



SOCIAL
RESPONSIBILITY
REPORT **2015**



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Message from the Chairman of the Board and the CEO

We are pleased to present Bladex's 2015 Social Responsibility Report, which highlights the main activities carried out during the year in line with our vision, mission and corporate values.

As we do every year, we reiterated our commitment to the UN Global Compact and its 10 principles, which guide us in implementing the Bank's programs and objectives.

One of Bladex's main priorities is to support the social transformation of the communities it is privileged to serve. Through the Fundación Crece Latinoamérica, the Bank's social action arm, we have implemented an active program focused mainly on promoting education and assisting youth in sectors that are most vulnerable to social risk.

In our quest for operating excellence, during the year we continued to shore up our BLX

Lean culture, based on the Lean Six Sigma methodology. Under this approach, we developed a campaign geared at satisfying our customers while keeping our employees proactive and committed to continually improving the Bank's processes.

At Bladex, we are well aware that any company's workforce is its most important asset. As such, we work steadily on initiatives to provide our employees with professional development opportunities, a better working environment, and greater personal well-being.

This 2015 Social Responsibility Report, together with our 2015 Annual Report, provides our stakeholders with valuable information on the work carried out this year from the economic, environmental and social perspectives.

Sincerely,



Gonzalo Menéndez Duque
Chairman of the Board of Directors



Rubens V. Amaral Jr.
Chief Executive Officer



*Bladex is committed to
the present and future
of Latin America*

OUR VALUES CONSTITUTE THE FOUNDATIONS OF OUR CULTURE, SETTING GUIDELINES FOR INDIVIDUAL AND COLLECTIVE BEHAVIOR

Humility

It 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

Commitment

It is the hallmark of how we work at Bladex, focused on meeting our client's needs and creating value for our shareholders

Respect

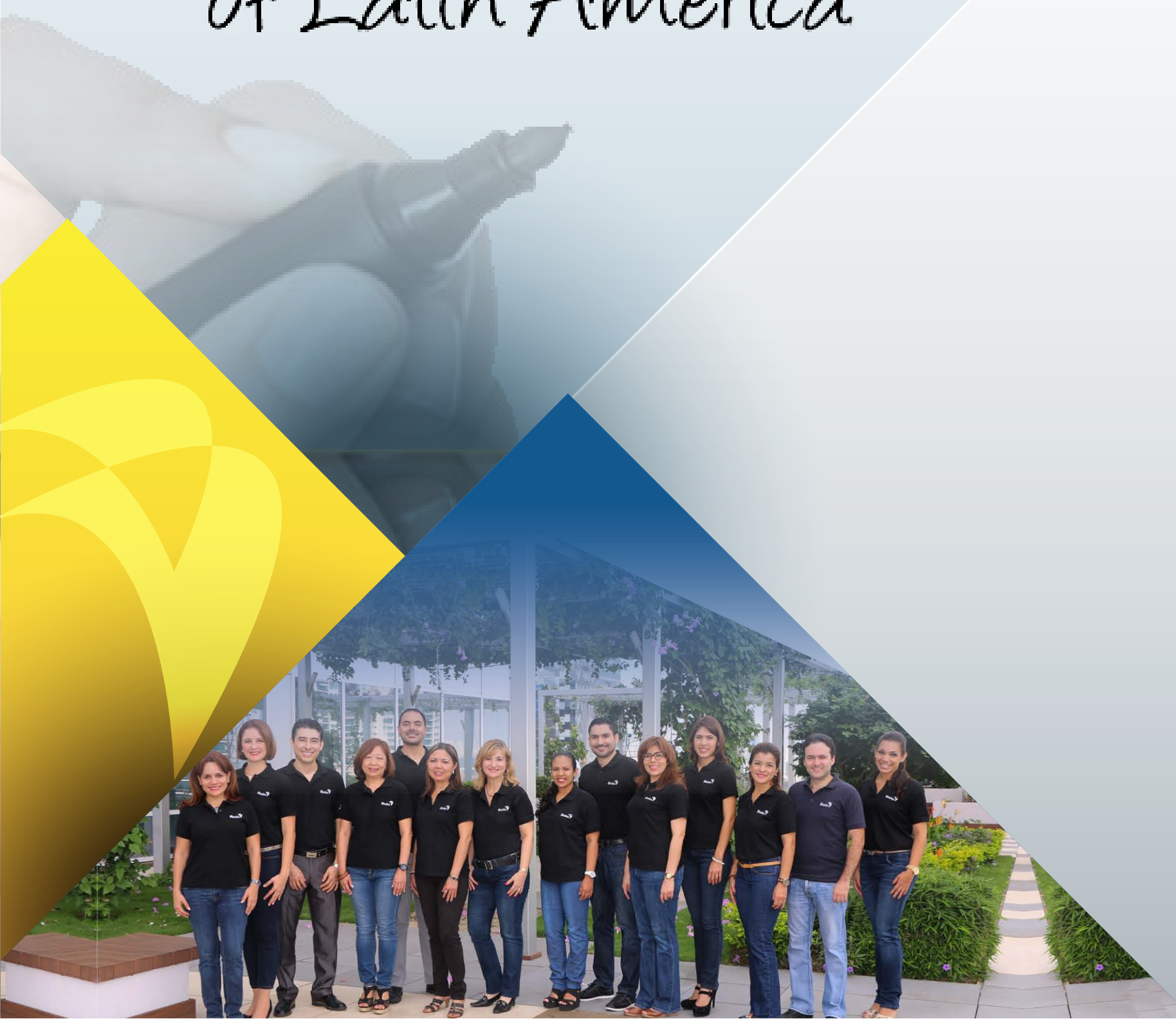
Guides us in our behavior toward our co-workers, clients, shareholders, and the community

Excellence

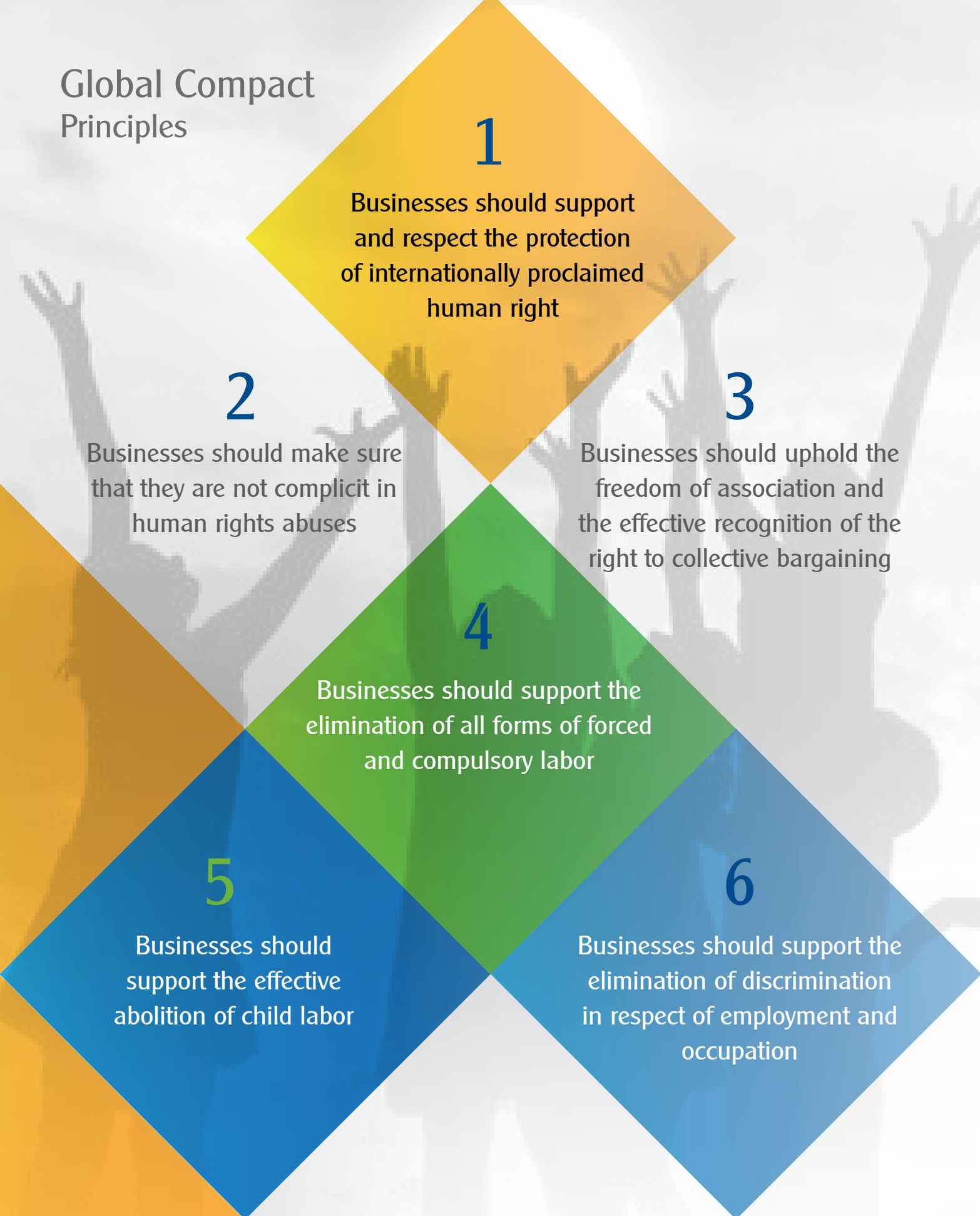
Remains our overriding goal. The pursuit of quality through creativity and innovation is present in everything we do

Integrity

It is the foundation of our Organization, and is based on ethical behavior that reflects honesty and transparency



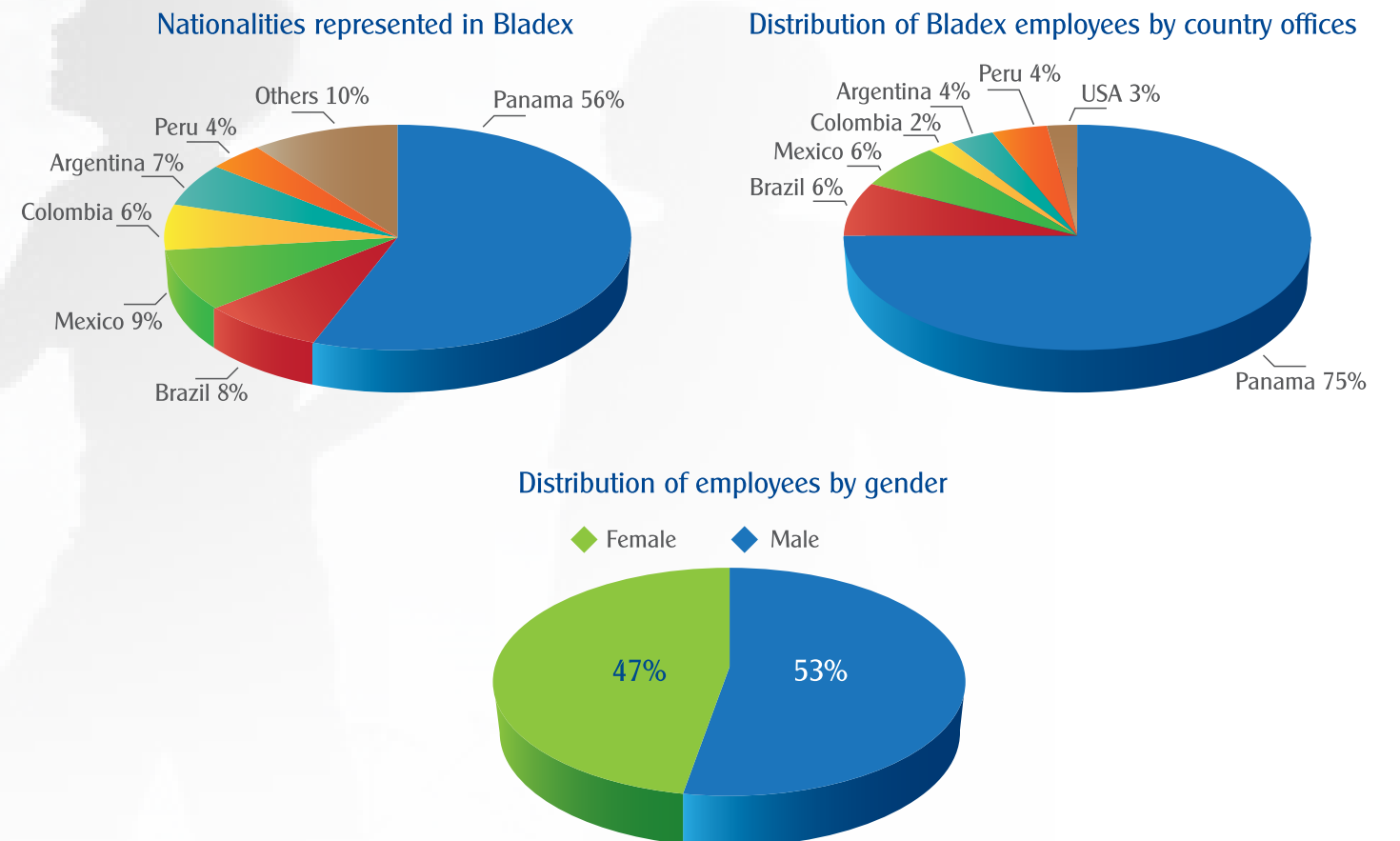
Global Compact Principles



Our Human Capital

Throughout our 36 years doing business in Latin America, Bladex has been known for its highly-qualified and motivated professionals, dedicated to sharing their knowledge and experience within the framework of a socially-responsible company. From the moment an employee is hired, we strive to provide him or her with the optimal workplace environment in which to fully develop his or her skills. This comprises everything from a suitable and comfortable physical work space to career development programs and talks on organizational know-how (“Know Your Bladex” workshops) that highlight the functions and structures of the business. It also includes health awareness programs and community-building and healthy leisure activities. Moreover, Bladex fully adheres to the principles set out in the United Nations Global Compact, respecting the spirit and letter of the Universal Declaration of Human Rights in each and every initiative we carry out.

As at September 30, 2015, we had 200 employees working in seven countries, as follows:



2015 milestones

In 2015, the Bank held its 2nd Annual Bladex Week, a community-building event in which employees from both the Head Office and our foreign offices take part in integration workshops. Upon the conclusion of the event, the Bank's personnel were encouraged to define their individual targets, based on corporate and department-level objectives established by the Management Committee. Bladex Week has become the perfect opportunity for creating closer ties between the different areas of the organization, helping people better understand the Bank's plans and strategies for the year and shoring the BLX Lean culture, based on the Lean Six Sigma methodology.



Bladex Week was held from January 19-24 in Panama.



A qualified team led the efforts to shore up the Lean culture.

Living the culture

Bladex Week also featured the "Ideas Fair," in which employees could apply their knowledge of Lean Six Sigma tools to improve Bank processes. As a result of the fair, a total of 42 employee-led improvement ideas were approved and implemented in 2015, contributing qualitative and quantitative benefits for the organization.



Work teams were created to implement the ideas proposed by employees.

In order to encourage Lean attitudes and principles among employees, the "Vive la cultura BLX Lean" campaign was rolled out. The campaign aimed to promote the ten Lean principles throughout the year, striving to satisfy customers while also ensuring that employees stay proactive and committed to continually improving the Bank processes.

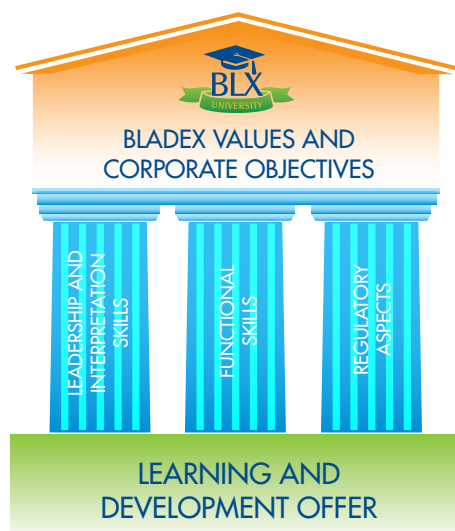
To create discipline and habits that encourage foster operating excellence, the three Lean Six Sigma trainings were carried out during the year.

Lean Six Sigma trainings

- **8W:** Techniques for identifying activities that do not add value to processes
- **5S:** Techniques for maintaining order and safety at the workplace
- **Root cause:** Techniques for identifying the origin/solution of complex problems



Learning and development



The Human Resources area placed great efforts on developing the leadership ability of employees in order to boost the level of commitment and performance within the Organization.

The Leadership Program is one of the pillars of BLX University, offering a transformation process based on emotional intelligence, excellence in people management and a results-based focus. This comprehensive training program will take place in 2015 and 2016.

The program aims to co-create a winning culture, endowing each and every employee with the skills, know-how and tools needed to successfully meet the challenges Bladex must overcome to make our 2020 vision a reality.

LEADERSHIP PROGRAM IN PANAMA	
Subject	Participation
Emotional intelligence	100%
Managing your productivity	95%
People management	89%
Handling stress *	55%

*Part of the 2016 program advanced by some staff members.

LEADERSHIP PROGRAM IN THE ARGENTINA, BRAZIL, COLOMBIA, US, MEXICO AND PERU OFFICES	
Subject	Participation
Emotional intelligence	100%
Managing your productivity	100%
People management	100%



Functional training

As part of the learning and development offer, a training in functional skills and regulatory aspects was carried out to meet the technical needs of each area. In addition, knowledge of the Bank's business and operations was shored up through the ongoing education "Know Your Bladex" workshops, which this year addressed the following subjects:

- Legal documentation: Q&A
- Market risk
- Asset structuring and distribution
- Getting to know the Bladex Treasury Unit
- Corporate development
- Enterprise risk management
- The NY Agency's contribution to the Bladex business

Management Rotation Program

In 2015, two trainees were brought on for internships in the different areas of the Bank, as part of the Management Rotation Program, which ended in December. As from January 2016, each of these promising young employees will launch their careers within one of Bladex's departments. The Management Rotation Program bears out the Bank's commitment to developing and retaining talent by providing trainees with a complete panorama of the business and by allowing the Bank the opportunity to identify the key positions for which employees will be best suited.

"OCS – From findings to action"

For the fourth year in a row, Bladex conducted the Organizational Climate Survey (OCS), with results above the market benchmark. These findings were used to define an action plan for addressing those areas cited as needing improvement. Following the recommendation of the advisors conducting the survey and in line with market practices, Bladex is considering extending the period for the next survey, in order to allow the actions taken to have their full impact, promoting ongoing improvement efforts and a strong organizational climate. During 2015, the action plan called for initiatives such as:

- The first phase of the Leadership Program, which aims to shore up and promote trust, accountability and empowerment
- Update of policies and procedures throughout the Bank, with a focus on ongoing improvement
- Optimization of how the Bank communicates its policies and procedures

One of the recommendations proposed in the 2014 Organizational Climate Survey was to build up the employee recognition program. This recommendation will be implemented during the period 2015-2016, gearing recognition to the achievement of extraordinary objectives and the embodiment of both the Lean principles and our corporate values. To date, 42 employees have been recognized through the award of points they can exchange for any of the prizes featured in the Bank's Rewards Catalogue.

2015 Bladex Employee of the Year

All employees participate in this campaign by nominating the coworker they believe exemplifies the organization's values or who has made extraordinary contributions to the corporate objectives and culture during the year. All employees then vote on the nominees, with the award going to the employee receiving the majority of votes.



Employee Exemplifying Bladex Values

Jorge Luis Real, Vice Chairman of Legal Risk and Compliance, was selected by his co-workers for his dedication and commitment in managing legal affairs, as well as his valuable contributions to the organization and his respectful and cordial rapport with his colleagues.

Benefits and personal well-being

For Bladex, its human capital is one of the fundamental cornerstones of the Bank's success. Consequently, we strive to offer each and every employee the benefits that will help improve their quality of life, with a particular focus on health and well-being.

Each year, the Head Office holds a Health Fair, making a wide range of health services available to employees on-site during working hours. This year, around 70 employees benefited from the program.



Therapeutic massages

The following services were offered during the Health Fair:

Services	No. of recipients
Bone density tests	52
EKG tests	43
Therapeutic massage	60
PSA testing	19
Flu vaccines	54

Healthcare workers also performed blood pressure tests, weight and height measurements, body mass index and glucose testing, eye exams and glasses sales, and first aid training.



Blood pressure tests, weight and height measurements, BMI and glucose testing

During the year, two well-known specialists gave healthcare lectures for employees. One lecture addressed the prevention of breast and prostate cancer, while the other covered the topic of nutrition, stressing the importance of good eating habits as a pillar of the Bank's Wellness Program, which aims to promote the physical and mental health of employees within the working environment.

Employee benefits

- Life insurance
- Health insurance for employees and their spouses and dependents
- Dental insurance for employees and their spouses and dependents
- Group auto insurance
- Cell phone plan
- Salary advances
- Bonus plan
- University scholarship plan

All the programs and benefits offered to employees serve to build a competitive and motivated workforce that is committed to the Bank's goals.



Fundación
Crece
Latinoamérica



Marie Poussepin Educational Center (CEMP)

 + 500 students



High School Science, Humanities and Tourism building



Bladex's CEO with honor students of CEMP's 2015 graduating class

Bladex continued its work in the programs and projects that help provide a population of over 500 low-income students with a high-quality and value-guided education. Thanks to the Bank's help in enlarging its facilities, in 2016 the CEMP will become the only school in the area to offer nursery school through high school, with two different high school degree options. In particular, the following activities were carried out in 2015:

- Sponsorship of an intensive English course for 60 students seeking their high school tourism degree
- Construction of the second floor of the high school building, housing a language lab, a natural sciences lab, two classrooms and two large restroom areas
- Enlargement of the six classrooms in the middle school building and the adjacent hallways
- First phase of enlarging the administration building to incorporate a nursery school, a nurse's station and two pre-kinder classrooms

Hogar Divina Gracia Shelter

 Housing 30 at-risk teenagers




"Hogar Divina Gracia" shelter.

The "Fundación Crece" continued to improve the physical facilities at the "Hogar Divina Gracia", a shelter for nearly 30 at-risk teenagers works covered:

- Construction of the main entrance, adding a recreation and gathering space
- Internal remodeling of the counselor's office, the silk screen printing workshop design room, restrooms and floors in the kitchen and living room area
- Donation of six laptops for the study room
- Donation of printers and a computer for graphic design works in the silk screen printing workshop

Parent Education Program

 230 parents graduated



School for parent 2015 graduation

Well aware that students' success largely depends on the support they receive in their homes, Bladex continued to sponsor the Parent Education Program organized by the Association of Bankers' Wives (Sociedad de Esposas de Banqueros), held at the CEMP. This year, 230 parents graduated from the eight-month training course, in one of the three consecutive levels.

 Level 1

Aimed at new arrivals to the program, covering subjects such as authority and discipline, tolerance, belonging, emotional intelligence, and more.

 Level 2

For parents with more than one year in the program, focusing on financial literacy, drug prevention and controlling emotions.

 Level 3

For parents that have already received all the training offered in the past eight years, covering home economics, healthy relationships, neighborhood watch and more.

Virgen de Guadalupe Missionary Center (CMVG)

 Boarding school for 30 students

For the first time, in 2015 the Foundation sponsored a project to benefit youth from indigenous communities (Gnobe Buglé) and rural communities in the the Bale sector (Veraguas province), an area of extreme poverty and rampant malnutrition. The Center houses a boarding school for 30 students and a health clinic for the residents of the Bale and nearby villages. We supports the sustainable farming initiative at the Center, which allows it to both feed the Center and bring in revenues from product sales. In particular, we supported the implementation of the poultry project, comprising:

- Improvements in the poultry farm facilities
- Purchase of 100 laying hens
- Food and technical training for the personnel and the students living at the Center

In Brazil and Peru, we supported projects serving our two main areas of social action: children and education.

In Sao Paulo, Brazil, we continued to sponsor the reading program at the Sabiá II School, benefitting 1,200 students from 5 to 12 years old. Each week, these students participated in two-hour workshops, storytelling exercises and round tables, among other initiatives implemented during the school year.

This year we incorporate the Laramara Foundation, donating a total of 12 Braille machines and 80 canes, which were distributed among 11 non-profit organizations committed to supporting and teaching visually-impaired children and teenagers attending schools in the Sao Paulo.

In Lima, Peru, Bladex sponsored the academic extension and recreational program for the students at the Héroes del Cenepa School. Over 14 weekends, around 137 grade school and 105 high school students participated in workshops organized by the Fundación Crea+.



The boarding school allows students from remote communities to graduate from high school.



We supported the teaching/learning process through the delivery of Braille machines to school centers serving visually impaired students.



For the first time ever, 242 students from the Héroes de Cenepa School participated in a program to develop their artistic skills while reinforcing basic knowledge



Educational Programs



Financial literacy program – Panama

Financial literacy

As in previous years, We joined the Panama Banking Association's (Asociación Bancaria de Panamá, or ABP) efforts to teach the basics of finance to high school students in Panama City's public schools. As part of the initiative, Bank employees volunteered to give financial literacy talks to students at CEMP.



Workshops

 300 students from remote schools

The Foundation sponsored workshops organized by the Panama Canal Museum, benefitting around 300 students from remote schools. These students had the opportunity to learn the past, present and future of the Panama Canal, and the schools were given teaching material to be used by their faculty in follow-up work.



Both Bladex and Casa Esperanza are committed to eradicating child labor.

The Computer Corner

 Benefitting 120 children and teenagers

A project was undertaken to improve and outfit the computer room at the Casa Esperanza center in Aguadulce (Coclé province). Around 120 children and teenagers from the region benefitted from the educational support program offered by the center this year.



DONATION CEREMONY FOR THE VIRGEN DE GUADALUPE COMMUNITY CENTER - VERAGUAS

CEMP CHRISTMAS PARTY - PANAMA

CEMP SCHOLARSHIP PROGRAM - PANAMA

Community volunteering

The efforts Bladex carries out in the community as a socially-responsible company are further enriched by the volunteer work of our employees. Through their service, these employees transmit the values underpinning our corporate culture: integrity, commitment, excellence, respect and humility.

This year, the Panama Volunteering Committee stepped up its social outreach, bringing in three non-profits to the group of institutions with which the Bank's volunteer corps works each year. These three new organizations are the Virgen de Guadalupe Missionary Center boarding school, the "Fundación Amigos del Niño con Leucemia y Cáncer" (Foundation for Friends of Children with Leukemia and Cancer, FANLYC) and the Ronald McDonald House. As in previous years, the volunteers from the Sao Paulo, Brazil office carried out activities to benefit the Brascri and Laramara Foundations. In 2015, a volunteer initiative was started in our Lima, Peru office, with employees giving talks on financial literacy for parents at the Héroes del Cenepa School and participating in the closure ceremony for the Crea+ Program, sponsored by the "Fundación Crece Latinoamérica". A brief overview of the efforts carried out during the year are as follows:

Education

- Five talks on financial literacy for 10th and 11th grade students at the Marie Poussepin Educational Center (CEMP) in Panama, and one talk at the Héroes de Cenepa School in Lima, Peru
- 140 scholarships for grade school and high school students at the CEMP
- Sponsorship of the speech-language study for 65 kindergarten students at the CEMP. By detecting hearing and speaking impairments among these young students early on, steps can be taken to significantly improve the learning process during this initial and important educational stage.

Culture and recreation

- Christmas party for 500 CEMP students
- Christmas party for the 23 teenagers at the "Hogar Divina Gracia"
- Christmas party for children at Brascri in Sao Paulo, Brazil
- Two-day tour of Panama City for 25 teenagers from the Virgen de Guadalupe Missionary Center (CMVG), located in El Bale of Veraguas
- Donation of medicine and clothing for the CMVG
- Donation to the FANLYC Foundation
- Participation in activities to support the Ronald McDonald Foundation



Donation given to the "Fundación Amigos del Niño con Leucemia y Cancer" (FANLYC) - Panama

- Achievement certificates for honor roll graduates (CEMP middle school)
- Donation of 32 canes for visually-impaired students, through the Fundación Laramara in Brazil



Brascri Christmas party - Brazil



Hogar Divina Gracia Christmas party - Panama

Fundraising activities

In order to finance the 2015 activities program, the Volunteering Committee carried out fundraising efforts including:

- Traditional breakfasts
- Happy hours
- Medicine and clothing drive among employees
- Matinee film screenings
- Valentine's Day chocolate sales
- CEMP scholarship program
- Jeans Day

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

We remain committed to protecting the environment through the efficient use of resources

As part of the Sustainable Cities International Forum and Expo held on July 16, 2015, Bladex took part in the ceremony to unveil the LEED Gold certification plaque for the Torre V building, which houses the Bank's Head Office. This acknowledgement underscores Bladex's environmental, water recycling and materials recycling efforts, as well as its efficient use of office space and electricity and the use of environmentally-friendly products.

The certification of Torre V building comes on the heels of the Commercial Interiors LEED Gold certificate the Bank received in 2013, reflecting Bladex's continued commitment to high standards in the efficient use of resources.

Paperless and saving energy



Paper use was reduced 10% compared to 2014, through a number of initiatives including online consultation of documents, electronic signatures to reduce printing needs, configuration of photocopiers for two-sided, single-color copies, promotion of the Clean Desk campaign to reduce the use of paper at workspaces, and multimedia projection systems in all rooms to avoid unnecessary use of paper.

The Bank continues to use electricity efficiently, improving the air conditioning system during the year, which will help lower electricity use.



Gold certification

Recycling



During the year, the Head Office recycled 113 articles of IT equipment with the company "Recicla Panamá", which in 2013 had its quality management system ISO 9001:2008 certified in accordance with the United Kingdom Accreditation Service (UKAS). Together with recycling efforts carried out in our foreign offices, Bladex's recycling efforts were up 50% on the previous year.

Occupational Health and Safety (OHS) Plan and Preventative Measures

No workplace accidents were recorded at either the Head Office or our foreign offices during 2015, with these offices updating their OHS plans during the year.

The OHS actions rolled out by the Bank draw from the plan designed in 2010 in consultation with the firm KPMG. This plan focuses on ongoing improvements to facilities and to employees' work areas.

Each year the Bank adds more ergonomic equipment to work spaces, holds talks on health issues and on how to handle emergency situations, trains employees in the use of fire extinguishers, runs evacuation drills at our offices, and tests our contingency plans.

The building housing our Head Office unified and updated the evacuation plan for all resident companies and established a committee to regularly assess all issues that could improve the security and safety of occupants.

In December, the Head Office evacuation drill was successfully completed, with the Bank relying on 74 safety officers (37 officers and 37 backups) duly trained during the year in the use of fire extinguishers and in responding to emergency situations such as earthquakes, attacks and bomb threats.

Bladex representatives participated in the 30th Annual Latin American Conference on Banking Security (CELAES 2015), in order to remain at the cutting edge in sector security practices. Our representatives also took part in safety and security courses offered by the Panama Banking Association.



Bladex safety officers

Operating efficiency

In our efforts to enhance operating efficiency, the Bank continued to roll out process improvements, including:

- **Replacement of the corporate credit card expense reporting application:** Reports are now generated automatically, which reduces the time needed to prepare, review and record data and provides useful statistical information on expenses.
- **Airfare purchases ("Get There"):** Under this program, employees can view real-time information on flight and hotel availability, for both local and international trips, accessing the low rates and fares negotiated with airlines, hotels and car rental agencies. The search parameters have been set according to the Bank's main needs and internal guidelines, thereby facilitating the supervisory approval process.

- **Standardization of legal fees:** The process of managing and controlling legal fees on bilateral loan transactions was improved, and the standardization and quality of the process was enhanced in order to offer the best possible service to our customers.
- **Scanning of signatures to process payments in the Transactions area:** This move streamlined payments to customers and eliminated the need to print documents, thereby contributing to the paperless program.
- **Improvement in customer risk analysis formats:** The credit facility grant / renewal process was streamlined.
- **Review and update of documentation on all the Bank's process procedures and policies:** This move helps standardize processes, improves process execution and monitoring, and supports ongoing improvements.

Global Compact Principles

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

Corporate Governance

Corporate governance is the very backbone of Bladex's management, reflecting its ethical and corporate commitment to generating and enhancing the confidence of its investors, while maximizing the Bank's value.

The Bank's basic corporate governance tenants include transparency, corporate equality and fulfillment of responsibilities by the Board of Directors, senior management, employees and stakeholders. To bear out these tenants, Bladex fine tunes its policies as needed to adapt to regulatory developments and to the best organizational practices. To that end, the Bank's four committees assist company executives in taking the most suitable business decisions:



More information at www.bladex.com

Ethics

Bladex's Code of Ethics serves as a guideline for establishing both internal and external relationships based on mutual trust, while always maintaining a high degree of commitment, humility, excellence, respect and integrity; in short, the values underpinning the Bank's organizational culture and forming the framework for all its actions.

The ethical guidelines are geared toward maintaining the credibility of both the organization and the individuals comprising it, setting high standards for ethical and professional conduct. This covers both day-to-day operations and the generation of new business, ensuring that the Bank's commercial activities are carried out in accordance with all applicable legal regulations and remaining vigilant around potential conflicts of interest or independence.

Bladex has also implemented the Ethics Point system, whereby employees can confidentially report any presumed breaches of the ethical guidelines or any irregularities or discrepancies occurring within the organization. The server that houses this tool is located off Bank premises and is managed by a specialized company, in order to ensure the anonymity of any employee filing a report.

Corporate policy – Anti-money laundering

The Compliance Area establishes guidelines aimed at shoring up internal controls, enterprise risk management and the prevention of money laundering, terrorism financing and the financing of proliferation of weapons of mass destruction. These guidelines are updated as needed to minimize the risk derived from failure to comply with prevailing legal provisions applicable to the Bank, thereby ensuring the integrity and transparency of transactions inherent to its business.


During the year, Bladex updated its Anti-Money Laundering Manual and its Know Your Customer (KYC) Manual to reflect the new Panamanian anti-money laundering and counter terrorism financing (AML/CFT) regulations set out in Law 23 of April 27, 2015 and in Superintendency of Banks Resolutions 7-2015 and 10-2015. These modifications will enhance Bladex's verification of customers and their inherent risk profile, as well as the related monitoring process, in order to ensure that transaction conditions are acceptable and suitable.

In the agreements signed with each and every customer, Bladex includes clauses underlining the importance of complying with money laundering and corruption-related crime prevention. These binding commitments between the parties further strengthen compliance efforts within the Bank.

Training

In 2015, the Compliance Area held in-person welcome sessions for new hires regarding money laundering and terrorism financing prevention. These sessions also covered the Bank's KYC policy and helped these new employees become familiar with the Bank's tools for verifying negative information regarding the institution.

As part of the training program, during the year 100% of Bladex employees received mandatory online AML/CFT training. The training ensured that all employees were familiar with the latest policies, procedures and internal controls, as well as the different types, cases and regulations, in order to preclude the improper use of the Bank's services and to recognize the different ways money can be laundered.



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