

Human Rights Due Diligence in IFS

A. Introduction and purpose

Through our corporate policies and practices, at IFS and its subsidiaries (hereafter, IFS group), we aim to build a culture based on respect for Human Rights. Advocating Human Rights improves the quality of life of our stakeholders, as it safeguards individuals' integrity and fosters long-term sustainable business.

One of the tools to build this culture is the Due Diligence process focused on respect for Human Rights in our daily operations. This Due Diligence process aims to strengthen control mechanisms that mitigate identified risks through the survey of cross-cutting activities in each subsidiary of the IFS Group. Furthermore, conducting due diligence allows us to identify control gaps and establish action plans to remedy them in a timely manner. Together, these actions are part of our commitment to the protection, respect, and gap remediation of Human Rights.

B. Scope and periodicity

Due diligence is applied on a biennial basis in all subsidiaries of the IFS group. To do so, it is necessary to survey the cross-cutting activities of our operations. This task is managed through our Compliance Officers, who in turn work closely with the different areas of each subsidiary to obtain the necessary information. The purpose is to perform a comprehensive analysis of the interaction with our employees, customers, and suppliers, as well as with the community in general.

C. Due Diligence process focused on Human Rights

In interactions involving directors, employees, suppliers, potential suppliers, customers, potential customers, and even job applicants, we analyze the context of our operations, identifying risks of human rights violations and vulnerable groups that could be most affected if a risk materializes. Vulnerable groups include people with disabilities, ethnic groups, elderly persons, racial or religious minorities, among others. Once these risks have been identified, we associate them with the rights that could potentially be violated according to the nature of our business, taking as a reference the list of Human Rights recognized by the UN¹.

In the same process of surveying activities, existing controls and possible gaps are identified to improve such controls or implement new ones. With the support of the Compliance Officers of each company, employees are permanently involved in the active identification of mechanisms to mitigate the risks of violation of human rights. We also analyze whether internal guidelines include activities or actions that mitigate the identified risks. In addition to this activity, training and communications programs on issues such as discrimination, labor, and sexual harassment, equal treatment, among others, are reviewed with the purpose of raising awareness and reinforcing behaviors and actions promoted by the IFS group.

¹ <https://www.ohchr.org/es/what-are-human-rights/international-bill-human-rights>

D. Risk and control matrix

As a result of this assessment, we have developed a matrix listing the risks to which we are exposed and the mitigating controls for Human Rights. In addition, we have identified the vulnerable groups that could be most affected in the event that any of these risks materialize.

Human Rights areas	Possible impacts	Stakeholder	Controls	Vulnerable groups
Forced labor	Own operations / Value chain	Own employees / Suppliers	We comply with national regulations that prohibit forced labor, so we do not promote nor support this type of practice. In this regard, all employees and suppliers must adhere to our Code of Ethics, Internal Work Regulations, and Human Rights Policy, which detail the expected behavior in labor matters.	Migrant Workers, Own employees, Persons with disabilities, Third-party employees.
Freedom of association (collective bargaining)	Own operations	Own employees	We respect the right of freedom of association among employees, fostering a culture free of any type of intimidation through adherence to our Code of Ethics.	Migrant Workers, Own employees.
Equality (salary, equal and fair treatment)	Own operations / Value Chain / Other activities	Own employees / Suppliers / Clients	<p>We aim to build an inclusive culture, promoting non-discrimination in hiring processes and job opportunities. This is reflected on two fronts:</p> <ul style="list-style-type: none"> i) our recruitment processes for new employees and suppliers include objective criteria established transversally, and standards for every case; and ii) the salary policy of our companies is based on the skills required for each job, without distinction of gender, age, minority group, or others. <p>Additionally, we reinforced our inclusive culture by launching trainings and programs throughout the organization that promote equal conditions in job opportunities that may arise. Some examples of these programs are the following:</p> <ul style="list-style-type: none"> - <i>Go Women</i>: Promotes the empowerment of women. - <i>Interlink</i>: Spaces for active listening of concerns and needs. - <i>Working Mom</i> and <i>Future Dad and Mom IBK</i>: Training and coaching for fathers and mothers, as well as benefits for them. 	Children, LGBTQ+, Local Communities, Women.
Participate in public affairs	Value Chain	Clients	<p>Information on our financial products and services is publicly available on our companies' digital channels, from where some of them can be purchased directly. Furthermore, information on products and services can be requested by telephone and in our customer service locations.</p> <p>In addition, our employees, including sales executives and commercial advisors, receive training that highlights our inclusive culture for any person regardless of gender, age, physical condition, ethnic group, or whether they are part of a minority group.</p>	Indigenous people, Local communities, Migrant, Older persons.

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Just and favorable conditions at work	Own operations / Value Chain / Other activities	Own employees / Suppliers / Clients	<p>In compliance with local regulations, we have a Workplace Health and Safety Committee, through which training and awareness programs for all employees are developed. We also comply with physical requirements demanded by law for people with disabilities or limitations that guarantee accessibility for those employees and external people who require it. Moreover, we've implemented a preferential attention system at our customer service locations that prioritizes attention to pregnant women, people with disabilities, people with children, and the elderly.</p>	Older persons, Persons with disabilities, and Women.
Discrimination	Own operations / Value Chain	Own employees / Suppliers	<p>Our internal policies state that we do not accept discrimination and that we promote an inclusive culture. Recurrent training aims at reinforcing our inclusive culture against discrimination in the work environment and business relationships. As part of this training, we promote compliance with the Code of Ethics and the Internal Work Regulations in order to conduct ourselves in accordance with their guidelines inside and outside the organization.</p> <p>Additionally, in compliance with local regulations, we have an Ethics Committee and a Sexual Harassment Committee in each subsidiary that ensure the proper treatment of complaints received by any stakeholder.</p>	LGBTIQ+, Migrant, Minorities, and Persons with Disabilities.

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Any Human Right	Value Chain / New business relations	Suppliers / Clients	<p>In our relationships with customers, suppliers, and mergers and acquisitions processes, we have due diligence processes that involve learning about several business areas of the counterparties. In this sense, before establishing commercial relationships, a search in public sources and restrictive lists is performed to ensure that our suppliers and customers have the appropriate profile according to our commitments as a group. For example, we conduct OFAC sanctions searches to verify that the counterparty is not related to terrorism, which allows us to identify whether the counterparty presents a potential risk of human rights violations. In addition, we encourage all companies of the IFS group that every merger, acquisition, customer, and supplier adhere to our Code of Ethics and Human Rights policy through contractual clauses, promoting conduct aligned with respect for Human Rights.</p>	Every group