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SOCIAL RESPONSIBILITY REPORT 2013



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MISSION

TO PROVIDE SEAMLESS SUPPORT TO LATIN AMERICA'S FOREIGN TRADE, WHILE CREATING VALUE FOR OUR SHAREHOLDERS.

VISION

TO BE THE PREMIER PROVIDER OF INTEGRATED FINANCIAL SOLUTIONS ACROSS LATIN AMERICA'S FOREIGN TRADE VALUE CHAIN.

OUR VALUES

REFLECT WHO WE ARE, AND GUIDE OUR BEHAVIOR

- ▶ **Integrity** is the foundation of our Organization, and is based on 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, allowing us to appreciate the contribution of each member of the organization toward the success and achievement of the institution.

WHAT WE OFFER

The Bank's business approach is focused on Latin America's foreign trade value chain, comprising both financial and physical supply chains.

The Bank actively supports the integration of Latin America and the Caribbean, so that member countries may enjoy the benefits of an increasing flow of resources, contributing to the development of their internal and external markets. We maintain a close and ongoing relationship with Latin American countries, which enables us to keep abreast of developments in the real economy with a steady finger on the pulse of trends in the Region, and to position ourselves proactively to seize emerging business opportunities, preserving the quality of our credit portfolio and addressing our clients' needs.

▶ A genuinely Latin American bank

- A supranational bank supported by the central banks or state entities from 23 Latin American countries, with specialized expertise in local markets and their regulatory environments
- 34 years of experience in Latin America, with local presence in 7 countries and 10 cities in the Region, strengthening our position in key industrial sectors
- Close relationships with our clients, and with our government shareholders
- An extensive network of correspondent banks within Latin America, as well as in other regions of the world

▶ Expertise in providing financial solutions

- Foreign Trade Financing
 - Loans and credit lines
 - Pre and Post-Export Finance (short- and medium-term)
 - Finance of imported goods and services (short- and medium-term)
 - Discounted export bills of exchange, with or without recourse
- Structured Trade Solutions
 - Comprehensive and country risk coverage
 - Financing guaranteed by ECAs and private insurance programs
 - Pre-Export Financing with contract assignment and other guarantees
 - Medium- and long-term syndicated loans
 - A/B Financing with Multilaterals
 - Co-financing
 - Forfaiting, with or without recourse
- Commercial Letters of Credit (confirmed or advised) and guarantees
 - Interbank Reimbursement Undertakings
- Banker's Acceptances
- Discounted notes, with or without bank acceptance
- Medium-term International Cross-Border Leasing

▶ Extensive experience in foreign trade

- Outstanding performance, operating for over 30 years in the Region
- Regional link between major global markets and Latin America
- Contribution to the development and progress of Latin America, with accumulated credit disbursements of \$205 billion from 1979 to 2013
- Executive management with vast experience, and a highly specialized team

WHOM WE SERVE

FINANCIAL INSTITUTIONS

Bladex supports financial institutions in 23 Latin American countries, including the Bank's government shareholders (which are represented by central banks or other state entities), as well as local and foreign privately-owned commercial banks with local presence in the Region. Bladex provides credit through these financial institutions to support the foreign trade chain in the Region, offering short-, medium-, and long-term funding to clients to cover their working capital needs. Bladex also supports these financial institutions in their regional

expansion plans, by offering medium- and long-term structured financing.

As of December 31, 2013, the composition of the financial institutions segment represented 38%, or \$2.5 billion, of the total commercial portfolio. Of those credits in favor of financial institutions, 41% are related to foreign trade flows, while the remaining 59% are granted to finance working capital needs for trade activities.



MEDIUM AND LARGE CORPORATIONS



Bladex supports large and mid-sized corporations in managing their financial and business operations, by offering a variety of credit structures to assist them in obtaining better purchasing terms with their suppliers, and in identifying ways to expand their client bases. The Bank identifies projects and growth opportunities for its clients within Latin America, offering medium- and long-term financing solutions (both bilaterally, and through the syndicated loan market) to enable companies to implement their regional growth plans.

Large corporations are defined by their strong local and international presence, leadership in their respective economic segments, and annual sales volumes of over \$2.0 billion. Mid-sized corporations are defined as leading companies in their corresponding industrial sectors or business segments, with annual sales of over \$150 million, strong growth prospects, and regional presence.

Bladex has a widely-diversified credit portfolio dispersed over a range of industries, focusing on those strategic sectors in each country that demonstrate sound economic fundamentals and sustainable competitive advantages. At the close of 2013, the Bank maintained a healthy degree of diversification of its credit assets among sectors strongly involved in foreign trade, either through imports of oil and derivatives (Central America and certain countries in South America), or exports of agricultural commodities and food such as grains, coffee, sugar, and animal proteins (Brazil, Argentina, Colombia, and Peru). Bladex continues to follow a sectorial diversification strategy, expanding credit placements to segments such as the petrochemical, container, and packaging industries, as well as trade and transportation services.

Message from the Chairman and CEO

It is our pleasure to present the Social Responsibility Report of Banco Latinoamericano de Comercio Exterior, S.A. ("Bladex") for the year 2013, detailing the actions undertaken throughout the year for the benefit of the communities in which Bladex operates.

The report is designed to inform stakeholders of our unwavering commitment to the United Nations Global Compact and its 10 principles, which are perfectly aligned with our corporate values of Integrity, Commitment, Excellence, Respect, and Humility.

Demonstrating a social awareness of the communities in which we have the privilege of doing business is a key feature of our Organization. Highlights in this respect in 2013 included the creation of the Fundación Crece Latinoamérica, a foundation established to channel Bladex's community support, mainly in the areas of education and youth assistance, two critical drivers for the continued development of Latin American societies.

Our efforts to roll out initiatives promoting greater environmental responsibility garnered international recognition in 2013: Bladex's corporate offices achieved LEED Gold certification by the Green Building Certification Institute, making Bladex the first banking institution in Panama to achieve this distinction at the national level.

Throughout the year, we continued in our endeavors to reward talent and promote the career and personal development of our employees, who play a key role in our Organization's success.

The 2013 Social Responsibility Report complements our 2013 Annual Report released in February, providing stakeholders with quantitative results of the work carried out during the year.

Our aim is to continue upholding our commitment to the United National Global Compact, while combining value creation for customers and shareholders with the sustainable development of the communities where we operate.

Sincerely,



Gonzalo Menéndez Duque
Chairman of the Board of Directors



Rubens V. Amaral Jr.
Chief Executive Officer



Global Compact Principles

- ▶ 1 Businesses should support and respect the protection of internationally proclaimed human rights.
- ▶ 2 Businesses should make sure that they are not complicit in human rights abuses.
- ▶ 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- ▶ 4 Businesses should support the elimination of all forms of forced and compulsory labor.
- ▶ 5 Businesses should support the effective abolition of child labor.
- ▶ 6 Businesses should support the elimination of discrimination in respect of employment and occupation.

Our People...

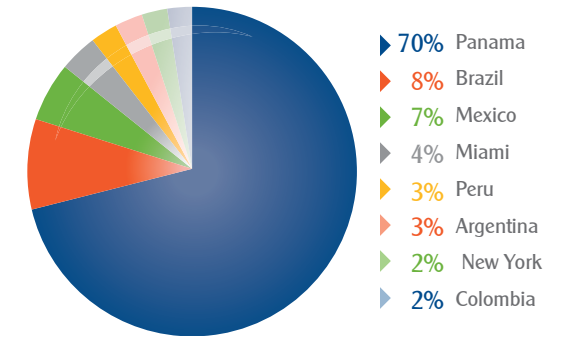
2013 achievements

- We strengthened the relationship between our values and our brand, recognizing that our employees are the ones giving life to the former. On this purpose, we continue reinforcing our culture of goals achievement, validating the importance of performing in a consistent manner.
- Our 2013 work environment survey showed overall improvement across the main areas: climate, commitment and job satisfaction.
- We maintained a stable workforce, taking on new challenges with the aim of improving our employees' leadership and interpersonal skills.

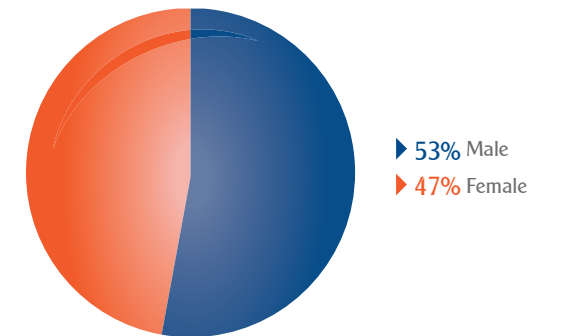
The **diversity** of our workforce is a core **strength** that distinguishes our culture.

191	Employees
18	Nationalities
7	Countries

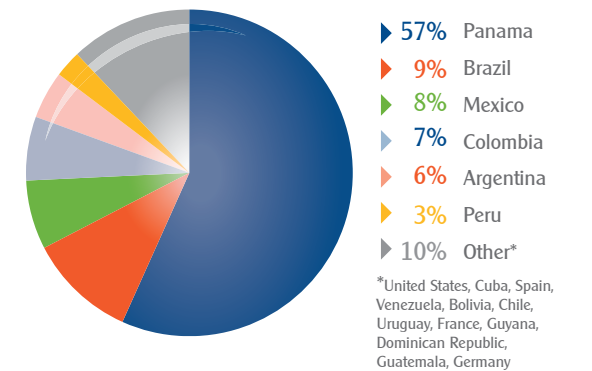
DISTRIBUTION OF EMPLOYEES BY COUNTRY



DISTRIBUTION OF EMPLOYEES BY GENDER



NATIONALITIES REPRESENTED IN BLADEX



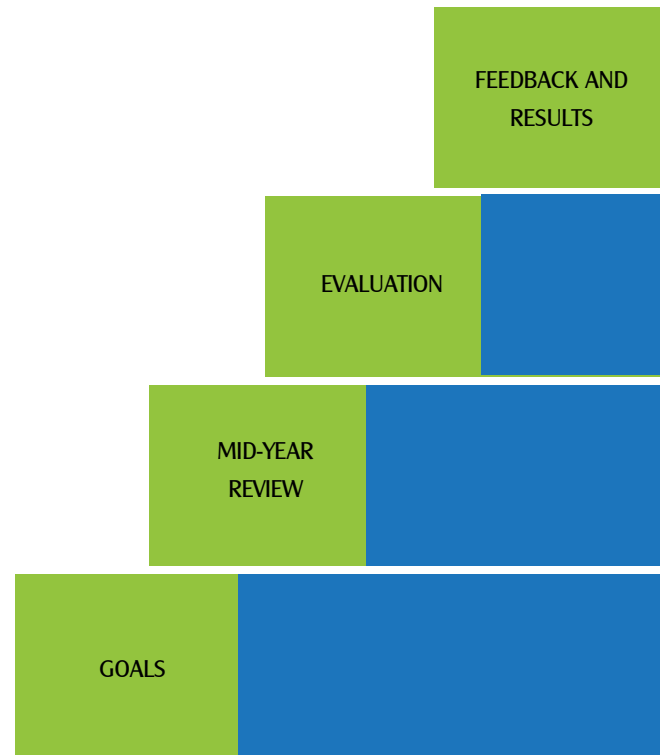
Four Strategic Priorities

1. Human Resources Planning and Management

Throughout 2013 we continued to strengthen a performance-oriented culture focused on reporting and the elimination of complex non-value added processes.

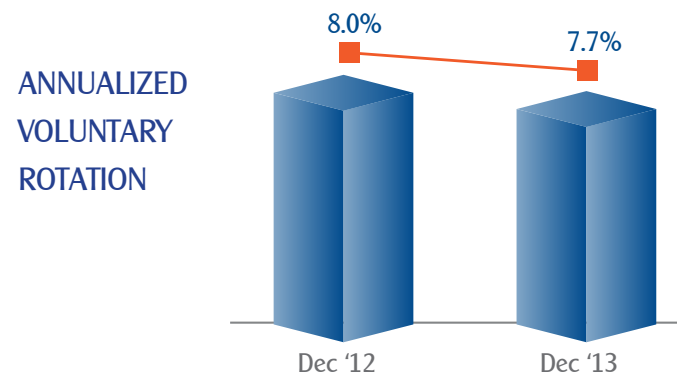
We remain committed to measuring the achievement of our goals versus how we achieve them. This has been the core of our performance evaluation process and the way in which we translate our values into daily actions. Our process consists of setting individual and shared goals, a mid-year review, an evaluation and calibration process, and a detailed feedback on results.

We improved our performance evaluation process by implementing relative evaluation panels during this stage. This has reinforced the transparency and integrity of the system.

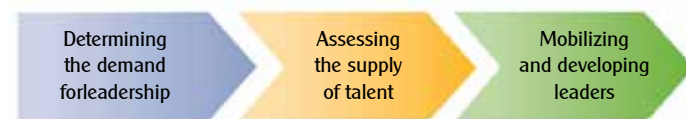


2. Talent Management

Our turnover rates continued to fall for the third year in a row:



We placed strong emphasis on promoting internal talent as a tool for retention and development. We updated our succession plan for key positions, determining the demand for leadership in accordance with our business strategy and through a careful evaluation of our staff and how we hire, develop and retain our people.



3. Learning and Development

People have the right to expect continuous learning, just as Bladex expect its staff to commit to learning. During the annual goal setting process, a personal development plan is agreed determining the type and method of learning. In 2013, we worked on a number of learning solutions aligned with business goals and held direct discussions with the team leaders from all areas. There, we assessed that learning may be acquired through different ways: in a classroom, informally, supervised, self-directed, or within or outside of Bladex. A significant part of learning stems from the experience of doing the job increasingly better.

Our 2013 Learning Guide included products covering different styles and was based on the following assumptions:

- All adults learn in different ways.
- Learning is a process that takes time and depends on the requirements and characteristics of the learner.
- Face-to-face learning events are not the only option for learning.
- We want to set up a Knowledge Management System within Bladex to ensure the fluid flow of knowledge within our organization.
- We want to remain competitive in the development of our skills.

BLADEX LEARNING GUIDE



We held 346 training events, providing a total of 3,456 hours of training. Increased emphasis was placed in strengthening interpersonal skills, working on accountability, trust and effectiveness throughout our workforce. We built our organization's internal capacity and prepared facilitators on different issues.

364 Training Events



In 2013, Bladex granted the Employee of the Year Award to Mr. Carlos Quintero for his outstanding and continuous participation in the Bank's social work.

4. Organizational Development

Bladex conducted the second Organizational Climate and Commitment Annual Survey, in order to identify the strengths and opportunities of our value promise offered to our employees. There were improvements across all dimensions of satisfaction, climate and commitment, compared to 2012.

During 2013, we also worked on supporting the business through comprehensive change management handling to ensure the careful implementation of any changes affecting our employees. We ran change and transition workshops as a set of support tools for organizational development activities.

CLIMATE DIMENSION	% increase compared to 2012
PEOPLE	7 ▲
WORK PROCESSES	5 ▲
LEADERSHIP	1 ▲
ORGANIZATIONAL AND COMMUNICATION ISSUES	4 ▲
DECISION-MAKING POWER	6 ▲
REWARDS	3 ▲
CLIMATE	5 ▲
COMMITMENT	3 ▲
SATISFACTION	5 ▲

2014 Challenges...

We will support the growth of our leaders by increasing their awareness of the challenge of guiding multigenerational teams through actions aimed at seeking constant feedback. We will start the year with integration activities for all our employees, aligning objectives to be prepared to meet the challenges in 2014.

Our social commitment

We focused on education as the centerpiece of development in the Region.

One of the most important actions implemented during this period was the establishment of the “Fundación Crece Latinoamérica”, which as of 2014 will be the instrument for channeling all the support provided by the Bank to communities, both in Panama and the rest of the Region.

- Banking, money and its role in people’s quality of life
- Personal finance
- Savings and investment
- Bank products
- Prevention of money laundering



B) Parent’s School Program: organized by the Bank Wives Society and supported by Bladex since its implementation five years ago, at the Marie Poussepin Educational Center. In 2013, eight workshops were held for parents who joined the school for the first time (Level 1), as well as two workshops with new topics for parents and guardians that had completed the Parent’s School initial program.

This year, for the first time, educational sessions were included for 35 teachers and professors, as well as the school’s administrative staff. Motivational factors were explored, as well as topics taught to parents at Level 1.

As in previous years, Bladex continued to support the work of various non-profit organizations in Panama, mainly focused on education and childhood. Since it was launched, the following are some of the programs we have been sponsoring:

A) Financial Education: run by the Banking Association of Panama, under which a group of volunteers from the Bank taught five selected workshops during the year. A total of 60 high school students at the Marie Poussepin Educational Center, the Bank’s main project, completed the full cycle of workshops, which covered five main areas:

Topics covered at Level 1:

Sense of belonging	Emotional intelligence
Authority and discipline	Tolerance
Permanent value of the family	Self-esteem and self-control
Education for love	Assertive communication and citizen
Communication	From self-awareness to self-control

Volunteer and Recreational Activities Committee



Members of the Volunteer and Activities Committee

This year the Employees Club successfully engaged Bank employees in getting involved in the two committees that make up the Club: Volunteer and Recreational Activities. As a result, the number of volunteers increased by 40%, equally spread between the two committees.

Volunteer Committee

Bladex volunteers carried out throughout the year various fundraising activities on behalf of the Marie Poussepin Educational Center. Once again, the goal was reached of covering the tuition for 140 of the school's students, sponsored by Bank employees through the sponsor program. Funding was also risen for a speech and language therapy program for pre-K students, which seeks to detect hearing and speech problems at an early age. The evaluation covered 40 students, of which 22 began therapy. At the end of the year, the Volunteer Committee threw a large Christmas party for all the school's students, handing out

gifts to the 480 students that attend the school, including high school students for the first time.

The Bladex office in Sao Paulo, Brazil, also has a group of volunteers that carries out an annual activity on behalf of the children at the "Brascri Foundation". A Christmas party was held this year for all the children attending the Foundation and their families.



Christmas Party at Brascri Foundation - Brasil



Presentation of check to the Marie Poussepin Educational Center by the Bladex Volunteer Club



Financial Education Program Workshops conducted by Bank volunteers

Activities Committee

The Bank views the human capital that makes up the Bladex family as its most valuable asset. Therefore, in addition to the corporate benefits provided by the Bank, we are aware of the importance of enjoying moments of relaxation and recreation for both employees and their families. To this end, the Activities Committee implemented an annual program that included:

- A summer tour for employees and their families, which was attended by 323 people.
- "Bolos de la Hispanidad" bowling competition with ten teams and 52 employees, representing ten countries from Latin America.



"Bolos de la Hispanidad" bowling competition

- Celebration of Panamanian national holidays that brought together the employees of the Head Office. This was an entertaining event that included a typical show performed by Bank employees.
- Christmas party for the children of employees, with 60 children.

Among other activities were the traditional celebrations for Mother's Day, Father's Day, staff birthdays, and Christmas.



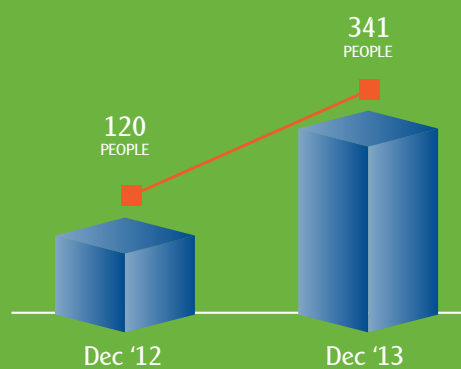
Family Day



Celebration of Panama's National Independence Days



NUMBER OF ATTENDEES AT THE PARENT'S SCHOOL



Global Compact Principles

- ▶ 7 Businesses should support a precautionary approach to environmental challenges.
- ▶ 8 Businesses should undertake initiatives to promote greater environmental responsibility.
- ▶ 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.

Our efforts are focused on the efficient use of resources and environmental protection.

1. Leadership in Energy and Environmental Design

In 2013, Bladex Head Office Casa received LEED Gold Certification for its corporate offices in Panama, making it the first recipient of the LEED Gold Certification for Commercial Interiors in Panama and the first bank in the country to achieve this distinction. Furthermore, the Bank's offices are located in a building with LEED for Core and Shell (CS) precertification.



LEED ("Leadership for Energy and Environmental Design") certification is granted by the United States Green Building Council (USGBC) to buildings, homes and communities such as Bladex, that have been designed and built to meet the highest performance standards for sustainable site development, water savings, energy efficiency, interior environmental quality, and the selection of materials.

2. "Paper Less"

The implementation of actions focused paper use optimization made it possible this year to achieve a reduction of about 38% consumption in the Bank. These savings were the result of a combination of actions, of which the most noteworthy are:

- Use of codes to record paper consumption per person.
- Configuration set to print in black and white and on both sides of the paper.
- Cloud-based access provided to employees for documents from any location through Google Drive email.
- Meeting rooms with projectors for presentations to avoid unnecessary use of paper.
- Strengthening of the clean desk campaign to avoid the use of paper on work desks.

Paper consumption / Change



3. Centralizing the Purchasing Process

The processes for purchasing goods and services were centralized this year, both at the Head Office in Panama and the nine offices operating abroad in order to optimize the procurement of resources and reduce expenses.

The purchasing process is based on an automatic and standardized system, documented with policies and procedures, providing cost/benefit analysis before procuring any goods or services. Such centralization enables the Bank to check that purchased items are environmentally friendly, using recycled raw materials.

VOLUME PRICE NEGOTIATION

PRODUCT STANDARDIZATION

EFFICIENCY

4. Power, Air Conditioning and Water Consumption Savings

Bladex achieved savings of approximately 5% in power consumption, compared to 2012, as a result of the energy efficiency program in place for its offices. In this regard, it is worth mentioning that:

- 57% of the electronic equipment installed in the Bank has Energy Star rating.
- The lighting system uses natural light.

Water is also used efficiently as the building recycles rainwater for restrooms and soon for the garden irrigation system, washbasins, bathrooms, and automatic urinals, with expected water savings of 30%.



5. Occupational Health Plan

Our employees are our most valued resource, and the Bank thus pursues health care-related initiatives, one of the most important being the health fair, which was held in September this year and included:

- Influenza vaccination
- Blood pressure, weight, height and BMI readings
- Eye examination and purchase of eyeglasses
- Nutritional and skin care and tips



Health Day at Head Office

Vaccines were free for all bank staff and 53 employees were vaccinated.

Employees have access through the Bank's intranet to the work benefits plan provided for all staff and their immediate families, as detailed below:

Hospital Insurance

- Maternity expenses • Hospitalization
- General Health Care • Dependent Coverage

Health Plans

- Dental Plan • Eyewear Plan

Other Benefits

- Salary Advances • Rest Days
- Cell Phone Plan • Automotive Group Insurance
- Life Insurance

Personal safety information is also available for employees and includes a guide for disasters and accidents, informative capsules on ergonomics, and a campaign against dengue.

Preventive Measures

In June, the Bank conducted the annual evacuation drill with the active participation of all staff members present (135 people including employees and visitors). The drill was supported by 30 Bank brigade members, who received emergency management training, including the use of fire extinguishers, first aid, etc.

Global ▶ Compact Principles

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

Corporate Governance

Corporate governance lies at the heart of Bladex's business. It reflects our commitment to ethical standards and corporate responsibility as a means of gaining, and increasing, the trust of our investors and maximizing value for the Bank.

Corporate governance refers to the relationships between the Bank's direction and its Board of Directors, shareholders and other stakeholders. It is based on principles of transparency, corporate equality and accountability on the part of the Board of Directors, senior management, employees and stakeholders.

The Board of Directors, in line with the powers vested in it, has set up the following committees to manage and oversee the Bank's businesses and assets:

Board Committees

Assets and Liabilities Committee

Risk Policy and Assessment Committee

Nomination and Compensation Committee

Audit and Compliance Committee

More information on the board committees is available at:

<http://www.bladex.com/investors/Committees-bod-charters#.U2FbMoFdW5I>

Ethics

The ethical standards adopted by Bladex (e.g. integrity, commitment, excellence, respect and humility) provide the Board of Directors and all staff guidance on independence in business transactions and personal and interpersonal interaction, both internal and external.

Corporate Anti-Money Laundering and Counter-Terrorist Financing Policy

As an institution, the Bank, its Board and all staff are firmly committed to upholding national and international anti-money laundering and counter-terrorist financing (AML/CFT) standards.

The Bank has designed AML/CTF policies and procedures that are tailored to the specific risk profile of its products, services, customers and geographic location.

Compliance Area

The Compliance Area, together with the Bank's other areas, has identified the key controls to mitigate the risks inherent to the business, while complying with AML/CTF regulations.

The KYC (Know Your Customer) policy covers all contractual or business relationships between the Bank and its customers. Identifying customers and knowing, inter alia, their business, markets of operations, shareholders, key executives and any persons with control or influence is crucial.

Bladex has preventive measures in place for all its activities, focusing especially on the core business of lending to banks, medium-sized and large corporations in Latin America and the Caribbean. It has identified the potential AML/CTF risk factors related to this type of finance and established the controls to mitigate them, including underlying verification of transactions that pose risk.

In 2013, the Compliance Area worked on implementing the FATCA (Foreign Account Tax Compliance Act), designed to deter tax evasion by US taxpayers (individuals and entities) on income obtained outside the US. For this purpose, the Bank registered with the IRS as a PFFI (participating foreign financial institution) and is prepared for its enforcement in 2014.

To comply with the provisions of local AML/CTF laws and regulations, the Compliance Area held an open discussion with all Bank employees. The event was attended by Panama's special prosecutor for organized crime, Nahaniel Murgas Moreno, who discussed cases in which day-to-day activities could be used by criminals to launder money and their implications for employees and the Institution.



Discussion on AML/CTF



INTERNATIONAL CERTIFICATION OF BLADEX'S INTERNAL AUDIT

In its bid to set a framework for audit activity in line with international best practices, the Bank's Internal Audit Area engaged an external review of quality control and compliance with prevailing international standards on auditing. This review was conducted in April and May 2013 by the Institution of Internal Auditors (IAA), which is recognized throughout the world as the internal audit profession's leader.

The IIA's engagement scope and work method included, inter alia, analysis of internal audit's role, structure, reporting relationship, nature, and interaction within the organization, as well as the review of the risk assessment processes and annual production, the value added by internal audit, the quality assurance and improvement program, the proficiency and competency of the organization's employees to perform their individual responsibilities, and the individual work planning, execution, reporting and monitoring processes.

Based on the outcome of this review, the Internal Audit Area received a "generally conforms" rating by the IIA, the highest possible international rating level, which indicates that its performance conforms to international rules and standards, that it has adopted best practice in the auditing process and that the internal audit activity adds value to the Organization. Bladex was the first bank in Panama and Central America to achieve this IIA certification.

Bladex considers that the competency and quality of its internal audit help it achieve its institutional objectives, reinforce an element of corporate governance and contribute to the transparency of its processes and policies.



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