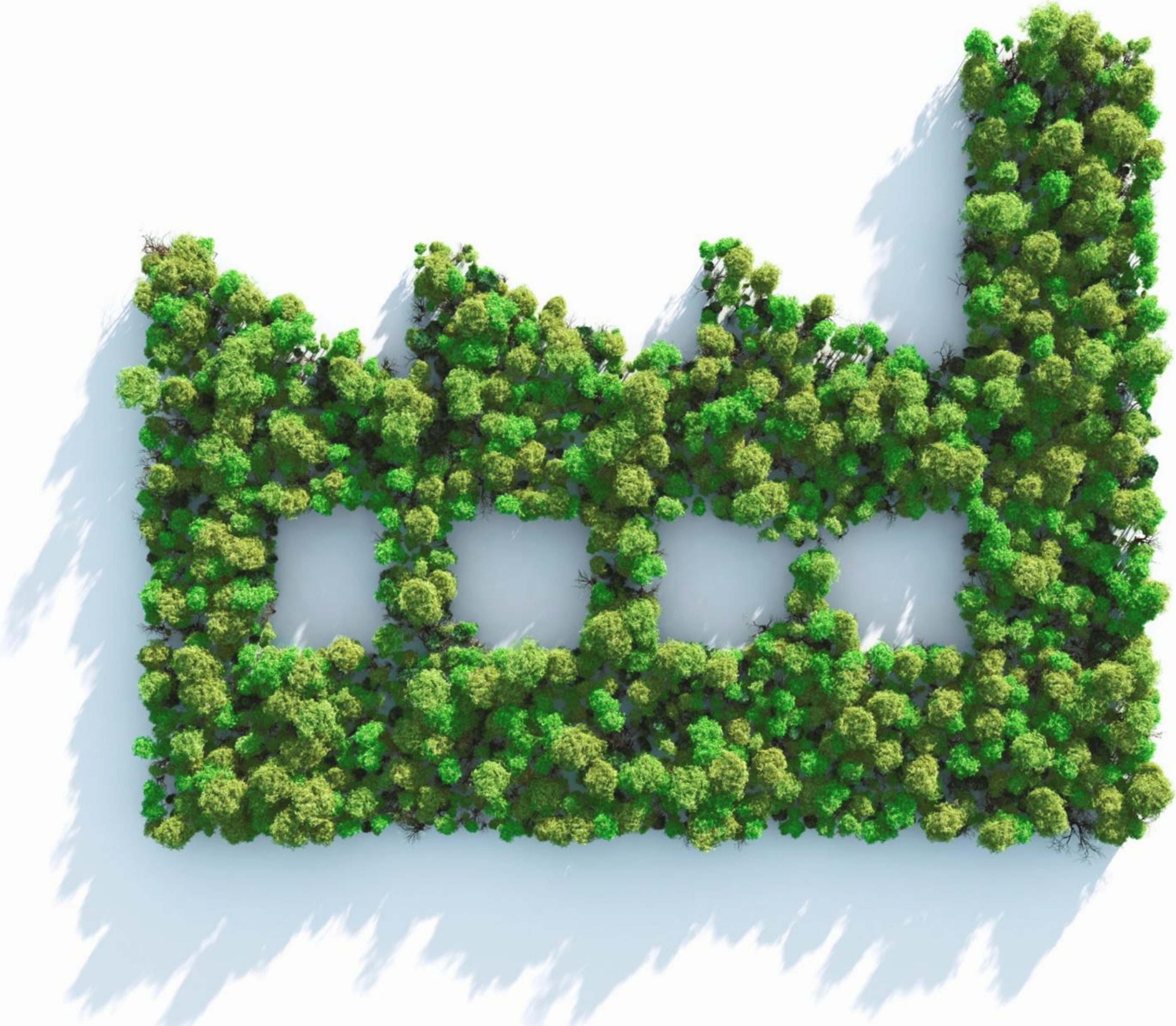

Exclusion Policy

Credicorp Capital / Asset Management

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Exclusion Policy

1. Context

Credicorp Capital Asset Management is committed to generating superior returns for its clients as part of its fiduciary duty. Incorporating environmental, social, and governance (ESG) factors improves the assessment of risks and opportunities that may affect the financial performance of investments. Every company and investment project can be affected by ESG risks or enhanced by related opportunities. Likewise, each operation has intentional or unintentional impacts on the environment and society. The proper management of these risks, opportunities, and impacts is essential for the sustainability of the investees' companies and projects to ensure their ability to continue operating and generating value in the future for investors and their other stakeholders.

Credicorp Asset Management recognizes the opportunity and responsibility it has to contribute to the sustainable development of Latin America, promoting good corporate sustainability practices among the companies and projects in which it invests and the financial industry in general. Also, it recognizes that clients and investors who choose Credicorp Capital Asset Management as a manager may have objectives in terms of sustainability impacts or outcomes in addition to the financial ones. A responsible and sustainable investment approach contributes to the generation of integral value for customers, the investees' companies, and society.

Credicorp Capital Asset Management's responsible and sustainable investment approach includes a combination of strategies focused on mitigating risk, preserving value, and enhancing our investments. Exclusions are among these strategies. This Exclusion Policy[1] defines investments in sectors or companies that Credicorp Capital Asset Management avoids based on sustainability concerns from economic, environmental, and social perspectives. This policy, the responsible and sustainable strategies and practices are aligned with globally accepted codes, including the Principles for Responsible Investing convened by the United Nations (UN PRI). Since June 2020, Credicorp Capital Asset Management has been a PRI signatory.

2. Policy scope

This Policy applies to Credicorp Capital Asset Management and its operations through the local subsidiaries of Credicorp Capital Ltd[2]. The following guidelines apply to all funds and strategies over which Credicorp Capital Asset Management has full discretion as an investment manager in the decision-making process and in which the documents that govern the Funds do not state otherwise. Additional policies and guidelines may complement this document at the subsidiary or specific Funds level.

[1] The Responsible Investment Policy was approved by the first time on May 25th, 2020. The approval includes the initial adequacy and implementation period of 180 days. This update was approved by the Board of Directors of Credicorp Capital Asset Management on July 18th, 2024, with a 3-month adaptation period for its entry into force.
[2] In Chile, Credicorp Capital Asset Management S.A. Administradora General de Fondos. In Colombia, Credicorp Capital Colombia SA. In Peru, Credicorp Capital S.A. Sociedad Administradora de Fondos, Credicorp Capital Servicios Financieros S.A.

This policy does not apply to the following portfolios or investment products:

- Funds or products for which Credicorp Capital Asset Management as the investment manager has delegated the investment management activity to another entity
- Funds or products for which Credicorp Capital Asset Management is not the management company but has received the investment management activity through a delegation by another entity
- Passively managed funds or index products
- Third-party non-discretionary portfolio mandates managed by Credicorp Capital Asset Management
- Funds of Funds in which the underlying funds or instruments are not managed by Credicorp Capital Asset Management

In the case of funds managed by third parties, the ESG analysis will be carried out considering the information provided by the managers and public sources, when available.

3. Exclusion Rationale and Criteria

The exclusions strategies avoid investing in sectors, issuers or assets for its own economic activity, products, corporate conduct or practices, or controversies, violation of international standards, or poor performance in terms of ESG or corporate sustainability. Credicorp Capital Asset Management and the Credicorp group have identify activities and conducts that are excluded due to concerns regarding its sustainability, or economic, environmental, and social effects.

Conduct-based exclusions are:

- Activities or companies involved in child labor, human trafficking or forced labor, as defined in the ILO Conventions[3].
- Activities or companies that incur in acts of corruption, bribery, or fraud, in accordance with the guidelines set forth by Credicorp and local regulation.

Exclusions based on economic activity include companies whose primarily activities fall within the following ambits:

- Controversial weapons
- Tobacco cultivation and production
- Extraction or commercialization of thermal coal and new thermal coal-fired power generation plants[4]
- Activities related to prostitution and pornography
- Games of chance, casinos, other similar activities

Controversial Weapons

Controversial weapons include cluster bombs, land mines, weapons containing depleted uranium, chemical and biological weapons, blinding laser weapons, weapons with

[3] Child labor is defined as any work that deprives children of their childhood, potential and dignity or which compromises their physical and psychological development. This includes all work that is dangerous and can damage the child's physical, mental or moral well-being; and/or interferes with his or her schooling.

[4] In instruments where the use of capital is identified, e.g. financing of specific projects.

undetectable fragments and incendiary weapons (white phosphorous). These weapons have indiscriminate and disproportional impacts on civilian populations and the environment. These effects can persist long after the end of military conflicts. As a result, their use, stockpiling, and production has been prohibited by several international conventions or treaties (Box 1). Credicorp Capital Asset Management considers that investments related to these weapons are not consistent with its responsible and sustainable investment approach.

Box 1. Controversial Weapons International Conventions (non-exhaustive list)

1972	Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction
1997	Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction
1992	Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (CWC)
2008	Convention on Cluster Munitions (prohibits all use, stockpiling, production, and transfer of cluster munitions)

Source: United Nations, Treaty Collection; United Nations Office for Disarmament Affairs, Disarmament Treaties.

Exclusions in this sector comprise:

- Investments in companies whose primarily activity is the production or commercialization of cluster bombs, land mines, weapons containing depleted uranium, chemical and biological weapons, blinding laser weapons, weapons with undetectable fragments and incendiary weapons (white phosphorous).

Tobacco

Tobacco consumption is associated with pervasive health consequences and fatalities for smokers and non-smokers. According to the World Health Organization (WHO), tobacco generates social and economic costs as it causes premature deaths and losses in productivity, leading to reduced household income, increases in poverty, and healthcare expenses. As a result, the WHO member states adopted the Framework Convention on Tobacco Control in 2003 to reduce tobacco demand and supply (Box 2). Producers of tobacco are subject to increasing regulatory pressure, taxes, and potential lawsuits that may affect their financial prospects. Regulatory and reputational risks in the industry are likely to be underestimated, leading to inadequate risk analysis. Due to environmental, social, and economic considerations, Credicorp Capital Asset Management decided to avoid investments in tobacco.

Exclusions in this sector apply to:

- Investments in companies whose primarily activity is the cultivation and production of tobacco.

Thermal coal and new thermal coal-fired power generation plants

Thermal coal is the most carbon-intensive energy source. Its extraction and use produce high levels of greenhouse gas and polluting emissions. According to the Intergovernmental Panel on Climate Change (IPCC), past and ongoing emissions are causing global warming. Carbon emission reduction is crucial to mitigate the social and environmental risks derived from climate change. Hence, companies in this sector face high risks associated with increasing regulatory pressure and potential reductions in demand as the economy transitions to low-carbon energy sources.

Credicorp Capital Asset Management considers that addressing climate change is consistent with its responsible investment approach. Thus, it has decided to avoid the following:

- Investments in companies whose primary activity is the extraction or commercialization of thermal coal.
- Investments in new thermal coal-fired power generation plants through instruments where the use of the invested capital is identified, for example, through debt or equity financing of specific projects

Box 2. WHO Framework Convention on Tobacco Control

2003

The convention opened for signature in June 2003 and entered in force in February 2005.

+180 Parties

Currently, more than 180 countries are participating. These represent more than 90% of the world population.

Objective

"To protect present and future generations from the devastating health, social, environmental, and economic consequences of tobacco consumption and exposure to tobacco smoke."

Measures

- Demand reduction: price and taxes, regulation of products, disclosure and advertising, among others.
- Supply reduction: illicit trade, sales to minors, support for alternatives.
- Protection of the environment and the health of persons

Source: World Health Organization, FCTC (WHO Framework Convention on Tobacco Control).

Activities related to Prostitution and Pornography

The adult entertainment industry is highly exposed to risks related to human and labor rights violations, human trafficking and other forms of exploitation.

Exclusions in this activity apply to:

- Investments in companies whose main activity is the production and commercialization of prostitution and pornography-related content.

Games of Chance, Casinos, and other Similar Activities

Addictive gambling is harmful to both individuals and vulnerable communities. Additionally, the gambling industry is exposed to risks of violations of data privacy and money laundering.

Exclusions in this activity apply to:

- Investments in companies whose primarily activity is games of chance, casinos, and other similar activities.

4. Implementation and Governance

The definition of activity and conduct-based exclusions occurs at the corporate level in the Credicorp Group. Credicorp Capital Asset Management Sustainable Investments team participates in elaborating proposals for the design and update of the exclusions through the Sustainable AUMs working group at Credicorp.

The implementation of the exclusion process varies depending on the type of exclusions:

Conduct-based Exclusions related to prostitution and pronography

At the corporate level, the Credicorp Group has defined a committee of experts to analyze on a case-by-case basis the controversies related to child labor, human trafficking, forced labor, corruption, bribery, fraud and related to prostitution and pornography to identify excluded issuers. This list is shared with the Sustainable Investments team at Credicorp Capital Asset Management and the Risk team at Credicorp Capital to be socialized with the investment team. The Risk team monitors the investment portfolios to identify positions for divestment and communicates the results to the Sustainable Investments team and the Portfolio Managers quarterly.

Activity-based Exclusions

The Risk team at Credicorp Capital maps annually the primarily activities of the listed issuers that conforms the universe for direct investment, using research platforms from external providers. The list of excluded issuers is shared with the investment team at Credicorp Capital Asset Management. The Portfolio Managers are responsible of the implementation of the exclusions identified. For new issuers or assets, the Portfolio Managers review the primarily activity before the investment. In case of doubt, they may consult the Sustainable Investment team at Credicorp Capital Asset Management or the Risk team at Credicorp Capital. The Risk team monitors the portfolio holdings on a quarterly basis to ensure the compliance of the policy.

If the application of this policy requires divestments, the portfolio managers shall exit the position within the following six months. Divestments should consider constraints associated with the market, liquidity, and portfolio investment policy. If any of these factors limit the ability of the portfolio managers to comply with the exclusion, possible extensions or exceptions may be decided by the Investment Committee or the relevant governing body on a case-by-case basis at the request of the investment team.