



(Free translation from the original in Spanish)

BANCO DE LA NACIÓN

FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

Gavoglio Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada.
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BANCO DE LA NACIÓN

FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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S/ = Peruvian sol
US\$ = United States dollar



(Free translation from the original in Spanish)

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Banco de la Nación

Opinion

We have audited the financial statements of **Banco de la Nación**, (hereinafter the Bank), hereinafter the Bank), which comprise the statement of financial position as of December 31, 2025, the statement of income, the statement of income and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, as well as the notes to the financial statements, which include a summary of significant accounting policies.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Bank as of December 31, 2025, its financial performance and its cash flows for the year then ended, in accordance with Peruvian Generally accepted accounting principles applicable to financial entities.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) approved for its application in Peru by the Board of Deans of the Institutes of Peruvian Certified Public Accountants, the General Government Control Standard, Directive No. 004-2022-CG/VCSCG and the Governmental Financial Auditing Manual, which together are referred to as the Governmental Financial Auditing Standardss (NAFG by its acronym in Spanish) approved for its application in Peru by the General Comptroller's Office of Peru. Our responsibilities, under those standards, are further described in the Auditor's Responsibilities for the audit of financial statements section of our report.

We are independent of the Bank, in accordance with the ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code of Ethics) approved for its application in Peru by the Board of Deans of the Institutes of Peruvian Certified Public Accountants that are relevant for our audit of the financial statements in Peru. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those that, in our professional judgment, were the most significant in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in establishing our opinion thereon. We do not provide a separate opinion on these matters.



Key audit matters

How our audit addressed the matter

Information Technology Environment

The Bank has technological infrastructure to support its operational activities, as well as ongoing improvement plans, including maintenance of access management, changes to systems and applications, development of new programs and controls dependent on Information Technology (IT) in the relevant operational processes. Controls to authorize, control, restrict, and revoke access to systems and program change management are essential to mitigate the potential risk of fraud or error arising from improper use or unauthorized changes to the Bank's systems, thus ensuring the Integrity of financial information and accounting records.

The Bank has an integrated IT structure with automated controls that support its main processes, including, in some cases, reliance on third-party support. This situation gives rise to risks associated with information security and cybersecurity.

The absence of an adequate IT general control environment and its related controls could affect processing capabilities for the preparation of financial statements.

The Bank is highly dependent on its IT infrastructure for the processing of its operations, as well as for the preparation and fair presentation of its financial statements. Therefore, we consider the IT environment to be a key matter in our audit.

With the participation of IT audit specialists, we performed, among others, the following procedures:

- We evaluated and tested the design and operating effectiveness of IT general controls, including the Bank's IT governance framework and key controls, particularly those related to access management over programs and data, program changes, and IT operations.
- We evaluated the mechanisms implemented by the Bank to respond to potential cybersecurity events and segregation of duties.
- We evaluated the mechanisms implemented to mitigate technology risks and contain cyberattacks, including preventive measures to ensure the continuous operation of security and access controls, personnel awareness programs on information security, identity and access management, among others, which contribute to mitigating cybersecurity risks.



Key audit matters

How our audit addressed the matter

Assessment of the provision for direct loans subject to doubtful accounts, in accordance with the guidelines established in SBS Resolution No. 11356-2008 and amendments (Notes 3(c), 7 to the financial statements)

As of December 31, 2025, the balance of the provision for direct loans classified as credit-impaired is S/908,243 thousand.

The Bank determines the provision for direct loans classified as credit-impaired in accordance with the provisions established by the Peruvian banking regulator ("Superintendencia de Banca, Seguros y AFP" - SBS), specifically SBS Resolution No. 11356-2008 and its amendments, which establish the applicable percentages based on the type of loans and the borrower's credit classification category, taking into consideration the associated guarantee.

The borrower's credit rating is primarily determined based on the number of days past due of the loans and the borrower's credit rating within the financial system.

In addition, the Bank performs qualitative analyses of its non-retail loan portfolio and assesses whether a borrower should be assign a credit classification different from that determined solely based on days past due. These qualitative and quantitative assessments are performed on an individual basis for each client, considering their repayment capacity, financial performance, industry and collateral received, among other factors.

Considering the above, this accounting estimate was identified as a key audit matter in our audit.

To address this matter, we performed, among others, the following procedures:

- With the involvement of our IT audit specialists, we obtained an understanding of the process for determining the provision for doubtful direct loans. In addition, we identified, evaluated, and tested key controls, including those implemented to ensure the accuracy of the underlying data.
- We assessed entity-level controls to evaluate the reasonableness of recorded balances, as well as the trends and fluctuations observed.
- We obtained the Bank's debtor database and tested its integrity. On a sample basis, we compared relevant input data used in applying the classification criteria for each borrower and reperformed the calculation of the provision for doubtful direct loans.
- On a sample basis, we tested the qualitative analyses performed by the Bank to determine the credit classification of non-retail clients.
- We reperformed the portfolio alignment in accordance with SBS regulations to determine the final borrower classification.
- We assessed whether the disclosures in the notes to the financial statements are adequate in accordance with SBS requirements.



Other matter

The financial statements of Banco de la Nación for the year ended December 31, 2024, were audited by other independent auditors who, in their report dated March 31, 2025, issued an unqualified opinion.

Other information

Management is responsible for the other information. The other information comprises the annual report, which is not part of the financial statements or our auditor's report, which we expect to have available after the date of our audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion on that other information.

Regarding our audit of the financial statements, our responsibility is to read the other information indicated above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or if it appears that there is a material misstatement in the other information for some other reason.

When we read and consider the annual report, if we conclude that it contains a material error, we are obliged to communicate this fact to those charged with Corporate Governance of the Bank.

Responsibilities of Management and those charged with Corporate Governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Peruvian Generally accepted accounting principles applicable to financial entities, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with Corporate Governance of the Bank are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA and NAFG approved for its application in Peru and in accordance with the Governmental Financial Audit Manual, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISA and NAFG, approved for its application in Peru, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with Corporate Governance of the Bank regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided those charged with Bank's Corporate Governance a statement that we have complied with applicable ethical requirements regarding independence. Furthermore, we have communicated any relationships or matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate the threats or safeguards applied.



From the matters communicated with those charged with Bank's Corporate Governance, we identified those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lima, Peru

March 16, 2026

Caveglia Aparicio y Asociados

Countersigned by

-----(partner)

Alexander Uribe A.
Peruvian Public Accountant
Registration No.C37518

(Free translation from the original in Spanish)

BANCO DE LA NACIÓN

STATEMENT OF FINANCIAL POSITION

	Note	As of December 31,			Note	As of December 31,	
		2025	2024			2025	2024
		S/000	S/000			S/000	S/000
ASSETS				PASIVO			
Cash	5			Obligations with the public	11	42,343,110	40,301,231
Cash on hand		1,806,633	2,091,812	Deposits in the financial system			
Clearing		23,482	40,492	and international financial institutions	12	315,805	459,149
Deposits with Banco Central de				Securities, bonds and other outstanding borrowings	13	251,677	251,520
Reserva del Perú		14,704,587	12,073,302	Accounts payable	14	654,109	561,041
Deposits in other banks in the country		102,912	191,222	Other liabilities	10	596,992	1,326,398
Deposits in foreign banks		177,480	167,282	Total liabilities		<u>44,161,693</u>	<u>42,899,339</u>
Other availability		22,295	12,629				
		<u>16,837,389</u>	<u>14,576,739</u>	EQUITY	16		
Available-for-sale investments	6 (I)	4,678,557	7,601,024	Capital stock		2,100,000	2,100,000
Held-to-maturity investments	6 (II)	5,487,413	5,309,497	Additional capital		1,898	1,898
Loan portfolio, net	7	19,773,613	17,723,480	Legal reserve		735,000	700,000
Accounts receivable, net	8	279,846	472,205	Unrealized earnings		(215,182)	(464,985)
Property, furniture and equipment, net	9	573,022	577,905	Retained earnings		<u>1,366,298</u>	<u>1,415,052</u>
Deferred income tax asset, net	15	123,125	121,220	Total equity		<u>3,988,014</u>	<u>3,751,965</u>
Other assets, net	10	396,742	269,234				
Total assets		<u>48,149,707</u>	<u>46,651,304</u>	Total liabilities and equity		<u>48,149,707</u>	<u>46,651,304</u>
Contingent risks and commitments	17	<u>3,395,811</u>	<u>7,243,624</u>	Contingent risks and commitments	17	<u>3,395,811</u>	<u>7,243,624</u>

The accompanying notes from page 12 to 85 form part of the financial statements.

(Free translation from the original in Spanish)

BANCO DE LA NACIÓN

STATEMENT OF INCOME

	Note	For the year ended	
		December 31,	
		2025	2024
		S/000	S/000
Interest income	18	2,960,199	3,177,243
Interest expenses	18	(71,507)	(71,358)
Gross financial margin		<u>2,888,692</u>	<u>3,105,885</u>
Provision for doubtful accounts, net of recoveries	7(e)	(174,220)	(197,829)
Net financial margin		<u>2,714,472</u>	<u>2,908,056</u>
Revenue from financial services	19	887,673	815,871
Financial services expenses	19	(377,068)	(346,610)
Net financial margin after income and expenses for financial services		<u>3,225,077</u>	<u>3,377,317</u>
Profit from financial operations	20	77,245	10,398
Operating margin		3,302,322	3,387,715
Administrative expenses	21	(1,174,883)	(1,311,169)
Depreciation and amortization	9 and 10	(81,568)	(75,587)
Net operating margin		<u>2,045,871</u>	<u>2,000,959</u>
Valuation of assets and provisions	22	(227,237)	(208,076)
Operation result		<u>1,818,634</u>	<u>1,792,883</u>
Other income and expenses, net	23	(15,995)	(27,101)
Profit before income tax		<u>1,802,639</u>	<u>1,765,782</u>
Income tax	24.a	(466,293)	(372,467)
Net profit		<u><u>1,336,346</u></u>	<u><u>1,393,315</u></u>

The accompanying notes from page 12 to 85 form part of the financial statements.

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BANCO DE LA NACIÓN

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

	Note	For the year ended	
		December 31,	
		2025	2024
		S/000	S/000
Net profit		<u>1,336,346</u>	<u>1,393,315</u>
Other comprehensive income			
Net gain on available-for-sale investments	16(d)	252,303	191,529
Deferred income tax	15	<u>(2,500)</u>	<u>(3,812)</u>
Other comprehensive income for the year, net of income tax		<u>249,803</u>	<u>187,717</u>
Total comprehensive income for the year		<u><u>1,586,149</u></u>	<u><u>1,581,032</u></u>

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BANCO DE LA NACIÓN

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

	<u>Share stock</u> <u>(note 16.A)</u> S/000	<u>Additional capital</u> <u>(note 16.B)</u> S/000	<u>Legal reserve</u> <u>(note 16.C)</u> S/000	<u>Unrealized earnings</u> <u>(note 16.D)</u> S/000	<u>Retained earnings</u> <u>(note 16.E)</u> S/000	<u>Total</u> S/000
Balance as of January 1, 2024	2,000,000	1,898	560,000	(652,702)	647,407	2,556,603
Net profit	-	-	-	-	1,393,315	1,393,315
Other comprehensive income	-	-	-	187,717	-	187,717
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,717</u>	<u>1,393,315</u>	<u>1,581,032</u>
Adjustments from previous years	-	-	-	-	(25,160)	(25,160)
Capitalization of profits	100,000	-	-	-	(100,000)	-
Increase in legal reserve	-	-	140,000	-	(140,000)	-
Debt compensation with the Public Treasury	-	-	-	-	(38,125)	(38,125)
Distribution of profits to the Public Treasury	-	-	-	-	(322,385)	(322,385)
Balances as of December 31, 2024	<u>2,100,000</u>	<u>1,898</u>	<u>700,000</u>	<u>(464,985)</u>	<u>1,415,052</u>	<u>3,751,965</u>
Balance as of January 1, 2025	2,100,000	1,898	700,000	(464,985)	1,415,052	3,751,965
Net profit	-	-	-	-	1,336,346	1,336,346
Other comprehensive income	-	-	-	249,803	-	249,803
Total comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>	<u>249,803</u>	<u>1,336,346</u>	<u>1,586,149</u>
Adjustments from previous years	-	-	-	-	10,952	10,952
Increase in legal reserve	-	-	35,000	-	(35,000)	-
Distribution of profits to the Public Treasury	-	-	-	-	(1,361,052)	(1,361,052)
Balances as of December 31, 2025	<u>2,100,000</u>	<u>1,898</u>	<u>735,000</u>	<u>(215,182)</u>	<u>1,366,298</u>	<u>3,988,014</u>

The accompanying notes from page 12 to 85 form part of the financial statements.

(Free translation from the original in Spanish)

BANCO DE LA NACIÓN

STATEMENT OF CASH FLOWS

	Note	For the year ended	
		December 31,	
		2025	2024
		S/000	S/000
Cash flows from operating activities			
Net profit		1,336,346	1,393,315
Adjustments to reconcile net income with net cash from operating activities			
Depreciation and amortization	9 and 10	81,568	75,587
Provision for doubtful accounts, net of recoveries	7(e)	176,534	206,221
Provision for uncollectible receivables	22	12,339	(31,876)
Provision for indirect loans	22	(16,588)	10,214
Provision for litigation and claims	22	160,702	204,651
Deferred income tax	24 (a)	(4,405)	(15,836)
Net loss on available-for-sale investments	20	10,546	80,871
Interest accrued on subordinated bonds	18	19,990	19,878
Other provisions	22	70,784	25,087
Changes in asset and liability accounts			
Decrease in available-for-sale investments and held at maturity		3,995,748	151,089
Decrease in the loan portfolio		(3,236,107)	(8,424,095)
Increase (decrease) in receivables		180,187	(110,150)
Increase in other assets, net		210,142	729,401
(Decrease) increase in obligations to the public		2,041,880	(1,579,878)
Decrease in deposits from the financial system and international financial institutions		(143,345)	(91,516)
(Decrease) increase in payables		39,930	(89,565)
Increase (decrease) in other liabilities, net		(896,176)	583,553
Equity adjustments		10,952	(25,160)
Result for the period after adjustments and of the net change in assets and liabilities		4,051,027	(6,888,209)
Income tax paid		(349,475)	(387,394)
Net cash flows from operating activities		<u>3,701,552</u>	<u>(7,275,603)</u>
Cash flows from investing activities			
Additions to property, machinery and equipment	9	(58,957)	(43,126)
Additions of intangible assets	10 (e)	(10,559)	(11,833)
Net cash flows from investing activities		<u>(69,516)</u>	<u>(54,959)</u>
Cash flows from financing activities			
Distribution of profits to the Public Treasury	16 (d)	(1,361,052)	(322,385)
Decrease in securities, bonds and outstanding borrowings		(20,000)	(20,000)
Net cash flows from financing activities		<u>(1,381,052)</u>	<u>(342,385)</u>
Net increase (decrease) in cash and cash equivalents		2,250,984	(7,672,947)
Cash and cash equivalents at the beginning of the year		14,564,110	22,237,057
Cash and cash equivalents at year-end	5	<u>16,815,094</u>	<u>14,564,110</u>
Non-cash transactions			
Debt swap		1,009,440	2,969,224

The accompanying notes from page 12 to 85 form part of the financial statements.

(Free translation from the original in Spanish)

BANCO DE LA NACIÓN

NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2025 AND 2024

1 BACKGROUND AND ECONOMIC ACTIVITY

a) Background -

Banco de la Nación (hereinafter "the Bank") was created by Law No. 16000 dated January 27, 1966, as a public law company that is part of the Economy and Finance sector, which operates with economic, financial and administrative autonomy in the performance of its functions. The Bank has its own equity and indefinite term of existence.

Its enabling law was updated by Legislative Decree No. 199 – Organic Law of Banco de la Nación, issued on June 12, 1981, through which certain functions and powers were granted on an exclusive basis. However, upon the issuance of Decree Law No. 25907 dated November 27, 1992, such exclusivity regarding those functions and powers was revoked.

Subsequently, Supreme Decree No. 07-94-EF dated January 26, 1994 was issued, whereby: (i) Legislative Decree No. 199 was repealed, and (ii) the Bank's Bylaws were approved. These Bylaws have been successively amended by different legal regulations, the most recent being Supreme Decree No. 189-2016-EF dated July 4, 2016.

Currently, the Bank is governed by its own Bylaws and amendments thereto, by Legislative Decree No. 1031 that Promotes Efficiency in State Business Activities and, additionally, by Law No. 26702 – General Law of the Financial System and the Insurance System and Organic Law of the Peruvian banking regulator ("Superintendencia de Banca, Seguros y AFP" - SBS).

The Bank's head office is located at Av. Javier Prado Este No. 2499, San Borja, Lima, Peru. As of December 31, 2025, the Bank operates through a main office and a network of 573 branches in Peru (a main office and a network of 568 branches as of December 31, 2024).

b) Economic activity -

The Bank provides services to government entities, promotes banking penetration and financial inclusion for the benefit of citizens by complementing the private sector, and fosters the country's decentralized development through efficient and self-sustainable management. Likewise, the Bank is authorized to perform the following functions, none of which are exercised on an exclusive basis with respect to companies and entities of the financial system:

- To provide banking services to the National Treasury System, in accordance with the instructions issued by the National Directorate of the Public Treasury.
- To provide collection services, on behalf of the tax authority, subject to prior approval by the Bank and the execution of a specific collection agreement.
- To carry out, by delegation, operations related to the bank subaccounts of the Public Treasury.
- To receive funds and resources managed by entities of the Central Government, as well as Regional and Local Governments, and other Entities of the National Public Sector.

- To act on behalf of other banks or financial institutions in channeling internal or external funds to borrowing entities.
- To participate in the foreign trade operations of the Peruvian government. In this case, the Bank provides banking services and foreign exchange services, subject to the regulations issued by the Central Bank.
- To receive and safeguard administrative and judicial deposits.
- To provide banking services as a correspondent of financial system entities in locations where such entities request it.
- To receive demand deposits from individuals and legal entities related to payments received in their capacity as suppliers, pensioners, or public sector employees, within the framework of the National Treasury System.
- To receive demand and savings deposits from individuals and/or legal entities related to payments received as employees, pensioners or suppliers of the Peruvian government, within the framework of the National Treasury System. Likewise, to receive time deposits from such employees and to open employees' severance indemnities account for the own employees of Banco de la Nación.
- To open basic accounts for individuals nationwide, in accordance with applicable regulations and within the framework of the objectives of the Peruvian National Financial Inclusion Policy ("Política Nacional de Inclusión Financiera" - PNIF).
- To receive savings deposits, as well as custody funds on behalf of individuals and/or legal entities, and to carry out other banking operations and financial services requiring the use of payment methods established in Article 5 of the Consolidated Text of the Law for Combating Tax Evasion and the Formalization of the Economy, approved by Supreme Decree No. 150-2007-EF, in populated areas of the country where private banks do not have branches.

To grant loans, financial leases and any other financial facilities, as well as to establish or manage trusts, in favor of entities of the National Government, Regional and Local Governments and other entities or companies of the Public Sector, as well as to provide deposit, payroll and banking transfer services in favor of the Deposit Insurance Fund and the Cooperative Deposit Insurance Fund. Likewise, to issue, acquire, hold and sell bonds and other securities, in accordance with an annual program approved by the General Directorate of the Public Treasury of the Peruvian Ministry of Economy and Finance, which may be reviewed on a quarterly basis.

To carry out, with Public Sector entities, as well as with banking and financial institutions, whether local or foreign, the operations and banking services necessary to fulfill the functions established in its Bylaws, as well as those aimed at enhancing returns and hedging risks related to the resources it manages. These operations shall be performed in accordance with an annual program approved by the Peruvian Ministry of Economy and Finance (MEF), which may be reviewed on a quarterly basis.

To grant a single credit line to employees and pensioners of the Public Sector who, due to their income, maintain savings accounts with the Bank. Such credit line may be assigned to the beneficiary for use through loans and/or as a credit card line. These transactions shall be carried out in accordance with an annual program approved by the MEF that may be reviewed annually.

To issue electronic money, in accordance with Law No. 29985, which regulates the basic characteristics of electronic money as a financial inclusion instrument, its regulations and amendments.

To issue bank drafts and execute fund transfers on behalf of or for the benefit of clients or users.

c) Approval of financial statements -

The financial statements as of December 31, 2025, and for the year then ended, were approved by the Bank's Management on March 13, 2026, and will be submitted to the Board of Directors for approval at a time deemed appropriate by Management. Bank's Management considers that the financial statements will be approved by the Board of Directors without amendments. The financial statements as of December 31, 2024, and for the year then ended were approved by the Board of Directors held on April 4, 2025.

2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise indicated.

a) Statement of compliance -

The financial statements have been prepared based on the Bank's accounting records. They are presented in accordance with legal provisions and accounting principles authorized by the SBS. In the event of circumstances not covered in those accounting standards, the International Financial Reporting Standards (IFRS), made official in Peru by the *Consejo Normativo de Contabilidad* (CNC). These standards comprise the Standards and Interpretations issued or adopted by the International Accounting Standards Board (IASB), which include the International Financial Reporting Standards (IFRS), the International Accounting Standards (IAS), and the Interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRIC), or by the former Standing Interpretations Committee (SIC), adopted by the IASB and made official by the Consejo Normativo de Contabilidad (CNC) for its application in Peru.

b) Basis of measurement -

The financial statements have been prepared from the accounting records maintained by the Bank under the historical cost convention, except for available-for-sale investments that are recognized at fair value and held-to-maturity investments that are measured at amortized cost.

c) Functional and presentation currency -

The financial statements are presented in Peruvian soles (S/), in accordance with SBS regulations, which is the Bank's functional and presentation currency. All amounts have been rounded to the nearest thousands of Peruvian soles, unless otherwise indicated.

d) Use of judgments and estimates -

In preparing these financial statements, Management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Relevant estimates and assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized prospectively, with the effects recorded in the statement of income and other comprehensive income, from the period in which the review is made.

The most significant judgments and estimates for the preparation of the Bank's financial statements are the following:

- Provision for doubtful loans, see Note 3(c).
- Provision for expected credit losses on receivables, see Note 3 (d).
- Determination of the fair value of available-for-sale investments, see Note 3(e).
- Impairment assessment of available-for-sale and held-to-maturity investments, see Note 3(e).
- Provision for retirement pensions and employee benefits, see Note 3(k).
- Estimation of useful lives and recoverable amounts of property, furniture and equipment and intangible assets, see Notes 3(f) and 3(g).
- Assessment of the recoverability of deferred income tax assets and provision for current income tax, see Note 3(i).

3 SIGNIFICANT ACCOUNTING POLICIES

The main accounting principles and practices used in the preparation of the Bank's financial statements, which have been applied consistently with those of the prior period unless otherwise indicated, are as follows:

a) Cash and cash equivalents -

Cash and cash equivalents considered in the statement of cash flows correspond to the balances of available funds in the statement of financial position that include deposits with less than three months' maturity from the date of acquisition, time deposits in the BCRP, funds deposited in central banks and overnight deposits, excluding restricted funds presented as "Other available funds"; which are presented in Note 5.

b) Financial instruments -

i Recognition of financial instruments

Financial instruments are defined as any contract that gives rise simultaneously to a financial asset in one company and a financial liability or equity instrument in another company.

Financial instruments are recognized on the date they are caused and are classified as an asset, liability or equity depending on the substance of the contractual agreement that gave rise to them. Interest, gains and losses generated by a financial instrument classified as an asset or liability, are recorded as income or expenses in the statement of income. Payments to holders of financial instruments are recorded directly in equity.

ii Classification of financial instruments

The Bank determines the classification of financial instruments at initial recognition and based on an instrument-by-instrument basis defined as established in SBS Resolution No. 7033-2012 Regulations for the Classification and Valuation of Investments of Companies in the Financial System: (i) financial assets and liabilities at fair value through profit or loss, (ii) loans and receivables, (iii) available-for-sale investments, (iv) held-to-maturity investments and (v) other financial liabilities.

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are initially recognized at fair value plus incremental costs related to the transaction that are directly attributable to the acquisition or issuance of the instrument, except in the case of financial assets or liabilities carried at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a set period in accordance with market regulations or conventions (regular market terms) are recognized on the contract date.

iii Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognized when: (i) the rights to receive cash flows from the asset have expired; or (ii) the Bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (iii) the Bank has transferred substantially all the risks and rewards of the asset, or the Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is exchanged for another of the same borrower under significantly different conditions or when the conditions of a financial liability are modified significantly, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability; any resulting difference is recognized in profit or loss for the year.

iv Impairment of financial assets

At the end of each reporting period, the Bank assesses whether there is objective evidence indicating that a financial asset or a group of financial assets is impaired; the corresponding impairment provisions are measured and recognized by the Bank in accordance with SBS regulations.

A financial asset or a group of financial assets is considered impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset ("loss event"), and such loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Evidence of impairment may include indications such as significant financial difficulties of borrowers or group of borrowers, default or delinquency in interest or principal payments, probability of restructuring or bankruptcy of the company, or other legal or financial reorganization processes indicating a measurable decrease in estimated future cash flows, as well as changes in economic conditions that correlate with defaults.

v Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and Management has the intention to settle on a net basis, or realize the assets and settle the liabilities simultaneously.

c) Loans, classification and provisions for loan loss -

Direct loans are recognized when funds are disbursed to clients. Indirect (contingent) loans are recognized when the documents supporting such credit facilities are issued and may become direct loans if payment is made to third parties. Likewise, refinancing or restructuring is considered to occur when any direct loan is subject to changes in its terms compared to the original agreement due to the borrower's impairment in repayment capacity.

The Risk Management function continuously evaluates and classifies the loan portfolio, assigning each borrower the corresponding credit risk category in accordance with the guidelines established by the SBS under Resolution No. 11356-2008 and its amendments.

Classification of loans

The Bank classifies the debtors of its loan portfolio as: non-retail (corporate loans and loans to medium-sized companies) and retail (loans to small companies, loans to microenterprises, revolving consumer loans, non-revolving consumer loans and housing mortgage loans). These classifications consider the nature of the client (corporate, government or individuals), the purpose of the loan, the size of the business measured by income, indebtedness, among other qualitative and quantitative indicators. The credit risk classification categories established by the SBS are as follows: Normal, With Potential Problems, Substandard, Doubtful and Loss, which are assigned in accordance with the guidelines established in SBS Resolution No. 11356-2008 and its amendments.

For the non-retail portfolio, the Bank mainly considers the borrower's repayment capacity, cash flow, level of compliance with obligations, classifications assigned by other Financial System entities, financial condition and the quality of Company's management. For the retail portfolio, classification is determined mainly based on repayment capacity measured according to the borrower's payment performance on its loans, as reflected in the number of days past due, and, where applicable, alignment with classifications assigned by other financial system entities.

Provisions for doubtful accounts receivable

Based on current regulations issued by the SBS, the Bank determines generic and specific provisions for the loan portfolio. Generic provisions are established preventively for debtors classified in the normal category, which is calculated on their direct loans, the equivalent exposure to the credit risk of indirect loans and additionally consider a procyclical component when activated by the SBS. Specific provisions are those made on direct loans and the equivalent exposure to credit risk of indirect loans of debtors who have been classified in a category of higher risk compared to the Normal category.

The equivalent exposure to credit risk of indirect loans is determined based on the indirect credits multiplied by the different types of Credit Conversion Factors (CCF), as shown below:

Description	CCF (%)
(a) Confirmations of irrevocable letters of credit with maturities of up to one year, where the issuing bank is a first-tier foreign financial institution.	20
(b) Issuance of standby letters of credit guaranteeing performance or non-performance obligations.	50
(c) Guarantees, import letters of credit and standby letters of credit not included in subparagraph (b), as well as confirmations of letters of credit not included in subparagraph (a); and bankers' acceptances.	100
(d) Undisbursed loans granted and unused credit lines.	-
(e) Other indirect loans not covered in the preceding paragraphs.	100

Provision requirements are determined by considering the debtor's risk rating, is the adequacy of collateral, and based on the type of guarantees provided.

The Bank applies the following percentages in determining the provisions for the loan portfolio:

<u>Classification</u>	<u>Unsecured</u>	<u>With preferred collateral</u>	<u>With highly liquid preferred collateral</u>	<u>With self-liquidating preferred collateral</u>
Corporate loans	0.70%	0.70%	0.70%	0.70%
Loans to large companies	0.70%	0.70%	0.70%	0.70%
Loans to medium-sized companies	1.00%	1.00%	1.00%	1.00%
Small business loans	1.00%	1.00%	1.00%	1.00%
Loans to microenterprises	1.00%	1.00%	1.00%	1.00%
Consumer loans (*)	1.00%	1.00%	1.00%	1.00%
Residential mortgage loans	0.70%	0.70%	0.70%	0.70%
With Potential problems	5.00%	2.50%	1.25%	1.00%
Substandard	25.00%	12.50%	6.25%	1.00%
Doubtful	60.00%	30.00%	15.00%	1.00%
Loss	100.00%	60.00%	30.00%	1.00%

(*) Includes revolving and non-revolving consumer loans.

Calculation of the provision is based on the classification given and considering specific percentages, which vary depending on whether loans are supported with preferred self-settled guarantees (CGPA by its acronym in Spanish) (cash deposits and letter of credit rights), or quickly realizable preferred guarantees - CGPMRR (public debt instruments issued by the Central Government, securities belonging to the Selective Index of the Lima Stock Exchange, among others) or preferred guarantees (CGP by its acronym in Spanish) (first pledge on financial instruments or real estate and personal property, first agricultural or mining pledge, export credit insurance, among others). The guarantees received are considered at their estimated realizable value, as determined by independent appraisers. Likewise, to calculate the provision, the classification of the guarantor must be considered, in case the loans have the subsidiary responsibility of a company of the Financial or Insurance System (loans subject to substitution of loan counterparty (CAC by its acronym in Spanish)).

For loans backed by subsidiary guarantees from central governments, provisioning requirements are based on the credit classification of the guarantor providing the credit protection, for the covered portion, regardless of the classification of the original borrower or the type of loan.

SBS requires that financial entities establish an over-indebtedness risk management system that will enable them to reduce risk, prior to and after granting the loan; as well as constant monitoring of the loan portfolio to identify over-indebted debtors, which includes the periodic evaluation of the control mechanisms used, as well as the corrective actions or improvements required, as applicable. Companies that do not comply with SBS regulations must, for provisioning purposes, calculate the credit risk equivalent exposure by applying a factor of twenty percent (20%) to the unused portion of revolving credit lines for SME, small business and revolving consumer loans. The applicable provisioning rates under the Debtor Classification Regulations are then applied to such credit risk equivalent exposure.

d) Receivables, classification and provisions for doubtful accounts -

This item represents receivables arising from the sale of goods and/or provision of services, receivables held in trust arrangements, payments made on behalf of third-parties, and commissions from the provision of services. It also includes funds transferred to trust arrangements related to the issuance of electronic money.

Classification of receivables

The Bank classifies receivables as: sales of goods and services, trust-related receivables, payments made on behalf of third parties, commissions and other receivables. This classification is established in accordance with the provisions of the Accounting Manual for Financial System Entities, approved by SBS Resolution No. 895-98 and its amendments.

Provisions for doubtful accounts

In 2025, the Bank implemented a provisioning matrix in which the estimate of expected credit losses is recognized based on the characteristics of each type of receivable. This includes: receivables related to trust arrangements, which are measured under the equity method; receivables related to lending operations, which are measured in accordance with SBS Resolution No. 11356-2008 and its amendments; and other receivables, which are measured progressively, through a monthly assessment, assigning higher percentages based on the number of days past due, recognizing a 100% allowance within 12 months after delinquency, in accordance with the Write-off Directive for Uncollectible Accounts (BN-DIR-7400-149-02).

As of December 31, 2024, based on the Bank's Write-off Directive for Uncollectible Accounts, receivables are fully provided (100%) only when recovery actions have been exhausted and the balances are more than one (1) year past due.

e) Investments -

The Bank applies the recording and measurement criteria for investments in securities established in SBS Resolution No. 7033-2012 "Regulation for the Classification and Valuation of Investments of Financial System Entities" and its amendments. The Bank classifies its investments into the following categories and applies the following criteria:

i Available-for-sale investments

Available-for-sale investments are all securities not classified as investments at fair value through profit or loss, held-to-maturity investments and investments in subsidiaries and associates. In addition, all securities expressly stated by the SBS shall be included.

Initial recognition is made on the date of trading at fair value, including costs directly attributable to the acquisition of said securities. Subsequently, these investments are restated at fair value, recognizing the gains or losses generated in equity as "Unrealized earnings" until this security is sold or realized, at which point this gain or loss will be transferred and recorded in profit or loss for the year.

For debt instruments, prior to measurement at fair value, amortized cost is updated using the effective interest rate method. Based on the resulting amortized cost, gains and losses arising from changes in fair value are recognized.

Exchange gains or losses related to equity instruments are recognized in the "Unrealized earnings" account of net equity, while those related to debt instruments are recognized in profit or loss for the year.

Interest income from available-for-sale investments is recognized using the effective interest method, calculated over the expected life of the instrument. Premiums and discounts arising at acquisition are included in the calculation of the effective interest rate. Dividends are recognized in the statement of income when the right to receive payment is established.

ii Held-to-maturity investments

It includes debt securities acquired with the intention of holding them until maturity. They are initially recognized at fair value, including transaction costs directly attributable to the acquisition. Subsequently, these investments are measured at amortized cost using the effective interest method, less impairment, if applicable.

In addition, a financial institution may classify its investments in this category after assessing its financial capacity to hold such instruments until maturity. This assessment must also be performed at the end of each reporting period.

Investment transactions are recorded using the trade date, i.e. the date on which reciprocal obligations are assumed and are to be settled within the timeframe established by market regulations and practices in which the transaction takes place.

Interest income on investments is recognized using the effective interest method, which incorporates both contractual interest to be received and the amortization of any premium or discount at acquisition.

The difference between proceeds received from the disposal of investments and their carrying amount is recognized in the statement of income and other comprehensive income.

iii Impairment of investments

If an available-for-sale investment has been impaired, the accumulated loss (measured as the difference between the acquisition cost, net of any principal repayments and amortization, and its current fair value, less any impairment loss previously recognized in profit or loss) is reclassified from equity and recognized in the statement of income. For unquoted equity instruments, impairment is determined as the difference between the carrying amount and the present value of estimated future cash flows, discounted using the prevailing market rate for similar instruments.

Until September 30, 2018, SBS Resolution No. 7033-2012 established a standard methodology for identifying impairment of instruments classified as available-for-sale investments. This methodology included two filters: i) the first required either a significant decrease in fair value below fifty percent (50%) of cost, or ii) a prolonged decrease in fair value over the last 12 consecutive months, with a cumulative decrease of at least twenty percent (20%); if either condition was met, it was then assessed whether these conditions were supported by at least two qualitative factors of the issuer as defined in the second filter of the resolution.

iii.1 Impairment of available-for-sale investments

The Bank assesses, on a quarterly basis, whether there is evidence that a debt or equity instrument classified as available-for-sale or held-to-maturity has suffered impairment. For this purpose, it considers the following conditions:

Assessment of debt instruments

Companies must assess, for the entire portfolio of debt instruments subject to impairment, the occurrence of the following situations:

1. Deterioration in the financial condition of the issuer and its economic group.
2. Downgrades in any of the credit ratings of the instrument or the issuer.
3. Disruption of transactions or of an active market for financial assets due to the issuer's financial difficulties.

4. Observable data indicating that, since the initial recognition of a group of financial assets with characteristics similar to the instrument being evaluated, there has been a measurable decrease in estimated future cash flows.
5. Decline in value due to regulatory changes.
6. Significant decline in fair value to below forty percent (40%) of its amortized cost.
7. Prolonged decline in fair value over the last 12 consecutive months, with a cumulative decrease of at least twenty percent (20%).

The fair value to be used for the purpose of assessing criteria 6 and 7 is that used in the valuation of available-for-sale debt instruments. However, if the decline in fair value of the debt instrument is entirely attributable to an increase in the risk-free interest rate, this decline shall not be considered as an indication of impairment.

If at least two (2) of the situations described above are met, impairment is deemed to exist and, accordingly, the Bank must determine the amount of any impairment loss in accordance with Article 10 of the Regulation.

If fewer than two (2) of the above situations are present, the existence of impairment may still be concluded if any of the following specific events occur:

1. Breach of contractual terms, such as default on interest or principal payments.
2. Renegotiation of contractual terms due to legal factors or financial difficulties of the issuer.
3. Evidence that the issuer is undergoing forced restructuring or bankruptcy.
4. A downgrade of the instrument's risk classification from investment grade to below investment grade.

The Bank is required to determine the amount of any impairment loss in accordance with Article 10 of the Regulation.

Assessment of equity instruments

The Bank must assess, for equity instruments subject to impairment, the occurrence of the following situations:

1. A downgrade in the risk classification of a debt instrument issued by the same issuer.
2. Significant changes in the technological, market, economic or legal environment in which the issuer operates, which may have adverse effects on the recoverability of the investment.
3. Deterioration in the financial condition or financial ratios of the issuer and its economic group.
4. Disruption of transactions or of an active market for financial assets due to the issuer's financial difficulties.
5. Observable data indicating that, since the initial recognition of financial assets with characteristics similar to the instrument being evaluated, there has been a measurable decrease in estimated future cash flows.
6. Decline in value due to regulatory changes.

If at least two (2) of the situations described above are not met, impairment may still be deemed to exist if any of the following specific events occur:

1. A significant decline in fair value below acquisition cost. A decline is considered significant when the fair value at the reporting date has decreased by at least 40% below its cost. For this purpose, cost (or acquisition cost) is always taken as the initial cost, regardless of whether impairment losses have previously been recognized.
2. A prolonged decline in fair value. This is deemed to occur when fair value at the reporting date has decreased by at least 20% compared to its fair value of twelve (12) months earlier, and fair value at each month-end during the preceding twelve (12) months has remained below acquisition cost.
3. Non-compliance with statutory provisions by the issuer, particularly those related to dividend payments.
4. Evidence that the issuer is undergoing forced restructuring or bankruptcy.

The fair value used for assessing the conditions described in paragraphs 1 and 2 is that used for the valuation of available-for-sale equity instruments, in accordance with the guidelines established in Article 11 of the Regulations. Paragraphs 1 and 2 do not apply to equity instruments classified as available-for-sale and measured at cost due to the absence of a reliably measurable fair value.

The Bank shall determine the amount of any impairment loss in accordance with the provisions of the Regulation.

iii.2 Impairment of held-to-maturity investments

The amount of the impairment loss is calculated as the difference between the carrying amount (amortized cost) at the date the impairment is identified and the present value of estimated future cash flows expected to be recovered, considering the identified risk conditions. Such cash flows are discounted using the original effective interest rate (EIR purchase yield) for fixed-rate instruments, or the current effective interest rate applicable for the period (i.e., the rate at the reporting date) determined in accordance with the contract for variable-rate instruments. The carrying amount of the instrument is reduced, and the impairment loss is recognized in profit or loss.

The methodology and assumptions used to estimate cash flows are reviewed periodically by the Bank and the respective control bodies. In this regard, the Bank may not recognize an impairment loss lower than the difference between amortized cost and fair value at the measurement date.

iii.3 Changes in classification category

In the event of a reclassification from available-for-sale investments to held-to-maturity investments, the fair value at the date of reclassification becomes the new amortized cost of the investment. Any prior gain or loss recognized directly in equity is transferred to profit or loss over the remaining life of the held-to-maturity investment, using the effective interest method. Any difference between the new amortized cost and the maturity amount is also amortized over the remaining life of the instrument using the effective interest method, in a manner similar to the amortization of a premium or discount. If the investment subsequently becomes impaired, any gain or loss previously recognized in equity is reclassified and recognized in profit or loss.

As of December 31, 2025 and 2024, the Bank has not made any changes in classification categories.

f) Property, furniture and equipment -

Property, furniture and equipment are recorded at historical cost, less accumulated depreciation and accumulated impairment losses, where applicable (see paragraph (k) below). Maintenance and repair costs are expensed as incurred, while significant renewals and improvements are capitalized when: (i) it is probable that future economic benefits will flow to the Bank; and ii) the cost can be measured reliably. The cost and related accumulated depreciation of assets sold or retired are derecognized from the respective accounts, and any resulting gain or loss is recognized in profit or loss.

Assets to be received and works in progress are recorded at cost and represent facilities, furniture and equipment to be received or under construction. This includes acquisition or construction costs and other direct costs. These assets are not depreciated until they are received or completed and ready for use.

Land is not depreciated. Depreciation of other assets in this category is calculated using the straight-line method over their estimated useful lives, as follows:

	<u>Years</u>
Buildings and other constructions	33
Furniture and equipment	10
Improvements to rented properties and facilities	5
Vehicles	5
Computer equipment	4

The cost and accumulated depreciation of the retired or sold assets are removed from the respective accounts, and the resulting profit or loss is charged to profit or loss for the period in which it occurs.

The residual value, useful life and depreciation method are reviewed periodically to ensure that they are consistent with expected future economic benefits and the expected useful lives of property, furniture and equipment.

It is not permitted for banks to apply the revaluation model. Therefore, the cost model is the only accepted subsequent measurement model. Likewise, banks are prohibited from providing security for their fixed assets, except those acquired in financial leasing transactions.

g) Intangible assets -

Intangible assets included under "Other assets, net" in the statement of financial position are recorded at historical cost, less accumulated amortization and accumulated impairment losses, where applicable (see paragraph (k) below). Intangible assets with finite useful lives mainly comprise internally developed software and acquired software licenses used in the Bank's operations.

Amortization of finite-life intangible assets is calculated using the straight-line method over their estimated useful life (4 years). It should be noted that according to SBS Resolution No. 1967-2010, intangible assets with finite useful lives are amortized over a maximum period of five years.

As of December 31, 2025 and 2024, the Bank does not have intangible assets with indefinite useful life.

h) Securities, notes and obligations outstanding -

Liabilities arising from the issuance of securities, notes and obligations outstanding are measured at amortized cost, with accrued interest recognized in profit or loss. Discounts granted or premiums obtained on issuance are deferred and presented net against the issuance value, and are amortized over the term of the related securities, notes and obligations using the effective interest method.

i) Income tax -

Current income tax is calculated based on taxable income determined for tax purposes, which differs from accounting principles applied by the Bank.

In addition, the Bank recognized deferred income tax, in accordance with IAS 12, Income Taxes.

Deferred income tax reflects the effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those determined for tax purposes. Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Bank expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are recognized regardless of when the temporary differences are expected to be reversed. Deferred tax assets are recognized only to the extent that it is probable that sufficient future taxable profits will be available against which the deferred tax asset can be utilized.

As of the date of the statement of financial position, Management evaluates unrecognized deferred tax assets and the carrying amount of recognized deferred tax assets, recognizing previously unrecognized deferred tax assets to the extent that it is probable that future taxable profits will allow their recovery, or reducing the carrying amount of deferred tax assets when it is no longer probable that sufficient taxable profits will be available to utilize all or part of the recognized deferred tax asset.

In accordance with IAS 12, the Bank determines its deferred income tax based on the tax rate applicable to its undistributed earnings, recognizing any additional tax on dividend distributions at the date the liability is recognized.

j) Trust funds -

Assets and income arising from fiduciary transactions in which there is an obligation to return such assets to clients, and in which the Bank acts as a trustee, are not included in the financial statements, since the assets are not owned by the Bank. These assets are recorded in off-balance sheet accounts for fiduciary control purposes, and fees from these activities are included in income from financial services and recognized on an accrual basis.

k) Retirement pensions -

The provision for retirement pensions mainly includes obligations under the Pension Regime established by Decree Law No. 20530. In accordance with IAS 19, Employee Benefits, the retirement pension provision constitutes a Defined Benefit Plan, under which the Bank's obligation is to provide the benefits established by Decree Law No. 20530 and related regulations. Under this defined benefit plan, actuarial risk is assumed by the Bank and supported by its assets and transactions. Based on the life expectancy of the beneficiaries under this regime, Management estimates that the amount of this obligation will decrease progressively over the long term.

The provision for the pension reserve fund for active and retired personnel is recorded in accordance with Supreme Decree No. 043-2003-EF published on March 28, 2003, which establishes that Peruvian government-owned entities are governed by the provisions of Supreme Decree No. 026-2003-EF and, where applicable, by Accounting Resolution No. 159-2003-EF/93.01, which approved Instruction No. 20-2003-EF/93.01 (subsequently repealed by Directorial Resolution No. 014-2016- EF/51.01 issued by the General Directorate of Public Accounting). Likewise, Communication No. 002-2017- EF/51.01 issued by the General Directorate of Public Accounting of the MEF establishes the accounting procedures for the recognition and control of pension reserves, non-pension reserves and contingency reserves.

The Bank recognizes the result of actuarial calculations for pension reserves as a liability in its entirety. The total amount of pension obligations is adjusted based on future actuarial calculations in relation to the previous actuarial estimate, and any variation is recognized directly in profit or loss for the corresponding period.

Actuarial calculations of pension obligations are performed annually by a qualified actuary from the Planning, Statistics and Rationalization Unit of the Pension Standardization Office ("Oficina de Normalización Previsional" - ONP). The methodology is established in the "Manual for the Calculation of Actuarial Reserves of Pension Regimes administered by the ONP" (Manual No. 001-2021-ONP/JF), approved by Chief Resolution No. 152-2021-Jefatura/ONP. The pension obligation determined based on actuarial calculations is measured at the present value of future pension payments, using a discount rate of 3.27% as of December 31, 2025 and 2024, corresponding to the technical interest rate (TITA by its acronym in Spanish), which is valid for three (3) years in accordance with Chief Resolution No. 189-2022-ONP/JF dated November 9, 2022. This rate is applied solely for actuarial commutation of mortality tables and represents an annual technical interest rate. The determination of this rate is based on long-term liabilities rather than asset return methodologies; accordingly, it reflects the long-term rate of the relevant yield curve for Peru.

l) Provisions and contingencies -

i Provisions

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are reviewed and adjusted at each reporting date to reflect the best estimate at the date of the statement of financial position.

The provision for employees' severance indemnities (CTS by its acronym in Spanish) is calculated, in accordance with applicable legislation, for the full amount of employees' severance indemnities. It must be settled through deposits in authorized financial institutions, chosen by employees, in May and November of each year. The provision is calculated based on the amount that would be payable at the date of the statement of financial position and is included under employee benefits; it is presented in the statement of financial position under other liabilities.

The provision for statutory bonuses is calculated in accordance with current legislation and is equivalent to one monthly salary paid twice a year in July and December. It is presented in the statement of financial position under payables.

The provision for vacation leave is calculated in accordance with applicable legal requirements and corresponds to 30 days, which are paid when the benefit is taken. The monthly provision equals 1/12 of the employee's salary and is presented in the statement of financial position under payables.

ii Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed in notes to the financial statements, unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements, but are disclosed when an inflow of economic benefits is probable.

m) Recognition of income and expenses -

Interest income and expenses are recognized in profit or loss as they accrue, based on the term of the underlying transactions and the interest rates agreed with clients. Fees for banking services are recognized as income when received.

In accordance with SBS Resolution No. 7036-2012, fees from indirect loans are recognized on an accrual basis over the term of such indirect loans. Likewise, fees and expenses related to loan origination, as well as account opening, credit analysis and evaluation for both direct and indirect loans, are recognized as income over the term of the respective contracts, based on their accrual.

In accordance with SBS Resolution No. 11356-2008 and amendments, when there are reasonable doubts regarding the collectibility of the principal of a loan, the Bank suspends the recognition of interest income and records it as interest in suspense (off-balance sheet). Such suspended interest is recognized as income only when collected. When management determines that the financial condition of the borrower has improved to the extent that doubts about recovery of the principal no longer exist, the Bank resumes recognition of interest income on an accrual basis.

Interest income includes returns on fixed-income investments classified as fair value through profit or loss and available-for-sale investments, as well as the recognition of discount and premium on financial instruments.

Fees and expenses related to loan origination, as well as account opening, credit analysis and evaluation for both direct and indirect loans, are recognized as income based on their accrual over the term of the respective contracts.

Other income and expenses of the Bank are recognized as earned or incurred in the period in which they are accrued.

n) New accounting pronouncements -

i Current pronouncements

The following accounting pronouncements are mandatory for periods beginning on or after January 1, 2025:

Amendments to IFRS	Mandatory application date
Amendments to IAS 21 - Lack of Exchangeability	Annual periods beginning on or after January 1, 2025. Early adoption is permitted.

ii Accounting pronouncements not yet in force

The following accounting pronouncements are applicable to annual periods beginning on or after January 1, 2026, and have not been applied in the preparation of these financial statements. The Bank plans to adopt the corresponding accounting pronouncements on their respective application dates and not in advance.

Amendments to IFRS	Mandatory application date
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	Annual periods beginning on or after January 1, 2026. Early adoption is permitted.
Annual Improvements to IFRS 2024 - Volume 11	Annual periods beginning on or after January 1, 2026. Early adoption is permitted.

Amendments to IFRS	Mandatory application date
IFRS 18, Presentation and Disclosure in Financial Statements	Annual periods beginning on or after January 1, 2027. Early adoption is permitted.
IFRS 19, Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after January 1, 2027. Early adoption is permitted.

iii Resolutions and standards issued by the CNC and the Superintendence of the Securities Market regarding the approval and adoption of IFRS in Peru

As of the date of the financial statements, the CNC has issued the following:

- Accounting Standards Council Resolution No. 001-2025-EF/30, dated May 23, 2025, approving amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures.
- Accounting Standards Council Resolution No. 006-2025-EF/30, dated November 17, 2025, approving the Complete Set of IFRS (2025 version), which includes the Conceptual Framework for Financial Reporting.

As indicated in Note 2.A. the standards and interpretations detailed above in section i) will be applicable to the Bank only on a supplementary basis to those issued by the SBS when situations not addressed in its Accounting Manual arise. Bank's Management has not determined the effect on the preparation of its financial statements if such standards were applicable and/or adopted by the SBS.

iv Main pronouncements issued by the SBS during 2025

- SBS Resolution No. 00774-2025, dated February 27, 2025, approving the new Regulation on Foreign Exchange Risk Management and amending the Accounting Manual for entities of the financial system.
- SBS Resolution No. 00890-2025, dated March 7, 2025, amending the Market Conduct Regulation for the Financial System, the Market Conduct Regulation for the Insurance System, the Report on Fees and Main Expenses applied by entities of the Financial System, and Exhibit 2 of the Regulation on Infractions and Sanctions.
- SBS Resolution No. 2531-2025 dated July 17, 2025, establishing guidelines for the correction and regularization of information in the Credit Risk Center, through the Report of Rectifications and regularizations of the Debtors' Credit Report (RRCD by its acronym in Spanish) and Communication to the Superintendence.
- SBS Resolution No. 02663-2025 dated July 30, 2025, amending the Accounting Manual for Entities of the Financial System to align accounting provisions with IFRS 9, Financial Instruments, IFRS 13, Fair Value Measurement and IFRS 15, Revenue from Contracts with Customers, effective from reporting corresponding to January 2027, except as follows: Article Six becomes effective the day following its publication. Article Seven becomes effective for reporting corresponding to March 2026.
- SBS Resolution No. 02664-2025 dated July 30, 2025, establishing the New Regulation on Classification and Valuation of Investments for Financial System Entities, effective as of January 1, 2027.
- SBS Resolution No. 2869-2025, dated August 14, 2025, amending the Liquidity Risk Management Regulation (SBS Resolution No. 4221-2023) and Chapter V "Complementary Information" of the Accounting Manual for Financial System Entities.
- SBS Resolution No. 03716-2025, dated October 14, 2025, amending Chapter V Complementary Information of the Accounting Manual for Financial System Entities to incorporate new Report No. 28 called Financial Information of Non-Retail Debtors and issuing other provisions.
- SBS Resolution No. 4320-2025, dated December 4, 2025, amending the Regulations on Complaints and Requests Management and on Fees and Expenses of the Financial System, as well as the regulation governing services provided by the SBS to citizens and the handling of complaints.

4 FOREIGN CURRENCY BALANCES

Monetary assets and liabilities denominated in foreign currency are initially recorded at the exchange rate at the date of the transaction and are subsequently translated into the functional currency using the exchange rate in effect at the date of the statement of financial position, as determined by the SBS. Gains or losses arising from the translation of monetary assets and liabilities in foreign currency at the exchange rates in effect at the date of the statement of financial position are recognized in profit or loss under "Net gains (losses) from financial operations".

Non-cash assets and liabilities acquired in foreign currency are recorded at the exchange rate at the date of the initial transaction and are not subsequently adjusted.

The statement of financial position includes balances from foreign currency transactions, mainly in U.S. dollars (US\$), translated at the exchange rate in Peruvian soles (S/) established by the SBS. As of December 31, 2025 and 2024, the exchange rate was US\$1 = S/3,363 and US\$1 = S/3,764, respectively.

Foreign currency transactions within the country and international trade transactions, corresponding to concepts authorized by the Banco Central del Perú, are carried out through the free banking market. As of December 31, 2025, the purchase and sale exchange rates used were US\$1 = S/3,358 and US\$1 = S/3,368, respectively (US\$1 = S/3,758 and US\$1 = S/3,770 sold as of December 31, 2024).

As of December 31, foreign currency balances in thousands are summarized as follows:

<i>In thousands of U.S. dollars</i>	2025			2024		
	U.S. dollars	Other currencies	Total	U.S. dollars	Other currencies	Total
Assets						
Cash	807,155	17,651	824,806	657,566	22,153	679,719
Available-for-sale investments	19,899	-	19,899	15,884	-	15,884
Receivables, net	100	-	100	201	-	201
Other assets, net	(5,048)	-	(5,048)	527	9	536
	<u>822,106</u>	<u>17,651</u>	<u>839,757</u>	<u>674,178</u>	<u>22,162</u>	<u>696,340</u>
Liabilities						
Obligations to the public and other obligations	820,231	21,343	841,574	680,556	23,891	707,447
Other liabilities	1,384	201	1,585	2,925	65	2,990
	<u>821,615</u>	<u>21,544</u>	<u>843,159</u>	<u>683,481</u>	<u>23,956</u>	<u>707,437</u>
Asset (liability) position, net	<u>5,692</u>	<u>(3,893)</u>	<u>1,799</u>	<u>(9,303)</u>	<u>(1,794)</u>	<u>(11,097)</u>

In 2025 and 2024, the Bank recognized net foreign exchange gains of approximately S/87,783 thousand and S/90,130 thousand, respectively, under "Net gains (losses) from financial operations" in the statement of income and other comprehensive income (Note 20).

As of December 31, 2025, the Bank has contingent operations in foreign currency amounting to approximately US\$276,388 thousand, EUR20,818, thousand and GBP849 thousand, equivalent to S/1,015,516 thousand (US\$1,126,500 thousand, EUR15,064 thousand and GBP2,355 thousand, equivalent to S/4,310,281 thousand as of December 31, 2024).

5 CASH

This item comprises:

	<u>2025</u>	<u>2024</u>
	S/000	S/000
Cash on hand and clearing (a)	1,830,115	2,132,304
Deposits with the Banco Central de Reserva del Perú (BCRP) (a)	14,670,067	12,004,104
Deposits with local and foreign banks (b)	280,392	358,504
Accrued interest on deposits with BCRPs	34,520	69,198
Cash and cash equivalents	<u>16,815,094</u>	<u>14,564,110</u>
Other cash balances	22,295	12,629
Total cash	<u>16,837,389</u>	<u>14,576,739</u>

- (a) Available funds include the statutory reserve requirement that the Bank must maintain with its obligations to the public, and which is held within the limits set by current regulations. The composition of the statutory reserve requirement is as follows:

	<u>2025</u>	<u>2024</u>
	S/000	S/000
Statutory reserve requirement		
Deposits with Banco Central de Reserva del Perú (BCRP)	12,430,309	9,997,892
Cash in vault	1,806,633	2,091,812
Subtotal statutory reserve requirement (*)	<u>14,236,942</u>	<u>12,089,704</u>
Overnight deposits with BCRP (**)	2,239,759	2,006,212
Clearing	23,482	40,492
Subtotal non-mandatory reserve	<u>2,263,241</u>	<u>2,046,704</u>
Total	<u>16,500,183</u>	<u>14,136,408</u>

- (*) The statutory reserve requirement corresponds to funds held in the Bank's vaults and at the BCRP and is maintained within the limits established by current regulations. Required reserves held at BCRP do not generate interest.

- (**) As of December 31, 2025, the Bank maintains an overnight deposit in U.S. dollars for US\$666,000, which generates interest at an average effective annual rate of 4.21031%, maturing in January 2026. As of December 31, 2024, the Bank maintained an overnight deposit in U.S. dollars for US\$533,000, earning interest at an average effective annual rate of 4.4390%, which matured in January 2025.

- (b) Deposits in local and foreign banks mainly correspond to balances in Peruvian soles and U.S. dollars, are freely available and earn interest at market rates.

6 AVAILABLE-FOR-SALE AND HELD-TO-MATURITY INVESTMENTS

I. Available-for-sale investments

This item comprises the following:

	2025				2024			
	Amount (unit)	Amortized cost S/000	Unrealized gains (losses) S/000	Fair value S/000	Amount (unit)	Amortized cost S/000	Unrealized gains (losses) S/000	Fair value S/000
Available-for-sale investments								
Equity instruments (a)								
Bladex	446,556	11,771	55,149	66,920	446,556	13,174	46,614	59,787
Debt instruments								
Peruvian sovereign bonds (b)	1,731,167	1,681,640	(53,611)	1,628,029	4,584,273	4,801,269	(92,173)	4,709,097
BCRP Certificates of deposit (c)	3,000,000	2,983,719	(111)	2,983,608	2,850,000	2,831,612	528	2,832,140
	<u>5,177,723</u>	<u>4,677,130</u>	<u>1,427</u>	<u>4,678,557</u>	<u>7,880,829</u>	<u>7,646,055</u>	<u>(45,031)</u>	<u>7,601,024</u>

(a) As of December 31, 2025 and 2024, this balance corresponds to Class "A" common shares issued by Banco Latinoamericano de Comercio Exterior S.A. - Bladex, representing 1.2% of its share capital. As of those dates, the fair value per share was US\$44.56 and US\$35.57, respectively.

Debt instruments

- (b) Peruvian sovereign bonds correspond to bonds issued by the Peruvian government in local currency. These are acquired at market prices and rates prevailing on the trading date.
- (c) Certificates of Deposit issued by the BCRP are instruments denominated in local currency and are freely negotiable.
- (d) As of December 31, 2025 and 2024, Management has estimated the fair value of available-for-sale investments based on market quotations obtained through Bloomberg and Datatec platform; where such quotations are not available, fair value is determined by discounting expected cash flows using an interest rate that reflects the instrument's credit risk classification.

Management has determined that the unrealized losses on available-for-sale investments as of December 31, 2025 and 2024 are temporary nature. Management considers that the Bank has both the intention and the ability to hold each of these investments for a sufficient period to allow recovery of fair value or until maturity.

As of December 31, 2025, the Bank maintains a net deferred income tax liability of S/16,269 thousand, Note 15, arising from unrealized gains on certain available-for-sale investments subject to income tax for S/55,149 thousand (net deferred income tax liability of S/13,769 thousand, arising from unrealized gains of S/46,675 thousand as of December 31, 2024), Note 15.

In 2025, interest income recognized amounted to S/72,528 thousand from sovereign bonds and S/113,034 thousand from bonds issued by Central Banks (S/65,774 thousand and S/135,998 thousand, respectively, as of December 31, 2024), see Note 18.

(e) As of December 31, 2025 and 2024, the maturities and internal rates of return on available-for-sale investments in debt instruments are as follows:

	Maturity		Internal rates of return			
			2025		2024	
	2025	2024	Min	Max	Min	Max
	S/000	S/000	S/000	S/000	S/000	S/000
Available-for-sale investments						
Peruvian sovereign bonds	Jan-26/Aug-40	Jan-26/Aug-40	3.07	5.95	3.07	7.83
Certificates of Deposit - BCRP	Jan-26/Jun-26	Jan-25/Mar-25	3.91	4.12	4.78	4.94

(f) The balance of available-for-sale investments as of December 31, 2025 and 2024, classified by maturity, is as follows:

	2025	2024
	S/000	S/000
Up to 3 months	2,110,967	2,832,140
From 3 months to 1 year	880,864	-
From 1 to 3 years old	517,498	25,031
From 3 to 5 years old	1,012,923	1,514,643
More than 5 years	89,385	3,169,422
No maturity (shares)	66,920	59,788
	<u>4,678,557</u>	<u>7,601,024</u>

II. Held-to-maturity investments

This item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Peruvian sovereign bond SB12AGO35 (iii)	2,297,431	-
Peruvian sovereign bond SB12AGO34 (ii)	1,131,300	-
Peruvian sovereign bond SB12AGO31 (iii)	865,369	985,722
Peruvian sovereign bond SB12AGO33	531,005	530,951
Peruvian sovereign bond SB12FEB29 (i) and (iii)	501,650	2,513,266
Peruvian sovereign bond SB12AGO28 (iii)	-	40,364
Peruvian sovereign bond SB12AGO26 (ii)	-	1,108,526
Accrued interest	160,658	130,668
	<u>5,487,413</u>	<u>5,309,497</u>

The interest income accrued on the held-to-maturity investment portfolio during 2025 amounted to approximately S/350,673 thousand (approximately S/343,019 thousand in 2024) and is included under "Interest income" in the statement of comprehensive income, Note 18.

- (i) In 2013 and 2014, the Bank and MEF entered into various credit agreements and debt management agreements in order to establish Debt Management operations under the modality of refinancing the obligations derived from the loans granted to the MEF intended to finance: (i) the first stage of seven (7) projects executed by the Peruvian Ministry of Defense (Supreme Decree No. 267-2013), (ii) a set of additional requirements of the Peruvian Ministry of Defense (Supreme Decree No. 358-2013-EF), (iii) part of the components of eight (8) investment projects to be executed by the Peruvian Ministry of Defense (Supreme Decree No. 359-2013), (iv) the investment project portfolios of the Municipality of Chincheros Province (Supreme Decree No. 331-2014-EF) and (v) the "Recuperación del Servicio de Instrucción básica de vuelos con básica de vuelos con aeronaves de ala fija en la FAP grupo aéreo No. 51" project (Supreme Decree No. 211-2012-EF); whose maturity date was agreed for July 2017. Under this modality, the MEF would deliver, at the end of the payment period, sovereign bonds owned by the Bank for a total amount of S/2,073.1 million, within the framework of the Disbursement Reconciliation Act of the aforementioned Supreme Decrees.

Based on this, in July 2017, the Bank classified the bonds received as payment under the Debt Management Agreement between the Bank and the MEF as follows:

- Available-for-sale investments. Bonds delivered on July 4, 2017 – SB12AUG2026 for S/606,749 thousand;
- Held-to-maturity investments. Bonds delivered on July 6, 2017 -SB12FEB2029 for S/1,466,321 thousand (which included accrued interest up to date for S/33,600 thousand).

Regarding the Sovereign Bond 12FEB2029, the Bank's Management defined this bond as an investment to be held to maturity, also taking into consideration both the Bank's intention and capacity to hold these bonds until maturity. This bond was issued with the following characteristics:

- Denominated in Peruvian soles.
- Freely negotiable.
- Sovereign bond with maturity on February 12, 2029.
- Coupon annual rate of 6.0% with semi-annual interest payments.
- CAVALI SA I.C.L.V. book-entry.

As of December 31, 2025, the balance of this bond amounts to S/512,633 thousand (S/2,568,291 thousand as of December 31, 2024). The decrease is due to the bond exchange carried out in 2025, see paragraph (iii) below.

- (ii) On August 27, 2025, the exchange of bonds with the Peruvian Ministry of Economy and Finance proceeded, exchanging the SB12AGO26 bond with a nominal value of S/1,086,600 thousand for the SB12AGO34 bond with a nominal value of S/1,179,466 thousand, maturing on August 12, 2034 at a coupon rate of 6.0335%.
- (iii) On June 17, 2025, the exchange of bonds with the Peruvian Ministry of Economy and Finance was carried out, exchanging the bonds SB12AGO28, SB12FEB29, SB12AGO31 whose nominal values are S/40,000 thousand, S/1,991,427 thousand and S/130,500 thousand, respectively, for the bond SB12AGO35 with a nominal value of S/2,301,412 thousand, maturing on August 12, 2035 at a coupon rate of 6.8500%.

7 LOAN PORTFOLIO, NET

This item comprises:

	<u>2025</u> S/000	<u>2024</u> S/000
Direct loans (a)		
Current		
Consumer loans	10,567,791	9,498,905
Loans to companies in the financial system (b)	4,360,081	3,469,073
Mortgage loans	825,249	716,207
Loans to public sector entities (c)	4,229,999	4,219,618
Sovereign loans – MEF (d)	160,879	162,705
Refinanced loans	22,594	20,948
Past-due loans	94,440	111,657
Loans under judicial collection	324,065	256,529
	<u>20,585,098</u>	<u>18,455,642</u>
Plus (less)		
Accrued interest on current loans	124,251	106,074
Deferred interest revenue from refinanced loans and current rescheduled loans	(20,603)	(18,947)
Deferred interest revenue from loans Refinanced	(6,890)	(5,562)
Provision for doubtful accounts (e)	(908,243)	(813,727)
Total direct loans	<u>19,773,613</u>	<u>17,723,480</u>
Indirect loans 17(a)	<u>382,177</u>	<u>3,058,953</u>

(a) As of December 31, 2025 and 2024, the direct loan portfolio is segmented by type of borrower as follows:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Wholesale loans		
Corporate	8,751,012	7,851,441
Medium-business loans	6,488	6,625
	<u>8,757,500</u>	<u>7,858,066</u>
Retail loans		
Revolving and non-revolving	10,996,134	9,875,534
Mortgages for housing	830,528	721,066
Small-business loans	604	639
Micro-business loans	332	337
	<u>11,827,598</u>	<u>10,597,576</u>
	<u>20,585,098</u>	<u>18,455,642</u>

A portion of the loan portfolio is secured by guarantees received from clients, who are mainly state and government employees and pensioners. These guarantees consist mainly of mortgages, bonds, deposits, and securities titles.

As of December 31, 2025 and 2024, the Bank's loan portfolio is classified by risk, in accordance with SBS regulations, as follows:

	2025					
	Direct loans		Indirect loans		Total	
	S/000	%	S/000	%	S/000	%
Risk category						
Normal	15,632,925	75.94%	361,727	94.65%	15,994,652	76.28%
With potential problems (*)	4,209,866	20.45%	-	-	4,209,866	20.08%
Substandard	110,896	0.54%	-	-	110,896	0.53%
Doubtful	219,972	1.07%	20,450	5.35%	240,422	1.15%
Loss	411,439	2.00%	-	-	411,439	1.96%
	<u>20,585,098</u>	<u>100.00%</u>	<u>382,177</u>	<u>100.00%</u>	<u>20,967,275</u>	<u>100.00%</u>
	2024					
	Direct loans		Indirect loans		Total	
	S/000	%	S/000	%	S/000	%
Risk category						
Normal	13,705,986	74.27%	128,137	4.19%	13,834,123	64.30%
With potential problems (*)	4,105,450	22.24%	2,899,782	94.80%	7,005,232	32.56%
Substandard	78,952	0.43%	-	-	78,952	0.37%
Doubtful	207,549	1.12%	31,034	1.01%	238,583	1.11%
Loss	357,705	1.94%	-	-	357,705	1.66%
	<u>18,455,642</u>	<u>100.00%</u>	<u>3,058,953</u>	<u>100.00%</u>	<u>21,514,595</u>	<u>100.00%</u>

(*) As of December 31, 2025, this risk category includes direct loans granted to Petroperú for S/3,765,590 thousand, see Note 28.

As of December 31, 2024, this risk category includes direct and indirect loans granted to Petroperú for S/3,765,590 thousand (see Note 28) and S/2,899,782 thousand (see Note 17(a)), respectively.

- (b) It comprises the loans granted to companies included in sections A and B of Article 16 of the General Law of the Financial System and their counterparts abroad.

On August 9, 2006, through Supreme Decree No. 134-2006-EF, the “Special Program of Financial Support to Micro and Small Enterprises - PROMYPE” was created, which authorizes the Bank to enter into financing agreements, through lines of credit, with entities that grant credits to Mi Banco, Municipal Savings and Credit Banks, COFIDE, and Fondo MIVIVIENDA.

In 2025, loans were granted to Mibanco – Banco de la Microempresa S.A. for S/200,000 thousand, Compartamos Banco S.A. for S/156,902 thousand, Corporación Financiera de Desarrollo S.A. - COFIDE for S/671,216 thousand, Financiera Confianza S.A.A. for S/40,000 thousand, CMAC Arequipa S.A. for S/288,280 thousand, CMAC Cusco S.A. for S/52,922 thousand, CMAC Trujillo S.A. for S/15,185 thousand and amortizations were received from Compartamos Financiera S.A. for S/222,824 thousand, CMAC Huancayo S.A. for S/10,819 thousand, CMAC Piura S.A.C. for S/5,347 thousand, Fondo Mivivienda for S/294,000 thousand, others for S/507 thousand.

In 2024, loans were granted to Mibanco – Banco de la Microempresa S.A. for S/45,000 thousand, Compartamos Financiera for S/132,824 thousand, Corporación Financiera de Desarrollo S.A. - COFIDE for S/601,087 thousand, Fondo Mivivienda for S/220,000 thousand and amortizations were received from Financiera Confianza S.A.A. for S/40,000 thousand, CMAC Huancayo S.A. for S/93,600 thousand, CMAC Cusco S.A. for S/104,577 thousand, CMAC Trujillo S.A. for S/72,083 thousand, CMAC Arequipa S.A. for S/12,845 thousand, CMAC Piura S.A.C. for S/9,990 thousand.

- (c) As of December 31, 2025, the loans to public sector entities mainly comprises to Empresa Regional Servicio Publico Electro Nortemedio for S/83,975 thousand, Empresa Regional de Servicio Público de Electricidad del Norte S.A. for S/25,500 thousand, Empresa Regional de Electricidad Nor-Oeste for S/43,500 thousand, Electrocentro for S/26,000 thousand, Gobierno Regional de Ica for S/75,645 thousand, Gobierno Regional de Amazonas for S/20,629 thousand, Gobierno Regional Ayacucho for S/48,822 thousand, Distrital Municipality of Chavin de Huántar/Ancash for S/10,760 thousand, Petroperú for S/3,765,590 thousand and other Local Governments for S/129,578 thousand. Compared to 2024, the variation consists of loans to the Regional Government of Ica for S/75,644 thousand, the Regional Government of Ayacucho for S/38,146 thousand, the Regional Government of Amazonas for S/20,629 thousand, the District Municipality of Huaquira - Cotabambas for S/4,467 thousand, the District Municipality of Chavin de Huántar – Ancash for S/10,760 thousand, and other Local Governments for S/11,623 thousand, less the amortizations of the Regional Public Service Company ElectroNormedio for S/27,692 thousand, the Empresa Regional de Servicio Público de Electricidad del Norte S.A for S/36,833 thousand, the Empresa Regional de Electricidad Nor Oeste for S/31,300 thousand, the District Municipality - La Convención / Cuzco for S/26,346 thousand, Electronorte Centro for S/4,500 thousand, Chalhuanhuacho District Municipality for S/4,662 thousand, Ocobamba District Municipality - Cuzco for S/5,335 thousand, Tambo Grande for S/4,139 thousand, CCatca District Municipality – Cuzco for S/3,940 thousand, Víctor Larco Herrera District Municipality - Huánuco for S/3,192 thousand, Ollantaytambo District Municipality - Cuzco for S/2,949 thousand.

As of December 31, 2024, the loans to public sector entities mainly comprises to Empresa Regional Servicio Publico Electro Nortemedio for S/111,667 thousand, Empresa Regional de Servicio Público de Electricidad del Norte S.A. for S/62,333 thousand, Empresa Regional de Electricidad Nor-Oeste for S/74,800 thousand, Electrocentro for S/30,499 thousand, Gobierno Regional Ayacucho for S/10,760 thousand, Municipalidad Distrital de la Convención / Cuzco for S/26,347 thousand, Petroperú for S/3,765,590 and others for S/137,706 thousand.

(d) It comprises the loans granted to public sector entities that have funds allocated by the Public Treasury specifically to pay for these exposures; these loans are requested exclusively by MEF through Supreme Decrees. As of December 31, 2025, these loans consist of Supreme Decree No. 091-19 EF for S/15,727 thousand and Supreme Decree No. 083-21-EF for S/145,152 thousand (As of December 31, 2024, these loans mainly consist of those under Supreme Decree No. 083-21 EF for S/136,493 thousand and Supreme Decree No. 091-19 EF for S/26,212 thousand).

(e) The movement of the provision for doubtful direct loan portfolio is shown below:

	<u>2025</u>	<u>2024</u>
	<u>S/000</u>	<u>S/000</u>
Balance as of January 1	813,727	662,619
Provision	186,776	227,149
Loan recovery (*)	(10,242)	(20,928)
Written-off loans portfolio	(81,739)	(55,152)
Exchange rate differences and others	(279)	39
Balance as of December 31	<u>908,243</u>	<u>813,727</u>

(*) As of December 31, 2025, it does not include revenue from the recovery of written-off loans portfolio for S/2,314 thousand (As of December 31, 2024, it does not include revenue from the recovery of written-off loans portfolio for S/8,392 thousand).

The composition of the net provision for doubtful accounts shown in the statement of comprehensive income is as follows:

	<u>Generic</u>	<u>Specific</u>	<u>Volunteer</u>	<u>Total</u>
	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>
Provision for direct loans of doubtful account of the fiscal year	26,170	160,445	161	186,776
Recovery of write-off loans	-	(2,314)	-	(2,314)
Recovery of provisions	(720)	(9,522)	-	(10,242)
Balance as of December 31, 2025	<u>25,450</u>	<u>148,609</u>	<u>161</u>	<u>174,220</u>
Provisions for direct loans of doubtful account of the fiscal year	22,517	204,632	-	227,149
Recovery of write-off loans	-	(8,392)	-	(8,392)
Recovery of provisions	(3,365)	(17,563)	-	(20,928)
Balance as of December 31, 2024	<u>19,152</u>	<u>178,677</u>	<u>-</u>	<u>197,829</u>

(f) The interest generated by the loan portfolio is freely negotiated, taking into account the prevailing interest rates in the markets where the Bank operates. As of December 31, 2025 and 2024, the effective annual rates for the main products were as follows:

	<u>2025</u>		<u>2024</u>	
	<u>Local</u>	<u>Foreign</u>	<u>Local</u>	<u>Foreign</u>
	<u>currency</u>	<u>currency</u>	<u>currency</u>	<u>currency</u>
Overdrafts	17.00	12.00	17.00	12.00
Corporate loans	4.65 - 13.75	8.00	6.50 - 11.75	8.00
Consumer loans	8.90 - 19.49	-	8.9 - 16.49	-
Credit cards	14.00 - 32.00	-	14.00 - 32.00	-
Mortgage loans	9.75 - 7.75	-	6.75 - 7.75	-

Interest, fees, and expenses on loans or installments that are refinanced, past due, in legal collection, or classified as "Doubtful" or "Loss" are recorded as deferred income and are recognized as revenue in the income statement when actually collected. The accumulated amounts not recognized as revenue for this item was S/653,047,747 and S/413,302,451 for 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the direct loan portfolio, according to its contractual maturities, is presented below:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
To be due		
Up to 1 month	782,972	783,168
1-3 months	912,913	823,858
From 3 months to 1 year (*)	4,114,139	7,091,298
1- 3 years (*)	10,575,084	6,581,871
3 - 5 years	2,833,150	2,304,773
More than 5 years	925,741	481,540
Refinanced	22,594	20,948
Past due and under legal collection	418,505	368,186
	<u>20,585,098</u>	<u>18,455,642</u>

(*) In August, Petroperú's short-term debt was rescheduled to long-term for S/3,765,590 thousand, according to Directory No. 2567 of July 11, 2025.

8 ACCOUNTS RECEIVABLE, NET

This item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
COFIDE - CRECER receivables (a)	234,155	173,339
COFIDE - FAE -MYPE receivables (b)	-	39,562
Commissions receivable (c)	27,361	24,075
Advances to personnel (d)	5,359	18,289
Claims against third parties (e)	10,007	10,229
Other receivables (f)	39,884	21,805
Collections receivable (g)	-	193,232
	<u>316,766</u>	<u>480,531</u>
Provision for claims against third parties (*)	(8,485)	(5,253)
Provision for commissions receivable (*)	(14,558)	(810)
Provision for advances to personnel (*)	(661)	(953)
Provision for receivables (*)	(13,216)	(1,310)
	<u>279,846</u>	<u>472,205</u>

(*) The increase is due to a change in the accounting estimate established in the Directive on the write-off of irrecoverable accounts (BN-DIR-7400-149-02), see Note 3(d).

(a) Through Legislative Decree No. 1399, issued on September 9, 2018, the CRECER fund was created, resulting from the consolidation of the following funds: (i) Fondo MIPYME, created by Law No. 30230, which establishes tax measures, simplification of procedures and permits for the promotion and revitalization of investment in the country. (ii) The Support Fund for Small and Medium Enterprises, established by Emergency Decree No. 050-2002. (iii) Guarantee Fund for Businesses (FOGEM, by its Spanish acronym), created by Emergency Decree No. 024-2009.

The Productive Strengthening of Micro and Small Enterprises Fund (FORPRO, by its Spanish acronym), created by Emergency Decree No. 008-2017, established complementary measures to address emergencies caused by the Niño Costero phenomenon and to reactivate and strengthen the productivity of micro and small businesses. The aforementioned Legislative Decree ordered the liquidation of FOGEM and FORPRO funds and authorized the Peruvian Ministry of Economy and Finance and Banco de la Nación to terminate the trust agreements and confidence commission agreements, as applicable, signed with Corporación Financiera de Desarrollo (COFIDE).

The objective of Fondo CRECER is to promote the productive and business development of micro, small, and medium-sized enterprises (MSMEs) and exporting companies, given their significant impact on the national economy, through financing, guarantees, and other financial products. Fondo CRECER has a 30-year term.

Pursuant to Ministerial Resolution No. 276-2019-EF/52, issued on July 12, 2019, approved the Fondo CRECER Administration Trust Agreement, which was signed by the Peruvian Ministry of Economy and Finance, Banco de la Nación, and COFIDE.

In 2019, all cash resources from FOGEM and FORPRO were transferred to Fondo CRECER for S/251.67 million.

In 2025 and 2024, Fondo CRECER received resources from FAE-MYPE (see paragraph (b) below), which resulted in the Bank increasing its stake in Fondo CRECER, absorbing fewer losses compared to when the resources remained in the FAE-MYPE fund.

Fondo CRECER's loss of S/3,225,000 for 2025 (and S/5,463,000 for 2024) is recorded in the "Valuation of Assets and Provisions" of the statement of comprehensive income (see Note 22(d)).

- (b) Pursuant to Emergency Decree No. 029-2020, issued on March 20, 2020, created the Fondo FAE-MYPE, which aims to guarantee working capital loans granted to micro and small enterprises (MSEs), as well as restructure and refinance their debts. Additionally, Ministerial Resolution No. 124-2020-EF-15, issued on March 25, 2020, approved the Operating Regulations for the Business Support Fund for MSEs (FAE-MYPE). Furthermore, Emergency Decree No. 049-2020, issued on April 27, 2020, authorized COFIDE to transfer up to S/500 million from Fondo CRECER to the FAE-MYPE Fund.

Through Letter No. 2363-2024-COFIDE/DAF, dated October 9, 2024, COFIDE states that the Bank's contributions to the FAE MYPE Fund amount to S/60,751 thousand. This reduction of funds is based on the application of the Second Addendum to the Comprehensive Modification to the FAE-MYPE Administration Contract, approved by Ministerial Resolution No. 200-2024-EF/52, which stipulates the return of FAE-MYPE resources to Fondo CRECER, in accordance with the provisions of numeral 8.1 of article 8 of Emergency Decree No. 049-2020.

Through Letter No. 1648-2025-COFIDE/DAF, dated July 24, 2025, COFIDE states that it completed the transfer of resources from the FAE-MYPE to the CRECER Fund, in compliance with the provisions of the Third Additional Clause of the Second Addendum to the Modification to the Trust Agreement for the Administration of the Business Support Fund for MYPEs dated June 17, 2024.

- (c) As of December 31, 2025, the balance comprises mainly to: (i) S/9,438 thousand in commissions receivable for judicial and administrative deposits held by the Judiciary in the Bank, (ii) S/11,330 thousand in commissions to insurance companies, (iii) S/3,631 thousand in commissions receivable for lost judicial and administrative deposits, (iv) S/2,734 thousand in commissions for trusts, (v) S/181 thousand in commissions receivable from the Implementing Units of the Social Programs "Pension 65" and "Juntos" for the services of distributing money to their beneficiaries nationwide and (vi) others for S/47 thousand.

As of December 31, 2024, the balance comprises mainly to: (i) S/9,474 thousand in commissions receivable for judicial and administrative deposits held by the Judiciary in the Bank, (ii) S/7,918 thousand in commissions to insurance companies, (iii) S/3,647 thousand in commissions receivable for lost judicial and administrative deposits, (iv) S/2,803 thousand in commissions for trusts, (v) S/181 thousand in commissions receivable from the Implementing Units of the Social Programs "Pension 65" and "Juntos" for the services of distributing money to their beneficiaries nationwide and (vi) others for S/52 thousand.

- (d) In December 2025, it shows a pending amount of S/5,359, mainly from the extraordinary advance to bank employees. The decrease comprises the amortization made by employees during 2025.

In December 2024, it shows a pending amount of S/18,289, mainly from the extraordinary advance to bank employees. The decrease comprises the amortization made by employees.

- (e) As of December 31, 2025, the balance comprises mainly: (i) Claims for liabilities of former employees for S/1,670 thousand, (ii) claims against banks in liquidation (Banco República) for S/2,116 thousand, (iii) advances to contractors for S/1,946 thousand, and (v) other claims for S/4,275 thousand.

As of December 31, 2024, the balance comprises mainly: (i) Claims for liabilities of former employees for S/1,333 thousand, (ii) claims against banks in liquidation (Banco República) for S/2,116 thousand, (iii) advances to contractors for S/2,722 thousand, and (v) other claims for S/4,008 thousand.

- (f) As of December 31, 2025, the balance comprises mainly: (i) home payments from ONP for S/11,072 thousand, (ii) accounts to be regularized from Municipalities for S/6,843 thousand, (iii) account administration for S/7,210 thousand, (iv) recovery from provinces for S/1,182 thousand, (v) ESSALUD subsidies for S/1,238 thousand, (vi) for unprocessed operations in savings accounts for S/2,756 thousand, (vii) for resources transferred in trusts for S/3,864 thousand, and (viii) other minor items for S/5,719 thousand. It should be mentioned that the home payments from ONP and accounts to be regularized from Municipalities were collected in January 2026.

As of December 31, 2024, the balance comprises mainly: (i) Programas Juntos Social for S/1,856 thousand, (ii) FEBAN contribution refunds for S/483 thousand, (iii) account administration for S/1,527 thousand, (iv) provincial recoveries for S/1,736 thousand, (v) ONP home payments for S/4,378 thousand, (vi) ESSALUD subsidies for S/1,868 thousand, (vii) cash withdrawals at ATMs for S/1,671 thousand, (viii) resources transferred to trusts for S/3,864 thousand, and (ix) other minor items for S/4,316 thousand. It should be noted that the ONP home payments were collected in January 2025.

- (g) As of December 31, 2025, there are no balances due to daily operations with Red Bancaria de Aduanas. As of December 31, 2024, a pending transaction was generated exceptionally, which was settled and collected in the first days of January 2025.

9 PROPERTY, FURNITURE AND EQUIPMENT, NET

This item comprises:

	<u>Lands</u> S/000	<u>Buildings and other constructions</u> S/000	<u>Improvements to rented properties and facilities</u> S/000	<u>Furniture and equipment</u> S/000	<u>Computer equipment</u> S/000	<u>Vehicles</u> S/000	<u>Works in progress and units to be received</u> S/000	<u>Total</u> S/000
Cost								
Balance as of January 1, 2024	63,984	714,944	22,058	144,642	354,712	323	49,381	1,350,044
Additions (a)	-	-	-	7,872	26,200	-	9,054	43,126
Transfers	-	11,809	108	3,397	341	-	(15,655)	-
Disposals	-	(304)	-	21	(333)	-	(4,825)	(5,441)
Balance as of December 31, 2024 (iv)	<u>63,984</u>	<u>726,449</u>	<u>22,166</u>	<u>155,932</u>	<u>380,920</u>	<u>323</u>	<u>37,955</u>	<u>1,387,729</u>
Additions (a)	-	-	-	5,218	43,344	-	10,395	58,957
Transfers	-	515	2,398	1,664	96	-	(4,673)	-
Disposals	-	(675)	-	(5)	(908)	-	-	(1,588)
Balance as of December 31, 2025 (iv)	<u>63,984</u>	<u>726,289</u>	<u>24,564</u>	<u>162,809</u>	<u>423,452</u>	<u>323</u>	<u>43,677</u>	<u>1,445,098</u>
Depreciation								
Balance as of January 1, 2024	-	335,109	18,836	84,495	291,334	323	-	730,097
Depreciation for the year	-	17,838	192	13,075	30,250	-	-	61,355
Disposals	-	458	-	182	50	-	-	690
Balance as of December 31, 2024 (v)	<u>-</u>	<u>353,405</u>	<u>19,028</u>	<u>97,752</u>	<u>321,634</u>	<u>323</u>	<u>-</u>	<u>792,142</u>
Depreciation for the year	-	17,476	647	12,343	33,261	-	-	63,727
Disposals	-	(577)	16	29	(885)	-	-	(1,417)
Balance as of December 31, 2025 (v)	<u>-</u>	<u>370,304</u>	<u>19,691</u>	<u>110,124</u>	<u>354,010</u>	<u>323</u>	<u>-</u>	<u>854,452</u>
Impairment as of December 31, 2024 (vi)	5,001	10,678	-	2,003	-	-	-	17,682
Impairment as of December 31, 2025 (vi)	5,001	10,620	-	2,003	-	-	-	17,624
Net carrying amount								
As of December 31, 2024 (iv)-(v)-(vi)	<u>58,983</u>	<u>362,336</u>	<u>3,138</u>	<u>56,177</u>	<u>59,286</u>	<u>-</u>	<u>37,955</u>	<u>577,905</u>
As of December 31, 2025 (iv)-(v)-(vi)	<u>58,983</u>	<u>345,365</u>	<u>4,873</u>	<u>50,682</u>	<u>69,442</u>	<u>-</u>	<u>43,677</u>	<u>573,022</u>

- (a) Additions for the year 2025 mainly comprises the acquisition of External Storage Solution (Mainframe Computer) for S/8,198 thousand, power solution unit - PDU for S/9,877 thousand, Network service devices for S/5,317 thousand, central processing unit for S/7,551 thousand; security systems (biometrics) for S/9,339 thousand, furniture and equipment activation in Lima and Provinces for S/5,036 thousand, ongoing work mainly for remodeling of peripheral agencies Cayma-Arequipa for S/1,473 thousand, agency 3 Chocope for S/918 thousand, agency 3 Iberia for S/697 thousand and others for S/7,307 thousand.

Additions for the year 2024 mainly comprises the activation of computers, check readers, biometric access control, printers for use in its agencies, main office and others for S/33,261 thousand, ongoing work for S/9,000 thousand, the transfers mainly comprise the remodeling of the Lima and Provincial Agencies, activation of the Piura Agency for S/14,165 thousand.

- (b) The Bank maintains insurance coverage on its principal assets in accordance with policies established by Management.
- (c) Management periodically reviews the residual value of assets, their useful life, and the depreciation method used to ensure they are consistent with the economic benefit and expected useful life.
- (d) As of December 31, 2025 and 2024, the movement of impairment losses for property, plant and equipment is as follows:

	<u>2025</u> S/000	<u>2024</u> S/000
Balance as of January 1	17,682	17,682
Decrease, derecognition of assets	(59)	-
Balance as of December 31	<u>17,623</u>	<u>17,682</u>

10 OTHER ASSETS AND OTHER LIABILITIES

This item comprises:

	<u>2025</u> S/000	<u>2024</u> S/000
Other assets, net		
Financial instruments		
Main office and branches (a)	63,463	(27,504)
Transactions in transit (b)	71,382	77,606
	<u>134,845</u>	<u>50,102</u>
Non-financial instruments		
Income tax balance (c)	-	13,656
Prepayments and deferred costs (d)	82,903	72,387
Temporary tax on net assets	146,782	98,051
Intangible assets, net (e)	30,279	33,043
Other assets	1,933	1,995
	<u>261,897</u>	<u>219,132</u>
	<u>396,742</u>	<u>269,234</u>
Other liabilities		
Financial instruments		
Transactions in transit (b)	90,729	128,181
Transfers pending payment (f)	48,025	767,602
Cash overage	29,443	27,465
	<u>168,197</u>	<u>923,248</u>

	<u>2025</u>	<u>2024</u>
	<u>S/000</u>	<u>S/000</u>
Non-financial instruments		
Provision for litigation and claims (g)	384,180	358,509
Income tax balance (c)	22,656	-
Provision for indirect loans	17,889	37,623
Deferred income from interest and fees on indirect loans	3,643	6,591
Others	427	427
	<u>428,795</u>	<u>403,150</u>
	<u>596,992</u>	<u>1,326,398</u>

- (a) As of December 31, 2025, the balance at the main office and branches mainly comprises to pending transactions to branches and agencies in Lima, for S/782 thousand, and to provincial branches for S/64,245 thousand (Lima branches and agencies for S/10,278 thousand and provincial branches for S/37,782 thousand as of December 31, 2024). The main type of transaction was remittances transferred from the main office to agencies and offices in the interior of the country, as well as interbank transfers requested by companies in the provincial branch network. These were settled in the first days of January of the following year.
- (b) Transactions in process are mainly those carried out in the last days of the month and reclassified the following month to their final accounts in the statement of financial position; these transactions do not affect the Bank's results.

As of December 31, 2025, the balance of active pending transactions mainly includes:

- (i) After-hours transactions for S/30,504 thousand, this amount is due to the closing of year-end transactions that were regularized in the first days of January 2026.
- (ii) Operational risk transactions for S/926 thousand.
- (iii) Pending doubtful accounts for S/703 thousand for the registration of temporary transactions, which were transferred in the first days of January 2026.
- (iv) Purchase transactions made through POS devices in shops with credit cards for S/17,100 thousand. 85% of these active pending operations have been regularized in the first days of January 2026.
- (vi) Real-Time Gross Release (RTL) and Automatic Clearing House (ACH) operations for S/55,725 thousand, tax collection operations via WEB/APP Credit for S/15,570 thousand, passive account management – checking accounts for S/22,357 thousand, passive account management – savings for S/8,516 thousand, Financial Services Support for S/3,282 thousand and others for S/10,720 thousand.
- (vii) Provision for pending operations / differences to be regularized for S/78,976 thousand, operations to be settled for S/14,960 thousand and others for S/85 thousand.

On the other hand, the balance of pending passive operations mainly includes:

- (i) After-hours transactions for S/9,520 thousand, this amount is due to the closing of year-end transactions that were regularized in the first days of January 2026.
- (ii) Differences to be regularized for S/38,408 thousand mainly comprise of operations in Real-Time Gross Release (RTL) for S/33,179 thousand pending of regularization for credits and charges, operations of the Automatic Clearing House for S/2,159 thousand and others for S/3,070 thousand.
- (iii) Interbank transactions for S/19,760.
- (iv) Multipagos collection and Visa collections for S/11,218 thousand.
- (v) Interbank transactions for S/3,623 thousand.
- (vi) Others for S/8,200 thousand.

(c) As of December 31, 2025, the Bank presents an income tax liability, which corresponds to income tax prepayments and other income tax credits of S/449,126 thousand, presented net income tax provision of 2025 for S/470,698 thousand (see Note 24(a)) and VAT payable for S/1,084 thousand. As of December 31, 2024, the Bank presents an income tax asset, which corresponds to income tax prepayments and other income tax credits for S/405,974 thousand, presented net income tax provision of 2024 for S/388,302 thousand (see Note 24(a)) and VAT payable for S/4,016 thousand.

(d) During 2025, prepayments and deferred costs comprise:

- Insurance (work accident, bank dishonesty and multi-risk policy) deferred for S/4,349 thousand.
- New Multired card for S/42,479 thousand.
- Computer materials for S/1,181 thousand.
- Maintenance and support of IT infrastructure for S/25,335 thousand.
- License subscription service for S/3,378 thousand.
- Others for S/6,181 thousand.

During 2024, prepayments and deferred costs comprise:

- Insurance (work accident, bank dishonesty and multi-risk policy) deferred for S/11,840 thousand.
- New Multired card for S/28,709 thousand.
- Computer materials for S/2,682 thousand.
- Maintenance and support of IT infrastructure for S/20,803 thousand.
- License subscription service for S/6,129 thousand.
- Others for S/2,224 thousand.

(e) In 2025, additions were made to the intangible assets item, mainly related to the development and acquisition of software licenses used for the Bank's own operations for S/15,091 thousand (software expenses for S/10,559, software to be received that is provisioned for S/4,467 thousand, and other adjustments from prior years for S/65 thousand).

In 2024, additions were made to the intangible assets item, mainly related to the development and acquisition of software licenses used for the Bank's own operations for S/11,833 thousand.

In 2025 and 2024, the Bank recorded an amortization of S/17,855 and S/18,555 thousand respectively, in the "Depreciation and Amortization" item of the statement of comprehensive income.

(f) As of December 31, 2025 and 2024, the pending transfer corresponds to payments made after hours, ordered by the MEF and with funds charged from its checking accounts to government suppliers for S/48,025 thousand and S/767,602 thousand, respectively, which were settled mainly in the first days of January 2026 and January 2025, respectively.

(g) It includes provisions for labor and social security claims, as well as for civil and arbitration proceedings filed against the Bank, which have been recorded based on estimates made by Management and the Bank's internal legal advisors. Furthermore, during 2025 and 2024, the Bank made disbursements for these claims of approximately S/128,039 thousand and S/2,747 thousand, respectively. The disbursements for the years 2025 and 2024 consist of: Conciliation payment for the 2019 SUTBAN Award for S/12,960 thousand, the 2023 SUTBAN Award for S/7,168 thousand, the 2019 SINATBAN Award for S/54,524 thousand, the 2023 SINATBAN Award for S/12,538 thousand, claims from active personnel for S/25,080 thousand, claims from lessors for S/12,867 thousand, claims from pensioners for S/1,545 thousand and others for S/1,357 thousand (In 2024 the following disbursements were made: labor claims from active personnel for S/1,447 thousand, claims from lessors for S/1,191 thousand and claims from others for S/109 thousand).

On the other hand, as of December 31, 2025 and 2024, the Bank maintains legal and labor processes for an estimated value of approximately S/244,080 thousand and S/261,055 thousand, respectively, for which; In the opinion of Management and the Bank's internal legal advisors, there are solid arguments to support the claim that the degree of contingency is possible. Therefore, in accordance with current SBS accounting standards, it is not necessary to establish an additional provision for these processes as of December 31, 2025 and 2024. These processes consist of the following: civil proceedings for S/15,349 thousand, arbitration proceedings for S/6,337 thousand, criminal proceedings for S/84 thousand, INDECOPI proceedings for S/642 thousand, and labor proceedings: pension proceedings for S/592 thousand and labor proceedings for S/221,076 thousand, (judicial proceedings: civil proceedings for S/93,210 thousand, arbitration proceedings for S/2,299 thousand, criminal proceedings for S/84 thousand, INDECOPI proceedings for S/1,896 thousand and labor proceedings: pension proceedings for S/834 thousand and labor proceedings for S/162,732 thousand).

11 OBLIGATIONS WITH THE PUBLIC

This item comprises:

	<u>2025</u> S/000	<u>2024</u> S/000
Savings deposits	19,260,148	17,544,339
Checking accounts (a)	16,146,688	16,102,265
Restricted obligations with the public (b)	5,121,149	4,732,718
Social benefits for employees and pensioners (c)	1,334,231	1,397,624
Employees' severance indemnities	79,869	75,367
Time deposits (d)	34,960	36,112
Other obligations with the public (e)	249,745	299,693
	<u>42,226,790</u>	<u>40,188,118</u>
Accrued interest payable (f)	116,320	113,113
	<u>42,343,110</u>	<u>40,301,231</u>

The Bank's policy is to remunerate checking accounts, savings deposits, term deposits, bank certificates, and judicial and administrative deposits according to a progressive scale of interest rates, depending on the term and average balance maintained in these accounts. Additionally, as part of this policy, it has been established that balances below a certain amount for each type of account do not accrue interest.

The interest rates applied to the different deposit and borrowings are determined by the Bank, considering mainly the prevailing interest rates in the Peruvian financial market.

(a) Deposits in checking accounts mainly comprise deposits from:

	<u>2025</u> S/000	<u>2024</u> S/000
Private sector	7,859,645	7,304,550
Central government	1,652,028	2,176,059
Peruvian Ministry of Economy and Finance	4,280,041	4,194,049
Local government	812,073	812,337
Public institutions	761,252	775,980
Regional government	208,254	365,244
State-owned enterprises	298,132	255,600
International organizations and other	240,090	155,548
Essalud	35,173	62,898
	<u>16,146,688</u>	<u>16,102,265</u>

- (b) As of December 31, 2025, it comprises the judicial and administrative deposits, guarantee deposits, court-ordered withholdings, and other items for S/4,681,600 thousand, S/315,439 thousand, S/124,075 thousand, and S/35 thousand, respectively (As of December 31, 2024, S/4,270,163 thousand, S/324,204 thousand, S/138,311 thousand, and S/40 thousand, respectively).
- (c) The provision for employee benefits represents the borrowings assumed for severance pay for active employees, as well as the retirement provision for current and former employees of the Bank. As of December 31, 2025 and 2024, this item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Pension benefits – Decree Law No. 20530	1,330,542	1,393,910
Labor regime - Law No. 4916	3,670	3,691
Labor regime – Decree Law No. 11377	19	23
	<u>1,334,231</u>	<u>1,397,624</u>

Retirement pensions mainly comprises the current value of future pension payments for current and former Bank employees covered by Decree Law No. 20530. These are lifetime annuities received by pensioners due to unemployment, disability, widowhood, orphanhood, and dependent parents. Pension operations have traditionally been considered part of actuarial life insurance; however, they have their own distinct meaning and name due to their economic significance and the actuarial expertise they require. Given the specific characteristics of social security operations, they are defined as operations in which the probable risk coverage period is the entire life of the plan participant.

The movement in the present value of the provision for retirement pensions of pensioners and employees under Decree Law No. 20530 is as follows:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Balance at the beginning of the year	1,393,910	1,296,636
Increase charged to personnel expenses 21(a)	84,725	246,794
Provisions, contributions, pensions and others	2,331	454
Payments made to pensioners	<u>(150,424)</u>	<u>(149,974)</u>
Balance at the end of the year	<u>1,330,542</u>	<u>1,393,910</u>

As of December 31, 2025, retirement pension borrowings decreased by S/ 63,368 thousand compared to 2024, due in part to the reduction in the number of pensioners from 4,045 pensioners as of December 31, 2025, to 4,194 pensioners as of December 31, 2024.

The main actuarial assumptions as of the date of the statement of financial position are as follows:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Discount rate	3.27%	3.27%
Average life expectancy	14.72 años	15.06 años
Active service period	0 años	0 años
Pensioners with bonuses (Aguinaldo)	310	325
Pensioners with statutory bonuses	3,597	3,736
Pensioners without additional benefits	138	133

As of December 31, 2025 and 2024, the discount rate used is 3.27%, in accordance with the Manual on the Methodology for Calculating Actuarial Reserves of the Pension Schemes Administered by Pension Standardization Office (ONP), issued by Resolution No. 152-2021-ONP/JF. The rate is determined based on long-term liabilities and not on asset profitability methods; therefore, the interest rate is equivalent to the long-term rate of the yield curve relevant to the Peruvian case.

Rules for the application of the Annual Technical Interest Rate, the parameters indicated in the Resolution No. 134-2018-JEFATURA/ONP are maintained and the rate was updated by the Resolution No. 189-2022-ONP/JF.

The mortality tables used in actuarial calculations are the mortality tables defined as "Mortality Tables - SP 2005 (Peruvian)" for own right and right of healthy life condition and the mortality tables called MI-85-H and MI-85-M when it is a disabled person, whether male or female, respectively, approved by the MEF through Ministerial Resolution No. 757-2006-EF/15 and constituted in its annex by Ministerial Resolution No. 146-2007-EF/15 of March 23, 2007, which remains in force through Resolution No. 152-2021-ONP/JF.

Article 3, "Maximum Pension Amount," of the law establishing the new rules for the pension system, Legislative Decree No. 20530 – Law No. 28449, issued on December 31, 2014, states that the maximum monthly amount of retirement pensions regulated by Law No. 20530 is two (2) Tax Units (UIT). Therefore, as of December 31, 2025, the calculation of pension reserves for pensioners has been based on a maximum pension amount equivalent to S/10,700 (S/10,300 as of December 31, 2024).

(d) The balance of time deposits classified by maturity is as follows:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Until 3 months	-	27,647
From 3 months to 1 year	34,960	8,465
	<u>34,960</u>	<u>36,112</u>
Interest accrued on time deposits	3	17
	<u>34,963</u>	<u>36,129</u>

(e) Other borrowings to public mainly comprise Management's checks, transfers payable, bank certificates, and others for S/145,108 thousand, S/98,005 thousand, S/4,349 thousand, and S/2,283 thousand, respectively (As of December 31, 2024, S/192,564 thousand, S/97,935 thousand, S/4,866 thousand, and S/4,328 thousand, respectively).

(f) As of December 31, 2025, accrued interest payable corresponds to judicial deposits and administrative deposits for S/111,717 and S/4,603, respectively (as of December 31, 2024, S/108,768 thousand and S/4,345 thousand, respectively).

12 DEPOSITS IN THE FINANCIAL SYSTEM AND INTERNATIONAL FINANCIAL INSTITUTIONS

As of December 31, 2025, it includes demand deposits of S/312,753 thousand and savings deposits of S/3,052 thousand (S/457,175 thousand and S/1,974 thousand, respectively, as of December 31, 2024).

Demand deposits by type of financial institution are as follows:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Mi Vivienda Fund	166,284	239,434
Banking institutions (*)	109,114	140,834
Municipal savings and credit banks	17,803	38,714
Development Finance Corporation (Corporación Financiera de Desarrollo – COFIDE)	15,274	27,470
Financial institutions	5,161	9,538
Rural savings and credit banks	1,708	2,122
Edpymes	453	1,027
Trust services company	8	10
	<u>315,805</u>	<u>459,149</u>

(*) The balance of deposits from banking institutions decreased mainly due to bank transfers made by a government entity that is a depositor of the Bank for its operational activities, considering that the accounts maintained by such entity with the Bank are its main accounts for executing its operations.

Savings deposits mainly comprise deposits placed by municipal savings and credit institutions.

13 SECURITIES, BONDS AND OTHER OUTSTANDING BORROWINGS

In 2016, the Bank performed the First Issuance under its First Subordinated Bond Program for a total amount of S/250 million, which was placed on November 29, 2016.

This item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Subordinated bonds (a)	250,006	250,016
Interest payable	1,671	1,504
	<u>251,677</u>	<u>251,520</u>

(a) These bonds are backed solely by the Bank's equity (Issuer) and have a term of 15 years, maturing on November 30, 2031. The bonds accrue a fixed nominal annual interest rate of 8%, with interest payable semiannually. The entire principal amount will be repaid in a single installment at maturity of the respective series. Subordinated bonds are unsecured and, in accordance with SBS regulations, qualify as Tier 2 equity for regulatory equity purposes.

During 2025 and 2024, accrued interest on subordinated bonds amounted to approximately S/19,990 thousand and S/19,878 thousand, respectively, see Note 18. The payment of principal and related interest will be made through CAVALI.

14 ACCOUNTS PAYABLE

This item comprises:

	<u>2025</u>	<u>2024</u>
	<u>S/000</u>	<u>S/000</u>
Suppliers	192,273	143,928
Taxes collected and withheld (a)	164,964	143,893
Other payables (b)	107,381	106,734
Group performance bonus	78,285	69,696
Workers' profit sharing payable	84,247	69,547
Vacation leave payable	18,623	18,814
Other payables to employees	6,373	6,420
Other contributions	1,822	1,851
Others	141	158
	<u>654,109</u>	<u>561,041</u>

- (a) During 2025, this balance corresponds to taxes collected nationwide by the Bank on behalf of the Peruvian tax and customs authorities ("Superintendencia Nacional de Aduanas y Administración Tributaria" – SUNAT), for S/161,341 thousand, and taxes withheld by the Bank as a withholding agent for S/3,623 thousand. These amounts were transferred to SUNAT in January 2026 (S/134,476 thousand and S/9,417 thousand, respectively, as of December 31, 2024; which were transferred to SUNAT in January 2025).
- (b) Other payables mainly include obligations payable related to refunds to pensioners for S/7,882 thousand (S/7,882 thousand in 2024), corresponding to deductions from employees' severance indemnities that are withheld until the Judiciary orders the disbursement, other payables for S/12,523 thousand (S/9,339 thousand in 2024), obligations arising from transactions performed through ATMs at the Bank's branches and other establishments pending confirmation for S/7,408 thousand and S/1,661 thousand, respectively (S/17,491 thousand and S/2,141 thousand as of December 31, 2024, respectively), payables to pension fund regulator for S/1,996 thousand (S/2,109 thousand in 2024), transfers to FEBAN under the welfare program for S/1,064 thousand (S/1,093 thousand in 2024), checking account administrative charges for S/24,252 thousand (S/18,525 thousand in 2024), fines payable to SUNAFIL for S/4,700 thousand (S/6,177 thousand in 2024) and other smaller amounts for S/45,895 thousand (S/41,977 thousand in 2024).

15 DEFERRED INCOME TAX ASSETS, NET

This item comprises:

	Balance as of January 1, 2024	(Charge) credit to equity	(Charge) credit to profit or loss	Balance as of December 31, 2024	(Charge) credit to equity	(Charge) credit to profit or loss	Balance as of December 31, 2025
	S/000	S/000	S/000	S/000	S/000	S/000	S/000
Deferred assets							
General provision for direct loans and over-indebtedness	73,760	-	6,077	79,837	-	7,428	87,265
Provision for vacation leave	5,921	-	(370)	5,551	-	(57)	5,494
Provision for contingent liabilities generic and specific)	5,921	-	2,497	8,418	-	(5,741)	2,677
Provision for group performance bonus (GPB)	18,681	-	1,879	20,560	-	2,534	23,094
Provision for foreclosed assets	2,906	-	-	2,906	-	4	2,910
Provision for impairment of fixed assets	1,475	-	-	1,475	-	-	1,475
Depreciation of fixed assets	13,951	-	(6,218)	7,733	-	370	8,103
Amortization of intangible assets	17,644	-	(273)	17,371	-	(176)	17,195
Other provisions	17,412	(16,452)	(900)	60	-	473	533
Net assets - Deferred liabilities	(3,026)	-	-	-	-	-	-
Total deferred assets	<u>154,645</u>	<u>(16,452)</u>	<u>2,692</u>	<u>143,911</u>	<u>-</u>	<u>4,835</u>	<u>148,746</u>
Deferred liabilities							
Unrealized earnings on available-for-sale investments	(9,957)	(3,812)	-	(13,769)	(2,500)	-	(16,269)
Depreciation of fixed assets	(11,903)	-	5,469	(6,434)	-	(423)	(6,857)
Exchange difference	(10,162)	-	7,674	(2,488)	-	(7)	(2,495)
Net assets - Deferred liabilities	3,026	-	-	-	-	-	-
Total deferred liabilities	<u>(28,996)</u>	<u>(3,812)</u>	<u>13,143</u>	<u>(22,691)</u>	<u>(2,500)</u>	<u>(430)</u>	<u>(25,621)</u>
Total deferred assets, net	<u>125,649</u>	<u>(20,264)</u>	<u>15,835</u>	<u>121,220</u>	<u>(2,500)</u>	<u>4,405</u>	<u>123,125</u>

16 EQUITY

a) Share stock -

As of December 31, 2025 and 2024, the Bank's authorized capital is S/2,100,000 and paid by the Peruvian government, in accordance with the provision of Article 5 of the Bank's bylaws.

At Board Meeting No. 2517, dated July 4, 2024, the distribution of net profit for fiscal year 2023 was approved, including the capitalization of S/100,000 thousand as authorized by Supreme Decree No. 294-2023-EF, to reach the paid-in capital of S/2,100,000 thousand stipulated in Article 5 of the Statutes of Banco de la Nación, which were approved by Supreme Decree No. 07-94-EF and amended by Article 1 of Supreme Decree No. 294-2023-EF.

The Bank's share capital is not represented by shares or securities of any kind.

b) Additional capital -

Land donations made by different entities in favor of the Bank.

c) Legal reserve -

In accordance with the applicable laws, the Bank is required to allocate at least 35% of its net profits to a legal reserve under the Banking Law. This allocation is required until the reserve equals 10% of the paid-in capital.

At Board Meeting No. 2572, dated August 15, 2025, the Board of Directors agree to establish a legal reserve for S/35,000 thousand to reach the minimum requirement of S/735,000 thousand, equivalent to 35% of the share capital, as established in the General Law of the Financial and Insurance Systems and Organic Law of Banking and Insurance.

At Board Meeting No. 2517, dated July 4, 2024, it was agreeing to establish a legal reserve for S/140,000 thousand to reach the minimum requirement of S/700,000 thousand, equivalent to 35% of the share capital, as established in the General Law of the Financial and Insurance Systems and Organic Law of Banking and Insurance.

d) Unrealized earnings -

Unrealized gains (losses) comprise the fluctuations due to changes in the fair value of investments classified as available for sale. The movement of unrealized gains (losses) in 2025 and 2024, net of deferred income tax, was as follows:

	<u>Note</u>	<u>S/000</u>
Balance as of January 1, 2024		(652,702)
Transfer to profit or loss of net loss realized on available-for-sale investments	20	80,871
Unrealized loss (gain) on available-for-sale investments, net		110,658
Deferred income tax	15	(3,812)
Balance as of December 31, 2024		<u>(464,985)</u>
Transfer to profit or loss of net loss realized on available-for-sale investments	20	10,546
Unrealized loss (gain) on available-for-sale investments, net		241,757
Deferred income tax	15	(2,500)
Balance as of December 31, 2025		<u>(215,182)</u>

e) Retained earnings -

At Board Meeting No. 2572 dated August 15, 2025, the following was agreed:

- To establish the Legal Reserve for S/35,000 thousand to reach the minimum established amount of S/735,000 thousand, equivalent to 35% of the share capital established as of December 31, 2024, which amounts to S/2,100,000 thousand, pursuant to the provisions of Law No. 26702, General Law of the Financial and Insurance Systems and Organic Law of Banking and Insurance.
- To transfer to the Peruvian Ministry of Economy and Finance the remaining balance of profits from fiscal year 2024, an amount of S/1,361,052 thousand, once the Finance and Treasury Management has a report from the Risk Management regarding the Bank's risk indicators, the result of which shows that the Bank's solvency and sustainability are not altered by the transfer.

At Board Meeting No. 2517 dated July 4, 2024, the following was agreed:

- To capitalize S/100,000 thousand, as authorized by Supreme Decree No. 294-2023-EF, to reach paid-in capital of S/2,100,000 thousand.
- To establish the Legal Reserve for S/140,000 thousand to reach the minimum established amount of S/700,000 thousand, equivalent to 35% of the share capital established as of December 31, 2023, which amounts to S/2,000,000 thousand.
- To amortize the pending balance of the bond from Supreme Decree No. 002-2007-EF, in accordance with the provisions of the Bank's Bylaws – Supreme Decree No. 07-94-EF, for S/38,125 thousand.
- To transfer to the Peruvian Ministry of Economy and Finance the remaining balance of profits from fiscal year 2023, which amounts to S/322,385 thousand.

In 2025 and 2024, the Bank has recorded in the "Retained earnings" account various adjustment entries for the regularization of transactions and provisions for operating losses corresponding to previous years, for approximately S/10,952 thousand and S/25,160 thousand, respectively, which are made up as follows:

	<u>2025</u>	<u>2024</u>
	<u>S/000</u>	<u>S/000</u>
Adjustment for correction or regularization of provisions	29,952	21,737
Adjustment of income tax / tax credit	(16,121)	(42,288)
Adjustment worker's profit sharing	<u>(2,879)</u>	<u>(4,609)</u>
Total	<u>10,952</u>	<u>(25,160)</u>

In this regard, considering the materiality of the regularization adjustments and the corresponding coordination carried out with the SBS, the Bank recorded said adjustments from previous years directly in "Retained earnings" of equity as a movement of the year.

f) Regulatory capital -

As of December 31, the composition of the regulatory capital is as follows:

	<u>2025</u> S/000	<u>2024</u> S/000
Level 1		
Common shares	2,100,000	2,100,000
More		
Accumulated profit	41,617	41,036
Net profit for the year	1,336,346	1,393,315
Legal reserve	735,000	700,000
Less		
Securities issued by companies in the financial system	(66,919)	(59,787)
Accumulated loss	(11,664)	(19,298)
Unrealized loss on available-for-sale investments	(262,764)	(506,386)
Software	(30,279)	(33,043)
	<u>3,841,337</u>	<u>3,615,837</u>
Level 2		
More		
Redeemable subordinated bonds	250,006	250,016
Generic provisions for loans	248,848	202,843
	<u>498,854</u>	<u>452,859</u>
Total regulatory capital	<u>4,340,191</u>	<u>4,068,696</u>

In accordance with Legislative Decree 1028, the regulatory capital shall be equal to or greater than 10% of the total risk-weighted assets and indirect loans, which correspond to the sum of regulatory capital requirement for market risk multiplied by 10, regulatory capital requirement for operational risk multiplied by 10, and risk-weighted assets and indirect loans for credit risk multiplied by 10.

As of December 31, 2025 and 2024, pursuant to Legislative Decree No. 1028 and its amendments, the Bank has the following risk-weighted assets and indirect loans and regulatory capital (core and supplementary), expressed in Peruvian soles.

	<u>2025</u> S/000	<u>2024</u> S/000
Risk-weighted assets and indirect loans	25,350,619	22,222,976
Regulatory capital	4,340,191	4,068,696
Core regulatory capital	3,841,337	3,615,837
Supplementary regulatory capital	498,854	452,859
Global capital to effective equity ratio	17.12%	18.31%

As of December 31, 2025 and 2024, the Bank is in compliance with SBS Resolutions No. 2115-2009, No. 6328-2009, and No. 14354-2009, which set forth the "Regulations for Effective Equity Requirements for Operational Risk, Market Risk and Credit Risk", respectively and amendments. Such Resolutions mainly establish the methods that financial institutions shall use to calculate risk-weighted assets and indirect loans per risk.

In December 2022, the SBS, through Resolution No. 03953-2022, approved the new regulations for calculating the capital requirement for additional risks for financial institutions. According to these regulations, the additional capital requirement will be equal to the sum of the capital requirements calculated for each of the following components: individual, sectoral, and regional concentration risk, and interest rate risk in the banking book.

As of December 31, 2025, the Bank's additional regulatory capital amounts to approximately S/265,339 thousand (S/205,113 thousand as of December 31, 2024).

In December 2022, SBS, through Resolution No. 03954-2022, approved the new regulations for calculating the capital buffer requirements based on the economic cycle and market concentration risk. These buffers must be covered with Common Equity Tier 1, the highest quality capital. A new capital buffer, called the conservation buffer, is incorporated to be used when financial institutions incur losses during periods of stress, as determined by the regulator. The SBS has established a four (4) year period for building this buffer. Furthermore, the capital requirement based on the economic cycle is updated to improve risk sensitivity, and clarifications are added regarding the requirement for market concentration risk.

As of December 31, 2025, the Bank's estimated capital buffer requirement, based on economic cycle and market concentration risk, amounts to approximately S/602,077 thousand (S/388,902 as of December 31, 2024).

On March 26, 2020, the SBS issued Resolution No. 1264-2020, establishing that the calculation of effective equity requirements will not be increased in relation to the weighting factor for non-revolving mortgage and consumer loans that have been subject to rescheduling with extended maturity dates. This resolution also authorizes financial institutions to use the additional regulatory capital accumulated due to the economic cycle component.

In this regard, the Bank has granted loan reschedulings to its clients. These reschedulings consisted of making changes to the payment schedules and/or granting grace periods, so that the original term of the loan is extended. However, according to SBS, this increase in the loan maturity period has not generated that the Bank requires greater cash equity requirements due to the weighting factor.

In management's opinion, the Bank complies with the requirements set out in the resolutions.

17 CONTINGENT RISKS AND COMMITMENTS

This item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Contingent operations (Indirect credits) (a)		
Letter of guarantee	290,377	96,692
Letter of credit (a.i)	<u>91,800</u>	<u>2,962,261</u>
	<u>382,177</u>	<u>3,058,953</u>
Unused lines of credit and credits granted but not disbursed (b)		
	<u>3,013,634</u>	<u>4,184,671</u>
Total contingent operations	<u><u>3,395,811</u></u>	<u><u>7,243,624</u></u>

(a) In the normal course of its operations, the Bank engages in contingent operations (indirect loans). These operations expose it to credit risks in addition to the amounts recognized in the statement of financial position. The risk of credit losses from letters of guarantee and letters of credit is represented by the amounts specified in the contracts for these instruments.

The Bank applies the same policies it uses for granting direct loans when engaging in contingent operations, including obtaining collateral when it deems it necessary. Guarantees are diverse and include deposits held in financial institutions, mortgages, securities, or other assets.

Considering that most contingent operations (indirect credits) are expected to mature without having to be settled, the total of contingent operations does not necessarily represent future cash requirements.

- (a.i) As of December 31, 2025, the balance of letters of credit shows a decrease of S/2,870,461 thousand compared to December 31, 2024, mainly due to the cancellation of the credit line granted to Petroperú for S/2,899,782 thousand, which allowed it to maintain import financing.
- (b) Unused credit lines and granted but undisbursed credit lines do not represent commitments to grant credit. They mainly include consumer and corporate credit lines, which can be canceled when the customer receives the notification.

18 INTEREST INCOME AND EXPENSES

This item comprises:

	<u>Note</u>	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Interest income			
Interest on loan portfolio		1,975,885	1,777,694
Interest on available-for-sale investments	6(d)	185,562	201,772
Interest on available funds		448,079	854,758
Interest on held-to-maturity investments	6(g)	<u>350,673</u>	<u>343,019</u>
		<u>2,960,199</u>	<u>3,177,243</u>
Interest expenses			
Interest and fees on deposits and borrowings		(51,328)	(51,392)
Deposits from companies in the Financial System and International Financial Organizations		(2)	-
Interest on outstanding securities and borrowings	13	(19,990)	(19,878)
Commissions on outstanding securities and borrowings		(187)	(88)
		<u>(71,507)</u>	<u>(71,358)</u>
Gross financial margin		<u>2,888,692</u>	<u>3,105,885</u>

19 INCOME AND EXPENSES FROM FINANCIAL SERVICES

This item comprises:

	<u>2025</u> S/000	<u>2024</u> S/000
Financial services revenue		
Cash service revenue (a)	507,527	457,090
Insurance sales commission revenue (b)	103,179	91,843
Tax collection services revenue (c)	64,702	60,447
VISA commission revenue	44,975	43,406
Transfer services revenue (d)	11,725	13,638
Multired ATMs revenue	5,245	5,997
Contingent operations revenue	17,932	21,146
Energy Social Inclusion Fund (FISE) commissions revenue	11,529	13,306
Multired cards commissions revenue	9,463	9,527
Debit memos withdrawal revenue	8,170	10,182
Payment collections revenue	7,147	7,543
Exchange of checks received from other banks revenue	4,560	6,093
Penalties for payments to suppliers revenue	2,745	2,971
Share premises revenue	1,407	1,514
Other financial services revenue (e)	87,367	71,168
	<u>887,673</u>	<u>815,871</u>
Financial services expenses		
Transportation, custody and administration of cash and securities	(158,124)	(140,513)
Credit and debit cards	(103,757)	(120,033)
Omnichannel banking service	(19,078)	(17,292)
CORE banking service	(15,975)	(14,644)
Mobile banking	(13,201)	(9,327)
Home payment service – ONP	(7,545)	(7,582)
Other financial services expenses (f)	(59,388)	(37,219)
	<u>(377,068)</u>	<u>(346,610)</u>

- (a) In 2025, cash service revenue mainly comprises the commissions for collection services for the General Directorate of the Public Treasury for S/473,654 thousand, correspondent banking services for S/33,221 thousand, and others for S/652 thousand. (In 2024, S/419,374 thousand, S/36,983 thousand and S/733 thousand).
- (b) In 2025, commission revenue from insurance sales amounted to S/103,179 thousand, comprised of debit card insurance commissions for S/19,913 thousand, mortgage protection insurance commissions for S/57,544 thousand, protected quota insurance commissions for S/10,053 thousand, funeral insurance for S/5,315 thousand, credit card mortgage protection insurance for S/3,972 thousand, cancer/serious illness insurance for S/2,229 thousand, and others for S/4,153 thousand. (In 2024, S/19,286 thousand, S/50,492 thousand, S/9,175 thousand, S/5,212 thousand, S/4,178 thousand, S/2,055 thousand and S/1,445 thousand, respectively).
- (c) In 2025, revenue from tax collection services comprises the collection of taxes administered by SUNAT for S/26,853 thousand and the collection of fees corresponding to other entities (National Police of Peru, Poder Judicial, ONP, among others) for S/37,849 thousand (In 2024, S/27,650 thousand and S/32,797 thousand, respectively).

- (d) In 2025, the revenue from transfer services comprises the commissions for remittance system service for S/2,667 thousand, correspondent banking remittance service for S/1,212 thousand and fund transfer service for S/7,846 thousand. (In 2024, S/3,708 thousand, S/1,955 thousand and S/7,975 thousand, respectively).
- (e) In 2025, other financial services revenue comprises mainly interbank transfer fees for S/26,213 thousand, checking account fees for S/3,888 thousand, fiduciary service fees for S/5,029 thousand, large deposits into savings accounts for S/1,173 thousand, multi-fleet service fees for S/1,037 thousand, account statement fees for S/3,309 thousand, BN ATM fees for S/6,804 thousand, other transaction fees for S/1,762 thousand, ATM usage fees for S/2,657 thousand, ONP home payment service for S/7,545 thousand, and other fees for S/27,950 thousand. (As of December 31, 2024, interbank transfer fees for S/20,203 thousand, checking account fees for S/4,224 thousand, fiduciary service fees for S/5,050 thousand, large deposits into savings accounts for S/2,268 thousand, multi-fleet service fee for S/982 thousand, account statement fees for S/3,392 thousand, BN ATM fees S/9,191, other transaction fees for S/1,216 thousand, ATM usage fees for S/1,264 thousand and ONP home payment service for S/7,582 thousand and others for S/15,796 thousand).
- (f) In 2025, other financial services expenses registered a variation of S/22,169 thousand, which mainly comprises an increase in expenses for the aggregator service –banking agent for S/5,726 thousand, outsourcing service for S/13,309 thousand, special service of digital transformation process for S/1,525 thousand and new mobile and internet banking platform for S/3,253 thousand.

20 PROFIT FROM FINANCIAL OPERATIONS

This item comprises:

	<u>Note</u>	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Net loss on available-for-sale investments (c)	16(c)	(10,546)	(80,871)
Net gain from exchange differences and foreign exchange operations		87,783	90,130
Other		8	1,139
		<u>77,245</u>	<u>10,398</u>

21 ADMINISTRATIVE EXPENSES

This item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Expenses from Personnel and Board of Directors (a)	(669,731)	(831,953)
Services provided by third parties (b)	(374,267)	(345,455)
Taxes and contributions	(130,885)	(133,761)
	<u>(1,174,883)</u>	<u>(1,311,169)</u>

(a) The composition of personnel and Directorate expenses is as follows:

	<u>Note</u>	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Remunerations		(216,705)	(222,134)
Pensioners' retirements	11(c)	(84,725)	(246,794)
Worker's profit sharing - legal		(83,978)	(69,278)
Group performance bonus		(56,600)	(56,600)
Allowances		(56,344)	(52,209)
Statutory bonuses		(42,416)	(44,312)
Collective bargaining bonus		(49,392)	(27,044)
Employees' severance indemnities		(22,539)	(23,294)
Security and social welfare		(22,092)	(22,834)
Uniforms		(6,482)	(7,182)
Per diem		(6,362)	(6,506)
Extra hour		(6,034)	(12,337)
Extraordinary bonuses		(2,570)	(2,620)
Extraordinary statutory bonuses		-	(18,339)
Early retirement (*)		-	(10,578)
Other expenses		(13,492)	(9,892)
		<u>(669,731)</u>	<u>(831,953)</u>
Average number of employees		<u>4,354</u>	<u>4,433</u>

(*) No early retirement was approved for 2025.

At Board Meeting No. 2526, held on September 12, 2024, the Board approved the Guidelines for the 2023 Early Retirement Plan. In this regard, employees between the ages of 60 and 69 with indefinite-term contracts who chose to take advantage of this benefit submitted their retirement applications, which were evaluated by the Bank's Evaluation Committee and paid according to the allocated budget.

(b) The composition of expenses for services received from third parties is as follows:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Repair, maintenance and cleaning	(133,452)	(134,735)
Expenses for the provision of services	(12,988)	(15,163)
Communications and other services	(55,422)	(56,627)
Security and services	(33,924)	(31,956)
Professional services	(31,955)	(23,078)
Rental of property and other goods.	(21,736)	(19,228)
Transportation, mobility, and courier services.	(4,213)	(3,721)
Printing services	(2,950)	(4,682)
Other services (*)	(77,627)	(56,265)
	<u>(374,267)</u>	<u>(345,455)</u>

(*) The variation presented by other services for S/21,362 thousand is made up of IBM services for S/11,178 thousand, special office administration for S/4,861 thousand and others for S/5,323 thousand.

22 VALUATION OF ASSETS AND PROVISIONS

This item comprises:

	<u>2025</u>	<u>2024</u>
	<u>S/000</u>	<u>S/000</u>
Provision for litigation and claims, net (a)	(160,702)	(204,651)
Improper payments via YAPE (b)	-	28,716
Provision for pending transactions, net (c)	(69,158)	(25,108)
Provision for indirect loans of doubtful collection	16,588	(10,214)
Provision for doubtful accounts receivable (d)	(12,339)	3,160
Others	(1,626)	21
	<u>(227,237)</u>	<u>(208,076)</u>

- (a) For the year ended December 31, 2025, provisions for litigation and claims mainly comprise provisions for labor lawsuits and civil lawsuits for S/194,139 thousand and S/8,118 thousand, respectively, net of a reversal of S/41,555 thousand (as of December 31, 2024, S/218,363 thousand and S/0, respectively, net of a reversal of S/13,712 thousand).
- (b) In October 2023, the Bank recorded a provision for duplicate payments on online transactions via the YAPE app, amounting to S/30,093. As of December 31, 2023, this provision had been reversed by S/1,377 due to recoveries. In 2024, through technical analysis and evaluation of supporting documentation, the Bank determined that the improper payments would qualify as an event generating a loss due to operational risk. Therefore, the Bank reversed the provision for improper YAPE payments by S/28,716 to recognize the loss, based on the new evaluation. In 2025, no improper payments were made in this regard that would result in the recognition of a provision.
- (c) Pursuant to SBS Resolution No. 467-2023, SBS amends the Accounting Manual for companies of the Financial System as of January 2024. Therefore, in accordance with the multiple memorandum No. 155-2023-BN/6210 dated July 10, 2023 on SBS Provisions – Operations in process, debtor account 1908, which states: “For any entries recorded in account 1908 that remain unresolved for more than 30 calendar days, the Accounting Department will set aside provisions equal to 100% of such amounts”, the indicated provision is made during 2025, amounting to S/69,158 thousand (in 2024, it amounts to S/25,108 thousand).
- (d) In 2025, it corresponds to losses from the CRECER Fund of S/3,225 thousand, income from the reversal of the FAE MYPE provision of S/19,707 thousand and FOGEM of S/1 thousand, see Note 8(a) and Note 8(b). It also includes the expense of the provision for doubtful accounts of other receivables for S/28,822 thousand. In 2024, it corresponds to losses from the CRECER Fund for S/5,463 thousand, income from the reversal of the FAE MYPE provision for S/9,151 thousand and FOGEM for S/8 thousand, see Note 8(a) and Note 8(b). It also includes the expense of the provision for doubtful accounts of other receivables for S/536 thousand.

23 OTHER INCOME AND EXPENSES, NET

This item comprises:

	<u>2025</u> <u>S/000</u>	<u>2024</u> <u>S/000</u>
Other income		
Rental income	3,655	3,860
Compensation for losses	674	1,370
Other income (a)	<u>6,353</u>	<u>13,441</u>
	<u>10,682</u>	<u>18,671</u>
Other expenses		
Losses and accidents not covered by insurance (b)	(10,604)	(33,788)
Audit result (c)	(7,359)	-
Administrative and tax penalties	(7,257)	(9,711)
Donations made	(757)	(743)
Disposal of property, furniture and equipment	-	(88)
Other expenses	<u>(700)</u>	<u>(1,442)</u>
	<u>(26,677)</u>	<u>(45,772)</u>
Other income, net	<u>(15,995)</u>	<u>(27,101)</u>

- (a) For fiscal year 2025, this includes revenue from fines and late fees totaling S/634,000, an insurance premium discount agreement totaling S/1,722,000, a reversal of provisions: INDECOPI fines totaling S/887,000, SUNAFIL fines totaling S/1,242,000, and other items totaling S/1,868,000. (For fiscal year 2024, this includes the settlement of the balance of the COVID-19 Bonus account, amounting to S/8,859 thousand as income in favor of the Bank, income from late payments and penalties amounting to S/844 thousand, reversal of provision for INDECOPI fines amounting to S/1,233 thousand, income from the enforcement of surety bonds amounting to S/868 thousand, and others amounting to S/1,637 thousand).
- (b) During fiscal year 2025, the following loss associated with operational risk—Clients, products, and business practices—was recognized in the amount of S/5,729 thousand: Due to the lack of two-factor authentication in Corporate Banking, social engineering incidents were facilitated through phishing, smishing, and vishing with caller ID spoofing, through which third parties gained access to confidential data known exclusively to clients; additionally, external fraud, assault, and theft amounting to S/2,967 thousand and other losses amounting to S/1,908 thousand. (During fiscal year 2024, this corresponds to the recognition of the loss due to improper YAPE credits amounting to S/28,716. Based on technical analyses and the evaluation of new evidence, it was determined that, in accordance with the guidelines established in SBS Resolution No. 2116-2009, Regulations for Operational Risk Management, the provision for doubtful accounts made (Note 22b) was reversed; as well as external fraud, assault, and theft amounting to S/4,264 thousand and other items amounting to S/808 thousand).
- (c) Limited income tax, resulting from the audit process by SUNAT for the fiscal year 2019, amounting to S/6,819 thousand, interest on limited income tax for the fiscal year 2019 amounting to S/419 thousand and penalty for corrective audit for 2020 amounting to S/121 thousand.

24 TAX SITUATION

- a) The Bank is subject to the Peruvian tax regime. As of December 31, 2025 and 2024, the income tax rate is 29.5% on the net taxable income determined by the Bank.

The income tax rate applicable to the dividend distribution and any other form of profit distribution is 5%, for profits generated and distributed from January 1, 2017 onwards.

For the years ending December 31, 2025 and 2024, the Bank has determined a profit tax of S/466,293 and S/372,467, respectively.

Income tax expense comprises:

	<u>2025</u>	<u>2024</u>
	S/000	S/000
Current, Note 10(c)	470,698	388,302
Deferred, Note 15	(4,405)	(15,835)
	<u>466,293</u>	<u>372,467</u>

The reconciliation of the effective income tax rate with the tax rate is as follows:

	<u>2025</u>		<u>2024</u>	
	S/000	%	S/000	%
Accounting profit before income tax	1,808,046	100	1,767,844	100
Theoretical expenditure	533,374	29.5	521,514	29.5
Effect of non-deductible expenses				
Common expenses related to non-taxable and exempt income	122,304	7	105,144	6
Other non-deductible expenses	151,066	8	177,885	10
Effect of non-taxable income				
Unaffected interests	(289,871)	(16)	(412,142)	(23)
Sale of securities not subject to tax	66,621	4	24,845	1
Other non-taxable income	(117,201)	(6)	(44,779)	(3)
Income tax recorded, current and deferred	<u>466,293</u>	<u>26</u>	<u>372,467</u>	<u>21</u>

The temporary tax on net assets (ITAN by its acronym in Spanish) is 0.4% for 2025 and 2024, applicable to net assets exceeding S/1 million. This tax may be paid in full or in nine successive monthly installments. The amount paid may be applied against estimated tax payments under the Peruvian General Income Tax Regime. Any remaining balance may be refunded. The Bank has calculated the ITAN for 2025 at S/188,720 (S/187,572 in 2024).

As of December 31, 2025 and 2024, according to the Peruvian tax system, the value added tax - VAT (IGV in Peru) rate is 18%.

- b) The tax loss regime regulated in Article 50 of the Peruvian Income Tax Law establishes 2 systems for offsetting tax losses:
- Offset them by applying them year by year, until the full amount is used up, against the net third-category income earned in the four fiscal years immediately following the fiscal year in which they were generated. Any balance remaining after that period has elapsed may not be offset in subsequent fiscal years.
 - Offset them by applying them year by year, until the full amount is used up, against 50% of the net third-category income earned in the immediately following fiscal years, with no time limit.

Pursuant to Legislative Decree No. 1481 enacted on May 8, 2020, exceptionally the period for carrying forward losses under system A) of loss compensation, only for the total net loss of third category of Peruvian source obtained in the taxable year 2020, will be five years.

- c) The Peruvian tax authorities have the right to review and, if necessary, amend the income tax determined by the Bank in the last four years from January 1 of the year following the date of filing the corresponding tax return. Income tax return and VAT returns from 2021 to 2025 are pending review by the Peruvian tax authorities.

Since discrepancies may arise over the interpretation of the tax laws by Peruvian tax authorities, it is currently not possible to determine whether these reviews will result in additional liabilities for the Bank. Any additional tax, penalties and interest will be recognized in profit or loss of the period when such differences of opinion with the Peruvian tax authorities are resolved. However, Management and its legal advisors consider that any eventual additional tax settlement will not be material for the financial statements as of December 31, 2025 and 2024.

- d) For income tax purposes, transactions between related parties and/or those entered into with parties domiciled in tax havens are subject to transfer pricing rules. These transactions must have documentation and information supporting the valuation methods and criteria applied in their determination.

Based on an analysis of the Company's business, Management and its legal advisors consider that no significant contingencies will arise as a result of this legislation for the Company as of December 31, 2025 and 2024.

- e) The Bank has assessed its uncertain positions regarding tax treatments in accordance with IFRIC 23 and determined, based on its tax compliance and transfer pricing review, that its tax treatments are likely to be accepted by the Peruvian tax authorities. The Interpretation had no impact on the Bank's financial statements as of December 31, 2025 and 2024.

The Bank considers its provisions for tax liabilities to be adequate for all open fiscal years based on an assessment of different factors, including interpretations of tax law and prior experience.

- f) The Bank is not currently subject to the Global Minimum Tax, also known as Pillar Two, because this legislation has not yet been approved for implementation in Peru. The Bank will assess the potential effects of this legislation on its financial statements once it is approved for implementation.
- g) Main tax regulations issued in 2025

Changes to the Regulations of the Peruvian Income Tax Law

In 2025, several regulations were enacted that modify and update the Peruvian Income Tax Law Regulations to adapt their application to changes introduced by new laws and decrees:

- a) Supreme Decree No. 302-2025-EF
- It amends the Regulation to adapt the transfer pricing rules in accordance with the changes introduced by Legislative Decree No. 1663.
 - It establishes principles and parameters for so-called "other valuation methods" when traditional methods do not adequately reflect the reality of related party transactions.
 - It includes the new Article 113-B and adjustments to several articles of the regulation (111, 114, 115).
 - These rules seek to align with international valuation standards.
 - The regulation was enacted in December 2025 and has been effective since January 1, 2026.

Other related tax modifications and adjustments

Adjustments to the content of the Law: according to the Peruvian Ministry of Economy and Finance, in 2025 general modifications were made to the Peruvian Income Tax Law to clarify technical aspects such as:

- Calculating the computable cost versus market value,
- Inflation adjustments, where applicable, in the sale of assets.
- Definition of the value of stock in inventories,
- And other details that facilitate compliance with and understanding of tax obligations.

25 CLASSIFICATION OF FINANCIAL INSTRUMENTS

The amounts of financial assets and liabilities in the statement of financial position, classified by category as defined by IAS 39, are as follows:

	As of December 31, 2025					As of December 31, 2024				
	Loans and receivables	Available-for-sale	To maturity	Financial liabilities at amortized cost	Total	Loans and receivables	Available-for-sale	To maturity	Financial liabilities at amortized cost	Total
	S/000	S/000	S/000	S/000	S/000	S/000	S/000	S/000	S/000	S/000
Financial assets										
Available	16,837,389	-	-	-	16,837,389	14,576,739	-	-	-	14,576,739
Available-for-sale investments	-	4,678,557	-	-	4,678,557	-	7,601,024	-	-	7,601,024
Investments to maturity	-	-	5,487,413	-	5,487,413	-	-	5,309,497	-	5,309,497
Loan portfolio, net	19,773,613	-	-	-	19,773,613	17,723,480	-	-	-	17,723,480
Receivables, net	279,846	-	-	-	279,846	472,205	-	-	-	472,205
Other assets, net	134,845	-	-	-	134,845	50,102	-	-	-	50,102
	<u>37,025,693</u>	<u>4,678,557</u>	<u>5,487,413</u>	<u>-</u>	<u>47,191,663</u>	<u>32,822,526</u>	<u>7,601,024</u>	<u>5,309,497</u>	<u>-</u>	<u>45,733,047</u>
Financial liabilities										
Obligations to the public	-	-	-	42,343,110	42,343,110	-	-	-	40,301,231	40,301,231
Deposits in the financial system and international financial institutions	-	-	-	315,805	315,805	-	-	-	459,149	459,149
Securities, bonds and outstanding obligations	-	-	-	251,677	251,677	-	-	-	251,520	251,520
Payables	-	-	-	654,108	654,108	-	-	-	561,041	561,041
Other liabilities	-	-	-	168,197	168,197	-	-	-	923,248	923,248
	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,732,897</u>	<u>43,732,897</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,496,189</u>	<u>42,496,189</u>

26 FINANCIAL RISK MANAGEMENT

Due to the nature of its activities, the Bank is exposed to market risks arising from interest rate and foreign exchange positions, as well as liquidity, operational, and credit risks, all of which are subject to general and specific market movements. These risks are managed through a process of identification, measurement, and continuous monitoring, subject to risk limits and other controls.

The Bank's overall risk management program focuses primarily on credit risk, whereby the Bank seeks to minimize its potential adverse effects on its financial performance.

The Bank's Management is aware of current market conditions and, based on its knowledge and experience, controls the aforementioned risks, following policies approved by the Board of Directors. The independent risk control process does not include business risks such as changes in the environment, technology, and industry. These are monitored through the Bank's strategic planning process.

Structure and organization of risk management

At the Bank, risk management policies, including hedging and mitigation policies, are based on the respective regulations governing their management. These regulations address credit, operational, market, liquidity, and country risk. Furthermore, specialized committees are in place to report on the management of each of the risks to which the Bank is exposed.

The Bank's Board of Directors is ultimately responsible for identifying and controlling risks; however, there are several separate and independent bodies responsible for risk management and monitoring, as explained below:

i Board of Directors

The Board of Directors is the highest-ranking organizational unit whose mission is the direction and general control over the financial and administrative operations of the Bank.

The Board has created specialized committees to which it has delegated specific functions to strengthen risk management and internal control.

ii Risk Committee

The Risk Committee is responsible for the risk mitigation strategy, as well as for approving the objectives, guidelines, policies, procedures, and methodologies for risk identification and management, among others. It is also responsible for supporting actions that ensure the Bank's financial viability in addressing the risks to which it is exposed.

The Risk Committee reports to the Board of Directors and is made up of only three (3) members of the Board, one of whom must not hold an executive position in the company and must chair it. They meet at least once a month or at the request of one of them.

iii Audit Committee

The Audit Committee serves as the coordinating body between the Board of Directors, the Internal Audit Department, and the Institutional Oversight Department, and was established to monitor the proper functioning of the internal control system.

The Audit Committee reports to the Board of Directors and is primarily responsible for ensuring that accounting and financial reporting processes are appropriate, as well as for reporting to the Board on the implementation of recommendations issued by the SBS and the Comptroller General of the Republic, and those arising from the Bank's audits, verifying that the necessary actions have been taken. The Committee meets on a regular basis, at least once a month.

The Audit Committee consists of three members of the Board of Directors who do not hold management positions at the Bank, one of whom serves as chair.

iv Asset and liability management committee

The Asset and Liability Management Committee is established to define and manage the structure of the Bank's Assets and Liabilities in its financial statements, and to monitor liquidity risk, through the analysis of indicators that reflect the results of business and investment strategies, in order to maximize profitability considering the level of risk assumed and ensuring that the company has sufficient resources to face a set of unexpected events that affect its liquidity, such as the loss or reduction of sources of financing.

This committee consists of the CEO, General Manager, Finance and Treasury Manager, Product and Financial Inclusion Manager, and Risk Manager. In addition, the Manager of Planning and Management Control, the Assistant Manager of Economic and Financial Studies, the Assistant Manager of the Money Market Desk, the Assistant Manager of Credit and Financial Risks, and the official in charge of the Investment Portfolio will serve as permanent guests; they meet at least once a month to discuss matters related to asset and liability management.

v Credit Committee

The Credit Committee is an autonomous body for the approval of direct and indirect corporate loans, mortgage loans or other credit facilities in accordance with the limits established by the Board of Directors.

It is composed of the CEO, who serves as chair; the General Manager; the Manager of Products and Financial Inclusion, who serves as the Committee's secretary; and the Risk Manager, who serves as a non-voting observer; employees may also be invited to participate at the Committee's discretion.

The Credit Committee meets as needed to analyze the proposals submitted; however, it must meet at least every three months.

vi General Management

The General Manager is responsible for managing the Bank's operations and resolving matters that require his or her intervention, in accordance with the Board of Directors' resolutions, and serves as the Bank's legal and administrative representative.

Furthermore, one of the General Manager's primary responsibilities is to plan, schedule, organize, and supervise the activities and operations of the Bank's departments in accordance with the policies established by the Board of Directors; to this end, the General Manager may delegate part of his or her authority to other management officials at the Head Office or to the heads of decentralized branches (Regional Managers).

Risk measurement and reporting systems

Risk monitoring and control are primarily based on the limits established by the Peruvian banking regulator ("Superintendencia de Banca, Seguros y AFP" - SBS). These limits reflect the Bank's strategy and market environment, as well as the level of risk the Bank is willing to accept. The Bank also monitors and measures its overall risk tolerance capacity in relation to its total risk exposure and all types of risk.

The information obtained from the Bank is reviewed and processed to analyze, control, and identify risks in a timely manner. This information is presented and explained to the Risk Committee, the Asset and Liability Management Committee, and the Credit Committee, as appropriate. The report includes total credit exposure, credit metric projections, exposure limit exceptions, Value at Risk (VaR), liquidity ratios, market ratios, solvency, and changes in the risk profile. Management periodically evaluates the fair value of investments and the adequacy of the provision for net direct loans.

Risk mitigation and hedging

The Bank, in order to mitigate the risks to which it is exposed and the concentrations thereof, has established a series of measures, among which the following stand out: (i) Policies, procedures, methodologies and parameters that allow to identify, measure, control and report risks, (ii) Review and evaluation of risk concentrations, through the Risk Committee, (iii) Timely monitoring and follow-up of risks and their maintenance within the defined tolerance levels and, (iv) Compliance with internal limits on counterparty concentrations.

The Bank does not use derivatives or other financial instruments to manage exposures resulting from changes in interest rates and foreign exchange, since, as explained below, Management considers that the Bank is not significantly exposed to such risks. Furthermore, specialized committees are in place to report on the management of each of the risks to which the Bank is exposed.

Concentration of risks

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or share similar economic, political, or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographic location.

To avoid excessive risk concentration, policies and procedures include specific guidelines for prudently managing risk concentration. Specialized committees are also in place to report on the management of each of the risks to which the Bank is exposed.

Credit risk

The Bank takes positions related to credit risk, which is the risk that a client will cause a financial loss by failing to meet an obligation. Credit risk is the most significant risk to the Bank's operations; therefore, Management carefully manages its exposure to credit risk. Credit exposures arise primarily from financing activities that result in loans.

The Bank grants loans to its clients, primarily public sector employees and pensioners, local and regional governments, intermediary institutions (banks, finance companies, rural and municipal savings banks, and credit companies), and public sector entities. The largest concentration of loans is directed to public sector employees and pensioners.

The Bank manages the levels of credit risk it assumes by setting limits on the amounts of risk accepted in relation to a borrower or group of borrowers and by geographic segment. These risks are constantly monitored and subject to frequent review. The limits on the level of risk per product and geographic segment are approved by the Board of Directors.

Exposure to credit risk is managed through ongoing analysis of borrowers' and potential borrowers' ability to meet principal and interest payments on their obligations and through adjustments to loan limits when appropriate. Other specific control measures are outlined below:

Collaterals

The Bank uses a variety of policies and practices to mitigate credit risk. The most traditional of these is requiring collateral for loans, which is a common practice. The Bank implements policies regarding the acceptability of specific types of collateral or credit risk mitigation. The main types of loan collateral are as follows:

- For consumer loans aimed at public sector workers and pensioners, the Bank mitigates credit risk by requiring a signed promissory note and receiving the remuneration of these debtors as a deposit.
- For mortgage loans for housing, the guarantees include mortgages on real estate.
- For loans granted to financial intermediaries, the Bank requires, as collateral, the assignment of rights to the loan portfolio or the creation of a security interest in the loan portfolio classified in the "Normal" category, which is equivalent to the amount of the loan granted and the signing of a promissory note.
- For corporate loans, the Bank requires security deposits, performance bonds, ordinary budgetary resources, as applicable under the current legal framework.
- In addition, in the case of corporate loans, covenants may be required

Guarantees are classified into self-liquidating preferred guarantees, very quick realization preferred guarantees and preferred guarantees, as established in SBS Resolution No. 11356-2008, Note 2(e).

Operations Management, through the Credit and Collateral Administration section, monitors the fair value of collateral, requests additional collateral in accordance with the underlying contract, and monitors the fair value of the collateral obtained during the review of the adequacy of the provision for doubtful accounts. As part of the Bank's policies, recovered assets are sold in order of maturity. The proceeds from the sale are used to reduce or amortize the outstanding debt. Generally, the Bank does not use recovered assets for its operating purposes.

At the same time, the Bank has a Risk Management department, which establishes the general credit policies for each of the operations in which the Bank decides to participate.

The maximum exposure to credit risk as of December 31, 2025 and 2024, before considering the effect of the guarantees received, is the carrying amount of each of the classes of financial assets mentioned in Note 25 and the contingent transactions detailed in Note 17(a).

Management is confident in its ability to continue controlling and maintaining minimal credit risk exposure for its loan and investment portfolio, taking into account the following:

- 96.12% of the loan portfolio (direct and indirect) is classified in the two highest levels of the classification system established by the SBS as of December 31, 2025 (96.51% as of December 31, 2024);
- 97.86% of the gross loan portfolio is considered neither past due nor impaired as of December 31, 2025 (98.01% as of December 31, 2024);
- 1.84% of the non-retail loan portfolio has sovereign risk as of December 31, 2025 (1.32% as of December 31, 2024). The Peruvian Ministry of Economy and Finance is considered a sovereign loan, with an exposure of S/620,371,000 at the end of 2025.
- 100% of the classified investments in Peru or abroad have at least investment grade (BBB- or higher) as of December 31, 2025 and 2024;
- 12.67% and 87.33% of the available funds represent the amounts deposited in the vaults of the Bank and Banco Central de Reserva del Perú – BCRP, respectively, as of December 31, 2025 (17.17% and 82.83%, respectively, as of December 31, 2024).

Credit risk management for loans

The Bank classifies all of its loans into five risk categories in accordance with section 2, Chapter II of SBS Resolution No. 11356-2008, which considers the degree of risk of default for each borrower. The categories used by the Bank are: (i) normal, (ii) with potential problems, (iii) substandard, (iv) doubtful, and (v) loss, and they have the following characteristics:

- i Normal: Non-retail borrowers are classified in this category when they have a liquid financial situation, a low level of debt relative to their equity, the capacity to generate profit, and their cash flow allows them to meet their obligations, and they also make timely payments. According to SBS Resolution No. 2368-2023, as of October 1, 2024, a client will be classified as a CPP (Client Protection Program) when they have two (2) or more late payments exceeding fifteen (15) days in the last six (6) months, provided that the total does not exceed sixty (60) days. Also, retail borrowers are classified in this category when they make timely payments or have a late payment of up to 8 days. Furthermore, mortgage borrowers are classified in this category when they comply with the established payment schedule or have a late payment of up to 30 days.
- ii With potential problems: Non-retail borrowers are classified in this category when they have a sound financial position and profitability, with moderate debt levels and adequate cash flow to cover principal and interest payments; however, their cash flow could weaken over the next twelve months as they face potential payments. In addition, retail borrowers are classified in this category when they are 9 to 30 days past due on their loans, while borrowers with mortgage loans are classified in this category when they are 31 to 60 days past due on their payments.
- iii Substandard: Non-retail borrowers are classified in this category when they have a weak financial situation and their cash flow does not allow them to meet the full payment of principal and interest, or they are 60 to 121 days behind on payments. Similarly, retail borrowers are classified in this category when they are 31 to 60 days behind on their loan payments, while mortgage debtors are classified in this category when they are 61 to 120 days behind on their payments.
- iv Doubtful: Non-retail borrowers are classified in this category when they face a critical financial situation that prevents them from paying either principal or interest, have high levels of debt relative to their assets, and are forced to sell significant assets, or are 120 to 365 days past due; in this category, the recoverability of the loan is uncertain. Likewise, retail borrowers are classified in this category when they are 61 to 120 days past due on their loans, while borrowers with mortgage loans are classified in this category when they are 121 to 365 days past due on their payments.
- v Loss: Non-retail borrowers are classified in this category when their financial situation prevents them from meeting the terms of their refinancing agreements, the company is no longer operating or is in liquidation, and they are more than 365 days past due. Likewise, retail borrowers are classified in this category when more than 120 days past due on their loans, while borrowers with mortgage loans are classified in this category when more than 365 days past due on their payments.

Regarding the evaluation of the loan portfolio, the Bank classifies borrowers into the risk categories established by the SBS and according to the classification criteria specified for each type of loan; that is, for borrowers in the non-retail, consumer, and mortgage portfolios. The classification of borrowers into their corresponding categories is determined following the criteria of SBS Resolution No. 11356-2008, Note 2(e).

The credit rating of the Bank's non-retail borrowers is performed in accordance with the Non-Retail Borrower Credit Rating Methodology, approved by the Risk Committee. This methodology establishes an evaluation system that considers both quantitative and qualitative components of the borrower. The evaluation is carried out by the Risk Management Department, based on the analysis of financial information, performance indicators, and other relevant qualitative factors, from which a score is obtained on a scale of 0 to 100 points. This score determines the corresponding credit rating category: 0-Normal, 1-CPP (Cost-Performing Loan), 2-Poor, 3-Doubtful, and 4-Loss. Within the framework of this methodology, the Risk Management Department formulates the proposed credit rating for clients in the non-retail portfolio. When the assessment results in higher risk categories (2-Substandard, 3-Doubtful or 4-Loss), the proposed classification is submitted for evaluation and approval by the Risk Committee, in accordance with the procedure established in the Bank's internal regulations.

When a loan is uncollectible, it is written off against the related allowance for doubtful accounts. Such loans are written off after all necessary legal proceedings have been completed and the write-off has been approved by the Board of Directors, in accordance with SBS Resolution No. 11356-2008, or by the appropriate authority depending on the level of autonomy. The subsequent recovery of previously written-off amounts reduces the amount of the allowance for doubtful accounts in the statement of comprehensive income.

The following is a summary of the direct loans, classified into three groups:

Non-overdue and non-impaired loans, which include direct loans that currently do not have delinquency characteristics and are related to clients classified as normal and with potential problems; ii) overdue but not impaired loans, which include overdue loans from clients classified as normal or with potential problems; and iii) impaired loans, those overdue loans classified as substandard, doubtful, or losses; the provision for doubtful accounts receivable is also presented for each type of loan:

	As of December 31, 2025						As of December 31, 2024					
	Non-retail loans S/000	Loans for small and micro-enterprises S/000	Consumer loans S/000	Mortgage loans for housing S/000	Total S/000	% S/000	Non-retail loans S/000	Loans for small and micro-enterprises S/000	Consumer loans S/000	Mortgage loans for housing S/000	Total S/000	% S/000
Not expired nor impaired												
Normal	4,984,532	-	9,838,772	809,888	15,633,192	79.45	4,085,805	-	8,916,065	704,116	13,705,986	77.69
With potential problems (*)	3,766,480	-	436,302	4,815	4,207,597	21.38	3,765,590	-	334,803	2,322	4,102,715	23.26
Expired but not impaired												
With potential problems	-	-	-	2,296	2,296	0.01	-	-	-	2,735	2,735	0.02
Impaired												
Substandard	4	-	107,851	2,745	110,600	0.56	-	-	77,194	1,757	78,992	0.45
Doubtful	47	-	215,108	4,819	219,974	1.12	-	-	202,977	4,569	207,546	1.18
Loss	6,437	936	398,100	5,966	411,439	2.09	6,671	976	344,495	5,566	357,668	2.03
Gross	<u>8,757,500</u>	<u>936</u>	<u>10,996,133</u>	<u>830,529</u>	<u>20,585,098</u>	<u>104.62</u>	<u>7,858,066</u>	<u>976</u>	<u>9,875,534</u>	<u>721,065</u>	<u>18,455,642</u>	<u>104.63</u>
Less: provision for doubtful accounts	82,395	941	808,909	15,997	908,242	4.62	76,340	981	722,066	14,341	813,727	4.61
Total, net	<u>8,675,105</u>	<u>-</u>	<u>10,187,224</u>	<u>814,532</u>	<u>19,676,856</u>	<u>100</u>	<u>7,781,726</u>	<u>-</u>	<u>9,153,468</u>	<u>706,725</u>	<u>17,641,915</u>	<u>100.00</u>

(*) As of December 31, 2025, this risk category includes direct loans granted to Petroperú for S/3,765,590 thousand, see Note 28.

The breakdown of the gross amount of impaired loans by loan type, along with the fair value of the related collateral and the amounts of its provision for net direct loans, are as follows:

	As of December 31, 2025					As of December 31, 2024				
	Non-retail loans S/000	Loans for small and micro-enterprises S/000	Consumer loans S/000	Mortgage loans for housing S/000	Total S/000	Non-retail loans S/000	Loans for small and micro-enterprises S/000	Consumer loans S/000	Mortgage loans for housing S/000	Total S/000
Impaired loans	6,487	936	721,059	13,530	742,013	6,671	976	624,666	11,892	644,205
Provision for doubtful accounts	32,869	940	577,477	9,801	621,087	33,110	976	502,320	8,885	545,291

As of December 31, 2025 and 2024, the risk exposure of the loan portfolio is distributed across the following economic sectors:

	<u>2025</u>	<u>2024</u>
	S/000	S/000
Financial intermediation	4,360,081	2,601,777
Public administration and defense	446,313	1,204,774
Manufacturing industry	3,767,254	3,767,221
Transportation, storage, and communications	3,387	3,589
Others	181,401	281,681
Subtotal	<u>8,758,436</u>	<u>7,859,042</u>
Consumer loans	10,996,134	9,875,534
Mortgage loans for housing	830,528	721,066
	<u>20,585,098</u>	<u>18,455,642</u>

In response to the Multiple Official Letters issued by the SBS, the Bank modified the contractual terms of loans that, as of February 29, were current on their payments or had arrears of less than 30 days, without this modification resulting in a "refinanced loan". As of December 31, 2025 and 2024, the outstanding balances of the rescheduled loans, not considered "refinanced loans" for the aforementioned reason, amount to approximately S/195,395 and S/43,738, respectively.

Credit risk management in fair value investments through profit or loss, available for sale and held to maturity

The Bank assesses the identified credit risk of each financial instrument in these categories, presenting the risk rating assigned by a credit rating agency. For investments traded only in Peru, the risk ratings used are those provided by the most prestigious Peruvian rating agencies (authorized by the SBS), and for investments traded abroad, the risk ratings used are those provided by the three most prestigious international rating agencies, in both cases employing a conservative approach (lowest risk rating). The following table shows the risk analysis of the available-for-sale investments provided by the aforementioned institutions:

	<u>As of December 31, 2025</u>		<u>As of December 31, 2024</u>	
	S/000	%	S/000	%
Instruments classified abroad				
A-2	2,983,608	63.77%	2,832,140	37.26%
BBB- to BBB+	1,628,029	34.80%	4,709,096	61.95%
Unclassified stocks	66,920	1.43%	59,788	0.79%
Total	<u>4,678,557</u>	<u>100.00%</u>	<u>7,601,024</u>	<u>100.00%</u>

The following table shows the risk analysis of the held-to-maturity investments provided by the institutions referenced above:

	<u>As of December 31, 2025</u>		<u>As of December 31, 2024</u>	
	S/000	%	S/000	%
Instruments classified abroad				
BBB- to BBB+	5,953,708	100.00%	5,545,249	100.00%
	<u>5,953,708</u>	<u>100.00%</u>	<u>5,545,249</u>	<u>100.00%</u>

As of December 31, 2025 and 2024, financial instruments with exposure to credit risk were distributed across the following geographical areas:

	As of December 31, 2025				As of December 31, 2024			
	Loans and receivables	Available for sale	To maturity	Total	Loans and receivables	Available for sale	To maturity	Total
	S/000	S/000	S/000	S/000	S/000	S/000	S/000	S/000
Peru	36,713,369	4,611,637	5,487,413	46,812,419	32,605,142	7,541,236	5,309,497	45,455,875
USA	128,718	-	-	128,718	93,854	-	-	93,854
Panama	-	66,920	-	66,920	-	59,788	-	59,788
England	12,471	-	-	12,471	4,073	-	-	4,073
Germany	10,682	-	-	10,682	6,455	-	-	6,455
Other countries	27,416	-	-	27,416	63,104	-	-	63,104
Risk by country	(1,808)	-	-	(1,808)	(204)	-	-	(204)
	<u>36,890,848</u>	<u>4,678,557</u>	<u>5,487,413</u>	<u>47,056,818</u>	<u>32,772,424</u>	<u>7,601,024</u>	<u>5,309,497</u>	<u>45,682,945</u>

	2025		2024	
	S/000	%	S/000	%
Mortgages and consumer loans	11,826,662	58%	10,596,600	58%
Financial intermediation	4,360,081	21%	2,601,777	19%
Mining	-	-	-	-
Public administration and defense	446,313	2%	1,204,774	3%
Transport	3,387	-	3,589	-
Manufacture	3,767,254	18%	3,767,221	20%
Agriculture and livestock	197	-	90	-
Trade	306	-	311	-
Other (mainly non-profit, health and automotive)	180,898	1%	281,280	-
	<u>20,585,098</u>	<u>100%</u>	<u>18,455,642</u>	<u>100%</u>

Liquidity risks

Liquidity risk is the bank's inability to meet its borrowings as they come due, resulting in losses that significantly impact its equity position. This risk can arise from various events, such as unexpected reductions in funding sources or the inability to quickly liquidate assets.

The Bank's liquidity is managed by the Asset and Liability Management Committee, which presents the positions, movements, indicators, and limits related to liquidity management. Liquidity risk is, in turn, monitored by the Risk Committee, which defines the risk appetite to be proposed to the Board of Directors and reviews the corresponding indicators, limits, and controls.

The Bank also maintains a set of indicators that are monitored and reported frequently. These indicators establish the minimum acceptable liquidity levels. They reflect various aspects of risk, such as concentration, stability, currency positioning, and availability of liquid assets.

The process of matching and controlling maturity and interest rate mismatches for assets and liabilities is fundamental for bank management. However, it is unusual for banks to be perfectly matched, given the uncertain terms and the diverse types of transactions they carry out. An unmatched position in maturities or rates can potentially increase profitability, but it also increases the risk of losses.

The maturity of assets and liabilities and the ability to replace interest-bearing liabilities at maturity, at an acceptable cost, are important factors in determining the Bank's liquidity and its exposure to changes in interest rates and exchange rates.

The Bank has an internal model based on expected maturities and methodological assumptions for asset and liability accounts. Specifically: (i) for assets, expected cash flows from investment and loan accounts are considered, and allocation criteria are assumed for receivables; and (ii) for liabilities with uncertain maturities, the internal historical LAR (Liquidity at Risk) methodology is used. This methodology is based on reviewing historical account data and the volatility of their variations to estimate their expected maturity. Criteria are also assumed for allocating payables, and for the remaining liabilities, cash flows are distributed according to their contractual maturities. The following table presents the Bank's cash flows payable according to the contractual terms agreed upon as of the dates of the statement of financial position (excluding future interest, if applicable). The amounts disclosed are the undiscounted cash flows according to the contractual terms:

The following table presents the cash flows payable by the Bank according to the contractual terms agreed upon as of the dates of the statement of financial position (excluding future interest, if applicable). The amounts disclosed are the undiscounted cash flows according to the contractual terms:

	<u>As of December 31, 2025</u>					<u>As of December 31, 2024</u>				
	<u>Up to one month</u>	<u>From 1 to 3 months</u>	<u>From 3 to 12 months</u>	<u>Over 1 year</u>	<u>Total</u>	<u>Up to one month</u>	<u>From 1 to 3 months</u>	<u>From 3 to 12 months</u>	<u>Over 1 year</u>	<u>Total</u>
	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>
Financial liabilities by type										
Borrowings to the public	4,586,116	4,370,130	2,065,039	31,321,826	42,343,111	5,403,683	4,907,774	1,874,596	28,629,568	40,815,621
Deposits in the financial system and international financial institutions	71,645	52,447	-	176,528	300,620	423,763	2,466	-	5,505	431,734
Securities, bonds and other outstanding borrowings	-	-	1,670	250,006	251,677	-	-	1,504	250,016	251,520
Payables	153,321	269	278,742	52,976	485,308	117,161	572	233,271	62,183	413,188
Other liabilities	659,816	-	-	-	659,816	911,916	-	-	-	911,917
Total non-derivative liabilities	<u>5,470,898</u>	<u>4,422,846</u>	<u>2,345,451</u>	<u>31,801,336</u>	<u>44,040,532</u>	<u>6,856,525</u>	<u>491,081</u>	<u>2,109,371</u>	<u>28,947,272</u>	<u>42,823,980</u>

The following table shows the changes in liabilities arising from financing activities as indicated by IAS 7:

	<u>January 1, 2025</u>	<u>Cash flows</u>	<u>Approval of profit distribution</u>	<u>Interest payable</u>	<u>December 31, 2025</u>
	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>
Distribution of profits to the Public Treasury	-	(1,361,052)	1,361,052	-	-
Payment of interest on subordinated bonds	251,520	(20,000)	-	20,157	251,677
Total liabilities from financing activities	<u>251,520</u>	<u>(1,381,052)</u>	<u>1,361,052</u>	<u>20,157</u>	<u>251,677</u>
	<u>January 1, 2024</u>	<u>Cash flows</u>	<u>Approval of profit distribution</u>	<u>Interest payable</u>	<u>December 31, 2024</u>
	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>	<u>S/000</u>
Distribution of profits to the Public Treasury	-	(322,385)	322,385	-	-
Payment of interest on subordinated bonds	251,642	(20,000)	-	19,878	251,520
Total liabilities from financing activities	<u>251,642</u>	<u>(342,385)</u>	<u>322,385</u>	<u>19,878</u>	<u>251,520</u>

Market risks

The Bank is exposed to market risk, which is the risk that the fair value or future cash flows of financial instruments may fluctuate due to changes in market prices and volatility in interest rate positions, exchange rates, commodities, and equity investments; these are subject to general and specific market movements. Due to the nature of the Bank's current activities, commodity price risk is not applicable. Furthermore, it is important to note that due to the Covid-19 pandemic, these market risks are more likely to fluctuate more sharply due to instability in financial markets. In response, the Bank is regularly monitoring these fluctuations to quantify their impact on the valuation of its financial assets and liabilities.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The impact of changes in interest rates can manifest in two ways: first, this results in an impact on expected earnings, directly related to reinvestment risk and the risk that arises when changes in interest rates expose the entity to higher costs in its financing operations (deposit rates) or lower returns on its investment operations (loan rates). Second, it relates to the valuation of the entity's assets and liabilities and, therefore, to the economic or real value of its equity. This occurs when market interest rates change, which are used to value the various instruments that make up the Bank's statement of financial position. The SBS refers to these two impacts as Gains at Risk (GER) and Equity at Risk (VPR), establishing a maximum regulatory limit of 5.0% for the former, and requiring an additional increase in effective equity if the latter exceeds 15.0%.

	<u>2025</u> S/000	<u>2024</u> S/000
VPR (i)	7.10	0.72
GER (ii)	1.03	0.29

The Board of Directors sets the limits on the level of interest rate repricing imbalance that may exist, which is monitored by the Risk Management department.

Price gap

The repricing gap analysis involves determining the amount of assets and liabilities whose interest rates adjust at each time gap, considering the maturity of the transaction and the interest rate adjustment period corresponding to the next period. This analysis focuses on measuring the impact of interest rate changes on expected earnings.

The following table summarizes the Bank's exposure to interest rate risk. The Bank's financial instruments are shown at their carrying amounts, ranked between the contract's interest rate repricing period or maturity date, whichever comes first:

	As of December 31, 2025					
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	Over 12 months	Not interest- bearing	Total
	S/000	S/000	S/000	S/000	S/000	S/000
Assets						
Available funds	9,093,624	5,000,000	-	1,411	2,744,162	16,839,197
Available-for-sale investments	1,116,290	1,600,703	295,600	1,665,963	-	4,678,556
Held-to-maturity investments	-	160,658	-	5,326,755	-	5,487,413
Loan portfolio, net	882,016	927,718	4,124,541	14,333,975	(467,145)	19,801,105
Receivables and other assets, net	-	-	15	830	869,957	870,802
Total assets	11,091,930	7,689,079	4,420,156	21,328,934	3,146,974	47,677,073
Liabilities						
Deposits and borrowings	7,162,216	5,544,561	10,618,286	18,743,064	590,789	42,658,916
Securities, bonds and other outstanding borrowings	-	-	1,670	250,006	-	251,676
Payables and other liabilities	-	-	-	-	947,614	947,614
Equity	-	-	-	-	3,988,014	3,988,014
Total liabilities	7,162,216	5,544,561	10,619,956	18,993,070	5,526,417	47,846,220
Marginal gap	3,929,714	2,144,518	(6,199,800)	2,335,864	(2,379,443)	(169,147)
- Cumulative gap	3,929,714	6,074,232	(125,568)	2,210,296	(169,147)	-

	As of December 31, 2024					
	Up to 1 month	From 1 to 3 months	From 3 to 12 months	Over 12 months	Not interest- bearing	Total
	S/000	S/000	S/000	S/000	S/000	S/000
Assets						
Available funds	8,785,782	3,000,000	-	1,431	2,789,730	14,576,943
Available-for-sale investments	357,488	2,509,364	8,261	4,666,122	59,788	7,601,024
Held-to-maturity investments	-	130,668	-	5,178,829	-	5,309,497
Loan portfolio, net	873,133	835,690	7,095,576	9,368,184	(424,593)	17,747,990
Receivables and other assets, net	-	-	17	932	1,439,614	1,440,563
Total assets	10,016,403	6,475,722	7,103,854	19,215,498	3,864,539	46,676,016
Liabilities						
Deposits and borrowings	7,018,686	5,342,820	10,111,651	17,530,587	756,636	40,760,380
Securities, bonds and other outstanding borrowings	-	-	1,504	250,016	-	251,520
Payables and other liabilities	-	-	-	-	1,887,439	1,887,439
Equity	-	-	-	-	3,751,965	3,751,965
Total liabilities	7,018,686	5,342,820	10,113,155	17,780,603	6,396,040	46,651,304
Marginal gap	2,997,717	1,132,902	(3,009,301)	1,434,895	(2,531,501)	-
Cumulative gap	2,997,717	4,130,619	1,121,318	2,556,213	-	-

The Bank's exposure to this risk arises from changes in interest rates, primarily due to its debts and borrowings. The Bank does not use derivative financial instruments to hedge this risk, which is minimized by maintaining its debts and borrowings at fixed interest rates.

For the reasons stated above, Management considers that changes in interest rates will not affect the Bank's results.

ii Foreign exchange risk

The Bank is exposed to changes in foreign currency exchange rates that affect its financial position and cash flows. Management sets limits on exposure levels per currency and total daily positions, which are monitored daily.

Foreign currency transactions are carried out at free market exchange rates.

As of December 31, 2025, the weighted average free market exchange rate published by the SBS for transactions in U.S. dollars was S/3.358 for buying and S/3.368 for selling (S/3.758 and S/3.770 as of December 31, 2024, respectively). As of December 31, 2025, the exchange rate for accounting for foreign currency asset and liability accounts set by the SBS is S/3.363 per U.S. dollar (S/3.764 per U.S. dollar as of December 31, 2024).

The Bank manages foreign exchange risk by monitoring and controlling currency positions exposed to exchange rate fluctuations. The Bank measures its performance in Peruvian soles, so if its foreign exchange position (e.g., U.S. dollars) is positive, any depreciation of the Peruvian soles would positively affect the Bank's statement of financial position. The current foreign currency position comprises assets and liabilities indexed to the exchange rate. An institution's open position comprises assets, liabilities, and contingent risks and commitments denominated in the foreign currency in which the institution assumes risk; any revaluation/devaluation of the foreign currency would affect the statement of comprehensive income. The Bank's net monetary position is the sum of its positive open positions in currencies other than Peruvian soles (net long position) less the sum of its negative open positions in currencies other than Peruvian soles (net short position); and any devaluation/revaluation of the foreign currency would affect the statement of comprehensive income. An imbalance in the monetary position would make the Bank's financial position vulnerable to foreign currency fluctuations (exchange rate shocks). The following table shows the sensitivity analysis of U.S. dollars, the Bank's main currency exposure as of December 31, 2024 and 2023, on its non-trading monetary assets and liabilities and its estimated cash flows. The analysis determines the effect of a reasonably possible change in the exchange rate against Peruvian soles on the statement of comprehensive income before income tax, with all other variables held constant. A negative amount indicates a potential net reduction in the statement of comprehensive income, while a positive amount reflects a potential net increase:

Sensitivity analysis	Change in exchange rates	2025 S/000	2024 S/000
Devaluation			
U.S. dollar	5%	(8,151)	(9,492)
U.S. dollar	10%	(16,303)	(18,985)
Revaluation			
U.S. dollar	5%	8,151	9,492
U.S. dollar	10%	16,303	18,985

Fair value

(a) Financial instruments measured at fair value and fair value hierarchy

The following table shows an analysis of the financial instruments measured at fair value as of December 31, 2025 and 2024, including their level in the fair value hierarchy. The amounts are based on balances presented in the statement of financial position:

As of December 31, 2025				
	Level 1	Level 2	Level 3	Total
	S/000	S/000	S/000	S/000
Available-for-sale investments				
BCRP Certificates of Deposit	-	2,957,364	-	2,957,364
Sovereign bonds	1,607,114	-	-	1,607,114
Equity instruments	66,920	-	-	66,920
	<u>1,674,034</u>	<u>2,957,364</u>	<u>-</u>	<u>4,631,398</u>
Accrued returns	-	-	-	47,159
Total available-for-sale investments	<u>1,674,034</u>	<u>2,957,364</u>	<u>-</u>	<u>4,678,557</u>
As of December 31, 2024				
	Level 1	Level 2	Level 3	Total
	S/000	S/000	S/000	S/000
Available-for-sale investments				
BCRP Certificates of Deposit	-	2,816,201	-	2,816,201
Sovereign bonds	4,682,645	-	-	4,682,645
Equity instruments	59,788	-	-	59,788
	<u>4,742,433</u>	<u>2,816,201</u>	<u>-</u>	<u>7,558,634</u>
Accrued returns	-	-	-	42,390
Total available-for-sale investments	<u>4,742,433</u>	<u>2,816,201</u>	<u>-</u>	<u>7,601,024</u>

Financial instruments included in Level 1 are those measured based on quotations obtained in an active market. A financial instrument is considered to be quoted in an active market if prices are readily and regularly available from a centralized trading facility, agent, broker, industry group, price provider, or regulatory body; and these prices are regularly derived from market transactions.

Financial instruments included in Level 2 are measured based on market factors. This category includes instruments valued using: market prices of similar instruments, whether from active or inactive markets, and other valuation techniques (models) where all significant data are directly or indirectly observable in the market.

Below is a description of how the fair value of the Bank's main financial instruments is determined, using valuation techniques with observable market data, which incorporates the Bank's estimates of the assumptions that market participants would make to value these instruments:

- The valuation of BCRP certificates of deposit, corporate bonds, and sovereign bonds is performed by calculating the Net Present Value (NPV) through discounting their cash flows, using the relevant zero-coupon yield curves to discount the flows in the respective currency and considering observable market transactions. Other debt instruments are valued using valuation techniques based on assumptions supported by observable prices in current market transactions, which are obtained from price providers. However, when prices have not been determined in an active market, the fair value is based on broker quotes and assets valued using models where most of the assumptions are observable in the market.

(b) Financial instruments not measured at fair value

The following is a disclosure comparing the carrying amounts and fair values of financial instruments not measured at fair value presented in the statement of financial position, including their level in the fair value hierarchy:

	As of December 31, 2025					As of December 31, 2024				
	Level 1 S/000	Level 2 S/000	Level 3 S/000	Fair value S/000	Carrying amount S/000	Level 1 S/000	Level 2 S/000	Level 3 S/000	Fair value S/000	Carrying amount S/000
Assets										
Available funds	-	16,837,389	-	16,837,389	16,837,389	-	14,576,739	-	14,576,739	14,576,739
Held-to-maturity investments	-	5,953,707	-	5,953,707	5,487,413	-	5,545,249	-	5,545,249	5,309,497
Loan portfolio, net	-	19,773,613	-	19,773,613	19,773,613	-	17,723,480	-	17,723,480	17,723,480
Receivables, net	-	279,846	-	279,846	279,846	-	472,205	-	472,205	472,205
Other assets, net	-	134,844	-	134,844	134,844	-	50,102	-	50,102	50,102
Total	-	42,979,399	-	42,979,399	42,513,105	-	38,367,775	-	38,367,775	38,132,023
Liabilities										
Obligations to the public Financial system deposits	-	42,343,110	-	42,343,110	42,343,110	-	40,301,231	-	40,301,231	40,301,231
Securities, bonds outstanding borrowings	-	315,805	-	315,805	315,805	-	459,149	-	459,149	459,149
Payables	-	251,677	-	251,677	251,677	-	251,520	-	251,520	251,520
Other liabilities	-	485,326	-	485,326	485,326	-	413,188	-	413,188	413,188
Total	-	168,197	-	168,197	168,197	-	923,248	-	923,248	923,248
Total	-	43,564,115	-	43,564,115	43,564,115	-	42,348,336	-	42,348,336	42,348,336

The methodologies and assumptions used by the Bank to determine fair values depend on the terms and risk characteristics of the various financial instruments indicated above and comprise the following:

- Assets whose fair value is similar to their carrying amount – For financial assets and liabilities that are liquid or have short-term maturities (less than three months), the book value is considered similar to their fair value. This assumption also applies to savings accounts without a specific maturity date and variable-rate financial instruments.
- Fixed-rate financial instruments – The fair value of financial assets and liabilities at a fixed rate and amortized cost is determined by comparing market interest rates at the time of initial recognition with current market rates for similar financial instruments. When market prices are unavailable, the discounted cash flow model is used based on the yield curve for the remaining term. According to SBS Multiple Ruling No. 1575-2014, the fair value of the loan portfolio and deposits and obligations corresponds to their carrying amount.

27 CONTINGENCIES

As of December 31, 2025 and 2024, the Bank has different civil, administrative, labor and other proceedings related to its activities, which have been evaluated by Management and legal advisors, who have rated these contingencies as possible (in accordance with the application of IAS 37).

As of December 31, 2025, the estimated amounts comprise S/241,962 thousand and US\$630 thousand.

As of December 31, 2024, the estimated amounts comprise S/260,652 thousand and US\$107 thousand.

Management and legal advisors consider that these proceedings will not result in significant liabilities for the financial statements.

28 SUBSEQUENT EVENTS

- i) To date, the Bank has not planned to fully or partially capitalize its profits for fiscal year 2025; however, periodic assessments are conducted to determine whether it may be necessary to strengthen its shareholder's equity.
- ii) In compliance with applicable regulations and the internal methodology for credit classification of non-retail debtors, the Risk Management carried out in 2025 a comprehensive analysis of the client Petroperú with the financial information available at the date of assessment.

As a result of the technical analysis, signs of impairment were identified in the quantitative component, leading to a proposal to adjust the credit rating in accordance with the current methodology. Under this methodological framework, downgrades to higher-risk categories require evaluation and approval by the Risk Committee as part of a comprehensive analysis that takes into account relevant quantitative and qualitative factors.

During the assessment process, additional financial information corresponding to the second and third quarters of 2025 was incorporated, in accordance with the monitoring scheme provided for in the Bank's internal regulations, identifying impairment indicators in the quantitative component that supported the proposal to modify the classification and incorporating more updated financial information of the client corresponding to the second and third quarters of 2025, as well as the particularities of the exposure, including the existence of a current sovereign guarantee from the Peruvian State.

With the incorporation of this additional information, the comprehensive analysis of the client within the evaluation process corresponding to the second half of 2025 was completed. In accordance with the internal regulations applicable to the credit classification process, the client was reclassified to category 2-Substandard in January 2026.

Within this framework, in January 2026 the client's reclassification to category 2-Substandard was formalized, and this accounting modification was recorded in the corresponding period.

Consequently, as of December 31, 2025, the current rating reasonably reflected the status of the assessment process in accordance with the methodology applicable as of that date. Furthermore, the Bank's exposure is backed by current sovereign guarantees, which mitigates the risk of financial loss for the entity. In this regard, the rating in effect at the close of fiscal year 2025 did not have a material impact on provisions or the financial statements for the period.

- iii Except as described above, there is no knowledge of any other significant events occurring between the closing date of these financial statements and the date of this report that could significantly affect the Bank's financial position.