaced plastic stirrers with biodegradable ones.



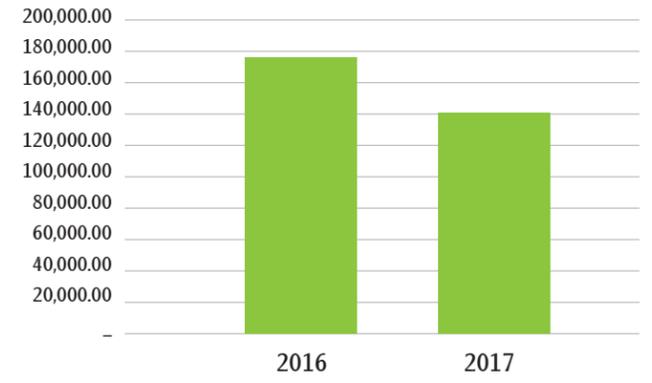
By replacing the Styrofoam cups with reusable ones, we managed to eliminate the use of around 50,000 disposable cups during the year.

“PAPERLESS”:

When compared to the year 2016, we managed to decrease paper consumption by around 20%, generating savings of about US\$ 35,000. Among the actions that contributed to this achievement, we could mention:

- A decrease in color prints, printing on both sides and in black and white
- A better use of the multimedia system in all of the meeting rooms, in order to avoid the use of paper
- Photocopiers by area, eliminating the use of printers at each work station
- Boosting the “Clean Desk” campaign, in order to decrease the use of paper at the work place.

Office supplies, and copy paper expenses



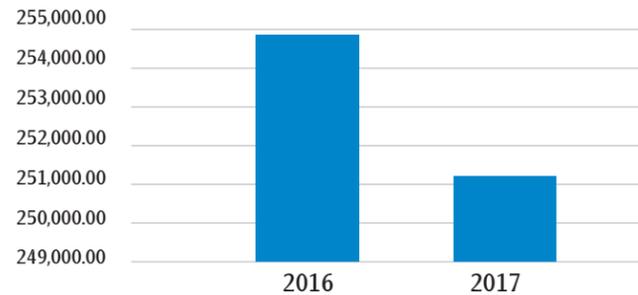
ENERGY SAVINGS

The Bank continues to make efficient use of electric power, achieving significant savings when compared to the year 2016. Among the actions implemented, we could mention:

- Switching off the Bladex neon signs at the Head Office building

- Switching off the employees' monitor and television screens
- Using "energy saver" equipment

Electric power consumption



In 2017, some 93 pieces of technological equipment were recycled (4% more than in the year before), through the Recicla Panama company. Apart from that, separate recycling baskets were installed (paper, organic material, plastic, metal) at the Head Office and the final recycling thereof was coordinated with the Building Management, according to the scheme implemented by them thereto. The offices abroad do already have a recycling scheme, based on the regulations established in each country.

OCCUPATIONAL HEALTH PLAN AND PREVENTIVE MEASURES

A. ERGONOMICS

- As part of the ergonomics, the work stations have ergonomic monitor swivels.
- Recommendations were published on the Bank's intranet for an adequate posture in front of the monitor, as well as other capsules that contribute to improving the employees' physical conditions during their work day.



B. OCCUPATIONAL HEALTH PLAN

The Occupational Health Plan was revised, based on the regulations in force in each country. No work place accidents were reported at any of the Bladex offices during the year.



C. MANAGING EMERGENCIES

The annual evacuation drill was carried out in Panama and at all of the offices abroad, under the supervision of the Fire Department and the Bank's safety brigade members, consisting of 58 employees (29 main members and 29 back-ups). The brigade members received an annual training in managing emergencies and the use of fire extinguishers.

The Head Office employees go to a location outside the building, following the procedures established for an evacuation in case of emergency.



Los colaboradores de Casa Matriz se ubican en el área In order to refresh the best market practices in security matters, the Bank participated in the 32nd Latin American Security Congress – CELAES 2017, held in the month of October.

OPERATING EFFICIENCY

As part of the operating efficiency in administrative matters, Bladex implemented a new tool for acquiring goods and services, which made it possible to automate the different stages of the purchasing process, to centralize and manage requisitions on the same platform, to screen the money laundering lists automatically, to interact with the provider and internal client within the tool, thus eliminating the manual processes.



As part of the savings process, we managed to implement a new maintenance and cleaning scheme, optimizing the use of internal resources and work plans, which generated savings to a tune of US\$ 30,000 per year.

The campaigns for making a more efficient use of the Bank's telephony generated annual savings of US\$ 70,000, by putting into place a local data scheme abroad in order to minimize the use of roaming.

GLOBAL COMPACT PRINCIPLES

10

Businesses should work against corruption in all its forms, including extortion and bribery

Corporate Governance

Bladex Corporate Governance is the set of structures, processes and rules that identify and define the rights, relationships and responsibilities of the Shareholders, the Board of Directors, Senior Management, the Employees and other Stakeholders. It is based on world class regulatory standards as well as on internal regulations defining the responsibilities of all actors in complying with the control, administrative and management measures, practices, policies and principles, aiming at creating, promoting, boosting, consolidating and preserving an organizational culture based on business transparency.

Thereto, we have four Committees supporting the Board in their decision making:

- Risk Policy and Assessment Committee
- Finance and Business Committee
- Compensation and Organizational Management Committee
- Audit and Compliance Committee

More information about our Corporate Governance is available at the following address:
<http://www.bladex.com/en/investors>

Ethics and Transparency

The Bank has adopted a Code of Ethics and Business Conduct, which was revised in 2017 and contains the internal policies and guidelines needed for fulfilling the Organization's Mission, designed for strengthening compliance with the laws and regulations that govern the business operations. The Code of Ethics and Business Conduct applies to the Board of Directors as well as to all of the Bank's staff and that of its subsidiaries.

Bladex assures a monitoring of and compliance with the Code of Ethics through an "Ethics Point" application, that provides employees, shareholders, providers as well as any other stakeholder with a confidential whistle-blowing system for possible violations of the conduct guidelines, ethics, as well as for such irregularities or discrepancies as might occur at the Organization.

Corporate Policy – Anti-Money Laundering

The Bank, including its Board of Directors as well as all of its staff, is highly committed, as an Organization, to comply with all local as well as international guidelines established for the Prevention of Money Laundering, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction that may apply to Bladex, its subsidiaries and the New York Agency. Thereto, policies and procedures have been established that are in line with the specific risk of its products, services, customers and geographic location.

The Compliance Area, together with the Bank's different departments, has identified the key controls that enable the Organization to mitigate the risks that are inherent to the business while, at the same time, complying with the regulations related to the prevention of the crimes of Money Laundering, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction in the Republic of Panama, the United States of America as well as in any other country where Bladex may operate.

Training

The Bladex training program is carried out in order to keep the staff up-to-date with the internal policies, procedures and controls, as well as with the different typologies, cases

and regulations, in order to prevent any undue use of the services we provide, in addition to the different criminal modalities used for money laundering.

During the year 2017, the Compliance Area led the annual training program for the employees concerning the Prevention of Money Laundering, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass Destruction that included topics related to knowing your customer and/or beneficial owner. This program included:

- Training program personally attended by all new hires
- Virtual training of 100% of the employees
- Specific training in Corporate Governance matters
- Training in the use of the tools used by the Bank for validating information about customers or entities related to our Organization
- Informative capsules concerning alert signs and fraud prevention

Compliance Area staff underwent an ongoing training, participating in different conferences, among which we would like to highlight the 17th FIBA AML Compliance Conference, the 11th Hemispheric Congress for the Prevention of Money Laundering, the Financing of Terrorism and the Financing of the Proliferation of Weapons of Mass

Destruction and the 5th Corporate Governance Meeting, among others.

Bladex recognizes the importance of managing the cyber-security and information security risk, so that, during the year 2017, it held several training sessions, with compulsory attendance for all levels of the Organization, in order to achieve better awareness of those issues with the employees. The training sessions were split up into three groups, specified following hereunder, and were led by KPMG.

General: addressed to all employees of the non-technical areas, in order to make them aware of the current security and cyber-security panorama as well as of current prevention mechanisms.

Technical: addressed to the Technology staff, in order to make them aware of cases of cyber attacks to large companies as well as of the controls they should keep up in order not to become a victim of such attacks.

Senior Management: addressed to the Bank's Executive Committee, to whom it was shown how the Organization can prepare itself against possible cyber attacks, from a strategic point of view.

