
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF
THE SECURITIES EXCHANGE ACT OF 1934
OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

For the transition period from _____ to _____
Commission File Number 1-11414

BANCO LATINOAMERICANO DE COMERCIO EXTERIOR, S.A.

(Exact name of Registrant as specified in its charter)

FOREIGN TRADE BANK OF LATIN AMERICA, INC.

(Translation of Registrant's name into English)

REPUBLIC OF PANAMA

(Jurisdiction of incorporation or organization)

**Torre V, Business Park
Avenida La Rotonda, Urb. Costa del Este
P.O. Box 0819-08730
Panama City, Republic of Panama
*(Address of principal executive offices)***

**Annette van Hoorde de Solis
Chief Financial Officer
+507 210-8500
Email address: asolis@bladex.com
Torre V, Business Park
Avenida La Rotonda, Urb. Costa del Este
P.O. Box 0819-08730
Panama City, Republic of Panama**

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol	Name of each exchange on which registered
Class E Common Stock	BLX	New York Stock Exchange Long-Term Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

6,342,189	Shares of Class A Common Stock
827,573	Shares of Class B Common Stock
30,060,446	Shares of Class E Common Stock
0	Shares of Class F Common Stock
37,230,208	Total Shares of Common Stock

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-accelerated Filer
 Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive- based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

- U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

- Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

- Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

- Yes No
-
-

BANCO LATINOAMERICANO DE COMERCIO EXTERIOR, S.A.

TABLE OF CONTENTS

Page

<u>PART I</u>	<u>9</u>
<u>Item 1. Identity of Directors, Senior Management and Advisers</u>	<u>9</u>
<u>Item 2. Offer Statistics and Expected Timetable</u>	<u>9</u>
<u>Item 3. Key Information</u>	<u>9</u>
A. [Reserved]	9
B. Capitalization and Indebtedness	9
C. Reasons for the Offer and Use of Proceeds	9
D. Risk Factors	9
<u>Item 4. Information on the Company</u>	<u>27</u>
A. History and Development of the Company	27
B. Business Overview	27
C. Organizational Structure	54
D. Property, Plant and Equipment	54
<u>Item 4A. Unresolved Staff Comments</u>	<u>54</u>
<u>Item 5. Operating and Financial Review and Prospects</u>	<u>54</u>
A. Operating Results	55
B. Liquidity and Capital Resources	73
C. Research and Development, Patents and Licenses, etc.	85
D. Trend Information	85
E. Critical Accounting Estimates	88
<u>Item 6. Directors, Executive Officers and Employees</u>	<u>88</u>
A. Directors and Executive Officers	88
B. Compensation	94
C. Board Practices	98
D. Employees	102
E. Share Ownership	102
F. Disclosure of a registrant's action to recover erroneously awarded compensation	102
<u>Item 7. Major Shareholders and Related Party Transactions</u>	<u>103</u>
A. Major Shareholders	103
B. Related Party Transactions	105
C. Interests of Experts and Counsel	105
<u>Item 8. Financial Information</u>	<u>105</u>
A. Consolidated Statements and Other Financial Information	105
B. Significant Changes	106
<u>Item 9. The Offer and Listing</u>	<u>106</u>
A. Offer and Listing Details	106
B. Plan of Distribution	107
C. Markets	107
D. Selling Shareholders	107
E. Dilution	107

F.	Expenses of the Issue	107
Item 10.	Additional Information	107
A.	Share Capital	107
B.	Memorandum and Articles of Association	107
C.	Material Contracts	109
D.	Exchange Controls	109
E.	Taxation	109
F.	Dividends and Paying Agents	113
G.	Statement by Experts	113
H.	Documents on Display	114
I.	Subsidiary Information	114
J.	Annual Report to Security Holders	114
Item 11.	Quantitative and Qualitative Disclosure About Market Risk	114
Item 12.	Description of Securities Other than Equity Securities	119
PART II		120
Item 13.	Defaults, Dividend Arrearages and Delinquencies	120
Item 14.	Material Modifications to the Rights of Security Holders and Use of Proceeds	120
Item 15.	Controls and Procedures	120
Item 16.	[Reserved]	122
Item 16A.	Audit Committee Financial Expert	122
Item 16B.	Code of Ethics	122
Item 16C.	Principal Accountant Fees and Services	122
Item 16D.	Exemptions from the Listing Standards for Audit Committees	123
Item 16E.	Purchases of Equity Securities by the Issuer and Affiliated Purchasers	123
Item 16F.	Change in Registrant’s Certifying Accountant	123
Item 16G.	Corporate Governance	123
Item 16H.	Mine Safety Disclosure	124
Item 16I.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspection	124
Item 16J.	Insider Trading Policies	124
Item 16K.	Cybersecurity	124
PART III		126
Item 17.	Financial Statements	126
Item 18.	Financial Statements	126
Item 19.	Exhibits	127

In this Annual Report on Form 20-F, or this Annual Report, references to the “Bank” or “Bladex” are to Banco Latinoamericano de Comercio Exterior, S.A., a specialized multinational bank incorporated under the laws of the Republic of Panama (“Panama”), and its consolidated subsidiaries described in Item 4.A “Information on the Company – History and Development of the Company.” References to Bladex’s consolidated financial statements (the “Consolidated Financial Statements”) are to the financial statements of Banco Latinoamericano de Comercio Exterior, S.A., and its subsidiaries, with all intercompany balances and transactions having been eliminated for consolidating purposes. References to “Bladex Head Office” are to Banco Latinoamericano de Comercio Exterior, S.A. in its individual capacity. References to Bladex’s loan portfolio (the “Loan Portfolio”) are to the Bank’s principal balance of loans, excluding interest receivable, allowance for loan losses, unearned interest and deferred fees. References to Bladex’s commercial portfolio (the “Commercial Portfolio”) are to the Bank’s Loan Portfolio plus customers’ liabilities under acceptances, and loan commitments and financial guarantee contracts, such as confirmed and stand-by letters of credit, and guarantees covering commercial risk. References to Bladex’s credit portfolio (the “Credit Portfolio”) are to the Bank’s Commercial Portfolio plus Bladex’s investment portfolio (the “Investment Portfolio”) consisting of the principal balance of securities at fair value through other comprehensive income (“FVOCI”) and the principal balance of securities at amortized cost, excluding the interest receivable and the allowance for expected credit losses. References to “U.S. dollars” or “\$” are to United States (“U.S.”) dollars. References to the “Region” are to Latin America and the Caribbean. The Bank accepts deposits and raises funds principally in U.S. dollars, grants loans mostly in U.S. dollars and publishes its Consolidated Financial Statements in U.S. dollars. The numbers and percentages set forth in this Annual Report have been rounded and, accordingly, may not total exactly.

Upon written or oral request, the Bank will provide without charge to each person to whom this Annual Report is delivered, a copy of any or all of the documents listed as exhibits to this Annual Report (other than exhibits to those documents, unless the exhibits are specifically incorporated by reference in the documents). Written requests for copies should be directed to the attention of Mr. Carlos Daniel Raad, Chief Investor Relations Officer, Bladex, as follows: (1) if by regular mail, to P.O. Box 0819-08730, Panama City, Republic of Panama, and (2) if by courier, to Torre V, Business Park, Avenida La Rotonda, Urb. Costa del Este, Panama City, Republic of Panama. Telephone requests may be directed to Mr. Raad at +507 366-4925 ext. 7925. Written requests may also be sent via e-mail to Mr. Raad at craad@bladex.com or ir@bladex.com.

Summary of Risk Factors

The Bank’s business, results of operations, financial conditions and cash flows are subject to, and could be materially adversely affected by, a number of risks and uncertainties, including risks relating to the nature of the Bank’s business as a financial institution and its operations in the Region. The following list summarizes some, but not all, of these risks. Please read the information in the section entitled “Risk Factors” for a more thorough description of these and other risks.

Risks Relating to the Bank’s Business

- Performance in the financial services industry is affected by market conditions, fiscal, monetary and regulatory policies, geopolitical events and the macroeconomic climate.
- Defaults by one or more financial institutions could adversely affect financial markets generally and the Bank specifically.
- Bladex is exposed to liquidity risk, and its failure to adequately manage this risk could result in a liquidity shortage, which could adversely affect its financial condition, results of operations and cash flows.
- The Bank’s allowance for losses on financial instruments could be inadequate to cover credit losses mostly related to its loans, loan commitments and financial guarantee contracts.
- The Bank’s businesses are subject to market risk inherent in the Bank’s financial instruments, as fluctuations in different metrics may have adverse effects on its financial position.
- The Bank is exposed to interest rate risk and fluctuations in interest rates may negatively impact the Bank’s business.

- The Bank's Commercial Portfolio may decrease or may not grow as expected. Additionally, growth in the Bank's Commercial Portfolio or other factors, including those beyond the Bank's control, may expose the Bank to increases in its allowance for expected credit losses.
- Reforms to and replacement of interbank offered rates ("IBORs") and reference rates or indices may adversely affect the Bank's business, financial condition and results of operations.
- Secured Overnight Financing Rate ("SOFR") differs from former London Interbank Offered Rate ("LIBOR") in a number of material respects and has a limited history.
- The administrator of SOFR may make changes that could change the value of SOFR or discontinue SOFR.
- Inflation and corresponding increases in market interest rates may adversely affect the value of the Bank's financial instruments.
- Increased competition and banking industry consolidation could limit the Bank's ability to grow and may adversely affect its results of operations.
- The Bank's businesses rely heavily on data collection, management and processing, and information systems, several of which are provided by third parties. Operational failures or security breaches with respect to any of the foregoing could adversely affect the Bank, including the effectiveness of its risk management and internal control systems. Additionally, the Bank may experience cyberattacks or system defects and failures (including failures to update systems), viruses, worms, and other malicious software from computer "hackers" or other sources, which could unexpectedly interfere with the operation of the Bank's systems.
- Operational problems or errors can have a material adverse impact on the Bank's business, financial condition, reputation, results of operations and cash flows.
- Any delays or failure to successfully execute the Bank's Strategic Plan or implement business initiatives that the Bank may undertake could prevent the Bank from realizing the anticipated revenues and benefits of these initiatives.
- The Bank's hedging strategy may not be able to prevent losses.
- Any failure to remain in compliance with applicable banking laws or other applicable regulations in the jurisdictions in which the Bank operates could harm its reputation and/or cause it to become subject to fines, sanctions or legal enforcement, which could have a material adverse effect on the Bank's business, financial condition and results of operations.
- The perception of Panama by certain international financial regulatory bodies as a jurisdiction with increased susceptibility to shortcomings in financial compliance may result in increased international regulatory requirements or adverse publicity which may adversely affect the Panamanian financial sector and the Panamanian economy and, consequently, the Bank's financial condition and results of operation.
- Any failure to comply with anti-money laundering, anti-corruption, anti-bribery and anti-terrorist financing laws and regulations could damage the Bank's reputation and/or expose the Bank to penalties.
- Expansion, modification and/or enforcement of U.S. economic or financial sanctions, requirements or trade embargoes ("Sanctions") could have a material adverse effect on the Bank.
- Changes in applicable law and regulation may have a material adverse effect on the Bank.
- Any failure by the Bank to maintain effective internal controls over financial reporting may adversely affect investor confidence and, as a result, the value of investments in the Bank's securities.
- The Bank makes estimates and assumptions in connection with the preparation of its Consolidated Financial Statements, and any changes to those estimates and assumptions could have a material adverse effect on its operating results.

- The loss of senior management, or the Bank’s ability to attract and maintain key personnel, could have a material adverse effect on it.
- Financial institutions such as the Bank are facing increased scrutiny on climate and broader environmental, social and governance (ESG)- related issues from governments, regulators, shareholders and other bodies, leading to reputational and other risks.
- The Bank’s ability to maintain its competitive position depends, in part, on the success of new products and services it offers to its customers and on its ability to offer products and services that meet the customers’ needs during the whole life cycle of the products or services. The Bank’s failure to manage various risks it faces as it expands its range of products and services could have a material adverse effect on the Bank.

Risks Relating to the Region

- The Bank’s credit activities are concentrated in the Region. The Bank also faces borrower concentration. Adverse economic developments in the Region or in the condition of the Bank’s largest borrowers could adversely affect the Bank’s growth, asset quality, prospects, profitability, financial condition and financial results.
- The Bank’s mission is focused on supporting trade and integration across the Region. As a result, any increases in tariffs, supply chain disruptions or other restrictions or impediments affecting foreign trade, or resulting uncertainty that reduces international trade flows, either throughout the Region or globally, could adversely affect the Bank’s business, results of operations or share price.
- The Region’s economies remain vulnerable to inflationary pressures. Elevated levels of inflation in the Region may have a material adverse effect on the Region’s economic growth and, therefore, the Bank’s results of operations and financial condition.
- Local country foreign exchange controls or currency devaluation, and elevated inflation, may harm the Bank’s borrowers’ ability to pay U.S. dollar-denominated obligations.
- A significant portion of the Bank’s Loan Portfolio consists of loans made to borrowers in the oil/gas and agribusiness sectors in the Region. Lending in these sectors presents unique risks related to commodities pricing.
- A downgrade in the Bank’s credit ratings may adversely affect its funding costs, access to capital, access to loan and debt capital markets, liquidity and, as a result, its business and results of operations. Increased risk perception in countries in the Region where the Bank has large credit exposures could have an adverse impact on the Bank’s credit ratings.
- Climatic and natural phenomena such as tropical storms, floods, mudslides and earthquakes may adversely affect lending volume and the quality of the Loan Portfolio.

Forward-Looking Statements

In addition to historical information, this Annual Report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements may appear throughout this Annual Report. The Bank uses words such as “believe,” “intend,” “expect,” “anticipate,” “plan,” “may,” “will,” “should,” “estimate,” “potential,” “project” and similar expressions to identify forward-looking statements. Such statements include, among others, those concerning the Bank’s expected financial performance and strategic and operational plans, as well as all assumptions, expectations, predictions, intentions or beliefs about future events. Forward-looking statements involve risks and uncertainties, and actual results may differ materially from those discussed in any such statement. Factors or events that could cause actual results to differ materially from these forward-looking statements include the risks described in the section titled “Risk Factors.” Factors or events that could cause the Bank’s actual results to differ may emerge from time to time, and it is not possible for the Bank to predict all such factors or results. The Bank undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable law or regulation. Forward-looking statements include statements regarding:

- changes in general economic conditions in North America, Central America, South America and the jurisdictions in which the Bank or its customers operate, such as new, continuing or deepening recessions, persistent inflation and shifting inflationary trends, fluctuations in employment rates and changes in immigration policies, disruption of supply chains, imposition of tariffs, Sanctions and trade embargos and its impact on commodities prices, currency exchange rates and monetary policy uncertainties (including, without limitation, as a result of the geopolitical crisis resulting from the conflict in the Middle East and the Russia-Ukraine conflict, among other factors);
- changes in global economic conditions, including but not limited to, the geopolitical crisis resulting from the conflict in the Middle East, the Russia-Ukraine conflict, related Sanctions, global shipping disruptions in the Red Sea, Strait of Hormuz and the Panama Canal, the impact on commodities prices, currency exchange rates and monetary policy uncertainties;
- devaluation of the currencies and interest rate increases or fluctuations in countries in which the Bank conducts its business and globally;
- defaults by one or more financial institutions;
- the Bank's ability to grow its Credit Portfolio, which consists of the Commercial Portfolio and the Investment Portfolio (as defined herein);
- the Bank's ability to increase the number of its clients;
- the Bank's ability to maintain its investment-grade credit ratings and de facto preferred creditor status;
- the effects of exchange rates and the macroeconomic environment in both in Latin America and the Caribbean (the "Region") on the Bank's financial condition;
- the risks related to the discontinuation of other reference rates, and the related replacement of those rates with other reference rates available in the market, such as the SOFR, including increased expenses and litigation;
- the effectiveness of hedging strategies, the execution of the Bank's strategies and initiatives, including its revenue diversification strategy;
- the execution of the Bank's strategies and initiatives, including its revenue diversification strategy;
- anticipated profits and return on equity in future periods;
- the Bank's level of capitalization and debt;
- the implied volatility of the Bank's Treasury profits;
- levels of defaults by borrowers and the adequacy of the Bank's allowance for losses on financial instruments and the measure of its expected credit loss model;
- the availability and mix of future sources of funding for the Bank's lending operations;
- the adequacy of the Bank's sources of liquidity to cover large deposit withdrawals;
- management's expectations and estimates concerning the Bank's future financial performance, financing, plans and programs, and the effects of competition;
- government regulations and tax laws and changes therein;
- increases in applicable compulsory reserve and deposit requirements;
- the effectiveness of the Bank's risk management policies;

[Table of Contents](#)

- failure in, or breach of, the Bank’s operational or security systems or infrastructure;
- regulation of the Bank’s business and operations on a consolidated basis;
- the effects of possible changes in economic or financial Sanctions, changes in international trade, tariffs, restrictions or policies;
- credit and other risks of lending and investment activities; and
- the Bank’s ability to sustain or improve its operating performance.

In addition, the statements included under the headings “Item 4.B. Business Overview—Strategies for 2026 and Subsequent Years” and “Item 5.D. Trend Information” are forward-looking statements. Given the risks and uncertainties surrounding forward-looking statements, undue reliance should not be placed on these statements. Many of these factors are beyond the Bank’s ability to control or predict. The Bank’s forward-looking statements speak only as of the date of this Annual Report. Other than as required by law, the Bank undertakes no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not required in this Annual Report.

Item 2. Offer Statistics and Expected Timetable

Not required in this Annual Report.

Item 3. Key Information

A. Reserved

B. Capitalization and Indebtedness

Not required in this Annual Report.

C. Reasons for the Offer and Use of Proceeds

Not required in this Annual Report.

D. Risk Factors

The Bank's business, results of operations, financial conditions and cash flows are subject to, and could be materially adversely affected by, various risks and uncertainties, including, without limitation, those set forth below, any one of which could cause the Bank's actual results to vary materially from recent results or anticipated future results. Investors should consider, among other things, all of the information set out in this Annual Report and particularly the risk factors with respect to Bladex and the Region in which Bladex operates. In general, investing in financial instruments of issuers in emerging market countries such as Panama involves a higher degree of risk than investing in financial instruments of U.S. and European issuers. Additional risks and uncertainties not presently known to the Bank or that its management currently deems immaterial may also impair the Bank's business operations.

Risks Relating to the Bank's Business

Performance in the financial services industry is affected by market conditions, fiscal, monetary and regulatory policies, geopolitical events and the macroeconomic climate.

The Bank's business is materially affected by market and macroeconomic conditions in the countries in which it operates and globally. A market downturn and weak macroeconomic conditions can be precipitated by a number of factors, including global economic fragmentation, rising sovereign debt burdens, tightening financial conditions, significant currency fluctuations, geopolitical events, such as international armed conflicts, war, or acts of terrorism, the imposition or increase in tariffs, changes in trade policies or international trade disputes, the imposition of Sanctions, global trade or global supply chain disruptions, including energy shortages and food insecurity, heightened government intervention in economic affairs, changes in government monetary and fiscal policies and public spending levels, changes in immigration policies, policies on human capital, significant inflationary or deflationary price changes, volatility in commodity prices affecting key exports, changes in borrower payment behavior, disruptions in one or more concentrated economic sectors, weak or slowing economic growth, the current or anticipated impact of climate change, acute and/or chronic extreme weather events or natural disasters, the emergence or continuation of widespread health emergencies or pandemics, decreased consumer confidence and business sentiment, or local and regional civil unrest. These factors may affect financial market stability, the availability of credit, loan quality, consumer spending patterns, business investment decisions, and overall confidence in financial institutions, which could adversely impact our credit asset quality, profitability and growth prospects. Such developments can have unpredictable and destabilizing effects on the global markets and, consequently, the Bank's results of operations and financial condition.

Adverse changes in interest rates, credit spreads, securities prices, market volatility and liquidity, foreign exchange rates, commodity prices, a default by a market participant or class of counterparties, availability and market conditions of financing, liquidity and other market fluctuations, as well as changes in investor sentiment, can affect our earnings and sources of funding and ultimately our financial and capital positions. As financial markets are global and highly interconnected, local and regional events can have widespread effects well beyond the countries in which they occur. Any of these developments may adversely affect the Bank's business or financial results.

Furthermore, a market downturn and weak macroeconomic conditions can be precipitated by global uncertainties regarding fiscal and monetary policies. Such developments can have unpredictable and destabilizing effects. Actions taken by the U.S. Federal Reserve or other central banks, including changes in target rates, balance sheet management and lending facilities, are beyond the Bank's control and difficult to predict, particularly in an economic environment characterized by relatively elevated inflation and restrictive monetary policy. This can affect interest rates and the value of financial instruments and other assets, such as debt securities, and impact the Bank's borrowers and potentially increase delinquency rates and may also raise government debt levels, adversely affect businesses and increase uncertainty surrounding monetary policy. During the last year, markets continued with high volatility due to the uncertainty around inflation, economic activity and fiscal deterioration in the U.S. This has resulted in and may continue to result in volatility in equity and other markets, further volatility of the U.S. dollar, and credit spreads. During 2025, the Federal Reserve continued a gradual easing cycle by cutting by 75 basis points, while inflation continued above target. Uncertainty continues to be atypically high, and inflationary pressure continues to persist which can result in the maintenance of higher interest rates. Higher interest rates could lead to higher unemployment levels, which could, in turn, increase delinquency rates.

Additionally, changes to existing regional laws and regulatory policies and evolving priorities, including those related to financial regulation, taxation, international trade, fiscal policy, climate change (including efforts to transition to a low-carbon economy) and healthcare, may adversely impact regional or global economic activity, our customers and our earnings and operations. Changes to international trade and investment policies both in the Region and abroad could negatively impact financial markets. The ongoing escalation of tensions between the United States, People's Republic of China (China), Mexico, Canada, Colombia and other U.S. trading partners could lead to further U.S. measures that adversely affect financial markets, disrupt world trade and commerce and lead to trade retaliation, including through the further use of tariffs, foreign exchange measures or the large-scale sale of U.S. Treasury bonds. For example, during 2025, the United States has threatened measures on countries and governments perceived to be uncooperative or challenging the United States' foreign policy agenda, including the imposition of tariffs, export controls, trade restrictions, and embargoes. Any restrictions on the activities of businesses could also negatively affect financial markets.

As financial markets are global and highly interconnected, local and regional events can have widespread effects well beyond the countries in which they occur. Any of these developments may adversely affect the Bank's business or financial results.

Geopolitical events: The Bank is subject to geopolitical risks and uncertainties related both to events within the Region and globally. Geopolitical conditions across the Middle East remain highly volatile. The ongoing escalation of military hostilities involving Iran and its proxies, including armed confrontation prompted by a United States-led campaign and subsequent Iranian reprisals targeting strategic assets and several countries throughout the region, has given rise to a sustained climate of instability. Of particular concern is the possibility that prolonged disruptions to maritime transit through the Strait of Hormuz could constrain oil and gas supply corridors, sustaining elevated energy prices, as well as the prices of petroleum-derived products, over an extended horizon. In addition, the intervention by the United States in Venezuela on January 3, 2026 and its subsequent detention of President Maduro, led to a process of change in the Venezuelan regime, with the establishment of an interim government which brings additional uncertainty to the Region. United States actions relating to Venezuela, its government officials, state-owned entities or instrumentalities and its economic sectors (including the oil and gas sector), as well as the United States oil embargo and debate surrounding United States policy towards Cuba, have implications for Regional trade. The geopolitical tensions surrounding the Panama Canal may also pose specific risks for banks, particularly those involved in international trade financing. While tensions have somewhat eased near the Canal, concerns remain about the strategic importance of this key transit route. The significant drought conditions affecting the Canal in recent years have resulted in transit restrictions and increased passage fees, creating additional challenges for Regional trade flows. The ongoing effects of the foregoing, as well as the Russia-Ukraine conflict, have created significant volatility in global markets and supply chains. These geopolitical tensions have disrupted shipping routes, affected commodity prices, and created uncertainty in financial markets. As a bank located in Panama and focused in large part on international trade, any material developments with respect to the foregoing could have a material adverse effect on the Bank's financial condition and results of operations.

The outbreak and spread of a pandemic and other large-scale public health events could have a negative impact on the Bank's business: Economic conditions in the countries in which the Bank operates may be adversely affected by an outbreak of a contagious disease, such as COVID-19, which develops into a regional or global pandemic and other large scale public health events. The measures taken by governments, regulators and businesses to respond to any such pandemic or event have led and may lead in a future to slower or negative economic growth, supply chain disruptions and inflationary pressures, resulting in contraction in the global and regional economies, substantial volatility in the financial markets, crises in markets for goods and services, as well as significant disruptions in certain regional real estate markets, increased unemployment, increased credit and counterparty risk, and operational challenges. These factors and other consequences of pandemics or

epidemics may negatively affect the Bank's financial condition, including possible constraints on capital and liquidity, as well as a higher cost of capital.

Defaults by one or more financial institutions could adversely affect financial markets generally and the Bank specifically.

Concerns, rumors about or an actual default by one or more financial institutions could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships between institutions. This risk is typically referred to as systemic risk. Concerns about defaults by and failures of many financial institutions could lead to material losses or defaults by financial institutions and financial intermediaries with which the Bank interacts on a daily basis, such as clearing agencies, clearing houses, banks, securities firms and exchanges. The Bank's credit risk exposure will also materially increase if the collateral held cannot be realized or can only be liquidated at prices insufficient to cover the full amount of the exposure. In addition, if other banks and financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, the Bank's ability to access cash and cash equivalents and investments in marketable securities may be threatened. Any decline in available funding or access to the Bank's cash and liquidity resources could, among other risks, adversely impact its ability to meet the Bank's financial obligations or fulfill other obligations, or result in breaches of its financial and/or contractual obligations. These factors, among others, could have a material adverse effect on the Bank's financial condition, results of operations and cash flows.

Bladex is exposed to liquidity risk, and its failure to adequately manage this risk could result in a liquidity shortage, which could adversely affect its financial condition, results of operations and cash flows.

Bladex, like all financial institutions, is exposed to liquidity risk. Liquidity risk is the risk that the Bank will be unable to maintain adequate cash flow to repay its deposits and borrowings and fund its Credit Portfolio on a timely basis. The Bank's capacity and cost of funding may be impacted by a number of factors, such as changes in market conditions (e.g., in interest rates), credit supply, changes in credit ratings, regulatory changes, systemic shocks, changes to our relationships with our funding providers based on real or perceived changes in our risk profile and volatility in the banking and financial sectors, and changes in the market's perception of the Bank, among others. Failure to adequately manage its liquidity risk could produce a shortage of available funds, which may cause the Bank to be unable to repay its obligations as they become due.

Additionally, the Bank's liquidity or cost of funds may be negatively impacted by unexpected simultaneous draws on lines of credit, slower customer payment rates, the withdrawal of or failure to attract customer deposits (which could result from attrition driven by customers seeking higher yielding deposits or securities products, customer desire to utilize an alternative financial institution perceived to be safer, changes in customer spending behavior due to inflation, decline in the economy or other drivers resulting in an increased need for cash), increased regulatory liquidity, capital and margin requirements, which could result in the inability to transfer liquidity internally or failure or default by a significant market participant or third party (including clearing agents, custodians, central banks or central counterparty clearinghouses (CCPs)). These factors also have the potential to increase the Bank's cost of funding, which could lead to tighter lending standards and a slowdown in the growth of its Credit Portfolio.

Several of these factors may arise due to circumstances beyond the Bank's control, such as general market volatility, disruption, shock or stress, the emergence or continuation of widespread health emergencies or pandemics, U.S. Federal Reserve and other central banks' policy decisions (including fluctuations in interest rates), negative views or loss of confidence about the Bank or the financial services industry generally or due to a specific news event, changes in the regulatory environment or governmental fiscal or monetary policies, actions by credit rating agencies or an operational problem that affects third parties or the Bank. The impact of these potentially sudden events, whether within our control or not, could include an inability to sell assets or redeem investments, unforeseen outflows of cash, the need to draw on liquidity facilities, the reduction of financing balances, debt repurchases to support the secondary market or meet client requests, the need for additional funding for commitments and contingencies and unexpected collateral calls, among other things, the result of which could be increased costs and/or a liquidity shortfall.

As of December 31, 2025, 35% of the Bank's total deposits represented deposits from central banks or their designees (i.e., the Bank's Class A shareholders), 34% of the Bank's deposits represented deposits from private sector commercial banks, brokers and financial institutions, 25% of the Bank's deposits represented deposits from state-owned and private, corporations and international organizations, and 6% of the Bank's deposits represented deposits from state-owned banks. The Bank does not accept retail deposits from individuals. Consequently, the Bank's funding source of deposits is highly concentrated in its main depositors. Any disruption or material decrease in current or historic deposit levels, in particular levels of deposits made by central banks and their designees (i.e., the Bank's Class A shareholders) or any of the Bank's main depositors due, among other factors, to any change in their U.S. dollar liquidity strategies which currently include making

deposits with the Bank, could have a material adverse effect on the Bank's liquidity, results of operations and financial condition. In addition, if some state-owned entities cease to provide deposits to the Bank, or some private or state-owned international banks cease to provide deposits or funding to the Bank at historically applicable interest rates, the Bank would have to seek funding from other sources, which may not be available, or if available, may be at a higher cost.

Lastly, Panama is a U.S. dollar-based economy. Panama does not have a central bank, deposits are not insured by any government agency and there is no lender of last resort to local financial institutions in the Panamanian banking sector in the event of financial difficulties or system-wide liquidity disruptions, which could adversely affect the banking system in the country.

The Bank seeks to manage these risks through its liquidity and funding risk management framework; however, there can be no assurance that such measures would be sufficient to prevent a liquidity shortfall during periods of severe market or extraordinary stress. Any of the above factors, either individually or in the aggregate, could adversely affect the Bank's liquidity, financial condition, results of operations and cash flows.

The Bank's allowance for losses on financial instruments could be inadequate to cover credit losses mostly related to its loans, loan commitments and financial guarantee contracts.

The Bank determines the appropriate level of allowances for losses based on a forward-looking process that estimates the probable loss inherent in its Credit Portfolio, which is the result of a statistical analysis supported by the Bank's historical portfolio performance, external sources, and the judgment of the Bank's management. The Bank's level of allowances reflects assumptions and estimates made in the context of changing political and economic conditions in the Region, including but not limited to adverse economic effects arising from rising inflation and recession risk, disruptions to economic activity, global supply chain issues and labor shortages. If the models, estimates and assumptions the Bank uses to establish reserves or the judgments it makes in extending credit to its borrowers or counterparties, which are more sensitive due to the current uncertain macroeconomic and geopolitical environment, prove inaccurate in predicting future events, the Bank may suffer losses in excess of its expected credit losses.

Moreover, the Bank's allowances for losses could be inadequate to cover losses in its Credit Portfolio due to, among other factors, concentration of exposure or deterioration in certain sectors, countries, or the Bank's largest borrower concentration, including but not limited to the impact of significant geopolitical events such as the conflicts previously described and social developments such as any material increases in tariffs in key economies or a trade war, which in turn could have a material adverse effect on the Bank's financial condition, results of operations and cash flows. See "—Performance in the financial services industry is affected by market conditions, fiscal, monetary and regulatory policies, geopolitical events and the macroeconomic climate."

The Bank's businesses are subject to market risk inherent in the Bank's financial instruments, as fluctuations in different metrics may have adverse effects on its financial position.

Market risk generally represents the risk that the values of assets and liabilities or revenues will be adversely affected by changes in market conditions. Market risk is inherent in the financial instruments associated with many of the Bank's operations and activities, including loans and securities at amortized cost, deposits, financial instruments at fair value through profit or loss ("FVTPL") and securities at FVOCI, short-term and long-term borrowings and debt, derivatives and trading positions. This risk may result from fluctuations in different metrics: interest rates, currency exchange rates and changes in the implied volatility of interest rates and changes in securities prices, due to changes in either market perception or actual credit quality or credit ratings of either the relevant issuer or its country of origin. This risk may also result from turmoil in the international financial markets, including but not limited to sweeping tariff measures affecting multiple sectors, the ongoing effects of geopolitical conflicts, volatility in commodity prices, trade volumes and other factors. Accordingly, depending on the instruments or activities impacted, market risks can have wide ranging, complex adverse effects on the Bank's financial condition, results of operations, cash flows and business. See "—Performance in the financial services industry is affected by market conditions, fiscal, monetary and regulatory policies, geopolitical events and the macroeconomic climate."

Furthermore, although most of the Bank's Investment Portfolio is at amortized cost, with the intention to be held to maturity, the Bank cannot predict the amount of realized or unrealized gains or losses on its financial instruments for any future period. Gains or losses on the Bank's Investment Portfolio may not contribute to its net revenue in the future or may cease to contribute to its net revenue at levels consistent with more recent periods. The Bank may not successfully realize the appreciation or depreciation now existing in its consolidated Investment Portfolio or in any assets of such portfolio.

The Bank is exposed to interest rate risk and fluctuations in interest rates may negatively impact the Bank's business.

Fluctuations in interest rates may negatively impact the Bank's business. The Bank's primary source of income from operations is net interest income. The level of net interest income is primarily a function of the average balance of interest-earning assets, the average balance of interest-bearing liabilities and the spread between the yield on such assets and the cost of such liabilities during a given period. These factors are influenced by the volume, pricing and mix of both interest-earning assets and interest-bearing liabilities which, in turn, may be impacted by external factors such as the economy, client demand and product preferences, competition for loans and deposits and market interest rates. Conditions such as inflation, deflation, recession, unemployment, money supply, or other factors beyond the Bank's control may also affect interest rates.

The rate paid on a portion of the Bank's deposits and short-term borrowings may be influenced by short-term interest rates, the level of which is driven primarily by the U.S. Federal Reserve and other central banks' monetary policy actions and levels of liquidity in markets. However, the yields generated by certain loans and securities may also be driven by medium- and longer-term interest rates, which are set by the market and at times, influenced by the U.S. Federal Reserve's and other central banks' actions. The level of net interest income is therefore influenced by movements in such interest rates and the pace at which such movements occur. If the interest rates on the Bank's interest-bearing liabilities increase faster than the interest rates on the Bank's interest-earning assets, the Bank's net interest income may decrease, potentially leading to a decrease in the Bank's earnings may occur. Conversely, the yield the Bank earns on assets could decrease faster or to a larger extent than the Bank's ability to lower rates paid on deposits or borrowings. Various assets and liabilities may also reset to different indices, which may not always move in the same direction or to the same degree. Financial instruments with embedded optionality or prepayment risk may further impact net interest income. Failure to adequately manage potential mismatches between interest-bearing liabilities and interest-earning assets may reduce the Bank's net interest income during periods of fluctuating interest rates. As a result, the Bank's business, results of operations or financial condition may be adversely affected.

Changes in interest rates can also affect the slope of the yield curve and consequently impact the Bank's net interest margin. In general, a negative parallel shift in the yield curve or prolonged periods with a flatter or inverted yield curve could cause the Bank's net interest income and net interest margin to contract. Changes in the yield curve may also adversely affect the duration and expected cash flows of certain callable investment securities or loans by increasing call option exercise or prepayment risks.

An increase in interest rates on loans could also have a negative impact on the Bank's results of operations by reducing the ability of borrowers to make payments under adjustable-rate loan obligations. These circumstances could not only result in increased loan defaults, foreclosures and charge-offs, but also necessitate further increases to the allowance for expected credit losses, which may materially and adversely affect the Bank business, results of operations or financial condition.

The Bank's Commercial Portfolio may decrease or may not grow as expected. Additionally, growth in the Bank's Commercial Portfolio or other factors, including those beyond the Bank's control, may expose the Bank to increases in its allowance for expected credit losses.

The Bank's Commercial Portfolio, including its Loan Portfolio, may not grow at anticipated levels or may decrease in future periods due, among other potential factors, to reduced demand for new credits and/or unscheduled voluntary prepayments by clients. As of December 31, 2025, the Bank's Commercial Portfolio increased 11% to \$11,184 million, from \$10,035 million as of December 31, 2024, due to the Bank's continued focus on expanding its customer and product base with new client onboarding and sustained cross selling efforts which increased business volumes during the year, while also preserving the high quality of borrowers. Increases in the Bank's lending activity led to corresponding increases in the Bank's funding activities as well as an increase in the allowance for expected credit losses.

Furthermore, any future expansion of the Bank's Commercial Portfolio may expose the Bank to higher levels of potential or actual losses and require an increase in the allowance for expected credit losses, which could negatively impact the Bank's operating results and financial position. Furthermore, the Bank's historical loan loss experience may not be indicative of its future loan losses. Credit-impaired or low credit quality loans can also increase the Bank's allowance for expected credit losses and thereby negatively impact the Bank's results of operations. The Bank may not be able to effectively control the level of impaired credits in its total Credit Portfolio. In particular, the amount of its reported credit-impaired loans may increase in the future as a result of growth in its Loan Portfolio, including loans that the Bank may acquire in the future, changes in its business profile or factors beyond the Bank's control, such as the impact of economic trends and political events affecting the Region, certain industries or financial markets and global economies, or particular clients' businesses, all of which could be negatively impacted by the geopolitical and macroeconomic conditions in the Region and abroad. See "Performance in the financial services industry is affected by market conditions, fiscal, monetary and regulatory policies,

geopolitical events and the macroeconomic climate.” These factors, among others, could have a material adverse effect on the Bank’s financial condition, results of operations and cash flows.

Reforms to and replacement of interbank offered rates (“IBORs”) and reference rates or indices may adversely affect the Bank’s business, financial condition and results of operations.

Risks and challenges associated with reference rate reform, including the potential replacement of benchmark rates with alternative reference rates (“ARRs”) (e.g., the cessation of Bloomberg Short-Term Bank Yield Index in November 2024 and the replacement of the Equilibrium Interest Rate (or TIIE) in Mexico, which came into effect in 2025 for Mexican financial institutions), could expose the Bank to various financial, operational, supervisory, conduct and legal risk.

Use of ARR for impacted benchmarks may vary across or within categories of contracts, products and services, potentially resulting in market fragmentation, decreased trading volumes and liquidity, increased complexity and modeling and operational risks. ARR may have compositions and characteristics that differ from replaced benchmarks, including limited liquidity and less predictable performance over time. Any mismatch between the adoption of ARR in loans, securities and derivatives markets may impact hedging or other financial arrangements that the Bank has implemented, resulting in unanticipated market exposures. Transition to ARR may adversely affect the yield on loans or securities held by the Bank, amounts paid on the Bank’s securities and received and paid on derivatives the Bank has entered into, the value of such loans, securities or derivative instruments, the trading market for such products and contracts, and the Bank’s effective use of hedging instruments to manage risk. There is no assurance that impacted benchmarks will transition to ARR without delay or potential disputes.

The transition of any products using impacted benchmarks (“Impacted Products”) that do not include fallback provisions or adequate fallback mechanisms may require additional efforts to modify their terms, and may be more challenging to modify if all impacted parties are required to consent to such modification. Litigation or other disputes may occur as a result of the interpretation or application of any transition-related legislation or regulations adopted in the U.S. and/or foreign jurisdictions, including if the laws or regulations in jurisdictions overlap.

The Impacted Products may contain language giving the Bank discretion to determine the successor rate (including the applicable spread adjustment) to the existing benchmark. The Bank may face a risk of litigation, disputes or other actions from customers, counterparties, investors or others based on various claims, for example, that the Bank incorrectly interpreted or enforced contract provisions, failed to appropriately communicate the transition effects of ARR to existing and future products, treated affected parties unfairly or made inappropriate product recommendations to or investments on behalf of our clients, engaged in anti-competitive behavior or unlawfully manipulated markets or benchmarks.

ARR-based products that the Bank develops, launches and/or support may perform differently from Impacted Products during times of economic stress, adverse or volatile market conditions and across the credit and economic cycle, which may impact the value, return on and profitability of our ARR-based assets. New financial products linked to ARR may have additional legal, financial, accounting, tax, operational, market, compliance, reputational, competitive or other risks to us, our customers and other market participants. Scrutiny by banking regulators in the U.S. and globally on transition plans, preparations and readiness could result in regulatory action, litigation and/or the need to change the products offered by our businesses.

The administrator of SOFR, the reference U.S. dollar interest rate, may make changes that could change the value of SOFR or discontinue SOFR, which may adversely affect the Bank’s business, financial condition and results of operations.

The New York Federal Reserve (or a successor), as administrator of SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR. The administrator has no obligation to consider the interests of any of the Bank’s debt holders when calculating, adjusting, converting, revising or discontinuing SOFR. For example, since publication of SOFR began on April 3, 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Inflation and corresponding increases in market interest rates may adversely affect the value of the Bank’s financial instruments.

Although the nominal interest rate used to calculate interest payments on the Bank’s debt securities may not be linked to a consumer price index or to other inflation measures, the real return an investor will receive may be affected by external

factors such as inflation, taxes or investment costs. In particular, rising prices inevitably reduce the purchasing power of the interest payments that investors will receive. Investment in any financial instrument with a fixed rate component involves the risk that if market interest rates increase above the interest rate paid on such instruments from time to time, this may adversely affect their market value, as the return realized may then be less than the return an investor could realize from another equivalent investment at the relevant time. In this way, movements in market interest rates can adversely affect the price of the Bank's debt instruments and, in turn, could result in losses to investors who sell such debt instruments prior to maturity.

Increased competition and banking industry consolidation could limit the Bank's ability to grow and may adversely affect its results of operations.

Most of the competition the Bank faces in its business comes from domestic and international banks, and in particular European, North American and Asian institutions. Many of these banks have substantially greater resources than the Bank, may have better credit ratings, and may have access to less expensive funding than the Bank does. It is difficult to predict how increased competition will affect the Bank's growth prospects and results of operations.

Over time, there has been substantial consolidation among companies in the financial services industry. Merger activity in the financial services industry has produced companies that are capable of offering a wide array of financial products and services at competitive prices. In addition, whenever economic conditions and risk perception improve in the Region, competition from commercial banks, the securities markets and other new market entrants generally increases.

Globalization of the capital markets and financial services industries exposes the Bank to further competition. To the extent the Bank expands into new business areas and new markets, the Bank may face competitors with more experience and more established relationships with clients, regulators and industry participants in the relevant market, as well as less expensive funding, which could adversely affect the Bank's ability to compete. The Bank's ability to grow its business and therefore, its earnings, may be affected by these competitive pressures.

The Bank also faces increased competition from local financial institutions which have access to comparable or better resources than the Bank. Local financial institutions are also clients of the Bank and there is complexity in managing the balance when a local financial institution is both a client and a competitor. Additionally, many local financial institutions are able to gain direct access to the capital markets and low-cost funding sources, threatening the Bank's historical role as a provider of U.S. dollar funding.

As a result of the foregoing, increased competition and banking industry consolidation could limit the Bank's ability to grow and may adversely affect its results of operations.

The Bank's businesses rely heavily on data collection, management and processing, and information systems, several of which are provided by third parties. Operational failures or security breaches with respect to any of the foregoing could adversely affect the Bank, including the effectiveness of its risk management and internal control systems. Additionally, the Bank may experience cyberattacks or system defects and failures (including failures to update systems), viruses, worms, and other malicious software from computer "hackers" or other sources, which could unexpectedly interfere with the operation of the Bank's systems.

All of the Bank's principal businesses are highly dependent on the ability to timely collect and process a large amount of financial and other information across numerous and diverse markets, at a time when transaction processes have become increasingly complex with increasing volume. The proper functioning of financial control, accounting or other data collection and processing and information systems is critical to the Bank's businesses, financial integrity, and to its ability to compete effectively. A partial or complete failure of any of these primary systems could materially and adversely affect the Bank's decision-making process, risk management, financial integrity and internal control systems, as well as the Bank's ability to respond on a timely basis to changing market conditions. If the Bank cannot maintain effective data collection, management and processing and information systems, it may be materially and adversely affected.

The Bank also relies on third party technology suppliers for many of its core operating systems that are crucial to its business activities. Any issues associated with those suppliers may have a significant impact on the Bank's capacity to process transactions and conduct its business. Additionally, these suppliers have access to the Bank's core systems and databases, exposing the Bank to vulnerability from its technology providers. Any security problems and security vulnerabilities of such third parties may have a material adverse effect on the Bank.

The Bank is also dependent on information systems to operate its website, process transactions, respond to customer inquiries on a timely basis and maintain cost-efficient operations. While the Bank has implemented policies and procedures designed

to manage information security, the Bank may experience cyberattacks or operational problems with its information systems as a result of system defects and failures (including failures to update systems), viruses, worms, and other malicious software from computer “hackers” or other sources, which could unexpectedly interfere with the operation of the Bank’s systems.

Furthermore, the Bank manages and stores certain proprietary information and sensitive or confidential data relating to its clients and to its operations. The Bank may be subject to breaches of the information technology systems it uses for these purposes. Additionally, the Bank operates in many geographic locations and is exposed to events outside its control, including the potential proliferation of regulatory requirements regarding local storage of data, use of local services or technology, or sharing of intellectual property. Despite the contingency plans the Bank has in place, its ability to conduct business in any of its locations may be adversely impacted by a disruption to the infrastructure that supports its business.

The evolving regulatory framework for digital assets and blockchain technology in the U.S. and other jurisdictions is expected to continue to develop, which may create new opportunities and risks for financial institutions. Failure to strategically assess the impact of new technologies could have a negative impact in the Bank’s operations and financial condition.

The use of artificial intelligence-powered engines, including generative AI, and other emerging technologies, are becoming increasingly popular, which may expose the Bank to a variety of new risks that could materially and adversely affect the Bank’s financial condition and reputation, including those related to data privacy, model accuracy, and the potential for inadvertent disclosure of confidential information if employees or third-party providers use public artificial intelligence tools. The use by our employees or third-party providers of any such engines in connection with the Bank’s business may lead to the incorporation of confidential information into publicly available training sets, which represents both a reputational risk and a loss of opportunities connected to such confidential information. We may also inadvertently violate laws and regulations covering the use of data on which artificial intelligence engines run. The disclosures and violations described may affect the Bank’s business and operations.

In addition, the Bank has and expects to continue to implement certain remote working policies. These arrangements have necessitated new and increased reliance on information technology, such as videoconferencing and other infrastructure. As a result, the Bank has faced and will continue to face new challenges and operational risks, including maintenance of supervisory and surveillance controls, as well as increased fraud and data security risks. While the Bank has taken measures to manage these risks, such measures have never been tested on the scale or duration that the Bank is currently experiencing, and there is risk that these measures will prove not to have been effective in the current unprecedented operating environment. Due to the evolving nature of cybersecurity risks and the Bank’s reduced visibility and control in light of remote working, the Bank’s efforts to provide appropriate policies and security measures may prove insufficient to mitigate all cybersecurity and data protection threats. Any failure or hacking of these and other systems could materially and adversely affect the Bank’s business and operations.

The Bank’s ability to remain competitive depends in part on its ability to upgrade its information technology on a timely and cost-effective basis. The Bank continually makes investments and improvements in its information technology infrastructure in order to remain competitive, improve efficiency, reduce the risk of error and improve the client experience. The Bank may not be able to maintain the level of capital expenditures necessary to support the improvement or upgrading of its information technology infrastructure. Any failure to effectively improve or upgrade its information technology infrastructure and management information systems in a timely manner could have a material adverse effect on the Bank. The Bank’s reputation could also suffer if the Bank is unable to protect its customers’ information from being used by third parties for illegal or improper purposes.

For financial institutions, cybersecurity risks have increased due to the widespread use of digital technologies, cloud computing and mobile devices to conduct financial business and transactions. In addition, cyberattacks by hackers, terrorists, criminal organizations, nation states and extremists have also increased in frequency and sophistication. Current geopolitical tensions also may lead to increased risk of cyberattack from foreign state actors.

Operational problems or errors can have a material adverse impact on the Bank’s business, financial condition, reputation, results of operations and cash flows.

Operating failures, including those that result from human error or fraud, not only may increase the Bank’s costs and cause losses, but may also give rise to conflicts with its clients, lawsuits, regulatory fines, Sanctions, interventions, reimbursements and other indemnity costs, all of which may have a material adverse impact on the Bank’s business, financial condition, reputation, results of operations and cash flows. Ethical misconduct or breaches of applicable laws by the Bank’s businesses or its employees could also be damaging to the Bank’s reputation, and could result in litigation, regulatory action or penalties. Operational risk also includes: (i) legal risk associated with inadequacy or deficiency in contracts signed by the Bank; (ii)

penalties due to noncompliance with laws, such as anti-money laundering (“AML”) and embargo regulations; and (iii) punitive damages to third parties arising from the activities undertaken by the Bank. Also, the Bank has additional services for the proper functioning of its business and technology infrastructure, such as networks, internet and systems, among others, provided by external or outsourced companies. Impacts on the provision of these services, caused by these companies due to the lack of supply or the poor quality of the contracted services, can affect the conduct of the Bank’s business as well as its clients. Operational problems or errors such as these may have a material adverse impact on the Bank’s business, financial condition, reputation, results of operations and cash flows.

Any delays or failure to successfully execute the Bank’s Strategic Plan or implement business initiatives that the Bank may undertake could prevent the Bank from realizing the anticipated revenues and benefits of these initiatives.

The Bank’s ability to successfully execute its strategic plan and other transformation initiatives is subject to significant risks and uncertainties, and failure to do so could materially and adversely affect the Bank’s business, results of operations and financial condition. Part of the Bank’s strategy is to diversify income sources through certain business initiatives, including targeting new clients and developing new products and services. These initiatives may not be fully implemented within the time frame the Bank expects, or at all. In addition, even if such initiatives are fully implemented, they may not generate revenues as expected, which could adversely affect the Bank’s business, results of operations and growth prospects. Any delays in implementing these business initiatives could prevent the Bank from realizing the anticipated benefits of the initiatives, which could adversely affect the Bank’s business, results of operations and growth prospects.

The Bank’s hedging strategy may not be able to prevent losses.

The Bank uses diverse instruments and strategies to hedge its exposures to a number of risks associated with its business, but the Bank may incur losses if such hedges are not effective. The Bank may not be able to hedge its positions, or do so only partially, or its hedges may not have the desired effectiveness to mitigate the Bank’s exposure to the diverse risks and market in which it is involved.

Any failure to remain in compliance with applicable banking laws or other applicable regulations in the jurisdictions in which the Bank operates could harm its reputation and/or cause it to become subject to fines, Sanctions or legal enforcement, which could have a material adverse effect on the Bank’s business, financial condition and results of operations.

Bladex has adopted various policies and procedures to promote compliance with applicable laws, including internal controls and “know-your-customer” procedures aimed at preventing money laundering and terrorism financing. However, the participation of multiple parties in any given transaction can increase complexity and require additional time for due diligence. Also, because trade finance can be more reliant on document-based information than other banking activities, it is susceptible to documentary fraud, which can be linked to money laundering, terrorism financing, illicit activities and/or the circumvention of Sanctions or other restrictions (such as export prohibitions, licensing requirements or other trade controls). While the Bank remains alert to potentially high-risk transactions, it is also aware that efforts, such as forgery, double invoicing, partial shipments of goods and use of fictitious goods, may be used to evade applicable laws and regulations. If the Bank’s policies and procedures are ineffective in preventing third parties from using it as a conduit for money laundering or terrorism financing without its knowledge, the Bank’s reputation could suffer and/or it could become subject to fines, Sanctions or legal action (including being added to any “blacklists” that would prohibit certain parties from engaging in transactions with the Bank), which could have an adverse effect on the Bank’s business, financial condition and results of operations. In addition, amendments to applicable laws and regulations in Panama and other countries in which the Bank operates (including the United States) could impose additional compliance burdens on the Bank.

The perception of Panama by certain international financial regulatory bodies as a jurisdiction with increased susceptibility to shortcomings in financial compliance may result in increased international regulatory requirements or adverse publicity which may adversely affect the Panamanian financial sector and the Panamanian economy and, consequently, the Bank’s financial condition and results of operation.

Supranational organizations rate jurisdictions for tax transparency, governance, real economic activity, corporate tax rate, prevention of money laundering, financing of terrorism, among others. Depending on prevailing international regulatory concerns, certain countries that are considered to less than adequately cooperate with such supranational organizations may be put on a “grey” or “black” list. From time to time in the recent past, Panama has been included or threatened with inclusion on these aforementioned lists. For example, from June 2014 until February 2016, Panama was included in the “grey” list of the Financial Action Task Force (“FATF”). In June 2019, Panama was once again included on the FATF “grey” list. In March 2022, the FATF expressed significant concern about the fact that Panama failed to fully address remaining measures in its action plan that aimed to resolve swiftly the identified strategic deficiencies in its regime to counter money

laundering, terrorist financing, and proliferation financing, which fully expired in January 2021. In October 2023, the FATF announced that Panama is no longer under increased monitoring, acknowledging the completion of its action plan and substantial progress in enhancing its AML/CFT regime. In October 2023, Panama was also removed from the FATF “grey” list and as of the date of this annual report remains off the list. However, the Bank cannot assure you that Panama will not be placed on FATF “grey” or “black” lists again in the future.

In addition, in February 2019 the Commission of the European Union (the “European Commission”) proposed to include Panama, together with other 22 countries, in a blacklist of nations determined by the European Commission to have strategic deficiencies in the prevention of terrorism financing and/or money laundering. Although that proposal was not initially approved by the country members of the European Union, the European Commission later announced in May 2020 that it had added Panama to its blacklist. Nonetheless, in March of 2024, the European Commission announced the removal of Panama from its list of high-risk countries with strategic deficiencies in the prevention of money laundering and terrorist financing. Further, during 2017, the European Union Economic and Financial Affairs Council, or ECOFIN, released a list of non-cooperative jurisdictions for tax purposes. The stated aim of this list, and accompanying report, was to promote good governance worldwide in order to maximize efforts to prevent tax fraud and tax evasion. Panama’s adherence to the Convention on Mutual Administrative Assistance in Tax Matters of the Organization for Economic Cooperation and Development (“OECD”) in 2017 notwithstanding, on February 18, 2020 the European Union finance ministers added Panama to its list of non-cooperative jurisdictions for tax purposes for allegedly having shortcomings over exchange of tax information on request based on the OECD’s Global Forum on Transparency and Exchange of Information for Tax Purposes (“Global Forum”) report published in November 2019. Panama was once again included on this list in February of 2024. Inclusion on these lists may result in significant reputational damage. Furthermore, inclusion on the European Union list for non-cooperative jurisdictions allows European Union member states to implement defensive measures to protect their tax revenue and fight against tax fraud, evasion and abuse.

The government of Panama has implemented several initiatives to strengthen its regulatory framework, such as the enactment and subsequent amendment of Law No. 23 in 2015 to create a regulatory framework for various supervisory agencies, individuals and legal entities to monitor, control, promote and strengthen international cooperation in the prevention of money laundering, financing of terrorism and proliferation of weapons of mass destruction.

Nevertheless and depending on international regulatory concerns, continued efforts by Panama to adopt additional regulatory reform may not be readily accepted by international financial regulatory bodies.

In the event Panama is included in any such “grey” list or “black” list, even if such inclusion is later rescinded, the resulting reputational and regulatory consequences may adversely affect the Panamanian economy and, consequently, the Bank’s financial condition and results of operation. Moreover, measures imposed by supranational organizations against “grey-” or “black-” listed jurisdictions may also include the enactment of substantive laws and regulations with which the Bank and other participants in the Panamanian financial sector may be obligated to comply. These additional laws and regulations, as well as any international standards adopted therewith, could increase regulatory costs or otherwise have a material adverse effect on the Bank’s business, financial condition and results of operation.

Any failure to comply with anti-money laundering, anti-corruption, anti-bribery and anti-terrorist financing laws and regulations could damage the Bank’s reputation and/or expose the Bank to penalties.

Financial crime is continually evolving and has become the subject of enhanced regulatory scrutiny and supervision by regulators globally. AML, anti-terrorist financing, anti-corruption, Sanctions and “know your customer” laws and regulations are increasingly complex and detailed and have become the subject of enhanced regulatory supervision, requiring improved systems, sophisticated monitoring and skilled compliance personnel. This heightened scrutiny is evidenced by the U.S. Securities and Exchange Commission’s (the “SEC”) creation of a dedicated Cross-Border Task Force in September 2025 to target transnational violations by foreign-based companies.

The Bank believes that it is in compliance in all material respects with applicable AML, anti-terrorist financing, anti-corruption and Sanctions laws and regulations and have adopted policies and procedures, including internal controls and “know your customer” procedures, aimed at preventing money laundering, terrorist financing and similar financial crimes. These require implementation and embedding within its business of effective controls and monitoring, which in turn requires ongoing changes to systems and operational activities and proactive and adaptable responses from the Bank so that the Bank is able to deter threats and criminality effectively. Even known threats can never be fully eliminated, and there may be instances where the Bank could be used by other parties to engage in money laundering and other illegal or improper activities. Furthermore, the entities or business the Bank acquires may not comply with the same control standards and procedures as the Bank.

In addition, the Bank relies heavily on its employees to assist it by identifying and reporting such activities, and its employees have varying degrees of experience in recognizing criminal tactics and understanding the level of sophistication of criminal organizations. Where the Bank outsources any of its customer due diligence, customer screening or anti-financial crime operations, it remains responsible and accountable for full compliance and any breaches. If the Bank is unable to apply the necessary scrutiny and oversight, there remains a risk of regulatory breach.

If the Bank is unable to fully comply with applicable AML, anti-terrorist financing and Sanctions laws and regulations, or the “know your customer” or other standards, procedures or expectations related thereto, its regulators and relevant law enforcement agencies have the ability and authority to impose significant fines and other penalties on it, including requiring a complete review of its business systems, day-to-day supervision by external consultants, and ultimately the revocation of licenses, any of which could have a material adverse effect on the Bank.

The Superintendency of Banks of Panama (“*Superintendencia de Bancos de Panamá*” or the “Superintendency of Banks”) routinely examines banks to assess compliance with these laws, regulations and procedural standards and may provide comments or findings of deficiencies. The Bank believes that its AML, anti-terrorist financing, Sanctions, “know your customer” and other such policies and procedures are in compliance in all material respects with the applicable provisions of Panamanian law. Any failure to comply with applicable laws, regulations, procedural standards or expectations could cause the Bank considerable reputational damage.

In addition, the Bank relies upon its relevant counterparties to maintain and properly apply their own appropriate compliance measures, procedures, and internal policies. Such measures, procedures and internal policies may not be completely effective in preventing third parties from using the Bank’s (and its relevant counterparties’) services as a conduit for illicit purposes (including illegal cash operations) without the Bank (or its relevant counterparties’) knowledge. If the Bank is associated with, or even accused of, breaches in AML, anti-terrorism, or Sanctions requirements, its reputation could suffer and/or it could become subject to fines, Sanctions or legal enforcement, including being added to any “blacklists” by international monitoring organizations such as FATF that would prohibit certain parties from engaging in transactions with the Bank, which could have a material adverse effect on it. Any resulting governmental fines or reputational damage, whether affecting the Bank directly or indirectly through its counterparties, could impact the Bank’s relationships with rating agencies, creditors, customers and employees and therefore have a materially adverse effect on it.

Any investigation of potential violations of anti-corruption, Sanctions, anti-bribery or AML laws by governmental authorities in any jurisdiction where the Bank operates could materially and adversely affect its business, financial condition, results of operations and prospects. In addition, if its officers, employees, shareholders, counterparties or other entities related to the Bank fail to comply with any applicable anti-corruption, Sanctions, anti-bribery or AML laws, they may be subject to criminal, administrative or civil penalties and other remedial measures. Moreover, adverse publicity about any such regulatory or legal actions or investigations and allegations by other parties with respect to violations of applicable anti-corruption, Sanctions, anti-bribery or AML laws by the Bank’s officers, employees, shareholders, counterparties or other entities related to it could damage the Bank’s reputation and brand image, negatively impact the Bank’s ability to, when applicable, obtain contracts, assignments, permits and other government authorizations, even if the regulatory or legal action is unfounded or not material to its operations.

Expansion, modification and/or enforcement of U.S. economic or financial Sanctions, requirements or trade embargoes could have a material adverse effect on the Bank.

The Bank requires all its subsidiaries, branches, agencies and offices to comply with applicable Sanctions in all material respects. The Bank continues to monitor activities relating to those jurisdictions which are subject to Sanctions and periodically updates its global Sanctions policy to promote compliance with the various requirements resulting from these changes in Sanctions.

The U.S. has expanded Sanctions on Nicaragua, North Korea, Russia, China, Iran, Cuba and Venezuela, and issued an executive order modifying Sanctions with respect to Sudan. Furthermore, in recent years, the United States Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) has designated some notable groups or financial institutions on the Specially Designated Nationals (“SDN”) List in the regions or jurisdictions where the Bank, its counterparties, or its customers are located, have operations, or do business.

The dramatic escalation of Sanctions against Venezuela following the disputed 2024 election and the recent detention of President Maduro has impacted Regional financial institutions. The scope of the current Venezuelan Sanctions regime include Sanctions against a broad range of Venezuelan state-owned entities and various restrictions on the Venezuela oil, gas and petroleum sector.

Since 2015 and through early 2026, the U.S. has continued to expand Sanctions in respect of the Government of Venezuela and certain Venezuelan nationals, including certain Venezuelan government officials effectively blocking all property and interests in property of the Government of Venezuela pursuant to Executive Order 13884 of August 5, 2019. The designation in July 2025 of an additional 37 Venezuelan officials and 24 entities, including several regional financial institutions with ties to the Venezuelan government, has further complicated compliance efforts for banks operating in the Region. With regard to any Sanctions targeting persons who have been added to OFAC's SDN List or other persons considered blocked persons under OFAC Sanctions, U.S. persons may not make to such persons, or receive from such persons, any contribution or provision of funds, goods, or services. These Sanctions also prohibit, with certain limited exceptions, (a) transactions by a U.S. person or within the United States relating to new debt with a maturity greater than 30 days or new equity, of the Government of Venezuela, bonds issued by the Government of Venezuela prior to August 25, 2017, and dividend payments or other distributions of profits to the Government of Venezuela from its controlled entities, and (b) direct or indirect purchases by a U.S. person or within the United States of securities from the Government of Venezuela (other than new debt with a maturity of 30 days or less). These Sanctions have also resulted in the designation of certain state-owned financial institutions, including Banco De Desarrollo Económico y Social de Venezuela ("BANDES"), Banco Bandes Uruguay S.A., Banco Bicentenario del Pueblo, de la Clase Obrera, Mujer y Comunas, Banco Universal C.A., Banco de Venezuela, S.A. Banco Universal and Banco Prodem S.A.

Beginning in 2018, the U.S. also expanded Sanctions in respect of the Government of Nicaragua and certain Nicaraguan nationals. Like the Venezuela-related Sanctions, these recent Sanctions have also resulted in the designation of certain financial institutions, as SDNs, including Banco Corporativo S.A., a subsidiary to the Venezuelan government-funded Alba de Nicaragua, S.A.

Since the Russian invasion of Ukraine on February 24, 2022, the United States has imposed Sanctions against certain Russian banks, companies and individuals, as well as the Russian Central Bank, and has announced that certain Russian banks will be barred from using the Society for Worldwide Interbank Financial Telecommunication (SWIFT) messaging system. The escalation of Russia-related Sanctions in March 2025 extended restrictions to previously untargeted sectors of the Russian economy and imposed secondary sanctions on foreign financial institutions that facilitate significant transactions for sanctioned Russian entities. In addition, generally applicable investment, export, and import bans and restrictions have been put in place. In response to such Sanctions and restrictions, as well as asset flight, Russia has implemented certain countermeasures. These sanctions, restrictions and Russian countermeasures may adversely affect the Bank, its customers and the markets in which the Bank operates by creating regulatory, reputational and market risks.

Additionally, the implementation of new comprehensive U.S. sanctions against several entities in Colombia in September 2025, based on alleged narcotics trafficking and terrorism financing activities, presents unique challenges.

While the Bank does not consider that its business activities with counterparties with whom transactions are restricted or prohibited under U.S. Sanctions are material to its business, these aforementioned recent developments and any future expansion of Sanctions could have a material adverse impact on the Bank due to, among other things, the following:

- Bladex may be owned, directly or indirectly, by, or have shareholders which are, central banks, multilateral development banks or other persons which may be the current or future target of Sanctions. Importantly, as of the date of this annual report, no SDN or blocked person currently has any operational or management role in the Bank, or has any authority to negotiate on behalf of the Bank or make binding commitments on behalf of the Bank.
- The ongoing geopolitical tensions and trade disruptions in the Region (including Venezuela) and highly dynamic Sanctions landscape have created heightened risks for regional financial institutions or result in increased Sanctions compliance-related costs or expenses.

Bladex may maintain counterparties that are organized in, located in or otherwise do business in jurisdictions which may or whose government may be the target of Sanctions.

Changes in applicable law and regulation may have a material adverse effect on the Bank.

The Bank is subject to extensive laws and regulations regarding the Bank's organization, operations, lending and funding activities, capitalization and other matters. The Bank has no control over applicable law and government regulations, which govern all aspects of its operations, including but not limited to regulations that impose:

- Minimum capital requirements;
- Reserve and compulsory deposit requirements;
- Funding restrictions;

- Lending limits, earmarked lending and other credit restrictions;
- Limits on investments in fixed assets;
- Corporate governance, financial reporting and employee compensation requirements;
- Accounting and statistical requirements;
- Competition policy; and
- Other requirements or limitations.

The regulatory structure governing financial institutions, such as the Bank, is continuously evolving. Disruptions and volatility in the global financial markets resulting in liquidity problems at major international financial institutions could lead the governments in jurisdictions in which the Bank operates to change laws and regulations applicable to financial institutions based on such international developments.

In response to the global financial crisis, which began in late 2007, national and intergovernmental regulatory entities, such as the Basel Committee on Banking Regulations and Supervisory Practices (the “Basel Committee”) proposed reforms to prevent the recurrence of a similar crisis, including the Basel III framework, which creates new higher minimum regulatory capital requirements. On December 16, 2010 and January 13, 2011, the Basel Committee issued its original guidance (which was updated in 2013) on a number of regulatory reforms to the regulatory capital framework in order to strengthen minimum capital requirements, including the phasing out of innovative Tier 1 and 2 Capital instruments with incentive-based redemption clauses and implementing a leverage ratio on institutions in addition to current risk-based regulatory requirements. The Superintendency of Banks is authorized to increase the minimum capital requirement percentage in Panama in the event that generally accepted international capitalization standards (the standards set by the Basel Committee on Banking Supervision) become more stringent. Non-compliance with this legal lending limit could result in the assessment of administrative Sanctions by the Superintendency of Banks for such violations, taking into consideration the magnitude of the offense and any prior occurrences, and the magnitude of damages and prejudice caused to third parties. The Bank follows Basel III criteria to determine capitalization levels, and has determined the Bank’s Tier 1 capital ratio (Basel III – IRB) to be 17.4% as of December 31, 2025. In addition, as of December 31, 2025, the Bank’s Capital Adequacy Ratio, calculated according to the guidelines of the Banking Law (as defined below), was 15.5%.

Based on the Bank’s current regulatory capital ratios, as well as conservative assumptions on expected returns and asset growth, the Bank does not anticipate that additional regulatory capital will be required to support its operations in the near future. However, depending on the effects of the rules that complete the implementation of the Basel III framework on Panamanian banks and particularly on other Bank operations, the Bank may need to reassess its ongoing funding strategy for regulatory capital.

The Bank also has operations in countries outside of Panama, including the United States. Changes in the laws or regulations applicable to the Bank business in the countries in which it operates or adoption of new laws, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) in the United States, and the related rulemaking, may have a material adverse effect on the Bank’s business, financial condition, and results of operations. The Dodd-Frank Act was signed into law on July 21, 2010 and was intended to overhaul the financial regulatory framework in the United States following the global financial crisis and has substantially impacted all financial institutions that are subject to its requirements. The Dodd-Frank Act, among other things, imposes higher prudential standards, including more stringent risk-based capital, leverage, liquidity and risk-management requirements, established a Bureau of Consumer Financial Protection, established a systemic risk regulator, consolidated certain federal bank regulators, imposes additional requirements related to corporate governance and executive compensation and requires various U.S. federal agencies to adopt a broad range of new implementing rules and regulations, for which they are given broad discretion.

In 2014, the U.S. Federal Reserve Board issued a final rule strengthening supervision and regulation of large U.S. bank holding companies and foreign banking organizations (such as the Bank). The final rule establishes a number of enhanced prudential standards for large U.S. bank holding companies and foreign banking organizations to help increase the resiliency of their operations. These standards include liquidity, risk management, and capital. The final rule was required by Section 165 of the Dodd-Frank Act. Under the final rule, foreign banking organizations with combined U.S. assets of \$50 billion or more will be required to establish a U.S. risk committee and employ a U.S. chief risk officer to help ensure that the foreign bank understands and manages the risks of its combined U.S. operations. In addition, these foreign banking organizations will be required to meet enhanced liquidity risk-management standards, conduct liquidity stress tests, and hold a buffer of highly liquid assets based on projected funding needs during a 30-day stress test event. Foreign banking organizations with total consolidated assets of \$50 billion or more, but combined U.S. assets of less than \$50 billion, are subject to enhanced prudential standards. However, the capital, liquidity, risk-management, and stress testing requirements applicable to these foreign banking organizations are substantially less than those applicable to foreign banking organizations with a larger U.S. presence. In addition, the final rule implements stress testing requirements for foreign banking organizations with total

consolidated assets of more than \$10 billion and risk committee requirements for foreign banking organizations that meet the asset threshold and are publicly traded. While the majority of these enhanced prudential standards are not currently applicable to the Bank, they could ultimately become applicable as the Bank grows, its U.S. presence or assets increase or if the Dodd-Frank Act is later amended, modified or supplemented with new legislation.

On December 10, 2013, pursuant to the Dodd-Frank Act, federal banking and securities regulators issued final rules to implement Section 619 of the Dodd-Frank Act (the “Volcker Rule”). Generally, subject to certain exceptions, the Volcker Rule restricts banks from: (i) short-term proprietary trading as principal in securities and other financial instruments, and (ii) sponsoring or acquiring or retaining an ownership interest in private equity and hedge funds. The Volcker Rule prohibitions and restrictions generally apply to banking entities, including the Bank, unless an exception applies. Based on analysis of applicable regulations and the Bank’s investment activities, the Bank has determined that its current investment activities are not subject to the Volcker Rule restrictions.

The Dodd-Frank Act also will have an impact on the Bank’s derivatives activities if it enters into swaps or security-based swaps with U.S. persons. In particular, Bladex may be subject to mandatory trade execution, mandatory clearing and mandatory posting of margin in connection with its swaps and security-based swaps with U.S. persons.

On March 18, 2010, the Hiring Incentives to Restore Employment Act of 2010, Pub. L. 111-147 (H.R. 2847), added Sections 1471 through 1474 (collectively, “FATCA”) to Subtitle A of the Internal Revenue Code of 1986, as amended (the “Code”). FATCA requires withholding agents, including foreign financial institutions (“FFIs”), to withhold thirty percent (30%) of certain payments to a FFI unless the FFI has entered into an agreement with the U.S. Internal Revenue Service (“IRS”) to, among other things, report certain information with respect to U.S. accounts. FATCA also imposes on withholding agents certain withholding, documentation, and reporting requirements with respect to certain payments made to certain non-financial foreign entities.

On April 27, 2016, Panama signed an intergovernmental agreement (“Panama IGA”) with the United States for purposes of FATCA. Under the Panama IGA, most Panamanian financial institutions are required to register with the IRS and comply with the requirements of the Panama IGA, including with respect to due diligence, reporting, and withholding.

To this end, the Bank registered with the IRS on April 23, 2014 as a Registered Deemed-Compliant Financial Institution (including a Reporting Financial Institution under a Model 1 IGA) and is required under the Panama IGA to identify U.S. persons and report certain information required by the IRS, through the tax authorities in Panama.

Any changes in applicable laws and regulations, as well as the volume and complexity of the laws and regulations applicable to the Bank, may have a material adverse effect on the Bank.

Any failure by the Bank to maintain effective internal controls over financial reporting may adversely affect investor confidence and, as a result, the value of investments in the Bank's securities.

The Bank is required under the Sarbanes-Oxley Act of 2002 to furnish a report by the Bank’s management on the effectiveness of its internal control over financial reporting and to include a report by its independent auditors attesting to such effectiveness. Any failure by the Bank to maintain effective internal control over financial reporting could adversely affect its ability to report accurately its financial condition or results of operations. If the Bank is unable to conclude that its internal control over financial reporting is effective, or if its independent auditors determine that Bladex has a material weakness in its internal control over financial reporting, the Bank could lose investor confidence in the accuracy and completeness of its financial reports, the market prices of its shares could decline, and could be subject to Sanctions or investigations by the SEC or other regulatory authorities. Failure to remedy any material weakness in its internal control over financial reporting, or to implement or maintain other effective control systems required of public companies subject to SEC regulation, also could restrict the Bank’s future access to the capital markets.

The Bank makes estimates and assumptions in connection with the preparation of its Consolidated Financial Statements, and any changes to those estimates and assumptions could have a material adverse effect on its operating results.

In connection with the preparation of its Consolidated Financial Statements, the Bank uses certain estimates and assumptions based on historical experience and other factors. While the Bank’s management believes that these estimates and assumptions are reasonable under the current circumstances, they are subject to significant uncertainties, some of which are beyond its control. Should any of these estimates and assumptions change or prove to have been incorrect, its reported operating results could be materially adversely affected.

The loss of senior management, or the Bank's ability to attract and maintain key personnel, could have a material adverse effect on it.

The Bank's ability to maintain its competitive position and implement its strategy depends on its senior management. The loss of some of the members of the Bank's senior management, or the Bank's inability to maintain and attract additional personnel, could have a material adverse effect on its operations and ability to implement its strategy. The Bank's performance and success are largely dependent on the talents and efforts of highly skilled individuals. Talent attraction and retention is one of the key pillars for supporting the results of Bladex, which is focused on client satisfaction and sustainable performance. The Bank's ability to attract, develop, motivate and retain the right number of appropriately qualified people is critical to its performance and ability to thrive throughout the Region. Concurrently, the Bank faces the challenge of providing a new experience to employees, so that the Bank is able to attract and retain highly-qualified professionals who value environments offering equal opportunities and who wish to build their careers in dynamic, cooperative workplaces, which encourage diversity and meritocracy and are up to date with new work models.

The Bank's performance could be adversely affected if it were unable to attract, retain and motivate key talent. As the Bank is highly dependent on the technical skills of its personnel, including successors to crucial leadership positions, as well as their relationships with clients, the loss of key components of the Bank's workforce could make it difficult to compete, grow and manage the business. A loss of such expertise could have a material adverse effect on the Bank's financial performance, future prospects and competitive position.

Financial institutions such as the Bank are facing increased scrutiny on climate and broader environmental, social and governance (ESG)- related issues from governments, regulators, shareholders and other bodies, leading to reputational and other risks.

Financial institutions are facing increased scrutiny on climate and broader environmental, social and governance (ESG)-related issues from governments, regulators, shareholders and other bodies, leading to reputational and other risks if the Bank is not seen to support the transition to a lower carbon economy, and to protect biodiversity and human rights. In addition, there is a general lack of consistent and comprehensive ESG data and methodologies available today, which means that the Bank may be reliant on estimates and qualitative approaches when assessing ESG-related risks to its business, which may, among other things, introduce a degree of uncertainty into any of the Bank's climate-related disclosures.

In this context, the risk of "greenwashing" also represents both a regulatory and reputational risk for the Bank. Greenwashing refers to the risk of making inaccurate or misleading claims to stakeholders and third parties about the sustainability-related features of a company's products or investments. The rapidly evolving regulatory environment surrounding greenwashing and any resulting impact on the Bank's reputation could negatively effect the Bank's financial condition and results of operations.

Although the Bank intends to develop and implement its approach to environmental risk assessments and management in order to promote the integration of environmental-related factors across its business activities, both rapidly changing regulatory, as well as stakeholder demands, combined with an increasing focus by stakeholders, may materially affect the Bank's business if it fails to adopt such demands or appropriately implement strategic plans to address them.

The Bank's ability to maintain its competitive position depends, in part, on the success of new products and services it offers to its customers and on its ability to offer products and services that meet the customers' needs during the whole life cycle of the products or services. The Bank's failure to manage various risks it faces as it expands its range of products and services could have a material adverse effect on the Bank.

The success of the Bank's operations and its profitability depends, in part, on the success of new products and services it offers to its customers and its ability to offer products and services that meet their needs during their entire life cycle. However, the Bank's customers' needs, or desires may change over time, and such changes may render its products and services obsolete, outdated or unattractive and the Bank may not be able to develop new products that meet its customers' changing needs. The Bank's success is also dependent on its ability to anticipate and leverage new and existing technologies that may have an impact on products and services in the banking industry. Technological changes may further intensify and complicate the competitive landscape and influence customer behavior. If the Bank cannot respond in a timely fashion to the changing needs of its customers, it may lose existing or potential customers, which could in turn materially and adversely affect the Bank. In addition, the cost of developing products is likely to affect the Bank's results of operations.

As the Bank expands the range of products and services, some of which may be at an early stage of development in the markets of certain regions where the Bank operates, the Bank will be exposed to new and potentially increasingly complex

risks, such as the conduct risk in the relationship with customers, and development expenses. The Bank's employees and its risk management systems, as well as the Bank's experience may not be sufficient to enable the Bank to properly manage such risks. Any or all of these factors, individually or collectively, could have a material adverse effect on the Bank.

Risks Relating to the Region

The Bank's credit activities are concentrated in the Region. The Bank also faces borrower concentration. Adverse economic developments in the Region or in the condition of the Bank's largest borrowers could adversely affect the Bank's growth, asset quality, prospects, profitability, financial condition and financial results.

As a reflection of the Bank's mission and strategy, the Bank's credit and other activities are concentrated in the Region, and are therefore highly susceptible to macroeconomic factors throughout the Region, as well as in individual countries. Economies in the Region have historically experienced significant volatility evidenced, in some cases, by political uncertainty, including with respect to upcoming elections, slow economic growth or recessions, increases in unemployment and the resulting reduction in consumer purchasing power, declining investments, fluctuations in interest rates and the capital markets, government and private sector debt defaults and restructurings, and significant inflation and/or currency devaluation. The expansion of protectionist policies by the new United States administration in 2025, including increased tariffs and changes in immigration policy has also created uncertainty in the Region where the Bank operates and may lead to higher levels of inflation. While global economic growth showed signs of stabilization in late 2025, the continued geopolitical tensions and trade disruptions have limited recovery in the Region. Moreover, the pause in monetary easing in major economies due to renewed inflation concerns and fiscal expansion could maintain relatively high borrowing costs for countries in the Region. These conditions, combined with currency volatility in several key markets, continue to present challenges for economic growth. See “—Risks Relating to the Bank's Business—Performance in the financial services industry is affected by market conditions, fiscal, monetary and regulatory policies, geopolitical events and the macroeconomic climate.”

Banks, including Bladex, that operate in countries considered to be emerging markets may be particularly susceptible to disruptions and reductions in the availability of credit or increases in financing costs, which may have a material adverse impact on their operations. In particular, the availability of credit to financial institutions operating in emerging markets is significantly influenced by an aversion to global risk. In addition, any factor that may impact investors' confidence, such as a downgrade in credit ratings of a particular country or an intervention by a government or monetary authority in any such markets, may affect the price or availability of resources for financial institutions in these markets, which may affect the Bank.

The Bank also faces borrower concentration, with its credit activities being in a number of countries. Adverse changes affecting one or more of these economies could have a material adverse impact on the Bank's Credit Portfolio and, as a result, its financial condition, growth, prospects, results of operations and financial condition. As of December 31, 2025, 52% of the Bank's Credit Portfolio was outstanding to borrowers in the following five countries: Guatemala (\$1,653 million, or 13%), Mexico (\$1,326 million, or 11%), Brazil (\$1,268 million, or 10%), Colombia (\$1,174 million, or 9%), and Dominican Republic (\$1,092 million, or 9%).

In addition, as of December 31, 2025, of the Bank's total Credit Portfolio balances, 8% were to five borrowers in Guatemala, 6% were to five borrowers in Colombia, 5% were to five borrowers in Dominican Republic, 5% were to five borrowers in Mexico and 5% were to five borrowers in Brazil. The increased political and economic volatility in several of these key markets during 2025, particularly the diplomatic tensions affecting the Region, presents heightened concentration risks. A significant deterioration of the financial or economic condition of any of these countries or borrowers could have a material adverse impact on the Bank's Credit Portfolio, potentially requiring the Bank to create additional allowances for expected credit losses, or suffer credit losses with the effect accentuated because of this concentration.

The Bank's mission is focused on supporting trade and integration across the Region. As a result, any increases in tariffs, supply chain disruptions or other restrictions or impediments affecting foreign trade, or resulting uncertainty that reduces international trade flows, either throughout the Region or globally, could adversely affect the Bank's business, results of operations or share price.

The Bank's mission is focused on supporting trade and integration across the Region, and a significant portion of the Bank's operations is derived from financing trade related transactions. As a result, increases in tariffs, changes in political, regulatory and economic conditions in the United States or in the Region, or in policies governing infrastructure, trade and foreign investment in the United States, or other restrictions on foreign trade throughout the Region or globally could adversely affect

the Bank's business and results of operations. The United States has significantly expanded its tariff regime since early 2025, imposing new tariffs on a wider range of imports from countries throughout the world. The implementation of tariffs on certain Chinese goods, along with additional tariffs on Mexican and Canadian imports, including steel, aluminum, automobiles, and agricultural products, has disrupted established trade patterns in the Region. In addition, the United States has implemented additional tariffs and trade measures against several countries and trading blocs related to other products. Several countries and trading blocs have implemented countermeasures. There can be no assurance that the prevalence and quantity of tariffs and similar measures implemented or increased globally, and in the Region, will not continue to increase, and that such measures will not have a material adverse effect on the global or Regional economies as a whole, and as a result on our financial condition and results of operations.

Any such disruptions in international trade flows could materially and adversely affect the demand and pricing of the Bank's trade related lending activities, and therefore, have a material adverse effect on the Bank's business, financial condition, results of operations and share price.

The Region's economies remain vulnerable to inflationary pressures. Elevated levels of inflation in the Region may have a material adverse effect on the Region's economic growth and, therefore, the Bank's results of operations and financial condition.

The ongoing geopolitical conflicts in Europe, the Middle East, Asia, and somehow, in Latin America put additional pressure to inflation, the potential devaluation of currencies against the U.S. Dollar, the fluctuation of interest rates, tighter financial conditions, economic deceleration of key trading partners, and social discontent are among the macroeconomic factors that have led to a still low economic growth in the Region in 2025. In addition, the adoption of protectionist policies by the new administration in the United States, such as those measures related to tariffs and immigration issues, together with the withdrawal of most of the pandemic-related fiscal stimulus and the reversal of external price pressures, contribute to disruptions in global supply chains and trade flows. Such developments may increase cost pressures and further exacerbate domestic inflationary conditions. Financing costs could be affected by inflation and are expected to remain high in the coming years. If interest rates were to increase significantly again, this would affect global financial conditions and carry the risk of triggering a recession. Should monetary policy rates move materially higher than current expectations, a realignment of market expectations could cause turbulence in financial asset prices. Higher global and domestic financing costs can accelerate capital outflows and represent a challenge for the Region, given large public and external financing needs in some countries and the limited resources to finance investment in the Region. Furthermore, the combined effect of geopolitical conflicts such as the conflict in the Middle East, the Russia-Ukraine conflict, among others, are all recessive and inflationary, which could cause risks of stagflation within the Region.

Although economic conditions vary from country to country, the Region's economy continues to be vulnerable to inflationary pressure and to experience slow economic growth. Though inflationary pressures slowed during 2025, except for Colombia, as a result of several factors, including lower food and energy prices resulting from monetary policy tightening, there is considerable uncertainty around inflation forecasts for coming years. Tighter labor markets, wage pressures, the adoption of tariff and a history of backward indexation continue to create uncertainty around inflation rates. Core inflation (that is, excluding food and energy) in the Region remains high.

The volatility in commodity prices, particularly energy and agricultural products, has contributed to price instability across the Region. The disruptions to global shipping routes, including restrictions at the Panama Canal due to drought conditions and security concerns in the Red Sea and the Strait of Hormuz, have increased transportation costs and delivery times for imported goods.

Amidst these uncertainties, financial markets have continued to experience volatility. The Bank cannot predict the decisions and policies that the governments in major global markets and in the Region will adopt in the future to combat inflation, which could generate uncertainty in the international markets and could have a negative effect on economies in the Region. Persistent inflation in the Region may have a material adverse effect on the Region's economic growth and, therefore, the Bank's results of operations and financial condition.

Local country foreign exchange controls or currency devaluation, and elevated inflation, may harm the Bank's borrowers' ability to pay U.S. dollar-denominated obligations.

The Bank makes mostly U.S. dollar-denominated loans and investments. As a result, the Bank faces the regulatory risk that can be created since some governments within the Region can impose controls on the foreign exchange market and may restrict the ability of the Bank's borrowers to acquire dollars to repay loans on a timely basis, even if they are exporters, and/or that significant currency devaluation might occur, which could increase the cost, in local currency terms, to the Bank's borrowers of acquiring dollars to repay loans. Asset risks may rise for banks that lend to exporters or high value-added

manufacturers, particularly in the automotive supplier and technology sectors in the Region. Any of these factors could harm the Bank's borrowers' ability to pay U.S. dollar-denominated obligations, which could adversely affect the Bank's business and results of operations.

A significant portion of the Bank's Loan Portfolio consists of loans made to borrowers in the oil/gas and agribusiness sectors in the Region. Lending in these sectors presents unique risks related to commodities pricing.

As of December 31, 2025, \$1,258 million, or 14% of the Bank's Loan Portfolio was comprised of oil/gas related loans, and \$343 million, or 4% of the Bank's Loan Portfolio was comprised of agribusiness loans. Repayment of these loans depends substantially, in some cases, on producing, exploring and exporting and also marketing the oil/gas or other commodities. Most of these loans are unsecured and collateral securing some of these loans may be illiquid. In addition, the limited purpose of some agricultural-related collateral affects credit risk because such collateral may have limited or no other uses to support values when loan repayment problems emerge. Many external factors can impact the Bank's borrowers' ability to repay their loans, including commodity price volatility (i.e., oil and sugar prices), increased global shipping costs due to tensions in the Red Sea, the Strait of Hormuz and a slowdown in Panama Canal traffic due to drought conditions, pandemics, epidemics, war, the imposition of tariffs, the escalation of tensions between the United States and key trading partners in the Region, and Sanctions implemented as a result, the impact of supply chain disruptions, inflation and rising interest rates, adverse weather conditions, water issues, land values, production costs, changing government regulations and subsidy programs, changing tax treatment, technological changes, labor market shortages/increased wages, and changes in consumers' preferences, over which the Bank's borrowers may have no control. These factors, as well as volatility in certain commodity prices, particularly the fluctuations in oil prices resulting from production adjustments by major oil-producing countries and demand uncertainties in key markets, could adversely impact the ability of those to whom the Bank has made loans to perform under the terms of their borrowing arrangements with the Bank, which in turn could result in credit losses and adversely affect the Bank's business, financial condition and results of operations.

A downgrade in the Bank's credit ratings may adversely affect its funding costs, access to capital, access to loan and debt capital markets, liquidity and, as a result, its business and results of operations. Increased risk perception in countries in the Region where the Bank has large credit exposures could have an adverse impact on the Bank's credit ratings.

Credit ratings represent the opinions of independent rating agencies regarding the Bank's ability to repay its indebtedness and affect the cost and other terms upon which it is able to obtain funding. Each of the rating agencies reviews its ratings and rating methodologies on a periodic basis and may decide on a grade change at any time, based on factors that affect the Bank's financial strength, such as liquidity, capitalization, asset quality and profitability. Credit ratings are essential to the Bank's capability to raise capital and funding through the issuance of debt, loan transactions, as well as to the cost of such financing.

Among other factors, increased risk perception in any country where the Bank has large exposures could trigger downgrades to the Bank's credit ratings. Such perception of increased risk could result from events which are beyond the Bank's control, such as economic or political crises or the macroeconomic deterioration of certain key economic sectors, among other factors. A credit rating downgrade would likely increase the Bank's funding costs, and may create liquidity risk, reduce its deposit base and access to the lending and debt capital markets, trigger additional collateral or funding requirements or decrease the number of investors and counterparties willing or permitted, contractually or otherwise, to do business with or lend to the Bank. As a result, the Bank's ability to obtain the necessary funding to carry on its financing activities in the Region at meaningful levels could be affected adversely, which could have a negative effect on its business and results of operations.

Climatic and natural phenomena such as tropical storms, floods, mudslides and earthquakes may adversely affect lending volume and the quality of the Loan Portfolio.

The Bank is exposed to natural disasters in Panama, such as earthquakes, floods and mudslides. Although earthquakes in Panama are not common, the country is located in a seismic zone. The country is also vulnerable to El Niño phenomenon, which provokes floods and mudslides in the north and central Andean regions. Drought conditions have impacted shipping traffic through the Panama Canal, with vessel transits restricted and transit fees increased. Whenever this weather phenomenon occurs, the Panama Canal Authority tends to implement water conservation measures that have reduced the canal's capacity, affecting global shipping and increasing costs for trade in the Region. As a consequence, it could negatively affect Panama's Gross Domestic Product ("GDP") and the financial condition of certain of the Bank's clients.

A natural disaster of this nature or any other type of disaster could impair the Bank's operational capacity. The Bank's business continuity plans include emergency response, disaster recovery, operations continuity, crisis management, data protection and recovery and critical systems redundancy. Although the Bank tests its business continuity plans annually, these plans may prove to be ineffective, which could have a material adverse effect on the Bank's ability to carry out its businesses,

especially if an incidence or disaster affects computer-based data systems or damages customer or other data. In addition, if a significant number of the Bank's employees were affected by the natural disaster, the Bank's ability to conduct business could be impaired.

Item 4. Information on the Company

A. History and Development of the Company

The Bank, a corporation (*sociedad anónima*) organized under the laws of Panama and headquartered in Panama City, Panama, is a specialized multinational bank originally established by central banks of Latin American and Caribbean countries to promote foreign trade and economic integration in the Region. The legal name of the Bank is Banco Latinoamericano de Comercio Exterior, S.A. Translated into English, the Bank is also known as Foreign Trade Bank of Latin America, Inc. The commercial name of the Bank is Bladex.

The Bank was established pursuant to a May 1975 proposal presented to the Assembly of Governors of Central Banks in the Region, which recommended the creation of a multinational organization to increase foreign trade financing capacity of the Region. The Bank was organized in 1977, incorporated in 1978 as a corporation pursuant to the laws of the Republic of Panama, and officially began operations on January 2, 1979. Panama was selected as the location of the Bank's headquarters because of the country's importance as a banking center in the Region, the benefits of a fully U.S. dollar-based economy, the absence of foreign exchange controls, its geographic location, and the quality of its communications facilities. Under a contract-law signed in 1978 between the Republic of Panama and Bladex, the Bank was granted certain privileges by the Republic of Panama, including an exemption from payment of income taxes in Panama.

The Bank offers its services through its head office in Panama City, its agency in New York (the "New York Agency"), its subsidiary in São Paulo, Brazil, its representative offices in Buenos Aires, Argentina; Mexico City, Mexico; and Bogotá, Colombia, and its representative license in Peru, as well as through a worldwide network of correspondent banks.

Bladex's head office is located at Torre V, Business Park, Avenida La Rotonda, Urb. Costa del Este, Panama City, Republic of Panama, and its telephone number is +507 210-8500.

The New York Agency, which began operations on March 27, 1989, is located at 10 Bank Street, Suite 1220, White Plains, NY 10606, and its telephone number is +1 (914) 328-6640. The New York Agency is principally engaged in financing transactions related to international trade, mainly the confirmation and financing of letters of credit for customers in the Region. The New York Agency is also authorized to book transactions through an International Banking Facility ("IBF").

Bladex's shares of Class E common stock are listed on the New York Stock Exchange ("NYSE") and the U.S. Long-Term Stock Exchange ("LTSE") under the symbol "BLX."

The following is a description of the Bank's subsidiaries:

- Bladex Holdings Inc. ("Bladex Holdings") is a wholly owned subsidiary, incorporated under the laws of the State of Delaware, United States, on May 30, 2000. Bladex Holdings maintains ownership in Bladex Representação Ltda.
- Bladex Representação Ltda., incorporated under the laws of Brazil on January 7, 2000, acts as the Bank's representative office in Brazil. Bladex Head Office owns 99.999% of Bladex Representação Ltda. and Bladex Holdings owns the remaining 0.001%.
- Bladex Development Corp. ("Bladex Development") was incorporated under the laws of the Republic of Panama on June 5, 2014. Bladex Head Office owns 100% of Bladex Development.

The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at <http://www.sec.gov>. Information is also available on the Bank's website at: <http://www.bladex.com/en/investors>

B. Business Overview

Overview

The Bank's mission is to provide financial solutions to financial institutions, companies and investors doing business in Latin America, supporting trade and integration across the Region.

As a specialized multinational bank with a strong and historic commitment to Latin America, the Bank possesses extensive knowledge of business practices, risk and regulatory environments, accumulated over forty years of doing business throughout the entire Region. Bladex provides foreign trade solutions to a select client base of premier Latin-American financial institutions and corporations, and has developed an extensive network of correspondent banking institutions with access to the international capital markets. Bladex enjoys a preferred creditor status in certain jurisdictions, being recognized for its strong capitalization, prudent risk management and sound corporate governance standards. Bladex fosters long-term relationships with clients, and over the years it has developed a reputation for excellence when responding to its clients' needs, in addition to having a solid financial track record, which has reinforced its brand recognition and its franchise value in the Region, and contributes to the Bank achieving its vision of being recognized as a leading institution in supporting trade and integration across Latin America.

The Bank's lending and investing activities are funded by interbank deposits, primarily from central banks and financial institutions in the Region, by borrowings from international commercial banks, and by sales of the Bank's debt securities to financial institutions and investors in Asia, Europe, North America and the Region. The Bank does not provide retail banking services to the general public, such as retail savings accounts or checking accounts, and does not take retail deposits.

Bladex participates in the financial and capital markets throughout the Region, through two business segments.

The Commercial Business Segment encompasses the Bank's core business of financial intermediation and fee generating activities developed to cater to corporations, financial institutions and investors in Latin America. The array of products and services includes the origination of bilateral short- and medium-term loans, structured and syndicated credits, loan commitments and financial guarantee contracts such as issued and confirmed letters of credit, stand-by letters of credit, guarantees covering commercial risk, and other assets consisting of customers' liabilities under acceptances. The majority of the Bank's short-term loans are extended in connection with specifically identified foreign trade transactions. Through its revenue diversification strategy, the Bank's Commercial Business Segment has introduced a broader range of products, services and solutions associated with foreign trade, including co-financing arrangements, underwriting of syndicated credit facilities, structured trade financing (in the form of factoring and vendor financing) and financial leasing.

The Treasury Business Segment focuses on managing the Bank's Investment Portfolio, and the overall structure of its assets and liabilities to achieve more efficient funding and liquidity positions for the Bank, mitigating the traditional financial risks associated with the balance sheet, such as interest rate, liquidity, price and currency risks. Interest-earning assets managed by the Treasury Business Segment include liquidity positions in cash and cash equivalents, as well as highly liquid corporate debt securities rated 'A-' or above (international scale credit rating), and financial instruments related to the Bank's investment management activities, consisting of securities at FVOCI and securities at amortized cost. The Treasury Business Segment also manages the Bank's interest-bearing liabilities, which constitute its funding sources, and which consist mainly of deposits, short- and long-term borrowings and debt.

Historically, trade finance has been afforded favorable treatment in the context of debt restructurings of Latin American borrowers. This has been, in part, due to the perceived importance that governments and other borrowers in the Region have attributed to maintaining access to trade finance. The Bank believes that, in the past, the combination of its focus on trade finance and the composition of its Class A shareholders has been instrumental in obtaining certain exceptions regarding U.S. dollar convertibility and transfer limitations imposed on the servicing of external obligations, or preferred creditor status. Although the Bank maintains both its focus on trade finance and its Class A shareholders' participation, it cannot guarantee that such exceptions will be granted in future debt restructurings.

As of December 31, 2025, the Bank had 114 employees, or 31% of its total employees, across its offices responsible for marketing the Bank's financial products and services to existing and potential new customers.

Recent Developments

The fiscal year 2025 began in a particularly complex environment for Latin America and the Caribbean. The arrival of a new administration in the United States introduced rapid changes in tariff, migration, and security policies, generating fears of potential disruptions in supply chains, trade flows, and even a global economic slowdown due to tighter restrictions and limited clarity for sectors that are highly dependent on exports to the United States. In addition, global fiscal concerns persist, especially regarding the high indebtedness of the United States' Treasury, with debt exceeding 120% of GDP in 2025 (according to United States Office of Management and Budget), which created uncertainty about its future financing and the possibility of liquidity strains in markets. These factors contributed to a higher perception of risk.

At the same time, a continued tightening of external monetary conditions at the beginning of the year, along with episodes of risk aversion in emerging markets, pushed the Latin America Emerging Market Bond Index up by more than 70 basis points

in April after the Trump Administration’s declaration of “Liberation Day” and the substantial increase in U.S. tariffs, marking its highest level of the year. This fueled doubts about the Region’s ability to absorb external shocks. In addition, ongoing trade tensions among major economies and shifts in demand patterns reinforced the sense of an international environment that was fragile and difficult to anticipate, generating a scenario of heightened caution.

Notwithstanding the foregoing, the countries of Latin America and the Caribbean showed greater resilience than expected. The Region not only has maintained access to international markets, but risk perception has eased significantly since early 2025. The Latin America Emerging Market Bond Index fell 70 basis points compared to 2024 (and 140 basis points from its annual peak in April 2025), standing at 253 basis points in December 2025, which is a level not seen since 2018. This improvement was driven by a combination of factors within the Region, including stronger macroeconomic conditions, gradual disinflation, greater trade diversification, and tariff announcements that were relatively favorable compared to other competitor regions and countries, allowing the Region to navigate the initial shock, while also improving the Region’s risk profile. During the year, there were 12 rating upgrades across the Region, compared to only six downgrades, according to the three main international rating agencies.

Two of the most notable issues in the Region and in financial markets were linked to the United State’s drugs-control and trade policies, the effects of which were felt almost immediately.

Drugs-control policy: The announcement of a more aggressive United States’ anti-drug strategy initially created concerns around the possible imposition of trade Sanctions and logistical restrictions. However, Mexico reacted quickly by strengthening controls through police cooperation and increased border surveillance. In fact, fentanyl seizures along the Mexico–U.S. border fell by 50% during the first nine months of 2025, according to the United States Department of Homeland Security, which prevented further escalation and eased the bilateral tensions. As a result, the impact on key industrial supply chains (automotive, electronics) was limited, and nearshoring continued largely uninterrupted. Indeed, Mexico’s exports to the U.S. have grown 5.8% year-on-year through September 2025 according to the International Trade Centre’s Trade Map platform (“Trade Map”), which was one percentage point higher than the average growth rate since 2023.

Tariffs: During the first four months of 2025, there was significant volatility surrounding the tariffs that the new U.S. administration planned to impose on the rest of the world. After the first quarter, the move towards much lower tariffs in Latin America, along with the exclusion of many of the products the Region exports to the United States, meant that the impact of higher global tariffs ultimately resulted in strengthened trade with the Region. In Mexico’s case, although reciprocal tariffs are high, the effective rate is around 7%, a mitigating factor derived from the United States-Mexico-Canada Agreement (“USMCA”). Additionally, exports of goods from Latin America to the United States have been growing at annual rates above 5% year-on-year (better than the 4% average of the prior three years), according to Trade Map. For its part, the United States’ administration has made four official visits to the Region so far this year and has shown strong interest in maintaining relations, explicitly supporting Argentina with a U.S.\$20 billion swap line of credit, El Salvador through the signing of a reciprocal agreement to strengthen trade and investment in November 2025, and signaling a willingness to support strategic investments in Panama’s ports. After all the volatility, the idea that Latin America is a strategic market for the United States in terms of investment and trade relations has become increasingly consolidated.

Another risk that generated the greatest expectations in the Region, due to its potential impact, was related to migratory flows and the tightening of immigration controls by the United States, given the possible effect on remittances, which are a key source of economic growth and, in several countries, the main generator of foreign currency. However, the results were contrary to what had been anticipated: in most Latin American countries, except for Mexico, remittances reached historic highs. In the first nine months of 2025, remittances to Central America (Honduras, Guatemala, and El Salvador) grew on average by 21% year-on-year, taking the indicator to record levels in economies where remittances account for approximately between 20% and 30% of GDP.

In the trade sphere, the Region was not significantly affected by the tariff escalation. The Region’s resilience to the global tariff shock, allowed Latin America to regain its share in international trade, reaching nearly 6% of total global trade, according to Trade Map (which is in line with the Region’s percentage of global GDP), after the decline recorded during the commodities crisis in 2016. Likewise, the recent rebound in terms of trade reflects greater diversification in the export basket, strengthening Latin America’s capacity to respond to external shocks.

Environmental, Social and Governance (ESG)

The Bank’s Commitment to ESG

Bladex's commitment to sustainability is rooted in the belief that strong governance, responsible environmental management, and social contribution are essential components for long-term business development and success. The Bank's Board of Directors, the Executive Committee and employees share this vision, integrating Environmental, Social, and Governance ("ESG") criteria as a way to strengthen the Bank's resilience, enhance risk management, and create value for our shareholders and the communities where the Bank operates.

Our ESG approach is based on four key pillars: responsible management of the environment, the promotion of inclusive social practices, the strengthening of solid governance and sustainable finance. We consider these areas fundamental to achieve sustainable, balanced growth aligned with the values that guide our organization.

Since 2011 Bladex has been a member of the United Nations Global Compact, and since then we publish an annual Corporate Sustainability report, which is available to our stakeholders on our website.

From 2022 through 2024, the Bank carried out a comprehensive review of its practices and processes together with external ESG specialists. This work allowed the Bank to identify improvement opportunities, strengthen its internal guidelines, and establish policies and procedures that embed ESG principles into key organizational functions. It enabled the Bank to align perspectives, unify criteria, and develop internal capabilities with a stronger foundation.

Building on this progress, in 2025 the Bank initiated the active implementation of its Sustainability Action Framework, structured around the key pillars described above and supported by a sequential work plan to guide in its execution. All areas of the Bank that conduct activities in each of the areas are involved in this process, integrating the Framework into their day-to-day operations and generating steady progress across the organization. This collaborative approach has allowed sustainability to evolve naturally within the Bank's operations, supporting decision-making and strengthening its relationships with clients, correspondent banks, and investors.

All this work is supported by Bladex's Sustainability Policy, which consolidates the Bank's institutional guidelines that direct how we address environmental, social and governance considerations into the Bank's activities. This policy can be found at <https://www.bladex.com/en/sustainability>.

Governance

Oversight of ESG

As an overseer of risk and a steward of long-term shareholder value, the Bank's Board has the ultimate responsibility for the oversight of ESG-related risks and opportunities that impact the Bank's business. During 2025, the Compliance, Anti-Money Laundering and Sustainability Committee provided primary oversight of the Bank's ESG initiatives and programs. This Committee is best positioned to oversee ESG due to the expertise and make up of its directors, and the existing strong focus on governance and compliance topics that are critical to the Bank's business. Other Committees will also play a relevant role and receive regular updates on ESG progress and goals, mainly the Sustainability and ESG Committee and the Risk Committee, who will receive regular updates on ESG progress and objectives.

The ESG Action Framework, policies, and reporting are managed by the Investor Relations and ESG Vice Presidency and ESG leaders from different areas. The working group consists of cross departmental leaders in the Bank's organization including risk, strategic planning, communications, finance, legal, and investor relations. This group will further work with subject matter experts to ensure implementation of work streams and to collect data and information for reporting purposes.

Enterprise Risk Management

The Risk Policy and Assessment Committee (the "CPER", for its acronym in Spanish) is responsible for reviewing all policies related to prudent enterprise risk management. The CPER Committee also reviews and assesses exposures to the risks facing the business, including ESG risk factors such as business continuity, cybersecurity, and climate-related risks. The CPER Committee performs its duties based on reports received regularly from management and through its interactions with the Enterprise Risk Management area and other members of the Bank's management. The risk management team at Bladex is responsible for ensuring there are proper policies and procedures in place for escalation in the event of an emergency or other event that can disrupt business practices.

Business Ethics

The Bank's Code of Ethics outlines its business ethics and compliance expectations and applies to all Directors, officers and employees. The Code of Ethics requires that each individual should endeavor to deal fairly, honestly and constructively with

governmental and regulatory bodies, customers, and suppliers and prohibits any individual's taking unfair advantage through manipulation, concealment, abuse of privileged information or misrepresentation of material facts. Furthermore, it imposes an express duty on all Directors, officers and employees to act in the best interest of the Bank.

All Directors, officers and employees of the Bank are required to avoid any situation that might cause a conflict of interest. Any issues should be promptly reported using the Bladex Ethics Line. Information about how to submit a report or complaint is communicated in annual training to all Bladex employees, and available on the Bank's website.

The Code of Ethics also imposes additional requirements with respect to the Chief Executive Officer, the Chief Financial Officer and the Senior Vice President - Accountant, including an obligation to adhere to high ethical business standards and to be sensitive about situations that could result in actual or apparent conflicts of interest. Any violation of the Code of Ethics constitutes grounds for disciplinary action, including dismissal and possible legal action. In situations involving one of the above mentioned executives, where the appearance or the potential of a conflict of interest is involved, but where the executive does not believe that a significant conflict of interest exists, the executive is required to obtain approval from the Audit Committee before getting involved in that situation.

Directors, officers and employees must avoid any transaction, investment, interest or association that competes with the Bank's business for personal gain and must abstain from misappropriating the Bank's corporate opportunities, through the use of the Bank's information or through the use of such person's position at the Bank. Directors, officers and employees must refrain from buying or selling the Bank's shares or securities based on confidential or privileged information of material importance to the Bank and its business.

ESG in Credit Risk Analysis

The Bank aims to manage its business for the long term while providing value for its clients and shareholders by considering ESG issues in its processes for managing and governing risk across its financial services and investments. During 2021, Bladex developed a Social and Environmental Risk Policy based on the IFC's and other recognized entities' frameworks which allows the integration of environmental and social issues in the Bank's risk assessment considerations and determinations. The Bank assigned an Environmental and Social Rating to its portfolio and started the process to review and identify existing companies with robust, publicly available ESG information. In 2024, the Bank completed the evaluation of its entire portfolio, focusing mainly on high risk clients, and began the process of updating the system with new tools that seek to improve the evaluation. The Bank intends to retain the services of a consulting firm to measure the carbon footprint of the Bank's Commercial Portfolio as an annual process, as well to define the potential exposure of the Bank's clients to climate risk. In addition, the Bank is also in the process of defining the different types of exposure of its clients to climate risk, adding mitigation scenarios and execution plans and processes for possible tensions, which are expected to be executed in detail with our consultant during 2026.

Social

Human Capital Management

The Bank considers human capital to be the backbone of all its business activities and, as such, employees' well-being continues to be the basis for meeting the Bank's objectives. The Bank's human capital strategy is underpinned by an unwavering engagement to its values. During 2025, these were revised and updated to meet the purpose "to build bridges between Latin America and the world and to boost growth for our clients and the Region". The Bank's values are: Excellence, Integrity, Commitment, Growth and Creating Value. Employees participated actively in the definition of these values, which represent and promote the Bank's culture.

The Bank takes a holistic approach that evaluates the full employee experience, from recruitment, selection and onboarding, to benefits, training and professional development, engagement and volunteering. The Bank's employee performance evaluation methodology has two components: corporate performance, which is measured through the Bank's net income, and individual performance, which is measured by the employee's contribution to the Bank's objectives and their alignment to corporate values and competencies, for which we have established balance scorecards, commercial scorecards and functional scorecards. All of these factors determine each employee's variable compensation. For top management and certain other executive positions, a significant portion of variable compensation is made in the form of restricted stock, which is deferred for a period of three years. In addition, in 2025 the Bank implemented an evaluation of competencies through a platform that also keeps track of continuous feedback, reinforcing the importance of leadership throughout performance administration.

The Bank believes that it has positioned itself as a great place to work for employees to build a career. Most of the Bank’s vacancies or new positions are offered internally, which prioritizes the professional growth of our employees. We equip them with tools, resources and opportunities designed to build critical skills and enhance their career path within our organization. We request employee feedback on a regular basis and are continuously evolving and adapting to meet the changing needs of the organization. In addition, since the pandemic we have maintained the possibility of a hybrid model to work from home when necessary. Furthermore, to address employee wellness, we sponsor the participation of employees in sports events, offer a wellness application with pre-ordered exercise lessons and provide activities such as coffee chats, an internal social network, and a calendar of events to keep employees connected and engaged.

At Bladex we ensure full compliance with applicable health and safety standards and undergo comprehensive internal audit processes to meet any gaps in our management system. In 2025, we maintained the wellness program that we developed in 2021 which is based on six key pillars focused on an employee’s physical, mental, financial, environmental, nutritional, and social health.

Board of Directors’ Composition

Among other key factors, the Board of Directors’ Nomination, Compensation and Operations Committee values candidates with diverse backgrounds who can contribute varied skill sets and perspectives when evaluating candidates for positions on the Bank’s Board of Directors. The Nomination, Compensation and Operations Committee generally views and values diversity from the perspective of professional and life experiences and recognizes that diversity may include characteristics that can contribute to the Bank’s strategic vision and mission.

	Alexandra Aguirre	Ricardo Arango	Tarciana Gomes Medeiros	Isela Costantini	Mario Covo	José A. Garzón	Miguel Heras	Roland Holst	Daniel Tillard	Angélica Ruiz Celis
Knowledge and Skills										
Corporate Governance	■	■	■	■		■			■	
Public Board Experience	■	■	■	■	■	■	■	■		
Executive Management Experience		■	■	■		■		■	■	■
Financial Expertise		■			■	■	■	■	■	
Legal	■	■				■				
Government / Regulatory Experience		■	■			■	■	■	■	
Risk Management		■			■	■	■	■		
International	■	■		■	■		■	■		■
Environmental, Social, and Governance	■	■	■	■						

The presence of different nationalities, genders and cultures among our Directors and employees enhances the Bank’s brand and makes it an attractive employer for talent acquisition. Having a multicultural work environment is one of the Bank’s main strengths which facilitates business management across the Region. The Bank’s goal is to have all employees, regardless of their race, ethnicity, religion, age, gender, national origin, or other characteristics, feel valued, respected and accepted for their unique characteristics and contributions to the Bank.

The Bank has approved the Diversity, Equity and Inclusion Policy, and implemented procedures defining roles and responsibilities aiming to promote in all the Bank’s operations an environment of respect and protection that recognizes the value of diversity. The Diversity, Equity and Inclusion Policy recognizes meritocracy as the key component driving the professional development of each employee within the Bank and is one of the documents new hires must read and comply with before their first day at Bladex. In addition, the Human Development Department presents annually a talk on Diversity, Equity and Inclusion to update employees on new trends in this important topic.

Community Giving

Fundación Crece Latinoamérica – Gonzalo Menéndez Duque (the “Foundation”) is the Bank’s strategic social investment vehicle that contributes to sustainable development in the Region at the community level. In partnership with non-profit organizations and with the support of the Bank’s corporate volunteers the Foundation has played an important role promoting positive social and environmental impact.

During 2025, the Bank focused its efforts on strengthening its two pillars of action: the promotion of education and environmental sustainability. On the educational front, the Bank has supported underprivileged schools in vulnerable communities through the strengthening of school meal programs, the development of cultural and psychosocial support activities, infrastructure improvements, and the promotion of access to and continuity in education. On the environmental front, the Bank has established partnerships with institutions to promote environmental education, to promote recycling and circular economic practices, as well as awareness initiatives aimed at the protection of ecosystems, as well as environmental education and awareness initiatives aimed at the protection of ecosystems.

Environment

Climate Risk

Multiple events have rapidly increased the attention paid to the financial services sector’s role in climate change. As evolving political, regulatory, and market conditions incentivize and accelerate the transition to a low-carbon economy, the Bank expects to actively monitor the channels through which physical and transition risks must be identified, assessed, and mitigated. The Bank recognizes that a variety of climate-related financial risks may manifest over a long duration, as well as the possibility that events or developments could drive a more immediate impact. The Bank is conducting an initial assessment of the most likely transmission channels for climate risk and then it will further build capabilities to assess, monitor, and respond to the potential short-term and longer-term horizon risks posed by climate change.

The Bank has determined not to finance certain operations due to the potential negative impact on the environment. These include production of or trade of ozone depleting substances, trade in wildlife or wildlife products, commercial logging operations or equipment, and production on pesticides and herbicides subject to international restrictions or bans.

Environmental Stewardship

The Bank’s operational footprint is relatively small, however, the Bank still takes initiatives to reduce the negative environmental impact in areas under its control. The Bank maintains a paper-free culture that promotes reduced consumption of paper and ink. The Bank’s headquarters in Panama is LEED certified since 2013 and is built for optimal energy efficiency. The Bank practices recycling on-site, including e-waste which is collected, recycled, and properly disposed by a certified third party.

Strategies for 2026 and Subsequent Years

The Bank’s Board of Directors and management, assisted by a global strategic consulting firm, have developed an updated Strategic Plan for the 2026–2030 period (the “Strategic Plan”), with the objective of capitalizing on the progress achieved, capturing new growth opportunities, and ensuring the long-term sustainability of the Bank’s business model, following the early achievement of the objectives established in the Bank’s previous strategic plan (2022–2026), the main financial, commercial, and operational targets of which were reached ahead of schedule, during 2025.

The former 2022–2026 strategic plan was focused on strengthening the Bank’s business model, better leveraging its competitive advantages, expanding its customer base and improving the value proposition offered to the Bank’s customers. As a result of the execution of this plan in 2025, the Bank achieved significant improvements in its key performance metrics, including return on equity, loan portfolio growth, revenue diversification, and operational efficiency. These results allowed the Bank to meet its originally defined strategic objectives earlier than anticipated.

The Strategic Plan preserves the core essence of the Bank’s business model as a specialized institution focused on financing international trade in Latin America and the Caribbean. The strategy is based on profitable growth that is scalable and capital efficient, without modifying the Bank’s credit risk appetite or its focus on corporate clients, financial institutions, and entities linked to international trade.

The Strategic Plan is structured around three interrelated strategic pillars described below, aimed at expanding the Bank’s capacity to generate value while maintaining sound capital and risk discipline.

Sustained growth of the loan portfolio, while preserving the Bank's historical margins and risk profile.

Since implementing the former strategic plan, the Bank has successfully streamlined key processes to ensure faster client onboarding and enhanced operational capabilities, as well as optimizing capital. The Bank plans to continue focusing on lending to its top-tier client base of banks and corporations throughout the Region, through deeper relationships with existing clients, the selective onboarding of new clients with similar profiles, and the strengthening of working capital, structured finance, and project finance solutions within prudent risk limits. Lending growth may also be favored by strategic sectors taking advantage of business opportunities emerging from the expected Regional economic recovery, a positive commodity cycle and the continuance of an increasing trend in trade flows in the Region.

The Bank's expertise in risk and capital management and extensive knowledge of the Region allows it to identify and strategically focus on stable and growth-oriented markets, including investment-grade countries in the Region. Bladex maintains strategically located representative offices and a subsidiary in Brazil in order to provide focused products and services in markets that the Bank considers key to its continued growth.

Expansion of non-interest income, supported by the implementation of specialized technology platforms for both the Bank's trade finance business and Treasury activities.

The Bank has implemented a technological platform for international trade (Trade360 – CGI) aimed at the digitalization of trade finance products, with the objective of promoting the growth of fee-based income associated with letters of credit, structured working capital solutions, and other products linked to international trade. This platform enhances operational efficiency, increases transactional capacity, and expands the range of services offered to clients, without altering the Bank's credit risk profile.

Additionally, the Bank is implementing a new technology platform, provided by Nasdaq, and designed to strengthen the development and scalability of treasury and derivatives products, facilitating the generation of non-interest income through solutions that complement the value proposition offered to corporate clients and financial institutions.

The expected expansion of non-interest income is also supported by business lines in which the Bank has established capabilities and identifiable execution opportunities, including trade services and letters of credit, treasury solutions such as derivatives, structuring and syndication, and fee-generating activities associated with transactional services, as well as project and infrastructure finance. These activities generate revenues that are capital-efficient, scalable, and closely connected to client relationships, supporting the diversification and resilience of the Bank's income base.

Both platforms are expected to increase the Bank's transactional capacity and contribute to the diversification of its client base while maintaining the Bank's established risk appetite. This contributes to a broader diversification of revenue sources and reduces the sensitivity of financial results to fluctuations in interest rates. In this way, the Bank expects to enhance the stability and sustainability of its revenue generation over the medium and long term.

Optimization of funding costs, primarily supported by the development of capabilities to attract funds through operational accounts, driven by correspondent banking initiatives and payment services (Cash Management).

Through these initiatives, the Bank aims to partially capture the transactional flows associated with its clients' international trade operations, of both financial institutions and corporate clients, by incorporating operational deposits linked to payments, collections, and settlements related to these transactions. This strategy is expected to enable the Bank to access structurally more stable and lower-cost sources of funding without altering its credit risk profile or client focus.

The implementation of operational accounts is planned to be carried out gradually and in a controlled manner, in line with the Bank's operational risk management and compliance frameworks, with particular attention to regulatory requirements applicable to correspondent banking and international payment activities.

In a complementary way, the Treasury platform strengthens the Bank's ability to attract U.S. dollar funding at costs below the Bank's average cost of funds, while also enabling the Bank to respond more promptly and efficiently to arbitrage opportunities in financial markets that previously could not be executed with the same speed, and therefore represented an opportunity cost. This increased flexibility in liquidity and funding management is expected to contribute to a structural reduction in the cost of funds and an improvement in the alignment between market conditions and the Bank's funding decisions.

Altogether, these initiatives are expected to enable the Bank to improve the composition and cost of its funding base, reinforcing the sustainability of its financial structure and reducing its reliance on funding sources that are more sensitive to market conditions.

Lastly, the execution of the Strategic Plan is supported by a set of operational, technological, and risk management enablers, designed to ensure that strategic initiatives have the necessary foundation for their effective and sustainable implementation. Investments associated with these enablers are made in a disciplined and selective manner, under an approach that prioritizes the formal evaluation of expected returns and direct alignment with the Bank's strategic objectives. This approach ensures that resources allocated to technological platforms, analytical capabilities, and the modernization of operational infrastructure contribute tangibly to value creation and the strengthening of the Bank's business model. Furthermore, the Bank maintains rigorous expenditure control to preserve levels of operational efficiency consistent with its financial discipline, even in a context of strategic investment and growth. This control allows the Bank to support the execution of the Strategic Plan without compromising financial soundness or the sustainability of results.

Regarding risks, the Strategic Plan maintains the Bank's credit risk appetite unchanged, while at the same time strengthening its operational, technological, cybersecurity, compliance, and other emerging risk management frameworks. These measures address the increased operational complexity resulting from digitalization, product expansion, and the rise in transactional activity, thereby helping to ensure that growth is achieved under prudential standards aligned with best practices and current regulatory requirements.

Altogether, these enablers are expected to allow the Bank to execute its growth strategy in an orderly, controlled, and consistent manner, in line with its risk profile, while supporting sound investment governance and the sustainability of its operating model over the planning horizon.

Lending Policies

The Bank extends credit directly to financial institutions and corporations within the Region. The Bank finances import and export transactions for all types of goods and products, with the exception of certain restricted items such as weapons, ammunition, military equipment and hallucinogenic drugs or narcotics not utilized for medical purposes. Imports and exports financed by the Bank are destined for buyers and sellers in countries both inside and outside the Region. The Bank analyzes credit requests from eligible borrowers by applying its credit risk criteria, including economic and market conditions. The Bank maintains a consistent lending policy and applies the same credit criteria to all types of potential borrowers in evaluating creditworthiness.

Due to the nature of trade finance, the Bank's loans are generally unsecured. However, in certain instances, based upon the Bank's credit review of the borrower and the economic and political situation and trends in the borrower's home country, the Bank may determine that the level of risk involved requires that a loan be secured by collateral.

Country Credit Limits

The Bank maintains a continual review of each country's risk profile evolution, supporting its analysis with various factors, both quantitative and qualitative, the main driving factors of which include: the evolution of macroeconomic policies (fiscal, monetary, and exchange rate policy), fiscal and external performance, price stability, level of liquidity in foreign currency, changes of legal and institutional framework, as well as material social and political events, among others, including industry analysis relevant to Bladex business activities.

Bladex has a methodology for capital allocation by country and its risk weights for assets. The Risk Policy and Assessment Committee (the "CPER", for its acronym in Spanish) of the Bank's Board of Directors (the "Board") approves a level of "allocated capital" for each country, in addition to notional exposure limits. These country capital limits are reviewed at least once a year by the CPER, and more often if necessary. The methodology helps to establish the capital equivalent of each transaction, based on the internal numeric rating assigned to each country, which is reviewed and approved by the CPER.

The amount of capital allocated to a transaction is based on customer type (sovereign, state-owned or private corporations, or financial institutions), the type of transaction (trade or non-trade), and the average remaining term of the transaction (from one to 180 days, 181 days to a year, between one and three years, or longer than three years). Capital utilizations by the business units cannot exceed the Bank's reported total equity.

Borrower Lending Limits

The Bank generally establishes lines of credit for each borrower according to the results of its risk analysis and potential business prospects; however, the Bank is not obligated to lend under these lines of credit. Once a line of credit has been established, credit generally is extended after receipt of an application from the borrower for financing. Loan pricing is determined in accordance with prevailing market conditions and the borrower's creditworthiness.

Depending on the proposed amount, lines of credit are approved by different credit committees. The Bank's management credit committee has authority to approve credit lines up to \$30 million, under the allowed terms and conditions approved for each country by the Board credit committees. Credit lines exceeding that amount and/or conditions must be approved by other credit committees, which are composed of certain members of the Board. All credit lines must fully comply with the Legal Lending Limit established by the Panamanian Regulator. Panamanian Law sets forth certain concentration limits, which are applicable and strictly adhered to by the Bank, including a 30% limit as a percentage of capital and reserves for any one borrower and borrower group, in the case of certain financial institutions, and a 25% limit as a percentage of capital and reserves for any borrower and borrower group, in the case of corporate and sovereign entities. As of December 31, 2025, the Bank's legal lending limit prescribed by Panamanian law for corporations and sovereign borrowers amounted to \$419 million, and for financial institutions and financial groups amounted to \$503 million. Panamanian law also sets lending limits for related party transactions, which are described in more detail in the section "Supervision and Regulation—Panamanian Law." Non-compliance with this legal lending limit could result in the assessment of administrative Sanctions by the Superintendency of Banks for such violations, taking into consideration the magnitude of the offense and any prior occurrences, and the magnitude of damages and prejudice caused to third parties. As of December 31, 2025, the Bank was in compliance with regulatory legal lending limits.

Credit Portfolio

The Bank's Credit Portfolio consists of the Commercial Portfolio and the Investment Portfolio. The Bank's Commercial Portfolio includes: (i) the Loan Portfolio, (ii) customers' liabilities under acceptances and (iii) loan commitments and financial guarantee contracts, such as confirmed and stand-by letters of credit, and guarantees covering commercial risk. The Bank's Investment Portfolio consists of the principal balance of securities at FVOCI and the principal balance of securities at amortized cost, excluding interest receivable and the allowance for expected credit losses.

As of December 31, 2025, the Credit Portfolio amounted to \$12,599 million, compared to \$11,224 million as of December 31, 2024, and \$9,532 million as of December 31, 2023. The \$1,375 million, or 12% increase during 2025 compared to 2024 was largely attributable to the Bank's higher lending origination and business growth in all business lines as a result of an effective strategy execution, higher transaction capacity, increased client engagement, new client onboarding and sustained cross selling efforts.

Commercial Portfolio

The Bank's Commercial Portfolio amounted to \$11,184 million as of December 31, 2025, compared to \$10,035 million as of December 31, 2024, and \$8,521 million as of December 31, 2023. The \$1,149 million, or 11% increase during 2025 compared to 2024, resulted from a disciplined strategy execution and the Bank's selective deployment of the Bank's balance-sheet capacity following the AT1 Note Issuance (as defined below) in September 2025, which were mainly driven by longer-tenor transactions with attractive risk-adjusted returns, supported by higher transaction capacity, solid client demand and commercial activity across the Region.

As of December 31, 2025, 67% of the Bank's Commercial Portfolio remaining-term profile was scheduled to mature within one year, compared to 73% as of December 31, 2024 and 69% as of December 31, 2023, which reflects the predominantly short-term nature of the Bank's lending originations. As of those same dates, trade-related finance transactions represented 38%, 42%, and 46%, respectively, of the Bank's Commercial Portfolio, while trade-related finance transactions represented 53%, 58% and 66%, respectively, of the Bank's short-term origination. The evolving composition of trade-related finance transactions reflects the implementation of the Bank's Strategic Plan to further diversify its lending products and services, while trade finance continues to represent a significant portion of short-term activity.

As of December 31, 2025, the exposure of the Commercial Portfolio's was focused on preserving sound credit quality through well diversified exposures to top-tier clients across the Region. The Bank's traditional client base of financial institutions represented 27% of the total Commercial Portfolio, and corporations represented 73% of the total Commercial Portfolio, of which 18% and 82% of such percentages were trade-related financing, respectively. In addition, the Commercial Portfolio continued to be well diversified across corporate sectors, with industry concentration levels of 5% of the total

Commercial Portfolio or lower as of December 31, 2025, except for certain sectors such as oil/gas (integrated) at 12%, electric power at 10%, and food and beverage at 9% of the Commercial Portfolio as of December 31, 2025.

Geographically, 36% of the Commercial Portfolio remained distributed in investment grade countries as of December 31, 2025, a decrease of 4 percentage points from December 31, 2024. On a country-risk basis, Guatemala represent the largest country-risk exposure at 15% of the total Commercial Portfolio, followed by Mexico at 12%, Brazil at 11%, and Colombia and the Dominican Republic, each at 10% of the total Commercial Portfolio. Credit to borrowers in top-rated countries outside of Latin America represented 8% of the total Commercial Portfolio, corresponding to transactions ultimately carried out within the Region, with credit risk transferred outside the Region by way of legally binding corporate guarantees that are payable at first demand.

The following table sets forth the distribution of the Bank's Commercial Portfolio by product category as of December 31 of each year:

	As of December 31,					
	2025	%	2024	%	2023	%
(in \$ millions, except percentages)						
Loans - principal balance	9,181.3	82.1 %	\$ 8,375.2	83.5	\$ 7,195.6	84.4
Loan commitments and financial guarantee contracts	1,840.7	16.5	1,414.3	14.1	1,063.7	12.5
Customers' liabilities under acceptances	161.6	1.4	245.1	2.4	261.4	3.1
Total	\$ 11,183.6	100 %	\$10,034.6	100.0	\$ 8,520.7	100.0

Loan Portfolio

As of December 31, 2025, the Bank's Loan Portfolio totaled \$9,181 million, compared to \$8,375 million as of December 31, 2024 and \$7,196 million as of December 31, 2023. The \$806 million, or 10% Loan Portfolio increase during 2025 was mainly attributable to the disciplined strategic execution of continued portfolio expansion, supported by prudent risk management and the selective deployment of the Bank's balance-sheet capacity following the AT1 Note Issuance in September 2025, which were mainly driven by longer-tenor transactions with attractive risk-adjusted returns. As of December 31, 2025, the Loan Portfolio had an average remaining maturity term of 504 days, and 65% of the Bank's Loan Portfolio was scheduled to mature within one year, compared to an average remaining maturity of 395 days, or 61% maturing within one year as of December 31, 2024, and 424 days, or 56% maturing within one year as of December 31, 2023.

As of December 31, 2025, the outstanding principal balance of the Bank's credit-impaired loans totaled \$39 million (or 0.42% of the Loan Portfolio), compared to \$17 million (or 0.20% of the Loan Portfolio) as of December 31, 2024 and \$10 million (or 0.14% of the Loan Portfolio) as of December 31, 2023. The outstanding principal balance of credit-impaired loans increased to \$39 million in 2025 due to a new single credit-impaired exposure of \$20.0 million of a private corporation related to the upstream gas sector and a single credit-impaired exposure in the primary metals (iron and steel) manufacturing of \$1.7 million, both classified as Stage 3 (under accounting standard IFRS 9). As a result, individually assigned allowances for credit losses increased to \$29.0 million, representing 75% of the notional exposure.

Loans classified as Stage 1 under IFRS Accounting Standards 9, with credit conditions unchanged since origination, increased by 12% during 2025, as a result of the Loan Portfolio growth during the year, while loans classified as Stage 2 under IFRS Accounting Standards 9, which represent loan exposures whose credit conditions have deteriorated since origination, decreased by 51% year-over-year, representing 2% of total Loan Portfolio as of December 31, 2025.

Loan Portfolio by Country

The following table sets forth the distribution of the Bank's Loan Portfolio by country risk at the dates indicated:

	As of December 31,					
	2025	% of Total Loans	2024	% of Total Loans	2023	% of Total Loans
(in \$ millions, except percentages)						
Argentina	\$ 195	2.1	\$ 110	1.3	\$ 52	0.7
Belgium	0	0.0	18	0.2	14	0.2
Brazil	1,126	12.3	1,243	14.8	1,009	14.0
Canada	0	0.0	12	0.1	23	0.3

As of December 31,						
2025	% of Total Loans	2024	% of Total Loans	2023	% of Total Loans	
(in \$ millions, except percentages)						
Chile	497	5.4	451	5.4	455	6.3
China	15	0.2	15	0.2	0	0.0
Colombia	1,074	11.7	909	10.9	939	13.0
Costa Rica	456	5.0	352	4.2	285	4.0
Dominican Republic	956	10.4	852	10.2	637	8.9
Ecuador	182	2.0	218	2.6	191	2.7
El Salvador	126	1.4	70	0.8	83	1.2
France	66	0.7	92	1.1	27	0.4
Guatemala	1,535	16.7	998	11.9	704	9.8
Honduras	106	1.1	214	2.6	222	3.1
Hong Kong	0	0.0	0	0.0	15	0.2
Italy	23	0.2	2	0.0	0	0.0
Jamaica	58	0.6	43	0.5	102	1.4
Japan	0	0.0	9	0.1	12	0.2
Luxembourg	0	0.0	0	0.0	90	1.3
Mexico	1,120	12.2	1,019	12.2	838	11.6
Panama	568	6.2	452	5.4	374	5.2
Paraguay	208	2.3	192	2.3	187	2.6
Peru	173	1.9	414	4.9	536	7.4
Puerto Rico	7	0.1	22	0.3	0	0.0
Singapore	131	1.4	280	3.3	146	2.0
Suriname	4	0.0	0	0.0	0	0.0
Trinidad and Tobago	171	1.9	167	2.0	133	1.8
United Kingdom	101	1.1	74	0.9	37	0.5
United States of America	218	2.4	134	1.6	74	1.0
Uruguay	65	0.7	13	0.2	11	0.2
Total	\$ 9,181	100.0	\$ 8,375	100.0	\$ 7,196	100.0

The risk relating to countries outside the Region pertains to transactions carried out in the Region, with credit risk transferred outside the Region by way of legally binding corporate guarantees that are payable at first demand. As of December 31, 2025, the Bank's combined Loan Portfolio associated with European country risk represented \$190 million, or 2.0% of the total Loan Portfolio, compared to \$186 million, or 2.2% of the total Loan Portfolio as of December 31, 2024 and \$168 million, or 2.4% as of December 31, 2023.

Loan Portfolio by Type of Borrower

The following table sets forth the principal balance of the Bank's Loan Portfolio by type of borrower as of the dates indicated:

As of December 31,						
	2025	% of Total Loans	2024	% of Total Loans	2023	% of Total Loans
(in \$ millions, except percentages)						
Private financial institutions	\$ 2,421	26.3	\$ 2,521	30.1	\$ 2,248	31.2
State-owned financial institutions	255	2.8	414	4.9	465	6.5
State-owned corporations	1,190	13.0	964	11.5	1,205	16.7
Private corporations	5,197	56.6	4,394	52.5	3,192	44.4
Sovereign	118	1.3	82	1.0	86	1.2
Total	\$ 9,181	100.0	\$ 8,375	100.0	\$ 7,196	100.0

As of December 31, 2025, the Bank's Loan Portfolio industry exposure mainly included: (i) 29% in the financial institutions sector; (ii) 31% in the industrial sector, comprised of food and beverage (10%), electric power (8%), other manufacturing industries (4%), metal manufacturing (3%), paper (2%), petrochemical (2%), plastic and packaging (1%) and miscellaneous

manufacturing (1%); and (iii) 14% in the oil/gas sector, which in turn was divided into integrated (8%), downstream (5%) and upstream (1%). No other industry sector exceeded 10% exposure of the Loan Portfolio.

Maturities and Sensitivities of the Loan Portfolio to Changes in Interest Rates

The following table sets forth the remaining term of the maturity profile of the Bank’s Loan Portfolio by principal balance as of December 31, 2025, by type of rate and type of borrower:

As of December 31, 2025				
(in \$ millions)				
	Due in one year or less	Due after one year through five years	Due after five years	Total
FIXED RATE				
Private financial institutions	\$ 1,329	\$ 9	\$ 0	\$ 1,338
State-owned financial institutions	222	1	0	223
State-owned corporations	528	32	0	560
Private corporations	2,605	205	3	2,813
Sovereign	11	85	0	96
Subtotal	\$ 4,695	\$ 332	\$ 3	\$ 5,030
FLOATING RATE				
Private financial institutions	\$ 521	\$ 496	66	\$ 1,083
State-owned financial institutions	10	21	0	31
State-owned corporations	201	430	0	631
Private corporations	553	1,649	181	2,383
Sovereign	6	17	0	23
Subtotal	\$ 1,291	\$ 2,613	\$ 247	\$ 4,151
Total	\$ 5,986	\$ 2,945	\$ 250	\$ 9,181

Note: Scheduled amortization repayments fall into the maturity category in which the payment is due, rather than that of the final maturity of the loan.

Loan Commitments and Financial Guarantee Contracts

The Bank, on behalf of its clients, advises and confirms letters of credit to facilitate foreign trade transactions. When confirming letters of credit, the Bank adds its own unqualified assurance that the issuing bank will pay, with the understanding that, if the issuing bank does not honor drafts drawn on the letter of credit, the Bank will. The Bank also provides stand-by letters of credit, guarantees, and commitments to extend credit, which are binding legal agreements to disburse or lend to clients, subject to the customers’ compliance with customary conditions precedent or other relevant documentation. Commitments generally have fixed expiration dates or other termination clauses and require payment of a fee to the Bank. As some commitments expire without being drawn down, the total commitment amounts do not necessarily represent future liquidity requirements.

The Bank applies the same credit policies and criteria used in its lending process to its evaluation of these instruments, and, once issued, the commitment is irrevocable and remains valid until its expiration. Credit risk arises from the Bank’s obligation to make payment in the event of a client’s contractual default to a third party.

Loan commitments and financial guarantee contracts amounted to \$1,841 million, or 16% of the total Commercial Portfolio, as of December 31, 2025, compared to \$1,414 million, or 14% of the total Commercial Portfolio, as of December 31, 2024 and \$1,064 million, or 12% of the total Commercial Portfolio, as of December 31, 2023. Confirmed and stand-by letters of credit, and guarantees covering commercial risk represented 58% of the total loan commitments and financial guarantee contracts as of December 31, 2025, compared to 75% and 79%, as of December 31, 2024 and 2023, respectively.

[Table of Contents](#)

The following table presents the distribution of the Bank’s loan commitments and financial guarantee contracts by country risk, as of December 31 of each year:

	As of December 31,					
	2025		2024		2023	
	Amount	% of Total loan commitments and financial guarantee contracts	Amount	% of Total loan commitments and financial guarantee contracts	Amount	% of Total loan commitments and financial guarantee contracts
(in \$ millions, except percentages)						
Loan commitments and financial guarantee contracts						
Argentina	\$ 170	9.2	\$ 0	0.0	\$ 0	0.0
Bolivia	0	0.0	1	0.1	4	0.4
Brazil	114	6.2	188	13.3	84	7.9
Canada	27	1.4	26	1.9	25	2.3
Chile	68	3.7	51	3.6	16	1.5
Colombia	85	4.6	82	5.8	68	6.3
Costa Rica	61	3.3	55	3.9	52	4.9
Dominican Republic	135	7.4	122	8.6	158	14.9
Ecuador	141	7.7	230	16.3	164	15.4
El Salvador	29	1.6	20	1.4	0	0.0
France	63	3.4	32	2.2	51	4.8
Germany	15	0.8	15	1.1	15	1.4
Guatemala	110	6.0	113	8.0	98	9.2
Honduras	23	1.2	2	0.1	1	0.1
Mexico	206	11.2	184	13.0	84	7.9
Netherlands	5	0.3	26	1.8	1	0.1
Panama	34	1.8	17	1.2	28	2.7
Peru	158	8.6	171	12.1	106	10.0
Puerto Rico	15	0.8	10	0.7	0	0.0
Singapore	6	0.3	7	0.5	7	0.7
Suriname	146	8.0	0	0.0	0	0.0
Trinidad and Tobago	43	2.4	0	0.0	0	0.0
United Kingdom	142	7.7	0	0.0	0	0.0
United States of America	39	2.1	7	0.5	0	0.0
Uruguay	6	0.3	55	3.9	102	9.5
Total loan commitments and financial guarantee contracts	\$ 1,841	100.0	\$ 1,414	100.0	\$ 1,064	100.0

Investment Portfolio

As part of its Credit Portfolio, the Bank holds an Investment Portfolio, in the form of both securities at FVOCI and investment securities at amortized cost. This Investment Portfolio consists of: (i) highly liquid corporate debt securities rated ‘A-’ or above, complementing the Bank’s liquidity position; and (ii) securities primarily issued by investment-grade, non-Latam issuers, mostly in the United States, to further diversify the Bank’s overall country risk exposure. In addition, this Investment Portfolio provides contingent liquidity funding, as most of these securities are eligible as collateral at the Federal Reserve Bank of New York’s discount window.

The following table sets forth information regarding the carrying value of the Bank’s Investment Portfolio, as of the dates indicated.

	As of December 31,		
	2025	2024	2023
	(in \$ millions)		
Securities at amortized cost - principal	\$ 1,346	\$ 1,090	\$ 999
Securities at FVOCI - principal	69	99	12
Investment Portfolio	\$ 1,415	\$ 1,189	\$ 1,011
Interest receivable	15	14	13

	As of December 31,		
	2025	2024	2023
	(in \$ millions)		
Loss allowance	(1)	(1)	(2)
Total investment securities	1,429	1,202	1,022

During the periods under review herein, the Bank did not hold instruments in obligations of the U.S. Treasury or other U.S. Government agencies or corporations, or in states of the U.S. or their municipalities.

The following tables set forth the distribution of the Bank's Investment Portfolio, presented in principal amounts, by country risk, type of borrower and contractual maturity, as of the dates indicated:

	As of December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
	(in \$ millions, except percentages)					
Australia	\$ 10	0.7	\$ 10	0.8	\$ 5	0.5
Belgium	15	1.1	15	1.3	0	0.0
Brazil	7	0.5	24	2.0	31	3.1
Canada	47	3.3	44	3.7	38	3.8
Chile	30	2.1	37	3.1	79	7.8
Colombia	15	1.0	15	1.2	24	2.3
Costa Rica	8	0.6	8	0.7	8	0.8
Dominican Republic	0	0.0	0	0.0	5	0.5
Finland	13	0.9	0	0.0	0	0.0
France	15	1.1	15	1.3	0	0.0
Germany	30	2.1	30	2.5	15	1.5
Ireland	14	1.0	14	1.2	15	1.5
Israel	0	0.0	0	0.0	5	0.5
Italy	0	0.0	0	0.0	14	1.3
Japan	60	4.2	61	5.2	38	3.8
Kuwait	20	1.4	0	0.0	0	0.0
Mexico	1	0.1	28	2.3	62	6.2
Multilateral Organizations	97	6.8	99	8.3	12	1.2
Netherlands	10	0.7	0	0.0	0	0.0
Norway	24	1.7	10	0.8	10	1.0
Panama	75	5.3	71	6.0	34	3.3
Peru	10	0.7	30	2.6	31	3.0
Qatar	30	2.1	0	0.0	0	0.0
Saudi Arabia	49	3.5	0	0.0	0	0.0
South Korea	34	2.4	14	1.2	2	0.3
Sweden	15	1.1	15	1.2	0	0.0
United Arab Emirates	3	0.3	0	0.0	0	0.0
United Kingdom	50	3.5	38	3.2	43	4.3
United States of America	733	51.8	611	51.4	540	53.3
Total	\$ 1,415	100.0	\$ 1,189	100.0	\$ 1,011	100.0

	As of December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
	(in \$ millions, except percentages)					
Private financial institutions	\$ 331	23.4	\$ 353	29.7	\$ 312	30.8
State-owned financial institutions	133	9.4	127	10.7	47	4.6
Sovereign debt	189	13.3	91	7.7	49	4.9

	As of December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
	(in \$ millions, except percentages)					
State-owned corporations	45	3.2	12	1.0	21	2.0
Private corporations	717	50.7	606	50.9	582	57.7
Total	\$ 1,415	100.0	\$ 1,189	100.0	\$ 1,011	100.0

	As of December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
	(in \$ millions, except percentages)					
In one year or less	\$ 428	30.3	\$ 253	21.3	157	15.6
After one year through five years	965	68.2	908	76.3	825	81.5
After five years through ten years	22	1.5	28	2.4	29	2.9
Total	\$ 1,415	100.0	\$ 1,189	100.0	\$ 1,011	100.0

As of December 31, 2025, 2024 and 2023, investment securities held by the Bank of any single issuer did not exceed 10% of the Bank’s equity.

Securities at amortized cost

As of December 31, 2025, the principal balance of the Bank’s securities at amortized cost increased to \$1,346 million, from \$1,090 million as of December 31, 2024. The \$256 million, or 23% increase during the year in the securities at amortized cost portfolio was mostly attributable to \$610 million of investment securities acquired in 2025 to increase Treasury’s investment management activities to complement the Bank’s commercial activities and as a tool to optimize country exposures, which was partially offset by \$349 million in proceeds received from the redemption of investment securities. As of December 31, 2025, securities at amortized cost with a carrying value of \$131 million were pledged to secure repurchase transactions accounted for as secured financings.

As of December 31, 2024, the principal balance of the Bank’s securities at amortized cost increased to \$1,090 million, from \$999 million as of December 31, 2023. The \$91 million, or 9% increase during the year in the securities at amortized cost portfolio was mostly attributable to \$388 million of investment securities acquired in 2024 to increase Treasury’s investment management activities to complement the Bank’s commercial activities and as a tool to optimize country exposures, which was partially offset by \$299 million in proceeds received from the redemption of investment securities. As of December 31, 2024, securities at amortized cost with a carrying value of \$214 million were pledged to secure repurchase transactions accounted for as secured financings.

Securities at FVOCI

As of December 31, 2025, the principal balance of the Bank’s securities at FVOCI decreased to \$69 million, from \$99 million as of December 31, 2024. The \$30 million decrease during the year in securities at FVOCI was mainly attributable to \$83 million in proceeds received from the sale of investment securities and \$41 million in proceeds received from the redemption of investment securities, which was partially offset by \$91 million of investment securities acquired in 2025. As of December 31, 2025, the Bank’s securities at FVOCI consisted of corporate debt securities classified as high quality liquid assets (“HQLA”) in accordance with the specifications of the Basel Committee.

As of December 31, 2024, the principal balance of the Bank’s securities at FVOCI increased to \$99 million, from \$12 million as of December 31, 2023. The \$87 million increase during the year in the securities at FVOCI was mainly attributable to \$86 million of investment securities acquired in 2024. As of December 31, 2024, the Bank’s securities at FVOCI consisted of corporate debt securities classified as high quality liquid assets (“HQLA”) in accordance with the specifications of the Basel Committee.

Total Gross Outstandings by Country

The following table sets forth the Bank’s aggregate gross amount outstanding, consisting of cash and due from banks, interest-bearing deposits in banks, securities and loans at FVOCI, securities and loans at amortized cost, and accrued interest receivable, as of December 31 of each year:

	As of December 31,					
	2025		2024		2023	
	Amount	% of Total Outstandings	Amount	% of Total Outstandings	Amount	% of Total Outstandings
(in \$ millions, except percentages)						
Argentina	\$ 200	1.6	\$ 113	1.0	\$ 55	0.5
Brazil	1,143	9.1	1,287	11.1	1,057	10.2
Chile	532	4.2	493	4.2	541	5.2
Colombia	1,098	8.7	937	8.1	982	9.5
Costa Rica	471	3.7	366	3.1	296	2.9
Dominican Republic	963	7.6	860	7.4	657	6.4
Ecuador	184	1.5	224	1.9	196	1.9
El Salvador	126	1.0	72	0.6	83	0.8
Guatemala	1,556	12.4	1,016	8.7	717	6.9
Honduras	108	0.9	220	1.9	224	2.2
Jamaica	58	0.5	44	0.4	102	1.0
Mexico	1,127	8.9	1,053	9.1	909	8.8
Multilateral Organizations	148	1.2	225	1.9	87	0.8
Panama	653	5.2	533	4.6	419	4.0
Paraguay	210	1.7	197	1.7	189	1.8
Peru	184	1.5	450	3.9	573	5.5
Singapore	131	1.0	283	2.4	147	1.4
Trinidad & Tobago	171	1.4	168	1.4	133	1.3
United Kingdom	153	1.2	115	1.0	83	0.8
United States of America	2,769	22.0	2,465	21.2	2,528	24.4
Other countries ⁽¹⁾	609	4.7	514	4.4	380	3.7
Total ⁽²⁾	\$ 12,594	100.0	\$ 11,635	100.0	\$ 10,358	100.0

⁽¹⁾ “Other countries” consists of cross-border outstandings to countries in which cross-border outstandings did not exceed 1% for any of the periods indicated. “Other countries” in 2025 was comprised of France (\$83 million), Japan (\$76 million), Uruguay (\$65 million), Saudi Arabia (\$50 million), Canada (\$49 million), Germany (\$44 million), South Korea (\$35 million), Qatar (\$30 million), Norway (\$ 25 million), Italy (\$24 million), Kuwait (\$20 million), Belgium (\$16 million), China (\$15 million), Sweden (\$15 million), Ireland (\$14 million), Finland (\$13 million), Australia (\$10 million), Netherlands (\$10 million), Puerto Rico (\$7 million), Suriname (\$4 million) and United Arab Emirates (\$4 million). “Other countries” in 2024 was comprised of France (\$110 million), Canada (\$98 million), Japan (\$89 million), Germany (\$59 million), Belgium (\$33 million), Puerto Rico (\$22 million), China (\$15 million), Sweden (\$15 million), Ireland (\$14 million), South Korea (\$14 million), Uruguay (\$13 million), Norway (\$10 million), Australia (\$10 million), Spain (\$10 million) and Italy (\$2 million). “Other countries” in 2023 was comprised of Luxembourg (\$91 million), Japan (\$66 million), Canada (\$62 million), France (\$28 million), Germany (\$21 million), Ireland (\$15 million), Hong Kong (\$15 million), Italy (\$15 million), Belgium (\$14 million), Switzerland (\$14 million), Uruguay (\$12 million), Norway (\$10 million), Spain (\$5 million), Australia (\$5 million), Israel (\$5 million) and South Korea (\$2 million).

⁽²⁾ The outstandings by country does not include loan commitments and financial guarantee contracts, and other assets. See Item 4.B. “Business Overview — Loan Commitments and Financial Guarantee Contracts.”

In allocating country risk limits, the Bank applies a portfolio management approach that takes into consideration several factors, including the Bank’s perception of country risk levels, business opportunities, and economic and political risk analysis.

As of December 31, 2025, total gross outstanding by country totaled \$12,594 million, a \$959 million, or 8% increase compared to \$11,635 million as of December 31, 2024, mainly as a result of the Bank’s Loan Portfolio growth as part of the Bank’s strategic initiatives and the selective deployment of its balance-sheet capacity, mainly driven by longer-tenor transactions with attractive risk-adjusted returns.

As of December 31, 2024, total gross outstanding by country totaled \$11,635 million, a \$1,277 million, or 12% increase compared to \$10,358 million as of December 31, 2023, mainly as a result of the Bank’s Loan Portfolio growth during the year, as part of the Bank’s continued focus on new client onboarding and cross selling efforts.

Cross-border outstanding exposures in countries outside the Region correspond principally to the Bank’s liquidity placements and secured credits related to transactions carried out in the Region. See Item 5, “Operating and Financial Review and Prospects—Liquidity and Capital Resources—Liquidity.”

The following table sets forth the amount of the Bank’s cross-border outstandings by type of institution as of December 31 of each year:

	As of December 31,		
	2025	2024	2023
	(in \$ millions)		
Private financial institutions	\$ 2,891	\$ 3,719	\$ 2,675
State-owned financial institutions	449	681	607
Central banks	1,735	1,021	1,884
Sovereign debt	311	175	136
State-owned corporations	1,244	987	1,240
Private corporations	5,964	5,052	3,816
Total	\$ 12,594	\$ 11,635	\$ 10,358

Total Revenues Per Country

The following table sets forth information regarding the Bank’s total revenues by country at the dates indicated, with total revenues calculated as the sum of net interest income plus total other income, net – which includes fees and commissions, net; gain (loss) on financial instruments, net; and other income, net:

	For the year ended December 31,		
	2025	2024	2023
	(in \$ millions)		
Argentina	\$ 12.2	\$ 7.6	\$ 4.7
Brazil	36.4	30.1	25.6
Chile	12.9	11.6	11.3
Colombia	25.8	35.5	32.6
Costa Rica	16.6	12.7	10.4
Dominican Republic	30.2	22.8	20.2
Ecuador	18.9	17.4	15.1
El Salvador	3.6	2.8	2.2
Guatemala	45.4	28.8	24.1
Honduras	6.6	7.4	6.3
Jamaica	3.7	4.1	3.3
Mexico	41.6	44.6	35.4
Panama	8.3	6.4	6.8
Paraguay	5.1	2.7	2.7
Peru	15.2	25.3	20.5
Puerto Rico	1.1	0.0	0.0
Suriname	13.9	0.0	0.0
Trinidad and Tobago	7.3	7.0	6.8
Uruguay	3.4	1.9	1.2
Other countries ⁽¹⁾	31.4	35.1	36.9
Total revenues	\$ 339.6	\$ 303.6	\$ 266.1

¹⁾ Other countries consists of total income per country in the Region in which total income did not exceed \$1 million for any of the periods indicated above and top-rated countries outside of Latin America.

The above table provides total revenues by country, as they are presented in the Bank’s Consolidated Financial Statements, and which are generated from the Bank’s Commercial and Treasury Business Segments.

Revenues

During the year ended December 31, 2025, the Bank recorded total revenues of \$339.6 million, representing a \$36.0 million or a 12% increase compared to 2024. The main driver of this increase was (i) the increase in average business volumes,

disciplined pricing, a well-matched repricing profile and prudent liquidity levels, together with a strong deposit base allowing for an efficient cost of funds, (ii) the increase in fees and commissions income of the Bank's core trade-finance and structuring activities, reflecting an effective strategic execution and broader active client base through the continued addition of new clients, increased client engagement and higher transaction capacity, as the Bank's trade finance platform is now fully operational, and (iii) increased fees deriving from the Bank's loan syndication desk as the Bank's participation in project and infrastructure finance continues to expand. These positive effects were offset by the impact of margin compression from high U.S. dollar market liquidity and the impact of lower reference rates.

During the year ended December 31, 2024, the Bank recorded total revenues of \$303.6 million, representing a \$37.5 million or a 14% increase compared to 2023. The main driver of this increase was the improvement of lending spreads, the net positive impact of higher market rates during the first half of the year, increased average balances and increased fees and commissions income from each of the Bank's business lines, stemming from the continued addition of new clients, an increased number of transactions and the capture of profitable transactional opportunities, fostered by the Bank's continued successful strategy execution and favorable market conditions.

Competition

The Bank operates in a highly competitive environment in most of its markets, and faces competition principally from international banks, the majority of which are European, North American or Asian, as well as Latin American regional banks, in making loans and providing fee-generating services. The Bank competes in its lending and deposit-taking activities with other banks and international financial institutions, many of which have greater financial resources, enjoy access to less expensive funding and offer sophisticated banking services. Whenever economic conditions and risk perception improve in the Region, competition from commercial banks, the securities markets and other new participants generally increases. Competition may have the effect of reducing the spreads of the Bank's lending rates over its funding costs and constraining the Bank's profitability.

The Bank also faces increased competition from local financial institutions which have access to comparable or better resources than the Bank. Local financial institutions are also clients of the Bank and there is complexity in managing the balance when a local financial institution is a client and a competitor. Additionally, many local financial institutions are able to gain direct access to the capital markets and low-cost funding sources, threatening the Bank's historical role as a provider of U.S. dollar funding.

Increased open account exports and new financing requirements from multinational corporations are changing the way banks intermediate foreign trade financing. Trade finance volumes are also dependent on global economic conditions.

The Bank also faces competition from investment banks and the local and international securities markets, which provide liquidity to the financial systems in certain countries in the Region, as well as non-bank specialized financial institutions. The Bank competes primarily on the basis of agility, pricing, and quality of service. See Item 3.D., "Key Information–Risk Factors."

Supervision and Regulation

General

The Superintendent of Banks regulates, supervises and examines the Bank on a consolidated basis. The New York Agency is regulated, supervised and examined by the New York State Department of Financial Services and the Board of Governors of the Federal Reserve System (the "U.S. Federal Reserve Board"). The Bank's direct and indirect nonbanking subsidiaries doing business in the United States are subject to regulation by the U.S. Federal Reserve Board. The Bank is subject to regulations in each jurisdiction in which the Bank has a physical presence. The regulation of the Bank by relevant Panamanian authorities differs from the regulation generally imposed on banks, including foreign banks, in the United States by U.S. federal and state regulatory authorities.

The Superintendent of Banks has signed and executed agreements or letters of understanding with more than 28 foreign supervisory authorities regarding the sharing of supervisory information under principles of reciprocity, appropriateness, national agreement and confidentiality. These entities include the U.S. Federal Reserve Board, the Federal Reserve Bank, the Office of the Comptroller of the Currency of the Treasury Department, or OCC, and the Federal Deposit Insurance Corporation. In addition, the Statement of Cooperation between the United States and Panama promotes cooperation between U.S. and Panamanian banking regulators and demonstrates the commitment of the U.S. regulators and the Superintendent of Banks to the principles of comprehensive and consolidated supervision.

Banks in Panama are subject to the Decree Law 9 of February 26, 1998, as amended and consolidated in a unified text by Executive Decree No. 52 of April 30, 2008, as well as banking regulations issued by the Superintendency of Banks (the “Banking Law”).

Panamanian Law

The Bank operates in Panama under a General Banking License issued by the National Banking Commission, predecessor of the Superintendency of Banks. Banks operating under a General Banking License (“General License Banks”), may engage in all aspects of the banking business in Panama, including taking local and foreign deposits, as well as making local and international loans.

Capital

General License Banks are required to maintain a minimum paid-in-capital of U.S. dollars \$10 million. As of the date of this Annual Report, General License Banks are required to maintain a regulatory capital to risk-weighted assets ratio of 8%, an ordinary primary capital to risk-weighted assets ratio of 4.5%, and a primary capital to risk-weighted assets ratio of 6.0%. In addition to the minimum regulatory capital to risk-weighted assets ratio, Rule No. 05-2023 requires that General License Banks maintain an additional capital conservation buffer resulting in a total capital adequacy index (Capital Adequacy Ratio), which may not be less, at any time, than 9.25% (including the capital conservation buffer of 1.25% as of December 31, 2025), and will be no less than 10.5% (including a capital conservation buffer of 2.50% for 2026). The Superintendency of Banks has the power to impose additional capital adequacy requirements not contemplated above on any financial institution to secure the stability of Panama’s financial system.

Adjusted capital consists of the sum of: (i) primary capital (Tier I Capital), (ii) secondary capital (Tier II Capital) and (iii) the credit balance of the dynamic reserves. Primary capital is further divided into ordinary capital (Common Equity Tier 1) and additional capital (Additional Tier 1).

Primary Capital

Primary Capital consists of:

- (i) Ordinary Primary Capital includes paid-in capital in shares, surplus capital, declared reserves, retained earnings, minority interests in equity accounts of consolidated subsidiaries, other items of net total earnings and any other reserves authorized by the Superintendency of Banks.
- (ii) Additional Primary Capital includes instruments issued by a bank that comply with the criteria to be classified as additional primary capital and that are not classified as ordinary primary capital, issuance premiums from financial instruments considered additional primary capital, financial instruments that are held by a third party and are issued by consolidated affiliates of the bank, and any other financial instrument resulting from capital adjustments of ordinary primary capital.
- (iii) Capital Conservation Buffer includes an additional capital buffer of 2.5% comprised of ordinary primary capital over risk weighted assets which is established above the regulatory minimum capital requirement established in Rule 1-2015, designed to ensure that banks build up capital buffers outside periods of stress which can be drawn down as losses are incurred. The Superintendency of Banks has adopted a progressive cumulative application of the capital conservation buffer starting with a minimum of 0.50% by July 1st, 2024, and increasing by 0.75% by July 1st, 2025 and 1.25% by July 1st, 2026.

Secondary Capital

Secondary capital includes: (i) financial instruments that comply with the criteria set forth in Rule No. 1-2015 to be classified as secondary capital, (ii) subscription premiums paid on financial instruments that are classified as secondary capital, (iii) financial instruments issued by consolidated affiliates of the bank to third parties, (iv) reserves for future losses (excluding provisions assigned to the deterioration of assets valued on an individual or collective basis up to 1.25% of credit risk-weighted assets), and (v) regulatory adjustments applied to the calculation of secondary capital.

Dynamic Reserves

The dynamic reserve must be between 1.25% and 2.5% of the risk-weighted assets amount corresponding to the credit facilities classified in the Normal category and cannot decrease with respect to the amount calculated for the

previous quarter, except for cases when such decrease is as a result of a conversion from dynamic reserves to specific reserves.

Capital Buffer applicable to Systemically Important Banks

Rule No. 7-2025 establishes guidelines for the constitution and management of a capital buffer applicable to locally systemically important banks (the “SIB Capital Buffer”), setting forth the minimum principles and general criteria to be considered in assessing and determining, from a local perspective, the degree of systemic importance of official banks and general license banks. The SIB Capital Buffer applicable to locally systemic banks is intended to accumulate ordinary primary capital in excess of the regulatory capital requirements set forth in the rules issued by the Superintendency of Banks on capital adequacy, the capital conservation buffer, and the credit risk (dynamic reserves). Once constituted, the SIB Capital Buffer shall be maintained on a permanent basis, except during periods of systemic stress or tension, as determined by the Superintendency of Banks.

For the purposes of this framework, a bank is considered to be a locally systemically important bank when its financial deterioration or potential insolvency and noncompliance with regulatory ratios would generate negative externalities which, although not significant from an international standpoint, could compromise the stability of the banking system, the local economy, and even generate effects that extend to neighboring countries.

In accordance with the foregoing, a bank shall be deemed to be a locally systemically important bank if the ratio of its size within the local economy, measured as the bank’s total assets relative to Panama’s GDP, is equal to or greater than 6%.

Once a bank has been identified as locally systemic, the level of systemic importance of each bank that qualifies as a systemically important bank will be assigned on the basis of four categories: size, interconnectedness, substitutability, and complexity. Each of these categories carries their own individual indicators, and the respective weighting percentages.

The Superintendency of Banks may, whenever deemed appropriate, include other categories and indicators for determining the degree of systemic importance of a bank, and may make adjustments to the weightings assigned to each of the above factors.

The determination of the level of systemic importance of a bank and thus its corresponding SIB Capital Buffer requirement will be defined on the basis of the weighted average of the bank’s scores across the four categories (size, interconnectedness, substitutability, and complexity). The bank’s score for each category will be equal to the weighted average of its percentage participation in each relevant variable. These participations are multiplied by ten thousand.

Banks with a score equal to or greater than 1,000 will be considered systemically important level 1 and will require a SIB Capital Buffer of 1% and banks with a score of less than 1,000 will be considered systemically important level 2 and will require a SIB Capital Buffer of 0.5%.

The capital buffer applicable to locally systemic banks corresponds to the degree of systemic importance resulting from the periodic evaluations carried out by the Superintendency of Banks. Locally systemic banks shall establish a capital buffer in accordance with the systemic level assigned, based on risk-weighted assets (credit, market, and operational), composed of ordinary primary capital and in addition to all other regulatory capital requirements established.

This framework will enter into force on July 1, 2027. The Superintendency of Banks has established a progressive implementation of the SIB Capital Buffer. Banks that are determined to be locally systemically important banks shall have to progressively implement the corresponding SIB Capital Buffer and fully implement the applicable SIB Capital Buffer by July 1st, 2032.

Loan Classification and Loan Loss Reserves

Regulations require that banks have loan loss allowances. The calculation of the specific reserves requires that the Loan Portfolio be classified according to parameters prescribed in the regulation. The regulations set out clear requirements intended to achieve consistent credit classifications of loans based on the type banking portfolio they fall into (i.e., consumer, corporate, etc.) and also establishes rules to calculate specific and general loan loss provisions. There are five categories of

loan classifications: Normal, Special Mention, Sub-standard, Doubtful and Unrecoverable. Regulations require banks to suspend accruing interest on impaired loans.

Specific reserves are reserves required in connection with the credit classification of a loan. They are created for individual credit facilities as well as for a consolidated group of credit facilities. Specific reserve requirements take into account the classification of the loan as well as the guarantees provided by the borrowers to secure such loans. Guarantees are calculated at present value in accordance with the requirements established by banking regulations.

Banks may create their own financial models to determine the amount of the specific reserves, subject to the approval of the Superintendency of Banks. In any event, the internal financial models must comply with the minimum specific reserve requirements and the following minimum requirements: Special Mention loans 2%; Sub-standard loans 15%; Doubtful loans 50%; and Unrecoverable 100%. Compliance with regulations on loan classification and loan loss reserves are monitored by the Superintendency of Banks through reports, as well as on- and off-site examinations.

Liquidity

General License Banks are required to maintain 30% of their total gross deposits in qualifying liquid assets as prescribed by the Superintendency of Banks (which include short-term loans to other banks and other liquid assets). Qualifying liquid assets must be free of liens, encumbrances and transfer restrictions. The Superintendency of Banks may impose concentration limits and cash requirements, as well as weights per type of liquid assets.

The Superintendency of Banks requires general license banks to monitor their liquidity and identify potential liquidity risk events that may affect the bank. Banks must undertake stress tests and active monitoring of their intra-day liquidity. The stress tests performed by the bank should include at minimum: (a) the simultaneous exhaustion of liquidity in different markets; (b) restrictions on access to secured and unsecured funding; (c) limitations on foreign currency exchange and difficulties on the settlement of foreign currency exchange transactions; and (d) analysis of the possible effects of severe stress scenarios.

Banks are required to have a contingent funding plan which should include: (i) a diversified pool of contingent funding options; (ii) provide detail as to potential amounts and values that could be obtained from each of the funding options; (iii) procedures that detail the priority of the funding sources; and (iv) a flexible framework which will allow the bank to react effectively to different situations.

General license banks are required to calculate and comply with the liquidity coverage ratio (“LCR”) established by the Superintendency of Banks. The regulation establishes two bands of ratios that can be applicable to banks in Panama. The Superintendency of Banks determines, according to internal criteria, the band applicable to each bank. The band 1 banks are required to maintain a ratio of 50% and the band 2 banks are required to maintain a ratio of 100%. The Superintendency of Banks has confirmed that the band 2 is applicable to the Bank. The Superintendency of Banks defines the LCR as the stock of high-quality liquid assets over total net cash outflows over the next 30 calendar days. The definition is based on the Basel III Liquidity Coverage Ratio and liquidity risk monitoring tools published by the Basel Committee on Banking Supervision and adjusted by the Superintendency of Banks.

Lending Limits

Pursuant to the Banking Law, banks cannot grant loans or issue guarantees or any other obligation (“Credit Facilities”), to any one person or group of related persons in excess of 25% of the bank’s total capital. This limitation also extends to Credit Facilities granted to parties related to the ultimate parent of the banking group. However, the Banking Law establishes that, in the case of Credit Facilities granted by mixed-capital banks with headquarters in Panama whose principal business is the granting of loans to other banks, the limit is 30% of the bank’s capital funds. As confirmed by the Superintendency of Banks, the Bank currently applies the limit of 30% of the Bank’s total capital with respect to the Bank’s Credit Facilities in favor of financial institutions and the limit of 25% of the Bank’s total capital with respect to the Bank’s Credit Facilities in favor of corporations and sovereign borrowers.

Under the Banking Law, a bank and the ultimate parent of the banking group may not grant loans or issue guarantees or any other obligation to “related parties” that exceed (1) 5% of its total capital, in the case of unsecured transactions, and (2) 10% of its total capital, in the case of collateralized transactions (other than loans secured by deposits in the bank). For these purposes, a “related party” is (a) any one or more of the bank’s directors, (b) any shareholder of the bank that directly or indirectly owns 5% or more of the issued and outstanding capital stock of the bank, (c) any company of which one or more of the bank’s directors is a director or officer or where one or more of the bank’s directors is a guarantor of the loan or credit facility, (d) any company or entity in which the bank or any one of its directors or officers can exercise a controlling

influence, (e) any company or entity in which the bank or any one of its directors or officers owns 20% or more of the issue and outstanding capital stock of the company or entity and (f) managers, officers and employees of the bank, or their respective spouses (other than home mortgage loans or guaranteed personal loans under general programs approved by the bank for employees). The Superintendency of Banks currently limits the total amount of secured and unsecured Credit Facilities (other than Credit Facilities secured by deposits in the bank) granted by a bank or the ultimate parent of a banking group to related parties to 25% of the total capital of the bank.

The Superintendency of Banks may authorize the total or partial exclusion of loans or credits from the computation of these limitations in cases of unsecured loans and other credits granted by mixed-capital banks with headquarters in Panama whose principal business is the granting of loans to other banks, which is the case of the Bank. This authorization is subject to the following conditions: (1) the ownership of shares in the debtor bank—directly or indirectly—by the shared director or shared officer, may not exceed 5% of the bank’s capital, or may not amount to any sum that would ensure his or her majority control over the decisions of the bank; (2) the ownership of shares in the creditor bank—directly or indirectly—by the debtor bank represented in any manner by the shared director or shared officer, may not exceed 5% of the shares outstanding of the creditor bank, or may not amount to any sum that would ensure his or her majority control over the decisions of the bank; (3) the shared director or shared officer must abstain from participating in the deliberations and in the voting process regarding the loan or credit request; and (4) the loan or credit must strictly comply with customary standards of discretion set by the grantor bank’s credit policy. The Superintendency of Banks will determine the amount of the exclusion in the case of each loan or credit submitted for its consideration.

The Banking Law contains additional limitations and restrictions with respect to related party loans and Credit Facilities. For instance, under the Banking Law, banks may not grant Credit Facilities to any employee in an amount that exceeds the employee’s annual compensation package, and all Credit Facilities to managers, officers, employees or shareholders who are owners of 5% or more of the issued and outstanding capital stock of the lending bank or the ultimate parent of the banking group, will be made on terms and conditions similar to those given by the bank to its clients in arm’s-length transactions and which reflect market conditions for a similar type of operation. Shares of a bank cannot be pledged or offered as security for loans or Credit Facilities issued by the bank.

Corporate Governance

The board of directors of a bank must be comprised of at least seven members, with knowledge and experience in the banking business, including at least two independent directors. The majority of the members of the board of directors may not be part of the banks’ management nor have material conflicts of interest. Neither the Chief Executive Officer, nor the Chief Operating Officer or Chief Financial Officer may preside over the board of directors. Members of the board of directors who participate in board-established committees must have specialized knowledge and experience in the areas assigned to the committees in which they participate. The board of directors shall meet at least every three months. The board of directors shall keep detailed minutes of all meetings.

Minimum corporate governance requirements for banking institutions include: (a) documentation of corporate values, strategic objectives and codes of conduct; (b) documentation that evidences compliance with the corporate values and code of conduct of the bank; (c) a defined corporate strategy that can be used to measure the contribution to the bank of each level of the corporate governance structure; (d) the designation of responsibilities and authorized decision-making authorities within the bank, and their individual powers and approval levels; (e) the creation of a system that regulates interaction and cooperation of the board of directors, senior management and external and internal auditors; (f) creation of control systems for independent risk management; (g) prior approval, monitoring and verification of risks for credit facilities with existing conflicts of interest; (h) creation of policies for recruitment, induction, continuous and up-to-date staff training and financial and administrative incentives; (i) existence of internal and public information that guarantee the transparency of the corporate governance system; (j) creation of a direct supervision system for each level of the organizational structure; (k) external audits independent from management and the board of directors; and (l) internal audits independent from management of the bank.

Banks will be required to adopt internal policies to review and ensure that their shareholders, members of the board of directors senior management and key executives possess recognized competence, reputation, moral and economic solvency at all times, regardless of the nature, complexity and risk profile of the entity. The internal policies are required to include the review, identification, and monitoring of these characteristics with the intent of mitigating any risks that may affect the operations of a bank as well as its stability, reputation, and sustainability.

Integral Risk Management

Panamanian banking regulations contain guidelines for integral risk management of financial institutions. Integral risk management is a process intended to identify potential events that can affect banks and to manage those events according to their nature and risk level. These guidelines cover the different risks that could affect banking operations such as: (i) credit risk; (ii) counterparty risk; (iii) liquidity risk; (iv) market risk; (v) operational risk; (vi) reputational risk; (vii) country risk; (viii) contagion risk; (ix) strategic risk; (x) information technology risk; and (xi) concentration risk. Banks are required to have policies for the management and mitigation of all risks to which they are exposed. The board of directors, management and the risk committee of the board of directors are responsible for compliance with the integral risk management policies created to mitigate the exposure of the bank to such risks.

Additional Regulatory Requirements

In addition to the foregoing requirements, there are certain other requirements applicable to General License Banks, including: (1) a requirement that a bank must notify the Superintendency of Banks before opening or closing a branch or office in Panama and obtain approval from the Superintendency of Banks before opening or closing a branch or subsidiary outside Panama, (2) a requirement that a bank obtain approval from the Superintendency of Banks before it liquidates its operations, merges or consolidates with another bank or sells all or substantially all of its assets, (3) a requirement that a bank must designate the certified public accounting firm that it wishes to contract to perform external audit duties for the new fiscal term, within the first three months of each fiscal term, and notify the Superintendency of Banks within 7 days of such designation, (4) a requirement that a bank obtain prior approval from the Superintendency of Banks of the rating agency it wishes to hire to perform the risk analysis and rating of the bank, (5) a requirement that a bank must publish in a local newspaper the risk rating issued by the rating agency and any risk rating update, (6) a requirement that a bank must provide written affirmation of the Bank's audited financial statements signed by the Bank's Chairman of the Board, the Chief Executive Officer and Chief Financial Officer, (7) a requirement that a bank notify the Superintendency of Banks in the event of any change in ownership in a bank or economic group to which a bank belongs (regardless of whether or not such change in ownership results in a change of control), and (8) a requirement that a bank notify the Superintendency of Banks in the event that it creates any pledge or security interest over the common shares of the bank or over the common shares of any entity that directly or indirectly is the principal shareholder or exercises control over the bank. The subsidiaries of Panamanian banks established in foreign jurisdictions must observe the legal and regulatory provisions applicable in Panama regarding the sufficiency of capital, as prescribed under the Banking Law.

Supervision, Inspection and Reports

The Banking Law regulates banks and the entire "banking group" to which each bank belongs. Banking groups are defined as the holding company and all direct and indirect subsidiaries of the holding company, including the bank in question. Banking groups must comply with audit standards and various limitations set forth in the Banking Law, in addition to all compliance required of the bank in question. The Banking Law provides that banks and banking groups in Panama are subject to inspection by the Superintendency of Banks, which must take place at least once every two years. The Superintendency of Banks is empowered to request from any bank or any company that belongs to the economic group of which a bank in Panama is a member, the documents and reports pertaining to its operations and activities. Banks are required to file with the Superintendency of Banks weekly, monthly, quarterly and annual information, including financial statements, an analysis of their Credit Facilities and any other information requested by the Superintendency of Banks. In addition, banks are required to make available for inspection any reports or documents that are necessary for the Superintendency of Banks to ensure compliance with Panamanian banking laws and regulations. Banks subject to supervision may be fined by the Superintendency of Banks for violations of Panamanian banking laws and regulations.

Panamanian laws and regulations governing Anti Money Laundering, Terrorism Financing and the Prevention of the Proliferation of Weapons of Mass Destruction

Panama has enacted extensive legislation and regulations to prevent and fight money laundering activities and the financing of terrorism and weapons of mass destruction by financial institutions and certain other businesses.

Financial and non-financial supervised entities are subject to supervision, reporting and compliance requirements by various government agencies. The following entities are deemed to be "financial supervised entities": (i) banks; (ii) bank groups; (iii) trust companies; (iv) leasing companies; (v) factoring companies; (vi) credit, debit or pre-paid card processing entities; (vii) companies engaged in remittances or wire transfers; and (viii) companies that provide any other service related to trust companies. These entities must comply with measures to prevent their operations and/or transactions from being used for money laundering operations, terrorism financing or any other illicit activity. Banks and trust companies are regulated and supervised by Superintendency of Banks.

The laws and regulations require supervised entities to perform due diligence reviews on their clients and their transactions. The verification of information and documentation will depend on the clients' risk profile. Supervised entities have the obligation to ensure that the information provided by their clients is up-to-date. In addition, banks are required to know and keep information about the ultimate beneficial owners of their clients. Clients classified as higher risk clients are required to update their information more frequently, as an extended or enhanced due diligence measure. Supervised entities are further required to implement a system of client classification by risk profiles, based on factors such as nationality, country of birth or incorporation, domicile, profession or trade, geographic region of the customer's activities, corporate structure, type, amount and frequency of transactions, source of funds, politically exposed persons, products, services and channels. The disclosure of ultimate beneficiaries is limited to up to 10% ownership if the owner is a natural person; otherwise, further disclosure is required. This requirement does not apply to listed entities. The foreign clients of banks must also provide the bank with the foreign tax identification number of the country where the client is a taxpayer and a sworn statement which states that flows of the deposits and disbursements held or issued by the bank will comply with all fiscal obligations in the country or countries where said foreign client has fiscal residence.

Banks must comply with basic supervision and monitoring measures in order to prevent and avoid the use of their banking operations and/or transactions for money laundering operations. These basic measures include: (i) compliance with "Know Your Customer" policies; (ii) supervision of employee activities; (iii) tracking the movement of every customer's account to be aware of their regular activities and be able to identify unusual transactions; (iv) keeping a registry of every suspicious transaction and notifying suspicious transactions to the Financial Analysis Unit (a Panamanian governmental agency under the Ministry of the Presidency); (v) conducting internal audits at least every six months on accounts with funds exceeding U.S.\$10,000, with the purpose of determining if transactions made in these accounts are consistent with the account holder's usual behavior; and (vi) monitoring accounts of clients labelled as politically exposed persons.

Furthermore, banks that provide correspondent banking services to foreign banks must assess, review and monitor the policies and internal controls of such foreign banks to prevent money laundering, terrorism financing or any other illicit activities.

United States Law

The Bank operates the New York Agency, a New York state-licensed agency in White Plains, New York, and maintains a direct wholly-owned non-banking subsidiary in Delaware, Bladex Holdings, which is not engaged in banking activities.

The U.S. banking industry is highly regulated under federal and state law. These regulations affect the operations of the Bank in the United States. Set forth below is a brief description of the bank regulatory framework that is or will be applicable to the New York Agency. This description is not intended to describe all laws and regulations applicable to the New York Agency. Banking statutes, regulations and policies are continually under review by Congress and state legislatures and federal and state regulatory agencies, including changes in how they are interpreted or implemented, could have a material adverse impact on the New York Agency and its operations. In addition to laws and regulations, state and federal bank regulatory agencies (including the U.S. Federal Reserve Board) may issue policy statements, interpretive letters and similar written guidance applicable to the New York Agency (including the Bank). These issuances also may affect the conduct of the New York Agency's business or impose additional regulatory obligations. The brief description below is qualified in its entirety by reference to the full text of the statutes, regulations, policies, interpretive letters and other written guidance that are described.

U.S. Federal Law

In addition to being subject to New York state laws and regulations, the New York Agency is subject to federal regulations, primarily under the International Banking Act of 1978, as amended ("IBA"). The New York Agency is subject to examination and supervision by the U.S. Federal Reserve Board. The IBA generally extends federal banking supervision and regulation to the U.S. offices of foreign banks and to the foreign bank itself. Under the IBA, the U.S. branches and agencies of foreign banks, including the New York Agency, are subject to reserve requirements on certain deposits. At present, the New York Agency has no deposits subject to such requirements. The New York Agency also is subject to reporting and examination requirements imposed by the U.S. Federal Reserve Board similar to those imposed on domestic banks that are members of the U.S. Federal Reserve System. The Foreign Bank Supervision Enhancement Act of 1991 (the "FBSEA"), amended the IBA to enhance the authority of the U.S. Federal Reserve Board to supervise the operations of foreign banks in the United States. In particular, the FBSEA expanded the U.S. Federal Reserve Board's authority to regulate the entry of foreign banks into the United States, supervise their ongoing operations, conduct and coordinate examinations of their U.S. offices with state banking authorities, and terminate their activities in the United States for violations of law or for unsafe or unsound banking practices.

In addition, under the FBSEA, state-licensed branches and agencies of foreign banks may not engage in any activity that is not permissible for a “federal branch” (i.e., a branch of a foreign bank licensed by the federal government through the OCC, rather than by a state), unless the U.S. Federal Reserve Board has determined that such activity is consistent with sound banking practices.

The New York Agency does not engage in retail deposit-taking from persons in the United States. Under the FBSEA, the New York Agency may not obtain Federal Deposit Insurance Corporation (“FDIC”), insurance and generally may not accept deposits from persons in the United States, but may accept credit balances incidental to its lawful powers, from persons in the United States, and accept deposits from non-U.S. citizens who are non-U.S. residents, but must inform each customer that the deposits are not insured by the FDIC.

The IBA also restricts the ability of a foreign bank with a branch or agency in the United States to engage in non-banking activities in the United States, to the same extent as a U.S. bank holding company. Bladex is subject to certain provisions of the Bank Holding Company Act of 1956 (the “BHCA”), because it maintains an agency in the United States. Generally, any nonbanking activity engaged in by Bladex directly or through a subsidiary in the United States is subject to certain limitations under the BHCA. Among other limitations, the provisions of the BHCA include the so-called “Volcker Rule,” which may restrict proprietary trading activities conducted by Bladex and its affiliates with U.S. clients or counterparties, as well as certain private funds-related activities with US nexus. Under the Gramm-Leach-Bliley Financial Modernization Act of 1999 (the “GLB Act”), a foreign bank with a branch or agency in the United States may engage in a broader range of non-banking financial activities, provided it is qualified and has filed a declaration with the U.S. Federal Reserve Board to be a “financial holding company.” The application with the U.S. Federal Reserve Board to obtain financial holding company status, filed by the Bank on January 29, 2008, was withdrawn, effective March 2, 2012, as the Bank no longer considered the financial holding company status to be a necessary requirement in order to achieve its long-term strategic goals and objectives. At present, the Bank has a subsidiary in the United States, Bladex Holdings, a wholly-owned corporation incorporated under Delaware law that is not presently engaged in any activity.

In addition, pursuant to the Financial Services Regulatory Relief Act of 2006, the SEC and the U.S. Federal Reserve Board finalized Regulation R. Regulation R defines the scope of exceptions provided for in the GLB Act for securities brokerage activities which banks may conduct without registering with the SEC as securities brokers or moving such activities to a broker-dealer affiliate. The “push out” rules exceptions contained in Regulation R enable banks, subject to certain conditions, to continue to conduct securities transactions for customers as part of the bank’s trust and fiduciary, custodial, and deposit “sweep” functions, and to refer customers to a securities broker-dealer pursuant to a networking arrangement with the broker-dealer. The New York Agency is subject to Regulation R with respect to its securities activities.

New York State Law

The New York Agency, established in 1989, is licensed by the Superintendent of Financial Services of the State of New York (the “Superintendent”), under the New York Banking Law. The New York Agency maintains an international banking facility that also is regulated by the Superintendent and the U.S. Federal Reserve Board. The New York Agency is examined by the Department of Financial Services and is subject to banking laws and regulations applicable to a foreign bank that operates a New York agency. New York agencies of foreign banks are regulated substantially the same as, and have similar powers to, New York state-chartered banks, subject to certain exceptions (including with respect to capital requirements and deposit-taking activities).

The Superintendent is empowered by law to require any branch or agency of a foreign bank to maintain in New York specified assets equal to a percentage of the branch’s or agency’s liabilities, as the Superintendent may designate. Under the current requirement, the New York Agency is required to maintain a pledge of a minimum of \$2 million with respect to its total third-party liabilities and such pledge may be up to 1% of the agency’s third party liabilities, or upon meeting eligibility criteria, up to a maximum amount of \$100 million. As of December 31, 2025, the New York Agency maintained a pledge deposit with the New York State Department of Financial Services, in satisfaction of the minimum required amount. In addition, the Superintendent retains the authority to impose specific asset maintenance requirements upon individual agencies of foreign banks on a case-by-case basis.

The New York Banking Law generally limits the amount of loans to any one person to 15% of the capital, surplus fund and undivided profits of a bank. For foreign bank agencies, the lending limits are based on the capital of the foreign bank and not that of the agency.

The Superintendent is authorized to take possession of the business and property of a New York agency of a foreign bank whenever an event occurs that would permit the Superintendent to take possession of the business and property of a state-chartered bank. These events include the violation of any law, unsafe business practices, an impairment of capital, and the suspension of payments of obligations. In liquidating or dealing with an agency's business after taking possession of the agency, the New York Banking Law provides that the claims of creditors which arose out of transactions with the agency may be granted a priority with respect to the agency's assets over other creditors of the foreign bank.

U.S. Anti-Money Laundering Laws

U.S. anti-money laundering laws, including the Financial Recordkeeping and Reporting of Currency and Foreign Transactions Act of 1970 (commonly known as the Bank Secrecy Act), as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (commonly referred to as the PATRIOT Act), impose significant compliance and due diligence obligations, on financial institutions doing business in the United States, including, among other things, requiring these financial institutions to maintain appropriate records, file certain reports involving currency transactions, conduct certain due diligence with respect to their customers and establish anti-money laundering compliance programs designed to detect and report suspicious or unusual activity.

On January 1, 2020, the Anti-Money Laundering Act of 2020 ("AMLA 2020") became effective when the U.S. Congress overrode former President Donald Trump's veto of the National Defense Authorization Act. AMLA 2020 is the most consequential anti-money laundering legislation passed by the U.S. Congress in decades. Among its many provisions, AMLA 2020 provides for expanded whistleblower rewards and protections, the establishment of a beneficial ownership registration database that will be implemented by the Financial Crimes Enforcement Network ("FinCEN"), new Bank Secrecy Act violations and enhanced penalties for repeat and egregious violators. AMLA 2020 requires that various U.S. regulatory agencies (such as FinCEN) promulgate regulations implementing the requirements of AMLA 2020.

The New York Agency is a "financial institution" for purposes of the Bank Secrecy Act and must comply with the aforementioned anti-money laundering laws and regulations. The failure of a financial institution to comply with the requirements of these laws and regulations could have serious legal, reputational and financial consequences for such institution. The New York Agency has adopted risk-based policies and procedures reasonably designed to promote compliance in all material respects with these laws and their implementing regulations, but the changes to the Bank Secrecy Act effected through AMLA may expose the New York Agency to heightened anti-money laundering requirements, obligations, or regulatory uncertainty as additional anti-money laundering requirements are developed and implemented.

U.S. Economic or Financial Sanctions

The Sanctions imposed, administered or enforced from time to time by the OFAC and other U.S. governmental authorities, require all U.S. persons, including U.S. branches or agencies of foreign banks operating in the U.S. (such as the New York Agency) to comply with these Sanctions, and require U.S. financial institutions to block accounts and other property of, or reject unlicensed trade and financial transactions with specified countries, entities, and individuals. Failure to comply with applicable Sanctions can have serious legal, reputational and financial consequences for an institution subject to these requirements and Sanctions, in general, may have a direct or indirect adverse impact on the business or operations of parties that engage in trade finance or international commerce. The New York Agency has adopted risk-based policies and procedures reasonably designed to promote compliance in all material respects with applicable Sanctions.

However, despite the Bank's internal controls and good faith attempts to comply with Sanctions, it may, from time to time, process or effect transactions which are the subject of Sanctions or in which a person subject to Sanctions has an interest due to the nature of the Bank's activities, the geographical location of the Bank's counterparties and customer base, or these parties' attempts to conceal or disguise the true nature of their involvement in these transactions.

Other U.S. Laws/Regulations

The New York Agency's operations are also subject to federal or state laws and regulations applicable to financial institutions which relate to credit transactions and financial privacy. These laws include, without limitation, the following:

- State usury laws and federal laws concerning interest rates and other charges collected or contracted for by the New York Agency;
- Equal Credit Opportunity Act, prohibiting discrimination on the basis of race, creed or other prohibited factors in extending credit;
- Check Clearing for the 21st Century Act (also known as "Check 21"), which gives "substitute checks," such as digital check images and copies made from that image, the same legal standing as the original paper check; and

- Rules and regulations of the various state and federal agencies are charged with the responsibility of implementing such state or federal laws.

Seasonality

The Bank's business is not materially affected by seasonality.

Raw Materials

The Bank is not dependent on sources or availability of raw materials.

C. Organizational Structure

For information regarding the Bank's organizational structure, see Item 18, "Financial Statements," note 1.

D. Property, Plant and Equipment

The Bank leases its headquarters, which comprises 6,393 square meters of office space, located at Business Park - Tower V, Costa del Este, Panama City, Panama. The Bank leases computer hosting equipment spaces located at Gavilan Street Balboa, Panama City, Panama and 21 square meters of office space and internet access, as a contingency, located at 75E Street San Francisco, Panama City, Panama.

In addition, the Bank leases office space for its representative offices in Mexico City, Mexico; Buenos Aires, Argentina; Bogotá, Colombia; São Paulo, Brazil; and its New York Agency in White Plains, New York.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

This section, which generally discusses the Bank's financial condition and results from operations as of and for the periods ending December 31, 2025, 2024 and 2023, and includes year-on-year comparisons of those results, should be read in conjunction with the Financial Statements and the notes thereto included elsewhere in this Annual Report. See Item 18, "Financial Statements." The Bank's consolidated financial position as of December 31, 2023 should be read in conjunction with the Bank's audited financial statements included in the Bank's Annual Report on Form 20-F for the year ended December 31, 2024, filed with the SEC on April 15, 2025. This discussion intends to provide the reader with information that will assist in understanding the Bank's Financial Statements, the changes in certain key items in those Financial Statements from period to period and the primary factors that accounted for those changes. It also discusses certain performance metrics that management uses to assess the Bank's performance. Additionally, the discussion in this section provides information about the financial results of each of the Bank's business segments in order to provide a better understanding of how each of those segments and its results of operations affect the financial position and results of operations of the Bank as a whole. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. The Bank's actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Item 3. Key Information—D. Risk Factors" or in other parts of this Annual Report.

The Bank's Consolidated Financial Statements and the financial information discussed below have been prepared and presented in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Nature of Earnings

The Bank derives income from net interest income and net other income, which includes fees and commissions, net, gain (loss) on financial instruments, net, and other income, net. Net interest income, or the difference between the interest income the Bank receives on its interest-earning assets and the interest expense the Bank pays on interest-bearing liabilities, is generated principally by the Bank's lending activities. The Bank generates fees and commissions mainly through the issuance, confirmation and negotiation of letters of credit, guarantees, and credit commitments, and through loan structuring and syndication activities.

A. Operating Results

The following table summarizes changes in components of the Bank’s profit for the year and performance for the periods indicated. The operating results in any period are not indicative of the results that may be expected for any future period.

	For the Year Ended December 31,		
	2025	2024	2023
	(in \$ thousands, except per share amounts and percentages)		
Net Interest Income			
Interest Income	\$ 768,464	\$ 785,032	\$ 679,260
Interest Expense	(497,282)	(525,821)	(446,077)
Net interest income	271,182	259,211	233,183
Other income (expense):			
Fees and commissions, net	59,013	44,401	32,519
Gain (loss) on financial instruments, net	8,231	(483)	(45)
Other income	1,144	507	462
Total other income, net	68,388	44,425	32,936
Total revenues	339,570	303,636	266,119
Impairment losses on financial instruments	(22,119)	(17,299)	(27,463)
Operating expenses:			
Salaries and other employee expenses	(55,420)	(51,923)	(47,232)
Depreciation and amortization of equipment, right-of-use and leasehold improvements	(2,854)	(2,499)	(2,280)
Amortization of intangible assets	(1,978)	(1,064)	(814)
Other expenses	(30,317)	(24,978)	(22,172)
Total operating expenses	(90,569)	(80,464)	(72,498)
Profit for the year	\$ 226,882	\$ 205,873	\$ 166,158
Basic earnings per share (in US dollars)	\$ 6.11	\$ 5.60	\$ 4.55
Diluted earnings per share (in US dollars)	\$ 6.11	\$ 5.60	\$ 4.55
Weighted average basic shares (in thousands of shares)	37,152	36,740	36,481
Weighted average diluted shares (in thousands of shares)	37,152	36,740	36,481
Return on average total assets ⁽¹⁾	1.89 %	1.88 %	1.69 %
Return on average total equity ⁽²⁾	15.43 %	16.20 %	14.68 %

⁽¹⁾ For the years 2025, 2024 and 2023, return on average total assets is calculated as profit for the year divided by average total assets. Average total assets for 2025, 2024 and 2023 is calculated on the basis of daily average balances.

⁽²⁾ For the years 2025, 2024 and 2023, return on average total equity is calculated as profit for the year divided by average total equity. Average total equity for 2025, 2024 and 2023 is calculated on the basis of daily average balances.

Profit for the year

Bladex’s profit for 2025 totaled \$226.9 million, or \$6.11 per share, compared to \$205.9 million, or \$5.60 per share for 2024. The \$21.0 million, or 10% increase in profits was primarily attributable to (i) the \$12.0 million, or 5% increase in net interest income, mainly resulting from the increase in average business volumes, disciplined pricing and a well-matched repricing profile, together with a strong deposit base allowing for an efficient cost of funds, offsetting the impact of margin compression from high U.S. dollar market liquidity and the impact of lower reference rates, and (ii) the \$24.0 million, or 54% increase in total other income mainly derived from increased fees and commissions income of the Bank’s core trade-finance and structuring activities. These results reflect an effective strategic execution and broader active client base through the continued addition of new clients, increased client engagement and higher transaction capacity, as the Bank’s trade-finance platform is now fully operational and continuing its scaling phase. In addition, it also reflects increased fees generated by the Bank’s loan syndication desk, supported by deeper client relationships and the selective expansion of the Bank’s participation in project and infrastructure finance. These combined effects were partially offset by (i) a \$4.8 million, or 28% increase in impairment losses on financial instruments mainly associated with increased coverage on a client exposure classified at Stage 2 and a single exposure deterioration to Stage 3, resulting from the Bank’s proactive credit assessment, which was partially offset by recoveries and credit quality improvement on country upgrades and scheduled repayments, and (ii) the \$10.1 million, or 13% increase in operating expenses mostly associated with ongoing investments in technology, modernization and other business initiatives related to the Bank’s strategic priorities, including its associated operating costs and depreciation, and higher personnel numbers designed to strengthen execution capabilities, including higher variable compensation expenses aligned with full-year performance.

Bladex’s profit for 2024 totaled \$205.9 million, or \$5.60 per share, compared to \$166.2 million, or \$4.55 per share for 2023. The \$39.7 million, or 24% increase in profits was primarily attributable to (i) the \$26.0 million, or 11% increase in net interest income, mainly resulting from the improvement of lending spreads, the positive impact of higher average market rates during the first half of the year and increased average credit balances, (ii) the \$11.5 million, or 35% increase in total other income mainly derived from increased fees and commissions income from each of the Bank’s business lines, stemming from the continued addition of new clients, increased transactions and the capture of profitable transactional opportunities, and (iii) a \$10.2 million, or 37% decrease in impairment losses on financial instruments, which were mainly driven by individually assessed credit provisions on certain written-off financial instruments allocated in 2023. These combined effects were partially offset by (i) a \$8.0 million, or 11% increase in operating expenses mostly associated with increased headcount aimed at enhancing business volumes and strengthening the Bank’s strategy execution capabilities, and other expenses resulting from ongoing investments in technology and business initiatives related to strategy execution.

Net Interest Income and Margins

The following table sets forth information regarding the Bank’s net interest income, net interest margin (net interest income divided by the average balance of interest-earning assets), and net interest spread (the average yield earned on interest-earning assets, less the average yield paid on interest-bearing liabilities) for the periods indicated:

	For the Year Ended December 31,		
	2025	2024	2023
	(in \$ millions, except percentages)		
Net interest income by Business Segment			
Commercial	242.5	\$ 231.0	\$ 203.8
Treasury	28.7	28.3	29.4
Total Net Interest Income	271.2	\$ 259.2	\$ 233.2
Net interest margin	2.36 %	2.47 %	2.49 %
Net interest spread	1.67 %	1.75 %	1.84 %

Changes in Net Interest Income — Volume and Rate Analysis

Net interest income is affected by changes in volume and changes in interest rates. Volume changes are caused by differences in the level of interest-earning assets and interest-bearing liabilities. Rate changes result from differences in yields earned on interest-earning assets and rates paid on interest-bearing liabilities. The following table sets forth a summary of the changes in net interest income of the Bank, resulting from changes in its interest-earning assets and interest-bearing liabilities’ average volume and average interest rate changes for 2025 compared to 2024 and 2024 compared to 2023. Volume and rate variances have been calculated based on average balances and average interest rates over the periods presented. The annual rates include the impact of changes in market rates, as well as the impact of any change in composition of the various products within each category of asset or liability. This analysis is calculated separately for each product and, as a result, changes in the granularity or groupings considered in this analysis would produce a different attribution result, and due to the complexities involved, precise allocation of changes in interest rates between volume and rates is inherently complex and judgmental.

	2025 vs. 2024			2024 vs. 2023		
	Volume(*)	Rate(*)	Net Change	Volume(*)	Rate(*)	Net Change
	(in \$ thousands)					
Increase (decrease) in interest income						
Interest bearing deposits with banks	\$ (5,075)	\$ (16,465)	\$ (21,540)	\$ 9,152	\$ 2,775	\$ 11,927
Investment securities	8,637	5,992	14,629	6,721	11,659	18,380
Loans	66,909	(76,566)	(9,657)	66,146	9,319	75,465
Total increase (decrease)	\$ 70,471	\$ (87,039)	\$ (16,568)	\$ 82,019	\$ 23,753	\$ 105,772
(Increase) decrease in interest expense						
Demand deposits	434	5,488	5,922	(2,142)	(1,402)	(3,544)
Time deposits	(41,866)	47,267	5,401	(72,561)	(7,743)	(80,304)
Total Deposits	(41,432)	52,755	11,323	(74,703)	(9,145)	(83,848)
Securities sold under repurchase agreement and short-term borrowings and debt	(3,522)	15,526	12,004	43,931	(11,588)	32,343
Long-term borrowings and debt, net	7,035	(1,823)	5,212	(19,862)	(8,377)	(28,239)

	2025 vs. 2024			2024 vs. 2023		
	Volume(*)	Rate(*)	Net Change	Volume(*)	Rate(*)	Net Change
	(in \$ thousands)					
Total (increase) decrease	(37,919)	66,458	28,539	\$ (50,634)	\$ (29,110)	\$ (79,744)
Increase (decrease) in net interest income	\$ 32,552	\$ (20,581)	\$ 11,971	\$ 31,385	\$ (5,357)	\$ 26,028

(*) Volume variation effect is calculated by multiplying the difference in average volumes by the prior year's average yield. Rate variation effect is calculated by multiplying the difference in average yield by the prior year's average volume. Mix variation effect is calculated by multiplying the difference in average volumes by the difference in average rates and allocated proportionally to the absolute volume and rate variation effects.

Interest Income Variation

2025 vs. 2024

For the year ended December 31, 2025, the Bank's interest income totaled \$768.5 million, compared to \$785.0 million during the year ended December 31, 2024. The \$16.5 million, or 2% decrease in interest income during 2025 was primarily attributable to the combined effect of the \$87.0 million rate-driven decrease in interest income for total interest-earning assets mainly associated with the 100 basis point decrease in average lending rates to 7.33%, attributable to reductions in the U.S. dollar market rates and increased market liquidity driving competitive pricing and margin compression. These results were partially offset by the \$70.5 million volume-driven increase in interest income associated with the increase in the average balances of interest-earning assets. Overall, the average interest rate received on interest-earning assets decreased to 6.59% in 2025 from 7.36% in 2024.

2024 vs. 2023

For the year ended December 31, 2024, the Bank's interest income totaled \$785.0 million, compared to \$679.3 million during the year ended December 31, 2023. The \$105.8 million, or 16% increase in interest income during 2024 was primarily attributable to the combined effect of (i) the \$82.0 million volume-driven increase in interest income associated with the increase in the average balances of interest-earning assets and (ii) a 23.8 million rate-driven increase in interest income for total interest-earning assets which was primarily associated with a 14 basis point increase in average lending rates to 8.33%, attributable to increasing lending spreads and the impact of higher market rates in the first half of 2024. These effects were partially offset by reductions in the U.S. dollar market rates during the second half of the year, coupled with increased U.S. dollar market liquidity towards the end of the year. Overall, the average interest rate received on interest-earning assets increased to 7.36% in 2024 from 7.15% in 2023.

Interest Expense Variation

2025 vs. 2024

For the year ended December 31, 2025, the Bank recorded an interest expense of \$497.3 million, a \$28.5 million, or 5% annual decrease compared to \$525.8 million in 2024. This annual decrease was primarily the net result of (i) the \$66.5 million rate-driven decrease in interest expense which mainly resulted from the shift in the funding structure towards a higher reliance in deposits, as the Bank continues to diversify its funding base aligned with the ongoing commercial strategic initiatives driven towards a more efficient cost of funds, and (ii) the \$37.9 million volume-driven increase in interest expense for total interest-bearing liabilities, attributable to the increase of average balances in 2025 to support asset growth. Overall, the average interest rate paid on interest-bearing liabilities decreased to 4.93% in 2025 from 5.61% in 2024.

2024 vs. 2023

For the year ended December 31, 2024, the Bank recorded an interest expense of \$525.8 million, a \$79.7 million, or 18% annual increase compared to \$446.1 million in 2023. This annual increase was primarily the result of (i) the \$50.6 million volume-driven increase in interest expense which was due to the increase in the Bank's average balance of interest-bearing liabilities in 2024 and (ii) the \$29.1 million rate-driven increase in interest expense for total interest-bearing liabilities, attributable to the impact of higher market rates in the first half of 2024. Overall, the average interest rate paid on interest-bearing liabilities increased to 5.61% in 2024 from 5.30% in 2023

Net Interest Income Variation

2025 vs. 2024

For the year ended December 31, 2025, the Bank's net interest income totaled \$271.2 million, compared to \$259.2 million during the year ended December 31, 2024. The \$12.0 million, or 5% increase in net interest income during 2025 was the result of the combined net effect of the \$32.6 million volume-driven increase in net interest income resulting from the increase in average business volumes and prudent liquidity levels, disciplined pricing and a well-matched repricing profile, together with a shift towards more reliance of deposits, which allow for an efficient cost of funds, offsetting the \$20.6 million rate-driven decrease in net interest income, mainly attributable to the impact of reductions in the U.S. dollar market rates and added pressure from margin compression from high U.S. dollar market liquidity.

2024 vs. 2023

For the year ended December 31, 2024, the Bank's net interest income totaled \$259.2 million, compared to \$233.2 million during the year ended December 31, 2023. The \$26.0 million, or 11% increase in net interest income during 2024 was the result of the combined effect of the increase in the average balances of productive assets in both the Bank's Loan Portfolio and Investment Portfolio, that resulted in a net volume increase of \$938 million in 2024 when compared to 2023, which positively impacted net interest income by \$31 million year-on-year. This increase was the result of new client onboarding and cross selling efforts, supported by the improvement of lending spreads and the impact of higher average market rates during the first half of the year.

Distribution of Assets, Liabilities and Equity; Interest Rates and Differentials

The following table presents the distribution of consolidated average assets, liabilities and equity, as well as the total dollar amounts of interest income from average interest-earning assets and the resulting yields, the dollar amounts of interest expense and average interest-bearing liabilities, and corresponding information regarding rates. Average balances have been computed on the basis of average daily average balances:

	For the Year ended December 31,								
	2025			2024			2023		
	Average balance	Interest	Average yield/rate	Average balance	Interest	Average yield/rate	Average balance	Interest	Average yield/rate
	(in \$ millions, except percentages)								
Interest-Earning Assets									
Interest bearing deposits with banks	\$ 1,656	\$ 71.0	4.23 %	\$ 1,756	\$ 92.5	5.18 %	\$ 1,584	\$ 80.6	5.02 %
Investment securities ⁽¹⁾	1,337	65.5	4.83 %	1,151	50.8	4.34 %	974	32.5	3.28 %
Loans	8,503	632.0	7.33 %	7,578	641.7	8.33 %	6,816	566.2	8.19 %
Total interest-earning assets	\$ 11,496	\$ 768.5	6.59 %	\$ 10,484	\$ 785.0	7.36 %	\$ 9,374	\$ 679.3	7.15 %
Allowance for loan losses	(65)			(65)			(51)		
Non-interest-earning and other assets	587			548			498		
Total Assets	\$ 12,018			\$ 10,967			\$ 9,821		
Interest-Bearing Liabilities									
Demand deposits	\$ 537	22.9	4.20 %	\$ 545	28.8	5.19 %	\$ 505	25.3	4.94 %
Time deposits	5,596	266.7	4.70 %	4,787	272.1	5.59 %	3,514	191.8	5.38 %
Deposits ⁽²⁾	6,133	289.6	4.66 %	5,332	300.9	5.55 %	4,019	217.1	5.33 %
Securities sold under repurchase agreements and short-term borrowings and debt	1,205	59.2	4.85 %	1,145	71.1	6.11 %	1,893	103.4	5.39 %
Long-term borrowings and debt, net ⁽³⁾	2,619	148.5	5.59 %	2,734	153.8	5.53 %	2,383	125.6	5.20 %
Total interest-bearing liabilities	\$ 9,957	\$ 497.3	4.93 %	\$ 9,211	\$ 525.8	5.61 %	\$ 8,295	\$ 446.1	5.30 %
Non-interest bearing liabilities and other liabilities	591			485			394		
Total Liabilities	\$ 10,548			\$ 9,697			\$ 8,689		
Total equity	1,470			1,270			1,132		
Total Liabilities and Equity	\$ 12,018			\$ 10,967			\$ 9,821		

	For the Year ended December 31,								
	2025			2024			2023		
	Average balance	Interest	Average yield/rate	Average balance	Interest	Average yield/rate	Average balance	Interest	Average yield/rate
	(in \$ millions, except percentages)								
Net interest spread			1.67 %			1.75 %			1.84 %
Net interest income and net interest margin	\$ 271.2		2.36 %	\$ 259.2		2.47 %	\$ 233.2		2.49 %

(1) Investment securities are securities in the Bank's Investment Portfolio, which consists of securities at FVOCI and at amortized cost that are non-taxable securities. The average yield using cost-based average balances would have been 4.56%, 4.24% and 3.29% for 2025, 2024 and 2023, respectively.

(2) The Bank obtains deposits in the form of demand deposits and time deposits from its central bank shareholders, commercial banks and corporations.

(3) Includes lease liabilities, and average balance is presented net of prepaid commissions.

Note: Interest income and/or expense includes the effect of derivative financial instruments used for hedging.

Fees and commissions, net

The Bank generates fee and commission income primarily from letters of credit confirmations, the issuance of guarantees covering commercial risk, credit commitments, and loan origination, structuring and syndication activities. The following table shows the components of the Bank's fees and commissions, net, for the periods indicated:

	For the Year Ended December 31,					
	2025		2024		2023	
	(in \$ thousands)					
Letters of credit and guarantees	\$	31,847	\$	26,542	\$	21,463
Structured services		17,706		10,220		7,427
Credit commitments		11,568		7,710		4,675
Other commissions	\$	812	\$	1,011	\$	0
Total fee and commission income	\$	61,933	\$	45,483	\$	33,565
Fees and commission expense	\$	(2,920)	\$	(1,082)	\$	(1,046)
Fees and Commissions, net	\$	59,013	\$	44,401	\$	32,519

During the year ended December 31, 2025, fees and commissions totaled \$59.0 million, compared to \$44.4 million for the year ended December 31, 2024. The \$14.6 million, or 33% increase in fees and commissions was mainly attributable to: (i) the \$7.5 million, or 73% year-over-year increase in the Bank's transaction-based structuring and syndication business as the Bank's participation in project and infrastructure finance continues to expand, resulting in the closure of thirteen mandated structured transactions during 2025, in a total principal amount of \$4,949 million, compared to twelve transactions closed during 2024, in a total principal amount of \$2,563 million, (ii) the \$5.3 million, or 20% year-over-year increase in commissions from the Bank's letter of credit business, due to strong client engagement, a broader active client base and higher transaction capacity, as the Bank's trade-finance platform is now fully operational, and (iii) the \$3.9 million, or 50% year-over-year increase in commissions from credit commitments. Other commissions, net are mostly comprised of prepayments, net of fees and commission expenses.

During the year ended December 31, 2024, fees and commissions totaled \$44.4 million, compared to \$32.5 million for the year ended December 31, 2023. The \$11.9 million, or 37% increase in fees and commissions was mainly attributable to: (i) a \$5.1 million, or 24% year-over-year increase in commissions from the Bank's letter of credit business, due to increased transactions stemming from higher economic activity and increased trade flows in Latin America, (ii) the \$2.8 million, or 38% year-over-year increase in the Bank's transaction-based structuring and syndication business, as the Bank was able to close twelve mandated structured transactions during 2024, in a total principal amount of \$2,563 million, compared to four transactions closed during 2023, in a total principal amount of \$1,805 million, and (iii) the \$3.0 million, or 65% year-over-year increase in commissions from credit commitments. Other fees and commissions are mostly comprised of prepayments, net of fees and commissions expenses.

Gain (loss) on financial instruments, net

The following table sets forth the details of the Bank’s gain (loss) on financial instruments, net, for the periods indicated:

	For the Year Ended December 31,		
	2025	2024	2023
	(in \$ thousands)		
Realized gain (loss) on sale of financial instruments			
Loans			
At amortized cost	105	0	24
At fair value through profit and loss	1,777	251	0
At fair value through other comprehensive income	765	69	0
Investment Securities			
At amortized cost	(541)	0	(3,882)
At fair value through profit and loss	(220)	63	2,325
At fair value through other comprehensive income	2,392	0	0
Trading derivatives			
Realized gain on trading derivatives	3	0	0
Other financial instruments			
Gain (loss) on derivative financial instruments and foreign currency exchange, net	2,393	(455)	1,501
Total realized gain (loss) on financial instruments	6,674	(72)	(32)
Unrealized gain (loss) on financial instruments			
Trading derivatives	1,134	0	0
Other trading financial instruments	423	(411)	(13)
Total unrealized gain (loss) on financial instruments	1,557	(411)	(13)
Total gain (loss) on financial instruments, net	8,231	(483)	(45)

During the year ended December 31, 2025, the Bank recorded a net gain on financial instruments of \$8.2 million, compared to a net loss on financial instruments of \$0.5 million for the year ended December 31, 2024, and a net loss on financial instruments of \$0.05 million for the year ended December 31, 2023. The \$8.2 million gain on financial instruments during 2025 was mainly attributable to the \$6.7 million in realized gains on the sale of financial instruments, mainly from (i) the \$2.6 million in proceeds from the sales of loans, derived from the Bank’s selected loan sales, (ii) the \$1.6 million in proceeds from the sales of investment securities, (iii) the \$2.4 million in realized gains on derivatives financial instruments and foreign currency exchange associated with the Bank’s foreign currency derivatives position to hedge risk, and (iv) the \$1.6 million unrealized gains on financial instruments mostly from client derivatives intermediation services, reflecting the initial development of the Bank’s strategic client derivatives activities.

As part of its interest rate and currency risk management, the Bank may, from time to time, enter into foreign exchange forwards, cross-currency contracts and interest rate swaps to hedge the risk associated with a portion of the notes issued under its various funding programs.

The Bank purchases debt instruments with the intention of selling them prior to maturity, with the realized gain (loss) on the sale of securities recorded on financial instruments at fair value with changes in other comprehensive income. These debt instruments are classified as securities at FVOCI and are included as part of the Bank’s Credit Portfolio.

The gain on sale of loans corresponds to income derived from the Bank’s selected loan sales.

Other income

Other income is mostly related to miscellaneous income and other treasury income. During the year ended December 31, 2025, the Bank recorded \$1.1 million in other income, compared to \$0.5 million and \$0.5 million for the years ended December 31, 2024, and 2023, respectively. The annual variation was primarily attributable to changes in income related to break funding cost charged to customers in loan prepayments, among others.

Impairment losses on financial instruments

For the year ended December 31, 2025, the Bank’s impairment losses on financial instruments totaled \$22.1 million compared to impairment losses on financial instruments of \$17.3 million for the year ended December 31, 2024. The increase in impairment losses on financial instruments in 2025 was mostly related to the increased coverage on a client exposure classified at Stage 2 and a single exposure deterioration to Stage 3, resulting from the Bank’s proactive credit assessment, partially offset by recoveries and credit quality improvement on country upgrades and scheduled repayments.

For the year ended December 31, 2024, the Bank’s impairment losses on financial instruments totaled \$17.3 million compared to impairment losses on financial instruments of \$27.5 million for the year ended December 31, 2023. The decrease in impairment losses on financial instruments in 2024 was mostly related to individually assessed credit provisions on certain written-off financial instruments allocated in 2023.

Gain on non-financial assets, net

For each of the years ended December 31, 2025, 2024, and 2023 the Bank had zero gains on non-financial assets. The Bank did not have investment properties measured at fair value through profit or loss during 2025, 2024, and 2023.

Operating Expenses

During the year ended December 31, 2025, the Bank’s operating expenses totaled \$90.6 million, compared to \$80.5 million for the year ended December 31, 2024. The \$10.1 million or 13% increase in operating expenses during 2025 were mostly associated with ongoing investments in technology, modernization and other business initiatives related to the Bank’s strategic priorities, including its associated operating costs and depreciation, and higher personnel to strengthen execution capabilities, including higher variable compensation expenses aligned with full-year performance.

During the year ended December 31, 2024, the Bank’s operating expenses totaled \$80.5 million, compared to \$72.5 million for the year ended December 31, 2023. The \$8.0 million or 11% increase in operating expenses during 2024 were mostly associated with higher personnel expenses from increased headcounts aimed at enhancing business volumes and strengthening the Bank’s strategy execution capabilities, and other expenses resulting from ongoing investments in technology and business initiatives related to strategy execution.

Business Segment Analysis

The Bank’s activities are managed and executed in two business segments: Commercial and Treasury.

The business segment results are determined based on the Bank’s managerial accounting process as defined by IFRS 8 – Operating Segments, which assigns assets, liabilities, revenue and expense items to each business segment on a systemic basis.

The Bank’s net interest income represents the main driver of profits for the year. Interest income is generated by interest-earning assets, which include interest-bearing deposits with banks, loans, and investment securities. Interest expense is allocated to interest-earning assets on a matched-funded basis, net of risk adjusted capital allocated by business segment. The operating expense allocation methodology assigns overhead expenses based on resource consumption by business segment. The following table summarizes certain information of the Bank’s operations by business segment for the periods indicated:

	For the Year Ended December 31,		
	2025	2024	2023
(in \$ thousands, except percentages)			
COMMERCIAL BUSINESS SEGMENT:			
Net interest income	\$ 242,452	\$ 230,959	\$ 203,748
Other income, net	62,767	45,436	33,792
Total revenues	305,219	276,395	237,540
Impairment losses on financial instruments	(22,251)	(17,930)	(26,785)
Operating expenses	(71,377)	(63,983)	(57,324)
Profit	\$ 211,591	\$ 194,482	\$ 153,431
TREASURY BUSINESS SEGMENT:			
Net interest income	\$ 28,730	\$ 28,252	\$ 29,435

	For the Year Ended December 31,		
	2025	2024	2023
	(in \$ thousands, except percentages)		
Other income (expense), net	5,621	(1,011)	(856)
Total revenues	34,351	27,241	28,579
Reversals (impairment losses) on financial instruments	132	631	(678)
Operating expenses	(19,192)	(16,481)	(15,174)
Profit	\$ 15,291	\$ 11,391	\$ 12,727
TOTAL:			
Net interest income	\$ 271,182	\$ 259,211	\$ 233,183
Other income, net	68,388	44,425	32,936
Total revenues	339,570	303,636	266,119
Impairment losses on financial instruments	(22,119)	(17,299)	(27,463)
Operating expenses	(90,569)	(80,464)	(72,498)
Profit	\$ 226,882	\$ 205,873	\$ 166,158

The Commercial Business Segment

The Commercial Business Segment encompasses the Bank’s core business of financial intermediation and fee generating activities developed to cater to corporations, financial institutions and investors in Latin America. These activities include the origination of bilateral short-term and medium-term loans, structured and syndicated credits, credit commitments, and financial guarantee contracts such as issued and confirmed letters of credit, stand-by letters of credit, guarantees covering commercial risk, and other assets consisting of customers’ liabilities under acceptances. See Item 4, “Information on the Company – Business Overview – Commercial Portfolio.”

Profits from the Commercial Business Segment include: (i) net interest income from loans; (ii) fees and commissions from the issuance, confirmation and negotiation of letters of credit, guarantees and loan commitments, and from loan structuring and syndication activities; (iii) gain on sale of loans generated through loan intermediation activities, such as sales and distribution in the primary market; (iv) gain (loss) on sale on financial instruments measured at FVTPL; (v) reversal (provision) for credit losses; (vi) gain (loss) on other non-financial assets, net; and (vii) direct and allocated operating expenses.

Year 2025 vs. Year 2024

The Bank’s profit from the Commercial Business Segment totaled \$211.6 million for 2025, a \$17.1 million, or 9% increase from \$194.5 million in 2024. This was mainly a result of (i) a \$11.5 million, or 5% increase in net interest income, primarily as a result of the positive impact of higher average lending volumes, and (ii) a \$17.3 million, or 38% increase in total other income, primarily as a result of increased fees and commissions from each of the Bank’s business lines, stemming from the Bank’s expansion in project and infrastructure finance, strong client engagement, a broader active client base and higher transaction capacity, as the Bank’s trade-finance platform is now fully operational, and secondary-market loan income generation. These results were partially offset by a (i) \$7.4 million, or 12% increase in operating expenses mostly associated with increased personnel costs and ongoing investments in technology, modernization and other business initiatives related to the Bank’s strategic priorities and (ii) a \$4.3 million increase in impairment losses on financial instruments, mainly from the increased coverage on a client exposure classified at Stage 2 and a single exposure deterioration to Stage 3.

Year 2024 vs. Year 2023

The Bank’s profit from the Commercial Business Segment totaled \$194.5 million for 2024, a \$41.1 million, or 27% increase from \$153.4 million in 2023. This was mainly a result of (i) a \$27.2 million, or 13% increase in net interest income, primarily as a result of the positive impact of higher average lending volumes and spreads, (ii) a \$11.6 million, or 34% increase in total other income, primarily as a result of increased fees and commissions from each of the Bank’s business lines, stemming from the continued addition of new clients, increased transactions and the capture of profitable transactional opportunities and (iii) a \$8.9 million, or 33% decrease in impairment losses on financial instruments. These results were partially offset by a \$6.7 million, or 12% increase in operating expenses, mostly associated with increased personnel costs and other expenses related to the execution of the Bank’s strategy.

The Treasury Business Segment

The Treasury Business Segment focuses on managing the Bank's Investment Portfolio, and the overall structure of its assets and liabilities to achieve more efficient funding and liquidity positions for the Bank, mitigating the traditional financial risks associated with the balance sheet, such as interest rate, liquidity, price and currency risks. Interest-earning assets managed by the Treasury Business Segment include liquidity positions in cash and cash equivalents, as well as highly liquid corporate debt securities rated 'A-' or above, and financial instruments related to the investment management activities, consisting of securities at FVOCI and securities at amortized cost. The Treasury Business Segment also manages the Bank's interest-bearing liabilities, which constitute its funding sources, mainly deposits, borrowed funds and floating and fixed rate debt placements.

Profits from the Treasury Business Segment include net interest income derived from the above mentioned treasury assets and liabilities, and related net other income (net results from derivative financial instruments and foreign currency exchange, gain (loss) on financial instruments at FVTPL, gain (loss) on sale of securities at FVOCI, and other income), provision (reversal) for credit losses, and direct and allocated operating expenses.

Year 2025 vs. Year 2024

The Treasury Business Segment reported a profit of \$15.3 million for 2025, compared to \$11.4 million for 2024. The \$3.9 million, or 34% increase in profit from the Treasury Business Segment was mainly due to (i) a \$7.1 million, or 26% increase in total revenues mainly derived from the sale of financial instruments and the proactive management of excess liquidity in foreign currency positions, together with an efficient cost of funds and active liquidity management, and (ii) the \$0.1 million in reversals (impairment losses) on financial instruments for 2025, compared to \$0.6 million in reversals (impairment losses) on financial instruments for 2024, as a result of the shift in the Investment Portfolio towards investment-grade securities. These results were offset by (i) the \$2.7 increase, or 16% increase in operating expenses, mostly associated with ongoing investments in technology, modernization and other business initiatives related to the Bank's strategic priorities, including its associated operating costs and depreciation, and higher personnel to strengthen execution capabilities, including higher variable compensation expenses aligned with full-year performance.

Year 2024 vs. Year 2023

The Treasury Business Segment reported a profit of \$11.4 million for 2024, compared to \$12.7 million for 2023. The \$1.3 million, or 10% decrease in profit from the Treasury Business Segment was mainly due to (i) a \$1.3 million, or 5% decrease in total revenues mainly derived from the net effect of the lowering of market rates during the second half of the year and higher average liquidity and investment portfolio balances derived from an efficient cost of funds management and (ii) the \$0.6 million in reversals of impairment losses on financial instruments for 2024, compared to \$0.7 million in impairment losses on financial instruments for 2023, due to the shift in the Investment Portfolio towards investment-grade credit securities. These results were offset by (i) higher operating expenses of \$16.5 million for 2024, compared to \$15.2 million for 2023, mostly associated with increased personnel costs and other expenses related to the execution of the Bank's strategy.

Changes in Financial Position Information

The following table presents components of the Bank's consolidated statements of financial position as of the dates indicated:

	As of December 31,	
	2025	2024
	(in \$ thousands)	
Assets		
Cash and due from banks	\$ 1,923,731	\$ 1,965,145
Investment securities	1,428,990	1,201,930
Loans	9,141,668	8,383,829
Customers' liabilities under acceptances	161,597	245,065
Trading derivative - assets	1,569	0
Hedging derivative financial instruments - assets	69,837	22,315
Equipment, right-of-use assets and leasehold improvements, net	19,673	19,676
Intangible assets	10,744	3,663
Other assets	28,584	17,050
Total Assets	\$ 12,786,393	\$ 11,858,673
Liabilities and Equity		
Liabilities:		
Customer deposits	\$ 6,640,290	\$ 5,461,901
Securities sold under repurchase agreements	130,509	214,035
Borrowings and debt	4,030,389	4,388,720
Lease Liabilities	18,429	19,232
Acceptances outstanding	161,597	245,065
Trading derivative - liabilities	433	0
Hedging derivative financial instruments - liabilities	62,506	141,705
Provision for losses on loan commitments and financial guarantee contracts	12,130	5,375
Other liabilities	51,363	45,431
Total Liabilities	\$ 11,107,646	\$ 10,521,464
Equity:		
Common stock	\$ 279,980	\$ 279,980
Treasury stock	(97,597)	(105,601)
Other equity instruments	197,976	0
Additional paid-in capital in excess of value assigned to common stock	125,151	124,970
Capital reserves	95,210	95,210
Regulatory reserves	159,093	149,666
Retained earnings	916,429	792,005
Other comprehensive income	2,505	979
Total Equity	\$ 1,678,747	\$ 1,337,209
Total Liabilities and Equity	\$ 12,786,393	\$ 11,858,673

2025 vs. 2024

As of December 31, 2025, total assets amounted to \$12,786 million, a 8% increase compared to \$11,859 million as of December 31, 2024, which was mainly attributable to an overall increase in the Bank's interest-earning assets, particularly the Loan Portfolio and Investment Portfolio, as described below.

The Bank's amount of cash and due from banks totaled \$1,924 million as of December 31, 2025, resulting in a decrease of \$41 million, or 2%, compared to \$1,965 million as of December 31, 2024, as a result of the Bank's proactive and prudent liquidity management approach.

Investment securities are mostly comprised of the Bank's Investment Portfolio, in the form of both securities at FVOCI and securities at amortized cost, consisting of investment-grade credit securities, highly liquid corporate debt securities rated 'A-'

or above and investments in securities issued by Latin American entities related to the Bank's investment management activities, which amounted to \$1,429 million, or 11% of total assets as of December 31, 2025, a 19% increase compared to \$1,202 million, or 10% of total assets as of December 31, 2024.

As of December 31, 2025, the Bank's Loan Portfolio totaled \$9,181 million, compared to \$8,375 million as of December 31, 2024. The \$806 million, or 10% Loan Portfolio increase as of December 31, 2025 was mainly attributable to higher lending origination during the year, as the Bank selectively deployed balance-sheet capacity following the AT1 Note Issuance, driven by longer-tenor transactions with attractive risk-adjusted returns, supported by its customer base expansion and continued client engagement.

As of December 31, 2025, total liabilities amounted to \$11,108 million, a \$586 million or 6% increase, compared to \$10,521 million as of December 31, 2024, which was mainly attributable to increased funding sources in the form of deposit balances which totaled \$6,604 million in principal amount as of December 31, 2025, a \$1,191 million or 22% increase compared to \$5,413 million as of December 31, 2024, mostly associated with the Bank's shift towards an increased reliance on deposits aligned with commercial strategic initiatives, supported by the increase of its Yankee CD program to \$1,500 million in principal amount, complementing the short-term funding structure. As a result, deposit balances as a percentage of total liabilities increased to 59% as of December 31, 2025, compared to 51% of total liabilities as of December 31, 2024. The majority of the deposits are placed by central banks or designees (i.e., Class A shareholders of the Bank), with 35% and 38% of total deposits at the end of 2025 and 2024, respectively. As of December 31, 2025, borrowings and debt totaled \$4,030 million, a \$358 million or a 8% decrease, compared to \$4,389 million as of December 31, 2024.

The Bank's equity consists of issued and fully paid ordinary common stock, other equity instruments and retained earnings. Total equity increased by 26% to \$1,679 million as of December 31, 2025, compared to \$1,337 million as of December 31, 2024. The increased equity level during 2025 was primarily due to the net effect of profits totaling \$226.9 million in 2025, net of \$93.0 million in declared cash dividends driven by the Bank's continued successful strategy execution and the \$200 million inaugural Additional Tier 1 (AT1) capital executed at the end of September 2025, registered in the Bank's statement of financial position as other equity instruments, net of transaction costs.

2024 vs. 2023

As of December 31, 2024, total assets amounted to \$11,859 million, a 10% increase compared to \$10,744 million as of December 31, 2023, which was mainly attributable to an overall increase in the Bank's interest-earning assets, particularly the Loan Portfolio and Investment Portfolio, as described below.

The Bank's amount of cash and due from banks totaled \$1,965 million as of December 31, 2024, resulting in a decrease of \$84 million, or 4%, compared to \$2,049 million as of December 31, 2023, as a result of the Bank's proactive and prudent liquidity management approach.

Investment securities are mostly comprised of the Bank's Investment Portfolio, in the form of both securities at FVOCI and securities at amortized cost, consisting of investment-grade credit securities, highly liquid corporate debt securities rated 'A-' or above and investments in securities issued by Latin American entities related to the Bank's investment management activities, which amounted to \$1,202 million, or 10% of total assets as of December 31, 2024, an 18% increase compared to \$1,022 million, or 10% of total assets as of December 31, 2023.

As of December 31, 2024, the Bank's Loan Portfolio totaled \$8,375 million, compared to \$7,196 million as of December 31, 2023. The \$1,180 million, or 16% Loan Portfolio increase as of December 31, 2024 was mainly attributable to higher lending origination during the year, as the Bank continued focusing on expanding its customer and product bases with new client onboarding and cross selling efforts.

As of December 31, 2024, total liabilities amounted to \$10,521 million, a \$981 million or 10% increase, compared to \$9,540 million as of December 31, 2023, which was mainly attributable to increased funding sources in the form of deposit balances which totaled \$5,413 million as of December 31, 2024, a \$1,005 million or 23% increase compared to \$4,408 million as of December 31, 2023, mostly associated with the Bank's cross selling strategy and increasing its Yankee CD program to over \$1.2 billion in principal amount, complementing the short-term funding structure and an increase in deposit balances from central banks and other financial institutions. As a result, deposit balances as a percentage of total liabilities increased to 51% as of December 31, 2024, compared to 46% of total liabilities as of December 31, 2023. The majority of the deposits are placed by central banks or designees (i.e., Class A shareholders of the Bank), with 38% and 39% of total deposits at the end of 2024 and 2023, respectively. As of December 31, 2024, borrowings and debt, net remained stable at \$4,389 million, a \$8 million or a 0.2% decrease, compared to \$4,397 million as of December 31, 2023.

The Bank’s equity consists of issued and fully paid ordinary common stock and retained earnings. Total equity increased by 11% to \$1,337 million as of December 31, 2024, compared to \$1,204 million as of December 31, 2023. The increased equity level during 2024 was primarily due to the net effect of profits totaling \$205.9 million in 2024, net of \$73.5 million in declared cash dividends driven by increased total revenues on the Bank’s continued successful strategy execution and favorable market conditions.

Asset Quality

The Bank believes that its fundamental asset quality is a function of its strong client base, the importance that governments and borrowers alike attribute to maintaining continued access to trade financing, its preferred creditor status, and its strict adherence to commercial criteria in its credit activities. The Bank’s management and the CPER periodically review a report of all delinquencies. The Bank’s collection policies include rapid internal notification of any delinquency and prompt initiation of collection efforts, usually involving senior management.

The Bank assigns to each exposure a risk rating which is defined using quantitative and qualitative factors that are indicative of the risk of loss. This rating is considered for purposes of identifying significant increases in credit risk. These factors may vary depending on the nature of the exposure and the type of borrower. Each exposure is assigned to a risk rating at the time of initial recognition based on the information available about the customer and the country. Exposures are subject to continuous monitoring, which may result in the change of an exposure to a different risk rating. The table below provides a mapping of the Bank’s internal credit risk grades to external ratings:

Internal rating	12 - month average PD⁽¹⁾ %-	External rating⁽²⁾	Description
1 to 4	0.09	Aaa – Ba1	Exposure in customers or countries with payment ability to satisfy their financial commitments.
5 to 6	2.26	Ba2 – B3	Exposure in customers or countries with payment ability to satisfy their financial commitments, but with more frequent reviews.
7	7.81	Caa1 – Caa3	Exposure in customers whose primary source of payment (operating cash flows) is inadequate, and who show evidence of deterioration in their working capital that does not allow them to satisfy payments on the agreed terms, or in countries where the operation carries certain risks.
8-9	34.52	Ca	Exposure in customers whose operating cash flows continuously shows insufficiency to service the debt on the originally agreed terms, or in countries where the operation is limited or restricted to certain terms, structure and types of credits.
10	100	C	Exposure to customers with operating cash flow that does not cover their costs, are in suspension of payments, presumably will also have difficulties fulfilling possible restructuring agreements, are in a state of insolvency, or have filed for bankruptcy, among others.

⁽¹⁾ PD refers to probability of default.
⁽²⁾ External rating in accordance to Moody’s Investors Service.

In order to periodically monitor the quality of the portfolio, customers and countries are reviewed every three to twelve months, depending on the risk rating.

The Bank’s process for recognition of financial assets and liabilities is discussed in Note 3 – Material accounting policies to the Consolidated Financial Statements.

The following table sets forth information regarding the Bank’s impaired credits by principal balance as of the dates indicated:

	As of December 31,		
	2025	2024	2023
	(in \$ millions, except percentages)		
Credit-impaired loans	\$ 39	\$ 17	\$ 10
Credit-impaired securities	0	0	0
Impaired credits	\$ 39	\$ 17	\$ 10
Asset-specific allocation from the allowance for loan losses	29	12	7
Credit-impaired loans as a percentage of Loan Portfolio	0.4 %	0.2 %	0.1 %
Impaired credits as a percentage of Credit Portfolio	0.3 %	0.2 %	0.1 %

As of the end of each reported period, the Bank did not have credit-impaired loans in its Loan Portfolio without related allowances.

The following table sets forth the distribution of the Bank's loans write-off by principal balance against the allowance for loan losses by country for the periods indicated:

For the year ended December 31,						
	2025	%	2024	%	2023	%
(in \$ millions, except percentages)						
Mexico	\$ 0	0 %	\$ 0	0 %	\$ 21	100 %
Panama	0	0 %	0	0 %	0	0 %
Total	\$ 0	0 %	\$ 0	0 %	\$ 21	100 %

During the years ended December 31, 2025 and December 31, 2024, the Bank had no write-offs against the allowance for loan losses and \$21.1 million, representing 0.31% of that year's average Loan Portfolio in 2023. The write-off against individually assigned allowance for credit losses in 2023 was associated with an impaired credit of a single non-bank financial intermediary borrower.

In addition, during the years ended December 31, 2025 and December 31, 2024, the Bank did not have investment securities write-offs against allowance for expected credit losses, compared to a total of \$7 million of investment securities write-offs in 2023.

In the three-year period ended December 31, 2025, the Bank disbursed \$70,217 million in credits and had financial instruments write-offs for \$28 million, representing 0.04% of total credits disbursed.

The following table summarizes information regarding the outstanding principal balance of impaired credits as of the dates indicated:

	As of December 31,		
	2025	2024	2023
(in \$ thousands)			
Credit-impaired loans:			
Colombia:			
Private corporations	\$ 28,601	\$ 6,933	\$ 0
Panama:			
Private corporations	10,107	10,107	10,107
Total credit-impaired loans	\$ 38,708	\$ 17,040	\$ 10,107
Total credit-impaired securities	\$ 0	\$ 0	\$ 0
Total impaired credits	\$ 38,708	\$ 17,040	\$ 10,107

As of December 31, 2025, the Bank's outstanding principal balance of impaired credits totaled \$39 million (or 0.31% of the Credit Portfolio), compared to \$17 million (or 0.15% of the Credit Portfolio) as of December 31, 2024 and \$10 million (or 0.11% of the Credit Portfolio) as of December 31, 2023. As of December 31, 2025, the total outstanding principal balance of impaired credits classified as Stage 3 (under IFRS Accounting Standards 9) amounted to \$39 million and was attributable to (i) a borrower in the upstream gas sector accounting for 52% of the Bank's total impaired credits with individually assigned allowance for credit losses of \$14.6 million, representing 73% of the notional exposure, (ii) a borrower in the retail trade sector, accounting for 26% of the Bank's total impaired credits with individually assigned allowance for credit losses of \$7.2 million, representing 71% of the notional exposure, (iii) a borrower in the support activities for the oil and gas industry sector, accounting for 18% of the Bank's total impaired credits with individually assigned allowance for credit losses of \$5.5 million, representing 79% of the notional exposure, and (iv) a borrower in the primary metals (iron and steel) manufacturing accounting for the remaining 4% of the Bank's total impaired credits with individually assigned allowance for credit losses of \$1.7 million, representing 100% of the notional exposure.

As of the end of each reported period, the Bank did not have, other than those specified above, loans with principal or interest payments contractually past due by 90 days or more.

Potential problem loans

In order to carefully monitor the credit risk associated with clients, the Bank has established quarterly reports to identify potential problem loans, which are then included on a watch list. In general, these are loans due by clients that could face difficulties meeting their repayment obligations, but who otherwise have had a good payment history. These potential difficulties could be related to factors such as a decline in economic activity, financial weakness or any other event that could affect the client’s business. Potential problem loans are primarily those rated as “7 or 8” pursuant to the Bank’s internal risk rating and classified as Stage 2 under IFRS Accounting Standards 9. As of December 31, 2025, the principal balance exposure of three clients for a total of \$101.3 million, or 1.1% of the Loan Portfolio, were considered as potential problem loans under these guidelines, compared to five clients for a total of \$71.3 million, or 0.9% of the Loan Portfolio as of December 31, 2024.

Allowance for losses on financial instruments

The following table sets forth information regarding the Bank’s allowance for losses with respect to the total Credit Portfolio outstanding as of December 31 of each year:

	As of December 31,		
	2025	2024	2023
(in \$ millions, except percentages)			
Components of the allowance for losses			
Allowance for loan losses:			
Balance at beginning of the year	\$ 78.2	\$ 59.4	\$ 55.2
Impairment losses	15.5	17.6	25.3
Recoveries	0.6	1.1	0.0
Loan write-offs	0.0	0.0	(21.1)
Balance at the end of the year	\$ 94.3	\$ 78.2	\$ 59.4
Allowance for loan commitments and financial guarantee contract losses:			
Balance at beginning of the year	\$ 5.4	\$ 5.1	\$ 3.6
Impairment losses	6.8	0.3	1.5
Balance at end of the year	\$ 12.1	\$ 5.4	\$ 5.1
Allowance for Investment Portfolio losses:			
Balance at beginning of the year	\$ 1.3	\$ 1.6	\$ 8.0
(Reversals) impairment losses	(0.3)	(0.6)	0.6
Recoveries	0.0	0.3	0.0
Investment Portfolio write-offs	0.0	0.0	(7.0)
Balance at the end of the year	\$ 1.0	\$ 1.3	\$ 1.6
Total allowance for the Credit Portfolio losses	\$ 107.4	\$ 84.9	\$ 66.1
Allowance for bank deposits			
Balance at beginning of the year	\$ 0.0	\$ 0.0	\$ 0.0
Impairment losses	0.2	0.0	0.0
Balance at the end of the year	\$ 0.2	\$ 0.0	\$ 0.0
Total allowance for expected credit losses	\$ 107.6	\$ 84.9	\$ 66.1
Total allowance for expected credit losses to total Credit Portfolio	0.85 %	0.76 %	0.69 %

The total allowance for expected credit losses amounted to \$107.6 million as of December 31, 2025, representing 0.85% of the total Credit Portfolio, compared to \$84.9 million and 0.76%, respectively, as of December 31, 2024, and \$66.1 million and 0.69%, respectively, as of December 31, 2023. The \$22.7 million year-over-year increase in 2025 was mostly associated with impairment losses on financial instruments derived from the increased coverage of financial instruments classified as Stage 2 and the reclassification of a single exposure to Stage 3, and impairment losses for loan commitments and financial guarantee contract losses, mostly associated with the growth of customers’ liabilities under acceptances, and loan

commitments and financial guarantee contracts, as balances increased 21% year-over-year at the end of 2025 when compared to 2024.

The total allowance for expected credit losses amounted to \$84.9 million as of December 31, 2024, representing 0.76% of the total Credit Portfolio, compared to \$66.1 million and 0.69%, respectively, as of December 31, 2023, and \$66.8 million and 0.77%, respectively, as of December 31, 2022. The \$18.8 million year-over-year increase in 2024 was mostly associated with the growth of the Loan Portfolio, as balances increased 16% year-over-year at the end of 2024 when compared to 2023, impairment losses on financial instruments classified as Stage 3 and the net effect of write-offs against individually assigned allowance for credit losses in 2023 associated with an impaired credit of a single non-bank financial intermediary borrower.

The following table sets forth information regarding the Bank's allowance for losses allocated by country of exposure as of the dates indicated:

	As of December 31,					
	2025		2024		2023	
	Total	%	Total	%	Total	%
	(in \$ millions, except percentages)					
Allowance for loan losses						
Argentina	\$ 4.4	4.7	\$ 7.9	10.1	\$ 3.4	5.7
Brazil	32.4	34.4	4.6	5.9	4.4	7.4
Canada	0.0	0.0	0.1	0.1	1.7	2.9
Chile	2.0	2.1	1.2	1.5	1.0	1.7
Colombia	23.8	25.2	17.7	22.6	4.0	6.7
Costa Rica	2.2	2.3	1.4	1.8	1.0	1.7
Dominican Republic	3.8	4.0	3.9	5.0	2.7	4.5
Ecuador	5.2	5.5	7.0	9.0	6.6	11.2
El Salvador	1.0	1.1	1.9	2.4	1.8	3.0
Guatemala	2.6	2.8	5.1	6.5	3.4	5.7
Honduras	1.4	1.5	5.5	7.0	5.9	9.9
Jamaica	0.2	0.2	0.7	0.9	1.7	2.9
Mexico	4.6	4.9	4.3	5.5	4.2	7.1
Panama	8.9	9.4	9.0	11.5	9.2	15.5
Peru	0.3	0.3	4.2	5.4	6.2	10.4
Other ⁽¹⁾	1.5	1.6	3.7	4.8	2.2	3.7
Total Allowance for loan losses	\$ 94.3	100.0 %	\$ 78.2	100.0 %	\$ 59.4	100.0 %
Allowance for loan commitments and financial guarantee contract losses						
Argentina	\$ 3.8	31.4	\$ 0.0	0.0	\$ 0.0	0.0
Canada	0.1	0.8	0.0	0.0	1.1	21.6
Ecuador	1.7	14.0	2.2	40.7	1.9	37.3
Suriname	3.9	32.2	0.0	0.0	0.0	0.0
Other ⁽¹⁾	2.6	21.6	3.2	59.3	2.1	41.1
Total allowance for loan commitments and financial guarantee contract losses	\$ 12.1	100.0 %	\$ 5.4	100.0 %	\$ 5.1	100.0 %
Allowance for Investment Portfolio losses						
Other ⁽¹⁾	\$ 1.0	100.0	\$ 1.3	100.0	\$ 1.6	100.0
Total allowance for Investment Portfolio losses	\$ 1.0	100.0 %	\$ 1.3	100.0 %	\$ 1.6	100.0 %
Allowance for bank deposits						
Other ⁽¹⁾	\$ 0.2	100.0	\$ 0.0	0.0	\$ 0.0	0.0
Total allowance for bank deposits losses	\$ 0.2	100.0 %	\$ 0.0	0.0 %	\$ 0.0	0.0 %

	As of December 31,					
	2025		2024		2023	
	Total	%	Total	%	Total	%
	(in \$ millions, except percentages)					
Total allowance for credit losses						
Argentina	\$ 8.2	7.6	\$ 7.9	9.3	\$ 3.4	5.1
Brazil	32.8	30.5	5.3	6.2	5.2	7.9
Canada	0.1	0.1	0.1	0.1	2.8	4.2
Chile	2.2	2.0	1.3	1.5	1.2	1.8
Colombia	24.1	22.4	18.0	21.2	4.4	6.7
Costa Rica	2.4	2.2	1.6	1.9	1.2	1.8
Dominican Republic	4.0	3.7	4.3	5.1	3.1	4.7
Ecuador	6.9	6.4	9.2	10.8	8.5	12.9
El Salvador	1.2	1.1	2.3	2.7	1.8	2.7
Guatemala	2.7	2.5	5.3	6.2	3.7	5.6
Honduras	1.6	1.5	5.5	6.5	5.9	8.9
Jamaica	0.2	0.2	0.7	0.8	1.7	2.6
Mexico	5.3	4.9	5.2	6.1	4.5	6.8
Panama	9.3	8.6	9.3	11.0	9.3	14.1
Peru	0.4	0.4	4.3	5.1	6.3	9.5
Suriname	4.0	3.7	0.0	0.0	0.0	0.0
United States of America	0.6	0.6	0.7	0.8	1.0	1.5
Other ⁽¹⁾	1.6	1.6	3.9	4.7	2.1	3.2
Total Allowance for credit losses	\$ 107.6	100.0 %	\$ 84.9	100.0 %	\$ 66.1	100.0 %

⁽¹⁾ Other consists of allowances for credit losses allocated to countries in which total allowances for credit losses outstanding did not exceed \$1 million for any of the periods.

The following table sets forth information regarding the Bank's allowance for loan losses, loan commitments and financial guarantee contract losses and Investment Portfolio losses, by type of borrower as of the dates indicated:

	As of December 31,					
	2025		2024		2023	
	Total	%	Total	%	Total	%
	(in \$ millions, except percentages)					
Private financial institutions	\$ 10.8	10.0	\$ 20.5	24.1	\$ 15.6	23.6
State-owned financial institutions	4.4	4.1	4.2	5.0	3.5	5.3
State-owned corporations	4.0	3.7	8.1	9.5	5.3	8.0
Private corporations	87.6	81.4	50.6	59.6	40.1	60.7
Sovereign	0.8	0.8	1.5	1.8	1.6	2.4
Total	\$ 107.6	100.0 %	\$ 84.9	100.0 %	\$ 66.1	100.0 %

Credit Ratios

The following table sets forth information regarding certain credit ratios, along with each of the components used in their calculation, as of the dates indicated:

	As of December 31,		
	2025	2024	2023
	(in \$ millions, except percentages)		
Total allowance for credit losses to impaired credits ⁽¹⁾	277 %	498 %	654 %
Allowance for credit losses	\$ 107.6	\$ 84.9	\$ 66.1
Impaired credits	\$ 39	\$ 17	\$ 10
Total allowance for expected credit losses to total Credit Portfolio	0.85 %	0.76 %	0.69 %
Allowance for expected credit losses	\$ 107.6	\$ 84.9	\$ 66.1
Credit Portfolio	\$ 12,599	\$ 11,224	\$ 9,532

	As of December 31,		
	2025	2024	2023
	(in \$ millions, except percentages)		
Impaired credits to Credit Portfolio	0.31 %	0.15 %	0.11 %
Impaired credits	\$ 39	\$ 17	\$ 10
Credit Portfolio	\$ 12,599	\$ 11,224	\$ 9,532
Total allowance for loan losses to Credit-impaired loans ⁽¹⁾	244 %	459 %	588 %
Allowance for loan losses	\$ 94.3	\$ 78.2	\$ 59.4
Credit-impaired loans	\$ 39	\$ 17	\$ 10
Total allowance for loan losses to Loan Portfolio	1.03 %	0.93 %	0.83 %
Allowance for loan losses	\$ 94.3	\$ 78.2	\$ 59.4
Loan Portfolio	\$ 9,181	\$ 8,375	\$ 7,196
Credit-impaired loans to Loan Portfolio	0.42 %	0.20 %	0.14 %
Credit-impaired loans	\$ 39	\$ 17	\$ 10
Loan Portfolio	\$ 9,181	\$ 8,375	\$ 7,196
Write-offs to average Loan Portfolio ⁽²⁾	0.00 %	0.00 %	0.31 %
Private Corporations	\$ 0	\$ 0	\$ 0
Non Bank Financial Intermediaries	\$ 0	\$ 0	\$ 21
Total write-offs	\$ 0	\$ 0	\$ 21
Average Loan Portfolio	\$ 8,503	\$ 7,578	\$ 6,816

(1) Total impaired credits consist of the principal balance of credit-impaired loans and credit-impaired investment securities. Impairment factors considered by the Bank's management include collection status, collateral value, the probability of collecting scheduled principal and interest payments when due, and economic conditions in the borrower's country of residence.

(2) Average loan portfolio for 2025, 2024 and 2023, is calculated on the basis of daily average balances.

Selected Financial Ratios

	As of and for the Year Ended December 31,		
	2025	2024	2023
	(in \$ thousands, except per share data and ratios)		
Weighted average basic shares	37,152	36,740	36,481
Weighted average diluted shares	37,152	36,740	36,481
Basic shares period end	37,230	36,791	36,540
Per Common Share Data:			
Basic earnings per share	6.11	5.60	4.55
Diluted earnings per share	6.11	5.60	4.55
Book value per share (period end) ⁽¹⁾	39.77	36.35	32.95
Regular cash dividends paid per share	2.50	2.00	1.00
Selected Financial Ratios:			
<i>Performance Ratios:</i>			
Return on average total assets ⁽²⁾	1.89 %	1.88 %	1.69 %
Return on average total equity ⁽³⁾	15.43 %	16.20 %	14.68 %
Adjusted return on average total equity excluding other equity instruments ⁽⁴⁾	15.75 %	16.20 %	14.68 %
Net interest margin ⁽⁵⁾	2.36 %	2.47 %	2.49 %
Net interest spread ⁽⁵⁾	1.67 %	1.75 %	1.84 %
Efficiency Ratio ⁽⁶⁾	26.7 %	26.5 %	27.2 %
Total operating expenses to average total assets	0.75 %	0.73 %	0.74 %
Regular cash dividend payout ratio ⁽⁷⁾	40.9 %	35.7 %	22.0 %
<i>Liquidity Ratios:</i>			
Liquid assets ⁽⁸⁾ / total assets	14.95 %	16.18 %	18.61 %
Liquid assets ⁽⁸⁾ / total deposits ⁽⁹⁾	28.94 %	35.44 %	45.35 %
<i>Capital Ratios:</i>			
Total equity to total assets	13.13 %	11.28 %	11.20 %
Average total equity to average total assets ⁽¹⁰⁾	12.23 %	11.58 %	11.53 %
Total assets to total equity	7.6x	8.9x	8.9x
Tier 1 capital to risk-weighted assets (Basel III – IRB) ⁽¹¹⁾	17.4 %	15.5 %	15.4 %
Risk-weighted assets (Basel III – IRB) ⁽¹¹⁾	\$ 9,653,106	\$ 8,603,751	\$ 7,805,982

	As of and for the Year Ended December 31,		
	2025	2024	2023
	(in \$ thousands, except per share data and ratios)		
Ordinary Capital Index (Regulatory) ⁽¹²⁾	12.2 %	12.1 %	12.1 %
Ordinary Capital Total Index (Regulatory) ⁽¹²⁾	14.1 %	12.1 %	12.1 %
Capital Adequacy Ratio (Regulatory) ⁽¹²⁾	15.5 %	13.6 %	13.6 %
Risk-weighted assets (Regulatory) ⁽¹²⁾	\$ 10,822,730	\$ 9,873,772	\$ 8,898,408
Leverage Ratio (Regulatory) ⁽¹³⁾	9.9 %	9.8 %	9.7 %

- (1) Book value per share refers to the Bank’s total equity excluding other equity instruments divided by the Bank’s outstanding common basic shares at the end of the period.
- (2) For the years 2025, 2024 and 2023, return on average total assets is calculated as profit for the year divided by average total assets. Average total assets for 2025, 2024 and 2023, is calculated on the basis of daily average balances.
- (3) For the years 2025, 2024 and 2023, return on average total equity is calculated as profit for the year divided by average total equity. Average total equity for 2025, 2024 and 2023, is calculated on the basis of daily average balances.
- (4) For the year 2025, adjusted return on average total assets excluding other equity instruments is calculated as adjusted net profit for the year after ATI distributions divided by average total assets excluding other equity instruments, calculated on the basis of daily average balances.
- (5) For the years 2025, 2024 and 2023, net interest margin is calculated as net interest income divided by the average balance of interest-earning assets. Average balance of interest-earning assets for 2025, 2024 and 2023, is calculated on the basis of daily average balances. Net interest spread is calculated as average yield earned on interest-earning assets, less the average yield paid on interest-bearing liabilities. For more information regarding calculation of the net interest margin and the net interest spread, see Item 5.A., “Operating and Financial Review and Prospects—Operating Results—Net Interest Income and Margins.”
- (6) Efficiency ratio is total operating expenses as a percentage of total revenues.
- (7) The Bank calculates regular cash dividend payout ratio as regular cash dividends declared per share during the relevant period divided by basic earnings per share.
- (8) Liquid assets consist of total cash and due from banks, less time deposits with original maturity over 90 days and other restricted deposits, as well as corporate debt securities rated A- or above. See Item 5.B. “Operating and Financial Review and Prospects—Liquidity and Capital Resources—Liquidity” and Item 18, “Financial Statements,” note 5.
- (9) Total deposits refers to demand deposits and time deposits, excluding interest payable.
- (10) For the years 2025, 2024 and 2023, average total assets and average total equity are calculated on the basis of daily average balances.
- (11) Tier 1 Capital is calculated according to Basel III capital adequacy guidelines, and is equivalent to total equity excluding certain effects such as accumulated other comprehensive income (loss) (“OCI”) of the securities at fair value through OCI. Tier 1 Capital ratio is calculated as a percentage of risk-weighted assets. Risk-weighted assets are estimated based on Basel III capital adequacy guidelines, utilizing internal-ratings based approach or “IRB” for credit risk and standardized approach for operational risk.
- (12) As defined by the Superintendency of Banks of Panama through Rules No. 01-2015, 03-2016 and 05-2023, based on Basel III standardized approach.
- (13) As defined by the Superintendency of Banks of Panama through Article No. 17 of Rule No. 1-2015 that establishes the leverage ratio of a regulated entity by means of the quotient between the ordinary primary capital and the total exposure for non-risk-weighted assets inside and outside the consolidated statement of financial position.

B. Liquidity and Capital Resources

Liquidity

Liquidity refers to the Bank’s ability to maintain adequate cash flows to fund operations and meet obligations and other commitments on a timely basis.

As established by the Bank’s liquidity policy, the Bank’s liquid assets are held in overnight deposits with the Federal Reserve Bank of New York or in the form of interbank deposits with reputable international banks that have A1, P1, or F1 ratings from two of the major internationally recognized rating agencies and are primarily located outside of the Region. In addition, the Bank’s liquidity policy allows for investing in negotiable money market instruments, including Euro certificates of deposit, commercial paper, corporate debt securities, and other liquid instruments with maturities of up to three years. These instruments must be of investment grade quality A or better, must have a liquid secondary market and be considered as such according to Basel III rules.

The Bank performs daily reviews, controls and periodic stress tests on its liquidity position, including the application of a series of limits to restrict its overall liquidity risk and to monitor the liquidity level according to the macroeconomic environment. The Bank determines the level of liquid assets to be held on a daily basis, by adopting an LCR methodology referencing the Basel Committee guidelines and as required by the Superintendency of Banks of Panama. The Bank also monitors the stability of its funding base in alignment with the principles established by Basel’s Net Stable Funding Ratio.

In addition, the Bank follows cumulative maturity “gaps” between assets and liabilities, for each maturity classification presented in the Bank’s internal liquidity reports and maintains limits for concentrations of deposits taken from any client or economic group and total maximum deposits maturing in one day.

The Bank maintains a Contingent Liquidity Plan in order to ensure a robust liquidity position to respond to any potential impact on the availability of resources. The plan contemplates the regular monitoring of several quantified internal and external reference benchmarks (such as deposit level, Emerging Markets Bonds Index Plus, SOFR-OIS spread and market interest rates), which in cases of high volatility would trigger implementation of a series of precautionary measures to reinforce the Bank’s liquidity position.

The Bank’s capacity to maintain strong liquidity levels, even in a context of increased market volatility and uncertainty, is attributable to historically diversified and stable funding sources, including deposits from central banks in Latin America and the Caribbean, who are also the Bank’s Class A shareholders. Moreover, the Bank has maintained fluid access to a significant base of correspondent banks and from debt capital markets investors across the globe, which have maintained and even increased their availability of funding to the Bank. In addition, Bladex, through its New York Agency, has maintained and occasionally has accessed the Federal Reserve Bank of New York’s discount window utilizing its investment-grade securities portfolio as collateral. The Bank plans to hold a portfolio of high-quality assets eligible to be submitted to the Federal Reserve Bank of New York’s discount window, as a lender of last resort to face any possible situations of market disruption.

In the Bank’s opinion, its liquidity position is adequate for the Bank’s present requirements.

The following table shows the Bank’s liquid assets by principal geographic risk area as of December 31 of each year:

	As of December 31,		
	2025	2024	2023
	(in \$ millions)		
United States of America	\$ 1,784	\$ 1,650	\$ 1,904
Other O.E.C.D. countries	3	41	1
Multilateral Organizations	119	224	87
Latin America	5	3	7
Total	\$ 1,911	\$ 1,918	\$ 1,999

The Bank’s liquid assets, in the form of cash and cash equivalents and highly rated corporate debt securities (above ‘A-’), totaled \$1,911 million as of December 31, 2025, compared to \$1,918 million as of December 31, 2024. The Bank has a proactive and prudent liquidity management approach, which follows the Basel methodology for LCR, as required by the Superintendency of Banks of Panama. The Bank’s LCR as of December 31, 2025 and 2024 was 159.3% and 264.6%,

respectively. Liquid assets to total assets ratio amounted to 15% as of December 31, 2025, compared to 16% as of December 31, 2024, while at these same dates, the liquid assets to total deposits ratios were 29% and 35%, respectively.

As of December 31, 2025, \$1,734 million, or 91% of the Bank’s liquid assets were held in deposits with the Federal Reserve Bank of the United States of America, compared to \$1,021 million, or 53% as of December 31, 2024. As of December 31, 2025, \$69 million, or 4% of total liquid assets represented corporate debt securities classified as HQLA in accordance with the specifications of the Basel Committee, compared to \$99 million, or 5% as of December 31, 2024.

The Bank’s liquid assets satisfied the liquidity requirement resulting from the maturities of the Bank’s 24-hour deposits from customers (demand and overnight deposits), which as of December 31, 2025 and 2024 amounted to \$879 million and \$694 million, respectively, both representing 13% of the Bank’s total deposits, excluding interest payable, respectively.

While the Bank’s liabilities generally mature over somewhat shorter periods than its assets, the associated liquidity risk is diminished by the short-term nature of the Loan Portfolio, as the Bank is engaged primarily in the financing of foreign trade. As of December 31, 2025 and 2024, the Bank’s short-term loans and investment securities (maturing within one year based on original contractual term) totaled \$5,247 million and \$5,127 million, respectively. As of December 31, 2025 and 2024, these instruments combined had an average original term to maturity of 180 and 187 days, respectively, and an average remaining term to maturity of 144 days and 130 days, respectively.

Medium-term assets (loans and investment securities maturing beyond one year based on original contractual term) totaled \$5,349 million and \$4,438 million as of December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, these medium-term assets had an average original term to maturity of three years, ten months (1,409 days) and three years, nine months (1,388 days), respectively; and an average remaining term to maturity of three years (1,094 days), and two years and nine months (1,021 days), respectively.

Credit Ratings

The cost and availability of financing for the Bank are influenced by its credit ratings, among other factors. The credit ratings of the Bank as of the date of this annual report, were as follows:

	Fitch	Moody’s	S&P
Short-Term	F2	P-2	A-2
Long-Term	BBB	Baa2	BBB
Rating Outlook	Stable	Stable	Stable

Credit Rating from Standard & Poor’s Global Ratings (“S&P”)

The credit ratings from S&P have been unchanged at “BBB/A-2” since May 13, 2008, with the most recent affirmation of the Bank’s credit ratings on May 28, 2025. The outlook remained stable.

Credit Rating from Moody’s Investors Service, Inc. (“Moody’s”)

The Bank’s credit ratings from Moody’s have been unchanged at “Baa2/P-2” since December 19, 2007, with the latest affirmation of the Bank’s credit ratings on July 2, 2025. The outlook remained stable.

Credit Rating from Fitch Ratings Ltd. (“Fitch”)

The Bank’s credit ratings from Fitch have been unchanged at “BBB/F2” with the latest affirmation of the Bank’s credit ratings on May 15, 2025. The outlook remained stable.

Critical factors supporting the Bank’s investment-grade credit ratings mainly include its solid tier one capitalization, prudent risk management, its historically solid asset quality and financial performance, and stable funding structure. Although the Bank closely monitors and manages factors influencing its credit ratings, there is no assurance that such ratings will not be lowered in the future.

Funding Sources

The Bank’s principal sources of funds are deposits and, to a lesser extent, borrowed funds and floating and fixed rate debt placements. While these sources are expected to continue providing the majority of the funds required by the Bank in the

future, the exact composition of the Bank’s funding sources, as well as the possible use of other sources of funds, will depend on economic and market conditions. The following table shows the Bank’s funding distribution as of the dates indicated:

	As of December 31,		
	2025	2024	2023
	(in percentages)		
Deposits	61.6 %	54.3 %	48.6 %
Securities sold under repurchase agreements	1.2	2.1	3.4
Short-term borrowings and debt	14.1	16.6	19.0
Long-term borrowings and debt	23.1	27.0	29.0
Total interest-bearing liabilities	100.0 %	100.0 %	100.0 %

The Bank has issued public debt in Mexico, Panama, the United States and Japan. The Bank has also placed private issuances of debt in different markets primarily in Asia, Europe, the United States and Latin America.

Deposits

The Bank obtains deposits principally from central and commercial banks primarily located in the Region. As of December 31, 2025, 38% of the deposits held by the Bank were deposits made by central and state-owned banks in the Region. The average term remaining to maturity of deposits from the Region’s central and state-owned banks as of December 31, 2025, 2024 and 2023, was 48 days, 38 days and 47 days, respectively. As of December 31, 2025, deposits from the Bank’s five largest depositors, all except three of which were central and state-owned banks in the Region, represented 35% of the Bank’s total deposits, compared to 37% as of December 31, 2024. All of the Bank’s deposits are uninsured.

The following table analyzes the Bank’s deposits by country, excluding interest payable, as of the dates indicated below:

	As of December 31,		
	2025	2024	2023
	(in \$ millions)		
Argentina	\$ 199	\$ 89	\$ 154
Bahamas	0	3	15
Bolivia	0	1	3
Brazil	747	718	495
Canada	36	36	0
Cayman Islands	130	80	50
Chile	41	52	83
Colombia	437	145	145
Costa Rica	366	225	381
Curacao	23	28	14
Dominican Republic	37	128	178
Ecuador	1,251	1,126	514
El Salvador	24	65	37
France	0	0	38
Germany	185	185	147
Guatemala	120	109	129
Haiti	81	77	78
Honduras	342	242	227
Japan	13	0	0
Korea	10	19	20
Luxembourg	23	80	50
Mexico	199	197	103
Multinational	50	270	210
Netherlands	17	1	12
Panama	1,534	993	765
Paraguay	179	93	118
Peru	79	170	40
Puerto Rico	0	8	0
Saint Lucia	2	0	0
Singapore	2	34	32

	As of December 31,		
	2025	2024	2023
	(in \$ millions)		
Spain	23	0	82
Suriname	19	0	0
Trinidad and Tobago	39	37	25
United Kingdom	181	62	82
United States of America	185	136	172
Uruguay	8	4	9
Virgin Islands	22	0	0
Total	\$ 6,604	\$ 5,413	\$ 4,408

Securities sold under repurchase agreements (“Repos”)

The Bank enters into financing transactions under Repos with international banks from time to time, utilizing its investment securities portfolio as collateral to secure cost-effective funding. Repos are reported as secured financings in the Financial Statements. As of December 31, 2025, the Bank had outstanding balances excluding interest payable of Repos for \$130 million, compared to \$213 million as of December 31, 2024 and \$310 million as of December 31, 2023.

Borrowings and Debt

Short- and long-term borrowings and debt provide a global diversification of the Bank’s funding sources. The Bank uses these borrowings and debt placements, which generally have longer maturities than deposits, to manage its asset and liability positions.

Short-Term Borrowings and Debt

The Bank’s short-term borrowings and debt consist of borrowings from banks and debt instruments from notes issued under the Bank’s Euro Medium-Term Note Program that have maturities of up to 365 days.

Short-term borrowings are made available to the Bank on an uncommitted basis for the financing of trade-related loans as well as for general business purposes. The Bank’s short- and medium-term borrowings mainly come from international correspondent banks from the United States, Mexico, Japan, Canada, Europe and multilateral organizations.

As of December 31, 2025, the principal balance, gross of interest payable and transaction costs, of short-term borrowings and debt totaled \$1,511 million, a 9% decrease compared to \$1,653 million as of December 31, 2024, as the Bank relied more on the growth of its deposits base for short-term funding, as a result of the Bank’s commercial strategic initiatives towards funding cost improvement supported by cross selling efforts. The average term remaining to maturity of short-term borrowings and debt as of December 31, 2025 was 91 days, compared to 94 days as of December 31, 2024.

The following table presents information regarding the amounts outstanding under, and interest rates on, the Bank’s short-term borrowings and debt at the dates and during the periods indicated.

	As of and for the Year Ended December 31,		
	2025	2024	2023
	(in \$ millions, except percentages)		
Short-term borrowings and debt^(*)			
Amount outstanding at year-end	\$ 1,511	\$ 1,653	\$ 1,725
Maximum amount outstanding at any month-end	\$ 1,568	\$ 1,653	\$ 1,810
Average amount outstanding during the year	\$ 1,034	\$ 930	\$ 1,621
Weighted average interest rate on average amount outstanding	4.84 %	6.29 %	5.73 %
Weighted average interest rate on amount outstanding at year end	3.96 %	3.62 %	6.12 %

^(*) Gross of transaction costs of \$0.0 million, \$0.0 million, \$0.3 million as of December 31, 2025, 2024 and 2023, respectively and interest payable of \$9.1 million, \$9.7 million and \$12.2 million as of December 31, 2025, 2024 and 2023, respectively.

Long-term borrowings and debt

Long-term borrowings consist of long-term bilateral and syndicated loans obtained from international banks. Debt instruments currently consist of private issuances under the Bank’s Euro Medium-Term Note Program, as well as public issuances in Mexico and in Panama.

Interest rates on most long-term borrowings and issuances are adjusted monthly, quarterly or semi-annually based on short-term SOFR rates plus a credit spread. The credit spread is defined according to several factors, including credit ratings, risk perception, and the original contractual term to maturity. The Bank uses these funds primarily to finance its medium-term and long-term Loan Portfolio, as well as to further enhance the stability of its overall funding base. As of December 31, 2025, the principal balance, gross of interest payable and transaction costs, of long-term borrowings and debt decreased 8% to \$2,490 million from \$2,709 million as of December 31, 2024, as a result of the Bank’s increased reliance on deposits to support commercial lending origination activities and its liquidity position management. As of December 31, 2025 the average term remaining to maturity of the Bank’s medium and long-term borrowing and debt was 719 days, compared to 762 days as of December 31, 2024.

The following table presents information regarding the gross amounts outstanding under, and interest rates on, the Bank’s long-term borrowings and debt at the dates and during the periods indicated.

	As of and for the Year Ended December 31,		
	2025	2024	2023
	(in \$ millions, except percentages)		
Long-term borrowings and debt^(*)			
Amount outstanding at year-end	\$ 2,490	\$ 2,709	\$ 2,636
Maximum amount outstanding at any month-end	\$ 2,797	\$ 2,850	\$ 2,636
Net average amount outstanding during the year	\$ 2,619	\$ 2,734	\$ 2,383
Weighted average interest rate on average amount outstanding	5.59 %	5.53 %	5.20 %
Weighted average interest rate on amount outstanding at year end	6.50 %	5.98 %	5.32 %

^(*) Gross of transaction costs of \$7.6 million, \$9.6 million and \$8.2 million as of December 31, 2025, 2024 and 2023, respectively and interest payable of \$28.2 million, \$26.7 million and \$32.8 million as of December 31, 2025, 2024 and 2023, respectively.

Global syndicated loans continue to provide a vehicle to access new sources of financing. As of December 31, 2025, the Bank has two outstanding syndicated loans in an aggregate principal amount of \$505 million:

- In May 2024, the Bank closed a \$400 million syndicated loan, with Sumitomo Mitsui Banking Corporation acting as Sole Lead Arranger, Administrative Agent and Bookrunner. The lenders were long standing participants from previous transactions and new lenders from the United States, Asia and Europe.
- Additionally, in December 2025, the Bank closed a \$105 million syndicated loan with Nexent Bank NV acting as Sole Lead Arranger, and Bookrunner. The lenders were new participants from the Middle East, Africa and Europe.

Some borrowing agreements include various events of default and covenants related to minimum capital adequacy ratios, incurrence of additional liens, and asset sales, as well as other customary covenants, representations and warranties. As of December 31, 2025, the Bank was in compliance with all covenants.

Debt Capital Markets

Program in Mexico

In September 2024, the Mexican National Registry of Securities (Registro Nacional de Valores) authorized increasing the aggregate amount of the Mexico Program from MXN25 billion to MXN35 billion or its equivalent in Investment Units (Unidades de Inversión), U.S. dollar or Euros and with maturities from one day to 30 years.

As of December 31, 2025, the total principal amount outstanding of issuances of “certificados bursátiles” in the Mexican capital markets under this Mexico Program was MXN23.97 billion, equivalent to \$1,334 million.

There are eight outstanding medium-term issuances (series) under the Mexico Program: Series Bladex 22 in the principal amount of MXN1,256,222,200 which matures in February 2026; Series Bladex 22-2 in the principal amount of MXN4,237,142,400 which matures in August 2027; Series Bladex 23 in the principal amount of MXN3,500,000,000 which

matures in July 2026; Series Bladex 23-2 in the principal amount of MXN1,500,000,000 which matures in July 2028; Series Bladex 23-3 in the principal amount of MXN1,775,000,000 which matures in October 2029; Series Bladex 24 in the principal amount of MXN1,700,000,000 which matures in February 2027, Series Bladex 24-2 in the principal amount of MXN4,000,000,000 which matures in March 2028 and Series Bladex 25 in the principal amount of MXN6,000,000,000 which matures in July 2028.

Program in Panama

In March 2023, Bladex successfully completed the registration of its Revolving Corporate Bond Program in Panama (the “Panama Program”). This program, with a maximum amount of \$300 million for the issuance of short and long term notes, is a key component of the Bank’s strategy to diversify its investor base. It allows for the participation of new investors not only from Panama but also from across the Central American region.

As of December 31, 2025, there are 15 outstanding issuances (series) under the Panama Program. The total outstanding principal amount of issuances under this program was \$105.4 million with an average term of two years and eight months.

Euro Medium Term Note Program

The Bank renewed its Euro Medium-Term Note Program on July 21, 2021, which is primarily targeted at non-bank institutional investors and includes multiple placements with short-, medium-, and long-term tenors.

During 2025, the Bank issued \$40 million in new private placements; and as of December 31, 2025, private issuances through its Euro Medium-Term Note Program amounted to \$294 million, placed primarily in Asia, Europe and Latin America. In addition, the Bank had one outstanding bond which matured in September of 2025 and which was issued in 2020 pursuant to Rule 144A/Regulation S for a total principal amount of \$400 million.

Colombian Debt Capital Market

In January 2025, Bladex completed the registration of its first Bond issuance in Colombia. This issuance, with a maximum amount of 300,000 million Colombian Pesos of short and long term notes, was intended to diversify its investor base with the participation of new investors not only from Colombia but also from across the South American region. As of January 2026, the Bank’s Bond issuance registration in Colombia expired as no bonds were issued during 2025.

Cost and Maturity Profile

The following table sets forth certain information regarding the weighted average cost and the remaining maturities of the Bank’s gross borrowed funds, including Repos, and placements at fixed and floating interest rate as of December 31, 2025:

	Amount ^(*)	Weighted Average Cost
	(in \$ millions, except percentage)	
Short-term Repos and borrowings at fixed interest rate		
Due in 0 to 30 days	\$ 352	4.12 %
Due in 31 to 90 days	570	4.32 %
Due in 91 to 180 days	525	4.30 %
Due in 181 to 365 days	102	4.24 %
Total	\$ 1,549	4.26 %
Short-term placements at fixed interest rate		
Due in 91 to 180 days	\$ 2	4.57 %
Total	\$ 2	4.57 %
Medium and long-term borrowings and repos at fixed interest rate		
Due in 31 to 90 days	\$ 4	10.32 %
Due in 91 to 180 days	38	5.88 %
Due in 181 to 365 days	60	5.24 %
Due in 1 through 6 years	52	4.86 %
Total	\$ 154	5.40 %

	Amount ^(*)	Weighted Average Cost
	(in \$ millions, except percentage)	
Medium and long-term borrowings at floating interest rate		
Due in 31 to 90 days	\$ 39	8.04 %
Due in 181 to 365 days	30	5.54 %
Due in 1 through 6 years	625	5.29 %
Total	\$ 694	5.46 %
Medium and long-term placements at fixed interest rate		
Due in 0 to 30 days	\$ 13	0.95 %
Due in 31 to 90 days	11	5.80 %
Due in 91 to 180 days	12	0.90 %
Due in 181 to 365 days	39	3.67 %
Due in 1 through 6 years	662	7.52 %
Total	\$ 737	7.07 %
Medium and long-term placements at floating interest rate		
Due in 31 to 90 days	\$ 70	7.87 %
Due in 181 to 365 days	194	7.81 %
Due in 1 through 6 years	731	7.61 %
Total	\$ 995	7.67 %
Grand Total	\$ 4,131	5.83 %

(*) Gross of transaction costs of \$7.7 million and interest payable of \$38.1 million as of December 31, 2025.

See Item 5.D., “Operating and Financial Review and Prospects—Trend Information.”

Cash flows

Management believes that cash flows from operations, including the Bank’s adequate reserve coverage levels, and its ability to generate cash through its financing activities (such as short- and long-term borrowings and debt) are sufficient to fund its investing activities and core lending activities, as well as the Bank’s operating liquidity needs.

The following discussion highlights the major activities and transactions that affected the Bank’s cash flows during 2025, 2024 and 2023.

Cash flows from operating activities

The Bank’s operating activities mainly include cash generated by profit for the year, adjustments to reconcile profit for the year to net cash provided by or used in operating activities, net changes in operating assets, which predominantly include loans originated by the Bank, and net changes in operating liabilities, primarily from raising deposits from central banks as well as state-owned and private banks and corporations in the Region. Operating activities can vary significantly in the normal course of business due to the amount and timing of cash flows, which are affected by client-driven activities and demand, market conditions, and business strategies.

For the year ended December 31, 2025, net cash provided by operating activities was \$780 million, mainly attributable to a net increase of \$1,191 million in operating liabilities due to depositors, mostly associated with the Bank’s shift towards an increased reliance on deposits aligned with commercial strategic initiatives, and a net increase of \$848 million in loans, mainly attributable to higher lending origination during the year.

For the year ended December 31, 2024, net cash used by operating activities was \$123 million, mainly attributable to a net increase of \$1,214 million in loans and a net increase of \$1,005 million in operating liabilities due to depositors.

For the year ended December 31, 2023, net cash provided by operating activities was \$1,062 million, mainly attributable to a net increase of \$1,217 million in operating liabilities due to depositors and a net increase of \$406 million in loans.

Cash flows from investing activities

The Bank's investing activities include the portfolio of securities at FVOCI and at amortized cost, as well as the cash used on acquisition or proceeds from disposal of equipment and leasehold improvements, and intangible assets. Investing activities can vary significantly in the normal course of business due to the amount and timing of cash flows, which are mainly affected by market conditions, and business strategies.

For the year ended December 31, 2025, net cash used in investing activities was \$211 million, primarily as a result of the \$700 million in purchases of securities, which was partially offset by \$390 million in proceeds from the redemption of securities and a \$102 million in proceeds from the sale of securities, resulting from the Treasury's investment management activities to complement the Bank's commercial activities and as a tool to optimize country exposures.

For the year ended December 31, 2024, net cash used in investing activities was \$180 million, primarily as a result of the \$388 million in purchases of securities at amortized cost and \$86 million in purchases of securities at FVOCI, which was partially offset by \$299 million in proceeds from the redemption of securities at amortized cost.

For the year ended December 31, 2023, net cash used in investing activities was \$13 million, primarily as a result of the \$435 million in purchases of securities at amortized cost, which was partially offset by \$298 million in proceeds from the redemption of securities at amortized cost and \$79 million in proceeds from the redemption of securities at FVOCI.

Cash flows from financing activities

The Bank's financing activities primarily reflect cash flows related to raising funds from short-term borrowings and debt from international correspondent banks, and proceeds from, and repayments of, long-term borrowings and debt through bilateral or syndicated borrowing facilities, as well as issuances in the capital markets.

For the year ended December 31, 2025, the net cash used in financing activities was \$547 million, which was primarily the result of the repayment of \$1,007 million in long-term borrowings and debt, the \$150 million net decrease in short-term borrowings and debt and the \$92 million paid as cash dividend, along with the \$83 million decrease in securities sold under repurchase agreements which was partially offset by the \$588 million in proceeds from long-term borrowings and debt, as the Bank shifted its funding sources towards a more reliance on deposits, and the \$198 million in proceeds from the issuance of other equity instruments, following the AT1 Note Issuance in September 2025.

For the year ended December 31, 2024, the net cash provided in financing activities was \$136 million, which was primarily the result of a \$1,192 million proceeds from long-term borrowings and debt, which was partially offset by the repayment of \$826 million in long-term borrowings and debt and a \$97 million decrease in securities sold under repurchase agreements along with \$73 million paid as cash dividends and a \$59 million net decrease in short-term borrowings and debt.

For the year ended December 31, 2023, the net cash used in financing activities was \$253 million, which was primarily the result of a \$496 million in proceeds from long-term borrowings and debt, along with \$10 million from the increase in securities sold under repurchase agreements, which was partially offset by a \$501 million net decrease in short-term borrowings and debt, along with the repayment of \$221 million in long-term borrowings and debt and \$36 million paid as cash dividends.

Asset/Liability Management

The Bank seeks to manage its assets and liabilities to reduce the potential adverse impact on net interest income that could result from interest rate changes. The Bank controls interest rate risk through systematic monitoring of maturities and repricing mismatches. The Bank's investment decision-making takes into account not only the rates of return and the respective underlying degrees of risk, but also liquidity requirements, including minimum cash reserves, withdrawal and maturity of deposits and additional demand for funds. For any given period, a matched pricing structure exists when an equal amount of assets and liabilities are repriced. An excess of assets or liabilities over these matched items results in a "gap" or "mismatch," as shown in the table under "Interest Rate Sensitivity" below. A negative gap denotes liability sensitivity and normally means that a decline in interest rates would have a positive effect on net interest income, while an increase in interest rates would have a negative effect on net interest income. Most of the Bank's assets and most of its liabilities are denominated in U.S. dollar and, therefore, the Bank has no material foreign exchange risk, nor does it hold significant open foreign exchange positions. The foreign exchange risk is mitigated by the use of derivatives, which, though economically hedged, might give rise to some accounting volatility.

Interest Rate Sensitivity

The Bank uses interest rate swaps as part of its interest rate risk management. Interest rate swaps are contracted either in a single currency or cross-currency for a prescribed period in order to exchange a series of interest payment flows and hedge the risk associated with a portion of the notes issued under its various programs and the funds borrowed through bilateral loans and syndications.

The following table presents the projected maturities and interest rate adjustment periods of the Bank’s total assets, liabilities and equity based upon the contractual maturities and rate-adjustment (repricing) dates as of December 31, 2025. The Bank’s interest-earning assets and interest-bearing liabilities and the related interest rate sensitivity gap shown in the following table may not reflect positions in subsequent periods.

	Total	0-30 Days	31-90 Days	91-180 Days	181-365 Days	More than 365 Days	Non-Interest Sensitive / without maturity
(in \$ millions, except percentages)							
Interest-earning assets							
Cash and due from banks	\$ 1,923	\$ 1,885	\$ 5	\$ 18	\$ 0	\$ 0	\$ 15
Investment Portfolio ⁽¹⁾	1,415	104	165	132	195	819	0
Loans ⁽¹⁾	9,181	2,670	2,771	2,171	1,263	306	0
Total interest-earning assets	12,519	4,659	2,491	2,321	1,458	1,125	15
Non-interest earning assets, allowance for credit losses and other asset	267	0	0	0	0	0	267
Total assets	\$ 12,786	\$ 4,659	\$ 2,491	\$ 2,321	\$ 1,458	\$ 1,125	\$ 282
Interest-bearing liabilities							
Deposits	\$ 6,604	\$ 3,805	\$ 1,331	\$ 793	\$ 426	\$ 245	\$ 4
Securities sold under repurchase agreements	130	130	0	0	0	0	0
Borrowings and debt ⁽²⁾	3,993	1,386	1,408	675	107	417	0
Total interest-bearing liabilities	10,727	5,321	2,739	1,468	533	662	4
Non-interest-bearing liabilities and other liabilities	380	0	0	0	0	0	380
Total liabilities	\$ 11,107	\$ 5,321	\$ 2,739	\$ 1,468	\$ 533	\$ 662	\$ 384
Total Stockholders’ equity	1,679	0	0	0	0	0	1,679
Total liabilities and stockholders’ equity	\$ 12,786	\$ 5,321	\$ 2,739	\$ 1,468	\$ 533	\$ 662	\$ 2,063
Interest rate sensitivity gap	0	(662)	202	853	925	463	(1,781)
Cumulative interest rate sensitivity gap	0	(662)	(460)	393	1,318	1,781	0
Cumulative gap as a % of total interest-earning assets	0 %	-5%	-4%	3%	11%	14%	0%

⁽¹⁾ Gross of interest receivable, loss allowance and unearned interest and deferred fees.

⁽²⁾ Gross of transaction costs and interest payable.

The Bank’s interest rate risk is the exposure of earnings (current and potential) and capital to changes in interest rates. Due to the fact that the significant majority of the Bank’s assets and liabilities are either short-term or have short-term market-based repricing schedules, the Bank has a relatively low exposure to interest rate volatility, with most interest rate sensitivity being short-term in nature (up to six months to a year). Through an active interest rate management strategy, the Bank has aligned this moderate exposure to profit from an increase in short-term market-based rates. The Bank’s policy with respect to interest rate risk provides that the Bank establishes limits with regards to: (1) changes in net interest income due to a potential impact, given certain movements in interest rates and (2) changes in the amount of available equity funds of the Bank, given a one basis point movement in interest rates.

See Item 11, “Quantitative and Qualitative Disclosure About Market Risk.”

Subordinated Notes

On September 18, 2025, the Bank issued its inaugural 7.500% perpetual, non-cumulative, fixed-to-fixed subordinated notes offering for a principal amount of \$200.0 million. The notes approved by the Superintendency of Banks are perpetual instruments with no fixed maturity or fixed redemption date with an initial call date set for seven years. Interest on the notes will initially accrue at a rate of 7.500% per year until September 18, 2032 (the “Initial Reset Date”) and will be payable semi-annually in arrears on March 18 and September 18 of each year, beginning March 18, 2026. The Initial Reset Date and every fifth anniversary thereafter will each be a “Reset Date”. The notes will be the Bank’s direct, unsecured, subordinated obligations and will rank *pari passu* without preference among themselves. In the event an insolvency or liquidation event (as defined in the terms of the notes) occurs in respect of the Bank, the notes will rank: (i) junior in right of payment to the payment of all of the Bank’s senior debt; (ii) *pari passu* in right of payment among themselves and with the Bank’s parity securities; and (iii) senior in right of payment to the payment of the Bank’s junior securities.

Based on the characteristics of the subordinated notes, in full compliance with current local regulations, framed under Basel III provisions and according to the International Accounting Standards (under IAS32), this instrument was allowed to be registered in the Bank’s statement of financial position as equity, since it meets the specific criteria of:

- the absence of a contractual obligation to deliver cash or another financial asset to another entity or exchange financial assets or financial liabilities with another entity,
- perpetuity or the absence of a contractual maturity date,
- the Bank’s full discretion to cancel coupon payments,
- high subordination in the capital structure, and
- the unpaid interest will not accrue or be due and payable at any time and the failure to pay such interest will not constitute a default or an event of default.

Taken together, all these elements in the assessment of the accounting technical memorandum make the subordinated notes a suitable instrument with equity recognition in accordance with applicable accounting criteria under IFRS and aligned with regulatory requirements and the Basel III Framework for:

- the optimization of regulatory capital structure,
- the strengthening of regulatory capital buffers,
- the preservation of coherent capital metrics for rating agencies requirements and
- the improvement of the Bank’s financial flexibility without increasing leverage and without generating contractual payment obligations.

The purpose of this offering is to strengthen the Bank’s Primary Capital, as defined by the Superintendency of Banks, in full compliance with current local regulations and the Basel III framework. The Bank intends to use the net proceeds from this offering for general corporate purposes to further strengthen the Bank’s capital base, supporting future loan growth while maintaining capitalization levels comfortably above regulatory requirements.

As of December 31, 2025, the subordinated notes were registered in the statement of financial position as “Other equity instruments” for an outstanding balance of \$198 million, net of transaction costs of \$2.0 million.

Equity

The following table presents information concerning the Bank’s capital position as of the dates indicated:

	As of December 31,		
	2025	2024	2023
(in \$ thousands)			
Common stock	\$ 279,980	\$ 279,980	\$ 279,980
Treasury stock	(97,597)	(105,601)	(110,174)
Other equity instruments	197,976	0	0
Additional paid-in capital in excess of value assigned to common stock	125,151	124,970	122,046
Capital reserves	95,210	95,210	95,210
Regulatory reserves	159,093	149,666	136,019
Retained earnings	916,429	792,005	673,281
Other comprehensive income	2,505	979	7,462
Total equity	\$ 1,678,747	\$ 1,337,209	\$ 1,203,824

The Bank's equity consists mostly of issued and fully paid ordinary common stock and retained earnings. As of December 31, 2025, total equity increased to \$1,679 million, compared to \$1,337 million as of December 31, 2024 and \$1,204 million as of December 31, 2023. Total equity increased \$342 million, or 26% during the year ended December 31, 2025, primarily due to profits totaling \$227 million, resulting in increased retained earnings on 2025 profits for \$124 million net of declared cash dividends for \$93.0 million, representing \$2.56 per share, in addition to the proceeds from the AT1 Notes Issuance executed at the end of September 2025, registered in the Bank's statement of financial position as other equity instruments, net of transaction costs.

As of December 31, 2024, total equity increased to \$1,337 million, compared to \$1,204 million as of December 31, 2023 and \$1,069 million as of December 31, 2022. Total equity increased \$133 million, or 11% during the year ended December 31, 2024, primarily due to profits totaling \$206 million, resulting in increased retained earnings on 2024 profits for \$119 million net of declared cash dividends for \$73.5 million, representing \$2.00 per share.

Capital reserves are established as an appropriation of retained earnings and, as such, are a form of retained earnings. Capital reserves are intended to strengthen the Bank's capital position. Reductions of these reserves for purposes such as the payment of dividends require the approval of the Board and of the Superintendent of Banks.

For the Bank's expected credit reserves, the line-item "Regulatory Reserves" established by the Superintendent of Banks presents the difference between the application of IFRS Accounting Standards 9 and the prudential regulations of the Superintendent of Banks to comply with the requirements of Rule No. 4-2013.

As of December 31, 2025, the total amount of the regulatory reserves calculated according to the guidelines of Rule No. 4-2013 of the Superintendent of Banks was \$159.1 million, appropriated from retained earnings for purposes of compliance with local regulatory requirements. As of December 31, 2024, and 2023, the total amount of the regulatory reserves calculated according to the guidelines of Rule No. 4-2013 of the Superintendent of Banks was \$149.7 million and \$136.0 million, respectively. This appropriation is restricted from dividend distribution in order to comply with local regulations.

As of December 31, 2025, the capital ratio of total equity to total assets was 13.1%, and the Bank's Tier 1 capital ratio calculated according to Basel III capital adequacy guidelines (utilizing IRB approach for credit risk) was 17.4%, compared to 11.3% and 15.5%, respectively, as of December 31, 2024. The 2025 total assets to total equity ratio was 7.6x compared to 8.9x in 2024.

As of December 31, 2025, the Bank's regulatory Capital Adequacy Ratio was 15.5%, compared to 13.6% as of December 31, 2024 and the Bank's regulatory Ordinary Capital Index, was 12.2%, compared to 12.1% in 2024, calculated according to the guidelines of the Superintendent of Banks.

See Item 4, "Information on the Company—Business Overview—Supervision and Regulation."

Off-balance Sheet Arrangements

In the normal course of business, in order to meet the financing needs of its customers, the Bank is party to loan commitments and financial guarantee contracts. These instruments involve, to varying degrees, elements of credit and market risk in excess of the amount recognized in the consolidated statement of financial position. Credit risk represents the possibility of loss resulting from the failure of a customer to perform in accordance with the terms of a contract. The contractual amount of these instruments represents the maximum possible credit risk should the counterparty draw down the commitment or the Bank fulfill the obligation under the guarantee, and the counterparty subsequently fails to perform according to the terms of the contract. Most of these commitments and guarantees expire without the counterparty drawing on the credit line or a default occurring. As a result, the total contractual amount of these instruments does not represent the Bank's future credit exposure or funding requirements.

As of December 31, 2025, the Bank's off-balance sheet arrangements, as defined in the Instructions to Item 5.E. of Form 20-F, included documentary letters of credit, stand-by letters of credit, and guarantees (covering commercial risk). These arrangements are kept off-balance sheet as long as the Bank does not incur an obligation relating to them or itself become entitled to an asset.

The Bank's outstanding off-balance sheet arrangements and total loan commitments and financial guarantee contracts are as follows:

	As of December 31,		
	2025	2024	2023
(in \$ thousands)			
Documentary letters of credit	\$ 240,120	\$ 536,350	\$ 345,608
Stand-by letters of credit and guarantees – Commercial risk	836,434	520,285	490,626
Total off-balance sheet arrangements	\$ 1,076,554	\$ 1,056,635	\$ 836,234
Loan commitments	720,435	348,223	227,472
Letter of credit commitments	43,668	9,522	0
Total loan commitments and financial guarantee contracts	\$ 1,840,657	\$ 1,414,380	\$ 1,063,706

Fees and commission income from off-balance sheet arrangements amounted to \$43 million for the year ended December 31, 2025, compared to \$34 million and \$26 million for the years ended December 31, 2024, and 2023, respectively.

The allowance for loan commitments and financial guarantee contracts losses reflects management's estimates of expected credit losses on off-balance sheet items and is recognized in the consolidated statement of financial position, with the resulting recovery or impairment loss recorded in the consolidated statement of profit or loss. As of December 31, 2025, total allowance for loan commitments and financial guarantee contracts losses amounted to \$12.1 million, compared to \$5.4 million as of December 31, 2024 and \$5.1 million as of December 31, 2023.

Material Contractual Obligations

The following tables set forth information regarding the Bank's contractual obligations and commercial commitments as of December 31, 2025.

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
(in \$ millions)					
Deposits ⁽¹⁾	\$ 6,604	\$ 6,360	\$ 237	\$ 7	\$ 0
Securities sold under repurchase agreements ⁽²⁾	130	130	0	0	0
Short-term borrowings and debt ⁽²⁾	1,511	1,511	0	0	0
Medium-term borrowings and debt ⁽²⁾	2,490	420	2,008	52	10
Accrued interest payable	74	74	0	0	0
Future contractual interest payable, not yet accrued ⁽³⁾	356	73	262	15	6
Leasehold obligations	19	1	18	0	0
Total contractual obligations	\$ 11,184	\$ 8,569	\$ 2,525	\$ 74	\$ 16

⁽¹⁾ Gross of interest payable of \$36.1 million as of December 31, 2025.

⁽²⁾ Gross of transaction costs of \$7.7 million and interest payable of \$38.1 million as of December 31, 2025. Certain debt obligations are subject to covenants that could accelerate the payment of these obligations.

⁽³⁾ Consists of future interest payable on interest-bearing liabilities and their hedges, calculated on the basis of their respective interest rates as of December 31, 2025 for the days remaining to maturity. Some of these obligations have floating interest rates which could fluctuate in the future and hence change the value of interest payable accordingly.

Other Commercial Commitments	Amount of Commitment Expiration by Period				
	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
(in \$ millions)					
Letters of credit ⁽³⁾	\$ 402	\$ 402	\$ 0	\$ 0	\$ 0
Stand-by letters of credit	785	721	64	0	0
Guarantees	52	37	15	0	0
Other commercial commitments	764	333	397	34	0
Total Commercial Commitments	\$ 2,003	\$ 1,493	\$ 476	\$ 34	\$ 0

⁽³⁾ Includes customers' liabilities under acceptances outstanding (on-balance sheet assets) for a total amount of \$162 million as of December 31, 2025.

The covenants included in some of the Bank's liabilities contracts are standard market covenants. Bladex has been and expects to continue to be in compliance with regard to these covenants.

C. Research and Development, Patents and Licenses, etc.

Not applicable.

D. Trend Information

The following are the most important trends, uncertainties and events that the Bank's Management believes are likely to materially affect the Bank or that could cause the financial information disclosed herein not to be indicative of the Bank's future operating results or financial condition.

- The outlook is subject to several downside risks. These include financing and debt-related stress; disruptions from any pandemic, extreme weather events, natural disasters and geopolitical events. In the medium term, any failure to implement productivity-enhancing and other necessary reforms will hinder growth.
- The risk of a sharper-than-expected global economic slowdown, or a renewed global recession, continues to represent a significant downside risk for the Region. While global growth has shown signs of stabilization in certain advanced economies, demand from China has been structurally weaker than historical norms, reflecting ongoing challenges in its subdued domestic consumption and lower investment growth. These dynamics have contributed to renewed volatility in agricultural, metal and energy commodity prices since 2024.
- Commodity market uncertainty increased significantly during 2025 and most recently, driven by a combination of geopolitical tensions, supply chain disruptions and fluctuations in global demand, and is expected to remain elevated through 2026. In particular, volatility in energy prices, partly associated with geopolitical risks in the Middle East and key global trade routes, such as the Strait of Hormuz, has heightened uncertainty that terms of trade may deteriorate or become increasingly unstable in several countries in the Region.
- Unexpectedly persistent inflation and additional interest rate increases in advanced economies may result in a severe external financing shock. Further monetary tightening than assumed in the U. S., in particular, could precipitate a sudden acceleration of capital outflows. This could lead to widening borrowing spreads and depreciating currencies, or further depletion of reserves in countries intervening to stabilize exchange rates. Some large Regional economies, such as Colombia, currently have current account deficits, and could become vulnerable to shifts in market sentiment. Among smaller Latin America and the Caribbean economies, especially some in the Caribbean and Central America that are highly indebted, external financing needs appear large relative to GDP. Further tightening of global financial conditions could result in balance of payments stresses in these economies, which could trigger financial crises.
- The Bank's results may be affected by changes in global economic conditions, including the prices of oil and other commodities, the application of tariffs, the commencement or escalation of trade wars, uncertainties regarding U.S. policies affecting the dollar exchange rate, liquidity access, interest rates, slower economic growth in developed countries and trading partners, and the effect that these changes may have on the economic condition of countries in the Region, including the Region's foreign trade growth, and, therefore, the growth of the Bank's trade financing business.
- The Region may be impacted by weaker currencies against the United States dollar given concerns about continual rate increases. Any U.S. monetary tightening, in conjunction with rising inflation, could prompt many of the Region's central banks to tighten monetary policy. The resulting increased interest rates could lead to weaker asset quality because borrowers' repayment capacity might be reduced, which could likely lead to an increase in non-performing loans.
- Inflationary pressures in the United States and across the Region, which may call for an even faster withdrawal of monetary accommodation, the potential change in investor risk sentiment and associated tighter global and domestic financial conditions also represent major risks to the recovery. Any increase in long-term interest rates in the United States could restrict global financial conditions and put pressure on financial markets in emerging economies. Excess liquidity in international markets could be reversed in a disorderly way.
- There are vulnerabilities associated with an increase in the levels of public debt, in part derived from the fiscal stimulus granted in various countries and its impact on the sustainability of public finances.
- Possible distortions in the valuation of some financial assets could lead to an abrupt correction in their prices. As a result, capital flows to the Region could be significantly curtailed. A slowdown in capital flows could potentially destabilize exchange rates and the financing of current account balances, which may cause inflationary pressures and tighter monetary policies. A resulting economic slowdown or related political events in the Region could have a material adverse effect on the growth prospects in the Region, and on the Bank's asset quality and operations.

- Changes in risk perception in the markets in which the Bank operates could lead to increased or decreased competition, and impact the availability of U.S. dollar liquidity, which could affect spreads over the cost of funds on the Bank's Loan Portfolio and, consequently, impact the Bank's net interest spreads.
- The materialization of these risks could generate new episodes of volatility, greater risk aversion and tightening of global financial conditions, which in an environment of high indebtedness could translate into risks to financial stability in some of the most vulnerable economies.
- In view of a splintered political environment and upcoming elections in several countries in the Region, the economic policy trajectory is uncertain. Failure to reach political consensus on fiscal adjustment and the structural reform agenda could have detrimental impacts on growth through a deterioration of consumer, business, or investor sentiment.
- Disruptions related to extreme weather, related partly to climate change, and other natural disasters are a significant source of downside risk for the regional outlook, and for the lives and livelihoods of individuals. Island countries in the Caribbean, together with Central American countries and coastal areas elsewhere, face rising sea levels, more frequent extreme storms, coastal flooding and erosion in the future, while parts of South America, including agricultural areas, face rising risk of drought. In addition, a large swath of the Region is prone to earthquakes. Improving resilience to and preparation for climate-and weather-related events is critical in limiting their economic impact, especially in countries where vulnerability to climate change is elevated.

Year 2025

Bladex's profit for 2025 totaled \$226.9 million, or \$6.11 per share, compared to \$205.9 million, or \$5.60 per share for 2024. The \$21.0 million, or 10% increase in profits was primarily attributable to (i) the \$12.0 million, or 5% increase in net interest income, mainly resulting from the increase in average business volumes, disciplined pricing and a well-matched repricing profile, together with a strong deposit base allowing for an efficient cost of funds, offsetting the impact of margin compression from high U.S. dollar market liquidity and the impact of lower reference rates, (ii) the \$24.0 million, or 54% increase in total other income mainly derived from increased fees and commissions income of the Bank's core trade-finance and structuring activities. These results reflect an effective strategic execution and broader active client base through the continued addition of new clients, increased client engagement and higher transaction capacity, as the Bank's trade-finance platform is now fully operational and continuing its scaling phase. In addition, it also reflects increased fees generated by the Bank's loan syndication desk, supported by deeper client relationships and the selective expansion of the Bank's participation in project and infrastructure finance. These combined effects were partially offset by (i) a \$4.8 million, or 28% increase in impairment losses on financial instruments mainly associated with increased coverage on a client exposure classified at Stage 2 and a single exposure deterioration to Stage 3, resulting from the Bank's proactive credit assessment, which was partially offset by recoveries and credit quality improvement on country upgrades and scheduled repayments, and (ii) the \$10.1 million, or 13% increase in operating expenses mostly associated with ongoing investments in technology, modernization and other business initiatives related to the Bank's strategic priorities, including its associated operating costs and depreciation, and higher personnel numbers designed to strengthen execution capabilities, including higher variable compensation expenses aligned with full-year performance.

For the year ended December 31, 2025, the Bank's net interest income totaled \$271.2 million, compared to \$259.2 million during the year ended December 31, 2024. The \$12.0 million, or 5% increase in net interest income during 2025 was the result of the combined net effect of the \$32.6 million volume-driven increase in net interest income resulting from the increase in average business volumes and prudent liquidity levels, disciplined pricing and a well-matched repricing profile, together with a shift towards more reliance of deposits, which allow for an efficient cost of funds, offsetting the \$20.6 million rate-driven decrease in net interest income, mainly attributable to the impact of reductions in the U.S. dollar market rates and added pressure from margin compression from high U.S. dollar market liquidity.

During the year ended December 31, 2025, fees and commissions totaled \$59.0 million, compared to \$44.4 million for the year ended December 31, 2024. The \$14.6 million, or 33% increase in fees and commissions was mainly attributable to: (i) the \$7.5 million, or 73% year-over-year increase in the Bank's transaction-based structuring and syndication business as the Bank's participation in project and infrastructure finance continues to expand, resulting in the closure of thirteen mandated structured transactions during 2025, in a total principal amount of \$4,949 million, compared to twelve transactions closed during 2024, in a total principal amount of \$2,563 million, (ii) the \$5.3 million, or 20% year-over-year increase in commissions from the Bank's letter of credit business, due to strong client engagement, a broader active client base and higher transaction capacity, as the Bank's trade-finance platform is now fully operational, and (iii) the \$3.9 million, or 50% year-over-year increase in commissions from credit commitments. Other fees and commissions are mostly comprised of prepayments, net of fees and commissions expenses.

Return on average total equity (“ROAE”), calculated as profit for the year divided by average total equity, stood at 15.4% for 2025, compared to 16.2% for 2024, fostered by a 10% increase in profits for the year as a result of continued business growth, strengthened revenue generation and disciplined credit-risk and cost management offsetting the impact of interest rate cuts implemented by the Federal Reserve Bank of New York since 2024. Excluding the effect of the AT1 Note Issuance completed in late September 2025, the ROAE totaled 15.8% for 2025.

As of December 31, 2025, the Bank’s Tier 1 capital ratio calculated according to Basel III capital adequacy guidelines (utilizing IRB approach for credit risk) stood at 17.4%, compared to 15.5% as of December 31, 2024. The 2025 Asset to Equity ratio decreased to 7.6x, compared to 8.9x in 2024. In addition, as of December 31, 2025, and 2024, the Bank’s Capital Adequacy Ratio increased to 15.5%, compared to 13.6%, respectively. and the Bank’s regulatory Ordinary Capital Index, was 12.2%, compared to 12.1%, respectively, calculated according to the guidelines of the Superintendent of Banks.

The Bank’s 2025 efficiency ratio resulted in 26.7%, compared to 26.5% for 2024, as the 12% increase in total revenues compensated the 13% increase in operating expenses mostly associated with ongoing investments in technology, modernization and other business initiatives related to the Bank’s strategic priorities, including its associated operating costs and depreciation, and higher personnel to strengthen execution capabilities, including higher variable compensation expenses aligned with full-year performance. The Bank’s operating expenses to average assets ratio stood at 75 basis points in 2025, compared to 73 basis points in 2024.

The weighted average funding cost for the year ended December 31, 2025 was 4.93%, compared to 5.61% for the year ended December 31, 2024, a decrease of 69 basis points, attributable to higher reliance on deposits, preserving margin discipline and funding stability, and the effect of lower U.S. dollar market-based interest rates.

Year 2024

Bladex’s profit for 2024 totaled \$205.9 million, or \$5.60 per share, compared to \$166.2 million, or \$4.55 per share for 2023. The \$39.7 million, or 24% increase in profits was primarily attributable to (i) the \$26.0 million, or 11% increase in net interest income, mainly resulting from the improvement of lending spreads, the positive impact of higher average market rates during the first half of the year and increased average credit balances, (ii) the \$11.5 million, or 35% increase in total other income mainly derived from increased fees and commissions income from each of the Bank’s business lines, stemming from the continued addition of new clients, increased transactions and the capture of profitable transactional opportunities, and (iii) a \$10.2 million, or 37% decrease in impairment losses on financial instruments, mostly related to individually assessed credit provisions on certain written-off financial instruments allocated in 2023. These combined effects were partially offset by (i) a \$8.0 million, or 11% increase in operating expenses mostly associated with increased headcount aimed at enhancing business volumes and strengthening the Bank’s strategy execution capabilities, and other expenses resulting from ongoing investments in technology and business initiatives related to strategy execution.

For the year ended December 31, 2024, the Bank’s net interest income totaled \$259.2 million, compared to \$233.2 million during the year ended December 31, 2023. The \$26.0 million, or 11% increase in net interest income during 2024 was the result of the combined effect of the increase in the average balances of productive assets in both the Bank’s Loan Portfolio and Investment Portfolio, that resulted in a net volume increase of \$938 million in 2024 when compared to 2023, which positively impacted net interest income by \$31 million year-on-year. This increase was also a result of the enhancement of lending spreads and the impact of higher average market rates during the first half of the year.

During the year ended December 31, 2024, fees and commissions totaled \$44.4 million, compared to \$32.5 million for the year ended December 31, 2023. The \$11.9 million, or 37% increase in fees and commissions was mainly attributable to: (i) a \$5.1 million, or 24% year-over-year increase in commissions from the Bank’s letter of credit business, due to increased transactions stemming from higher economic activity and increased trade flows in Latin America, (ii) the \$2.8 million, or 38% year-over-year increase in the Bank’s transaction-based structuring and syndication business, as the Bank was able to close twelve mandated structured transactions during 2024, in a total principal amount of \$2,563 million, compared to four transactions closed during 2023, in a total principal amount of \$1,805 million, and (iii) the \$3.0 million, or 65% year-over-year increase in commissions from credit commitments. Other commissions, net are mostly comprised of prepayments, net of fees and commission expenses.

Return on average total equity or ROAE, calculated as profit for the year divided by average total equity, stood at 16.2% for 2024, compared to 14.7% for 2023, fostered by a 24% increase in profits for the year and strong recurrent operating results. As of December 31, 2024, the Bank’s Tier 1 capital ratio calculated according to Basel III capital adequacy guidelines (utilizing IRB approach for credit risk) stood at 15.5%, compared to 15.4% as of December 31, 2023. The 2024 Asset to

Equity ratio remained stable at 8.9x, the same as in 2023. In addition, as of December 31, 2024, and 2023, the Bank’s Capital Adequacy Ratio, calculated according to the guidelines of the Superintendency of Banks, remained consistent at 13.6%.

The Bank’s 2024 efficiency ratio improved to 26.5%, compared to 27.2% for 2023, as the 14% increase in total revenues more than offset higher operating expenses. The Bank’s 11% increase in operating expenses were mostly associated with higher personnel expenses from increased headcount aimed at enhancing business volumes and strengthening the Bank’s strategy execution capabilities, and other expenses resulting from ongoing investments in technology and business initiatives related to strategy execution. The Bank’s operating expenses to average assets ratio stood at 73 basis points in 2024, compared to 74 basis points in 2023.

The weighted average funding cost for the year ended December 31, 2024 was 5.61%, compared to 5.30% for the year ended December 31, 2023, an increase of 31 basis points, attributable to the impact of higher market rates during the first half of the year.

E. Critical Accounting Estimates

The Bank prepares its Financial Statements in conformity with IFRS Accounting Standards.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following items mostly measured on a fair value basis: (i) securities and other financial instruments at FVOCI and FVTPL, (ii) financial assets and financial liabilities designated as hedged items in qualifying fair value hedging relationships, (iii) investment property, and (iv) share-based payments. The carrying values of recognized financial assets and financial liabilities that are designated as hedged items in qualifying fair value hedging relationships are measured at amortized cost adjusted for the hedge risk components associated with the hedging relationship.

The preparation of the Financial Statements requires Management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the reporting date of the Financial Statements and the reported amounts of revenues and expenses during the year. Significant estimates that are particularly susceptible to significant changes relate to the determination of the allowances for expected credit losses, impairment of securities, and the fair value of financial instruments. Actual results could differ from those estimates if conditions or underlying circumstances were to change.

See Item 18, “Financial Statements,” note 3.21 “Judgments, estimates and significant accounting assumptions” for a related discussion on the Bank’s critical accounting estimates. Additionally, the following significant accounting policies that involve critical accounting estimates can be found on:

- Allowances for losses on financial instruments and measurement of expected credit losses (See Item 18, “Financial Statements,” notes 3.4, 5, and 6)
- Fair value of financial instruments and its measurement (See Item 18, “Financial Statements,” notes 3.4, 7, and 13)
- Business model assessment (See Item 18, “Financial Statements,” note 3.4).

Item 6. Directors, Executive Officers and Employees

A. Directors and Executive Officers

Directors

The following table and biographies set forth certain information concerning the Directors of the Bank as of the date hereof, including information with respect to each Director’s current position with the Bank and other institutions, class of shares which such Director represents, country of citizenship, the year that each Director’s term expires, and age.

Name	Country of Citizenship	Position Held with The Bank	Year Term Expires	Director Since	Age
CLASS A					
Daniel Tillard President Banco de la Nación de Argentina	Argentina	Director	2026	2024	68

Name	Country of Citizenship	Position Held with The Bank	Year Term Expires	Director Since	Age
José Alberto Garzón Gaitán Legal Vice President and General Secretary Banco de Comercio Exterior de Colombia	Colombia	Director	2026	2017	55
Tarciana Gomes Medeiros Executive President Banco do Brasil	Brazil	Director	2028	2024	47
CLASS E					
Angelica Ruiz Celis Regional President LATAM and President Mexico BP Group	Mexico	Director	2028	2023	52
Mario Covo Founding Partner DanaMar LLC	United States	Director	2026	1999	68
Miguel Heras Founder and Managing Partner MKH Capital Partners	Panama	Chairman of the Board	2027	2015	57
Ricardo Manuel Arango Partner Arias, Fábrega & Fábrega	Panama	Director	2028	2016	65
Roland Holst Board Member Sudameris Bank	Paraguay	Director	2028	2017	56
ALL CLASSES OF COMMON STOCK ⁽¹⁾					
Alexandra Aguirre Partner Holland & Knight LLP in Miami, FL	United States	Director	2027	2020	49
Isela Costantini Chief Executive Officer GST Financial Services in Argentina	Argentina	Director	2027	2019	54

⁽¹⁾ Denotes class(es) of common stock of the Bank that elect the directors listed.

Daniel Tillard, Member of the Board of Directors since September 2024. Mr. Tillard served as President of Banco de la Nación Argentina from 2023 to 2025. During two consecutive presidential terms (2015-2019 and 2019-2023), he was President of Banco de la Provincia de Córdoba; Director of Banco Provincia de Buenos Aires (2007-2015); President of Provincia Bursátil S.A. (2007-2015); Director of Red Link (2007-2015); and Alternate Director of SEDESA Seguros de Depósitos S.A. (2007-2015). Mr. Tillard holds a degree in Economics from the National University of Córdoba, Argentina. He completed the IX Inter-American Course on Capital Market Development (IBMEC Instituto Brasileiro de Mercado de Capitais – 1984) and the Senior Management Program (IAE Universidad Austral – 2010). His professional training includes specialties in Economics, Finance, and Administration; and he has experience and expertise in the Management of Financial Institutions, Capital Markets, and Fiduciary Businesses. Mr. Tillard’s professional experience in the banking industry distinguishes him as a valuable member of the Board of Directors.

José Alberto Garzón has served as a Director of the Board since 2017. Mr. Garzón has served as Legal Vice President and General Secretary of Banco de Comercio Exterior de Colombia S.A. (Bancoldex) in Colombia since 2003, Administrative Vice President from 2016 to 2017 and in various other capacities in Bancoldex since 1995, holding the positions of Director of the Legal Department and Attorney in the Legal Department. Mr. Garzón chairs the Board of Directors of the Colombian Institute of Corporate Governance and chairs the Rediscount Entities and Public Banking Committee of the Colombian Banking and Financial Entities Association – Asobancaria since 2021, and has served as a member of the Board of Directors of Fiduciaria Colombiana de Comercio Exterior S.A. (Fiducoldex) in Colombia since 2016, Leasing Bancoldex S.A. Compañía de Financiamiento in Colombia since 2015 and Segurexpo de Colombia, S.A. Aseguradora de Crédito, Colombia since 2000. Previously Mr. Garzón was an Attorney at Legis Editores in Colombia and General Manager of Servibolsa Ltda. Servicios Inmobiliarios in Colombia. Mr. Garzón was a Professor of Credit Insurance in the Insurance Law Program at Pontificia Universidad Javeriana in Colombia and History of Political Ideas and Insurance at Fundación Universitaria Jorge

Tadeo Lozano in Colombia. Mr. Garzón holds a Law degree and a Master's degree in Financial Law from Universidad del Rosario in Colombia. Mr. Garzón also holds a Master's degrees in Commercial Law and Project Finance Studies from Universidad de Los Andes in Colombia and Insurance Law from Pontificia Universidad Javeriana in Colombia. Mr. Garzón is a graduate of Transformative Business Leadership at Centro de Liderazgo y Gestión and of Leading Economic Growth at Harvard's Kennedy School. Mr. Garzón's first-hand experience and vast knowledge of administrative, legal risk and regulatory matters relating to the banking industry and, in particular, trade finance qualifies him to serve on the Board.

Tarciana Gomes Medeiros, Member of the Board of Directors since April 2024. Ms. Medeiros is CEO and member of the Board of Directors of Banco do Brasil since 2023 and is currently a member of the Board of Directors of Brasilprev Seguros e Previdência S.A. (a private pension and insurance company), Elo Participações, Brazilian Federation of Banking Associations (FEBRABAN) and Fundação Banco do Brasil. Ms. Medeiros held various positions at Banco do Brasil since 2000, including Executive Manager of Loans Solutions for Individuals, Head of the Commercial Superintendency of BB Seguros and Executive Manager of Customer Service in the Office of Retail Business. Ms. Medeiros holds a bachelor's degree in Business Administration from Faculdade AIEC, a Postgraduate degree in Business and Marketing from ESAB, an MBA in BI and Analytics from USP/Esalq, an MBA in Management and Business in Marketing and an MBA in Leadership, Innovation and Management both from PUC-RS Universidad Pontificia and participated in various management and leadership programs at Banco do Brasil. Ms. Medeiros' professional experience in the banking industry and on boards of directors qualifies her to serve on the Board of Directors.

Angelica Ruiz Celis, Member of the Board since March 2023, is Senior Vice President at BP since 2020 and was Head of Country for Mexico at BP from 2018 to 2020. Ms. Ruiz has served as Vice President Managing Director LATAM for Vestas, Strategy and Commercial Director, Chief Financial Officer and Business Services Director at Petrofac Integrated Energy Services, Mexico. Previously Ms. Ruiz was General Manager-MD, Commercial and Business Development Global Manager and Strategy and Planning Manager at Grupo Mexicana de Servicios Subacuáticos S.A. de C.V., Strategy and Transformation, Outsourcing and Project Manager at CAP Gemini Ernst & Young. Ms. Ruiz has been recognized as one of the 100 Most Influential Women in Mexico by Forbes in 2021, Most Influential Leaders in LATAM by Bloomberg in 2021 and Leaders in Energy by Petroleum and Energy Ranking in 2018. Ms. Ruiz is a graduate of London Business School, Executive Education-Leadership, holds a specialized Oil & Gas Education at University of Texas, Austin, and a Master's in Business Administration (MBA) Operations Management and Supervision at Instituto Panamericano en Alta Dirección (IPADE). Also Ms. Ruiz holds a Master of Business Administration (MBA) at Richard Ivey School of Business at University of Western Ontario, Canada, a B.A. in Economics at Instituto Tecnológico Autónomo de México, and a Bachelor of Arts (B.A.) in Mathematics at Boston University. Ms. Ruiz's leadership skills and regional experience in more than eight Latin American countries in various executive roles including the energy industry, strategy, operations and commercial with a global focus, qualify her to serve in the Board.

Mario Covo has served as a Director of the Board since 1999. Dr. Covo is a Founding Partner of DanaMar LLC in New York, a financial consulting firm established in 2013, and of Larch Lane Partners, an investment advisory firm established in 2019. Dr. Covo was a Founding Partner of Helios Advisors LLC, a Founding Partner of Finaccess International, Inc. and a Founding Partner of Columbus Advisors. Dr. Covo worked at Merrill Lynch, where he was Managing Director Head of Emerging Markets-Capital Markets. Prior to working for Merrill Lynch, Dr. Covo worked at Bankers Trust Company of New York as Vice President in the Latin American Merchant Banking Group, focusing on corporate finance and debt-for-equity swaps. Prior to that Dr. Covo was an International Economist for Chase Econometrics, focusing primarily on Latin America. Dr. Covo holds a Ph.D. in Economics from Rice University and a B.A. with honors from Instituto Tecnológico Autónomo de México. Dr. Covo's extensive background and experience in the financial services industry, and his exposure to the markets in which the Bank operates qualify him to serve on the Board.

Miguel Heras has served as a Director of the Board since 2015 and as Chairman of the Board in 2019. Mr. Heras is the Founder and Managing Partner of MKH Capital Partners, a private equity firm based in Florida, U.S.A. Since 1999, he has served as Managing Director and as a member of the Board of Directors of Inversiones Bahía, Ltd. in Panama, the largest investment group in Central America, focusing on the financial, infrastructure, energy, real estate, and communications markets. Effective January 1, 2026, Mr. Heras serves as a Member of the Board of Directors of Grupo Argos, a leading Colombian infrastructure holding company operating across the Americas, with core businesses in cement and concrete, renewable energy, road and airport concessions. Mr. Heras currently serves on the boards of Able Kids, All Together Autism, Wax Center Partners, Copa Colombia, Televisora Nacional and Bahía Motors. He is also a member of The Wharton School of the University of Pennsylvania Executive Board for Latin America. He obtained extensive knowledge and experience in the banking industry while serving as a member of the Board of Directors and Asset-Liability Committee (ALCO) of Banco Continental de Panama for more than five years. Mr. Heras structured the acquisition of several companies and banking institutions, and in 2007 led the negotiation for the integration of the banking businesses of Banco Continental de Panamá and Banco General, which converted Banco General into one of the largest banks in Central America. In addition, Mr. Heras was

also a founder and former Vice President of the Board of the Panama Food Bank Foundation, member of the Board of Directors of Amnet Telecommunications Holdings, Clean Streak Ventures, Cable and Wireless (Panama) Inc. and the Panamanian Stock Exchange. Mr. Heras was Minister of the Treasury of the Republic of Panama from 1996 to 1998, and President of the Council on Foreign Trade from 1996 to 1998. He served as Vice Minister of the Treasury from 1994 to 1996. Mr. Heras holds a Bachelor of Science in Economics from the Wharton School of the University of Pennsylvania. Mr. Heras' professional expertise in economics, finance and private equity, executive management leadership and his experience as a board member of different companies qualifies him to serve on the Board.

Ricardo Manuel Arango has served as a Director of the Board since 2016. Mr. Arango is Senior Partner of the law firm of Arias, Fábrega & Fábrega in Panama. Since 2004, Mr. Arango has held several leadership positions in the firm, contributing to shape the organization into a leading Latin-American law firm. Mr. Arango has served as a member of the Board of Directors and audit and compliance committees of Banco General since 2012. Mr. Arango served as a member of the Board of Directors of the Panama Canal Authority and as Chairman of its Audit and Governance and Finance and Strategy committees, and member of the Board of Directors of Corporación La Prensa and as Chairman of its Editorial Committee. He also served as a member of the Board of Directors of the Panama Stock Exchange and as its Chairman. Mr. Arango worked as Associate at White & Case in New York, and worked as an associate with Arias, Fábrega & Fábrega in Panama, becoming a partner of the firm in 1995. Mr. Arango's professional practice focuses on finance, capital markets, banking regulations, corporate governance and compliance, and mergers and acquisitions. During his career, Mr. Arango has acted as lead counsel in some of the largest and most complex financial transactions and acquisitions in Panama and Central America. From 1998 to 1999, Mr. Arango headed the Presidential Commission that drafted Panama's current Securities Act. Mr. Arango is admitted to practice law in New York and Panama. Mr. Arango holds a Bachelor's degree in Law and Political Science from the University of Panama, a Master of Laws degree from Harvard Law School and a Master of Laws degree from Yale Law School. Mr. Arango's strong knowledge of the regulatory frameworks under which the Bank operates; skills in managing legal, compliance, operational and credit risks of the banking industry; diversified perspective based on his combined legal/business acumen; in-depth understanding of the Bank's business and operations; and experience as a board member for different companies, qualify him to serve on the Board.

Roland Holst, Member of the Board since 2017, was Treasurer and Member Ex-Officio of the Board from May 2017 to October 2017 and was previously a board member from 2014 to 2017. Dr. Holst is a board member of Sudameris Bank, Paraguay since 2017 and served as a member of the board of Banco Central del Paraguay from 2012 to 2017. Previously, Dr. Holst was a director of the Securities Depository of Paraguay and Chairman of Sudameris Asset Management in Paraguay. Dr. Holst was Head of Fixed Income Research at State Street Global Markets in Boston, Massachusetts and Quantitative Analyst at Starmine Corp. in San Francisco, California. He was a Teaching Assistant of Econometrics, Public Finance, Finance, Program Evaluation, Macroeconomics and Labor Economics at the University of Chicago. Dr. Holst worked at Garantia PFP, a pension fund, as an Investment Manager and was General Manager of Bolsa de Valores de Asunción, Paraguay. He is the author of "Social Security and Policy Risk: Evidence of its effects on welfare costs and savings" published in 2007. Dr. Holst holds a Ph.D. in Public Policy and a Master in Economics from the University of Chicago. He also holds a Master in Economics from Universidad Católica de Asunción, Paraguay, degrees in Economics and Agronomy from Universidad Nacional de Asunción, Paraguay and a Financial Risk Manager (FRM) certification. Mr. Holst's professional experience in the fields of finance and economics and his academic accomplishments qualify him to serve on the Board.

Alexandra Aguirre has served as a Director of the Board since 2020. Ms. Aguirre is a partner at Holland and Knight LLP, Miami, Florida since June 2022. Ms. Aguirre was previously a partner at Morrison & Foerster, LLP from 2019 to 2022. Ms. Aguirre has served as member of the board of trustees of the Pan American Development Foundation since 2015, and also a member of the Board of Directors of the Women Lawyer's Interest Group of the International Bar Association since 2019. Previously, Ms. Aguirre was a shareholder of Greenberg Traurig, LLP, member of the Presidential Advisory Council (PAC) of the INCAE Business School, and an associate at Hunton & Williams LLP. Ms. Aguirre has been listed for Latin America's Top 100 Lawyers (Latinvex 2019-2025), and has received numerous recognitions, including "40 under 40" by The M&A Advisor 2015, and the Florida Super Lawyers Rising Star (Super Lawyers Magazine 2009). She was also a finalist to receive the Top Dealmaker of the Year Award, in the Corporate Category by Daily Business Review in 2012 and recipient of the 2008 Latin Lawyers Magazine M&A Deal of the Year award. Ms. Aguirre holds a Bachelor's Degree in Marketing and Entrepreneurial from Babson College and a Juris Doctor from Northeastern University School of Law. Ms. Aguirre is qualified to practice law in the states of Florida and New York, as well as the District of Columbia. Ms. Aguirre's professional expertise in corporate finance law, corporate governance, and cross-border financing transactions in Latin America and the United States, and her experience as a member of the Board of Directors of different entities, qualify her to serve on the Board of Directors.

Isela Costantini has served as a Director of the Board since 2019. Ms. Costantini is Chief Executive Officer of GST Financial Services in Argentina. Ms. Costantini is a member of the boards of Barrick Gold Corporation, Barrick Gold International Advisory Board, and Prosegur S.A. In addition, Ms. Costantini is a counsel member of CIPPEC (Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento). Ms. Costantini has previously served as President and Chief Executive Officer of Aerolíneas Argentinas and former member of the board of San Miguel S.A., Food Bank of Argentina, and IRSA, S.A. Previously, Ms. Costantini held multiple positions at General Motors, where she began working in 1998 and became President of the company for Argentina, Paraguay and Uruguay. Ms. Costantini holds a Social Communications Degree, with a Major in Advertising from Pontificia Universidade Católica do Paraná (PUC-PR), Brazil and an MBA, with specialization in Marketing and International Business from Loyola University in Chicago. Ms. Costantini professional expertise in restructuring, cultural transformation, marketing and communications, and experience as a board member and in leadership roles in different entities, qualify her to serve on the Board.

See Item 10, “Additional Information – Memorandum and Articles of Association” for a description of the shareholders’ voting rights with respect to the election of directors.

Executive Officers

The following table and biographies set forth the names of the executive officers of the Bank, their respective positions at the date hereof and positions held by them with the Bank and other entities in prior years:

Name	Position Held with the Bank	Country of Citizenship	Age
Jorge Salas	Chief Executive Officer	Spain	55
Samuel Canineu	Executive Vice President Chief Commercial Officer	Brazil	44
Annette van Hoorde de Solis	Executive Vice President Chief Financial Officer	Panama	54
Eduardo Vivone	Executive Vice President Treasury and Capital Markets	Argentina	61
Alejandro Tizzoni	Executive Vice President Chief Risk Officer	Argentina	49
Olazhir Ledezma	Executive Vice President Strategic Planning	Peru	54
Jorge Luis Real	Executive Vice President Chief Legal Officer and Secretary of the Board of Directors	Panama	53
Adriana Lizzeth Díaz	Executive Vice President Chief Audit Officer	Colombia	42
Carlos Daniel Raad	Executive Vice President Chief Investor Relations Officer	Colombia	45
Tatiana Calzada	Executive Vice President Chief Compliance Officer	Panama	55
Geraldine Abreu	Executive Vice President Technology & Operations Chief Technology Officer	Venezuela	59

Jorge Salas has been the Chief Executive Officer of the Bank since March 9, 2020. Before joining Bladex, Mr. Salas served as President and Chief Executive Officer of Banesco USA, in Coral Gables Florida for five years, and previously worked in various capacities in the Banesco Financial group since 2000, including as President and Chief Executive Officer of Banesco Panama from 2008 to 2014. Mr. Salas holds a Degree in Business Administration (Banking and Finance) from Universidad Metropolitana, in Caracas, Venezuela, a Diploma for Specialization in Economics from the University of Colorado at Boulder, as well as a Master’s Degree in Public Policy and an MBA both from the University of Chicago.

Samuel Canineu has served as Executive Vice President – Chief Commercial Officer since August 2021. From 2003 to 2020, he held various positions at ING Group in the Americas, including CEO of ING in Brazil, Managing Director & Head of Syndications Latin America (New York), and Vice President of Leveraged Finance (New York). In 2021, he served as Chief Country Officer at Greensill, São Paulo, Brazil. Mr. Canineu holds a Bachelor’s Degree in Business Administration from Fundação Getúlio Vargas in Brazil and a Master’s Degree in Business Administration from Columbia University in New York (graduating in the top 5% of his class).

Annette van Hoorde de Solís, was appointed as Executive Vice President, Chief Financial Officer or CFO of the Bank starting April 25, 2025. Prior to her appointment as CFO, Mrs van Hoorde de Solis served as Senior Vice President of Asset & Liability Management, where she led the development and execution of funding and liquidity strategies, expanded the Bank’s access to international capital markets, and ensured alignment with evolving regulatory requirements. Mrs. van

Hoorde de Solís joined Bladex in 2005, as Business Manager for the Asset Management Division, where she worked through 2012. Mrs. van Hoorde de Solís has an extensive background in the banking industry as well as in the Project Management field, with over 20 years of experience in asset and liability management, funding strategy and capital markets execution. As a Project Manager, Mrs. van Hoorde de Solís worked for different consulting firms in the United States from 1994 to 2001. After moving back to Panama, Mrs. van Hoorde de Solís had different managerial positions in the banking industry. Mrs. van Hoorde de Solís earned her M.S. in Industrial and Systems Engineering from Virginia Polytechnic and State University.

Eduardo Vivone was appointed Executive Vice President, Treasury and Capital Markets, in February 2018, and has served as Senior Vice President and Head of Treasury, since September 2013. He also served as Senior Vice President, Funding, from April through August 2013. Prior to joining the Bank, Mr. Vivone held several senior leadership roles at HSBC across multiple regions. He served as Head of Global Markets for HSBC Bank Panama from 2010 to 2012, Regional Sector Head, Government Sector – Global Banking, Americas for HSBC Securities in New York from 2007 to 2010, and Head of Treasury for HSBC Bank, Spain from 2003 to 2007. Earlier in his career, Mr. Vivone served as Head of Balance Sheet Management and Forward Foreign Exchange for HSBC Bank, Argentina from 1998 to 2003. He began his professional career at Banco Roberts in Buenos Aires, where he served in diverse capacities for Banco Roberts, Buenos Aires from 1990 to 1998, including his final two years as Head of Financial Planning. Mr. Vivone is a Certified Public Accountant and holds a Master's Degree in Finance from the University of CEMA, in Buenos Aires, Argentina, and a Bachelor's degree in Accounting from the Universidad de Buenos Aires, Argentina.

Alejandro Tizzoni has served as Executive Vice President - Chief Risk Officer of the Bank since May 2016. Mr. Tizzoni joined the Bank in 2006 and has held a series of progressively senior positions within the Risk Management Department since 2006, as Senior Vice President from 2012 to 2016, Vice President from 2008 to 2012 and Senior Analyst from 2006 to 2008. Prior to joining the Bank, Mr. Tizzoni served in different capacities in the credit risk in the banking sector and the international private industry in Argentina and Chile from 1997 to 2006. Mr. Tizzoni is a FIBA Anti-Money Laundering Certified Associate (AMLCA) by Florida International University. He has completed the C-Suite Pathway Program jointly delivered by IESE and NYU Stern, as well as a completed the C-Suite Pathway Program jointly delivered by IESE and NYU Stern, and fintech program by Saïd Business School, University of Oxford. Mr. Tizzoni holds a Master's Degree in Enterprise Risk Management from the NYU Stern School of Business, an MBA from the University of Louisville, and a Bachelor's Degree in Business Administration and a Certified Public Accountant, both from the Universidad de Buenos Aires in Argentina.

Olazhir Ledezma has served as Executive Vice President – Strategic Planning since July 2021. From 2014 to 2021, he served as Director of Partners in Performance, where he drove the efficiency and operational transformation of complex organizations. Previously, he was Vice President – Commercial Planning at Belcorp, Lima, Peru, from 2012 to 2014. Before this experience, he was a Partner at McKinsey & Co. for 14 years, and Brand Manager at Heinz from 1994 to 1996. Mr. Ledezma graduated as Mechanical Engineer from Universidad Simón Bolívar in Caracas, Venezuela, and holds two Master's Degrees, one in Business Administration (MBA) and another in Manufacturing Engineering, from the University of Michigan (U.S.A.).

Jorge Luis Real has served as Executive Vice President, Chief Legal Officer and Corporate Secretary since February 2018. He previously served as Senior Vice President, Chief Legal Officer of the Bank from 2016 to 2018 and was appointed Secretary of the Board of Directors in April of 2016. He previously served as Head of Legal Risk of the Bank from 2014 to 2016. Before joining the Bank, he was Coordinator of Latin American Legal Affairs at BNP Paribas, New York from 2010 to 2014, Head of Legal Department at BNP Paribas Panama from 2005 to 2010, Head of Legal Department Panama Group of BBVA from 2000 to 2005 and Lawyer at Mauad & Mauad in Panama in 2000. Mr. Real has a Law and Political Science degree from Universidad Católica Santa María La Antigua in Panama, and holds a Master's Degree in Commercial and Corporate Law from Université Panthéon-Assas (Paris II) in France. He was admitted to practice law in Panama by the Panamanian Supreme Court of Justice in 1998. Mr. Real is also a Florida International Bankers Association (FIBA) Anti-Money Laundering Certified Associate (AMLCA), certified by the Florida International University. Mr. Real is a member of the Legal Affairs Committee of the Panama Banking Association, Director of the Corporate Governance Institute of Panama since 2023 and was appointed Director of the International Chamber of Commerce of Panama in 2024.

Adriana Lizzeth Díaz has served as Executive Vice President, Chief Audit Officer since June 2021. Previously, Ms. Díaz served as Vice President of Audit in Multibank Panama from 2020 to 2021. From 2012 to 2019, Ms. Díaz held positions in the Audit departments of several companies from Grupo Aval Colombia, including Banco de Occidente and Fiduciaria de Occidente. From 2002 to 2012, Ms. Díaz held several management positions at Deloitte Colombia. Ms. Díaz is a Certified Public Accountant with a Degree in Accounting from Universidad La Gran Colombia, and holds a Master's Degree in Business Administration and a Specialization in Financial Management, all from Universidad de Los Andes, Colombia.

Carlos Daniel Raad has served as Executive Vice President, Chief Investor Relations Officer since June 2022. Previously, he developed his career at Bancolombia where he held various positions starting as Senior Trader from 2005 to 2014, Manager of Structured Operations from 2014 to 2020, and his former position was Director of Investor Relations (IRO) from 2020 to 2022. Mr. Raad holds a Degree in Industrial Engineering with a Master's Degree in Business Administration, both from Universidad de Los Andes, Colombia; and graduated from the International MBA Exchange Program at IE Business School, Madrid, Spain.

Tatiana Calzada has served as Executive Vice President - Chief Compliance Officer since December 2023. Before joining the Bank, she served in Citibank, N.A. (Panama Branch) as Director- Anti Money Laundering Cluster Head for Caribbean and Central America from January 2023 to December 2023, Senior Vice-President Anti Money Laundering Cluster Head for Caribbean and Central America from 2021 to 2023, Senior Vice-President Panama Anti Money Laundering Head and Central America Anti Money Laundering Cluster Head from 2018 to 2021, Senior Vice- President Anti Money Laundering Compliance Risk Management Latin America Financial Institutions Head and Anti Money Laundering Caribbean Cluster Head from 2016 to 2018, Senior Vice-President Panama Country Compliance Head from 2012 to 2016. Prior to serving in Citibank, Mrs. Calzada served as Chief Legal Counsel for the Bank from 1997 to 2012 and Lawyer at Patton, Moreno & Asvat in Panama from 1995 to 1996. Ms. Calzada has a Law and Political Science degree from Universidad Católica Santa María La Antigua in Panama, and a Master's Degree in International Law, Trade and Finance from Tulane University. Ms. Calzada was admitted to practice law in Panama by the Panamanian Supreme Court of Justice in 1994. Mrs. Calzada is also a Certified Professional in Anti Money Laundering (CPAML) by the Financial and International Business Association (FIBA), certified by the Florida International University since 2013 and is a Certified Public Translator (Spanish-English and vice versa) in Panama since 1992.

Geraldine Abreu was appointed as Executive Vice President - Technology & Operations (Chief Technology Officer) in September 2024, after a career of more than 25 years leading technological transformations in various companies in Latin American financial sector, with a recognized track record as a senior IT executive at Banesco, Credicard Consortium, Banco Plaza in Venezuela and Iuvity, where she contributed to the implementation of high-impact initiatives for important financial institutions in Colombia, including Davivienda, Bancolombia and HelmBank in the United States. Additionally, Ms. Abreu has extensive experience in Digital Channels, Payment Methods, as well as in the Management of Highly Complex Projects. Ms. Abreu holds a degree in Computer Science from the Universidad Central de Venezuela, a degree in Project Management from the Universidad Católica Andrés Bello. Also, she has Advanced Management Studies from the Institute of Higher Administration Studies (IESA) and at the Massachusetts Institute of Technology (MIT). Ms. Abreu holds a degree in Computer Science from the Central University of Venezuela, a degree in Project Management from the Andrés Bello Catholic University, and Advanced Management Studies from the Institute of Higher Administration Studies (IESA) and at the Massachusetts Institute of Technology (MIT).

B. Compensation

Compensation of Executive Officers and Directors

The Nomination, Compensation and Operations Committee has reviewed and discussed the below “Compensation of Executive Officers and Directors” section with the Bank’s management, and based on this review and discussion, the Nomination, Compensation and Operations Committee recommended to the Board that the following “Compensation of Executive Officers and Directors” discussion be included in the Bank’s Proxy Statement for the Annual Shareholders’ Meeting to be held on April 21, 2026 (commonly referred to as the “say on pay” proposal).

Compensation Consultant

The Nomination, Compensation and Operations Committee has authority to retain compensation consulting firms to assist it in the evaluation of executive officer and employee compensation and benefit programs. In 2025, the Nomination, Compensation and Operations Committee retained a specialized consultant to review the Bank’s Salary Compensation scheme.

Executive Officers Compensation

In addition to a fixed base salary, and in order to incentivize the alignment and collaboration of all areas of the Bank, the Bank pays to its executive officers’ variable compensation on an annual basis, based on the extent to which each officer meets certain individual and corporate objectives which are defined by the Board of Directors. This variable compensation is paid in both cash and in stock options and/or restricted stocks.

During the fiscal year ended December 31, 2025, the aggregate amount of variable cash compensation paid by the Bank to its current executive officers for their services was \$1,695,694.

In February 2008, the Board approved the 2008 Stock Incentive Plan (as amended, the “2008 Plan”), which allows the Bank, from time to time, to grant restricted shares, restricted stock units, stock options and/or other stock-based awards to the directors, executive officers and non-executive employees of the Bank. This plan was revised in October 2015 and amended and restated as the 2015 Stock Incentive Plan (“2015 Plan”).

On February 25, 2025, the Bank granted to current executive officers an aggregate of 82,939 restricted stocks corresponding to 2024 performance. These restricted stocks vest 25% of the amount granted per year, with the first vesting on March 25, 2025, one month after the grant date, and the subsequent vesting on each anniversary of the grant date. As of December 31, 2025, the compensation cost charged against the Bank’s 2025 income in connection with these restricted stocks was \$4,700,408. The total remaining compensation cost of \$3,172,854 will be charged over a period of 3.1 years.

The Bank sponsors a defined contribution plan for its expatriate officers. The Bank’s contributions are determined as a percentage of the eligible officer’s annual salary, with each officer contributing an additional amount withheld from his salary. All contributions are administered by a trust through an independent third party. During 2025, the Bank charged to salaries expense \$47,960 with respect to the defined contribution plan.

2025 Chief Executive Officer Compensation

The Bank’s current Chief Executive Officer’s compensation for 2025 included an annual base salary of \$500,000, performance-based short-term variable cash compensation of \$415,385, a grant of restricted stocks valued at \$900,000 and limited perquisites and other benefits amounting to \$10,459.

Results of the 2025 Advisory Vote on Compensation of Executive Officers

At the Bank’s annual meeting of shareholders held on April 29, 2025, our shareholders were asked to approve, on an advisory basis, the Bank’s fiscal year 2024 executive officers’ compensation programs (commonly referred to as the “say on pay” proposal). A substantial majority (89.75%) of the votes cast on the say-on-pay proposal at that meeting were voted in favor of the proposal. The NC&O Committee (as defined below) believes that these results affirm our shareholders’ support for the Bank’s approach to executive compensation, and therefore did not change its approach in fiscal year 2025. The NC&O Committee will continue working to ensure that the design of the Bank’s executive officers’ compensation program is focused on long-term shareholder value creation and emphasizes pay for performance.

Compensation and Risk

The Bank reviews and monitors the extent to which compensation practices and programs for senior executives and employees whose activities, individually or as a group, may create incentives for excessive risk taking.

The Bank and the Board have not identified any risks arising from the Bank’s compensation policies and practices that are reasonably likely to have a material adverse effect on the Bank. Furthermore, certain aspects of the Bank’s executive compensation programs, such as the combination of performance-based short-term cash bonuses and performance-based long-term equity awards, reduce the likelihood of excessive risk-taking, and instead create incentives for senior executives to work toward the long-term growth of the Bank.

Clawback Policy

In 2023, the Bank adopted a recovery policy (or “Clawback Policy”) that complies with NYSE filed listing standards and SEC rules. Under the policy, if the Bank is required to prepare an accounting restatement due to material noncompliance with any financial reporting requirement under the U.S. federal securities laws, the Board shall, subject to certain exceptions, seek to recover “excess incentive-based compensation” from each individual who is a Section 16 officer or was a Section 16 officer during the performance period for such incentive-based compensation. For this purpose, excess incentive-based compensation generally is the amount of incentive-based compensation that is based on a financial performance measure that is in excess of the amount that otherwise would have been received had such incentive-based compensation been determined based on restated amounts in the accounting restatement. The Clawback Policy applies to incentive-based compensation for

which the financial performance metric was attained during the three-year period preceding the date of the accounting restatement.

The Bank was not required to prepare an accounting restatement that required recovery of erroneously awarded compensation pursuant to its Clawback Policy, neither was an outstanding balance as of the end of year 2025 of erroneously awarded compensation to be recovered from the application of the policy to a prior restatement.

A copy of the Bank’s Clawback Policy was filed as an exhibit to the Form 20-F for the fiscal year ended December 31, 2023, filed with the SEC on April 25, 2024. See Item 19, “Exhibits” for hyperlink to this document.

Board of Directors Compensation

Each non-employee Director of the Bank receives an annual cash retainer of \$85,000 for his or her services as a Director and the Chairman of the Board receives an annual cash retainer in the amount of \$135,000.

The Chairman of the Audit Committee receives an additional annual retainer of \$8,500 and the Chairmen of each of the Nomination, Compensation and Operations Committee, Risk Policy and Assessment Committee, Finance and Business Committee, and Anti-Money Laundering, Compliance and Sustainability Committee receives an additional annual retainer of \$5,000. The non-Chairman members of the Audit Committee receive an additional annual retainer of \$3,000 and each member of the Board receives an additional annual retainer of \$8,500 for his or her participation in excess of two committees.

The aggregate amount of cash compensation paid by the Bank during the year ended December 31, 2025 to the Directors of the Bank as a group for their services as Directors was \$1,027,750.

As approved by the Board of Directors on December 9, 2014, each non-employee director of the Bank receives an annual equity compensation of 6,000 restricted shares and the Chairman of the Board receives an annual equity compensation of 9,000 restricted shares, granted once a year under the 2015 Plan.

During the fiscal year ended December 31, 2025, the aggregate number of restricted shares awarded to non-employee directors of the Bank as a group under the 2015 Plan was 63,000 Class E shares. These restricted shares vest 35% on each of the first and second anniversaries of the award date, and 30% on the third anniversary of the award date. As of December 31, 2025, the total cost for these restricted shares amounted to \$2,480,940 of which \$1,015,316 was registered during 2025, and the remaining compensation cost of \$1,465,624 for these restricted shares will be charged against income over a period of 2.3 years.

Beneficial Ownership

As of December 31, 2025, the Bank’s Directors and Executive Officers, as a group, beneficially owned an aggregate of 1,241,948 Class E shares, representing approximately 4.1% (based on 30,060,446 Class E shares outstanding as of December 31, 2025) of all issued and outstanding Class E shares as of such date. “Beneficial ownership”, as the term is used in this section, means the sole or shared power to vote or direct the voting or to dispose or direct the disposition of any security. A person is deemed to be the beneficial owner of securities that can be acquired within 60 days from December 31, 2025 through the exercise of any option or through the vesting of any restricted stock or restricted stock units. Ordinary shares subject to options that are currently exercisable or exercisable within 60 days, or that constitute restricted stock or restricted stock units that will vest within 60 days, are deemed outstanding for computing the beneficial ownership percentage of the person holding such options, restricted stock or restricted stock units, but are not deemed outstanding for computing the ownership percentage of any other person.

The following table sets forth information regarding beneficial ownership of the Bank’s Class E shares, including restricted stock units and holdings of unvested stock options and unvested restricted stock units by the Bank’s executive officers eligible to receive restricted stock units as of December 31, 2025. Except where noted, all holders listed below have sole voting power and investment power over the shares beneficially owned by them. Unless otherwise noted, the address of each person listed below is c/o Torre V, Business Park, Avenida La Rotonda, Urbanización Costa del Este, Panama, Republic of Panama.

Name	Number of Shares Owned as of December 31, 2025 (1)	Number of Shares that may be acquired within 60 days as of December 31, 2025 (2)	Total Number of Shares Beneficially Owned	Percent of Class Beneficially Owned	Restricted Shares (3)
Jorge Salas	97,909	32,395	130,304	*	23,993

[Table of Contents](#)

Name	Number of Shares Owned as of December 31, 2025 ⁽¹⁾	Number of Shares that may be acquired within 60 days as of December 31, 2025 ⁽²⁾	Total Number of Shares Beneficially Owned	Percent of Class Beneficially Owned	Restricted Shares ⁽³⁾
Geraldine Abreu	1,890	242	2,132	*	485
Tatiana Calzada	276	276	552	*	553
Samuel Canineu	35,532	17,987	53,519	*	13,279
Adriana Lizzeth Diaz	10,753	2,220	12,973	*	1,651
Olazhir Ledezma	25,080	10,641	35,721	*	7,589
Annette van Hoorde de Solis	23,247	6,491	29,738	*	5,163
Carlos Daniel Raad	12,698	2,984	15,682	*	2,884
Jorge Luis Real	10,000	4,703	14,703	*	3,199
Alejandro Tizzoni	61,050	15,637	76,687	*	11,191
Eduardo Vivone	30,673	14,073	44,746	*	10,651
Total	309,108	107,649	416,757		80,638

* Less than one percent of the outstanding Class E shares.

- (1) Includes shares purchased by the executive, restricted stock units and restricted stocks vested and transferred to the executive as of such date.
- (2) Includes vested traditional stock options, as well as options, restricted stock units and restricted stocks that will vest within 60 days of December 31, 2025.
- (3) Includes 39,168 unvested restricted stock units granted to executive officers in February 2024, and 41,470 unvested restricted stocks granted to executive officers in February 2025, under the 2015 Plan, respectively. These restricted stock units and restricted stocks vest 25% each period as stated in the Notice of RSU Award. Any unvested portion of the grants referenced above that will not vest within 60 days of December 31, 2025, is not deemed to be beneficially owned by the individuals listed in the table.

The following table sets forth information regarding beneficial ownership of the Bank's Class E shares, including restricted shares and holdings of unvested restricted shares and unvested stock options by members of the Bank's Board, as of December 31, 2025:

Name	Number of Shares Owned as of December 31, 2025 ⁽¹⁾	Number of Shares that may be acquired within 60 days as of December 31, 2025 ⁽²⁾	Total Number of Shares Beneficially Owned	Percent of Class Beneficially Owned	Restricted Shares ⁽³⁾
Alexandra Aguirre	24,300	0	24,300	*	11,700
Ricardo Manuel Arango	45,665	0	45,665	*	11,700
Daniel Tillard	0	0	0	*	3,000
Isela Costantini	24,300	0	24,300	*	11,700
Mario Covo	98,027	0	98,027	*	11,700
José Alberto Garzón	42,300	0	42,300	*	11,700
Miguel Heras	532,749	0	532,749		17,550
Roland Holst	49,450	0	49,450	*	11,700
Tarciana Gomes Medeiro	2,100	0	2,100	*	9,900
Angélica Ruiz	6,300	0	6,300	*	11,700
Total	825,191	0	825,191		112,350

* Less than one percent of the outstanding Class E shares.

- (1) Includes Class E shares purchased by the director or restricted shares vested and transferred to the director pursuant to the 2003 Restricted Stock Plan, the 2008 Plan and the 2015 Plan as of such date.
- (2) Includes vested / unexercised traditional stock options.
- (3) Includes unvested restricted Class E shares granted under the Bank's 2008 and 2015 Plan. An aggregate amount of 57,000 restricted shares were granted to directors on April 29, 2025; these restricted shares vest 35% in each of the first and second year and 30% in the third year on the relevant grant date's anniversary.

For additional information regarding stock options granted to executive officers and directors, see Item 18, “Financial Statements,” note 28.

Stock Ownership Policy for Directors and Executive Officers

Since October 2013, the Board of Directors has adopted share ownership guidelines for directors and executive officers. These guidelines enable the Bank to meet its objective of aligning directors’ and executives’ interests with those of the shareholders.

Under these guidelines, each director, within three years of joining the Board, is required to accumulate 9,000 shares (13,500 for the Chairman of the Board), and to maintain at least this ownership level while serving as a member of the Board. Presently, all Board members are in compliance with the guidelines that apply to them.

The Chief Executive Officer is required to own shares of the Bank’s common stock worth at least two and a half times his annual base salary. Other Executive Officers are required to own stock equal to one time their annual base salary. These executive officers have up to seven years to comply with this share ownership requirement, measured from the later of the date of adoption of these guidelines or the date that they became subject to the guidelines. All executive officers named in the Beneficial Ownership table in this Annual Report are in compliance with the guidelines as they apply to them.

The following elements are included in determining the Directors’ and Executive Officers’ share ownership for purposes of these guidelines: shares owned individually and by minor dependents or spouses; unvested restricted shares and restricted stock units; and vested or unvested stock options.

C. Board Practices

Board Leadership Structure

The Board recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure so as to provide an independent oversight of management. The Bank currently separates the positions of Chief Executive Officer and Chairman of the Board.

As defined by the SEC in Item 407 of Regulation S-K, at least one of the members of the Audit Committee is an “audit committee financial expert”.

In compliance with the Sarbanes-Oxley Act, Section 303A of the New York Stock Exchange Listed Company Manual, the Rules of the Superintendent of Banks, the Bank’s organizational documents and charters of each of the following Board committees, a majority of the members of the Board of Directors, all members of the Audit Committee, and all members of the Nomination, Compensation and Operations Committee of the Bank are independent directors.

The Bank’s Board believes that its leadership structure promotes an effective board that supports and challenges management appropriately.

Meetings of the Board and Committees

During the fiscal year ended December 31, 2025, the Board held seven meetings. Directors attended an average of 94% of the total number of Board meetings held during the fiscal year ended December 31, 2025.

The following table sets forth the membership and number of meetings for each of the five Committees of the Board during the fiscal year ended December 31, 2025:

Name	Audit	Risk Policy and Assessment	Finance and Business	Anti-Money Laundering, Compliance and Sustainability	Nomination, Compensation and Operations
Alexandra M. Aguirre		Member	Member	Member	
Ricardo Manuel Arango		Member	Member	Chairman	
Daniel Tillard	Member				Member
Isela Costantini	Member				Chairman
Mario Covo		Member	Chairman		
José Alberto Garzón	Chairman			Member	Member
Miguel Heras		Chairman	Member		
Roland Holst	Member	Member			

Name	Audit	Risk Policy and Assessment	Finance and Business	Anti-Money Laundering, Compliance and Sustainability	Nomination, Compensation and Operations
Tarciana Gomes Medeiros	Member				Member
Angélica Ruiz Celis	Member				Member
Number of Committee Meetings Held in 2025	7	5	5	8	5

Audit Committee

The Audit Committee is a standing Committee of the Board. According to its Charter, the Audit Committee must be comprised of at least three independent directors. The current members of the Audit Committee are Mr. José Alberto Garzón (Chair), Mr. Roland Holst, Ms. Isela Costantini, Ms. Tarciana Gomes Medeiros, Ms. Angélica Ruiz Celis and Mr. Daniel Tillard.

The Board has determined that all members of the Audit Committee are independent directors under the terms defined by applicable laws and regulations, including rules promulgated by the SEC under the Sarbanes-Oxley Act, Section 303A of NYSE Listed Company Manual, and Rule No. 05-2011 as amended by Rule 05-2014 of the Superintendency of Banks of Panama. In addition, at least one of the members of the Audit Committee is an “audit committee financial expert,” as defined by the SEC in Item 407 of Regulation S-K. The Audit Committee’s financial expert is Mr. Roland Holst.

The purpose of the Audit Committee is to provide assistance to the Board in fulfilling its oversight responsibilities regarding the processing of the Bank’s financial information, the integrity of the Bank’s financial statements, the Bank’s system of internal controls over financial reporting, the performance of both the internal audit and the independent registered public accounting firm, compliance with legal and regulatory requirements and the Bank’s Code of Ethics. The Audit Committee meets with each of the internal and independent auditors and the Bank’s management to discuss the Bank’s audited consolidated financial statements and management’s discussion and analysis of financial condition and results of operations.

The Audit Committee meets at least six times per year, as required by the Superintendency of Banks of Panama and the Committee charter, or more often if the circumstances so require. During the fiscal year ended December 31, 2025, the Audit Committee met seven times.

The Audit Committee, in its capacity as a Committee of the Board, is directly responsible for recommending to the shareholders the renewal or replacement of the Bank’s independent auditors at the Annual Shareholders’ Meeting, the compensation of the independent auditors (including the pre-approval of all audit and audit-related services) and oversight of the independent auditors, including the resolution of disagreements regarding financial reporting between the Bank’s management and the independent auditors. The Bank’s independent auditors are required to report directly to the Audit Committee.

The Charter of the Audit Committee requires an annual self-evaluation of its performance.

The Audit Committee pre-approved all audit and audit-related services of the Bank’s independent auditors in 2025.

The Audit Committee’s Charter may be found on the Bank’s website at <https://www.bladex.com/en/governance>.

Risk Policy and Assessment Committee

The Risk Policy and Assessment Committee is a standing Committee of the Board. According to its Charter, the Risk Policy and Assessment Committee must be comprised of at least three directors. The current members of the Risk Policy and Assessment Committee are Mr. Miguel Heras (Chair), Ms. Alexandra M. Aguirre, Mr. Ricardo Manuel Arango, Mr. Mario Covo and Mr. Roland Holst.

The Risk Policy and Assessment Committee is responsible for reviewing and recommending to the Board, for its approval, all policies related to prudent enterprise risk management. The Committee also reviews and assesses exposures to the risks facing the Bank’s business within the risk levels the Bank is willing to take in accordance with its applicable policies, including the review and assessment of the quality and profile of the Bank’s credit asset, the exposure to country, market and liquidity risks, technological, and information security (including cybersecurity) risks, the analysis of operational risks, which take into account the legal risks associated with the Bank’s products, model, fraud and reputational risks, environmental, social and climate related risks, and management of corporate insurances.

In addition, the Risk Policy and Assessment Committee assesses and approves credit limits and approves management proposals for granting different types of financing up to the legal limit applicable to the Bank in accordance with current regulations on the date of approval with respect to each transaction and/or economic group. It reports to the Board and refers transactions for consideration and approval by the Board when the transaction limit exceeds its delegated authorizations.

The Risk Policy and Assessment Committee performs its duties through the review of reports received regularly from management and through its interactions with the Risk Management area and other members of the Bank's management. The Risk Policy and Assessment Committee charter requires the Committee to meet at least five times per year. During the fiscal period ended December 31, 2025, the Risk Policy and Assessment Committee held five meetings.

The Risk Policy and Assessment Committee Charter may be found on the Bank's website at <https://www.bladex.com/en/governance>.

Finance and Business Committee

The Finance and Business Committee is a standing Committee of the Board. According to its Charter, the Finance and Business Committee must be comprised of at least three directors. The current members of the Finance and Business Committee are Mr. Mario Covo (Chair), Ms. Alexandra M. Aguirre, Mr. Ricardo Manuel Arango and Mr. Miguel Heras.

The fundamental role of the Finance and Business Committee is to review and analyze all issues related to the development and execution of the Bank's business and its financial management including, among others, capital management, portfolio management (assets and liabilities), liquidity management, gap and funding management, tax related matters and, the financial performance of the Bank in general. The Finance and Business Committee charter requires the Committee to meet at least five times per year. During the fiscal year ended December 31, 2025, the Committee held five meetings.

The Finance and Business Committee Charter may be found on the Bank's website at <https://www.bladex.com/en/governance>.

Anti-Money Laundering, Compliance and Sustainability Committee

The Anti-Money Laundering, Compliance and Sustainability Committee is a standing Committee of the Board. The current members of the Anti-Money Laundering, Compliance and Sustainability Committee are Directors Mr. Ricardo Manuel Arango (Chair), Ms. Alexandra M. Aguirre and Mr. José Alberto Garzón, and the Bank's Chief Executive Officer, Executive Vice President-Commercial Banking, Executive Vice President-Treasury and Capital Markets, Executive Vice President-Chief Risk Officer, Executive Vice President-Technology & Operations, Executive Vice President-Strategic Planning, Executive Vice President-Chief Audit Officer, Executive Vice President-Chief Investor Relations Officer, Executive Vice President-Chief Legal Officer and Corporate Secretary, Head Office Chief Compliance Officer and New York Agency Compliance Officer.

The Anti-Money Laundering, Compliance and Sustainability Committee acts in support of the Board, fulfilling its responsibilities in compliance matters while also fulfilling the functions attributed to them pursuant to applicable laws and regulations related to compliance, including the responsibility to direct the Bank's Compliance Program on a strategic level.

Compliance includes all the laws and regulations that apply to the Bank and are related to: (i) Anti-Money Laundering and the Combating of the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction (AML/CFT), (ii) The U.S. Treasury Department's Office of Foreign Assets Control (OFAC), (iii) The Foreign Accounts Tax Compliance Act (FATCA), (iv) The OECD's Common Reporting Standards (CRS), and (v) The Foreign Corrupt Practices Act (FCPA). Additionally, the Legal Department manages the Corporate Compliance Program, which encompasses the ongoing evaluation of regulatory obligations, monitoring of compliance-related KPIs, and the presentation of periodic reports to the Compliance Committee.

With respect to Environmental, Social and Governance (ESG) matters, on which the Bank's sustainability is based, the Board provides that the Committee shall also be in charge of overseeing these initiatives and the work carried out by Management towards the development, implementation and maintenance of a sustainability program for the Bank, reporting to the Board on a regular basis and coordinating with other Board Committees in charge of certain aspects related to social and environmental issues.

During the fiscal year ended December 31, 2025, the Anti-Money Laundering, Compliance and Sustainability Committee held eight meetings.

The Anti-Money Laundering, Compliance and Sustainability Committee Charter may be found on the Bank's website at <https://www.bladex.com/en/governance>.

Nomination, Compensation and Operations Committee

The Nomination, Compensation and Operations Committee (the "NC&O Committee") is a standing Committee of the Board. According to its Charter, the Nomination, Compensation and Operations Committee must be comprised of at least three directors. The current members of the Nomination, Compensation and Operations Committee are Ms. Isela Costantini (Chair), Mr. José Alberto Garzón, Ms. Angélica Ruiz Celis, Ms. Tarciana Gomes Medeiros and Mr. Daniel Tillard.

The Charter of the Nomination, Compensation and Operations Committee requires that all members of the Committee be independent directors. No member of the Nomination, Compensation and Operations Committee can be an employee of the Bank. The Board has determined that all members of the Nomination, Compensation and Operations Committee are independent under the terms defined by applicable laws and regulations, including rules promulgated by the SEC under the Sarbanes-Oxley Act, Section 303A NYSE Listed Company Manual, and Rule No. 05-2011 as amended by Rule 05-2014 of the Superintendency of Banks of Panama. The Nomination, Compensation and Operations Committee charter requires the Committee to meet at least five times per year. During the fiscal year ended December 31, 2025, the Nomination, Compensation and Operations Committee held five meetings.

The Nomination, Compensation and Operations Committee's primary responsibilities are to assist the Board by: identifying candidates to become Board members and recommending nominees for the annual meetings of shareholders; making recommendations to the Board concerning candidates for Chief Executive Officer and counselling on succession planning for executive officers; recommending compensation for Board members and Committee members, including cash and equity compensation; recommending compensation policies for executive officers and employees of the Bank, including cash and equity compensation, policies for senior management and employee benefit programs and plans; reviewing and recommending changes to the Bank's Code of Ethics; and advising executive officers on issues related to the Bank's personnel. Additionally, this Committee submits recommendations on issues related to improving the Bank's operating model and evaluates and proposes technology and communications plans. Further, the Nomination, Compensation and Operations Committee is responsible for promoting continued improvement in the Bank's corporate governance and verifying compliance with all applicable policies.

The Nomination, Compensation and Operations Committee considers qualified director candidates recommended by shareholders. All director candidates are evaluated in the same manner regardless of how they are recommended, including recommendations by shareholders. For the current director nominees, the Committee considered candidate qualifications and other factors, including, those described in the section entitled "Director Nomination Process" above. Shareholders can mail any recommendations and an explanation of the qualifications of the candidates to the Secretary of the Bank at Torre V, Business Park, P.O. Box 0819-08730, Panama City, Republic of Panama.

The Charter of the Nomination, Compensation and Operations Committee requires an annual self-evaluation of the Committee's performance. The Nomination, Compensation and Operations Committee Charter may be found on the Bank's website at <https://www.bladex.com/en/governance>.

None of the Bank's executive officers serve as a director or a member of the Nomination, Compensation and Operations Committee, or any other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of the Board or the Nomination, Compensation and Operations Committee. None of the members of the Nomination, Compensation and Operations Committee has ever been an employee of the Bank.

Corporate Governance Practices

The Board has decided not to establish a Corporate Governance Committee. Given the importance that corporate governance has for the Bank, the Board decided to address all matters related to corporate governance at the Board level. The Nomination, Compensation and Operations Committee is responsible for making recommendations to the Board on Corporate Governance matters.

The Bank's Corporate Governance Manual complies with Section 303A of the NYSE's Listed Company Manual/Corporate Governance Rules and is available in the "Corporate Governance" section of the Bank's website at <https://www.bladex.com/en/governance>.

Shareholders, employees of the Bank, and other interested parties may communicate directly with the Board by corresponding to the address below:

Board of Directors of Banco Latinoamericano de Comercio Exterior, S.A.

c/o Mr. Miguel Heras
 Director and Chairman of the Board of Directors
 Torre V, Business Park
 Avenida La Rotonda, Urbanización Costa del Este
 P.O. Box 0819-08730
 Panama City, Republic of Panama

In addition, the Bank has selected Ethics Line, an on-line reporting system, to provide shareholders, employees of the Bank, and other interested parties with an alternative channel to report anonymously any actual or possible violations of the Bank’s Code of Ethics, as well as other work-related situations or irregular or suspicious transactions, accounting matters, internal audit or accounting controls. In order to file a report, a link is provided on the Bank’s website.

D. Employees

The following table presents the total number of permanent employees, geographically distributed, on the dates indicated:

	As of December 31,		
	2025	2024	2023
Bladex Head Office in Panama	335	287	237
New York Agency	9	8	7
Representative Office in Argentina	4	4	3
Representative Office in Brazil	10	10	8
Representative Office in Mexico	8	8	8
Representative Office in Colombia	6	5	5
Total Number of Permanent Employees	372	322	268

As of December 31, 2025, the Bank’s workforce comprised 372 employees, representing 20 nationalities, 97% of which are from Latin American countries. The Bank’s human capital is the main backbone of all business activities, ensuring the overall well-being of its employees, it became increasingly important. The Bank’s priority is to provide all employees with an environment that integrates both their professional fulfillment and personal well-being.

Having a multicultural work environment is one of Bladex’s main strengths. The presence of different nationalities and cultures among the Bank’s employees, coupled with the commitment and professionalism demonstrated, led to difficulties being taken as challenges and opportunities, enriching the Bladex brand.

The Bank’s goal is to have all employees, regardless of their race, ethnicity, religion, age, gender, national origin, or other characteristics, feel valued, respected and accepted for their unique characteristics and contributions to Bladex. For more information, please refer to Human Capital Management, and Diversity, Equity, and Inclusion, in the Environmental, Social and Governance section in Item 4.B.

E. Share Ownership

See Item 6.B., “Directors, Executive Officers and Employees–Compensation–Beneficial Ownership.”

F. Disclosure of a registrant’s action to recover erroneously awarded compensation

Not applicable

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

As of December 31, 2025, the Bank was not directly or indirectly owned or controlled by another corporation or any foreign government, and no person was the registered owner of more than 5.3% of the total outstanding shares of voting capital stock of the Bank.

The following table sets forth information regarding the Bank’s shareholders that are the beneficial owners of 5% or more of any one class of the Bank’s voting stock, on December 31, 2025.

	As of December 31, 2025		
	Number of Shares	% of Class	% of Total Common Stock
Class A Common Stock			
Banco de la Nación Argentina Bartolomé Mitre 326 CP 1036 AAF Buenos Aires, Argentina	1,045,348	16.5	2.8
Banco do Brasil SAUN Qd 5, Lote B, Torre II, 12 Andar Edificio Banco do Brasil CEP 70040-912 Brasília, DF - Brazil	974,551	15.4	2.6
Banco de Comercio Exterior de Colombia Edif. Centro de Comercio Internacional Calle 28 No. 13A-15 C.P. 110311 Bogotá, Colombia	488,547	7.7	1.3
Banco de la Nación (Perú) Ave. República de Panamá 3664 San Isidro, Lima, Perú	446,556	7.0	1.2
Banco Central del Paraguay Federación Rusa y Augusto Roa Bastos Asunción, Paraguay	434,658	6.9	1.2
Banco Central del Ecuador Ave. 10 de Agosto N11- 409 y Briceño Quito, Ecuador	431,217	6.8	1.2
Banco del Estado de Chile Ave. Libertador Bernardo O’Higgins No.1111 Santiago, Chile	323,413	5.1	0.9
Sub-total shares of Class A Common Stock	4,144,290	65.4	11.2
Total Shares of Class A Common Stock	6,342,189	100.0	17.0
Class B Common Stock			
The Korea Exchange Bank 35, Euljiro, Jun-gu Seoul 100-793, Korea	147,173	17.8	0.4
Banco de Chile Paseo Ahumada 251, 8320206 Santiago Región Metropolitana, Chile	59,430	7.2	0.2
Banque Nationale de Credit 103, Angle Reus des Miracles et Du Quai Code Postal HT6110, Port-au.Prince, Haiti	58,947	7.1	0.2
Banco de Credito e Inversiones Huerfanos 1134 Santiago Centro, Región Metropolitana, Chile	53,376	6.4	0.1
Banco Nacional de Comercio Exterior, S.N.C. Periférico Sur 4333, Colonia Jardines en la Montaña Tlalpan, Ciudad de México, C.P. 14210	41,412	5.0	0.1
Sub-total shares of Class B Common Stock	360,338	43.5	1.0
Total Shares of Class B Common Stock	827,573	100.0	2.3
Class E Common Stock			
Brandes Investment Partners, L.P. ⁽¹⁾ 4275 Executive Square 5th Floor La Jolla California 92037 United States	1,983,761	6.6	5.3

	As of December 31, 2025		
	Number of Shares	% of Class	% of Total Common Stock
BlackRock, Inc. ⁽²⁾ 50 Hudson Yards New York, New York 10001 United States	1,646,829	5.5	4.4
Sub-total shares of Class E Common Stock	3,630,590	12.1	9.7
Total Shares of Class E Common Stock	30,060,446	100.0	80.7
Class F Common Stock			
Total Shares of Class F Common Stock	0	0.0	0.0
Total Shares of Common Stock	37,230,208		100.0

⁽¹⁾ Source: Schedule 13G/A filing with the U.S. Securities and Exchange Commission dated February 12, 2026.

⁽²⁾ Source: Schedule 13G filing with the U.S. Securities and Exchange Commission dated January 21, 2026.

All common shares have the same rights and privileges regardless of their class, except that:

- The affirmative vote of three-quarters (3/4) of the issued and outstanding Class A shares is required (1) to dissolve and liquidate the Bank, (2) to amend certain material provisions of the Articles of Incorporation, (3) to merge or consolidate the Bank with another entity and (4) to authorize the Bank to engage in activities other than those described in its Articles of Incorporation;
- The Class E shares are freely transferable without restriction to any person, while the Class A shares, Class B shares and Class F shares can only be transferred to qualified holders of each class;
- The Class B shares and Class F shares may be converted into Class E shares;
- The holders of Class A shares, Class B shares and Class F shares benefit from pre-emptive rights in respect of shares of the same class of shares owned by them that may be issued by virtue of a capital increase, in proportion to the shares of the class owned by them, but the holders of Class E shares do not; and
- All classes vote separately for their respective directors. The holders of the Class A common shares have the right to elect three (3) Directors; the holders of the Class E common shares can elect five (5) Directors; and the holders of the Class F common shares have the right to elect one (1) Director, so long as the number of issued and outstanding Class F common shares is equal to or greater than fifteen per cent (15%) of the total number of issued and outstanding common shares of the corporation.

Set forth below are the number of shares of each class of the Bank's common stock issued and outstanding as of the dates listed below:

Class of Shares	Number of Shares Outstanding as of		
	December 31, 2025	December 31, 2024	December 31, 2023
Class A Common Shares	6,342,189	6,342,189	6,342,189
Class B Common Shares	827,573	1,712,034	2,089,075
Class E Common Shares	30,060,446	28,736,597	28,108,597
Class F Common Shares	0	0	0
Total Common Shares	37,230,208	36,790,820	36,539,861

The number of the Bank's Class B common shares outstanding as of December 31, 2025 decreased by 884,461 shares from December 31, 2024, due to conversions to Class E common shares, which in turn Class E common shares outstanding increased by 1,323,849 shares during the year ended December 31, 2025, also due to restricted stocks granted to directors and executives and restricted stock units vested during 2025.

As of December 31, 2025, there were a total of 48 holders of record of the Bank's Class E shares, of which 9 were registered with addresses in the United States. Such United States record holders were, as of such date, the holders of record of approximately 87% of the Bank's outstanding Class E shares. The number of record holders in the United States is not representative of the number of beneficial holders nor is it representative of where such beneficial holders reside, as many of

these ordinary shares were held of record by brokers or other nominees. None of the Bank's Class A shares or Class B shares are held in the United States.

The Bank had no preferred stock issued and outstanding as of December 31, 2025.

B. Related Party Transactions

Certain Directors of the Bank are also Directors and Executive Officers of banks and/or other companies located in Latin America, the Caribbean and elsewhere. Some of these banks and/or other companies own shares of the Bank's common stock and have entered into loan transactions with the Bank in the ordinary course of business, in compliance with Panamanian regulatory related party limits set forth above in Item 4.B, "Information on the Company—Business Overview—Supervision and Regulation—Panamanian Law."

In addition, the Bank extended transactions, in the ordinary course of business, to three entities whose directors and/or executive officers are also directors of the Bank. These entities were:

- Sudameris Bank SAECA, of which the Bank's director, Roland Holst, is also a director. As of December 31, 2025, three loans remained outstanding to Sudameris Bank SAECA for the total amount of \$45 million. These loans were made on June 27 and August 7, 2025. These outstanding loans had a weighted average interest rate of 5.73%. During 2025, the largest outstanding amount was \$95 million.
- Banco Patagonia S.A., of which Banco do Brasil S.A. owns 80.39%, representing absolute shareholder majority. The Bank's director, Tarciana Gomes Medeiros, is the Chief Executive Officer and also a director of Banco do Brasil S.A. As of December 31, 2025, two loans remained outstanding for the total amount of \$3 million. These loans were made on July 15 and October 1, 2025. These outstanding loans had a weighted average interest rate of 6.87%. During 2025, the largest outstanding amount was \$18 million.
- Bancoldex, of which the Bank's director, José Alberto Garzón, is also a director. As of December 31, 2025, one loan remained outstanding to Bancoldex for the total amount of \$20 million. This loan was made on December 19, 2025 with an interest rate of 5.07%. During 2025, the largest outstanding amount was \$20 million.

All of the above-mentioned loans were granted for commercial business purposes. The terms and conditions of the loan transactions, including interest rates and collateral requirements, are substantially the same as the terms and conditions of comparable loan transactions entered into with other persons under similar market conditions. In accordance with the Risk Policy and Assessment Committee's charter, Directors of the Bank shall not participate in the approval process for credit facilities extended to institutions in which they are Executive Officers or Directors, nor do they participate with respect to decisions regarding country exposure limits in countries in which the institutions are domiciled.

As of December 31, 2025, the Bank was not directly or indirectly owned or controlled by another corporation or any foreign government, and no Class "A" or "B" shareholder was the registered owner of more than 2.8% of the total outstanding shares of the voting capital stock of the Bank.

C. Interests of Experts and Counsel

Not required in this Annual Report.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

The information included in Item 18 of this Annual Report is referred to and incorporated by reference into this Item 8.A.

At the date of this Annual Report, the Bank is involved in an ongoing legal proceeding in which a payment of approximately \$3.5 million is being claimed, which we believe is unlikely to result in any material payment liability for the Bank. Except for such claim, there have been no legal or arbitration proceedings, which may have, or have had in the recent past, significant effects on the Bank's financial position or profitability.

Dividends

The Board's policy is to declare and distribute quarterly cash dividends on the Bank's common stock. Dividends are declared at the Board's discretion and, from time to time, the Bank has declared special dividends.

The cash dividend declared per share to the Bank's shareholders totaled \$2.5625 per common share for the year ended December 31, 2025, a dividend increase of \$0.4375 per common share compared to the \$2.125 per common share cash dividend declared for the year ended December 31, 2024 and a dividend increase of \$1.3125 per common share compared to the \$1.250 per common share cash dividend declared for the year ended December 31, 2023.

No special dividends were declared during three-year period ended December 31, 2025.

The following table presents information regarding dividends paid to holders of common shares on the dates indicated:

Payment date	Record date	Dividend per share
March 12, 2026	February 25, 2026	0.6875
November 25, 2025	November 10, 2025	0.6250
September 3, 2025	August 15, 2025	0.6250
June 3, 2025	May 16, 2025	0.6250
March 25, 2025	March 10, 2025	0.6250
November 26, 2024	November 8, 2024	0.5000
August 20, 2024	August 5, 2024	0.5000
May 15, 2024	April 29, 2024	0.5000
March 19, 2024	March 4, 2024	0.5000
November 16, 2023	October 30, 2023	0.2500
August 15, 2023	July 31, 2023	0.2500
May 17, 2023	May 4, 2023	0.2500

The Bank has no preferred shares issued and outstanding as of December 31, 2025.

B. Significant Changes

Not applicable.

Item 9. The Offer and Listing

A. Offer and Listing Details

The Bank’s Class E shares are listed on the NYSE under the symbol “BLX”. In addition, the Bank’s Class E shares are also listed on the LTSE since 2025. The LTSE is an U.S. SEC-registered national securities exchange designed for companies committed to long-term value creation. As an LTSE-listed company, the Bank publishes policies focused on long-term value creation and stockholder engagement, and its adhere to the LTSE’s listing principles. Copies of Bladex’s LTSE policies are available on the Bank’s website at <https://www.bladex.com/en/governance>.

The following table shows the high and low market prices of the Class E shares for the periods indicated:

	Price per Class E Share (in \$) ⁽¹⁾	
	High	Low
2025	48.38	31.14
2024	36.58	22.93
2023	25.73	15.71
2022	17.35	12.58
2021	19.33	14.30
2026:		
March	51.72	46.41
February	51.99	48.26
January	48.81	42.29
2025:		
December	45.88	43.26
November	45.16	42.80
October	46.14	38.41
2026:		

	Price per Class E Share (in \$) ⁽¹⁾	
	High	Low
First Quarter	51.99	42.29
2025:		
First Quarter	42.88	35.11
Second Quarter	42.83	31.14
Third Quarter	48.38	39.00
Fourth Quarter	46.14	38.41
2024:		
First Quarter	30.08	22.93
Second Quarter	31.62	28.31
Third Quarter	34.45	27.37
Fourth Quarter	36.58	31.70

⁽¹⁾ Corresponds to the highest and lowest sales price of the stock at any time during any given trading day. Source: NYSE Connect.

B. Plan of Distribution

Not required in this Annual Report.

C. Markets

The Bank’s Class A shares and Class B shares, which were sold in private placements or sold in connection with the Bank’s 2003 rights offering, are not listed on any exchange and are not publicly traded. The Bank’s Class E shares, which constitute the only class of shares publicly traded (listed on the NYSE and LTSE), represent 80.7% of the total shares of the Bank’s common stock issued and outstanding as of December 31, 2025. The Bank’s Class B shares are convertible into Class E shares on a one-to-one basis. There are no issued or outstanding Class F shares.

D. Selling Shareholders

Not required in this Annual Report.

E. Dilution

Not required in this Annual Report.

F. Expenses of the Issue

Not required in this Annual Report.

Item 10. Additional Information

A. Share Capital

Not required in this Annual Report.

B. Memorandum and Articles of Association

Articles of Incorporation

Bladex is a bank organized under the laws of the Republic of Panama, and its Articles of Incorporation are recorded in the Public Registry Office of Panama, Republic of Panama, Section of Mercantile Persons, at microjacket 021666, roll 1050 and frame 0002.

Article 2 of the Bank’s Articles of Incorporation states that the purpose of the Bank is to promote the economic development and foreign trade of Latin American countries. To achieve this purpose, the Bank may engage in any banking or financial business, investment or other activity intended to promote the foreign trade and economic development of countries in Latin America. The Articles of Incorporation provide that Bladex may engage in activities beyond those described above provided

that it has obtained shareholder approval in a resolution adopted upon the affirmative majority vote of the common shares, either present or represented, in a meeting of shareholders called to obtain such authorization, including the affirmative vote of the holders of three-quarters (3/4) of the Class A shares issued and outstanding.

The Bank's Articles of Incorporation provide that the Board shall direct and control the business and management of the assets of the Bank, except for those matters specifically reserved to shareholders by law or the Articles of Incorporation. The Board, however, may grant general and special powers of attorney authorizing directors, officers and employees of the Bank or other persons to transact such business and affairs within the competence of the Board, as the Board may deem convenient to entrust to such persons.

The Articles of Incorporation do not contain provisions limiting the ability of the Board to approve a proposal, arrangement or contract in which a Director is materially interested or limiting the ability of the Board to fix the compensation of its members. In addition, the Articles of Incorporation do not contain provisions requiring the mandatory retirement of a Director at any prescribed age or requiring a person to own a certain number of shares to qualify as a Director.

The Board consists of ten members: three (3) Directors elected by the holders of the Class A common shares; five (5) Directors elected by the holders of the Class E common shares; and two (2) Directors elected by the holders of all common shares. For so long as the number of Class F common shares issued and outstanding is equal to or greater than fifteen percent (15%) of the total number of common shares issued and outstanding, the holders of the Class F common shares will have the right to elect one director, and the Board will consist of eleven members. As of December 31, 2025, no Class F shares or preferred shares were issued and outstanding.

The Directors are elected by shareholders for periods of three (3) years and they may be re-elected. The holders of Class A, Class E and Class F shares vote separately as a class in the election of Directors representing their respective class. In the election of Directors, each shareholder of each class electing a Director has a number of votes equal to the number of shares of such class held by such shareholder multiplied by the number of Directors to be elected by such class. The shareholder may cast all votes in favor of one candidate or distribute them among two or more of the Directors to be elected, as the shareholder may decide.

All common shares have the same rights and privileges regardless of their class, except that:

- the affirmative vote of three-quarters (3/4) of the issued and outstanding Class A shares is required (A) to dissolve and liquidate the Bank, (B) to amend certain material provisions of the Articles of Incorporation, (C) to merge or consolidate the Bank with another entity and (D) to authorize the Bank to engage in activities other than those described as the purposes of the Bank in its Articles of Incorporation;
- the Class E shares are freely transferable, but the Class A shares, Class B shares and Class F shares may only be transferred to qualified holders;
- the Class B shares and Class F shares may be converted into Class E shares;
- the holders of Class A shares, Class B shares and Class F shares benefit from pre-emptive rights, but the holders of Class E shares do not;
- the classes vote separately for their representative directors; and
- the rights, preferences, privileges and obligations of the preferred shares are determined by the Board at the time of their issuance in a certificate of designation.

Under the Bank's Articles of Incorporation, preferred shares have no voting rights, except in accordance with their certificate of designation mentioned above. Holders of preferred shares will have the right to elect one Director only upon a default of the terms of such preferred shares and only if contemplated in the certificate of designation. In the event the holders of the preferred shares are entitled to elect a Director, the total number of Directors on the Board will be increased by one. The rights of the holders of the common shares may be changed by an amendment to the Articles of Incorporation of the Bank.

Amendments to the Articles of Incorporation may be adopted by the affirmative majority vote of the common shares represented at the respective meeting, except for the following amendments which require, in addition, the affirmative vote of three-quarters (3/4) of all issued and outstanding Class A shares: (i) any amendment to the Bank's purposes or powers, (ii) any amendment to the capital structure of the Bank and the qualifications to become a holder of any particular class of shares, (iii) any amendment to the provisions relating to the notice, quorum and voting at shareholders' meetings, (iv) any amendment to the composition and election of the Board, as well as notices, quorum and voting at meetings of Directors, (v) any amendments to the powers of the Chief Executive Officer of the Bank and (vi) any amendments to the fundamental financial policies of the Bank.

The Articles of Incorporation of Bladex provide that there will be a general meeting of holders of the common shares every year, on such date and in such place as may be determined by resolution of the Board, to elect Directors and transact any other business duly submitted to the meeting by the Board. In addition, extraordinary meetings of holders of the common shares may be called by the Board, as it deems necessary. The Board or the Chairman of the Board must call an extraordinary meeting of holders of the common shares when requested in writing by one or more holders of common shares representing at least one-twentieth (1/20) of the issued and outstanding capital.

Notice of meetings of shareholders, whether ordinary or extraordinary, are personally delivered to each registered shareholder or sent by fax, telex, courier, air mail or any other means authorized by the Board of the Directors, at least 30 days before the date of the meeting, counted from the date that the notice is sent. The notice of the meeting must include the agenda of the meeting. At any meeting of shareholders, shareholders with a right to vote may be represented by a proxy, who need not be a shareholder and who may be appointed by public or private document, with or without power of substitution.

Upon request to the Board or the Chairman of the Board, shareholders representing at least one-twentieth (1/20) of the issued and outstanding shares of any given class may hold a meeting separately as a class for the purpose of considering any matter which, in accordance with the provisions of the Articles of Incorporation and the By-Laws, is within their competence. In order to have a quorum at any meeting of shareholders, a majority of the common shares issued and outstanding must be represented at the meeting. Whenever a quorum is not obtained at a meeting of shareholders, the meeting shall be held on the second date set forth in the notice of the meeting. All resolutions of shareholders shall be adopted by the affirmative majority vote of the common shares represented at the meeting where the resolution was adopted, except where a super-majority vote of the Class A shareholders is required, as described above.

Class A shares may be issued only as registered shares in the name of the following entities in Latin American countries: (i) central banks, (ii) banks in which the State is the majority shareholder or (iii) other government agencies. Class B shares may be issued only in the name of banks or financial institutions. Class E shares and preferred shares may be issued in the name of any person, whether a natural person or a legal entity. Class F shares may be issued only: (i) in the name of state entities or agencies of countries that are not Latin American countries, including central banks and banks in which the State is the majority shareholder or (ii) in the name of multilateral financial institutions, whether international or regional.

Neither Bladex's Articles of Incorporation nor its By-Laws contain any provision requiring disclosure with respect to a shareholder's ownership above a certain threshold.

At the Annual Meeting of Shareholders to be held on April 21, 2026, an amendment to Article 1 of the Bank's Articles of Incorporation is being proposed to change the name of the Bank from Banco Latinoamericano de Comercio Exterior, S.A. to Bladex, Inc., and may also continue to use Bladex as its commercial name. This proposal will require the affirmative vote of holders of at least three-fourths (3/4) of the issued and outstanding Class A Common Shares; and the affirmative vote of holders of at least one half (1/2) plus one of all classes of shares of the Bank's common stock represented at this Annual Meeting.

A copy of the Bank's current Articles of Incorporation was filed as an exhibit to the Form 20-F for the fiscal year ended December 31, 2020, filed with the SEC on April 28, 2021. See Item 19, "Exhibits" for hyperlink to this document.

The Bank's By-Laws were filed as an exhibit to the Form 20-F for the fiscal year ended December 31, 2009, filed with the SEC on June 11, 2010. See Item 19, "Exhibits" for hyperlink to this document.

C. Material Contracts

The Bank has not entered into any material contract outside the ordinary course of business during the two-year period immediately preceding the date of this Annual Report.

D. Exchange Controls

Currently, there are no restrictions or limitations under Panamanian law on the export or import of capital, including foreign exchange controls, the payment of dividends or interest, or the rights of foreign shareholders to hold or vote stock.

E. Taxation

The following is a summary of certain U.S. federal and Panamanian tax matters that may be relevant with respect to the acquisition, ownership and disposition of the Bank's Class E shares. Prospective purchasers of Class E shares should consult their own tax advisors as to United States, Panamanian or other tax consequences of the acquisition, ownership and

disposition of Class E shares. The Bank may be subject to the tax regime of other countries or jurisdictions due to its operations.

This summary does not address the consequences of the acquisition, ownership or disposition of the Bank's Class A or Class B shares.

United States Taxes

This summary describes the material U.S. federal income tax consequences of the ownership and disposition of the Class E shares but does not purport to be a comprehensive description of all of the tax considerations that may be relevant to holders of Class E shares. Except as specifically noted, this summary applies only to current holders that hold Class E shares as capital assets for U.S. federal income tax purposes and does not address classes of holders that are subject to special treatment under the United States Internal Revenue Code of 1986, as amended (the "Code") such as dealers in securities or currencies, financial institutions, tax-exempt entities, regulated investment companies, insurance companies, securities traders that elect mark-to-market tax accounting, persons subject to the alternative minimum tax, non-U.S. investors (including, without limitation, non-U.S. investors subject to tax as U.S. expatriates and non-U.S. investors holding Class E shares in connection with a U.S. trade or business), persons receiving Class E shares in connection with the performance of services, persons holding Class E shares as part of a hedging, constructive ownership or conversion transaction or a straddle, holders whose functional currency is not the U.S. dollar, or a holder that owns 10% or more (directly, indirectly or constructively) of the shares of the Bank, by vote or value.

This summary is based upon the Code, existing, temporary and proposed regulations promulgated thereunder, judicial decisions and administrative pronouncements, all as in effect on the date of this Annual Report and which are subject to change (possibly on a retroactive basis) and to differing interpretations. Purchasers or holders of Class E shares should consult their own tax advisors as to the U.S. federal, state and local, and foreign tax consequences of the ownership and disposition of Class E shares in their particular circumstances.

As used herein, a "U.S. Holder" refers to a beneficial holder of Class E shares that is, for U.S. federal income tax purposes: (1) an individual citizen or resident of the United States, (2) a corporation, or an entity treated as a corporation, organized or created in or under the laws of the United States or any political subdivision thereof, (3) an estate the income of which is subject to U.S. federal income taxation without regard to the source of its income, and (4) a trust, if both (A) a court within the United States is able to exercise primary supervision over the administration of the trust and (B) one or more U.S. persons (as defined in the Code) have the authority to control all substantial decisions of the trust, or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust. If a partnership (including for this purpose any entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of Class E shares, the U.S. federal income tax consequences to a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. A holder of Class E shares that is a partnership and the partners in such partnership should consult their own tax advisors regarding the U.S. federal income tax consequences of the ownership and disposition of Class E shares.

Taxation of Distributions

Subject to the "Passive Foreign Investment Company Status" discussion below, to the extent paid out of current or accumulated earnings and profits of the Bank as determined under U.S. federal income tax principles ("earnings and profits"), distributions made with respect to Class E shares (other than certain pro rata distributions of capital stock of the Bank or rights to subscribe for shares of capital stock of the Bank) will be includable in income of a U.S. Holder as ordinary dividend income in accordance with the U.S. Holder's regular method of accounting for U.S. federal income tax purposes whether paid in cash or Class E shares. To the extent that a distribution exceeds the Bank's earnings and profits, such distribution will be treated, first, as a nontaxable return of capital to the extent of the U.S. Holder's tax basis in the Class E shares and will reduce the U.S. Holder's tax basis in such shares, and thereafter as a capital gain from the sale or disposition of Class E shares. See Item 10, "Additional Information—Taxation—United States Taxes—Taxation of Capital Gains or Losses." The amount of the distribution will equal the gross amount of the distribution received by the U.S. Holder, including any Panamanian taxes withheld from such distribution.

Distributions made with respect to Class E shares out of earnings and profits generally will be treated as dividend income from sources outside the United States. U.S. Holders that are corporations will not be entitled to the "dividends received deduction" under Section 243 of the Code with respect to such dividends. Dividends may be eligible for special rates applicable to "qualified dividend income" received by an individual, provided, that: (1) the Bank is not a "Passive Foreign Investment Company" ("PFIC") in the year in which the dividend is paid nor in the immediately preceding year, (2) the class of stock with respect to which the dividend is paid is readily tradable on an established securities market in the United States, and (3) the U.S. Holder held his shares for more than 60 days during the 121-day period beginning 60 days prior to the ex-

dividend date and meets other holding period requirements. Subject to certain conditions and limitations, Panamanian tax withheld from dividends will be treated as a foreign income tax eligible for deduction from taxable income or as a credit against a U.S. Holder's U.S. federal income tax liability. Distributions of dividend income made with respect to Class E shares generally will be treated as "passive" income or, in the case of certain U.S. Holders, "general category income," for purposes of computing a U.S. Holder's U.S. foreign tax credit.

A holder of Class E shares that is not a U.S. Holder ("non-U.S. Holder") generally will not be subject to U.S. federal income tax or withholding tax on distributions received on Class E shares that are treated as dividend income for U.S. federal income tax purposes. Special rules may apply in the case of non-U.S. Holders that are (1) engaged in a U.S. trade or business, (2) former citizens or long-term residents of the United States; (3) "controlled foreign corporations;" (4) corporations that accumulate earnings in excess of an amount that is deemed to be necessary for its reasonable business needs; or (5) certain foreign charitable organizations, each within the meaning of the Code. Such persons should consult their own tax advisors as to the U.S. federal income or other tax consequences of the ownership and disposition of Class E shares.

Taxation of Capital Gains or Losses

Subject to the "Passive Foreign Investment Company Status" discussion below, gain or loss realized by a U.S. Holder on the sale or other disposition of Class E shares generally will be subject to U.S. federal income tax as capital gain or loss in an amount equal to the difference between the U.S. Holder's tax basis in the Class E shares and the amount realized on the disposition. Such gain will be treated as long-term capital gain if the Class E shares are held by the U.S. Holder for more than one year at the time of the sale or other disposition. Otherwise, the gain will be treated as a short-term capital gain. Gain realized by a U.S. Holder on the sale or other disposition of Class E shares generally will be treated as U.S. source income for U.S. foreign tax credit purposes, unless the gain is attributable to an office or fixed place of business maintained by the U.S. Holder outside the United States or is recognized by an individual whose tax home is outside the United States, and certain other conditions are met. For U.S. federal income tax purposes, capital losses are subject to limitations on deductibility. As a general rule, U.S. Holders that are corporations can use capital losses for a taxable year only to offset capital gains in that year. A corporation may be entitled to carry back unused capital losses to the three preceding tax years and to carry over losses to the five following tax years. In the case of non-corporate U.S. Holders, capital losses in a taxable year are deductible to the extent of any capital gains plus ordinary income of up to \$3,000. Unused capital losses of non-corporate U.S. Holders may be carried over indefinitely.

A non-U.S. Holder of Class E shares will generally not be subject to U.S. federal income tax or withholding tax on gain realized on the sale or other disposition of Class E shares. However, special rules may apply in the case of non-U.S. Holders that are: (1) engaged in a U.S. trade or business, (2) former citizens or long-term residents of the United States, "controlled foreign corporations," corporations that accumulate earnings to avoid U.S. federal income tax, or certain foreign charitable organizations, each within the meaning of the Code, or (3) certain non-resident alien individuals who are present in the United States for 183 days or more during a taxable year. Such persons should consult their own tax advisors as to the United States or other tax consequences of the purchase, ownership and disposition of the Class E shares.

Passive Foreign Investment Company Status

Under the Code, certain rules apply to an entity classified as a PFIC. A PFIC is defined as any foreign (i.e., non-U.S.) corporation if either: (1) 75% or more of its gross income for the taxable year is passive income (generally including, among other types of income, dividends, interest and gains from the sale of stock and securities) or (2) 50% or more of its assets (by value) produce, or are held for the production of, passive income. The application of the PFIC rules to banks is not entirely clear under present U.S. federal income tax law. Banks generally derive a substantial part of their income from assets that are interest bearing or that otherwise could be considered passive under the PFIC rules. The Code provides a specific exception from passive income classification for income derived in the "active conduct of a banking business". The IRS issued a notice in 1989 (the "Notice"), and the U.S. Department of Treasury has issued multiple sets of proposed regulations (the "Proposed Regulations") that exclude from passive income any income derived in the active conduct of a banking business by a qualifying foreign bank, or the "active bank exception." The Notice and the Proposed Regulations have different requirements for qualifying as an active foreign bank, and for determining the banking income that may be excluded from passive income.

While the Bank conducts, and intends to continue to conduct, a significant banking business, there can be no assurance that the Bank will satisfy the specific requirements for the active bank exception under the Notice, the Proposed Regulations or the exclusion for qualified banking income. Based on estimates of the Bank's current and projected gross income and gross assets, the Bank does not believe that it will be classified as a PFIC for the Bank's current or future taxable years. The determination of whether the Bank is a PFIC, however, is made annually and is based upon the composition of the Bank's

income and assets (including income and assets of entities in which the Bank holds at least a 25% interest), and the nature of the Bank's activities.

Because final regulations have not been issued and because the Notice and the Proposed Regulations are inconsistent, the Bank's status under the PFIC rules is subject to uncertainty. While the Bank conducts, and intends to continue to conduct, a significant banking business, there can be no assurance that it will satisfy the specific requirements under the Notice, the Proposed Regulations or the exclusion for income derived in the active conduct of a banking business. Accordingly, U.S. Holders could be subject to U.S. federal income tax under the rules described below.

If the Bank were to become a PFIC for purposes of the Code, unless a U.S. Holder makes one of the elections described below, a U.S. Holder generally will be subject to a special tax charge with respect to: (a) any gain realized on the sale or other disposition of Class E shares, and (b) any "excess distribution" by the Bank to the U.S. Holder (generally, any distributions, including return of capital distributions, received by the U.S. Holder on the Class E shares in a taxable year that are greater than 125% of the average annual distributions received by the U.S. Holder in the three preceding taxable years, or, if shorter, the U.S. Holder's holding period). Under these rules: (1) the gain or excess distribution would be allocated ratably over the U.S. Holder's holding period for the Class E shares, (2) the amount allocated to the current taxable year would be treated as ordinary income, (3) the amount allocated to each prior taxable year generally would be subject to tax at the highest rate in effect for that year, and (4) an interest charge at the rate generally applicable to underpayments of tax would be imposed with respect to the resulting tax attributable to each such prior taxable year. For purposes of the foregoing rules, a U.S. Holder of Class E shares that uses such stock as security for a loan will be treated as having disposed of such stock.

If the Bank were to be classified as a PFIC, U.S. Holders of interests in a non-U.S. Holder of Class E shares may be treated as indirect holders of their proportionate share of the Class E shares and may be taxed on their proportionate share of any excess distributions or gain attributable to the Class E shares. An indirect holder also must treat an appropriate portion of its gain on the sale or disposition of its interest in the actual holder as gain on the sale of Class E shares.

If the Bank were to become a PFIC, a U.S. Holder could make an election, provided the Bank complies with certain reporting requirements, to have the Bank treated, with respect to such U.S. Holder, as a "qualified electing fund", hereinafter referred to as a QEF election, in which case, the electing U.S. Holder would be required to include annually in gross income the U.S. Holder's proportionate share of the Bank's ordinary earnings and net capital gains, whether or not such amounts are actually distributed. If the Bank were to become a PFIC, the Bank intends to make reasonable best efforts to so notify each U.S. Holder and to comply with all reporting requirements necessary for a U.S. Holder to make a QEF election and will provide to record U.S. Holders of Class E shares such information as may be required to make such QEF election.

If the Bank were to become a PFIC in any year, a U.S. Holder that beneficially owns Class E shares during such year must make an annual return on IRS Form 8621, which describes the income received (or deemed to be received if a QEF election is in effect) from the Bank. The Bank will, if applicable, provide all information necessary for a U.S. Holder of record to make an annual return on IRS Form 8621.

A U.S. Holder that owns certain "marketable stock" in a PFIC may elect to mark-to-market such stock and, subject to certain exceptions, include in income any gain (increases in market value) or loss (decreases in market value to the extent of prior gains recognized) realized annually as ordinary income or loss to avoid the adverse consequences described above. U.S. Holders of Class E shares are urged to consult their own tax advisors as to the consequences of owning stock in a PFIC and whether such U.S. Holder would be eligible to make either of the aforementioned elections to mitigate the adverse effects of such consequences.

Information Reporting and Backup Withholding

The Bank and any U.S. payor making payments in respect of Class E shares will generally be required to provide the IRS with information concerning certain payments made on Class E shares, including the name, address and taxpayer identification number of the beneficial owner of Class E shares, and the aggregate amount of dividends paid to such beneficial owner during the calendar year. Under the backup withholding rules, a holder may be subject to backup withholding at a current rate of 24% with respect to proceeds received on the sale or exchange of Class E shares within the United States and to dividends paid, unless such holder: (1) is a corporation or comes within certain other exempt categories (including non-U.S. Holders, securities broker-dealers, other financial institutions, tax-exempt organizations, qualified pension and profit sharing trusts and individual retirement accounts), and, when required, demonstrates this fact or (2) provides a taxpayer identification number, certifies as to no loss of exemption and otherwise complies with the applicable requirements of the backup withholding rules. Non-U.S. Holders generally are exempt from information reporting and backup withholding, but may be required to provide a properly completed IRS Form W-8BEN or W-8BEN-E (or other similar form) or otherwise comply with applicable certification and identification procedures in order to prove their

exemption. Backup withholding is not an additional tax and any amounts withheld from a payment to a holder of Class E shares will be refunded (or credited against such holder's U.S. federal income tax liability, if any) provided that the required information is timely furnished to the IRS.

There is no income tax treaty between Panama and the United States.

3.8% Medicare Tax On "Net Investment Income"

Certain U.S. Holders who are individuals, estates or trusts may be required to pay an additional 3.8% tax on, among other things, dividends and capital gains from the sale or other disposition of Class E shares.

Foreign Asset Reporting

Certain U.S. Holders who are individuals are required to report information relating to an interest in the Bank's Class E shares, subject to certain exceptions (including an exception for Class E shares held in custodial accounts maintained by United States financial institutions) by filing IRS Form 8938 with their annual U.S. federal income tax return. U.S. Holders are urged to consult their tax advisors regarding their information reporting obligations with respect to their ownership and disposition of the Class E shares.

The above description is not intended to constitute a complete analysis of all tax consequences relating to the acquisition, ownership and disposition of the Class E shares. Prospective purchasers should consult their own tax advisors to determine the tax consequences of their particular situations.

Panamanian Taxes

The following is a summary of the principal Panamanian tax consequences arising in connection with the ownership and disposition of the Bank's Class E shares. This summary is based upon the laws and regulations of Panama, as well as court precedents and interpretative rulings, in effect as of the date of this Annual Report, all of which are subject to prospective and retroactive change.

General Principle

The Bank is exempt from income tax in Panama under a special exemption granted to the Bank pursuant to Contract Law 103-78 of July 25, 1978 between Panama and Bladex. In addition, under general rules of income tax in Panama, only income that is deemed to be Panamanian source income is subject to taxation in Panama. Accordingly, since the Bank's income is derived primarily from sources outside of Panama and is not deemed to be Panamanian source income, even in the absence of the special exemption, the Bank would have limited income tax liability in Panama.

Taxation of Distributions

Dividends, whether cash or in kind, paid by the Bank in respect of its shares are also exempt from dividend tax or other withholding under the special exemption described above. In the absence of this special exemption, there would be a 10% withholding tax on dividends or distributions paid in respect of the Bank's registered shares to the extent the dividends were paid from income derived by the Bank from Panamanian sources, and a 5% withholding tax on dividends or distributions paid from income derived by the Bank from non-Panamanian sources.

Taxation of Capital Gains

Since the Class E shares are listed on the NYSE and LTSE, any capital gains realized by an individual or a corporation, regardless of its nationality or residency, on the sale or other disposition of such shares on either the NYSE or LTSE would be exempted from capital gains taxes in Panama.

F. Dividends and Paying Agents

Not required in this Annual Report.

G. Statement by Experts

Not required in this Annual Report.

H. Documents on Display

Upon written or oral request, the Bank will provide without charge to each person to whom this Annual Report is delivered, a copy of any or all of the documents listed as exhibits to this Annual Report (other than exhibits to those documents, unless the exhibits are specifically incorporated by reference in the documents). Written requests for copies should be directed to the attention of Mr. Carlos Daniel Raad, Chief Investor Relations Officer, Bladex, as follows: (1) if by regular mail, to P.O. Box 0819-08730, Panama City, Republic of Panama, and (2) if by courier, to Torre V, Business Park, Avenida La Rotonda, Urb. Costa del Este, Panama City, Republic of Panama. Telephone requests may be directed to Mr. Raad at +507 366-4925 ext. 7925. Written requests may also be sent via e-mail to Mr. Raad at craad@bladex.com or ir@bladex.com. Information is also available on the Bank’s website at: <https://www.bladex.com/en>.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

Item 11. Quantitative and Qualitative Disclosure About Market Risk

The Bank’s risk management policies, as approved by the Board from time to time, are designed to identify and control the Bank’s credit and market risks by establishing and monitoring appropriate limits on the Bank’s credit and market exposures. Certain members of the Board constitute the Risk Policy and Assessment Committee and the Finance and Business Committee, which meet on a regular basis and monitor and control the risks in each specific area. At the management level, the Bank has a Risk Management Department that measures and controls overall risk management of the Bank (credit, operational and market risk).

The Bank’s businesses are subject to market risk. The components of this market risk are interest rate risk inherent in the Bank’s financial position, foreign exchange risk, and the price risk in the Bank’s investment securities portfolio.

Interest Rate Risk Management and Sensitivity

The tables below list the notional amounts and weighted interest rates, as of December 31, 2025 and 2024, for derivative financial instruments and other financial instruments that are sensitive to changes in interest rates, including the Bank’s investment securities, loans, borrowings and placements, interest rate swaps, cross currency swaps and forward currency exchange agreements.

As of December 31, 2025:

	Expected maturity date						There- after	Without maturity	Total 2025	Fair value 2025
	2026	2027	2028	2029	2030					
(\$ Equivalent in thousands)										
ASSETS:										
Investment securities										
Fixed rate										
U.S. Dollars	428,450	360,526	457,642	138,154	8,292	21,571	—	1,414,635	1,445,264	
Average fixed rate	3.26 %	3.91 %	4.60 %	3.93 %	— %	2.54 %	—	3.89 %		
Loans ⁽¹⁾										
Fixed rate										
U.S. Dollars	4,537,032	158,715	89,735	40,630	28,034	2,693	—	4,856,839	4,901,548	
Average fixed rate	6.03 %	7.08 %	7.08 %	7.50 %	7.33 %	6.59 %	—	6.11 %		
Mexican Peso	130,537	9,920	4,862	486	—	—	—	145,805	143,420	
Average fixed rate	11.00 %	12.33 %	11.14 %	13.25 %	—	—	—	11.11 %		
Euro	17,610	—	—	—	—	—	—	17,610	18,158	
Average fixed rate	3.83 %	—	—	—	—	—	—	3.83 %		

	Expected maturity date							Total 2025	Fair value 2025
	2026	2027	2028	2029	2030	There- after	Without maturity		
	(\$ Equivalent in thousands)								
Chilean Peso	10,092	—	—	—	—	—	—	10,092	10,113
Average fixed rate	6.85 %	—	—	—	—	—	—	6.85 %	
Floating rate									
U.S. Dollars	1,197,127	733,826	504,564	364,423	784,073	229,220	—	3,813,233	3,967,223
Average floating rate	6.77 %	6.97 %	7.21 %	7.53 %	7.06 %	7.31 %	—	7.03 %	
Mexican Peso	90,918	52,853	65,124	49,103	8,907	18,170	—	285,075	300,911
Average floating rate	9.61 %	10.00 %	10.15 %	10.09 %	9.62 %	9.59 %	—	9.89 %	
Euro	3,189	9,715	11,388	3,180	—	—	—	27,472	27,810
Average floating rate	5.58 %	4.74 %	4.67 %	5.83 %	—	—	—	4.93 %	
Costa Rican Colones	—	—	12,587	12,588	—	—	—	25,175	27,095
Average floating rate	—	—	8.28 %	8.28 %	—	—	—	8.28 %	
LIABILITIES:									
Borrowings and Placements ⁽²⁾									
Fixed rate									
U.S. Dollars	1,610,051	80,420	15,909	38,379	4,000	—	—	1,748,759	1,763,056
Average fixed rate	4.30 %	5.14 %	5.88 %	5.62 %	5.25 %	—	—	4.39 %	
Mexican Peso	45,019	238,099	83,705	100,275	—	—	—	467,098	485,276
Average fixed rate	8.28 %	9.11 %	9.75 %	10.64 %	—	—	—	9.47 %	
Euro	40,650	11,740	5,846	—	—	—	—	58,236	58,161
Average fixed rate	2.10 %	0.90 %	3.17 %	—	—	—	—	1.96 %	
Japanese Yen	31,888	30,883	19,140	43,256	—	—	—	125,167	125,967
Average fixed rate	1.19 %	1.24 %	1.90 %	1.51 %	—	—	—	1.42 %	
Australian Dollar	—	—	—	—	—	9,599	—	9,599	11,730
Average fixed rate	—	—	—	—	—	7.10 %	—	7.10 %	
Sterling Pound	—	4,979	—	—	—	—	—	4,979	4,949
Average fixed rate	—	1.50 %	—	—	—	—	—	1.50 %	
Peruvian Soles	—	—	—	27,961	—	—	—	27,961	29,444
Average fixed rate	—	—	—	7.00 %	—	—	—	7.00 %	
Floating rate									
U.S. Dollars	25,037	430,000	153,000	—	15,000	—	—	623,037	634,877
Average floating rate	5.13 %	5.13 %	4.93 %	—	5.11 %	—	—	5.08 %	
Mexican Peso	307,576	112,560	573,377	13,632	—	33,312	—	1,040,457	1,062,340
Average floating rate	7.85 %	7.69 %	7.70 %	7.85 %	—	8.61 %	—	7.78 %	
Costa Rican Colones	—	—	12,587	12,588	—	—	—	25,175	26,498
Average floating rate	—	—	6.28 %	6.28 %	—	—	—	6.28 %	
INTEREST RATE SWAPS:									
Interest Rate Swaps – Securities									
U.S. Dollars fixed to floating	—	9,800	119,800	35,000	—	—	—	164,600	(4,407)
Average pay rate	—	5.65 %	4.84 %	4.77 %	—	—	—		
Average receive rate	—	5.32 %	4.54 %	4.49 %	—	—	—		
Interest Rate Swaps – Loans									
U.S. Dollars fixed to floating	—	—	—	—	25,000	—	—	25,000	(643)
Average pay rate	—	—	—	—	7.57 %	—	—		
Average receive rate	—	—	—	—	7.38 %	—	—		
Interest Rate Swaps – Deposits									
U.S. Dollars fixed to floating	60,000	—	—	—	—	—	—	60,000	269
Average pay rate	4.82 %	—	—	—	—	—	—		
Average receive rate	5.10 %	—	—	—	—	—	—		
Interest Rate Swaps – Repos									
U.S. Dollars fixed to floating	60,485	—	—	—	—	—	—	60,485	(247)
Average pay rate	5.14 %	—	—	—	—	—	—		
Average receive rate	5.12 %	—	—	—	—	—	—		

	Expected maturity date							Total 2025	Fair value 2025
	2026	2027	2028	2029	2030	There- after	Without maturity		
(\$ Equivalent in thousands)									
Interest Rate Swaps – Borrowings									
U.S. Dollars fixed to floating	25,000	50,000	—	—	—	—	—	75,000	906
Average pay rate	5.41 %	4.97 %	—	—	—	—	—		
Average receive rate	5.14 %	4.83 %	—	—	—	—	—		
Interest Rate Swaps – Issuances									
U.S. Dollars fixed to floating	229,283	99,692	172,141	163,493	—	29,268	—	693,877	19,033
Average pay rate	4.73 %	4.46 %	5.25 %	5.42 %	—	5.35 %	—		
Average receive rate	5.36 %	5.03 %	5.38 %	5.57 %	—	5.30 %	—		
Mexican Peso fixed to floating	—	138,800	—	—	—	—	—	138,800	5,700
Average pay rate	—	8.45 %	—	—	—	—	—		
Average receive rate	—	9.20 %	—	—	—	—	—		
Interest Rate Swaps – Trading									
U.S. Dollars fixed to floating	—	—	—	—	281,716	250,000	—	531,716	1,304
Average pay rate	—	—	—	—	3.53 %	3.50 %	—		
Average receive rate	—	—	—	—	3.58 %	3.58 %	—		
CROSS CURRENCY SWAPS:									
Cross Currency Swaps									
Receive U.S. Dollars	22,284	3,798	4,145	—	—	—	—	30,227	
Average receive rate	6.90 %	7.01 %	7.01 %	—	—	—	—		
Pay U.S. Dollars	323,322	238,937	504,162	178,883	—	39,393	—	1,284,697	
Average pay rate	3.36 %	4.18 %	4.25 %	5.10 %	—	5.79 %	—		
Receive Mexican Peso	269,895	190,830	493,295	98,548	—	33,312	—	1,085,880	
Average receive rate	7.56 %	8.40 %	8.10 %	10.78 %	—	8.60 %	—		
Pay Mexican Peso	3,560	4,005	4,372	—	—	—	—	11,937	
Average pay rate	11.10 %	11.10 %	11.10 %	—	—	—	—		
Receive Euro	11,740	11,740	5,870	—	—	—	—	29,350	
Average receive rate	0.90 %	0.90 %	3.16 %	—	—	—	—		
Pay Euro	10,566	—	—	—	—	—	—	10,566	
Average pay rate	3.91 %	—	—	—	—	—	—		
Receive Japanese Yen	32,027	31,900	19,140	44,660	—	—	—	127,727	
Average receive rate	1.15 %	1.22 %	1.90 %	1.40 %	—	—	—		
Receive Australian Dollar	—	—	—	—	—	10,008	—	10,008	
Average receive rate	—	—	—	—	—	6.81 %	—		
Receive Sterling Pound	—	4,978	—	—	—	—	—	4,978	
Average receive rate	—	1.50 %	—	—	—	—	—		
Receive Peruvian Soles	—	—	—	27,959	—	—	—	27,959	
Average receive rate	—	—	—	7.00 %	—	—	—		
Pay Chilean Pesos	10,091	—	—	—	—	—	—	10,091	
Average pay rate	6.85 %	—	—	—	—	—	—		
FORWARD CURRENCY EXCHANGE AGREEMENTS:									
Pay Euro / Receive U.S. Dollars	7,039	—	—	—	—	—	—	7,039	(44)
Average exchange rate	1.16 %	—	—	—	—	—	—		

(1) Loans include loans at amortized cost and loans at FVOCI, gross of interest receivable, unearned interest and deferred fees and loss allowances.

(2) Borrowings and placements include Repos, short and long-term borrowings and debt, gross of transaction costs and interest payable.

As of December 31, 2024:

	Expected maturity date						There- after	Without maturity	Total 2024	Fair value 2024
	2025	2026	2027	2028	2029					
(\$ Equivalent in thousands)										
ASSETS:										
Investment securities										
Fixed rate										
U.S. Dollars	253,204	323,431	243,757	254,958	85,466	28,510	—	1,189,326	1,203,700	
Average fixed rate	4.56 %	3.20 %	4.26 %	4.73 %	4.18 %	1.92 %	—	4.07 %		
Loans ⁽¹⁾										
Fixed rate										
U.S. Dollars	4,589,881	137,045	45,292	37,701	15,428	3,752	—	4,829,099	4,895,124	
Average fixed rate	6.99 %	7.19 %	7.14 %	6.85 %	7.82 %	6.00 %	—	7.00 %		
Mexican Peso	17,832	15,487	—	—	—	—	—	33,319	29,850	
Average fixed rate	15.53 %	16.28 %	—	—	—	—	—	15.88 %		
Euro	9,155	—	—	—	—	—	—	9,155	9,156	
Average fixed rate	7.24 %	—	—	—	—	—	—	7.24 %		
Floating rate										
U.S. Dollars	1,171,836	842,874	523,944	212,833	248,304	185,408	—	3,185,199	3,306,191	
Average floating rate	7.67 %	7.71 %	7.71 %	8.39 %	8.14 %	7.75 %	—	7.78 %		
Mexican Peso	149,123	17,298	33,995	44,433	37,310	—	—	282,159	296,284	
Average floating rate	12.93 %	13.37 %	13.23 %	13.35 %	13.39 %	—	—	13.12 %		
Euro	10,743	3,434	8,568	10,044	3,452	—	—	36,241	37,320	
Average floating rate	5.19 %	5.85 %	5.54 %	5.47 %	6.64 %	—	—	5.55 %		
LIABILITIES:										
Borrowings and Placements ⁽²⁾										
Fixed rate										
U.S. Dollars	1,799,895	114,665	79,774	15,666	37,655	—	—	2,047,655	2,054,031	
Average fixed rate	4.40 %	5.18 %	5.18 %	5.97 %	5.73 %	—	—	4.51 %		
Mexican Peso	243,471	15,561	196,606	71,820	86,558	—	—	614,016	627,978	
Average fixed rate	7.79 %	9.09 %	9.49 %	9.75 %	10.58 %	—	—	8.99 %		
Euro	86,666	10,355	10,355	—	—	—	—	107,376	106,679	
Average fixed rate	3.29 %	0.90 %	0.90 %	—	—	—	—	2.81 %		
Japanese Yen	6,358	31,786	30,793	—	43,734	—	—	112,671	113,689	
Average fixed rate	0.77 %	1.19 %	1.23 %	—	1.49 %	—	—	1.30 %		
Australian Dollar	—	—	—	—	—	9,133	—	9,133	11,358	
Average fixed rate	—	—	—	—	—	6.92 %	—	6.92 %		
Sterling Pound	—	—	4,629	—	—	—	—	4,629	4,400	
Average fixed rate	—	—	1.50 %	—	—	—	—	1.50 %		
Peruvian Soles	—	—	—	—	25,020	—	—	25,020	26,769	
Average fixed rate	—	—	—	—	7.00 %	—	—	7.00 %		
Floating rate										
U.S. Dollars	175,000	312,739	430,000	8,000	—	—	—	925,739	937,507	
Average floating rate	5.17 %	5.76 %	5.66 %	6.31 %	—	—	—	5.61 %		
Mexican Peso	130,234	241,463	109,280	207,195	11,756	28,728	—	728,656	752,290	
Average floating rate	10.72 %	10.72 %	10.68 %	10.63 %	10.75 %	11.52 %	—	10.72 %		
INTEREST RATE SWAPS:										
Interest Rate Swaps – Deposits										
U.S. Dollars fixed to floating	71,000	60,000	—	—	—	—	—	131,000	(116)	
Average pay rate	5.55 %	5.46 %	—	—	—	—	—			
Average receive rate	5.60 %	5.10 %	—	—	—	—	—			
Interest Rate Swaps – Repos										
U.S. Dollars fixed to floating	—	68,985	—	—	—	—	—	68,985	71	
Average pay rate	—	5.54 %	—	—	—	—	—			
Average receive rate	—	5.11 %	—	—	—	—	—			

	Expected maturity date						Without maturity	Total 2024	Fair value 2024
	2025	2026	2027	2028	2029	There-after			
(\$ Equivalent in thousands)									
Interest Rate Swaps – Borrowings									
U.S. Dollars fixed to floating	—	25,000	50,000	—	—	—	—	75,000	(424)
Average pay rate	—	5.93 %	5.59 %	—	—	—	—		
Average receive rate	—	5.44 %	4.83 %	—	—	—	—		
Interest Rate Swaps – Issuances									
U.S. Dollars fixed to floating	44,263	229,283	99,693	172,141	163,493	29,268	—	738,142	(4,313)
Average pay rate	5.91 %	5.42 %	5.13 %	5.92 %	6.07 %	5.98 %	—		
Average receive rate	5.75 %	5.37 %	5.04 %	5.38 %	5.57 %	5.34 %	—		
Mexican Peso fixed to floating	—	—	119,700	—	—	—	—	119,700	425
Average pay rate	—	—	11.35 %	—	—	—	—		
Average receive rate	—	—	9.20 %	—	—	—	—		
CROSS CURRENCY SWAPS:									
Cross Currency Swaps									
Receive U.S. Dollars	20,757	—	—	—	—	—	—	20,757	
U.S. Dollars fixed rate	6.79 %	—	—	—	—	—	—		
Pay U.S. Dollars	435,072	323,323	238,938	156,596	178,884	39,393	—	1,372,206	
U.S. Dollars fixed rate	3.55 %	3.06 %	3.09 %	4.73 %	4.99 %	5.34 %	—		
U.S. Dollars floating rate	—	6.18 %	5.93 %	—	6.30 %	6.94 %	—		
Receive Mexican Peso	367,959	232,756	164,571	138,134	84,987	28,728	—	1,017,135	
Mexican Peso fixed rate	9.06 %	6.50 %	9.20 %	9.75 %	10.78 %	—	—		
Mexican Peso floating rate	10.71 %	10.72 %	10.62 %	10.62 %	—	11.52 %	—		
Receive Euro	49,702	—	—	—	—	—	—	49,702	
Euro fixed rate	3.46 %	—	—	—	—	—	—		
Pay Euro	20,709	10,355	10,354	—	—	—	—	41,418	
Euro fixed rate	3.05 %	0.90 %	0.90 %	—	—	—	—		
Receive Japanese Yen	6,358	31,917	31,790	—	44,506	—	—	114,571	
Japanese Yen fixed rate	0.77 %	1.15 %	1.22 %	—	1.41 %	—	—		
Receive Australian Dollar	—	—	—	—	—	24,237	—	24,237	
Australian Dollar fixed rate	—	—	—	—	—	6.81 %	—		
Receive Sterling Pound	—	—	4,629	—	—	—	—	4,629	
Sterling Pound fixed rate	—	—	0.90 %	—	—	—	—		
Receive Peruvian Soles	—	—	—	—	25,020	—	—	25,020	
Peruvian Soles fixed rate	—	—	—	—	7.00 %	—	—		
Pay Chilean Pesos	9,155	—	—	—	—	—	—	9,155	
Chilean Pesos fixed rate	7.24 %	—	—	—	—	—	—		
FORWARD CURRENCY EXCHANGE AGREEMENTS:									
Receive Mexican Peso/ Pay U.S. Dollars	19,068	—	—	—	—	—	—	19,068	(411)
Average exchange rate	20.41 %	—	—	—	—	—	—		
Receive Euro/ Pay U.S. Dollars	876	—	—	—	—	—	—	876	(12)
Average exchange rate	1.05 %	—	—	—	—	—	—		

(1) Loans include loans at amortized cost and loans at FVOCI, gross of interest receivable, unearned interest and deferred fees and loss allowances.

(2) Borrowings and placements include Repos, short and long-term borrowings and debt, gross of transaction costs and interest payable.

Although certain assets and liabilities may have similar maturities or periods of re-pricing, they may be impacted in varying degrees by changes in market interest rates. The maturity of certain types of assets and liabilities may fluctuate in advance of changes in market rates, while the maturity of other types of assets and liabilities may lag behind changes in market rates. In

the event of a change in interest rates, prepayment and early withdrawal levels could deviate significantly from the maturities assumed in calculating the table above.

Foreign Exchange Risk Management and Sensitivity

The Bank accepts deposits and raises funds principally in U.S. dollars, and makes most loans in U.S. dollars. Currency exchange risk arises when the Bank accepts deposits or raises funds in one currency and lends or invests the proceeds in another. In general, foreign currency-denominated assets are funded with liability instruments denominated in the same currency. In those cases where assets are funded in different currencies, forward foreign exchange or cross currency swap contracts are used to fully hedge the risk resulting from this cross currency funding, which, though economically hedged, might give rise to some accounting volatility.

The Bank does not run any foreign exchange trading business nor does it maintain open positions in any currencies beyond the minimum operational balances required to run the business of its representative offices and the foreign currency-denominated assets, liabilities and hedging derivative instruments.

Most of the Bank’s assets and most of its liabilities are denominated in U.S. dollars and, therefore, the Bank has no significant foreign exchange risk, nor does it hold material open foreign exchange positions. As of December 31, 2025, the Bank had an equivalent of \$473 million in non-U.S. dollar financial assets and \$472 million of non-U.S. dollar financial liabilities, reflecting a net currency position of \$0.7 million. Most of this net currency position came from the Bank’s Mexican pesos loan book, which as of December 31, 2025 amounted to the equivalent of \$416 million, mostly funded with liabilities denominated in the same currency. The rest of the open position is hedged with derivatives in order to avoid any currency mismatch.

Price Risk Management and Sensitivity

Price risk corresponds to the risk that arises from the volatility in the price of the financial instruments held by the Bank, which may result from observed transaction prices that fluctuate freely according to supply and demand or from changes in the risk factors used for determining prices (interest rates, exchange rates, credit risk spreads, etc.).

The table below lists the carrying amount and fair value of the Investment Portfolio and the interest rate swaps associated with this portfolio as of the dates below:

	As of December 31, 2025		As of December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(in \$ thousands)				
Investment Securities				
Securities at amortized cost ⁽¹⁾	1,359,514	1,375,788	1,102,444	1,102,386
Securities at FVOCI	69,476	69,476	99,486	99,486
Interest rate swaps ⁽²⁾	164,600	(4,407)	0	0

⁽¹⁾ As of December 31, 2025 and 2024, the carrying value of securities at amortized cost is net of accrued interest receivable of \$15.3 million and \$13.9 million, and the allowance for expected credit losses of \$1.0 million and \$1.3 million, respectively.

⁽²⁾ As of December 31, 2025 and 2024, includes interest rate swaps that applies for hedge accounting.

Item 12. Description of Securities Other than Equity Securities

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Item 15. Controls and Procedures

a) Disclosure Controls and Procedures

The Bank maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports it files under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Such controls include those designed to ensure that information for disclosure is accumulated and communicated to the members of the Board and management, as appropriate to allow timely decisions regarding required disclosure.

The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") evaluated the effectiveness of the Bank's disclosure controls and procedures as of December 31, 2025, and concluded that they were effective as of December 31, 2025.

b) Management's Annual Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f) or 15d-15(f). Management, with the participation and supervision of the Bank's CEO and CFO, has evaluated the effectiveness of its internal control over financial reporting as of December 31, 2025. Such evaluation included (i) the documentation and understanding of the Bank's internal control over financial reporting and (ii) a test of the design and the operating effectiveness of internal controls over financial reporting. This evaluation was the basis of management's conclusions.

Management's evaluation was based on the criteria set forth by the Internal Control-Integrated Framework 2013 of the Committee of Sponsoring Organizations of the Treadway Commission.

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Bank's internal control over financial reporting includes policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the Bank's transactions and dispositions of its assets;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that the Bank's receipts and expenditures are being made only in accordance with authorizations of the Bank's management and the Board; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Bank's assets that could have a material effect on its financial statements.

Because of its inherent limitations, internal control over financial reporting determined to be effective can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements. Also, projections of any evaluation of the effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on the assessment and criteria described above, the Bank's management concluded that, as of December 31, 2025, the Bank's internal control over financial reporting was effective.

The Bank's independent registered public accounting firm, KPMG, has issued an attestation report on the effectiveness of the Bank's internal control over financial reporting.

c) Attestation Report of the Registered Public Accounting Firm



KPMG Cárdenas Dosal, S.C.
Manuel Ávila Camacho 176 P1,
Reforma Social, Miguel Hidalgo,
C.P. 11650, Ciudad de México.
Teléfono: +52 (55) 5246 8300
kpmg.com.mx

Report of Independent Registered Public Accounting Firm

To the Shareholders, Board of Directors, and Audit Committee

Banco Latinoamericano de Comercio Exterior, S.A.

Opinion on Internal Control Over Financial Reporting

We have audited Banco Latinoamericano de Comercio Exterior, S.A. and its subsidiaries (the “Bank”) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Bank maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statement of financial position of the Bank as of December 31, 2025, the related consolidated statements of profit or loss, comprehensive income, changes in equity, and cash flows for the year then ended and the related notes (collectively, the consolidated financial statements, and our report dated April 20, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Bank’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Bank’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Bank in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded

as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG Cardenas Dosal, S.C:

Mexico City, Mexico
April 20, 2026

d) Changes in Internal Control over Financial Reporting

There has been no change in the Bank’s internal control over financial reporting during the fiscal year ended December 31, 2025 that has materially affected, or is reasonably likely to materially affect, the Bank’s internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

The Board has determined that at least one member of the Audit Committee is an “audit committee financial expert,” as defined in the rules enacted by the SEC under the Sarbanes-Oxley Act, Section 303A of NYSE Listed Company Manual, and Rule No. 05-2011, as amended by Rule No. 05-2014, of the Superintendency of Banks. As of the date hereof, the Audit Committee’s financial expert is Mr. Roland Holst. Mr. Holst is independent as defined by the NYSE Listed Company Manual and Item 407 of Regulation S-K.

See Item 6.A., “Directors and Executive Officers.”

Item 16B. Code of Ethics

The Bank has adopted a Code of Ethics that applies to the Bank’s principal executive officer, principal financial officer and principal accounting officer and was amended in October of 2025 and approved by the Board of Directors in its meetings held on October 21, 2025, without material-substantive changes.

A copy of the Bank’s amended Code of Ethics is being filed with the SEC as an Exhibit to this Annual Report and may also be found on the “Corporate Governance” section of the Bank’s website at <https://www.bladex.com/en/governance> (for purposes of Section 406 of the Sarbanes-Oxley Act of 2002).

Item 16C. Principal Accountant Fees and Services

The following table summarizes the fees paid and/or accrued by the Bank for audit services provided by KPMG, as well as fees paid by the Bank for audit-related services provided by KPMG for each of the last two fiscal years:

	As of December 31,	
	2025	2024
Audit fees	\$ 743,480	\$ 735,726
Audit-related fees	293,700	139,700
Tax fees	0	0
All other fees	0	0
Total	\$ 1,037,180	\$ 875,426

The following is a description of the type of services included within the categories listed above:

- Audit fees include aggregate fees billed for professional services rendered by KPMG, for the audit of the Bank's annual financial statements and services that are normally provided in connection with statutory and regulatory filings or engagements.
- Audit-related fees include aggregate fees billed for assurance and related services by KPMG, that are reasonably related to the performance of the audit or review of the Bank's financial statements and are not reported under the "Audit fees." These services are associated primarily with the Bank's funding programs and include additional assurance and related services required in connection with specific transactions executed during the year.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee pre-approves all audit and audit-related services to be provided to the Bank by the Bank's independent accounting firm. All of the services related to the audit fees and audit-related fees described above were approved by the Audit Committee.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

On February 22, 2024, the Bank announced that its Board of Directors authorized a repurchase program of up to \$50 million of the Bank's common stock over time. Under this stock repurchase plan, the Bank may, from time to time in the future, purchase shares of its common stock through open market transactions, privately negotiated transactions, forward, derivative, or accelerated repurchase transactions, tender offers or through other legally permissible means, depending on the market conditions and in accordance with all applicable securities laws and regulations, including Rule 10b-18 of the Securities Exchange Act of 1934, as amended.

During the period ended December 31, 2025, the Bank has not repurchased any common stock since its \$50 million common stock repurchase plan launched in February 2024.

Item 16F. Change in Registrant's Certifying Accountant

During 2025, there was a change in the Bank's independent registered public accounting firm responsible for issuing audit reports in accordance with the standards of the PCAOB. Until December 31, 2024, KPMG in Panama, a member firm of KPMG LLP, served as the Bank's independent registered public accounting firm. In July 2025, the Audit Committee was informed of the change in auditors' and KPMG Cárdenas Dosal, S.C., a member firm of KPMG LLP, was appointed as the Bank's independent registered public accounting firm in accordance with the standards of the PCAOB, which was effective for the audit of the December 31, 2025 Consolidated Financial Statements.

The audit reports issued by KPMG in Panama on the Bank's Consolidated Financial Statements as of and for the years ended December 31, 2024 and 2023 did not contain an adverse opinion or a disclaimer of opinion, nor were the audit reports qualified or modified as to uncertainty, audit scope, or accounting principles.

During the years ended December 31, 2024 and 2023, and through the date of the transition in 2025:

- there were no disagreements between the Bank and KPMG in Panama on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of KPMG in Panama, would have caused it to make reference thereto in its reports; and
- there were no "reportable events" as defined in Item 16F(a)(1)(v) of Form 20-F.

Item 16G. Corporate Governance

The corporate governance practices of the Bank and those required by the NYSE for domestic companies in the United States differ in two significant ways:

First, under Section 303A.04 of the NYSE Rules, a listed company must have a nomination/corporate governance committee comprised entirely of independent directors. However, it is common practice among public companies in Panama, including the Bank, not to have a corporate governance committee. Given the importance that corporate governance has for the Bank, the Board decided to address all matters related to corporate governance at the Board level.

The Nomination, Compensation and Operations Committee is responsible for making recommendations to the Board on corporate governance matters.

Second, under Section 303A.08 of the NYSE Rules, shareholders must approve all equity compensation plans and material revisions to such plans, subject to limited exceptions. However, under Panamanian law, any contracts, agreements and transactions between the Bank and one or more of its directors or officers, or companies in which they have an interest, only need to be approved by the Board, including equity compensation plans. The Board must inform shareholders of the equity compensation plans and/or material revisions to such plans at the next shareholders' meeting and shareholders may revoke the Board's approval of the equity compensation plans and/or material revisions to such plans at such meeting.

The Bank's corporate governance manual complies with Section 303A of the NYSE's Listed Company Manual/Corporate Governance Rules and is available in the "Governance" section of the Bank's website at <https://www.bladex.com/en/governance>.

Shareholders, employees of the Bank, and other interested parties may communicate directly with the Board by corresponding to the address below:

Board of Directors of Banco Latinoamericano de Comercio Exterior, S.A.
c/o Mr. Miguel Heras
Director and Chairman of the Board of Directors
Torre V, Business Park
Avenida La Rotonda, Urbanización Costa del Este
P.O. Box 0819-08730
Panama City, Republic of Panama

In addition, the Bank has selected Ethics Line, an on-line reporting system, to provide shareholders, employees of the Bank, and other interested parties with an alternative channel to report anonymously, any actual or possible violations of the Bank's Code of Ethics, as well as other work-related situations or irregular or suspicious transactions, accounting matters, internal audit or accounting controls. In order to file a report, a link is provided on the Bank's website at <https://www.bladex.com/en>.

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

The Bank's insider trading policies are included in its Code of Ethics (as defined in Item 16B), as amended in October 2025 and approved by the Board of Directors of the Bank in its meetings held on October 21, 2025.

A copy of the Bank's amended Code of Ethics is being filed with the SEC as an Exhibit to this Annual Report on Form 20-F and may also be found on the "Corporate Governance" section of the Bank's website at <https://www.bladex.com/en/governance> (for purposes of Section 406 of the Sarbanes-Oxley Act of 2002).

Item 16K. Cybersecurity

Risk Oversight and Governance

The Board recognizes the importance of maintaining the trust and confidence of the Bank's shareholders, clients, and employees, and devotes significant time and attention to oversight of cybersecurity and information security risk. The Risk Policy and Assessment Committee receive regular reporting on cybersecurity and information security risk. The Board and the Risk Policy and Assessment Committee also receive annual training sessions on cybersecurity and information security topics. In 2018, the Risk Policy and Assessment Committee's Charter was updated to expressly include its responsibility for overseeing cybersecurity and information security risks as well as the steps taken by management to understand and mitigate such risks.

The Bank has defined a methodology that allows the identification, evaluation and management of cybersecurity risks and threats. This methodology consists of two fundamental pillars: risk profile and maturity model. The assessment provides a repeatable and measurable process over time, so that senior management can be informed of the risks and measures that must be adopted to manage cybersecurity.

In 2025, Bladex obtained the international ISO 27001:2022 certification, which validates the robustness of our Information Security Management System (ISMS) and its alignment with global best practices.

Management and Safeguards

The Bank has approved policies and implemented procedures defining roles and responsibilities for managing information security as part of the Information Security and Technological Risk Management Framework. These policies and procedures, which apply throughout the Bank, cover any access to data, resource management and information systems by the Bank's employees, providers and suppliers, as well as any other person who deals with the Bank on a permanent or temporary basis and has some form of access to data, resource management and IT systems.

The Bank's Information Security Team is responsible for overseeing compliance with the applicable policies and procedures by any person with access to the Bank's systems. The Bank also engages independent third-party consultants to review and assess its cybersecurity program.

The Bank's cybersecurity program was developed using a holistic approach, which covers both the technical and strategic measures. This framework is based on five fundamental pillars: Perimeter and Cloud Security, Service and Infrastructure Security, User Security, Third Party Security and Data Security. For all the pillars, the Bank has in place a group of next generation security platforms that help to maintain a strong cybersecurity level.

For the year ended December 31, 2025, Bladex has not been a victim of critical system failures, data loss or cyber-attacks.

Artificial Intelligence ("AI")

The Bank recognizes generative AI as an emerging capability that may provide operational efficiencies when deployed within a controlled environment and subject to appropriate governance and oversight. As of the date of this Annual Report, the Bank's use of generative AI is limited to authorized support activities and does not extend to decision-making in financial reporting, credit, commercial, or strategic processes.

To manage the associated risks, the Bank has established an AI governance framework comprised of policies, standards, procedures, and control requirements designed to govern the use of AI-enabled tools and to protect sensitive and non-public information. This framework defines requirements related to permitted use, data governance, human oversight, output validation, information security, monitoring, accountability, and compliance with applicable legal, regulatory, and internal requirements.

This approach is intended to support the prudent and controlled adoption of generative AI in a manner consistent with the Bank's risk management framework and governance practices, however, there can be no assurance that such measures will fully mitigate all risks associated with the use of emerging technologies, including generative AI.

PART III

Item 17. Financial Statements

The Bank is providing the financial statements and related information specified in Item 18.

Item 18. Financial Statements

List of Consolidated Financial Statements

Reports of Independent Registered Public Accounting Firm	F-3
Consolidated Statement of Financial Position	F-6
Consolidated Statement of Profit or Loss	F-7
Consolidated Statement of Comprehensive Income	F-8
Consolidated Statement of Changes in Equity	F-9
Consolidated Statement of Cash Flows	F-10
Notes to the Consolidated Financial Statements	F-11

Item 19. Exhibits

List of Exhibits

- Exhibit 1.1. [Amended and Restated Articles of Incorporation](#)
- Exhibit 1.2. [By-Laws](#)
- Exhibit 2.1. [Description of rights of each class of securities registered under Section 12 of the Securities Exchange Act of 1934](#)
- Exhibit 8.1. [List of Subsidiaries](#)
- Exhibit 11.1. [Code of Ethics](#)
- Exhibit 12.1. [Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a – 14\(a\) and 15d – 14\(a\)](#)
- Exhibit 12.2. [Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a – 14\(a\) and 15d – 14\(a\)](#)
- Exhibit 13.1. [Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002](#)
- Exhibit 13.2. [Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002](#)
- Exhibit 15.1. [Letter from Former Independent Registered Public Accounting Firm](#)
- Exhibit 97.1. [Clawback Policy](#)

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

BANCO LATINOAMERICANO DE COMERCIO EXTERIOR, S.A.

/s/ Jorge Salas
Chief Executive Officer

April 20, 2026

EXHIBIT INDEX

Exhibit

Exhibit 1.1.	Amended and Restated Articles of Incorporation
Exhibit 1.2.	By-Laws
Exhibit 2.1.	Description of rights of each class of securities registered under Section 12 of the Securities Exchange Act of 1934
Exhibit 8.1.	List of Subsidiaries
Exhibit 11.1.	Code of Ethics
Exhibit 12.1.	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a – 14(a) and 15d – 14(a)
Exhibit 12.2.	Certification of Principal Financial Officer pursuant to Exchange Act Rules
Exhibit 13.1.	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section
Exhibit 13.2.	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002
Exhibit 15.1.	Letter from Former Independent Registered Public Accounting Firm
Exhibit 97.1.	Clawback Policy

**Banco Latinoamericano
de Comercio Exterior, S.A.
and Subsidiaries**

Consolidated Financial Statements
as of December 31, 2025

(With the Independent Auditors' Report thereon)

**Banco Latinoamericano de Comercio Exterior, S.A.
and Subsidiaries**

Consolidated Financial Statements

Contents

Report of Independent Registered Public Accounting Firm (KPMG Cárdenas Dosal, S.C., Mexico City, Mexico; Auditor Firm ID: (1141)	F-3
Consolidated Statement of Financial Position	F-6
Consolidated Statement of Profit or Loss	F-7
Consolidated Statement of Comprehensive Income	F-8
Consolidated Statement of Changes in Equity	F-9
Consolidated Statement of Cash Flows	F-10
Notes to the Consolidated Financial Statements	F-11



KPMG Cárdenas Dosal, S.C.
Manuel Ávila Camacho 176 P1,
Reforma Social, Miguel Hidalgo,
C.P. 11650, Ciudad de México.
Teléfono: +52 (55) 5246 8300
kpmg.com.mx

Report of Independent Registered Public Accounting Firm

To the Shareholders, Board of Directors, and Audit Committee

Banco Latinoamericano de Comercio Exterior, S.A.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statement of financial position of Banco Latinoamericano de Comercio Exterior, S.A. and subsidiaries (the "Bank") as of December 31, 2025, the related consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Bank as of December 31, 2025, and the results of its operations and its cash flows for the year then ended, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Bank's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated April 20, 2026 expressed an unqualified opinion on the effectiveness of the Bank's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Bank in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of the allowance for expected credit losses on loans at amortized cost

As discussed in Notes 3.4.K and 5.A. to the consolidated financial statements, the Bank's allowance for expected credit losses (ECL) related to loans at amortized cost was \$ 93,808 thousand as of December 31, 2025. The Bank estimates the allowance for ECL for loans at amortized cost based on the exposure risk rating, which is determined using the customer risk and country risk ratings. For the customer risk model, the Bank considers financial and operational factors, sector/industry, market and experience of borrowers' management as well as the ratings of international rating agencies, quality of information and other objective elements, including projections on financial indicators. For the country risk model, the rating is determined through the assessment of quantitative and qualitative factors specific to the country under analysis, as well as the regional and global economic environment through historical and prospective information based on projections of relevant macroeconomic variables. Quantitative factors considered include changes in relevant macroeconomic variables, external payment capacity and access to capital, performance of domestic credit and the financial system, which are later analyzed with other qualitative factors, such as sociopolitical framework. There are two measurement bases - lifetime ECL are recognized for loans for which a significant increase in credit risk has occurred or are credit impaired (Stage 2 and 3, respectively) and 12-month ECL are recognized for all other loans (Stage 1). The allowance for ECL is determined either on a collective basis, grouping loans according to shared-credit risk characteristics (collective ECL), or, on an individual basis, for exposures with a credit rating of 7 or higher for which objective evidence of impairment is observed (individually evaluated ECL). The collective ECL is the product of multiplying the Bank's estimates of probability of default (PD), loss given default (LGD) and the exposure (E). E is determined as the total outstanding balance at the end of the reporting period. PD is the model by which the one-year probability of default is applied to the portfolio to account for 12-month ECL for loans in Stage 1 and lifetime probability of default to account for ECL for loans in Stage 2. Default rates are based on historical loss experience for the relevant observation period per rating category. LGD is the model by which a factor is applied that considers historical and prospective information based on projections of relevant macroeconomic variables. The Bank estimates the individually evaluated ECL by comparing the loan's gross carrying amount to either the present value of its future expected cash flows, which arise from the weighting of multiple recovery scenarios and are discounted at the original effective interest rate, or to the fair value of its collateral.

We identified the assessment of the allowance for ECL on loans at amortized cost as a critical audit matter. A high degree of audit effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment due to significant measurement uncertainty. For the collective ECL, the assessment encompassed the evaluation of the methodology, including the methods and models used to estimate the PD, LGD, and their significant assumptions. Such significant assumptions included historical loss experience for the relevant observation period, projections of relevant macroeconomic variables, and customer risk and country risk ratings. In addition, the assessment also included an evaluation of the conceptual soundness and performance of the PD, LGD, customer risk and country risk ratings models. For the individually evaluated ECL, the assessment included the evaluation of future expected cash flows and their significant assumptions, including weighting of multiple recovery scenarios or the fair value of collateral. In addition, auditor judgment was required to evaluate the sufficiency of audit evidence obtained.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Bank's allowance for ECL on loans at amortized cost process. This included controls over the:

- determination of the significant assumptions used to estimate the collective ECL
- performance monitoring of the PD, LGD, customer risk and country risk ratings models
- projection of future expected cash flows, including the weighting of multiple recovery scenarios or related collateral values used in the individually evaluated ECL.

We evaluated the Bank's process to develop the allowance for ECL estimate by testing certain sources of data and assumptions that the Bank used and considered the relevance and reliability of such data and assumptions. In addition, we involved credit risk professionals with specialized skills and knowledge who assisted in:

- evaluating the Bank's allowance for ECL methodologies for compliance with International Financial Reporting Standards
- assessing the conceptual soundness and performance testing of the PD, LGD, customer risk and country risk ratings models by inspecting the model documentation to determine whether the models are suitable for their intended use

- evaluating the appropriateness of the historical loss experience for the relevant observation period by comparing to relevant industry, regulatory, and other external factors, including economic conditions
- assessing the projections of relevant macroeconomic variables used by the Bank by comparing to public forecasts
- testing a selection of the Bank's customer risk ratings by independently evaluating borrowers' financial performance and conditions, including the assessment of the relevant qualitative factors considered
- for individually evaluated loans, assessing the methods and assumptions used by the Bank in the determination of expected future cash flows and their weighting under multiple recovery scenarios by evaluating the financial performance of the borrower, sources of repayment or any relevant collateral by assessing the inputs, assumptions and methods used in collateral valuation to market information or third party appraisal.

We also assessed the sufficiency of the audit evidence obtained related to the allowance for ECL estimate by evaluating the:

- cumulative results of the audit procedures
- qualitative aspects of the Bank's accounting practices
- potential bias in the accounting estimates.

/s/ KPMG Cardenas Dosal, SC

We have served as the Bank's auditor since 2025.

Mexico City, Mexico
April 20, 2026

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Consolidated statement of financial position

December 31, 2025

(In thousands of US dollars)

	Notes	2025	2024
Assets			
Cash and due from banks	5,7,8	1,923,731	1,965,145
Investment securities	5,7,9	1,428,990	1,201,930
Loans	5,7,10	9,141,668	8,383,829
Customers' liabilities under acceptances	5,7	161,597	245,065
Trading derivative - assets	5,7,13	1,569	—
Hedging derivative financial instruments - assets	5,7,13	69,837	22,315
Equipment, right-of-use assets and leasehold improvements, net	14	19,673	19,676
Intangible assets	15	10,744	3,663
Other assets	16	28,584	17,050
Total assets		12,786,393	11,858,673
Liabilities and Equity			
Liabilities:			
Customer deposits	5,7,17	6,640,290	5,461,901
Securities sold under repurchase agreements	5,7,9,18	130,509	214,035
Borrowings and debt	5,7,19	4,030,389	4,388,720
Lease liabilities	5,20	18,429	19,232
Acceptances outstanding	5,7	161,597	245,065
Trading derivative - liabilities	5,7,13	433	—
Hedging derivative financial instruments - liabilities	5,7,13	62,506	141,705
Provision for losses on loan commitments and financial guarantee contracts	5,7	12,130	5,375
Other liabilities	21	51,363	45,431
Total liabilities		11,107,646	10,521,464
Equity:			
Common stock	23	279,980	279,980
Treasury stock	23	(97,597)	(105,601)
Other equity instruments	23	197,976	—
Additional paid-in capital in excess of value assigned to common stock	23	125,151	124,970
Capital reserves	31	95,210	95,210
Regulatory reserves	31	159,093	149,666
Retained earnings		916,429	792,005
Other comprehensive income	24	2,505	979
Total equity		1,678,747	1,337,209
Total liabilities and equity		12,786,393	11,858,673

The accompanying notes are an integral part of these consolidated financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Consolidated statement of profit or loss

For the year ended December 31, 2025

(In thousands of US dollars, except per share data and number of shares)

	Notes	2025	2024	2023
Interest income:				
Deposits		71,009	92,549	80,622
Investment securities		65,435	50,806	32,426
Loans		632,020	641,677	566,212
Total interest income	26	768,464	785,032	679,260
Interest expense:				
Deposits		(289,567)	(300,890)	(217,042)
Securities sold under repurchase agreements	18	(8,485)	(11,675)	(9,232)
Borrowings and debt		(198,516)	(212,636)	(219,219)
Lease liabilities	20	(714)	(620)	(584)
Total interest expense	26	(497,282)	(525,821)	(446,077)
Net interest income		271,182	259,211	233,183
Other income (expense):				
Fees and commissions, net	25	59,013	44,401	32,519
Gain (loss) on financial instruments, net	12	8,231	(483)	(45)
Other income		1,144	507	462
Total other income, net	26	68,388	44,425	32,936
Total revenues		339,570	303,636	266,119
Impairment losses on financial instruments	5,26	(22,119)	(17,299)	(27,463)
Operating expenses:				
Salaries and other employee expenses	28	(55,420)	(51,923)	(47,232)
Depreciation and amortization of equipment, right-of-use and leasehold improvements	14	(2,854)	(2,499)	(2,280)
Amortization of intangible assets	15	(1,978)	(1,064)	(814)
Other expenses	29	(30,317)	(24,978)	(22,172)
Total operating expenses	26	(90,569)	(80,464)	(72,498)
Profit for the year		226,882	205,873	166,158
Per share data:				
Basic earnings per share (in US dollars)	22	6.11	5.60	4.55
Weighted average basic shares (in thousands of shares)	22	37,152	36,740	36,481

The accompanying notes are an integral part of these consolidated financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Consolidated statement of comprehensive income

For the year ended December 31, 2025

(In thousands of US dollars)

	Note	2025	2024	2023
Profit for the year		226,882	205,873	166,158
Other comprehensive income:				
Items that are or may be reclassified subsequently to the consolidated statement of profit or loss:				
Change in fair value of financial instruments, net of hedging	24	5,755	(7,597)	286
Reclassification of gains on financial instruments to the consolidated statement of profit or loss	24	(4,229)	1,114	(949)
Other comprehensive income	24	1,526	(6,483)	(663)
Total comprehensive income for the year		<u>228,408</u>	<u>199,390</u>	<u>165,495</u>

The accompanying notes are an integral part of these consolidated financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Consolidated statement of changes in equity

For the year ended December 31, 2025

(In thousands of US dollars)

	Note	Common stock	Treasury stock	Other equity instruments	Additional paid-in capital in excess of value assigned to common stock	Capital reserves	Regulatory reserves	Retained earnings	Other comprehensive income	Total equity
Balance at January 1, 2023		279,980	(114,097)	—	120,498	95,210	136,019	543,612	8,125	1,069,347
Profit for the year		—	—	—	—	—	—	166,158	—	166,158
Other comprehensive income		—	—	—	—	—	—	—	(663)	(663)
Issuance of restricted stock (RSA)		—	1,148	—	(1,148)	—	—	—	—	—
Compensation cost - stock units plans		—	—	—	5,471	—	—	—	—	5,471
Stock units vested (RSU)		—	2,775	—	(2,775)	—	—	—	—	—
Dividends declared		—	—	—	—	—	—	(36,489)	—	(36,489)
Balances at December 31, 2023		<u>279,980</u>	<u>(110,174)</u>	<u>—</u>	<u>122,046</u>	<u>95,210</u>	<u>136,019</u>	<u>673,281</u>	<u>7,462</u>	<u>1,203,824</u>
Profit for the year		—	—	—	—	—	—	205,873	—	205,873
Other comprehensive income		—	—	—	—	—	—	—	(6,483)	(6,483)
Issuance of restricted stock (RSA)		—	1,038	—	(1,038)	—	—	—	—	—
Compensation cost - stock units plans		—	—	—	7,497	—	—	—	—	7,497
Stock units vested (RSU)		—	3,535	—	(3,535)	—	—	—	—	—
Regulatory credit reserve		—	—	—	—	—	4,549	(4,549)	—	—
Dynamic provision		—	—	—	—	—	9,098	(9,098)	—	—
Dividends declared		—	—	—	—	—	—	(73,502)	—	(73,502)
Balances at December 31, 2024		<u>279,980</u>	<u>(105,601)</u>	<u>—</u>	<u>124,970</u>	<u>95,210</u>	<u>149,666</u>	<u>792,005</u>	<u>979</u>	<u>1,337,209</u>
Profit for the year		—	—	—	—	—	—	226,882	—	226,882
Other comprehensive income		—	—	—	—	—	—	—	1,526	1,526
Issuance of restricted stock (RSA)		—	4,521	—	(4,521)	—	—	—	—	—
Issuance of other equity instruments, net	23	—	—	197,976	—	—	—	—	—	197,976
Compensation cost - stock units plans		—	—	—	8,185	—	—	—	—	8,185
Stock units vested (RSU)		—	3,483	—	(3,483)	—	—	—	—	—
Regulatory credit reserve		—	—	—	—	—	5	(5)	—	—
Dynamic provision		—	—	—	—	—	9,422	(9,422)	—	—
Dividends declared		—	—	—	—	—	—	(93,031)	—	(93,031)
Balances at December 31, 2025		<u>279,980</u>	<u>(97,597)</u>	<u>197,976</u>	<u>125,151</u>	<u>95,210</u>	<u>159,093</u>	<u>916,429</u>	<u>2,505</u>	<u>1,678,747</u>

The accompanying notes are an integral part of these consolidated financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Consolidated statement of cash flows
For the year ended December 31, 2025
(In thousands of US dollars)

	Notes	2025	2024	2023
Cash flows from operating activities				
Profit for the year		226,882	205,873	166,158
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities:				
Depreciation and amortization of equipment, right-of-use and leasehold improvements	14	2,854	2,499	2,280
Amortization of intangible assets	15	1,978	1,064	814
Gain on remeasurement of lease liabilities		—	—	(36)
Impairment losses on financial instruments	5	22,119	17,299	27,463
Realized gain on financial instruments	12	(4,934)	(319)	—
Loss on sale of financial instruments at amortized cost	12	436	—	3,858
Compensation cost - share-based payment	28,29	8,185	7,497	5,471
Net changes in hedging position and foreign currency		126,026	(33,701)	37,894
Loss on disposal of fixed assets and intangible assets	14,15	15	12	23
Interest income		(768,464)	(785,032)	(679,260)
Interest expense		497,282	525,821	446,077
Changes in operating assets and liabilities:				
Restricted and pledged deposits		62,954	(83,523)	(9,734)
Loans		(1,057,639)	(1,301,627)	(406,064)
Proceeds from the sale of loans		210,023	87,319	—
Other assets		(20,245)	(3,057)	(7,376)
Due to depositors		1,191,246	1,005,136	1,217,433
Other liabilities		5,150	(9,107)	26,691
Cash flows provided by (used in) operating activities		503,868	(363,846)	831,692
Interest received		778,985	773,839	642,862
Interest paid		(502,611)	(532,652)	(412,440)
Net cash provided by (used in) operating activities		780,242	(122,659)	1,062,114
Cash flows from investing activities:				
Acquisition of fixed assets and intangible assets	14,15	(2,796)	(3,935)	(2,096)
Proceeds from the sale of securities		101,935	—	59,432
Proceeds from the redemption of securities		389,963	298,655	377,029
Purchases of securities		(700,261)	(474,740)	(447,132)
Net cash used in investing activities		(211,159)	(180,020)	(12,767)
Cash flows from financing activities:				
(Decrease) increase in securities sold under repurchase agreements		(83,345)	(97,323)	9,699
Net decrease in short-term borrowings and debt	19	(149,687)	(58,529)	(500,650)
Proceeds from long-term borrowings and debt	19	587,857	1,191,695	496,342
Payments of long-term borrowings and debt	19	(1,006,585)	(826,432)	(221,306)
Issuance of other equity instruments	23	197,976	—	—
Payments of lease liabilities	20	(1,195)	(1,091)	(1,032)
Dividends paid		(91,827)	(72,778)	(36,268)
Net cash (used in) provided by financing activities		(546,806)	135,542	(253,215)
Net increase (decrease) in cash and cash equivalents		22,277	(167,137)	796,132
Cash and cash equivalents at beginning of the year		1,819,931	1,987,068	1,190,936
Cash and cash equivalents at end of the year	8	1,842,208	1,819,931	1,987,068

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

1. Corporate information

Banco Latinoamericano de Comercio Exterior, S. A. (“Bladex Head Office” together with its subsidiaries “Bladex” or the “Bank”), is domiciled in Panama City, Republic of Panama, and is a specialized multinational bank established to support the financing of foreign trade and economic integration in Latin America and the Caribbean (the “Region”). The Bank was established pursuant to a May 1975 proposal presented to the Assembly of Governors of Central Banks in the Region, which recommended the creation of a multinational organization to increase the foreign trade financing capacity of the Region. The Bank was organized in 1977, incorporated in 1978 as a corporation pursuant to the laws of the Republic of Panama, and began operations on January 2, 1979. Under a contract law signed in 1978 between the Republic of Panama and Bladex, the Bank was granted certain privileges by the Republic of Panama, including an exemption from payment of income taxes in Panama.

The Bank operates under a general banking license issued by the National Banking Commission of Panama, predecessor of the Superintendence of Banks of Panama (the “SBP”).

In the Republic of Panama, banks are regulated by the SBP through Executive Decree No. 52 of April 30, 2008, which adopts the unique text of Law Decree No. 9 of February 26, 1998, modified by Law Decree No. 2 of February 22, 2008. Banks are also regulated by resolutions and agreements issued by this entity. The main aspects of this law and its regulations include: the authorization of banking licenses, minimum capital and liquidity requirements, consolidated supervision, procedures for management of credit, liquidity and market risks, measures to prevent money laundering, the financing of terrorism and related illicit activities, and procedures for banking intervention and liquidation, among others.

Bladex Head Office’s subsidiaries are the following:

- Bladex Holdings Inc., is a wholly owned subsidiary, incorporated under the laws of the State of Delaware, United States of America (USA), on May 30, 2000. Bladex Holdings Inc. has ownership in Bladex Representação Ltda.
- Bladex Representação Ltda., incorporated under the laws of Brazil on January 7, 2000, acts as the Bank’s representative office in Brazil. Bladex Representação Ltda. is 99.999% owned by Bladex Head Office and the remaining 0.001% is owned by Bladex Holdings Inc.
- Bladex Development Corp., was incorporated under the laws of the Republic of Panama on June 5, 2014. Bladex Development Corp. is 100% owned by Bladex Head Office.

Bladex Head Office has an agency in New York City, USA (the “New York Agency”), which began operations on March 27, 1989. The New York Agency is principally engaged in financing transactions related to international trade, mostly the confirmation and financing of letters of credit for customers in the Region. The New York Agency also has authorization to book transactions through an International Banking Facility (“IBF”).

The Bank has representative offices in Buenos Aires, Argentina; in Mexico City, Mexico; and in Bogota, Colombia, and has a representative license in Lima, Peru.

These consolidated financial statements were authorized for issue by the Board of Directors on April 10, 2026.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

2. Basis of preparation of the consolidated financial statements

2.1 Statement of compliance

The consolidated financial statements of Banco Latinoamericano de Comercio Exterior, S. A. and its subsidiaries have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

2.2 Functional and presentation currency

All amounts presented in the consolidated financial statements and notes are expressed in United States dollars (US dollars), which is the functional currency of the Bank.

2.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the following items:

Items	Basis of measurement
Securities and other financial instruments at FVOCI and FVTPL	Fair value
Financial assets and financial liabilities designated as hedged items in qualifying fair value hedging relationships	At amortized cost adjusted for the risk components associated with the hedging relationship
Trading derivatives	Fair value
Share-based payments	Fair value

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of Bladex and its subsidiaries. Bladex consolidates its subsidiaries from the date on which control is transferred to the Bank until the date on which control ceases. All intercompany balances and transactions have been eliminated for consolidation purposes and, when necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Bank's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Bank loses control over a subsidiary, it derecognizes the related assets, liabilities and other components of equity, while any resulting gain or loss is recognized in profit or loss. Any investment retained in the former subsidiary is recognized at fair value.

The Bank controls an investee if, and only if, the Bank has the following elements:

- Power over the investee. Existing rights that give it the current ability to direct the relevant activities of the investee;
- Exposure or rights to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Bank has less than the majority of the voting or similar rights of an investee, the Bank considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements, and
- The Bank's voting rights and potential voting rights.

Table of Contents

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

2. Basis of preparation of the consolidated financial statements (continued)

2.4 Basis of consolidation (continued)

The Bank re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

3. Material accounting policies

Material accounting policies that have been applied consistently by the Bank for all years presented in these consolidated financial statements, are presented as follows:

3.1 Foreign currency

Foreign currency transactions

The Bank determines the functional currency for each subsidiary. The items included in the consolidated financial statements are measured using the functional currency of the Bank.

Transactions and balances

Assets and liabilities of foreign subsidiaries, whose local currency is considered their functional currency, are translated into the reporting currency (US dollars), using month-end spot foreign exchange rates. The Bank uses the exchange rates effective at the date of the transaction to translate revenues and expenses from local functional currency into presentation currency. The net effects of those translation adjustments are reported as a component of other comprehensive income in the consolidated statement of changes in equity.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate effective at the date on which fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate effective at the date of the transaction.

Transactions whose terms are denominated in a currency other than the functional currency, including transactions denominated in local currency of foreign subsidiaries whose functional currency is the US dollar, are recorded at the exchange rate effective at the date of the transaction. Assets and liabilities in foreign currency are translated into US dollars using month-end spot foreign exchange rates. The effects of translation of monetary assets and liabilities into US dollar are included in current year's earnings in the line item "gain (loss) on financial instruments, net" in the consolidated statement of profit or loss, except for those corresponding to monetary items that are designated as hedged items in qualifying cash flow or net investment hedges which are recognized in other comprehensive income until maturity or sale, at which time the carrying amount is reclassified to profit or loss, except for the carrying amount of equity instruments designated to be measured at fair value through other comprehensive income.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in accumulated other comprehensive income, if applicable.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

3.2 Interest

Effective interest rate

Interest income and expense are recognized in the consolidated statement of profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument measured at amortized cost.

3. Material accounting policies (continued)

3.2 Interest (continued)

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not the expected credit loss (ECL). For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

The calculation of the effective interest rate includes any amount directly attributable to the transaction such as origination fees (paid or received), premiums, discounts, and transaction costs.

Amortized cost and gross carrying amount

The ‘amortized cost’ of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any ECL allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any ECL allowance.

Methodology for calculation of interest income and expense

The effective interest rate is calculated on initial recognition for financial instruments measured at either amortized cost or fair value through other comprehensive income. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the financial instrument, when the asset is not credit-impaired, or to the amortized cost of the liability. The effective interest rate is revised as a result of periodic re-measurement of cash flows of floating-rate instruments to reflect movements in market interest rates.

For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, the interest income calculation returns to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not return to the gross basis, even when it shows an improvement in the credit risk of the financial asset.

Presentation

Interest income and expense calculated using the effective interest rate presented in the consolidated statement of profit or loss include:

- Interest on financial assets and financial liabilities measured at amortized cost;
- Interest on securities measured at FVOCI;
- Interest expense on lease liabilities, and
- The effective portion of the variability in interest flows from the hedge instruments, in the same period as the cash flows from the hedged item affect interest income or expense.

3.3 Fees and commissions

Fees that are an integral part of the effective interest rate on a financial asset or financial liability are described in Note 3.2.

Fees and commissions are determined based on considerations specified in a contract with the client. The Bank recognizes such income when control over the service is transferred to a customer.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

3. Material accounting policies (continued)

3.3 Fees and commissions (continued)

The following table describes the services, other than financial intermediation, from which the Bank generates its income:

Type of services	Nature of performance obligations
Letters of credit	
Issuance	Guarantee to honor the stipulated amount agreed to in the terms and conditions entered with the customer, upon presentation of required documentation.
Negotiation	Review of the shipping documents, by the beneficiary, upon presentation and acceptance of payment on demand or on the day the reimbursement is made by the designated bank.
Acceptance	Commitment issued to the beneficiary to pay to a supplier at a future date, once all the shipping documents have been reviewed as to compliance with the terms and conditions of the letter of credit.
Confirmation	Commitment issued to the issuing bank and the beneficiary to honor or negotiate shipping documents.
Amendment	A request to amend the original letter of credit on behalf of the beneficiary modifying the original terms and conditions.
Syndications	
Structuring	Advise the borrower on structuring the terms and conditions of a credit facility and coordinating among the lenders' and the borrowers' legal counsel all legal aspects relating to the credit facility, among others.
Correspondent Banking	
Fund Transfer	Allocated for financial intermediation activities inherent to the correspondent banking business.
Other	Compliance investigations, refunds, inactivity, issuance of account statements, among others.
Other services	
Other	Assignment of rights, transferability, reimbursements, payments, discrepancies, courier charges and transfers.
Commitments	Firm commitments to provide future credit operations which may be subject to compliance and acceptance of certain previously agreed terms and conditions and the signing of the contract between the parties.

3.4 Financial assets and liabilities

A. Date of recognition and initial measurement

The Bank initially recognizes loans, deposits, securities and financial liabilities on settlement date. Other financial instruments are recognized on trade date, the date on which the Bank becomes a party to the contractual provisions of the instrument.

Recognized financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities, not measured at fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

Financial assets and liabilities designated as hedged items in qualifying fair value hedging relationships are measured at amortized cost adjusted for the hedge risk components associated with the hedging relationship.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

B. Classification of financial assets

The Bank classifies its financial assets as subsequently measured at amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) based on the Bank's business model for managing the financial assets and the contractual cash flow characteristics of these financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI).

A financial asset is measured at fair value through other comprehensive income (FVOCI) only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

Unrealized gains or losses for financial assets at FVOCI are reported as net increases or decreases in other comprehensive income until realized. Gains or losses realized on sale of financial assets are included in the line item Gain (loss) on financial instruments, net.

The remaining of financial assets are classified at FVTPL, when the assessment of the financial instrument's contractual terms and the cash flows derived from it determine that the SPPI criteria are not met for its classification at amortized cost or at FVOCI.

At initial recognition, the following irrevocable election / designation for measurement of a financial asset on an asset-by-asset basis may be made:

- It may irrevocably elect to present in other comprehensive income subsequent changes in fair value of an equity instrument that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination, and
- It may irrevocably designate a debt instrument that meets the amortized cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

For an equity instrument designated as measured at FVOCI, the cumulative gain or loss previously recognized in other comprehensive income is not subsequently reclassified to profit or loss, but is transferred within equity to retained earnings.

C. Classification of financial liabilities

The Bank classifies all financial liabilities as subsequently measured at amortized cost, except for those liabilities designated as hedged items in qualifying fair value hedging relationships, which are measured at amortized cost adjusted for the hedge risk components associated to the hedging relationship.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

D. Business model assessment

The Bank assesses the objective of the business model at a level that reflects how the financial asset groups are managed to obtain a particular business objective and how information on those assets is provided to management. The assessment considers the following:

- The Bank's policies and objectives for the portfolio and the operation of those policies in practice. In particular, if management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Bank's management;
- The risks that affect the performance of the business model and how those risks are managed, and
- The frequency, volume and timing of sales in prior periods, the reason for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realized.

An assessment of the business model for managing financial assets is fundamental to the classification of a financial asset. The business model does not depend on management's intentions for an individual instrument; therefore, assessment of the business model is done at a higher level of aggregation rather than instrument by instrument.

At the initial recognition of a financial asset, it is determined whether the newly recognized financial asset is part of an existing business model or whether it reflects the start of a new business model.

E. Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding at a point in time and for other basic lending risks and costs as well as profit margin.

Contractual cash flows that are SPPI are consistent with a basic credit agreement. Contractual terms that originate risk exposure or volatility in the contractual cash flows that are not related to a basic credit agreement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic credit arrangement irrespective of whether it is a credit in its legal form.

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows, so that it would not meet this condition. In making the assessment, the Bank considers the following:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms, and
- Terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse asset arrangements) and features that modify consideration of the time value of money (e.g. periodic reset of interest rates).

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

The Bank measures its financial assets and liabilities at FVTPL, when the assessment of the financial instrument's contractual terms and the cash flows derived from it determines that the SPPI criteria are not met for its classification at amortized cost or at FVOCI.

F. Reclassification

If the business model under which the Bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Bank's financial assets.

G. Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired;
- The Bank has transferred its rights to receive cash flows from the asset and either has transferred substantially all risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset;
- The Bank retains the right to receive cash flows from the asset but has assumed an obligation to pay the received cash flows in full without significant delay to a third party under a 'pass-through' arrangement, or
- When the Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Bank's continuing involvement in the asset. In that case, the Bank also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the contractual rights and obligations that the Bank has retained.

The Bank assesses the transfer of risks and benefits by comparing the entity's exposure, before and after the transfer, with the variation in the amounts and timing of the net cash flows of the transferred asset. Additionally, the continued participation in a transferred financial asset is measured by the lowest value between the original carrying amount of the asset and the maximum amount of the consideration that the Bank could be required to pay.

In derecognizing the financial asset, the allowance for credit risk is deducted from the gross carrying amount of the financial asset. Any accumulated gain or loss that has been recognized in other comprehensive income is recognized in profit or loss.

Any accumulated gain or loss recognized in other comprehensive income regarding equity instruments designated at fair value through other comprehensive income is not recognized in the consolidated statement of profit or loss. Any interest in the transfer of a financial asset that qualifies for derecognition, booked or held by the Bank is recognized as a separate asset or liability.

The Bank enters into transactions whereby it transfers assets recognized on its consolidated statement of financial position but retains either all or substantially all the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognized. Examples of such transactions are securities and transactions under repurchase agreements.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

Financial liabilities

A financial liability is derecognized when the obligation under the liability is extinguished, when the obligation specified in the contract is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same counterparty on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as an extinguishment of the original liability and the recognition of a new liability.

The difference between the carrying value of the original financial liability and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

H. Modified financial asset or liability

Financial assets

A modified financial asset is an instrument whose borrower is experiencing financial difficulties and the renegotiation constitutes a concession to the borrower. A concession may include modification of terms such as an extension of maturity date, reduction in the stated interest rate, rescheduling of future cash flows, and reduction in the face amount of the financial asset or accrued interest, among others.

When a financial asset is modified, the Bank assesses whether this modification results in derecognition. In accordance with the Bank's policies a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Bank considers the following:

- Qualitative factors, such as contractual cash flows after modification that are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity or covenants. If these do not clearly indicate a substantial modification, then
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows according to the original terms with the contractual cash flows of the revised terms; both amounts discounted at the original effective interest rate.

When the contractual terms of a financial asset are modified, and the modification does not result in derecognition, the Bank determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime probability of default estimated based on data at initial recognition and the original contractual terms; with
- The remaining lifetime probability of default at the reporting date based on the modified terms.

In the renegotiation or modification of the contractual cash flows of the financial asset, the Bank shall:

- Continue with its current accounting treatment for the existing financial asset that has been modified.
- Record a modification gain or loss by recalculating the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows, discounted at the financial asset's original effective interest rate.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

- Assess whether there has been a significant increase in the credit risk of the financial instrument, by comparing the risk of a default occurring at the reporting date (based on the modified contractual terms) and the risk of a default occurring at initial recognition (based on the original, unmodified contractual terms). The financial asset that is modified is not automatically considered to have a lower credit risk. The assessment should consider credit risk over the expected life of the asset based on historical and prospective information based on projections of relevant macroeconomic variables, including information about the circumstances that led to the modification. Evidence that the criteria for the recognition of lifetime expected credit losses are subsequently no longer met may include a history of up-to-date and timely payment in subsequent periods. If the credit quality of the financial asset no longer exhibits a credit impairment, it will return to a 12-month expected credit loss measurement.

- Make the appropriate quantitative and qualitative disclosures required for renegotiated or modified assets to reflect the nature and the effect of such modifications (including the effect on the measurement of expected credit losses) and how the Bank monitors these financial assets that have been modified.

When the modification of a financial asset results in the derecognition of an existing financial asset and the subsequent recognition of a modified financial asset, the modified asset is considered a new financial asset, at the time of derecognition, the ECL allowance is recalculated to determine the net carrying value of the asset at that date. The new financial asset will have an allowance for losses measured based on 12-month ECL except for rare cases where the new financial asset is considered to be impaired, because a high risk of default remains, which has not been reduced in the modification. The Bank monitors the credit risk of the modified or renegotiated financial assets by assessing qualitative and quantitative information, considering them in the same way as customers with expired status under new terms.

Financial Liabilities

The Bank derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. The Bank considers that the terms of a modified financial liability are substantially different if the present value of the cash flows under the new terms, including any fees paid net of any fees received, discounted at the original effective interest rate presents a difference greater than 10% of the discounted present value of the cash flows still remaining from the original financial liability.

In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability derecognized, and the consideration paid, is recognized in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortized cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognized in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognized as an adjustment to the carrying amount of the liability and amortized over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

I. Offsetting

Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Generally, this is not the case with a contractual compensation agreement; therefore, related assets and liabilities are presented with their gross amounts in the consolidated statement of financial position.

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, or for gains or losses arising from a group of similar transactions.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

J. Fair value measurement

Fair value of an instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as “active” if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

The Bank recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

K. Allowances for losses on financial instruments

The allowances for losses on financial instruments are accounted for losses, inherent in the loan portfolio, investment securities, bank deposits and loan commitments and financial guarantee contracts, using the ECL. Additions to the allowance for ECL for financial instruments are recognized in profit or loss or in other comprehensive income (loss) depending on classification of the instrument. Incurred credit losses are deducted from the allowance, and subsequent recoveries are added. The allowance is also decreased by reversals and/or recoveries of amounts previously written-off credit through to profit or loss. The allowance for ECL for financial instruments at amortized cost is reported as a deduction of financial assets and, the allowance for ECL on loan commitments and financial guarantee contracts, such as letters of credit and guarantees, is presented as a liability.

The Bank assigns to each exposure a risk rating which is defined using quantitative and qualitative factors that are indicative of the risk of loss. This rating is considered for purposes of identifying significant increases in credit risk. These factors may vary depending on the nature of the exposure and the type of borrower.

Each exposure will be assigned to a risk rating at the time of initial recognition based on the available information about the customer and the country. Exposures will be subject to continuous monitoring, which may result in the change of an exposure to a different risk rating.

For the customer risk model, the Bank considers financial and operational factors, sector / industry and experience of borrowers' management, as well as the ratings of international rating agencies, quality of information and other elements of an objective nature, including projections on financial indicators.

For the country risk model, the rating is determined through the assessment of quantitative and qualitative factors specific to the country under analysis, as well as the regional and global macroeconomic environment, through historical and prospective information based on projections of relevant macroeconomic variables.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

In general, there are three groups of quantitative factors that determine the analysis and that give rise to a quantitative rating of the country (changes in relevant macroeconomic variables; external payment capacity and access to capital; performance of domestic credit and the financial system), which is later analyzed within the sociopolitical framework of the country (qualitative factors) and may consider added deterioration for the determination of the final country rating.

i) Measurement of ECL

Calculation of the allowance for ECL for financial instruments is made based on the risk rating resulting from the Bank's internal model and considers, generally (certain exceptions apply), the worst among the country risk rating of the transaction and the customer risk rating.

The table below provides a mapping of the Bank's internal credit risk grades to external ratings.

Internal rating	12 - Month average PD ⁽¹⁾ %	External rating ⁽²⁾	Description
1 - 4	0.09	Aaa – Ba1	Exposure in customers or countries with payment ability to satisfy their financial commitments.
5 - 6	2.26	Ba2 – B3	Exposure in customers or countries with payment ability to satisfy their financial commitments, but with more frequent reviews.
7	7.81	Caa1 - Caa3	Exposure in customers whose primary source of payment (operating cash flows) is inadequate, and who show evidence of deterioration in their working capital that does not allow them to satisfy payments on the agreed terms, or in countries where the operation carries certain risks.
8 - 9	34.52	Ca	Exposure in customers whose operating cash flows continuously show insufficiency to service the debt on the originally agreed terms, or in countries where the operation is limited or restricted to certain terms, structure and types of credits.
10	100	C	Exposure to customers with operating cash flows that do not cover their costs, are in suspension of payments, presumably will also have difficulties fulfilling possible restructuring agreements, are in a state of insolvency, or have filed for bankruptcy, among others.

⁽¹⁾ Probability of default

⁽²⁾ Credit rating by Moody's Investors Service.

In order to maintain periodic monitoring of the quality of the portfolio, customers and countries are reviewed within a time frequency ranging from 3 to 12 months, depending on the risk rating.

The Bank measures ECL in a way that reflects: a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; b) time value of money; and c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and prospective information based on projections of relevant macroeconomic variables.

The expected credit loss model reflects the general pattern of deterioration or improvement in the credit quality of the financial instrument. The amount of ECL recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. There are two measurement bases:

- Stage 1: 12-month ECL, which applies to all financial instruments (from initial recognition) as long as there is no significant increase in credit risk, and

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

- Stage 2 and 3: Lifetime ECL, which applies when a significant increase in credit risk has occurred on an individual or collective basis. In Stages 2 and 3 interest income is recognized. Under Stage 2 (as under Stage 1), there is a full decoupling between interest recognition and impairment and interest income is calculated on the gross carrying amount. Under Stage 3, when a financial asset subsequently becomes credit impaired (when a credit event has occurred) interest income is calculated by applying the effective interest rate adjusted to the amortized cost of the impaired asset. In subsequent reporting years, if the credit quality of the financial asset improves so that the financial asset is no longer credit-impaired, and the improvement can be related objectively to the occurrence of an event (such as an improvement in the borrower's credit rating), then the Bank will once again calculate interest income on a gross basis.

The allowance for ECL includes an asset-specific component and a formula-based component. The asset-specific component, or specific allowance, relates to the provision for losses on credits considered impaired and measured individually case-by-case. A specific allowance is established when the value of the discounted cash flows (or fair value of collateral) of the credit is lower than its gross carrying amount. The formula-based component (collective assessment basis), covers the Bank's performing credit portfolio and it is established based on a process that estimates the probable loss inherent in the portfolio, based on statistical analysis and management's qualitative judgment. This assessment considers comprehensive information that incorporates not only days-past-due data, but other relevant credit information, such as prospective information based on projections of relevant macroeconomic variables.

ECL are a probability-weighted estimate of the present value of credit losses. These are measured as the difference in the present value of the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple recovery scenarios, discounted at the asset's effective interest rate (EIR). For undrawn loan commitments, the ECL is the difference between the present value of the contractual cash flows that are due to the Bank if the holder of the commitment draws down the loan and the cash flows that the Bank expects to receive if the loan is drawn down. For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Bank expects to receive from the holder, the debtor or any other party.

The Bank determines ECL using two methodologies to determine if there is objective evidence of impairment for financial instruments:

- Individually assessed

The expected credit losses on individually assessed financial instruments are determined by an evaluation of the exposures on a case-by-case basis, for operations that maintain a credit rating of 7 or higher. This procedure is applied to all loans that are individually significant or not.

The impairment loss is calculated by comparing the present value of the future expected cash flows, discounted at the original effective rate of the loan, to its gross carrying amount and the amount of any loss is recognized as a provision for losses in the consolidated statement of profit or loss for those measured at amortized cost, and in equity for those operations measured at FVOCI.

- Collectively assessed

For a collective assessment of impairment, financial instruments are grouped according to similar credit risk characteristics. These characteristics are relevant to estimate cash flows for the groups of such assets, being indicative of the debtors' ability to pay the amounts owed according to the contractual terms of the assets being assessed.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

Future cash flows in a group of loans that are collectively assessed to determine whether there is impairment are estimated according to the contractual cash flows of the assets in the group, the historical loss experience for the relevant observation period for assets with similar credit risk characteristics, within each group, and management's views on whether the current economy and credit conditions can change the real level of historical inherent losses suggested.

ii) Definition of default

The Bank considers a financial asset to be in default when it presents any of the following characteristics:

- The borrower is past due for more than 90 days in any of its financial obligations, either in the principal payment or interest, or
- Impairment in the financial condition of the customer, or the existence of other factors allowing to estimate the possibility that the balance of principal and interest on customers' loans will not be fully recovered.

The above presumptions regarding past due loans may be rebuttable if the Bank has reasonable and supportable information that is available without undue cost or effort, that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 90 days past due.

In assessing whether a borrower is in default, the Bank considers qualitative and quantitative indicators based on data internally developed and obtained from external sources. Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

iii) Significant increase in credit risk

When assessing whether the credit risk on a financial instrument has increased significantly, the Bank considers the change in the risk of default occurring since initial recognition. For a financial instrument to be considered in default, management considers criteria used in the internal credit risk model and qualitative factors, such as financial covenants, where appropriate.

The Bank continuously assesses significant increases in credit risk based on the change in the risk of a default occurring over the expected life of the credit instrument. In order to make the assessment of whether there has been significant credit deterioration, the Bank considers reasonable and supportable information that is available without undue cost or effort by comparing:

- The risk of a default occurring on the financial instrument at the assessment date, and
- The risk of a default occurring on the financial instrument at initial recognition.

For loan commitments, the Bank considers changes in the risk of a default occurring on the 'potential' financial instrument to which a loan commitment relates, and for financial guarantee contracts, changes in the risk that the specified debtor will default are taken into consideration.

For financial instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the consolidated statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset were measured at amortized cost would be recognized in profit or loss as the impairment amount. Impairment losses or recoveries are accounted for as an adjustment to the reserve in accumulated other comprehensive income in the consolidated statement of financial position, against profit or loss for the year.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

Additionally, to determine if there has been a significant increase in risk, the Bank applies an alert model considering the international economic environment, the specific financial situation by country and the economic analysis of the industry where the customer generates its income. The model defines a consolidated calculation of risk severity depending on the weighting of the risk severity for each scenario under analysis. Also, this model depends on the context of the variables or the ratings constructed for each one (by market, country and economic sector).

Impairment on a financial asset is assessed based on numerous factors and its relative importance varies on a case-by-case basis. Factors considered in determining whether there has been a negative impact on the estimated future cash flows of a financial asset include: significant financial difficulties of the issuer/debtor; high probability of default; granting a concession to the issuer/debtor; disappearance of an active market due to financial difficulties; breach of contract, such as defaults or delays in principal or interest; and observable data indicating that there is a measurable decrease in expected cash flows since initial recognition.

If a security is no longer publicly traded or the entity's credit rating is downgraded, this is not, by itself, evidence of impairment, but should be considered for impairment together with other information. A decline in the fair value of an investment security below its amortized cost is not necessarily evidence of impairment, as it may be due to an increase in market interest rates. Whether a decline in fair value below cost is considered significant or prolonged, must be assessed on an instrument-by-instrument basis and should be based on both qualitative and quantitative factors. However, the assessment of prolonged decline should not be compared to the entire period that the investment has been or is expected to be held.

In order to determine whether there has been a significant increase in the credit risk of a financial instrument, the assessment is based on quantitative and qualitative information.

The Bank considers the following factors, among others, when measuring significant increase in credit risk:

- Significant changes in internal indicators of credit risk as a result of a change in credit risk since inception;
- Significant changes in market indicators of credit risk for a particular financial instrument or similar financial instruments with the same expected life;
- An actual or expected significant change in the financial instrument's external credit rating;
- Existing or forecast adverse changes in business, financial or economic conditions;
- An actual or expected significant change in the operating results of the borrower;
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the borrower;
- Significant changes in the value of the collateral supporting the obligation;
- Significant changes, such as reductions in financial support from a parent entity or other affiliate or an actual or expected significant change in the quality of credit enhancements, among other factors incorporated into the Bank's ECL model.

Additionally, management may apply complementary judgment to capture elements of prospective nature or loss expectations based on risks identified in the environment that are not necessarily reflected in the historical data.

The allowance for ECL for credit exposures, are calculated applying the following formula:

$$ECL = \sum(E \times PD \times LGD); \text{ where:}$$

- Exposure (E) = the total outstanding balance at the end of the reporting period.

3. Material accounting policies (continued)

3.4 Financial assets and liabilities (continued)

- Probabilities of Default (PD) = is the model by which the one-year probability of default applied to the portfolio to account for 12-month ECL for loans in Stage 1 and lifetime probability of default to account for ECL for loans in Stage 2. Default rates are based on historical loss experience for the relevant observation period per rating category.
- Loss Given Default (LGD) = is the model by which a factor is applied, considering historical and prospective information based on projections of relevant macroeconomic variables. Management applies judgment in the assessment of these inputs.

When the Bank has no reasonable expectation of recovering a financial asset, the carrying amount is written off either partially or in full. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate enough cash flows to repay the amounts subject to the write-off. Nevertheless, the financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

Recoveries of amounts previously written off are recognized when cash is received in the allowance for losses as mentioned in Note 3.4 (K).

3.5 Derivative financial instruments

3.5.1 Trading derivatives

Intermediation derivatives

The Bank enters into derivative contracts with customers in the ordinary course of its trading and intermediation activities.

The resulting market risks arising from customer derivatives are managed by the Risk Management function, which seeks to avoid maintaining open positions. Such risks are primarily managed through the execution of offsetting derivative financial instruments that economically hedge the exposures arising from customer derivative transactions.

Initial Recognition

Derivatives held for trading purposes are initially recognized in the consolidated statement of financial position at fair value on the trade date.

Subsequent Measurement

After initial recognition, derivatives are measured at fair value. Changes in fair value are recognized in profit or loss for the period within unrealized gains or losses on derivative financial instruments held for intermediation purposes. Such amounts are subsequently reclassified to realized gains or losses as the derivative instruments are settled, terminated, or otherwise realized.

The fair value of derivative instruments is determined using generally accepted valuation techniques that incorporate observable market inputs, including interest rate curves, foreign exchange rates, volatilities, and credit risk adjustments (CVA/DVA).

Derivatives with a positive fair value are presented as financial assets, while derivatives with a negative fair value are presented as financial liabilities in the consolidated statement of financial position.

3. Material accounting policies (continued)

3.5 Derivative financial instruments (continued)

Derivative Intermediation Margin

The Bank earns a derivative intermediation margin arising from pricing or rate differentials agreed with customers compared to the prices obtained when entering into offsetting derivative transactions with counterparties to manage the risks arising from customer derivative activities.

Other trading derivatives

In the normal course of business, the Bank enters into foreign exchange swap contracts to manage cash positions and foreign exchange risk. As these derivatives are not designated in hedge accounting relationships, changes in their fair value are recognized in profit or loss.

3.5.2 Derivative of hedging and risk management

Initial recognition

Derivatives held for risk management purposes include all derivative financial assets and liabilities that are not classified as derivatives held for trading and intermediation purposes. These derivatives are initially recognized at fair value in the consolidated statement of financial position on the date on which the derivative contract is entered into.

Subsequent Measurement

Subsequent to initial recognition, derivatives held for risk management purposes and hedge accounting are measured at fair value at each reporting date. The resulting gain or loss is recognized immediately in the consolidated statement of profit or loss, unless the derivative is designated and effective as a hedging instrument, in which case the timing and presentation of its recognition depend on the nature of the hedging relationship.

Applicable standards for all hedging relationships

On initial designation of the hedge, the Bank formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Bank makes an assessment, both at inception of the hedging relationship and on an ongoing basis, of whether the hedging instrument(s) is(are) expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged item(s) during the period for which the hedge is designated.

The Bank uses derivative financial instruments for its management of interest rate and foreign currency risks. Interest rate swap contracts, cross-currency swap contracts and foreign exchange forward contracts have been used to manage interest rate and foreign exchange risks.

These derivatives contracts can be classified as fair value or cash flow hedges. In addition, foreign exchange forward contracts are used to hedge exposures to changes in foreign currency in subsidiary companies with functional currencies other than the US dollar. These derivatives contracts are classified as net investment hedges.

The accounting for changes in value of a derivative depends on whether the contract is for trading purposes or has been designated and qualifies for hedge accounting.

3. Material accounting policies (continued)

3.5 Derivative financial instruments (continued)

Derivatives for hedging purposes primarily include US dollar interest rate swaps, cross currency swaps and foreign exchange forward contracts. Derivative contracts designated and qualifying for hedge accounting are reported in the consolidated statement of financial position as derivative financial instruments used for hedging - assets and liabilities, as applicable; and hedge accounting is applied. In order to qualify for hedge accounting, a derivative must be considered highly effective at reducing the risk associated with the exposure being hedged. Each derivative must be designated as a hedge, with documentation of the risk management objective and strategy, including identification of the hedging instrument, the hedged item and the risk exposure, as well as how effectiveness will be assessed prospectively. Hedging instruments should be assessed qualitatively and quantitatively, assessed on a quarterly basis in order to determine their effectiveness at achieving offsetting changes in fair value or cash flows. Any ineffectiveness must be reported in current-year profit or loss.

i) Hedge accounting relationship

As the Bank enters into a hedge accounting relationship, the first requirement is that the hedging instrument and the hedged item must be expected to move in the opposite direction as a result of the change in the hedged risk. This should be based on an economic rationale, as could be the case if the relationship is based only on a statistical correlation. This requirement is fulfilled for many of the hedging relationships carried out by the Bank as the underlying of the hedging instrument matches or is closely aligned with the hedged risk. Even when there are differences between the hedged item and the hedging instrument, the economic relationship will often be capable of being demonstrated using a qualitative assessment. The assessment, whether qualitative or quantitative, considers the following: a) maturity; b) notional amount; c) cash flow dates; d) currency; and e) interest rate basis.

ii) Hedge ratio

The hedge ratio is the ratio between the amount of the hedged item and the amount of the hedging instrument. For most of the hedging relationships, the hedge ratio is 1:1 as the underlying of the hedging instrument perfectly matches the designated hedged risk. For a hedging relationship with a correlation between the hedged item and the hedging instrument that is not a 1:1 relationship, the hedge ratio is generally set so as to adjust for the type of relationship in order to improve effectiveness.

iii) Discontinuation of hedge accounting

The Bank discontinues hedge accounting prospectively in the following situations:

1. It is determined that the derivative is no longer effective in offsetting changes in the fair value or cash flows of a hedged item.
2. The derivative expires or is sold, terminated or exercised.
3. It is determined that designation of the derivative as a hedging instrument is no longer appropriate.

Fair value hedges

When a derivative is designated as the hedging instrument in a hedge of the change in fair value of a recognized asset or liability or a firm commitment that could affect profit or loss, changes in the fair value of the derivative are recognized in profit or loss together with changes in the fair value of the hedged item that are attributable to the hedged risk, except when the hedging instrument hedges an equity instrument designated at FVOCI in which case it is recognized in OCI. The carrying amount of a hedged item not already measured at fair value is adjusted in profit or loss for the fair value change attributable to the hedged risk. For financial instruments measured at FVOCI, the carrying amount is not adjusted as it is already at fair value, but the portion of the fair value on the hedged item associated with the hedged risk is recognized in profit or loss instead of OCI. When the hedged item is an equity instrument designated at FVOCI, the hedging gain/loss remains in OCI to match that of the hedging instrument.

3. Material accounting policies (continued)

3.5 Derivative financial instruments (continued)

If the hedge relationship is terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively and the fair value adjustment to the hedged item continues to be reported as part of the basis of the item and is amortized to earnings as an adjustment to the yield in profit or loss.

Cash flow hedges

When a derivative is designated as a hedging instrument for variability in cash flows attributable to a particular risk associated with a recognized asset or liability that could affect profit or loss, the effective portion of the change in fair value of the derivative is recognized in OCI and it is recognized in profit or loss when the hedged cash flows affect income. The ineffective portion is recognized in profit or loss in the line item gain (loss) on financial instruments, net.

If the cash flow hedge relationship is terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively and the related amounts recognized in OCI are reclassified to profit or loss when hedged cash flows occur.

The Bank recognizes the costs associated with foreign exchange forward contracts when the hedged item is an asset or liability, as interest income or expense, adjusting the yield of the underlying transaction in profit or loss, and accumulates a reserve in OCI in the consolidated statement of financial position, which is reclassified to profit or loss upon maturity.

3.6 Cash and due from banks

Cash equivalents include demand deposits in banks and interest-bearing deposits in banks with original maturities of three months or less, excluding restricted deposits.

3.7 Loans

Loans reported in the consolidated statement of financial position include loans at amortized cost and FVOCI.

Loans at amortized cost consider the principal outstanding amounts and interest receivable net of unearned interest, deferred fees and allowance for ECL. Loans recognized and designated as hedged items in qualifying fair value hedging relationships, are measured at amortized cost adjusted for the hedge risk components associated to the hedging relationship. Purchased loans are recognized at the acquisition cost. The difference between the outstanding amount and the cost related to the acquisition of loans, premiums and discounts, is amortized over the life of the loan as an adjustment to the yield. All other costs related to acquisition of loans are also reflected as an adjustment to the yield.

Loans measured at FVOCI consider the outstanding principal amount and accrued interest receivable, net of unearned interest, deferred fees, and the allowance for ECL. Subsequently, their fair value is updated on a recurring basis, with such adjustments recognized in other comprehensive income.

3.8 Securities

Securities presented in the consolidated statement of financial position include:

- Debt investment securities measured at amortized cost; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized cost using the effective interest rate method, except for those designated as hedged items in qualifying fair value hedging relationships which are measured at amortized cost adjusted for the hedged risk component associated with the hedging relationship.
- Debt instruments measured at FVOCI; these are initially measured at fair value plus incremental transaction costs, and subsequently their fair value is remeasured on a recurring basis, with such adjustment recognized in other comprehensive income, except for those designated as hedged items in relationships that qualify as fair value hedges where the portion attributable to the hedged risk is recognized in profit or loss.

3. Material accounting policies (continued)

3.9 Deposits, borrowings and repurchase agreements

Liability deposits, borrowings and debt are accounted for at amortized cost, except for those designated as hedged items in qualifying fair value hedging relationships, which are measured at amortized cost adjusted for the hedge risk components associated with the hedging relationship.

Repurchase agreements are transactions in which the Bank sells a security and simultaneously agrees to repurchase that security (or an asset that is substantially identical) at a fixed price on a future date. The Bank continues to recognize the securities in their entirety in the consolidated statement of financial position because it retains substantially all the risks and rewards of ownership. The cash consideration received is recognized as a financial asset and a financial liability is recognized for the obligation to pay the repurchase price.

3.10 Loan commitments and financial guarantee contracts

Letters of credit, stand-by letters of credit and guarantees

The Bank, on behalf of its clients base, issues, confirms and advises letters of credit to facilitate foreign trade transactions. When issuing, confirming and advising letters of credit, the Bank adds its own unqualified assurance that the Bank will pay upon presentation of complying documents as per the terms and conditions established in the letter of credit. The Bank also issues, confirms and advises stand-by letters of credit and guarantees, which are issued on behalf of institutional clients in connection with financing between its customers and third parties. The Bank applies the same credit policies used in its lending process, and once the commitment is issued, it becomes irrevocable and remains valid until its expiration upon the presentation of complying documents on or before the maturity date.

Credit commitments

Commitments to extend credit are binding legal agreements to lend to customers as long as the preceding conditions stipulated by the Bank are fulfilled. Commitments generally have fixed expiration dates or other termination clauses and require payment of a fee to the Bank. As some commitments expire without being drawn down, the total commitment amounts do not necessarily represent future cash requirements.

3.11 Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank assesses whether:

- The contract involves the use of an identified asset –this may be specified explicitly or implicitly; and should be physically distinct or represent substantially all of the capacity of a physically distinct asset.
- The Bank has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use.
- The Bank has the right to direct the use of the asset. The Bank has decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Bank has the right to direct the use of the asset if either:
 - The Bank has the right to operate the asset, or
 - The Bank designed the asset in a way that predetermines how and for what purpose it will be used.

3. Material accounting policies (continued)

3.11 Leases (continued)

At inception or on reassessment of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for lease agreements of office spaces in buildings in which the Bank is a lessee, it chose not to separate the components of the contract that do not correspond to the lease and to account for all of them under a single lease component.

The details of the lease policy are described as follows:

A. Definition of a lease

The Bank determines at the beginning of the contract if an agreement is or contains a lease. The Bank assesses if a contract is or contains a lease based on the definition of a lease.

B. As a lessee

The Bank recognizes right-of-use assets and lease liabilities for most leases. These leases are presented in the consolidated statement of financial position. Lease liabilities are measured at the present value of the lease payments, discounted at the Bank's internal funding cost rate, for the weighted average term of the contract.

The right-of-use assets are recognized at cost from the initial measurement of lease liabilities, adjusted for any prepayment, incremental cost, dismantling cost and accumulated depreciation. Subsequently, it is depreciated using the straight-line method from the inception date until the end of the lease term. In addition, the right-of-use asset is reduced by impairment losses, if applicable, and is adjusted for certain new measurements of the lease liability. The Bank presents its right of use assets in the line item of equipment, leases and leasehold improvements and the liability as lease liabilities, both in the consolidated statement of financial position.

3.12 Equipment, right-of-use assets and leasehold improvements

Equipment, right-of-use assets and leasehold improvements are stated at cost excluding the costs of day-to-day maintenance, less accumulated depreciation, amortization and impairment losses, if applicable. Changes in the expected useful lives are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Depreciation /amortization is calculated using the straight-line method over their estimated useful life, to write down the cost of assets and equipment to their residual values. The estimated useful lives are as follows:

	<u>Useful life in years</u>
Furniture and equipment	3 to 5 years
Hardware	3 years
Other equipment	2 to 4 years
Right-of-use assets and leasehold improvements	3 to 15 years or up to the lease term

Recognition and subsequent measurement for right-of-use assets and lease liabilities are set out in Note 3.11.

Leasehold improvements are amortized on a straight-line basis calculated without exceeding the length of the respective lease contracts.

Equipment, right-of-use assets and leasehold improvements are derecognized on disposal or when no future economic benefits are expected from their use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other income or other expenses in profit or loss.

3. Material accounting policies (continued)

3.13 Intangible assets

An intangible asset is recognized only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Bank.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite useful lives are amortized using the straight-line method reducing the cost of the intangible asset to their residual value over the estimated useful lives of the assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and they are treated as changes in accounting estimates. Amortization is calculated using the straight-line method with a minimum of 2 years and a maximum of 7 years. The amortization expense on intangible assets with finite lives is presented as a separate line item in profit or loss.

Bank's intangible assets include the cost of computer software, licenses, among others. Gains or losses arising from the derecognition of an intangible asset are determined by the Bank as the difference between the proceeds from the sale or disposal and the net carrying amount of the intangible asset and recognized in profit or loss for the year in which the transaction occurs.

3.14 Impairment of non-financial assets

A non-financial asset is impaired when the Bank is not able to recover that asset's carrying value, either through its use or sale. If circumstances arise which indicate that a non-financial asset might be impaired, a review should be undertaken of its cash generating abilities through use or sale. This review will produce an amount which should be compared with the asset's carrying value, and if the carrying value is higher, the difference must be written off as impairment in profit or loss. On the other hand, if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Bank makes an estimate of the recoverable amount. In that case, the carrying amount of the asset is increased to its recoverable amount. This increase cannot exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

3.15 Provisions

Provisions are recognized when the Bank has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in profit or loss, net of any reimbursement.

3.16 Equity

Reserves

Regulatory and capital reserves are established as appropriations from retained earnings and, as such, form part of retained earnings. Additions and reductions of regulatory and capital reserves require the approval of the Bank's Board of Directors and the SBP, as applicable.

Other capital reserves, presented as other comprehensive income include:

- Hedging reserve: The hedging reserve comprises the effective part of the cumulative net change in the fair value of the hedging instruments designated in a cash flow hedging relationship, as well as the offsetting effect of currency translation of the hedging items.
- Fair value reserve: The fair value reserve comprises the cumulative net change in the fair value of investment securities measured at FVOCI, less the ECL allowance recognized in profit or loss, and less the risk hedged when an underlying was designated in a fair value hedging relationship.

3. Material accounting policies (continued)

3.16 Equity (continued)

Treasury stock

The own equity instruments of the Bank which are acquired by it or by any of its subsidiaries (treasury stock) are deducted from equity and accounted for at weighted average cost. Consideration paid or received on the purchase, sale, issue or cancellation of the Bank's own equity instruments is recognized directly in equity.

No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of own equity instruments; such amounts are recognized directly in equity.

Other equity instruments

The Bank classifies the issuance of financial instruments as either financial liabilities or equity instruments in accordance with the substance of the contractual terms of such instruments. The Bank's other equity instruments are not redeemable at the option of the holders and grant rights solely at the discretion of the Board of Directors. Accordingly, they are presented within equity. Distributions related to these instruments are recognized in equity. Based on the Bank's assessment of the terms of the instruments, coupon payments meet the definition of dividends.

Equity issuance costs

Incremental costs that are directly attributable to the issuance of an equity instrument are deducted from the initial measurement of the equity instruments.

3.17 Share-based payment transactions

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is recognized as employee compensation expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as expense is adjusted to reflect the number of awards for which the related service conditions and non-market performance conditions are expected to be satisfied, so that the amount ultimately recognized is based on the number of awards that satisfy such service and non-market performance conditions at the vesting date.

3.18 Earnings per share

Basic earnings per share is computed by dividing the profit for the year (the numerator) by the weighted average number of common shares outstanding (the denominator) during the year. Diluted earnings per share measure performance incorporating the effect that potential common shares would have. The computation of diluted earnings per share is similar to the computation of basic earnings per share, except for the denominator, which is increased to include the number of additional common shares that would have been issued if the beneficiaries could exercise their stock purchase options.

3.19 Taxes

Income taxes

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to tax authorities. Tax laws and regulations used to compute those amounts are those enacted or substantively enacted by the reporting date:

- Bladex Head Office is exempted from payment of income taxes in Panama in accordance with the contract law signed between the Republic of Panama and the Bank.
- Bladex Representacao Ltda. is subject to income taxes in Brazil.
- Bladex Development Corp. is subject to income taxes in Panama.
- The New York Agency and Bladex Holdings, Inc., incorporated in the USA are subject to federal and local taxation in USA based on the portion of income that is effectively connected with their operations in that country.

3. Material accounting policies (continued)

3.19 Taxes (continued)

Current and deferred tax

The current tax at the reporting date as well as for the deferred tax, result in an immaterial amount, whereby the changes are presented in the consolidated statement of financial position as other assets/other liabilities and in the consolidated statement of profit or loss as other income/expenses.

The Bank performs an annual assessment of laws and regulations in its different jurisdictions together with its tax experts to determine uncertainty regarding income tax treatments, concluding that there is no uncertainty about tax treatments applied in each tax legislation.

3.20 Segment reporting

The Bank's activities are managed and executed in two business segments: Commercial and Treasury. Information related to each reportable segment is set out below. Business segment results are based on the Bank's managerial accounting process, which assigns assets, liabilities, revenue and expense items to each business segment on a systematic basis. The maximum decision-making operating authority of the Bank is represented by the Chief Executive Officer and the Executive Committee, who periodically review the internal management reports for each of the two divisions. Segment profit, as included in the internal management reports is used to measure performance as management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate within the same industry.

The Bank's net interest income represents the main driver of profits; therefore, the Bank presents its interest-earning assets by business segment, to give an indication of the size of business generating net interest income. Interest-earning assets also generate gains and losses on sales, mainly from financial instruments at FVOCI and financial instruments at FVTPL, which are included in other income, net. The Bank also discloses its other assets and other liabilities by business segment, to give an indication of the size of business that generates net fees and commissions, also included in other income, net.

The Commercial Business Segment encompasses the Bank's core business of financial intermediation and fee generating activities developed to cater to corporations, financial institutions and investors in Latin America. These activities include the origination of bilateral short-term and medium-term loans, structured and syndicated credits, loan commitments, and financial guarantee contracts such as issued and confirmed letters of credit, stand-by letters of credit, guarantees covering commercial risk, and customers' liabilities under acceptances.

Profits from the Commercial Business Segment include (i) net interest income from loans; (ii) fees and commissions from the issuance, negotiation, acceptance, confirmation and amendment of letters of credit, guarantees and loan commitments, and through loan structuring and syndication activities; (iii) gain on sale of loans generated through loan intermediation activities, such as infrequent sales in the secondary market; (iv) gain (loss) on sale of financial instruments measured at FVTPL and FVOCI; (v) reversal of allowance for loans losses, (vi) gain (loss) on other non-financial assets, net; (vii) direct and allocated operating expenses and (viii) funding cost.

The Treasury Business Segment focuses on managing the Bank's investment portfolio, and the overall structure of its assets and liabilities to achieve more efficient funding and liquidity positions for the Bank, mitigating the traditional financial risks associated with the consolidated statements of financial position, such as liquidity, interest rate and currency rate. Interest-earning assets managed by the Treasury Business Segment include liquidity positions in cash and cash equivalents, as well as highly liquid corporate debt securities rated above 'A-', and financial instruments related to the investment management activities, consisting of securities at FVOCI and securities at amortized cost (the "Credit Investment Portfolio"). The Treasury Business Segment also manages the Bank's interest-bearing liabilities, which constitute its funding sources, mainly deposits, securities sold under repurchase agreements and borrowings and debt, net.

Profits from the Treasury Business Segment include (i) net interest income derived from the above mentioned treasury assets and liabilities, (ii) gain (loss) on derivative financial instruments and foreign currency exchange, (iii) gain (loss) on financial instruments at FVOCI, (iv) intermediation margin in derivatives with clients, (v) reversal of (provision) for credit losses on such instruments and (vi) direct and allocated operating expenses.

3. Material accounting policies (continued)

3.21 Judgments, estimates and significant accounting assumptions

The preparation of the consolidated financial statements requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the reporting date and the reported amounts of revenues and expenses during the year.

Significant estimates that are particularly susceptible to significant changes relate to the determination of the allowances for expected credit losses, impairment of securities, and the fair value of financial instruments. Actual results could differ from those estimates. Management believes these estimates are adequate.

A. Judgments

In the process of applying the Bank's accounting policies, Management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Determining the allowance for ECL

The Bank individually assesses all credit impaired loans at amortized cost at each reporting date to assess whether an impairment loss is required to be recognized. Management's judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. These estimates are based on assumptions about several factors and actual results that may vary, resulting in future changes to the allowance. Loans at amortized cost that do not give rise to credit impairment individually are assessed in groups of assets with similar credit risk characteristics. This is to determine whether a provision should be made due to expected loss events for which there is objective evidence, but which effects are not yet evident.

The collective assessment takes into account data from the loan portfolio (such as levels of arrears, credit utilization, loan-to-collateral ratios, among others), and judgments on the effect of concentrations of risks and economic data (including levels of unemployment, real estate price indices, country risk and the performance of various individual groups).

When establishing ECL, judgment is applied by management in order to assess the amount and timing of the future cash flows with the purpose of evaluating whether credit risk has significantly increased since initial recognition, taking into account the characteristics of the financial asset and the former patterns pre-established for similar financial assets. The changes in risk of default occurring within the next 12 months can be a reasonable approach of the changes in the risk measure according to the lifetime of the instrument. The Bank uses the changes in risk of default occurring within the next 12 months to determine if the credit risk has significantly increased since initial recognition, unless the circumstances indicate an assessment during the lifetime of the instrument is necessary.

i. Significant increase in credit risk

For the financial assets in stage 1, ECL are measured as an allowance equal to 12-month ECL and lifetime ECL on stage 2 or stage 3 assets. An asset moves to stage 2 or stage 3 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased, the Bank takes into account reasonable and supportable forward-looking qualitative and quantitative information.

ii. Establishing groups of assets with similar credit risk characteristics

When ECL are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics.

The Bank monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that when credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month ECL to lifetime ECL, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month ECL or lifetime ECL but the amount of ECL changes because the credit risk of the portfolios differs.

3. Material accounting policies (continued)

3.21 Judgments, estimates and significant accounting assumptions (continued)

Determining the fair value of financial instruments

i. Models and assumptions used

The Bank uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

ii. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but if this is not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs such as volatility for longer-dated derivatives and discount rates, prepayment rates and default rate assumptions for asset-backed securities. The valuation of financial instruments is described in more detail in Note 7.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Bank determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the assets' performance is evaluated and their performance is measured, and the risks that affect the performance of the assets and how they are managed. The Bank monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

B. Estimates and assumptions

In preparing these consolidated financial statements management has made estimates, judgments and assumptions at the reporting date that affect the carrying amounts of assets and liabilities. Existing circumstances and assumptions about future developments, however may change due to market changes or circumstances beyond the control of the Bank. Such changes are reflected when they occur.

Going concern

The Bank's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Therefore, the consolidated financial statements were prepared on a going concern basis.

4. New accounting standards and amendments issued but not yet effective

Certain new accounting standards and amendments to accounting standards are effective for the years 2026 and 2027 and earlier application is permitted. The Bank has not early adopted any of these new accounting standards or amendments in preparing these consolidated financial statements.

January 1, 2026: Classification and measurement of financial instruments - Amendments to IFRS 9 and IFRS 7: The specific amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures include new requirements not only for financial institutions but also for corporate entities. These amendments:

- a. clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- b. clarify and add further guidance for assessing whether a financial asset meets the solely payments-of-principal-and-interest (SPPI) criterion;

Table of Contents

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

4. New accounting standards and amendments issued but not yet effective (continued)

- c. add new disclosures for certain instruments with contractual terms that may change cash flows (such as some financial instruments with features linked to the achievement of environmental, social and governance objectives); and
- d. update disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Bank is currently assessing the impact of the new amendments and, based on the evaluation performed to date, has not identified any material impact on its consolidated financial statements.

January 1, 2027: Presentation and disclosure in financial statements - IFRS 18: This new standard on presentation and disclosure in financial statements, which replaces IAS 1, focuses on updates to the statements of profit or loss.

Key new concepts introduced in IFRS 18 relate to:

- a. the structure of the statement of profit or loss with defined subtotals;
- b. requirement to determine the most useful summary structure for presenting expenses in the statement of profit or loss disclosures
- c. required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (i.e., performance measures defined by management, "MPMs"); and
- d. enhanced principles on aggregation and disaggregation that apply to the primary financial statements and notes generally.

The Bank is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the consolidated statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Bank is also assessing the impact on how information is grouped in the consolidated financial statements, including for items currently labelled as "other".

January 1, 2027: Subsidiaries without Public Accountability - IFRS 19: This new standard allows for certain eligible subsidiaries that report under IFRS accounting standards apply reduced disclosure requirements of IFRS 19. These reduced disclosure requirements are expected to balance the information needs of users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- a. it has no public accountability, and
- b. it has an ultimate or intermediate parent company that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The Bank does not anticipate that IFRS 19 will be applied for purposes of the Bank's consolidated financial statements.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review

This note presents information about the Bank's exposure to financial risks.

A. Credit risk

i. Credit quality analysis

The following tables set out information about the credit quality of financial assets measured at amortized cost, and debt instruments at FVOCI. Unless specifically stated, for financial assets the amounts in the table represent the outstanding gross balances. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively. Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 3.4 (K).

Bank deposits

December 31, 2025					
	PD Ranges	Stage 1	Stage 2	Stage 3	Total
Grades 1 - 4	0.05-0.38	1,923,151	—	—	1,923,151
Grades 5 - 6	0.39-3.81	660	—	—	660
Grades 7 - 8	3.82-34.52	75	—	—	75
		1,923,886	—	—	1,923,886
Loss allowance		(155)	—	—	(155)
Total		1,923,731	—	—	1,923,731

December 31, 2024					
	PD Ranges	Stage 1	Stage 2	Stage 3	Total
Grades 1 - 4	0.05-0.41	1,964,543	—	—	1,964,543
Grades 5 - 6	0.42-3.81	593	—	—	593
Grades 7 - 8	3.82-34.52	9	—	—	9
		1,965,145	—	—	1,965,145
Loss allowance		—	—	—	—
Total		1,965,145	—	—	1,965,145

Loans, at amortized cost⁽¹⁾

December 31, 2025					
	PD Ranges	Stage 1	Stage 2	Stage 3	Total
Grades 1 - 4	0.05-0.38	5,399,585	—	—	5,399,585
Grades 5 - 6	0.39-3.81	3,412,140	78,892	—	3,491,032
Grades 7 - 8	3.82-34.52	125,507	102,127	—	227,634
Grades 9 - 10	34.53-100	—	—	39,985	39,985
		8,937,232	181,019	39,985	9,158,236
Loss allowance		(31,660)	(33,169)	(28,979)	(93,808)
Total		8,905,572	147,850	11,006	9,064,428

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

December 31, 2024					
	PD Ranges	Stage 1	Stage 2	Stage 3	Total
Grades 1 - 4	0.05 -0.41	2,971,709	—	—	2,971,709
Grades 5 - 6	0.42- 3.81	4,704,760	299,292	—	5,004,052
Grades 7 - 8	3.82 - 34.52	397,049	71,664	—	468,713
Grades 9 - 10	34.53- 100	—	—	17,513	17,513
		8,073,518	370,956	17,513	8,461,987
Loss allowance		(45,635)	(20,040)	(12,483)	(78,158)
Total		8,027,883	350,916	5,030	8,383,829

⁽¹⁾ Loans at amortized cost include interest and commission receivable.

Loans at FVOCI

December 31, 2025					
	PD Ranges	Stage 1	Stage 2	Stage 3	Total
Grades 1 - 4	0.05 - 0.38	15,627	—	—	15,627
Grades 5 - 6	0.39 - 3.81	61,613	—	—	61,613
		77,240	—	—	77,240
Loss allowance - FVOCI		(468)	—	—	(468)

As of December 31, 2024, no loans were classified at FVOCI.

Loan commitments, financial guarantees issued and customers' liabilities under acceptances

December 31, 2025					
	PD Ranges	Stage 1	Stage 2	Total	
Commitments and contingencies					
Grades 1 - 4	0.05 - 0.38	876,482	—	876,482	
Grades 5 - 6	0.39 - 3.81	676,044	365	676,409	
Grades 7 - 8	3.82 - 34.52	287,766	—	287,766	
		1,840,292	365	1,840,657	
Customers' liabilities under acceptances					
Grades 1 - 4	0.05 - 0.38	64,761	—	64,761	
Grades 5 - 6	0.39 - 3.81	31,284	—	31,284	
Grades 7 - 8	3.82 - 34.52	65,552	—	65,552	
		161,597	—	161,597	
		2,001,889	365	2,002,254	
Provision		(12,128)	(2)	(12,130)	
Total		1,989,761	363	1,990,124	

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

	December 31, 2024			
	PD Ranges	Stage 1	Stage 2	Total
Commitments and contingencies				
Grades 1 - 4	0.05 - 0.41	545,855	—	545,855
Grades 5 - 6	0.42 - 3.81	630,648	6,099	636,747
Grades 7 - 8	3.82 - 34.52	226,278	5,500	231,778
		1,402,781	11,599	1,414,380
Customers' liabilities under acceptances				
Grades 1 - 4	0.05 - 0.41	204,421	—	204,421
Grades 5 - 6	0.42 - 3.81	1,155	—	1,155
Grades 7 - 8	3.82 - 34.52	39,489	—	39,489
		245,065	—	245,065
		1,647,846	11,599	1,659,445
Provision		(4,815)	(560)	(5,375)
Total		1,643,031	11,039	1,654,070

Securities at amortized cost ⁽¹⁾

	December 31, 2025			
	PD Ranges	Stage 1	Stage 2	Total
Grades 1 - 4	0.05 - 0.38	1,294,293	—	1,294,293
Grades 5 - 6	0.39 - 3.81	55,550	10,654	66,204
		1,349,843	10,654	1,360,497
Loss allowance		(918)	(65)	(983)
Total		1,348,925	10,589	1,359,514

	December 31, 2024			
	PD Ranges	Stage 1	Stage 2	Total
Grades 1 - 4	0.05 - 0.41	1,020,297	—	1,020,297
Grades 5 - 6	0.42 - 3.81	72,976	10,482	83,458
		1,093,273	10,482	1,103,755
Loss allowance		(1,133)	(178)	(1,311)
Total		1,092,140	10,304	1,102,444

Securities at FVOCI ⁽¹⁾

	December 31, 2025			
	PD Ranges	Stage 1	Stage 2	Total
Grades 1 - 4	0.05 - 0.38	69,476	—	69,476
Loss allowance - FVOCI		(16)	—	(16)

	December 31, 2024			
	PD Ranges	Stage 1	Stage 2	Total
Grades 1 - 4	0.05 - 0.41	99,486	—	99,486
Loss allowance - FVOCI		(23)	—	(23)

⁽¹⁾ Securities at amortized cost and FVOCI include interest receivable.

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***5. Financial risk review (continued)****A. Credit risk (continued)**

The loss allowance for loans and investment securities at FVOCI does not affect the carrying value of the assets. These allowances are included in equity in the consolidated statement of financial position in the line Other comprehensive income.

The following table presents information on the current and past due balances of loans:

	December 31,	
	2025	2024
Current	9,195,491	8,444,474
Past due ⁽¹⁾	39,985	17,513
Total	9,235,476	8,461,987

⁽¹⁾ Past due loans are classified in Stage 3.

The following table presents an analysis of counterparty credit exposures arising from derivative transactions. The Bank's derivative fair values are generally secured by cash.

	December 31, 2025		
	Notional value USD	Derivative financial instruments - fair value assets	Derivative financial instruments - fair value liabilities
Interest rate swaps	1,754,481	27,644	(5,868)
Cross-currency swaps	1,317,295	43,762	(57,027)
Foreign exchange forwards	7,039	—	(44)
Total	3,078,815	71,406	(62,939)

	December 31, 2024		
	Notional value USD	Derivative financial instruments - fair value assets	Derivative financial instruments - fair value liabilities
Interest rate swaps	1,132,827	10,805	(2,667)
Cross-currency swaps	1,391,715	11,510	(139,038)
Total	2,524,542	22,315	(141,705)

ii. Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

5. Financial risk review (continued)

A. Credit risk (continued)

Derivatives and repurchase agreements

In the ordinary course of business, the Bank enters into derivative financial instrument transactions and securities sold under repurchase agreements under industry standard agreements. Depending on the collateral requirements stated in the contracts, the Bank and counterparties can receive or deliver collateral based on the fair value of the financial instruments transacted between parties. Collateral typically consists of pledged cash deposits and securities. The master netting agreements include clauses that, in the event of default, provide for close-out netting, which allows all positions with the defaulting counterparty to be terminated and net settled with a single payment amount.

The International Swaps and Derivatives Association master agreement (“ISDA”) and the Global Master Repurchase Agreement (“GMRA”) do not meet the criteria for offsetting in the consolidated statement of financial position. This is because they create for the parties to the agreement a right of set-off of recognized amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Bank or the counterparties or following other predetermined events.

Such arrangements provide for single net settlement of all financial instruments covered only by the agreements in the event of default on any one contract. Master netting arrangements do not normally result in an offset of balance-sheet assets and liabilities unless certain conditions for offsetting are met.

Although master netting arrangements may significantly reduce credit risk, it should be noted that:

- Credit risk is eliminated only to the extent that amounts due to the same counterparty will be settled after the assets are realized.
- The extent to which overall credit risk is reduced may change substantially within a short period because the exposure is affected by each transaction subject to the arrangement.

Loans

The main types of collateral obtained for commercial loans are as follows:

- Liens on real estate property and trade receivables.

The Bank also obtains guarantees from parent companies for loans to their subsidiaries. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement. It is the Bank’s policy to dispose of repossessed property in an orderly manner. The proceeds are used to reduce or repay the outstanding claim. In general, the Bank does not occupy repossessed or property received in lieu of payment for business use.

The Bank holds guarantees and other financial credit enhancements against certain exposures in the loan portfolio. As of December 31, 2025, and 2024, the coverage ratio to the carrying amount of the loan portfolio was 4% and 9% respectively.

iii. Incorporation of prospective information based on projections of relevant macroeconomic variables

The Bank incorporates prospective information based on projections of relevant macroeconomic variables, when assessing whether the credit risk of a financial instrument has significantly increased since initial recognition applying customer and country risk rating models which include projections of the inputs under analysis.

Supplementary, for the ECL measurement, the results of the “alert model” can be considered, through the assessment of a severity indicator of total risk resulting from the estimates and assumptions of several macroeconomic variables. These estimates and assumptions are supported by a base scenario. Other scenarios represent upside and downside results. The implementation and interpretation of the outcomes of the alert model are based on Management’s expert judgment, giving consideration to areas such as Credit Risk, Economic Studies and Loan Recovery of the Bank.

5. Financial risk review (continued)

A. Credit risk (continued)

The external information could include economic data and projections published by governmental committees, monetary agencies (for example, the U.S. Federal Reserve and banking authorities from countries where the Bank operates), supranational organizations (International Monetary Fund, The World Bank, World Trade Organization), private sector, academic projections, credit rating agencies, among others.

The review of both each country and the region incorporates a large number of variables. The historical and prospective information based on projections of relevant macroeconomic variables allows for the estimation of possible macroeconomic effects on the Bank's portfolio. In any case, the main variables used in the model as inputs are:

Variables	Description
GDP Growth (Var. %)	% Variation in the growth of the Gross Domestic Product (GDP)
ComEx Growth Index (Var. %)	% Variation in foreign trade growth (Export + Import)

The model uses macroeconomic variables in levels and variations as main inputs to understand and project the behavior of the different economies. This historical and projected information, over a period of five years, allows management to estimate the macroeconomic effects on the Bank's portfolio.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

The table below lists the alert model's macroeconomic variables for countries representing the higher exposures, for the base, upside and downside scenarios over the five-year forecasted average available for each reporting period.

		Variable			
		GDP Growth (Var.%)		ComEx Growth Index (Var.%)	
		December 31,		December 31,	
	Scenario	2025	2024	2025	2024
Brazil	Base	5.3%	2.3%	5.3%	5.3%
	Upside	3.2%	3.3%	8.8%	8.8%
	Downside	0.8%	0.9%	1.3%	1.3%
Colombia	Base	3.8%	2.6%	3.8%	3.0%
	Upside	3.8%	3.7%	6.8%	6.0%
	Downside	1.4%	1.3%	0.3%	-0.5%
Mexico	Base	3.7%	1.8%	3.7%	2.8%
	Upside	2.5%	2.8%	7.7%	6.8%
	Downside	0.3%	0.6%	-0.8%	-1.7%
Chile	Base	4.4%	2.3%	4.4%	4.4%
	Upside	3.3%	3.4%	7.9%	7.9%
	Downside	1.0%	1.1%	0.4%	0.4%
Dominican Republic	Base	5.5%	4.8%	5.5%	4.5%
	Upside	6.0%	6.0%	9.0%	8.0%
	Downside	3.5%	3.5%	1.5%	0.5%
Guatemala	Base	5.4%	3.5%	5.4%	5.8%
	Upside	4.8%	4.5%	8.4%	8.8%
	Downside	2.6%	2.3%	1.9%	2.3%
Panama	Base	2.7%	3.6%	2.7%	1.2%
	Upside	5.5%	5.1%	5.7%	4.2%
	Downside	2.6%	2.2%	-0.8%	-2.3%
Costa Rica	Base	6.2%	3.4%	6.2%	6.2%
	Upside	4.5%	4.4%	9.7%	9.7%
	Downside	2.2%	2.1%	2.2%	2.2%

iv. Loss allowances

The following tables show reconciliations from the opening to the closing balances of the loss allowance by class of financial instrument. The basis for determining transfers due to changes in credit risk is set out in our accounting policy in Note 3.4 (K).

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

Bank deposits

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2024	—	—	—	—
Net effect of changes in allowance for expected credit losses	155	—	—	155
Impairment losses on financial instruments	155	—	—	155
Allowance for expected credit losses as of December 31, 2025	155	—	—	155

Loans at amortized cost

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2024	45,635	20,040	12,483	78,158
Transfer to lifetime expected credit losses	(176)	(10,151)	10,327	—
Net effect of changes in allowance for expected credit losses	(2,762)	14,536	5,548	17,322
Financial instruments that have been derecognized during the year	(35,330)	(6,640)	—	(41,970)
New financial instruments originated or purchased	24,293	15,384	—	39,677
Impairment losses on financial instruments	(13,975)	13,129	15,875	15,029
Recoveries	—	—	621	621
Allowance for expected credit losses as of December 31, 2025	31,660	33,169	28,979	93,808

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2023	34,778	17,734	6,898	59,410
Transfer to lifetime expected credit losses	(235)	(1,237)	1,472	—
Net effect of changes in allowance for expected credit losses	(1,007)	6,013	2,978	7,984
Financial instruments that have been derecognized during the year	(23,723)	(5,807)	—	(29,530)
New financial instruments originated or purchased	35,822	3,337	—	39,159
Impairment losses on financial instruments	10,857	2,306	4,450	17,613
Recoveries	—	—	1,135	1,135
Allowance for expected credit losses as of December 31, 2024	45,635	20,040	12,483	78,158

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

Loans at FVOCI

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2024	—	—	—	—
New financial instruments originated or purchased	468	—	—	468
Impairment losses on financial instruments	468	—	—	468
Allowance for expected credit losses as of December 31, 2025	468	—	—	468

Loan commitments, financial guarantee contracts and customers' liabilities under acceptances

The allowance for expected credit losses on loan commitments and financial guarantee contracts reflects the Bank's management is estimate of expected credit losses of customers' liabilities under acceptances and contingent liabilities such as: confirmed letters of credit, stand-by letters of credit, guarantees, and credit commitments.

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2024	4,815	560	—	5,375
Net effect of changes in reserve for expected credit losses	(284)	(5)	—	(289)
Financial instruments that have been derecognized during the year	(3,369)	(553)	—	(3,922)
New financial instruments originated or purchased	10,966	—	—	10,966
Impairment losses on financial instruments	7,313	(558)	—	6,755
Allowance for expected credit losses as of December 31, 2025	12,128	2	—	12,130

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2023	3,905	1,154	—	5,059
Transfer to lifetime expected credit losses	(84)	84	—	—
Net effect of changes in reserve for expected credit losses	(154)	312	—	158
Financial instruments that have been derecognized during the year	(2,671)	(1,136)	—	(3,807)
New financial instruments originated or purchased	3,819	146	—	3,965
Impairment losses on financial instruments	910	(594)	—	316
Allowance for expected credit losses as of December 31, 2024	4,815	560	—	5,375

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***5. Financial risk review (continued)****A. Credit risk (continued)**Securities at amortized cost

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2024	1,133	178	—	1,311
Transfer to lifetime expected credit losses	(19)	19	—	—
Net effect of changes in allowance for expected credit losses	(2)	(85)	—	(87)
Financial instruments that have been derecognized during the year	(387)	—	—	(387)
New financial instruments originated or purchased	193	—	—	193
Impairment reversals on financial instruments	(215)	(66)	—	(281)
Write-offs	—	(47)	—	(47)
Allowance for expected credit losses as of December 31, 2025	918	65	—	983
	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2023	1,230	402	—	1,632
Transfer to lifetime expected credit losses	(21)	21	—	—
Net effect of changes in allowance for expected credit losses	(55)	(7)	(331)	(393)
Financial instruments that have been derecognized during the year	(392)	(238)	—	(630)
New financial instruments originated or purchased	371	—	—	371
Impairment reversals on financial instruments	(97)	(224)	(331)	(652)
Recoveries	—	—	331	331
Allowance for expected credit losses as of December 31, 2024	1,133	178	—	1,311

Securities at FVOCI

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2024	23	—	—	23
Financial instruments that have been derecognized during the year	(14)	—	—	(14)
New financial instruments originated or purchased	7	—	—	7
Impairment reversals on financial instruments	(7)	—	—	(7)
Allowance for expected credit losses as of December 31, 2025	16	—	—	16

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***5. Financial risk review (continued)****A. Credit risk (continued)**

	Stage 1	Stage 2	Stage 3	Total
Allowance for expected credit losses as of December 31, 2023	1	—	—	1
Financial instruments that have been derecognized during the year	1	—	—	1
New financial instruments originated or purchased	21	—	—	21
Impairment losses on financial instruments	22	—	—	22
Allowance for expected credit losses as of December 31, 2024	23	—	—	23

The following table provides a summary of impairment losses on financial instruments presented in the consolidated statement of profit or loss:

	December 31,		
	2025	2024	2023
Cash and due from banks	155	—	—
Loans at amortized cost	15,029	17,613	25,354
Loans at FVOCI	468	—	—
Loan commitments, financial guarantee contracts and customers' liabilities under acceptances	6,755	316	1,431
Securities at amortized cost	(281)	(652)	687
Securities at FVOCI	(7)	22	(9)
Total	22,119	17,299	27,463

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

v. *Credit-impaired financial assets*

Credit-impaired loans and advances are graded 9 and 10 in the Bank's internal credit risk grading system.

The following table sets out a reconciliation of changes in the carrying amount of the allowance for credit losses for credit-impaired financial assets:

	December 31,	
	2025	2024
<u>Loans at amortized cost:</u>		
Credit-impaired loans at beginning of the year	12,483	6,898
Classified as credit-impaired during the year	10,327	1,472
Change in allowance for ECL	4,720	2,832
Interest income	828	146
Recoveries	621	1,135
Credit-impaired loans at end of year	28,979	12,483

	December 31,	
	2025	2024
<u>Securities at amortized cost:</u>		
Credit-impaired securities at the beginning of the year	—	—
Change in allowance for ECL	—	(331)
Recoveries	—	331
Credit-impaired securities at end of year	—	—

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

vi. Concentrations of credit risk

The Bank monitors concentrations of credit risk by sector, industry and country. An analysis of concentrations of credit risk from loans at amortized cost, loan commitments, financial guarantees and securities at amortized cost is as follows.

Concentration by sector and industry

	Loans at amortized cost		Loan commitments, financial guarantee contracts and acceptances outstanding		Securities at amortized cost	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
Carrying amount - principal	9,158,236	8,461,987	161,597	245,065	1,360,497	1,103,755
Amount committed/guaranteed	—	—	1,840,657	1,414,380	—	—
Concentration by sector						
Corporations:						
Private	5,158,895	4,410,940	1,357,884	913,266	723,976	613,629
State-owned	1,194,949	974,470	254,122	82,241	45,516	12,039
Financial institutions:						
Private	2,427,179	2,567,264	126,824	140,287	335,039	357,891
State-owned	257,479	426,469	263,424	523,651	65,038	28,650
Sovereign	119,734	82,844	—	—	190,928	91,546
Total	9,158,236	8,461,987	2,002,254	1,659,445	1,360,497	1,103,755
Concentration by industry						
Financial institutions	2,684,658	2,993,733	390,248	663,938	400,077	403,257
Manufacturing	2,864,918	2,370,275	448,860	555,844	403,603	369,999
Oil and petroleum derived products	1,264,187	963,161	707,990	95,878	98,876	89,047
Agricultural	330,621	454,285	28,950	32,229	—	—
Services	686,726	636,000	251,670	163,396	152,037	114,764
Mining	387,599	271,186	60,914	51,413	20,014	14,866
Sovereign	119,734	82,843	—	—	190,928	54,517
Other	819,793	690,504	113,622	96,747	94,962	57,305
Total	9,158,236	8,461,987	2,002,254	1,659,445	1,360,497	1,103,755

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***5. Financial risk review (continued)****A. Credit risk (continued)**Concentration by sector and industry at FVOCI

	Loans at FVOCI		Securities FVOCI	
	December 31,		December 31,	
	2025	2024	2025	2024
Carrying amount - principal	77,240	—	69,476	99,486
Concentration by sector				
Corporations:				
Private	52,691	—	—	—
Financial institutions:				
Private	19,424	—	—	—
State-owned	5,125	—	69,476	99,486
Total	77,240	—	69,476	99,486
Concentration by industry				
Financial institutions	24,549	—	69,476	99,486
Agricultural	15,627	—	—	—
Mining	37,064	—	—	—
Total	77,240	—	69,476	99,486

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

Concentration by country

	Loans at amortized cost		Commitments, financial guarantee contracts and acceptances outstanding		Securities at amortized cost	
	December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024
Carrying amount - principal	9,158,236	8,461,987	161,597	245,065	1,360,497	1,103,755
Amount committed/ guaranteed	—	—	1,840,657	1,414,380	—	—
Concentration by country						
Argentina	198,905	113,226	169,695	248	—	—
Australia	—	—	—	—	9,936	9,906
Belgium	—	17,859	—	—	15,696	15,181
Bolivia	—	—	—	1,000	—	—
Brazil	1,130,060	1,257,185	135,428	188,125	7,009	24,281
Canada	—	11,718	26,591	26,413	47,743	44,828
Chile	501,107	454,602	67,887	50,976	29,986	37,713
China	14,917	14,995	—	—	—	—
Colombia	1,080,071	920,975	84,837	82,225	14,898	15,143
Costa Rica	461,965	357,112	61,212	55,263	8,141	8,128
Dominican Republic	919,673	855,539	135,214	122,057	—	—
Ecuador	183,502	223,461	206,845	269,369	—	—
El Salvador	100,756	71,716	29,084	20,000	—	—
United Arab Emirates	—	—	—	—	3,521	—
Finland	—	—	—	—	13,365	—
France	68,555	95,577	72,443	46,573	15,011	14,985
Germany	—	—	15,000	15,000	29,998	29,737
Guatemala	1,537,176	1,011,790	117,786	113,028	—	—
Honduras	108,137	219,527	22,862	1,625	—	—
Ireland	—	—	—	—	14,408	14,407
Italy	23,375	1,747	1,442	—	—	—
Jamaica	57,969	43,503	—	—	—	—
Japan	—	9,446	—	—	60,402	61,834
Korea	—	—	—	—	34,704	14,448
Kuwait	—	—	—	—	20,159	—
Mexico	1,116,825	1,015,738	205,726	184,208	1,269	27,898
Multilateral	—	—	—	—	28,143	—
Netherlands	—	—	4,500	25,764	9,933	—
Norway	—	—	—	—	24,577	10,092
Panama	571,207	455,288	35,989	22,243	75,494	71,552
Paraguay	210,047	196,674	250	230	—	—
Peru	173,441	418,460	212,219	356,978	9,971	30,878
Puerto Rico	6,632	20,762	15,000	10,000	—	—
Qatar	—	—	—	—	30,103	—
Saudi Arabia	—	—	—	—	49,919	—
Singapore	131,154	282,311	5,507	6,514	—	—
Spain	—	—	—	8	—	—
Suriname	3,627	—	146,401	—	—	—
Sweden	—	—	—	—	14,932	14,832
Trinidad and Tobago	171,001	167,522	43,000	—	—	—
United States of America	219,563	137,642	39,198	7,114	740,864	618,680
United Kingdom	103,665	74,985	141,696	—	50,315	39,232
Uruguay	64,906	12,627	6,442	54,484	—	—
Total	9,158,236	8,461,987	2,002,254	1,659,445	1,360,497	1,103,755

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

Concentration by country for financial instruments at FVOCI

	Loans at FVOCI		Securities at FVOCI	
	December 31,		December 31,	
	2025	2024	2025	2024
Gross amount	77,240	—	69,476	99,486
Concentration by country				
Dominican Republic	37,064	—	—	—
El Salvador	24,549	—	—	—
Guatemala	15,627	—	—	—
Multilateral	—	—	69,476	99,486
Total	77,240	—	69,476	99,486

vii. *Offsetting financial assets and liabilities*

The following tables include financial assets and liabilities that are offset in the consolidated financial statements or subject to an enforceable master netting arrangement:

Derivative financial instruments – assets

	December 31, 2025					
	Gross amounts of assets	Gross amounts offset in the consolidated statement of financial position	Net amount of assets presented in the consolidated statement of financial position	Gross amounts not offset in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
Derivative financial instruments used for hedging	69,837	—	69,837	—	(49,266)	20,571
Total	69,837	—	69,837	—	(49,266)	20,571
	December 31, 2024					
	Gross amounts of assets	Gross amounts offset in the consolidated statement of financial position	Net amount of assets presented in the consolidated statement of financial position	Gross amounts not offset in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
Derivative financial instruments used for hedging	22,315	—	22,315	—	(6,410)	15,905
Total	22,315	—	22,315	—	(6,410)	15,905

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

A. Credit risk (continued)

Securities sold under repurchase agreements and derivative financial instruments – liabilities

December 31, 2025						
	Gross amounts of liabilities	Gross amounts offset in the consolidated statement of financial position	Net amount of liabilities presented in the consolidated statement of financial position	Gross amounts not offset in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
Securities sold under repurchase agreements at amortized cost	(130,509)	—	(130,509)	147,480	—	16,971
Derivative financial instruments used for hedging at FVTPL	(62,506)	—	(62,506)	—	51,353	(11,153)
Total	(193,015)	—	(193,015)	147,480	51,353	5,818

December 31, 2024						
	Gross amounts of liabilities	Gross amounts offset in the consolidated statement of financial position	Net amount of liabilities presented in the consolidated statement of financial position	Gross amounts not offset in the consolidated statement of financial position		Net amount
				Financial instruments	Cash collateral received	
Securities sold under repurchase agreements at amortized cost	(214,035)	—	(214,035)	239,046	564	25,575
Derivative financial instruments used for hedging at FVTPL	(141,705)	—	(141,705)	—	116,743	(24,962)
Total	(355,740)	—	(355,740)	239,046	117,307	613

B. Liquidity risk

i. Exposure to liquidity risk

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers and funding with a remaining tenor of 30 days. For this purpose, ‘net liquid assets’ include cash and cash equivalents which consist of deposits from banks and customers, as well as corporate debt securities with investment grade.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

B. Liquidity risk (continued)

The following table details the Bank's liquidity ratios:

	December 31,	
	2025	2024
At the end of the year	159.26 %	264.58 %
Year average	129.49 %	181.75 %
Maximum of the year	212.53 %	335.28 %
Minimum of the year	103.63 %	107.20 %

The following table includes the Bank's liquid assets by country risk:

<i>(in millions of US dollars)</i>	December 31, 2025			December 31, 2024		
	Cash and due from banks	Securities FVOCI	Total	Cash and due from banks	Securities FVOCI	Total
United States of America	1,784	—	1,784	1,650	—	1,650
Other O.E.C.D countries	3	—	3	41	—	41
Latin America	5	—	5	3	—	3
Multilateral	50	69	119	125	99	224
Total	1,842	69	1,911	1,819	99	1,918

The following table includes the Bank's demand deposits from customers and its ratio to total deposits from customers:

<i>(in millions of US dollars)</i>	December 31,	
	2025	2024
Demand and "overnight" deposits	879	694
Demand and "overnight" deposits to total deposits	13.31 %	12.82 %

The liquidity requirements resulting from the Bank's demand deposits from customers is satisfied by the Bank's liquid assets as follows:

<i>(in millions of US dollars)</i>	December 31,	
	2025	2024
Total liquid assets	1,911	1,918
Total liquid assets to total liabilities	28.94 %	35.45 %
Total liquid assets in the Federal Reserve of the United States of America	90.74 %	53.21 %

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

B. Liquidity risk (continued)

Even though the average term of the Bank's assets exceeds the average term of its liabilities, the associated liquidity risk is diminished by the short-term nature of a material portion of the loan portfolio, since the Bank is primarily engaged in financing foreign trade.

The following table includes the carrying amount for the Bank's loans and securities short-term portfolio with maturity within one year based on their original contractual term along with its average remaining term:

<i>(in millions of US dollars)</i>	December 31,	
	2025	2024
Loan portfolio at amortized cost and investment portfolio less than/equal to 1 year according to its original terms	5,247	5,127
Average term (days)	180	187

The following table includes the carrying amount for the Bank's loans and securities medium term portfolio with maturity over one year based on their original contractual terms along with their average remaining term:

<i>(in millions of US dollars)</i>	December 31,	
	2025	2024
Loan portfolio at amortized cost and investment portfolio greater than/equal to 1 year according to its original terms	5,349	4,438
Average term (days)	1409	1388

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

B. Liquidity risk (continued)

ii. Maturity analysis for financial liabilities and financial assets

The following table details the future undiscounted cash flows of financial assets and liabilities grouped by their remaining maturity with respect to the contractual maturity:

	December 31, 2025						
	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	More than 5 years	Gross inflows (outflows)	Carrying amount
Assets							
Cash and due from banks	1,906,085	18,379	—	—	—	1,924,464	1,923,731
Securities	103,225	134,775	203,340	1,079,046	31,792	1,552,178	1,428,990
Loans	2,711,751	1,651,349	2,003,457	3,417,682	331,015	10,115,254	9,141,668
Customers' liabilities under acceptances	102,576	36,206	22,815	—	—	161,597	161,597
Trading derivative - assets	—	—	—	—	1,569	1,569	1,569
Derivative assets held for risk management purposes	7,989	189	3,685	54,654	3,320	69,837	69,837
Total	4,831,626	1,840,898	2,233,297	4,551,382	367,696	13,824,899	12,727,392
Liabilities							
Customer deposits	(5,153,930)	(745,511)	(503,687)	(263,845)	—	(6,666,973)	(6,640,290)
Securities sold under repurchase agreements	(7,800)	(68,015)	(58,631)	—	—	(134,446)	(130,509)
Borrowings and debt	(1,093,223)	(550,119)	(447,676)	(2,246,182)	(49,796)	(4,386,996)	(4,030,389)
Lease liabilities	(361)	(363)	(737)	(6,096)	(10,872)	(18,429)	(18,429)
Acceptances outstanding	(102,576)	(36,206)	(22,815)	—	—	(161,597)	(161,597)
Trading derivative - liabilities	—	—	—	—	(433)	(433)	(433)
Derivatives liabilities held for risk management purposes	(7,888)	—	(16,755)	(37,459)	(404)	(62,506)	(62,506)
Total	(6,365,778)	(1,400,214)	(1,050,301)	(2,553,582)	(61,505)	(11,431,380)	(11,044,153)
Subtotal net position	(1,534,152)	440,684	1,182,996	1,997,800	306,191	2,393,519	1,683,239
Off-balance sheet contingencies							
Confirmed letters of credit	141,926	74,009	24,185	—	—	240,120	
Stand-by letters of credit and guarantees	301,972	169,182	255,763	109,517	—	836,434	
Loans and letter of credit commitments	59,206	139,204	134,631	397,491	33,571	764,103	
Total	503,104	382,395	414,579	507,008	33,571	1,840,657	
Total net position	(2,037,256)	58,289	768,417	1,490,792	272,620	552,862	

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

B. Liquidity risk (continued)

December 31, 2024							
	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	More than 5 years	Gross inflows (outflows)	Carrying amount
Assets							
Cash and due from banks	1,944,338	5,286	15,710	—	—	1,965,334	1,965,145
Securities	84,980	66,341	109,616	1,036,660	44,522	1,342,119	1,201,930
Loans	2,759,031	2,018,051	1,557,065	2,583,263	247,238	9,164,648	8,383,829
Customers' liabilities under acceptances	153,091	53,466	38,508	—	—	245,065	245,065
Derivative assets held for risk management purposes	1,218	9,484	951	10,592	70	22,315	22,315
Total	4,942,658	2,152,628	1,721,850	3,630,515	291,830	12,739,481	11,818,284
Liabilities							
Customer deposits	(4,413,516)	(597,055)	(354,883)	(93,369)	—	(5,458,823)	(5,461,901)
Securities sold under repurchase agreements	(101,528)	—	(23,268)	(89,355)	—	(214,151)	(214,035)
Borrowings and debt	(1,138,907)	(688,359)	(675,517)	(2,274,040)	(47,425)	(4,824,248)	(4,388,720)
Lease liabilities	(244)	(276)	(684)	(5,592)	(12,437)	(19,233)	(19,232)
Acceptances outstanding	(153,091)	(53,466)	(38,508)	—	—	(245,065)	(245,065)
Derivative liabilities held for risk management purposes	(9,379)	(70)	(1,192)	(129,609)	(1,455)	(141,705)	(141,705)
Total	(5,816,665)	(1,339,226)	(1,094,052)	(2,591,965)	(61,317)	(10,903,225)	(10,470,658)
Subtotal net position	(874,007)	813,402	627,798	1,038,550	230,513	1,836,256	1,347,626
Off-balance sheet contingencies							
Confirmed letters of credit	358,624	141,422	36,304	—	—	536,350	
Stand-by letters of credit and guarantees	141,843	133,149	178,798	66,495	—	520,285	
Credit commitments	60,341	39,900	40,350	208,868	8,286	357,745	
Total	560,808	314,471	255,452	275,363	8,286	1,414,380	
Total net position	(1,434,815)	498,931	372,346	763,187	222,227	421,876	

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***5. Financial risk review (continued)****B. Liquidity risk (continued)**

The amounts in the tables above have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Financial assets and liabilities	Undiscounted cash flows, which include estimated interest payments.
Issued financial guarantee contracts, and loan commitments	Earliest possible contractual maturity. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.
Derivative financial assets and financial liabilities	Contractual undiscounted cash flows. The amounts shown are the gross notional inflows and outflows for derivatives that simultaneously settle gross or net amounts.

Future undiscounted cash flows presented in the table above for some financial assets and financial liabilities vary materially from contractual cash flows. The principal difference is that the undiscounted future cash flows of floating rate assets and liabilities are calculated using projected market rates.

iii. Liquidity reserves

As part of the management of liquidity risk arising from financial liabilities, the Bank holds liquid assets comprising cash and cash equivalents.

The following table sets out the components of the Bank's liquidity reserves:

	December 31, 2025		December 31, 2024	
	Amount	Fair value	Amount	Fair value
Balances with Federal Reserve of the United States of America	1,734,177	1,734,177	1,020,858	1,020,858
Cash and due from banks ⁽¹⁾	108,031	108,031	799,073	799,073
Total	1,842,208	1,842,208	1,819,931	1,819,931

⁽¹⁾ Excludes pledged deposits.

iv. Financial assets available to support future funding

The following table sets out the Bank's financial assets available to support future funding:

	December 31, 2025		December 31, 2024	
	Guaranteed	Available as collateral	Guaranteed	Available as collateral
Cash and due from banks	80,954	1,842,208	143,907	1,819,931
Notional of investment securities	510,029	929,898	558,981	665,715
Loans at amortized cost - outstanding principal balance	—	9,104,725	—	8,375,172
Total	590,983	11,876,831	702,888	10,860,818

The total financial assets recognized in the statement of financial position that had been pledged as collateral for liabilities as of December 31, 2025, and 2024, are shown in the table above.

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***5. Financial risk review (continued)****C. Market risk**

The Bank manages market risk by considering the consolidated financial position of the Bank.

For the definition of market risk and information on how the Bank manages the market risks of financial instruments, see Note 6.

i. Interest rate risk

The table below details the Bank's exposure based on interest rate repricing/maturity date for the notional amount of interest bearing financial assets and liabilities:

	December 31, 2025						
	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	More than 5 years	Non interest rate risk	Total
Assets							
Cash and due from banks	1,890,450	18,000	—	—	—	14,712	1,923,162
Securities - principal	268,495	132,025	195,048	797,495	21,571	—	1,414,634
Loans - principal balance	5,441,055	2,170,978	1,263,048	301,109	5,111	—	9,181,301
Total	7,600,000	2,321,003	1,458,096	1,098,604	26,682	14,712	12,519,097
Liabilities							
Customer deposits	(5,136,030)	(792,898)	(426,691)	(244,735)	—	(3,862)	(6,604,216)
Securities sold under repurchase agreements - principal	(129,698)	—	—	—	—	—	(129,698)
Borrowings and debt	(2,794,546)	(674,844)	(106,834)	(416,874)	—	—	(3,993,098)
Total	(8,060,274)	(1,467,742)	(533,525)	(661,609)	—	(3,862)	(10,727,012)
Net effect of derivative financial instruments held for interest rate risk management	5,138	371	(1,041)	4,043	—	—	8,511
Total interest rate sensitivity	(455,136)	853,632	923,530	441,038	26,682	10,850	1,800,596

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

C. Market risk (continued)

December 31, 2024							
	Up to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	More than 5 years	Non interest rate risk	Total
Assets							
Cash and due from banks	1,940,840	5,000	15,000	—	—	2,998	1,963,838
Securities - principal	83,294	64,955	104,954	907,612	28,510	—	1,189,325
Loans - principal balance	5,053,040	2,025,688	1,039,106	248,045	9,293	—	8,375,172
Total	7,077,174	2,095,643	1,159,060	1,155,657	37,803	2,998	11,528,335
Liabilities							
Customer deposits	(4,404,015)	(645,546)	(336,377)	(24,130)	—	(2,656)	(5,412,724)
Securities sold under repurchase agreements - principal	(133,898)	—	(58,636)	(20,397)	—	—	(212,931)
Borrowings and debt	(2,932,280)	(801,575)	(460,355)	(158,106)	—	—	(4,352,316)
Total	(7,470,193)	(1,447,121)	(855,368)	(202,633)	—	(2,656)	(9,977,971)
Net effect of derivative financial instruments held for interest risk management	(8,159)	9,414	(242)	(119,018)	(1,385)	—	(119,390)
Total interest rate sensitivity	(401,178)	657,936	303,450	834,006	36,418	342	1,430,974

Interest rate risk management is complemented by monitoring the sensitivity of the Bank's financial assets and liabilities, considering several standard interest rate scenarios. The standard scenarios considered monthly include a parallel decline or increase of 50 bps, 100 bps, and 200 bps across all yield curves, which are evaluated based on market behavior.

The Bank performs a sensitivity analysis of the most likely increase or decrease in market interest rates at the reporting date, assuming non-asymmetric movements in the yield curves and a constant financial situation to assess the effect on profit or loss.

Interest rate sensitivity analysis affects reported equity in the following ways:

- Retained earnings: increases or decreases in net interest income and in fair values of derivatives reported in profit or loss;
- Fair value reserve: increases or decreases in fair values of financial assets at FVOCI reported directly in equity; and
- Hedging reserve: increases or decreases in fair values of hedging instruments designated in qualifying cash flow hedge relationships.

This sensitivity provides an analysis of changes in interest rates, considering the previous year's interest rate volatility.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

C. Market risk (continued)

Additionally, the Bank measures the sensitivity of the equity value (EVE) following the methodology described by the Basel Committee on Banking Supervision, which measures the interest rate risk embedded in the equity value, which for interest rate risk purposes is defined as the difference between the net present value of assets less the net present value of liabilities due, based on the impact of a change in interest rates on such present values.

The following table presents the sensitivity analysis performed for the Bank:

	Change in interest rate	Effect on profit or loss	Effect on equity	Effect on equity value (EVE)
December 31, 2025	+50 bps	1,592	5,215	(9,823)
	-50 bps	(1,773)	(5,320)	9,911
December 31, 2024	+50 bps	343	9,586	(14,709)
	-50 bps	(668)	(9,770)	14,714

ii. *Foreign exchange risk*

The following table presents the maximum exposure amount in foreign currency of the Bank's carrying amount of total assets and liabilities, except for hedging relationships.

	December 31, 2025						
	Brazilian Real	European Euro	Japanese Yen	Colombian Peso	Mexican Peso	Other Currencies ⁽¹⁾	Total
Exchange rate	5.49	1.17	156.74	3,773.58	18.01		
Assets							
Cash and due from banks	60	1,847	8	50	2,309	80	4,354
Loans	—	27,472	—	—	415,704	25,175	468,351
Total	60	29,319	8	50	418,013	25,255	472,705
Liabilities							
Borrowings and debt	—	(28,910)	—	—	(417,953)	(25,175)	(472,038)
Total	—	(28,910)	—	—	(417,953)	(25,175)	(472,038)
Net currency position	60	409	8	50	60	80	667

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

5. Financial risk review (continued)

C. Market risk (continued)

December 31, 2024							
	Brazilian Real	European Euro	Japanese Yen	Colombian Peso	Mexican Peso	Other Currencies ⁽¹⁾	Total
Exchange rate	6.17	1.04	157	4,405.29	20.89		
Assets							
Cash and due from banks	110	242	1	34	1,210	19	1,616
Loans	—	25,886	—	—	310,630	—	336,516
Total	110	26,128	1	34	311,840	19	338,132
Liabilities							
Borrowings and debt	—	(25,748)	—	—	(311,562)	—	(337,310)
Total	—	(25,748)	—	—	(311,562)	—	(337,310)
Net currency position	110	380	1	34	278	19	822

(1) It includes other currencies such as: Argentine pesos, Australian dollar, Swiss franc, Pound sterling, Costa Rican colones and Peruvian soles.

6. Financial risk management

The risk is inherent to the Bank's activities. Risks are classified into two categories: financial and non-financial risks. Financial risks are those associated within the Bank's business model, with impact in the Bank's consolidated statements of financial position and profit or loss, as follows: country risk, credit risk, market risk and liquidity risk. Non-financial risks are those related to the Bank's operating model and the regulatory environment that may affect the integrity of the information, the Bank's reputation and also its profit or loss accounts, as follows: operational, technological, cybersecurity, compliance (know your customer, money laundering, terrorism financing), environmental, fraud, among others.

Lead by the Head of Integrated Risk Management, an ongoing process of identification, measurement, monitoring, control, mitigation and reporting to all operating areas within the Bank is carried out continuously, considering the different types of risks to which the Bank is exposed, according to the size and complexity of its operations, products and services.

The Bank has in place policies, standards and procedures, structures, and manuals relating to integrated risk management, designed to identify potential events that may affect it, all of which are consistent with the risk profile of the business, considering the complexity and the volume of its operations.

The Board of Directors is responsible for establishing the Bank's acceptable risk profile, for which it has the knowledge and understanding of the risks to which the Bank is exposed. The Board of Directors designate the members of the Risk Policy and Assessment Committee (CPER, for its acronym in Spanish), which is responsible for overseeing the overall risk process within the Bank.

CPER oversees the assessment and recommendation for approval of the Board of Directors of all the policies relating to a prudent Integrated Risk Management. Furthermore, the Committee also reviews and assesses the exposure, within the risk levels stated in its policies, by which the Bank is willing to assume the various risks it faces through business management.

6. Financial risk management (continued)

The Head of Integrated Risk Management directly reports to the CEO and the CPER, and has as its main duty to ensure the integrated risk management of the Bank's operating model and IT platform, as well as the financial and credit related risks, being responsible for implementing and maintaining risk-related procedures in place to ensure that an independent control process is kept, monitoring compliance of the risk principles, policies and limits at all levels throughout the Bank. The Head of Integrated Risk Management works closely with CPER to ensure that procedures are consistent with the integrated risk management governance framework.

Risk Management Committees:

- Operational Risk Committee.
- Country Risk Committee.
- Credit Committee (Management Credit Committee / Board of Directors' Delegated Credit Committee / CPER).
- Management and Monitoring Committee.
- Asset and Liability Committee (ALCO).
- Technological Risk and Information Security Committee

The Bank emphasizes the awareness of its employees, promoting a Risk Management culture that has continuity over time and that allows them to understand and assimilate the importance of this concept from each of the processes that are executed within their areas. This is done throughout the training of all employees on an annual basis to raise their awareness in general terms of operational risks, which includes updates on applicable laws and regulations as required.

A. Credit risk

As part of the embedded risk, the Bank will incur losses and/or its assets will be impaired as a result of the failure of its borrowers to comply in a timely manner or to meet the terms of credit agreements.

The Bank's customer base consists primarily of corporations, large companies, local and regional financial institutions, as well as state-owned enterprises. The Bank focuses its risk assessment on an in-depth analysis of the entity or economic group that involves: the nature of the business, the countries where it operates, types of products offered, duration of the relationship, track record and reputation, among others.

Credit risk management comprises two main stages: origination and monitoring. The credit origination process involves the activities of identifying and analyzing the customer's creditworthiness and approving the terms and conditions for credit extensions. The monitoring process consists of annual credit reviews of existing exposures, "ad hoc" reviews on a case-by-case basis when conditions so require, and portfolio reviews by the Bank's credit committees. The objective is to maximize the risk-adjusted rate of return by keeping credit risk exposures within acceptable parameters. This process involves the Risk and Business Units, as well as the Risk Policy and Assessment Committee (CPER).

The Bank determines the appropriate level of allowances for expected credit losses based on a forward-looking process that estimates the probable loss inherent in its credit portfolio and is the result of a statistical analysis supported by the Bank's historical portfolio performance, external sources, and the judgment of the Bank's Management. This level of allowance reflects assumptions and estimations made in the context of changing political and economic conditions in the region, in which the Bank operates.

The Bank periodically assesses the adequacy and the validity of the allowance for expected credit losses calculation model. When assessing if the calculation model remains valid, characteristics and behavior of the loan portfolio are considered as a fundamental factor, as well as periodic economic analysis that contribute to the active management of the portfolio.

6. Financial risk management (continued)

A. Credit risk (continued)

The Bank's business model holds a low-risk portfolio, which focuses on financial institutions and large leading corporations in the region, including "quasi-sovereign" entities in strategic sectors, with whom it mainly conducts foreign trade operations.

Climate risk, like any other risk in general, implies the presence of an extreme natural event, but unpredictable, resulting in a human activity that may be damaged by such event. Consequently, the Bank incorporates into its risk assessment the possible impacts of climate risk that may affect its credit portfolio.

Individually assessed reserves

The Bank individually assesses the appropriate reserves for certain financial assets, by considering interest payment delays, credit rating downgrading or any breach of the original contractual terms. Factors considered when determining a reserve include the sustainability of the counterparty's business plan, its ability to improve performance when facing a difficult financial situation, projected payments and expected results in the event of bankruptcy, the availability of other financial support, the realizable value of collateral, and the timing of expected cash flows. Impairment loss is assessed at each reporting date, unless unforeseen circumstances require special attention on other dates.

Collectively assessed reserves

Reserves are separately assessed at each reporting date for each portfolio. The collective assessment is made for groups of assets with similar risk characteristics, to determine whether it is appropriate to provide for, due to incurred loss events for which there is objective evidence, but the effects of which are not yet evident in individual loan assessments. The collective assessment considers both portfolio information (e.g. historical losses in the portfolio, delinquency levels, credit utilization, loan-to-collateral ratios and expected collections and recoveries after impairment) and economic data (such as current economic conditions, unemployment, local or industry-specific situations).

The Bank generally supports its assessment on historical experience and prospective information based on projections of relevant macroeconomic variables. However, when significant market, regional and/or global events occur, the Bank includes these macroeconomic variables in its assessments. Depending on the characteristics of the individual or collective assessment, these variables include: unemployment rates, current levels of impaired debt, changes in law, changes in regulation, bankruptcy trends and other consumer data. The Bank may use the above variables, as appropriate, to adjust for impairment.

The time elapsed since a loss is incurred and a specific individual reserve requirement is identified should be taken into consideration for the assessment. The impairment reserve is reviewed by credit risk management to ensure alignment with the Bank's general policy.

Financial guarantees and letters of credit are assessed in a similar manner to loans at amortized cost.

A supplemental qualitative review may result in adjustments to the level of provisions, based on prospective reviews of potential risk scenarios for businesses or loans not yet captured in the Bank's historical information.

The Bank has developed internal customer, counterparty and country rating models, which allow for proactive risk management in terms of exposure limits, transaction typology and time limits, among others.

Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recognized in the consolidated statement of financial position at fair value. With derivatives that are settled gross, the Bank is also exposed to settlement risk, which is the risk that the Bank will honor its obligation, but the counterparty will be unable to deliver the value of the consideration.

6. Financial risk management (continued)

A. Credit risk (continued)

Credit Commitments

The Bank makes available to its customers guarantees that may require the Bank to make payments on behalf of these customers and to take on commitments to issue lines of credit to ensure their liquidity needs. Letters of credit and guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers for a specific event, usually related to the import or export of goods. Such commitments expose the Bank to risks similar to those for loans which are mitigated by the same controls established in processes and policies.

B. Liquidity risk

Liquidity risk is the possibility of an economic loss to the Bank due to the difficulty in liquidating assets or obtaining financial resources on normal terms.

The Bank conducts daily reviews of the Liquidity Coverage Ratio (LCR). The LCR methodology follows local standards and guidelines recommended by the Basel Committee. The Bank also monitors the Net Stable Funding Ratio (NSFR), to maintain an adequate funding structure over the long term.

Liquidity is controlled through the periodic review of:

- The maturity schedule to identify maturity “gaps” in the various timeframes.
- Deposit concentration report to identify possible increases in amounts and maturities that may affect the Bank’s liquidity.

The Bank has a Liquidity Contingency Plan in place, which is designed to monitor a series of indicators that could trigger a liquidity event, with potential impact on the Bank’s operations and establishes an action plan so that the Bank’s liquidity is always assured.

C. Market risk

Market risk is the risk that the value of the Bank’s assets and liabilities will decline due to changes in market conditions that may adversely affect its income. The risk is inherent in the financial instruments associated with the Bank’s operations and activities, including: loans, securities, borrowings and debt, derivatives, among others. The main risks include: interest rate risk and foreign exchange risk, which can affect asset prices and result in losses for the Bank.

With respect to interest rate risk management, the Bank’s policy requires Management to assess the asset and liability positions in order to reduce potential adverse impacts on net interest income due to market interest rate fluctuations.

The Bank manages interest rate risk by closely monitoring the appreciation and decline in value of the assets and liabilities through hedging to reduce potential negative impacts on profit or loss for the period and equity.

Management conducts periodic sensitivity analyses simulating market changes in interest rates to determine potential impacts on net interest income (both upward and downward). In addition, the Bank monitors the DV01 limit, for which a parallel 1-base point shock is applied to the interest rate curve and assesses if there is any impact on equity. At the same time, the Bank’s Management measures equity sensitivity following the methodology described by the Basel Committee on Banking Supervision (Basel III) to measure the interest rate risk implicit in the notional value.

Foreign exchange risk is the risk of change in the market value of a financial instrument due to fluctuations in the exchange rate of a given currency. The Bank operates primarily in U.S. dollars, so exposure to this type of risk is minimized. For transactions in currencies other than the US dollar, the Bank manages the exchange rate risk by arranging derivative instruments for hedging purposes, or by establishing natural hedges matching assets and liabilities expressed in the same currency. For liquidity positions, the Bank has established thresholds in order to limit the maximum level of exposure.

6. Financial risk management (continued)

D. Operational risk

Operational risk is the possibility of incurring losses due to deficiencies, failures or inadequacies in human resources, processes, technology, infrastructure, management information, models used, or the occurrence of external events. If this occurs, it can damage the Bank's reputation and result in regulatory sanctions, which can lead to financial losses. The Bank, like any other financial institution, is exposed to operational risks.

The main objective with Operational Risk Management is to reduce losses generated from operational risk and maintain an adequate administration thereof through the use of established management tools such as: risk profile, risk mapping, global and specific limits, operational risk indicators, as well as the analysis of events and incidents recorded in a database in order to monitor action plans on actual or potential risks.

As part of an adequate operational risk management, the Bank maintains a Business Continuity Plan to provide effective responses that guarantee the continuity of services and the banking business activities upon the occurrence of events that may create an interruption or instability in its operations.

E. Fraud risk

Fraud is any intentional act or omission designed to deceive others, resulting in a loss for the victim and/or a gain for the perpetrator.

Identification of fraud risk considers both internal and external factors, and their impact on the achievement of the Bank's objectives. Internal fraud is related to losses arising from any type of action, involving Bank employees, aimed at defrauding, misappropriating property or violating regulations, laws or internal policies. External fraud is related to losses arising from any type of action by a third party aimed at defrauding, misappropriating property or infringing the law.

To manage this risk, the Bank has a general fraud risk management program in place, which includes: establishing fraud risk governance policies, evaluating fraud risk, designing and developing control activities to prevent and detect fraud, and investigating fraud, including monitoring and evaluating the fraud risk management program.

F. Cybersecurity risk

Cybersecurity or information technology security refers to the procedures designed, and measures implemented to protect technological appliances, networks, programs and data against cyber-attacks, in other words, unauthorized access or attacks aimed at operating, or misusing, the Bank's technology platform to access the financial system.

The Bank has approved policies and implemented procedures defining roles and responsibilities for managing information security as part of the IT security and technology risk management framework. These policies and procedures apply throughout the Bank and cover all relationships between the workforce, customers and suppliers, as well as any other individual who, on a permanent or temporary basis with the Bank, has some form of access to data, resource management and IT systems.

To counter the risk arising from cyber attacks, the Bank maintains a comprehensive monitoring program of the main attack vectors: emails and end-user devices, as well as the continuous frequency of scans and vulnerability management. To address the risks arising under the hybrid model, the Bank maintains security platforms that provide an adequate level of protection, in order to keep the same security posture, regardless of the physical location of the employees. Additionally, for the risk related to cyber-resilience, the Bank continuously executes internal and external penetration tests in order to have the ability to respond, resist and/or recover from cyber attacks or incidents.

The Bank's Information Security Officer is responsible for ensuring compliance with policies and procedures by anyone with access to the Bank's systems. The Bank also commits to independent third-party reviews of its cybersecurity program. The Bank's cybersecurity program has been developed with a holistic approach, allowing the Bank to encompass both technical and strategic measures in a single framework. This program is based on five fundamental pillars: Perimeter Security, Services and Infrastructure Security, User Security, Data Security, and Security in service providers.

7. Fair value of financial instruments

The Bank determines the fair value of its financial instruments using the fair value hierarchy, which requires the Bank to maximize the use of observable inputs (those that reflect the assumptions that market participants would use in pricing the asset or liability developed based on market information obtained from sources independent of the reporting entity) and to minimize the use of unobservable inputs (those that reflect the reporting entity's own assumptions about the inputs that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances) when measuring fair value. Fair value is used on a recurring basis to measure assets and liabilities in which fair value is the primary basis of accounting. Additionally, fair value is used on a non-recurring basis to assess assets and liabilities for impairment or for disclosure purposes. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, the Bank uses some valuation techniques and assumptions when estimating fair value.

The Bank applied the following fair value hierarchy:

Level 1 – Assets or liabilities for which an identical instrument is traded in an active market, such as publicly-traded instruments or futures contracts.

Level 2 – Assets or liabilities valued based on observable market data for similar instruments, quoted prices in markets that are not active; or other observable inputs that can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3 – Assets or liabilities for which significant valuation inputs are not readily observable in the market; instruments measured based on the best available information, which might include some internally-developed data, and considers risk premiums that a market participant would require.

When determining the fair value measurements for assets and liabilities that are required or permitted to be recorded at fair value, the Bank considers the principal or most advantageous market in which it would transact and considers the inputs that market participants would use when pricing the asset or liability.

A. Measured at fair value

When identical assets and liabilities are not traded in active markets, the Bank uses observable market information for similar assets and liabilities. However, certain assets and liabilities are not actively traded in observable markets and the Bank must use alternative valuation techniques to determine the fair value measurement. The frequency of transactions, the size of the bid-ask spread, and the size of the investment are factors considered in determining the liquidity of markets and the relevance of observed prices in those markets.

When there has been a significant decrease in the valuation of the financial asset or liability, or in the level of activity for a financial asset or liability (provided it is not due to impairment), the Bank uses the present value technique which considers market information to determine a representative fair value under usual market conditions.

A description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis, including the general classification of such assets and liabilities under the fair value hierarchy is presented below:

Financial instruments at FVTPL or FVOCI

For financial instruments at FVTPL or FVOCI, fair value is based upon quoted market prices, when available, or if quoted market prices are not available on discounted expected cash flows including interest rate yield curves and other market rates.

When quoted prices are available in an active market, financial instruments at FVTPL and financial instruments at FVOCI are classified in level 1 of the fair value hierarchy. If quoted market prices are not available or they are available in markets that are not active, then fair values are estimated based upon quoted prices for similar instruments, or where these are not available, by using internal valuation techniques, principally discounted cash flow models. Such securities are classified within levels 2 and 3 of the fair value hierarchy.

7. Fair value of financial instruments (continued)

A. Measured at fair value (continued)

Derivative financial instruments and hedged items that qualify as a fair value hedging relationship

The valuation techniques and inputs depend on the type of derivative and the nature of the underlying instrument. Exchange-traded derivatives that are valued using quoted prices are classified within level 1 of the fair value hierarchy.

For those derivative contracts without quoted market prices, fair value is based on internal valuation techniques using inputs that are readily observable and that can be validated by information available in the market. The principal technique used to value these instruments is the discounted cash flow model and the key inputs considered in this technique include interest rate yield curves and foreign exchange rates. These derivatives are classified within level 2 of the fair value hierarchy.

The fair value adjustments applied by the Bank to its derivative carrying amounts include credit valuation adjustments ("Credit and Debit Value Adjustment" CVA / DVA), which are applied to OTC derivative instruments, in which the base valuation generally discounts expected cash flows using the Overnight Index Swap interest rate curves. Because not all counterparties have the same credit rating, valuation adjustments are necessary to incorporate the market view of both the counterparty's credit risk and the Bank's own credit risk.

Own-credit and counterparty (DVA and CVA) are determined using a fair value curve consistent with the Bank's or counterparty credit rating. These adjustments are designed to incorporate a market view of the credit risk inherent in the derivative portfolio. However, most of the Bank's derivative instruments are negotiated bilateral contracts and are not commonly transferred to third parties. Derivative instruments are normally settled contractually, or if terminated early, are terminated at a value negotiated bilaterally between the counterparties. Therefore, the CVA or DVA (both counterparty and own-credit) may not be realized upon a settlement or termination in the normal course of business. In addition, all or a portion of these adjustments may be reversed or otherwise adjusted in future periods in the event of changes in the credit risk of the Bank or its counterparties or due to the anticipated termination of the transactions.

Financial instruments assets and liabilities recognized and designated as hedged items that qualify as a fair value hedging relationship are measured at amortized cost and adjusted for the effect of the risks covered in the hedging relationship.

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***7. Fair value of financial instruments (continued)****A. Measured at fair value (continued)**

Financial instruments measured at fair value by caption on the consolidated statement of financial position using the fair value hierarchy are described below:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Loans at FVOCI	—	77,240	—	77,240
Securities and other financial assets:				
Securities at FVOCI - Corporate debt	—	69,476	—	69,476
Total securities and other financial assets	—	146,716	—	146,716
Derivative financial instruments - assets:				
For trading				
Interest rate swaps	—	1,569	—	1,569
For hedging				
Interest rate swaps	—	26,075	—	26,075
Cross-currency swaps	—	43,762	—	43,762
Total derivative financial instrument assets	—	71,406	—	71,406
Total assets at fair value	—	218,122	—	218,122
Liabilities				
Derivative financial instruments - liabilities:				
For trading				
Interest rate swaps	—	(433)	—	(433)
For hedging				
Interest rate swaps	—	(5,435)	—	(5,435)
Cross-currency swaps	—	(57,027)	—	(57,027)
Foreign exchange forwards	—	(44)	—	(44)
Total derivative financial instruments - liabilities	—	(62,939)	—	(62,939)
Total liabilities at fair value	—	(62,939)	—	(62,939)

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

7. Fair value of financial instruments (continued)

A. Measured at fair value (continued)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Securities and other financial assets:				
Securities at FVOCI - Corporate debt	—	99,486	—	99,486
Total securities and other financial assets	—	99,486	—	99,486
Derivative financial instruments - assets:				
For hedging				
Interest rate swaps	—	10,805	—	10,805
Cross-currency swaps	—	11,510	—	11,510
Total derivative financial instrument assets	—	22,315	—	22,315
Total assets at fair value	—	121,801	—	121,801
Liabilities				
Derivative financial instruments - liabilities:				
For hedging				
Interest rate swaps	—	2,667	—	2,667
Cross-currency swaps	—	139,038	—	139,038
Total derivative financial instruments - liabilities	—	141,705	—	141,705
Total liabilities at fair value	—	141,705	—	141,705

Fair value calculations are provided only for a limited portion of assets and liabilities. Due to the wide range of valuation techniques and the degree of subjectivity used for estimates, comparisons of fair value information disclosed by the Bank with those of other companies may not be meaningful for comparative analysis.

B. Not measured at fair value

The following methods and inputs were used by the Bank's management in estimating the fair values of financial instruments not measured at fair value:

Financial instruments with carrying value that approximates fair value

The carrying value of certain financial assets, including cash and due from banks, customers' liabilities under acceptances and certain financial liabilities including customer demand and time deposits, securities sold under repurchase agreements and acceptances outstanding, due to their short-term nature, is considered to approximate their fair value. These instruments are classified in Level 2.

Financial instruments measured at amortized cost

The fair value of financial instruments measured at amortized cost is valued using quoted market prices. If quoted market prices are not available, then fair values are estimated based upon quoted prices for similar instruments. When prices for similar instruments are not available, then fair values are estimated by using discounted cash flow models using interest rate yield curves and other market rates. Such instruments are classified in levels 2 and 3.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

7. Fair value of financial instruments (continued)

B. Not measured at fair value (continued)

The following table provides information on the carrying value and the estimated fair value of the Bank's financial instruments that are not measured at fair value:

December 31, 2025					
	Carrying value	Fair value	Level 1	Level 2	Level 3
Assets					
Cash and deposits in banks	1,923,731	1,923,731	—	1,923,731	—
Securities at amortized cost ⁽¹⁾	1,359,514	1,375,788	—	1,375,788	—
Loans at amortized cost ⁽²⁾	9,064,428	9,319,038	—	9,319,038	—
Customers' liabilities under acceptances	161,597	161,597	—	161,597	—
Liabilities					
Customer deposits	6,640,290	6,640,290	—	6,640,290	—
Securities sold under repurchase agreements	130,509	130,509	—	130,509	—
Borrowings and debt, net	4,030,389	4,071,789	—	4,071,789	—
Acceptances outstanding	161,597	161,597	—	161,597	—
December 31, 2024					
	Carrying value	Fair value	Level 1	Level 2	Level 3
Assets					
Cash and deposits in banks	1,965,145	1,965,145	—	1,965,145	—
Securities at amortized cost ⁽¹⁾	1,102,444	1,102,386	—	1,102,386	—
Loans at amortized cost ⁽²⁾	8,383,829	8,573,655	—	8,573,655	—
Customers' liabilities under acceptances	245,065	245,065	—	245,065	—
Liabilities					
Customer deposits	5,461,901	5,461,901	—	5,461,901	—
Securities sold under repurchase agreements	214,035	214,035	—	214,035	—
Borrowings and debt, net	4,388,720	4,421,770	—	4,421,770	—
Acceptances outstanding	245,065	245,065	—	245,065	—

⁽¹⁾ The carrying value of securities at amortized cost is net of accrued interest receivable of \$14.8 million and the allowance for ECL of \$1.0 million as of December 31, 2025 (accrued interest receivable of \$13.2 million and the allowance for expected credit losses of \$1.3 million as of December 31, 2024).

⁽²⁾ The carrying value of loans at amortized cost is net of accrued interest receivable of \$87.8 million, the allowance for expected credit losses of \$93.8 million and unearned interest and deferred fees of \$34.3 million as of December 31, 2025 (accrued interest receivable of \$117.9 million, the allowance for expected credit losses of \$78.2 million and unearned interest and deferred fees of \$31.1 million as of December 31, 2024).

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

8. Cash and due from banks

The following table presents the details of interest-bearing deposits in banks and restricted deposits:

	December 31,	
	2025	2024
Demand deposits ⁽¹⁾	1,767,208	1,694,931
Time deposits under three months	75,000	125,000
Total cash and cash equivalents	1,842,208	1,819,931
Time deposits with original maturity over 90 days and other restricted deposits ⁽²⁾	80,954	143,907
Total cash and due from banks	1,923,162	1,963,838
Interest receivable deposits	724	1,307
Total cash and due from banks and interest	1,923,886	1,965,145
Less: Loss allowance	(155)	—
Total cash and due from banks, net	1,923,731	1,965,145

The following table presents the pledged and restricted deposits classified by country risk:

	December 31,	
	2025	2024
Country:		
Chile ⁽²⁾	28,000	20,000
Germany	12,114	29,263
Japan	15,860	18,120
Panama	1,600	1,600
Spain	—	10,300
United Kingdom	—	254
United States of America ⁽²⁾	23,380	64,370
Total	80,954	143,907

(1) Demand deposits includes \$1,734 million (December 31, 2024: \$1,021 million) at Federal Reserve of United States of America.

(2) As of December 31, 2025 includes restricted deposits of \$28 million (2024: \$25 million), with the New York State Department of Financial Services under March 1994 legislation.

The following table shows cash and deposits in local and foreign banks, based on the ratings assigned by the rating agencies:

	December 31,	
	2025	2024
Credit rating:		
Aaa-Aa3	1,739,387	1,418,861
A1-A3	94,735	414,903
Baa1-Baa3	77,952	129,362
Ba1-Ba3	200	110
B1-B3	—	5
Caa1-Caa3	75	—
No rating	10,813	597
	1,923,162	1,963,838

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

9. Investment securities

Investment securities are presented as follows:

December 31, 2025	Amortized cost	FVOCI ⁽¹⁾	Total
Principal	1,345,742	68,892	1,414,634
Interest receivable	14,755	584	15,339
Gross amount	1,360,497	69,476	1,429,973
Loss allowance ⁽¹⁾	(983)	—	(983)
Total	1,359,514	69,476	1,428,990

December 31, 2024	Amortized cost	FVOCI ⁽¹⁾	Total
Principal	1,090,577	98,748	1,189,325
Interest receivable	13,178	738	13,916
Gross amount	1,103,755	99,486	1,203,241
Loss allowance ⁽¹⁾	(1,311)	—	(1,311)
Total	1,102,444	99,486	1,201,930

⁽¹⁾ As of December 31, 2025 and 2024, the loss allowance for securities at FVOCI for \$16 thousand and \$23 thousand, respectively are included in equity in the consolidated statement of financial position in the line Other comprehensive income.

Securities by contractual maturity are shown in the following table:

December 31, 2025	Amortized cost	FVOCI	Total
Due within 1 year	372,910	55,540	428,450
After 1 to 5 years	951,261	13,352	964,613
After 5 to 10 years	21,571	—	21,571
Balance - principal	1,345,742	68,892	1,414,634

December 31, 2024	Amortized cost	FVOCI	Total
Due within 1 year	223,174	30,029	253,203
After 1 to 5 years	838,893	68,719	907,612
After 5 to 10 years	28,510	—	28,510
Balance - principal	1,090,577	98,748	1,189,325

The following table includes the securities pledged to secure repurchase transactions (see Note 18):

	December 31,	
	2025	2024
Securities pledged to secure repurchase transactions	147,480	239,046
Securities sold under repurchase agreements	(130,509)	(214,035)

During the year ended December 31, 2025, investment securities with a significant increase in their credit risk through the period were sold by \$19.9 million. These sales resulted in a charge against loss allowances of \$47 thousand and losses on sale of \$541 thousand, attributable to market risk. During 2024, no sales of investments classified at amortized cost were carried out.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

10. Loans

The following table presents the loan portfolio according to its classification and subsequent measurement:

December 31, 2025	Amortized cost	FVOCI ⁽¹⁾	Total
Loans - principal balance	9,104,725	76,576	9,181,301
Interest receivable	87,837	982	88,819
Unearned interest and deferred fees	(34,326)	(318)	(34,644)
Gross balance	9,158,236	77,240	9,235,476
Loss allowances	(93,808)	—	(93,808)
Loans, net	9,064,428	77,240	9,141,668

December 31, 2024	Amortized cost	FVOCI ⁽¹⁾	Total
Loans - principal balance	8,375,172	—	8,375,172
Interest receivable	117,931	—	117,931
Unearned interest and deferred fees	(31,116)	—	(31,116)
Gross balance	8,461,987	—	8,461,987
Loss allowances	(78,158)	—	(78,158)
Loans, net	8,383,829	—	8,383,829

⁽¹⁾ As of December 31, 2025, the loss allowance for loans at FVOCI for \$468 thousand are included in equity in the consolidated statement of financial position in the line Other comprehensive income.

As of December 31, 2025, the Bank sold loans measured at FVTPL for \$142 million, realizing a gain of \$1.8 million; \$50 million measured at FVOCI, realizing a gain of \$765 thousand; and \$15 million measured at amortized cost with a gain of \$105 thousand, all recognized under the line item Gain (loss) on financial instruments, net.

The fixed and floating interest rate distribution of the loan portfolio is as follows:

	December 31,	
	2025	2024
Fixed interest rate	5,065,160	4,932,569
Floating interest rates	4,170,316	3,529,418
Total	9,235,476	8,461,987

As of December 31, 2025, 70% (2024: 75%) of the loan portfolio at fixed interest rates has remaining maturities of less than 180 days. Interest rates on loans range from 3.70% to 16.28% (2024: 4.63% to 16.28%).

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

11. Loan commitments and financial guarantee contracts

In the normal course of business, to meet the financing needs of its customers, the Bank is party to loan commitments and financial guarantee contracts. These instruments involve, to varying degrees, elements of credit and market risk in excess of the amount recognized in the consolidated statement of financial position. Credit risk represents the possibility of loss resulting from the failure of a customer to perform in accordance with the terms of a contract.

The Bank's outstanding loan commitments and financial guarantee contracts are as follows:

	December 31,	
	2025	2024
Documentary letters of credit	240,120	536,350
Stand-by letters of credit and guarantees - commercial risk	836,434	520,285
Loans commitments	720,435	348,223
Letters of credit commitments	43,668	9,522
Total	1,840,657	1,414,380

The remaining maturity profile of the Bank's outstanding loan commitments and financial guarantee contracts is as follows:

	December 31,	
	2025	2024
Up to 1 year	1,331,002	1,160,323
From 1 to 2 years	213,223	145,127
Over 2 to 5 years	262,861	100,643
More than 5 years	33,571	8,287
Total	1,840,657	1,414,380

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***12. Gain (loss) on financial instruments, net**

The amounts that were recognized in the consolidated statement of profit or loss related to the results of financial instruments are detailed below:

	December 31,		
	2025	2024	2023
Realized gain (loss) on sale of financial instruments			
Loans			
At amortized cost	105	—	24
At fair value through profit and loss	1,777	251	—
At fair value through other comprehensive income	765	69	—
Investment Securities			
At amortized cost	(541)	—	(3,882)
At fair value through profit and loss	(220)	63	2,325
At fair value through other comprehensive income	2,392	—	—
Trading derivatives			
Realized gain on trading derivatives	3	—	—
Other financial instruments			
Gain (loss) on derivative financial instruments and foreign currency exchange, net	2,393	(455)	1,501
Total realized gain (loss) on financial instruments	6,674	(72)	(32)
Unrealized gain (loss) on financial instruments			
Trading derivatives	1,134	—	—
Other trading financial instruments	423	(411)	(13)
Total unrealized gain (loss) on financial instruments	1,557	(411)	(13)
Total gain (loss) on financial instruments, net	8,231	(483)	(45)

During the year ended December 31, 2025, the Bank executed specific sales of investments and loans classified at amortized cost as a result of a significant deterioration in the credit risk profile of such instruments, which no longer met the eligibility criteria established in the Bank's investment and risk management policies.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments

A. Trading derivatives financial instruments

The following table details quantitative information on the notional amount and carrying amount of trading derivative instruments:

	December 31, 2025		
	Notional amount	Carrying amount of trading derivative	
		Asset	Liability
Interest Rate Swap	536,716	1,569	(433)
	536,716	1,569	(433)

	December 31, 2025	
	Interest rate swap	Total
	Over 2 to 5 years	286,716
More than 5 years	250,000	250,000
Total	536,716	536,716

As of December 31, 2024, the entity did not hold any trading derivative instruments.

B. Hedging derivative financial instruments

The following table details quantitative information on the notional amounts and carrying amounts of the derivative instruments used for hedging by type of risk hedged and type of hedge:

	December 31, 2025		
	Notional amount ⁽²⁾	Carrying amount of hedging instruments	
		Asset ⁽¹⁾	Liability ⁽¹⁾
Interest rate risk			
Fair value hedges	1,217,765	26,075	(5,435)
Interest rate and foreign exchange risk			
Fair value hedges	204,032	13,012	(9,730)
Cash flow hedges	1,113,263	30,750	(47,297)
Foreign exchange risk			
Cash flow hedges	7,039	—	(44)
	2,542,099	69,837	(62,506)

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

	December 31, 2024		
	Notional amount ⁽²⁾	Carrying amount of hedging instruments	
		Asset ⁽¹⁾	Liability ⁽¹⁾
Interest rate risk			
Fair value hedges	1,132,827	10,805	(2,667)
Interest rate and foreign exchange risk			
Fair value hedges	186,288	—	(13,196)
Cash flow hedges	1,205,427	11,510	(125,842)
	2,524,542	22,315	(141,705)

(1) Included in the consolidated statement of financial position under the line Hedging derivative financial instruments - assets or liabilities.

(2) At December 31, 2025 the notional amounts of derivative financial instruments include \$1,234.5 million (2024: \$639.6 million) of interest rate swaps and cross currency interest rate swaps, which were designated in aggregate exposure hedges hedging underlying assets totaling \$1,217.4 million (2024: \$307.8 million).

As part of financial risk management, the Bank has used the following hedging relationships:

- Fair value hedges;
- Cash flow hedges, and
- Net investment hedges.

For control purposes, derivative instruments are recorded at their notional amount in control accounts. Interest rate swaps are made either in a single currency or cross currency for a prescribed period to exchange a series of interest rate flows, which involve fixed for floating interest payments, and vice versa. The Bank also engages in certain foreign exchange forward contracts to serve customers' transaction needs and to manage foreign currency risk. All such positions are hedged with an offsetting contract for the same currency.

The Bank manages and controls the risks on these foreign exchange hedges by establishing counterparty credit limits by customer and by adopting policies that do not allow maintaining open positions in excess of the limits established by Management. The Bank also has used foreign exchange forward contracts to hedge the foreign exchange risk associated with the Bank's equity investment in a non-U.S. dollar functional currency foreign entity. Derivative and foreign exchange forward instruments negotiated by the Bank are executed mainly over-the-counter (OTC). These contracts are executed between two counterparties that negotiate specific agreement terms, including notional amount, exercise price and maturity.

Fair value hedges

This type of hedge is used to mitigate the risk of changes in foreign exchange currency rates, as well as changes in interest rate risk. Within the derivative financial instruments used by the Bank for fair value hedging are interest rate swap contracts whereby a series of interest rate flows in a single currency are exchanged over a prescribed period and cross currency swaps contracts that generally involve the exchange of both interest and principal amounts in two different currencies.

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

The Bank's exposure to interest rate risk is disclosed in Note 5(C)(i). Interest rate risk to which the Bank applies hedge accounting arises from fixed and floating open positions, whose fair value fluctuates when benchmark interest rates change. The Bank hedges interest rate risk only to the extent of benchmark interest rates because the changes in fair value of a fixed-rate note or loan are significantly influenced by changes in the benchmark interest rate (USD LIBOR or SOFR). Hedge accounting is applied where economic hedging relationships meet the hedge accounting criteria.

Before fair value hedge accounting is applied by the Bank, the Bank determines whether an economic relationship between the hedged item and the hedging instrument exists based on an assessment of the qualitative characteristics of these items and the hedged risk that is supported by quantitative analysis. The Bank considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. The Bank assesses whether the fair value of the hedged item and the hedging instrument respond similarly to similar risks. The Bank further supports this qualitative assessment by using sensitivity analysis applying a dollar-offset methodology to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item. The sources of ineffectiveness mainly come from forward rates, discount rates and cross currency basis (cost of the operation).

The Bank maintains as part of its risk management, second level fair value hedges composed of combined derivative and non-derivative exposures (aggregate exposures). The components comprising such aggregate exposures are previously designated under cash flow hedging relationships.

The following table details the notional amounts and carrying amounts of derivative instruments used in fair value hedges by type of risk and hedged item, along with the changes during the years used to determine and recognize the ineffectiveness of the hedge:

December 31, 2025					
	Notional amount	Carrying amount of hedging instruments		Changes in fair value used to calculate hedge ineffectiveness ⁽²⁾	Ineffectiveness recognized in profit or loss ⁽²⁾
		Asset ⁽¹⁾	Liability ⁽¹⁾		
Interest rate risk					
Loans	25,000	—	(644)	(636)	(29)
Securities at amortized cost	164,600	—	(4,383)	(2,932)	655
Customer deposits	60,000	270	—	384	(7)
Repurchase agreements	60,485	147	(395)	9	(65)
Borrowings and debt	907,680	25,658	(13)	14,279	263
Interest rate and foreign exchange risk					
Loans	11,938	—	(742)	(648)	74
Borrowings and debt	192,094	13,012	(8,988)	16,553	(431)
Total	1,421,797	39,087	(15,165)	27,009	460

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

December 31, 2024					
	Notional amount	Carrying amount of hedging instruments		Changes in fair value used to calculate hedge ineffectiveness ⁽²⁾	Ineffectiveness recognized in profit or loss ⁽²⁾
		Asset ⁽¹⁾	Liability ⁽¹⁾		
Interest rate risk					
Customer deposits	131,000	1,235	(164)	(127)	(142)
Repurchase agreements	68,985	210	(592)	71	14
Borrowings and debt	932,842	9,360	(1,911)	(5,911)	(516)
Interest rate and foreign exchange risk					
Borrowings and debt	186,288	—	(13,196)	(28,571)	1,074
Total	1,319,115	10,805	(15,863)	(34,538)	430

⁽¹⁾ Included in the consolidated statement of financial position under the line Hedging derivative financial instruments - assets or liabilities.

⁽²⁾ Included in the consolidated statement of profit or loss under the line Gain (loss) on financial instruments, net.

The following table details the carrying amounts of the fair value hedged items by type of risk and hedged item, along with the changes during the period used to determine and recognize the ineffectiveness of the hedge:

December 31, 2025					
	Carrying amount of hedged items		Line in the consolidated statement of financial position that includes the carrying amount of the hedged items	Accumulated amount of fair value hedge adjustments included in the carrying amount of the hedged items	Change in fair value of the hedged items used to calculate hedge ineffectiveness ⁽¹⁾
	Asset	Liability			
Interest rate risk					
Loans	25,938	—	Loans, net	607	607
Securities at amortized cost	169,643	—	Securities, net	3,587	3,587
Customer deposits	—	(60,477)	Customer deposits	(273)	(391)
Repurchase agreements	—	(61,027)	Securities sold under	(168)	(74)
Borrowings and debt	—	(301,065)	Borrowings and debt, net	(10,171)	(14,016)
Interest rate and foreign exchange risk					
Loans	12,117	—	Loans, net	722	722
Borrowings and debt	—	(196,801)	Borrowings and debt, net	(2,669)	(16,984)
Total	207,698	(619,370)		(8,365)	(26,549)

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

December 31, 2024					
	Carrying amount of hedged items		Line in the consolidated statement of financial position that includes the carrying amount of the hedged items	Accumulated amount of fair value hedge adjustments included in the carrying amount of the hedged items	Changes in fair value of the hedged items used to calculate hedge ineffectiveness ⁽¹⁾
	Asset	Liability			
Interest rate risk					
Customer deposits	—	(132,667)	Customer deposits	(26)	(15)
Repurchase agreements	—	(69,443)	Securities sold under	(57)	(57)
Borrowings and debt	—	(319,174)	Borrowings and debt, net	3,860	5,395
Interest rate and foreign exchange risk					
Borrowings and debt	—	(173,469)	Borrowings and debt, net	14,316	29,645
Total	—	(694,753)		18,093	34,968

⁽¹⁾ Included in the consolidated statement of profit or loss under the line Gain (loss) on financial instruments, net.

The following table details the maturity of the notional amount for the derivative instruments used in fair value hedges:

December 31, 2025			
	Interest rate swaps	Cross currency swaps	Total
Up to 1 year	374,769	19,882	394,651
From 1 to 2 years	298,293	122,176	420,469
Over 2 to 5 years	515,435	51,849	567,284
More than 5 years	29,268	10,125	39,393
Total	1,217,765	204,032	1,421,797

December 31, 2024			
	Interest rate swaps	Cross currency swaps	Total
Up to 1 year	115,263	—	115,263
From 1 to 2 years	383,268	19,882	403,150
Over 2 to 5 years	605,028	156,281	761,309
More than 5 years	29,268	10,125	39,393
Total	1,132,827	186,288	1,319,115

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

The following table details the ineffectiveness recognized in profit or loss for the derivative instruments used in fair value hedges:

	December 31, 2025		
	Current	Matured	Total
Ineffectiveness recognized in profit or loss			
Interest rate risk			
Loans	(29)	—	(29)
Securities at amortized cost	655	—	655
Customer deposits	(7)	—	(7)
Repurchase agreements	(65)	(28)	(93)
Borrowings and debt	263	144	407
Interest rate and foreign exchange risk			
Loans	74	—	74
Borrowings and debt	(431)	—	(431)
Total	460	116	576
	December 31, 2024		
	Current	Matured	Total
Ineffectiveness recognized in profit or loss			
Interest rate risk			
Loans	—	4	4
Securities at amortized cost	—	(58)	(58)
Customer deposits	(142)	(10)	(152)
Repurchase agreements	14	—	14
Borrowings and debt	(516)	6	(510)
Interest rate and foreign exchange risk			
Loans	—	(1)	(1)
Borrowings and debt	1,074	127	1,201
Total	430	68	498

Cash flow hedges

This type of hedge is used to mitigate the risk of changes in foreign exchange currency rates, as well as changes in interest rate risk, that could include variability in the future cash flows. Within the derivative financial instruments used by the Bank for cash flow hedging are interest rate swaps contracts whereby a series of interest rate flows in a single currency are exchanged over a prescribed period, cross currency swaps contracts that generally involve the exchange of both interest and principal amounts in two different currencies, and foreign exchange forward contracts, which are agreements to purchase or sell foreign currency at a future date at agreed-upon terms.

The Bank's exposure to market risk is disclosed in Note 5 (C) (i) and (ii). The Bank determines the amount of the exposure to which it applies hedge accounting by assessing the potential impact of changes in interest rates and foreign currency exchange rates on the future cash flows. This assessment is performed using analytical techniques, such as cash flow sensitivity analysis. As noted above for fair value hedges, by using derivative financial instruments to hedge exposures to changes in interest rates and foreign currency exchange rates, the Bank exposes itself to credit risk of the counterparties to the derivatives, which is not offset by the hedged items. This exposure is managed similarly to that of fair value hedges.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

The Bank determines whether an economic relationship exists between the cash flows of the hedged item and the hedging instrument based on an assessment of the qualitative characteristics of these items and the hedged risk that is supported by quantitative analysis. The Bank considers whether the critical terms of the hedged item and the hedging instrument closely align when assessing the presence of an economic relationship. The Bank assesses whether the cash flows of the hedged item and the hedging instrument respond similarly to the hedged risk, such as the benchmark interest rate or foreign currency. The Bank further supports this qualitative assessment by using sensitivity analysis applying a dollar-offset methodology to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the present value of the hedged item. The Bank assesses hedge effectiveness using the hypothetical derivative method, which creates a derivative instrument to serve as a proxy for the hedged transaction. The terms of the hypothetical derivative match the critical terms of the hedged item and it has a fair value of zero at inception.

The sources of ineffectiveness arise mainly from CVA/DVA counterparty risk made in the hedging instrument, which are not contemplated in the methodology of the hypothetical derivative used to measure the ineffectiveness of the hedge.

The maximum length of time over which the Bank has hedged its exposure to the variability in future cash flows on forecasted transactions is 9 years .

The following table details the notional amounts and carrying amounts of derivative instruments used in cash flow hedges by type of risk and hedged item, along with the changes during the period used to determine and recognize the ineffectiveness of the hedge:

December 31, 2025							
	Notional amount	Carrying amount of hedging instruments		Change in fair value used for calculating hedge ineffectiveness	Changes in the fair value of the hedging instruments recognized in OCI ⁽²⁾	Ineffectiveness recognized in profit or loss ⁽³⁾	Amount reclassified from the hedge reserve to profit or loss ⁽⁴⁾
		Asset ⁽¹⁾	Liability ⁽¹⁾				
Interest rate and foreign exchange risk							
Loans	20,658	—	(1,697)	(1,810)	(1,810)	—	(44)
Borrowings and debt	1,092,605	30,750	(45,600)	100,248	100,802	554	(466)
Foreign exchange risk							
Loans	7,039	—	(44)	(44)	(44)	—	(278)
Customer deposits	—	—	—	—	—	—	3
Borrowings and debt	—	—	—	—	—	—	22
Total	1,120,302	30,750	(47,341)	98,394	98,948	554	(763)

December 31, 2024							
	Notional amount	Carrying amount of hedging instruments		Change in fair value used for calculating hedge ineffectiveness	Changes in the fair value of the hedging instruments recognized in OCI ⁽²⁾	Ineffectiveness recognized in profit or loss ⁽³⁾	Amount reclassified from the hedge reserve to profit or loss ⁽⁴⁾
		Asset ⁽¹⁾	Liability ⁽¹⁾				
Interest rate and foreign exchange risk							
Loans	19,509	1,372	—	1,256	1,258	2	24
Borrowings and debt	1,185,918	10,138	(125,842)	(163,797)	(164,418)	(621)	99
Total	1,205,427	11,510	(125,842)	(162,541)	(163,160)	(619)	123

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

- (1) Included in the consolidated statement of financial position under the line Hedging derivative financial instruments - assets or liabilities.
- (2) Included in equity in the consolidated statement of financial position under the line Other comprehensive income (loss).
- (3) Hedge ineffectiveness attributable to matured hedges included in the consolidated statement of profit or loss in the line Gain (loss) on financial instruments, net.
- (4) Hedging reserve attributable to expired hedges reclassified to the consolidated statement of profit or loss in the line Gain (loss) on financial instruments, net.

The following table details the carrying amounts of the cash flow hedged items by type of risk and hedged item, along with the changes during the period used to determine and recognize the ineffectiveness of the hedge:

December 31, 2025					
	Carrying amount of hedged items		Line in the consolidated statement of financial position that includes the carrying amount of the hedged items	Changes in the fair value of the hedged items used to calculate the hedge ineffectiveness	Cash flow hedge reserve
	Asset	Liability			
Interest rate and foreign exchange risk					
Loans	21,191	—	Loans, net	1,810	61
Borrowings and debt	—	(1,101,787)	Borrowings and debt, net	(100,248)	(1,332)
Foreign exchange risk					
Loans	7,077	—	Loans, net	44	(29)
Total	28,268	(1,101,787)		(98,394)	(1,300)
December 31, 2024					
	Carrying amount of hedged items		Line in the consolidated statement of financial position that includes the carrying amount of the hedged items	Changes in the fair value of the hedged items used to calculate the hedge ineffectiveness	Cash flow hedge reserve
	Asset	Liability			
Interest rate and foreign exchange risk					
Loans	19,964	—	Loans, net	(1,256)	37
Borrowings and debt	—	(1,087,247)	Borrowings and debt, net	163,797	(895)
Total	19,964	(1,087,247)		162,541	(858)

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***13. Derivative financial instruments (continued)****B. Hedging derivative financial instruments (continued)**

The following table details the maturity of the derivative instruments used in cash flow hedges:

	December 31, 2025		
	Foreign exchange forward contract	Cross currency swaps	Total
Up to 1 year	7,039	324,098	331,137
From 1 to 2 years	—	116,762	116,762
Over 2 to 5 years	—	643,135	643,135
More than 5 years	—	29,268	29,268
Total	7,039	1,113,263	1,120,302

	December 31, 2024		
	Foreign exchange forward contract	Cross currency swaps	Total
Up to 1 year	—	454,581	454,581
From 1 to 2 years	—	303,441	303,441
Over 2 to 5 years	—	418,137	418,137
More than 5 years	—	29,268	29,268
Total	—	1,205,427	1,205,427

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

13. Derivative financial instruments (continued)

B. Hedging derivative financial instruments (continued)

The following table details the ineffectiveness recognized in profit or loss for the derivative instruments used in cash flow hedges:

	December 31, 2025		
	Current	Overdue	Total
Ineffectiveness recognized in profit or loss			
Interest rate and foreign exchange risk			
Loans	—	(44)	(44)
Borrowings and debt	554	(466)	88
Foreign exchange risk			
Loans	—	(278)	(278)
Customer deposits	—	3	3
Borrowings and debt	—	22	22
Total	554	(763)	(209)

	December 31, 2024		
	Current	Overdue	Total
Ineffectiveness recognized in profit or loss			
Interest rate and foreign exchange risk			
Loans	2	24	26
Borrowings and debt	(621)	99	(522)
Total	(619)	123	(496)

14. Equipment, right-of-use assets and leasehold improvements, net

The following table provides a summary of the items included in equipment, right-of-use and leasehold improvements:

	December 31,	
	2025	2024
Equipment and leasehold improvements, net	5,326	4,509
Right-of-use assets	14,347	15,167
	19,673	19,676

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

14. Equipment, right-of-use assets and leasehold improvements (continued)

Equipment, right-of-use assets and leasehold improvements are detailed as follows:

	IT equipment	Furniture and fixtures	Leasehold improvements	Other equipment	Right-of-use assets	Total
Cost:						
Balance as of January 1, 2023	3,941	1,808	8,301	717	17,503	32,270
Additions and reclassifications	369	92	124	176	1,388	2,149
Disposals	(28)	(83)	(117)	(49)	(1,216)	(1,493)
Effect of movement in exchange rates	5	3	5	—	—	13
Balance as of December 31, 2023	4,287	1,820	8,313	844	17,675	32,939
Additions and reclassifications	632	274	768	139	3,623	5,436
Disposals	(157)	(50)	(72)	(3)	(36)	(318)
Effect of movement in exchange rates	(15)	(13)	(35)	—	—	(63)
Balance as of December 31, 2024	4,747	2,031	8,974	980	21,262	37,994
Additions and reclassifications	604	594	1,070	178	506	2,952
Disposals	(158)	(101)	—	(7)	(113)	(379)
Effect of movement in exchange rates	8	8	26	—	—	42
Balance as of December 31, 2025	5,201	2,532	10,070	1,151	21,655	40,609
Accumulated depreciation:						
Balance as of January 1, 2023	3,142	1,636	4,906	642	4,662	14,988
Depreciation and amortization for the year	449	54	589	69	1,119	2,280
Disposals	(25)	(83)	(117)	(49)	(859)	(1,133)
Effect of movement in exchange rates	4	1	5	—	—	10
Balance as of December 31, 2023	3,570	1,608	5,383	662	4,922	16,145
Depreciation and amortization for the year	456	84	684	72	1,203	2,499
Disposals	(161)	(53)	(55)	(1)	(30)	(300)
Effect of movement in exchange rates	(8)	(7)	(11)	—	—	(26)
Balance as of December 31, 2024	3,857	1,632	6,001	733	6,095	18,318
Depreciation and amortization for the year	477	166	882	116	1,213	2,854
Disposals	(154)	(91)	—	(6)	—	(251)
Effect of movement in exchange rates	4	2	9	—	—	15
Balance as of December 31, 2025	4,184	1,709	6,892	843	7,308	20,936
Carrying amounts as of:						
December 31, 2025	1,017	823	3,178	308	14,347	19,673
December 31, 2024	890	399	2,973	247	15,167	19,676
December 31, 2023	717	212	2,930	182	12,753	16,794

The Bank leases office spaces in buildings. The lease of head office space typically runs for a period of 15 years, and for the representative offices from 3 to 5 years. Some leases include an option to renew the lease for a similar additional period after the end of the contract term.

During the period ended December 31, 2025, disposals of fixed assets and leasehold improvements were made for a net amount of \$15 thousand (2024: \$12 thousand). Additionally, during the period 2024, a lease contract was closed that generated an adjustment in the right-of-use assets and the lease liability for a net amount of \$6 thousand.

During the period 2025, an amount of \$1.1 million (2024: \$1 million) was reclassified from Other assets to Equipment, leases and leasehold improvements, corresponding to projects under development that met the capitalization criteria and were therefore capitalized in accordance with the Bank's accounting policies.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

15. Intangible assets

A breakdown of software cost, accumulated amortization, additions, sales and disposals of intangible assets is as follows:

Costs:	2025	2024	2023
Balance as of January 1	14,163	12,041	10,856
Additions and reclassifications	9,059	2,122	1,335
Disposals	—	—	(150)
Balance as of December 31	23,222	14,163	12,041
Accumulated amortization:			
Balance as of January 1	10,500	9,436	8,752
Amortization	1,978	1,064	814
Disposals	—	—	(130)
Balance as of December 31	12,478	10,500	9,436
Net carrying amounts	10,744	3,663	2,605

The expenses related to the amortization of intangible assets are recognized as amortization of intangible assets in the consolidated statement of profit or loss.

During the period 2025, an amount of \$7.5 million (2024: \$1.6 million) was reclassified from Other assets to Intangible assets, corresponding to projects under development that met the capitalization criteria and were therefore capitalized in accordance with the Bank's accounting policies.

16. Other assets

Following is a summary of other assets:

	December 31,	
	2025	2024
Accounts receivable financial instruments	5,480	2,996
Prepaid expenses	1,173	3,342
Prepaid fees and commissions	567	468
IT projects under development	9,755	5,113
Improvement project under development	1,710	709
Severance fund	2,934	2,508
Other	6,965	1,914
Total	28,584	17,050

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

17. Customer deposits

Following is a summary of customer deposits:

	December 31,	
	2025	2024
Demand deposits	698,570	440,029
Time deposits	5,905,646	4,972,695
	6,604,216	5,412,724
Interest payable	36,074	49,177
Total	6,640,290	5,461,901

The remaining and contractual maturity profile of the Bank's deposits, excluding interest payable, is as follows:

	Remaining Term		Original Term	
	December 31,		December 31,	
	2025	2024	2025	2024
Demand	698,570	440,029	698,570	440,029
Up to 1 month	3,110,156	2,797,904	2,033,327	1,793,178
From 1 to 3 months	1,331,165	1,162,833	1,291,076	999,506
From 3 to 6 months	732,639	585,542	1,420,130	1,092,876
From 6 months to 1 year	487,901	342,460	824,770	901,145
From 1 to 2 years	217,045	73,642	303,104	158,621
From 2 to 5 years	26,740	10,314	33,239	27,369
Total	6,604,216	5,412,724	6,604,216	5,412,724

The following table presents additional information regarding the Bank's deposits:

	December 31,	
	2025	2024
Aggregate amount of \$100,000 or more	6,603,585	5,411,881
Aggregate amount of deposits in the New York Agency	1,891,001	1,581,865

	December 31,		
	2025	2024	2023
Interest expense on deposits made in the New York Agency	75,285	88,668	53,885

18. Securities sold under repurchase agreements

The following table details the financing transactions under repurchase agreements and the associated interest expense:

	December 31,		
	2025	2024	2023
Financing under repurchase agreement	129,698	212,931	310,197
Interest payable	811	1,104	4,237
Total financing under repurchase agreement	130,509	214,035	314,434
Interest expense related to repurchase agreements	8,485	11,675	9,232

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***18. Securities sold under repurchase agreements (continued)**

Financing contracts under repurchase agreements generate interest ranging from 4.20% to 5.36% (December 31, 2024: 4.49% to 5.36%) with several maturities up to October 16, 2026.

As indicated in Note 9, as of December 31, 2025, the repurchase agreements were secured by investments classified as amortized cost by the amount of \$147 million (2024: \$239 million).

19. Borrowings and debt

Borrowings consist of bilateral funding and syndicated loans obtained from international banks. Debt instruments consist of public and private issuances under the Bank's Euro Medium-Term Notes ("EMTN") Program, as well as the Short-and Long-Term Notes ("Certificados Bursatiles") Program (the "Mexican Program") in the Mexican local market as well as a Revolving Corporate Bond Program in Panama for the issuance of short and long term notes.

Under the "EMTN" program, the Bank is authorized to issue notes up to a maximum equivalent of \$2.25 billion Mexican pesos, with maturities from 7 days up to a maximum of 30 years, at fixed or floating interest rates, or at a discount, and in various currencies. The notes are generally issued in bearer or registered form through one or more authorized financial institutions. The Short-and Long-Term Notes ("Certificados Bursatiles") Program (the "Mexican Program") in the Mexican local market, registered with the Mexican National Registry of Securities administered by the National Banking and Securities Commission of Mexico ("CNBV", for its acronym in Spanish) allows for the issuance of the equivalent of \$35 billion Mexican pesos with maturities from 1 day to 30 years and a limit of \$2 billion Mexican pesos for issues with a maturity of less than one year. Additionally, the Rotating Corporate Bond Program for Short- and Long-Term Notes is authorized in the local market of Panama for a maximum amount of \$300 million.

Some borrowing agreements include various events of default and covenants relating to minimum capital adequacy ratios, incurrence of additional liens, and asset sales, as well as other customary covenants, representations and warranties. As of December 31, 2025, the Bank was in compliance with all those covenants.

Carrying amount of borrowings and debt is detailed as follows:

December 31, 2025					
	Short-Term		Long-term		Total
	Borrowings	Debt	Borrowings	Debt	
Principal	1,508,959	1,750	757,775	1,732,286	4,000,770
Transaction costs	(48)	(2)	(2,952)	(4,670)	(7,672)
Interest payable	9,095	5	7,787	20,404	37,291
	1,518,006	1,753	762,610	1,748,020	4,030,389

December 31, 2024					
	Short-Term		Long-term		Total
	Borrowings	Debt	Borrowings	Debt	
Principal	1,652,536	835	877,842	1,830,751	4,361,964
Transaction costs	—	(1)	(3,764)	(5,883)	(9,648)
Interest payable	9,677	7	5,337	21,383	36,404
	1,662,213	841	879,415	1,846,251	4,388,720

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***19. Borrowings and debt (continued)****Short-term borrowings and debt**

The breakdown of short-term (original maturity of less than one year) borrowings and debt, along with contractual interest rates, plus prepaid commissions, is as follows:

	December 31,	
	2025	2024
Short-term borrowings:		
At fixed interest rates	1,508,959	1,353,048
At floating interest rates	—	299,488
Principal	1,508,959	1,652,536
Less: Transaction costs	(48)	—
Interest payable	9,095	9,677
Total short-term borrowings, net	1,518,006	1,662,213
Short-term debt:		
At fixed interest rates	1,750	835
Principal	1,750	835
Less: Transaction costs	(2)	(1)
Interest payable	5	7
Total short-term debt, net	1,753	841
Total short-term borrowings and debt	1,519,759	1,663,054
Range of fixed interest rates on borrowings and debt in U.S. dollars	3.75% to 4.77%	4.50% to 5.87%
Range of floating interest rates on borrowings in U.S. dollars	—	5.13% to 5.24%
Range of fixed interest rate on borrowings in Mexican pesos	7.68% to 7.72%	11.15%
Range of floating interest rates on borrowings and debt in Mexican pesos	—	10.69% to 10.74%
Range of fixed interest rates on borrowings and debt in Euros	2.52% to 2.63%	3.39% to 3.87%

The outstanding balances of short-term borrowings and debt by currency, excluding prepaid commissions, are as follows:

	December 31,	
	2025	2024
US dollar	1,455,149	1,404,690
Mexican peso	26,650	172,368
Euro	28,910	76,313
Total	1,510,709	1,653,371

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

19. Borrowings and debt (continued)

Long-term borrowings and debt

The breakdown of long-term borrowings and debt (original maturity of more than one year), along with contractual interest rates, plus prepaid commissions are as follows:

	December 31,	
	2025	2024
Long-term borrowings:		
At fixed interest rates	64,244	60,308
At floating interest rates	693,531	817,534
Principal	757,775	877,842
Less: Transaction costs	(2,952)	(3,764)
Interest payable	7,787	5,337
Total long-term borrowings, net	762,610	879,415
Long-term debt:		
At fixed interest rates	737,148	1,293,378
At floating interest rates	995,138	537,373
Principal	1,732,286	1,830,751
Less: Transaction costs	(4,670)	(5,883)
Interest payable	20,404	21,383
Total long-term debt, net	1,748,020	1,846,251
Total long-term borrowings and debt, net	2,510,630	2,725,666
Range of fixed interest rates on borrowings and debt in U.S. dollars	4.75% to 6.15%	2.38% to 6.15%
Range of floating interest rates on borrowings and debt in U.S. dollars	4.80% to 5.66%	5.44% to 6.31%
Range of fixed interest rates on borrowings and debt in Mexican pesos	6.50% to 10.78%	6.50% to 10.78%
Range of floating interest rates on borrowings and debt in Mexican pesos	7.66% to 8.61%	10.62% to 11.52%
Range of floating interest rates on borrowings and debt in Costa Rican colones	6.28%	— %
Range of fixed interest rates on debt in Japanese yen	0.95% to 1.90%	0.77% to 1.54%
Range of fixed interest rates on debt in Euros	0.90% to 3.16%	0.90%
Range of fixed interest rates on debt in Australian dollars	6.81%	6.81%
Range of fixed interest rate on debt in Pound sterling	1.50%	1.50%
Range of fixed interest rate on debt in Peruvian soles	7.00%	7.00 %

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***19. Borrowings and debt (continued)****Long-term borrowings and debt (continued)**

The outstanding balances of long-term borrowings and debt by currency, excluding prepaid commissions, are as follows:

	December 31,	
	2025	2024
US dollar	786,949	1,355,773
Mexican peso	1,480,905	1,170,304
Japanese yen	125,167	112,671
Euro	29,326	31,063
Peruvian soles	27,961	25,020
Australian dollar	9,599	9,133
Pound sterling	4,979	4,629
Costa Rican colones	25,175	—
Carrying amount - principal	<u>2,490,061</u>	<u>2,708,593</u>

Future payments of long-term borrowings and debt outstanding as of December 31, 2025, are as follows:

Year	Outstanding
2026	414,945
2027	890,133
2028	832,376
2029	290,696
2030	19,000
2031	33,312
2034	9,599
Carrying amount - principal	<u>2,490,061</u>

The following table presents the reconciliation of movements of borrowings and debt arising from financing activities, as presented in the consolidated statement of cash flows :

	2025	2024	2023
Balance as of January 1,	4,388,720	4,396,969	4,458,912
Cash transactions			
Net decrease in short-term borrowings and debt	(149,687)	(58,529)	(500,650)
Proceeds from long-term borrowings and debt	587,857	1,191,695	496,342
Decrease of long-term borrowings and debt	(1,006,585)	(826,432)	(221,306)
Non-cash transactions			
Change in foreign currency rates	200,808	(307,035)	159,407
Fair value adjustment due to hedge accounting relationship	9,486	(3,369)	2,126
Other adjustments	1,587	448	1,525
Liability-related			
Interest expense	235,316	197,831	152,081
Interest paid	(237,113)	(202,858)	(151,468)
Balance as of December 31,	<u>4,030,389</u>	<u>4,388,720</u>	<u>4,396,969</u>

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

Maturity analysis of contractual undiscounted cash flows of the lease liabilities is detailed below:

	December 31,	
	2025	2024
Up to 1 year	2,126	1,931
From 1 to 5 years	8,134	8,213
After 5 to 10 years	12,179	13,827
Total undiscounted lease liabilities	22,439	23,971
Short-term	1,461	1,217
Long-term	16,968	18,015
Lease liabilities included in the consolidated statement of financial position	18,429	19,232

Amounts recognized in the consolidated statement of cash flows:

	December 31,		
	2025	2024	2023
Payments of lease liabilities	1,195	1,091	1,032

Amounts recognized in the consolidated statement of profit or loss:

	December 31,		
	2025	2024	2023
Interest on lease liabilities	(714)	(620)	(584)

21. Other liabilities

Following is a summary of other liabilities:

	December 31,	
	2025	2024
Accruals and other accumulated expenses	26,901	31,806
Accounts payable	8,751	6,236
Unearned commissions	15,628	7,305
Others	83	84
Total	51,363	45,431

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

22. Earnings per share

The following table presents a reconciliation of profit and share data used in the basic earnings per share (“EPS”) computations for the dates indicated:

	December 31,		
	2025	2024	2023
<i>(Thousands of US dollars)</i>			
Profit for the year	226,882	205,873	166,158
<i>(US dollars)</i>			
Basic earnings per share	6.11	5.60	4.55
<i>(Thousands of shares)</i>			
Weighted average of common shares outstanding applicable to basic EPS	37,152	36,740	36,481

Table of Contents

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

23. Capital and Reserves

A. Common stock and additional paid-in capital

Common stock

The Bank's common stock is divided into four categories:

- 1) "Class A"; shares may only be issued to Latin American Central Banks or banks in which the state or other government agency is the majority shareholder.
- 2) "Class B"; shares may only be issued to banks or financial institutions.
- 3) "Class E"; shares may be issued to any person whether a natural person or a legal entity.
- 4) "Class F"; may only be issued to state entities and agencies of non-Latin American countries, including, among others, central banks and majority state-owned banks in those countries, and multilateral financial institutions either international or regional institutions.

The holders of "Class B" shares have the right to convert or exchange their "Class B" shares, at any time, and without restriction, for "Class E" shares, exchanging one share for another share.

The following table provides detailed information on the movement of the shares by class for each of the years ended December 31, 2025, 2024 and 2023:

<i>(Share units)</i>	"Class A"	"Class B"	"Class E"	"Class F"	Total
Authorized	40,000,000	40,000,000	100,000,000	100,000,000	280,000,000
Outstanding at January 1, 2023	6,342,189	2,089,075	27,893,290	—	36,324,554
Restricted stock issued – directors	—	—	63,000	—	63,000
Restricted stock units – vested	—	—	152,305	—	152,305
Outstanding at December 31, 2023	6,342,189	2,089,075	28,108,595	—	36,539,859
Restricted stock issued – directors	—	—	57,000	—	57,000
Restricted stock units – vested	—	—	193,959	—	193,959
Outstanding at December 31, 2024	6,342,189	1,712,034	28,736,595	—	36,790,818
Conversions	—	(884,460)	884,460	—	—
Repurchased common stock	—	(1)	1	—	—
Restricted stock issued – directors	—	—	63,000	—	63,000
Restricted stock issued - executives	—	—	185,217	—	185,217
Restricted stock units – vested	—	—	191,173	—	191,173
Outstanding at December 31, 2025	6,342,189	827,573	30,060,446	—	37,230,208

Additional paid-in capital

As of December 31, 2025, 2024 and 2023, additional paid-in capital consists of additional cash contributions to the common capital paid by shareholders.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

23. Capital and Reserves (continued)

B. Treasury stock

The following table presents information regarding shares repurchased but not retired by the Bank and accordingly classified as treasury stock:

	"Class A"		"Class B"		"Class E"		Total	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Outstanding at January 1, 2023	318,140	10,708	689,367	18,711	4,647,774	84,678	5,655,281	114,097
Restricted stock issued - directors	—	—	—	—	(63,000)	(1,148)	(63,000)	(1,148)
Restricted stock units - vested	—	—	—	—	(152,305)	(2,775)	(152,305)	(2,775)
Outstanding at December 31, 2023	318,140	10,708	689,367	18,711	4,432,469	80,755	5,439,976	110,174
Repurchase of common stock	—	—	—	—	(1)	—	(1)	—
Restricted stock issued - directors	—	—	—	—	(57,000)	(1,038)	(57,000)	(1,038)
Restricted stock units - vested	—	—	—	—	(193,959)	(3,535)	(193,959)	(3,535)
Outstanding at December 31, 2024	318,140	10,708	689,367	18,711	4,181,509	76,182	5,189,016	105,601
Restricted stock issued - directors	—	—	—	—	(63,000)	(1,148)	(63,000)	(1,148)
Restricted stock issued - executives	—	—	—	—	(185,217)	(3,373)	(185,217)	(3,373)
Restricted stock units - vested	—	—	—	—	(191,173)	(3,483)	(191,173)	(3,483)
Outstanding at December 31, 2025	318,140	10,708	689,367	18,711	3,742,119	68,178	4,749,626	97,597

C. Other equity instruments

During the period, the Bank issued perpetual non-cumulative subordinated instruments, which qualify as Additional Tier 1 capital instruments ("AT1"), as described below.

	December 31,	
	2025	2024
Perpetual Non-Cumulative Fixed to Fixed Subordinates Notes to 7.5% annual, net of issuance costs of \$2 million	197,976	—

The principal terms and conditions of the AT1 instruments (the "Notes") are described below:

- The Notes constitute unsecured and subordinated obligations of the Bank, ranking junior to all senior debt and other preferred liabilities of the Bank, including any other existing or future subordinated debt. In a liquidation or resolution scenario, holders of the Notes will absorb losses prior to senior creditors and depositors.
- The Notes are perpetual instruments, with no contractual maturity date and no contractual obligation to repay principal, except in the regulatory circumstances expressly provided for in the issuance documentation and solely at the option of the Bank. Holders of the Notes have no automatic right to demand early repayment of principal.
- The Bank may redeem the Notes, in whole or in part, subject to the satisfaction of the minimum contractual periods and prior regulatory approval.
- The Notes bear a fixed interest rate until the first reset date, scheduled for September 18, 2032. Thereafter, the interest rate will be reset every five years, based on a United States Treasury reference rate plus a fixed contractual margin. Interest payments, if declared, will be made semi-annually on March 18 and September 18 of each year, at the sole discretion of the Bank.

23. Capital and Reserves (continued)

- e. Interest on the Notes is non-cumulative and may be paid, in whole or in part, at the discretion of the Bank or subject to regulatory restrictions. Any interest not paid shall not accumulate nor give rise to any future payment entitlement. The non-payment of interest does not constitute a breach or an event of default.
- f. Upon the occurrence of certain regulatory or resolution events, the Notes are subject to loss-absorption mechanisms, which may result in the reduction or write-off of principal and/or interest, in accordance with the contractual terms and applicable prudential regulations.

On August 29, 2025, the Superintendence of Banks of Panama authorized the issuance of the Notes as Additional Tier 1 capital, in accordance with the provisions of Banking Rule No. 1-2015.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

24. Other comprehensive income

The breakdown of other comprehensive income (loss) relating to financial instruments at FVOCI and derivative financial instruments, is as follows:

	Financial instruments FVOCI	Financial Instruments CFH	Total
Balance as of January 1, 2023	(862)	8,987	8,125
Change in fair value on financial instruments, net of hedging	876	(590)	286
Reclassification of loss on financial instruments to profit or loss ⁽¹⁾	(11)	(938)	(949)
Other comprehensive income gain (loss) for the year	865	(1,528)	(663)
Balance as of December 31, 2023	3	7,459	7,462
Change in fair value on financial instruments, net of hedging	138	(7,735)	(7,597)
Reclassification of gain (loss) on financial instruments to profit or loss ⁽¹⁾	(21)	1,135	1,114
Other comprehensive income (loss) gain for the year	117	(6,600)	(6,483)
Balance as of December 31, 2024	120	859	979
Change in fair value on financial instruments, net of hedging	4,259	1,496	5,755
Reclassification of loss on financial instruments to profit or loss ⁽¹⁾	(3,156)	(1,073)	(4,229)
Other comprehensive income gain for the year	1,103	423	1,526
Balance as of December 31, 2025	1,223	1,282	2,505

⁽¹⁾ Reclassification adjustments include amounts recognized in profit or loss of the year that had been part of other comprehensive income in this and prior years.

The following table presents amounts reclassified from other comprehensive income to profit or loss:

Details about other comprehensive income components	Amounts reclassified from other comprehensive income			Line item affected in the consolidated statement of profit or loss
	December 31,			
	2025	2024	2023	
Securities at FVOCI:	(3,156)	(21)	(11)	Impairment losses on financial instruments
	<u>(3,156)</u>	<u>(21)</u>	<u>(11)</u>	
Derivative financial instruments:				
Interest rate swaps	—	—	(1,793)	Gain (loss) on financial instruments, net
Interest rate and cross-currency swaps	(1,073)	1,135	855	Gain (loss) on financial instruments, net
	<u>(4,229)</u>	<u>1,114</u>	<u>(949)</u>	

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

25. Fee and commission income

Fee and commission income from contracts with customers broken down by main types of services, are detailed as follows:

	December 31,		
	2025	2024	2023
Structured services	17,706	10,220	7,427
Letters of credit and guarantees	31,847	26,542	21,463
Credit commitments	11,568	7,710	4,675
Other commissions	812	1,011	—
Total fee and commission income	61,933	45,483	33,565
Fee and commission expenses	(2,920)	(1,082)	(1,046)
Total	59,013	44,401	32,519

The following table presents accrued but unearned commissions to be deferred from outstanding contracts.:

	December 31, 2025
Up to 1 year	9,386
From 1 to 2 years	1,359
More than 2 years	1,691
Total	12,436

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***26. Business segment information (continued)**

The following table provides certain information regarding the Bank's operations by segment:

	December 31, 2025		
	Commercial	Treasury	Total
Interest income	632,020	136,444	768,464
Interest expense	(571)	(496,711)	(497,282)
Inter-segment net interest income	(388,997)	388,997	—
Net interest income	242,452	28,730	271,182
Other income (expense), net	62,767	5,621	68,388
Total revenues	305,219	34,351	339,570
Impairment losses on financial instruments	(22,251)	132	(22,119)
Operating expenses	(71,377)	(19,192)	(90,569)
Profit	211,591	15,291	226,882
Assets	9,327,239	3,430,570	12,757,809
Liabilities	188,470	10,867,813	11,056,283
	December 31, 2024		
	Commercial	Treasury	Total
Interest income	641,677	143,355	785,032
Interest expense	(496)	(525,325)	(525,821)
Inter-segment net interest income	(410,222)	410,222	—
Net interest income	230,959	28,252	259,211
Other income (expense), net	45,436	(1,011)	44,425
Total revenues	276,395	27,241	303,636
Impairment losses on financial instruments	(17,930)	631	(17,299)
Operating expenses	(63,983)	(16,481)	(80,464)
Profit	194,482	11,391	205,873
Assets	8,649,283	3,192,339	11,841,622
Liabilities	265,826	10,210,207	10,476,033

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***26. Business segment information**

	December 31, 2023		
	Commercial	Treasury	Total
Interest income	566,212	113,048	679,260
Interest expense	(467)	(445,610)	(446,077)
Inter-segment net interest income	(361,997)	361,997	—
Net interest income	203,748	29,435	233,183
Other income (expense), net	33,792	(856)	32,936
Total revenues	237,540	28,579	266,119
Impairment losses on financial instruments	(26,785)	(678)	(27,463)
Operating expenses	(57,324)	(15,174)	(72,498)
Profit	153,431	12,727	166,158
Assets	7,498,230	3,231,534	10,729,764
Liabilities	279,853	9,206,381	9,486,234

The following table shows the reconciliation of information by business segments:

	December 31,		
	2025	2024	2023
Profit for the year	<u>226,882</u>	<u>205,873</u>	<u>166,158</u>
Assets:			
Assets from reportable segments	12,757,809	11,841,622	10,729,764
Other assets - unallocated	28,584	17,051	14,028
Total	<u>12,786,393</u>	<u>11,858,673</u>	<u>10,743,792</u>
Liabilities:			
Liabilities from reportable segments	11,056,283	10,476,033	9,486,234
Other liabilities - unallocated	51,363	45,431	53,734
Total	<u>11,107,646</u>	<u>10,521,464</u>	<u>9,539,968</u>

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***26. Business segment information (continued)****Geographic information**

The Bank analyzes its revenues and non-current assets by geographic location. In presenting the geographic segment information detailed below, total revenues are based on the client's country of risk and non-current assets are based on the client's geographic location.

	December 31,					
	2025		2024		2023	
	Total revenues	Non- current assets ^(*)	Total revenues	Non- current assets ^(*)	Total revenues	Non- current assets ^(*)
Argentina	12,205	279	7,595	48	4,748	80
Brazil	36,453	395	30,093	461	25,630	292
Chile	12,878	—	11,563	—	11,273	—
Colombia	25,802	64	35,487	118	32,584	181
Costa Rica	16,576	—	12,694	—	10,358	—
Dominican Republic	30,218	—	22,773	—	20,164	—
Ecuador	18,866	—	17,402	—	15,107	—
El Salvador	3,586	—	2,837	—	2,209	—
Guatemala	45,376	—	28,775	—	24,061	—
Honduras	6,626	—	7,370	—	6,312	—
Jamaica	3,704	—	4,073	—	3,337	—
Mexico	41,621	608	44,570	831	35,442	400
Panama	8,335	28,739	6,449	21,668	6,753	18,119
Paraguay	5,079	—	2,724	—	2,734	—
Peru	15,182	—	25,317	—	20,501	—
Puerto Rico	1,143	—	577	—	—	—
Suriname	13,875	—	—	—	—	—
Trinidad and Tobago	7,288	—	6,978	—	6,832	—
Uruguay	3,404	—	1,877	—	1,208	—
Other countries ⁽¹⁾	31,353	332	34,482	213	36,866	327
Total revenues	339,570	30,417	303,636	23,339	266,119	19,399

⁽¹⁾ Other countries consist of total income per country in the Region in which total income did not exceed \$1 million for any of the periods indicated above and top-rated countries outside of Latin America.

^(*) Include equipment and leasehold improvements, net and intangible assets.

Information about the main clients

As of December 31, 2025, 2024, and 2023, the Bank has no customer, either individually or as a group of companies, that represents more than 10% of total revenues.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

27. Related party transactions

Related parties of the Bank comprise of directors and key management personnel. Total compensation paid to them is as detailed below:

	December 31,		
	2025	2024	2023
Expenses:			
Compensation costs to directors	2,854	2,391	1,910
Compensation costs to key management personnel	13,801	11,461	8,067

Compensation costs of Bank's directors and key management personnel include annual cash retainers and the cost of granted restricted stock and restricted stock units, as detailed in the Stock Incentive Plan, see Note 28.

Table of Contents

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

28. Salaries and other employee expenses

The following table details salaries and other employee expenses:

	December 31,		
	2025	2024	2023
Wages and salaries	28,024	23,755	20,837
Payroll taxes	4,446	3,207	2,809
Personnel benefits	16,572	18,827	19,047
Share-based payments	6,378	6,134	4,539
Total	55,420	51,923	47,232

A. 2015 Stock Incentive Plan

In February 2008, the Board of Directors of the Bank approved an incentive plan for directors and executives allowing the Bank to grant restricted stock, restricted stock units, stock purchase options, and/or other similar compensation instruments and established service requirements as the sole condition of vesting. The maximum aggregate number of shares which may be granted under this plan is three million "Class E" common shares. The Stock Incentive Plan is administered by the Board of Directors who has the authority at its discretion to select the directors and executives to whom the awards may be granted to attract, retain, motivate, and compensate them for their contribution to the growth and profitability of the Bank; to determine whether and to what extent awards are granted, and to amend the terms of any outstanding award under this plan.

Restricted stocks are issued at the grant date but are withheld by the Bank until the vesting date. Restricted stock is entitled to receive dividends.

A restricted stock unit is a grant valued in terms of the Bank's stock, but no stock is issued at the grant date. Restricted stock units are not entitled to dividends.

The Bank issues or disposes of treasury stock and delivers common stock on the date on which the restricted stock units become unrestricted.

During 2025, 2024 and 2023, the Board of Directors approved the grant of restricted stocks and stock options and restricted stock units to directors, executives and employees of the Bank, as follows:

Restricted stock

The Board of Directors granted the directors "Class E" common shares for 63 thousand, 57 thousand and 63 thousand during the years 2025, 2024 and 2023, respectively. Beginning in 2025, the scope of the plan was expanded to include executives and employees, who will be granted 89 thousand and 97 thousand "Class E" common shares, respectively.

Restricted stock loses their restriction from the year following the anniversary date, as follows: 35% in the first and second years, and 30% in the third year. For executives and employees, their restriction is lost at the rate 25% vested the month after the date of its granting, and 25% on the grant date's anniversary during three years.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

28. Salaries and other employee expenses (continued)

A. 2015 Stock Incentive Plan (continued)

A summary of restricted stock granted is presented below:

	Shares				Weighted average grant date fair value	
	Directors	Executives	Employees	Total	Directors	Executives and employees
Outstanding at January 1, 2023	105,450	—	—	105,450	14.15	—
Granted	63,000	—	—	63,000	17.69	—
Vested	(53,100)	—	—	(53,100)	13.75	—
Outstanding at December 31, 2023	115,350	—	—	115,350	16.31	—
Granted	57,000	—	—	57,000	29.18	—
Vested	(68,700)	—	—	(68,700)	16.05	—
Outstanding at December 31, 2024	103,650	—	—	103,650	23.56	—
Granted	63,000	88,741	97,462	249,203	39.38	38.02
Forfeited	—	—	(986)	(986)	—	38.02
Vested	(51,300)	(30,703)	(24,376)	(106,379)	21.36	38.02
Outstanding at December 31, 2025	115,350	58,038	72,100	245,488	33.18	38.02
Expected to vest	115,350	58,038	72,100	245,488		

During the years 2025, 2024 and 2023 the fair value of vested stock was \$3.2 million, \$1.1 million and \$730 thousand, respectively.

The movement of compensation costs during the period is described below:

	Directors	Executives	Employees	Total
Outstanding at January 1, 2023	638	—	—	638
Granted ⁽²⁾	1,114	—	—	1,114
Compensation cost ⁽¹⁾	(931)	—	—	(931)
Outstanding at December 31, 2023	821	—	—	821
Granted ⁽²⁾	1,663	—	—	1,663
Compensation cost ⁽¹⁾	(1,363)	—	—	(1,363)
Outstanding at December 31, 2024	1,121	—	—	1,121
Granted ⁽²⁾	2,481	3,374	3,706	9,561
Provision	—	(1,053)	(927)	(1,980)
Forfeited	—	—	(26)	(26)
Compensation cost ⁽¹⁾	(1,807)	(1,256)	(1,430)	(4,493)
Outstanding at December 31, 2025	1,795	1,065	1,323	4,183

⁽¹⁾ Total expenditure on restricted stock includes the cost of shares granted during the period \$3.7 million, \$735 thousand and \$474 thousand during 2025, 2024 and 2023, respectively.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

28. Salaries and other employee expenses (continued)

A. 2015 Stock Incentive Plan (continued)

Restricted stock units

The Board of Directors approved the grant of restricted stock units with a grant date fair value of \$7.2 million in 2024 and \$4.6 million in 2023. The distribution of the fair value was in restricted stock units. No restricted stock units were granted for the 2025 period.

Beginning with the grant awarded in 2023, the restriction period for the issuance of the restricted stock units was modified as follows: 25% vested in the month following the date of the grant, and 25% each year on the grant date's anniversary for the following three years. Previously, the restriction period for the issuance of the restricted stock units was: 25% vested each year on the grant date's anniversary for the following four years.

A summary of the restricted stock units granted is presented below:

	Shares			Weighted average grant date fair value	
	Executives	Employees	Total	Executives	Employees
Outstanding at January 1, 2023	134,175	—	134,175	13.80	—
Granted	160,330	138,621	298,951	15.36	15.36
Forfeited	—	(346)	(346)	—	14.95
Vested	(112,968)	(39,337)	(152,305)	15.26	16.40
Outstanding at December 31, 2023	181,537	98,938	280,475	14.28	14.95
Granted	165,561	173,250	338,811	21.36	21.36
Forfeited	—	(1,484)	(1,484)	—	14.95
Vested	(110,896)	(83,063)	(193,959)	17.01	18.70
Outstanding at December 31, 2024	236,202	187,641	423,843	17.96	19.20
Forfeited	—	(1,162)	(1,162)	—	28.22
Vested	(117,608)	(73,565)	(191,173)	17.22	18.60
Outstanding at December 31, 2025	118,594	112,914	231,508	18.69	19.50
Expected to vest	118,594	112,914	231,508		

During the years 2025, 2024 and 2023 fair value of vested stock is \$3.4 million, \$3.4 million, and \$2.4 million, respectively.

The fair value of these restricted shares granted and the total expense recorded in consolidated statement of profit or loss are presented below:

	Executives	Employees	Total
Outstanding at January 1, 2023	666	—	666
Granted	2,523	2,070	4,593
Provision	(641)	(600)	(1,241)
Forfeited	—	(5)	(5)
Compensation cost	(1,483)	(916)	(2,399)
Outstanding at December 31, 2023	1,065	549	1,614
Granted	3,536	3,700	7,236
Provision	(884)	(716)	(1,600)
Forfeited	—	(22)	(22)
Compensation cost	(2,358)	(2,046)	(4,404)
Outstanding at December 31, 2024	1,359	1,465	2,824
Forfeited	—	(24)	(24)
Compensation cost	(983)	(1,031)	(2,014)
Outstanding at December 31, 2025	376	410	786

Compensation costs of the restricted stock units are amortized during the period of restriction by the accelerated method.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

28. Salaries and other employee expenses (continued)

A. 2015 Stock Incentive Plan (continued)

Reserve restricted shares

As of December 31, 2025, the Bank's management maintains a equity reserve for share-based compensation of \$1.5 million (2024: \$1.7 million), recognized in the consolidated statement of profit or loss, which will be granted in the first quarter of 2026.

B. Other plans - Expatriate Top Executives Plan

The Bank sponsors a defined contribution plan for its expatriate top executives based in Panama, which are not eligible to participate in the Panamanian social security system. The Bank's contributions are determined as a percentage of the annual salaries of top executives eligible for the plan, each contributing an additional amount withheld from their salary. Contributions to this plan are managed by a fund manager through a trust. The executives are entitled to the Bank's contributions after completing at least three years of service in the Bank. During 2025, 2024 and 2023, the Bank charged to salaries expense \$95 thousand, \$50 thousand and \$58 thousand, respectively, that correspond to the Bank's contributions to this plan.

29. Other expenses

The following table details other expenses:

	December 31,		
	2025	2024	2023
Administrative	7,545	7,113	6,165
Professional services	8,589	6,737	5,522
Maintenance and repairs	7,190	5,481	4,731
Share-based payments to directors	1,807	1,363	931
Regulatory fees	1,695	1,558	1,321
Operating lease of spaces and equipment	1,110	883	691
Advertising and marketing	1,304	987	1,012
Other	1,077	856	1,799
Total	30,317	24,978	22,172

30. Litigation

As of December 31, 2025, the Bank is involved in a legal proceeding in which a payment of approximately \$3.5 million is being claimed. Such proceeding is ongoing and had not been resolved as of the date of these consolidated financial statements. Based on management's assessment and the opinion of external legal counsel, it is not considered probable that the resolution of this proceeding will result in an outflow of economic resources for the Bank. Accordingly, no provision has been recognized in the consolidated financial statements in respect of this matter.

31. Applicable laws and regulations

Liquidity index

Rule No. 2-2018 issued by the Superintendence of Banks of Panama (SBP) establishes that every general license or international license bank must guarantee, with a higher level of confidence, that it is in the position to face its intraday liquidity obligations in a period when liquidity pressure may affect the lending market. For that purpose, the SBP has established a short-term liquidity coverage ratio known as “Liquidity Coverage Ratio or LCR”. This ratio is measured through the quotient of two amounts, the first one corresponds to the high-quality liquid assets and the second one corresponds to the net cash outflows in 30 days.

As of December 31, 2025, and 2024, the minimum LCR to be reported to the SBP is 100% for both years. The Bank’s LCR as of December 31, 2025 and 2024 was 159.3% and 264.6%, respectively.

Rule No. 4-2008 issued by the SBP establishes that every general license or international license bank must always maintain a minimum balance of liquid assets equivalent to 30% of the gross total of its deposits in the Republic of Panama or overseas up to 186 days, counted from the reporting date. The formula is based on the following parameters:

$$\frac{\text{Liquid assets}}{\text{Liabilities (Deposits received)}} \times 100 = X\% \text{ (Liquidity index)}$$

The liquidity index reported by the Bank to the regulator as of December 31, 2025 was 60.7% (2024: 47.2%).

Capital adequacy

The Banking Law in the Republic of Panama and Rules No. 01-2015, 03-2016 and 05-2023 require that the general license banks maintain a total capital adequacy index. The Bank’s capital, in accordance with current banking regulations, is separated into Ordinary Primary Capital: which consists of paid-in capital in shares, excess paid-in capital, declared reserves, retained earnings, minority interest shares and other accumulated comprehensive income items, less regulatory adjustments; and Additional Primary Capital: which consists of instruments issued by the Bank or consolidated subsidiaries that meet the requirements for inclusion, issue premiums, less regulatory adjustments applicable to additional primary capital.

As of December 31, 2025, the capital adequacy index may not be less, at any time, than 9.25% (including the capital conservation buffer of 1.25% required for 2025, according to Agreement No. 05-2023) of total assets and off-balance sheet irrevocable contingency transactions, weighted according to their risks; and ordinary primary capital plus conservation buffer that shall not be less than 5.75% of its assets and off-balance sheet transactions that represent an irrevocable contingency, weighted based on their risks; and a total primary capital plus conservation buffer that shall not be less than 7.25% of its assets and off-balance sheet transactions that represent an irrevocable contingency, weighted based on their risks.

Capital Conservation Calculation

As of July 2024, Agreement No. 05-2023, issued by the Superintendence of Banks of Panama, came into force, which establishes rules on the creation of a capital conservation buffer, whose objectives are:

- (i) ensure that banks accumulate reserves that can be used in case of incurring losses,
- (ii) that banks do not fail to comply with the established minimum requirements, without considering the conservation buffer, in episodes of deterioration in solvency.

As established in the Agreement, banking entities must establish a capital conservation buffer of 2.5%, (established in a phased manner starting with 0.50% as of July 1, 2024, 0.75% for July 1, 2025 and 1.25% for July 1, 2026) of risk-weighted assets (credit, market and operating), made up of capital ordinary primary and in addition to all the minimum regulatory capital requirements that are established, for which the total minimum regulatory capital will be 8.5% for 2024, 9.25% for 2025 and 10.5% for 2026, (before the modification of the Rule 8%).

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

31. Applicable laws and regulations (continued)

The primary objectives of the Bank's capital management policy are to ensure that the Bank complies with capital requirements imposed by local regulators and maintains strong credit ratings and healthy capital ratios to support its business and to maximize shareholder value.

The Bank manages its capital structure and adjusts it according to changes in economic conditions and the risk characteristics of its activities. To maintain or adjust the capital structure, the Bank may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

No changes have been made to the objectives, policies and processes from previous periods. However, they are under constant review by the Board.

The information corresponding to the total capital adequacy index is as follows:

	December 31,	
	2025	2024
Ordinary primary capital, net of adjustments	1,322,970	1,195,914
Capital funds	1,675,484	1,341,031
Risk-weighted assets	10,822,730	9,873,772
Ordinary capital index	12.2%	12.1%
Ordinary capital total	14.1%	12.1%
Capital adequacy index	15.5%	13.6%

Leverage ratio

Article No. 17 of the Rule No. 1-2015 establishes the leverage ratio of a regulated entity by means of the quotient between the ordinary primary capital and the total exposure for non-risk-weighted assets inside and outside the consolidated statement of financial position as established by the SBP. For the determination of the exposure of off-balance-sheet transactions, the criteria established for credit and counterparty credit risk positions will be used. The exposure of the derivatives will be the fair value at which they are recorded in the Bank's assets.

The leverage ratio cannot be lower, at any time, than 3%. The Bank will inform to the SBP as often as compliance with the leverage ratio is determined.

The table below presents the Bank's leverage ratio in compliance with Article No.17 of Rule No. 1-2015:

	December 31,	
	2025	2024
Ordinary capital	1,322,970	1,195,914
Non-risk-weighted assets	13,402,426	12,220,660
Leverage ratio	9.88%	9.79%

Regulatory reserves

Below is a list of the regulatory reserves that the Bank maintains in accordance with the Prudential Standards of the SBP:

	December 31,	
	2025	2024
Dynamic provision	154,538	145,117
Regulatory reserve for individual credits	4,555	4,549
Total regulatory reserves	159,093	149,666

31. Applicable laws and regulations (continued)

Credit risk coverage - dynamic provision

The SBP by means of Rule No. 4-2013, establishes the compulsory constitution of a dynamic provision in addition to the specific credit provision as part of the total provisions for the credit risk coverage.

The dynamic provision is an equity item associated to the regulatory capital but does not replace or offset the capital adequacy requirements established by the SBP. This allocation is restricted for dividend distribution purposes.

Methodology for the constitution of the regulatory credit reserve

The SBP by means of the General Resolution of the Board of Directors SBP-GJD-0003-2013 of July 9, 2013, establishes the accounting methodology for differences that arise between the application of IFRS and the application of prudential regulations issued by the SBP; as well as the additional disclosures required to be included in the notes to the consolidated financial statements.

The parameters established in this methodology are the following:

- The calculations of accounting balances in accordance with IFRS and the prudential standards issued by the SBP will be carried out and the respective figures will be compared.
- When the calculation made in accordance with IFRS results in a higher reserve or provision for the bank compared to the one resulting from the use of the prudential standards issued by the SBP, the Bank will record the IFRS figures.
- When the impact of the use of prudential standards results in a higher reserve or provision for the Bank, the effect of the application of IFRS will be recognized in profit or loss, and the difference between IFRS calculation compared to the prudential standards calculation will be appropriated from retained earnings as a regulatory credit reserve. If the Bank does not have sufficient retained earnings, the difference will be presented in an accumulated deficit account.
- The regulatory credit reserve mentioned in paragraph 3 of this Rule may not be reversed against retained earnings as long as there are differences between IFRS and the prudential standards.

Considering that the Bank presents its consolidated financial statements under IFRS, specifically for its expected credit reserves under IFRS 9, the line "Regulatory credit reserve" established by the SBP has been used to present the difference between the application of the accounting standard used and the prudential regulations of the SBP to comply with the requirements of Rule No. 4-2013.

Capital reserve

In addition to capital reserves required by regulations, the Bank maintains a capital reserve of \$95.2 million, which was voluntarily established. Pursuant to Article No. 69 of the Banking Law, reduction of capital reserves requires prior approval of the SBP.

Regulatory reserve for individual credits

Rule No. 11-2019, amended by Rule No. 4-2013, indicates that all loans classified as unrecoverable must be written off within a period of no more than one year. For corporate loans with real estate collateral, the Bank will write off all loans classified as unrecoverable within a period of no more than two years, from the date on which it was classified in that category. After two years, if the Bank has not made the write-off, it must create a reserve in the equity account, through the appropriation of retained earnings, which will be charged to the value of the loan net of the provisions already established, according to the percentages established in the following table:

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

31. Applicable laws and regulations (continued)

Period	Percentage applicable
At the beginning of the third year	50%
At the beginning of the fourth year	50%

In accordance with the provisions of Rule No. 11-2019 and 4-2013, the bank recognized regulatory provisions for individual loans for \$4,555 million as of December 31, 2025 (2024: \$4,549 million).

Specific provisions

SBP Rule No. 4-2013, modified by Rule No. 8-2014, states that the specific credit provisions are originated from the objective and concrete evidence of impairment. These provisions must be established for credit facilities classified according to the risk categories denominated as: special mention, substandard, doubtful, or unrecoverable, both for individual credit facilities as for a group of such facilities. In the case of a group, it corresponds to circumstances that indicate the existence of deterioration in credit quality, although individual identification is still not possible.

Banks must calculate and maintain at all times the amount of the specific credit provisions determined by the methodology specified in this Rule, which takes into account the balance owed of each credit facility classified in any of the categories subject to provision, mentioned in the paragraph above; the present value of each guarantee available in order to mitigate risk, as established by type of collateral; and a weighting table that applies to the net exposure balance subject to loss for such credit facilities.

Article No. 34 of this Rule establishes that all credits must be classified in the following five (5) categories, according to their default risk and loan conditions, and establishes a minimum reserve for each classification: normal 0%, special mention 20%, substandard 50%, doubtful 80%, and unrecoverable 100%.

If there is an excess in the specific credit provision, calculated in accordance with this Rule, compared to the provision calculated in accordance with IFRS, this excess will be accounted for as a regulatory credit reserve in equity and will increase or decrease with appropriations from/to retained earnings. The balance of the regulatory credit reserve will not be considered as capital funds for calculating certain ratios or prudential indicators mentioned in the Rule.

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

31. Applicable laws and regulations (continued)

Based on the classification of risks, collateral and in compliance with SBP Rule No. 4-2013, the Bank classified the loan portfolio as follows:

December 31, 2025						
	Normal	Special mention	Substandard	Doubtful	Unrecoverable	Total
Loans at amortized cost						
Corporations	6,195,013	101,333	—	26,933	11,775	6,335,054
Financial institutions:						
Private	2,401,466	—	—	—	—	2,401,466
State-owned	250,036	—	—	—	—	250,036
	2,651,502	—	—	—	—	2,651,502
Sovereign	118,169	—	—	—	—	118,169
Total	8,964,684	101,333	—	26,933	11,775	9,104,725
Loans at FVOCI						
Corporations	52,261	—	—	—	—	52,261
Financial institutions:						
Private	19,363	—	—	—	—	19,363
State-owned	4,952	—	—	—	—	4,952
Total	76,576	—	—	—	—	76,576
Total loans	9,041,260	101,333	—	26,933	11,775	9,181,301
Specific Provision	—	20,267	—	21,546	7,220	49,033
Allowance for loan losses under IFRS (*):	34,406	30,891	—	20,126	8,853	94,276
December 31, 2024						
	Normal	Special mention	Substandard	Doubtful	Unrecoverable	Total
Loans at amortized cost						
Corporations	5,294,002	46,959	—	6,933	10,107	5,358,001
Financial institutions:						
Private	2,521,065	—	—	—	—	2,521,065
State-owned	413,775	—	—	—	—	413,775
	2,934,840	—	—	—	—	2,934,840
Sovereign	82,331	—	—	—	—	82,331
Total	8,311,173	46,959	—	6,933	10,107	8,375,172
Specific provision	—	9,392	—	5,546	5,558	20,496
Allowance for loan losses IFRS ⁽¹⁾ :	51,427	14,248	—	5,441	7,042	78,158

⁽¹⁾ As of December 31, 2025, and 2024, there is no excess in the specific provision calculated in accordance with Rule No. 8-2014 of the SBP, over the provision calculated in accordance with IFRS.

As of December 31, 2025, the restructured loans are \$51.2 million, (2024: the restructured loans are \$67.5 million).

[Table of Contents](#)

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries

Notes to the consolidated financial statements

(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)

31. Applicable laws and regulations (continued)

Rule No.4-2013 defines as Past Due any credit facility for which payment of contractually agreed amounts present more than thirty (30) days in arrears, up to ninety (90) days; and as Delinquent, any credit facility for which payment of contractually agreed amounts is more than ninety (90) days in arrears, except for single-payment transactions and overdrafts, which will be considered Delinquent when payment exceeds thirty (30) days in arrears from the contractual payment date.

Below is the classification of the loan portfolio by maturity profile based on Rule No. 4-2013 and modified by Rule No. 8-2014:

	December 31, 2025			
	Current	Past due	Delinquent	Total
Loans at amortized cost				
Corporations	6,298,014	20,000	17,040	6,335,054
Financial institutions:				
Private	2,401,466	—	—	2,401,466
State-owned	250,036	—	—	250,036
	<u>2,651,502</u>	<u>—</u>	<u>—</u>	<u>2,651,502</u>
Sovereign	118,169	—	—	118,169
Total	<u>9,067,685</u>	<u>20,000</u>	<u>17,040</u>	<u>9,104,725</u>
Loans at FVOCI				
Corporations	52,261	—	—	52,261
Financial institutions:				
Private	19,363	—	—	19,363
State-owned	4,952	—	—	4,952
Total	<u>76,576</u>	<u>—</u>	<u>—</u>	<u>76,576</u>
Total loans	<u>9,144,261</u>	<u>20,000</u>	<u>17,040</u>	<u>9,181,301</u>
	December 31, 2024			
	Current	Past due	Delinquent	Total
Loans at amortized cost				
Corporations	5,347,894	—	10,107	5,358,001
Financial institutions:				
Private	2,521,065	—	—	2,521,065
State-owned	413,775	—	—	413,775
	<u>2,934,840</u>	<u>—</u>	<u>—</u>	<u>2,934,840</u>
Sovereign	82,331	—	—	82,331
Total	<u>8,365,065</u>	<u>—</u>	<u>10,107</u>	<u>8,375,172</u>

In accordance with Rule No. 4-2013, as amended by Rule No. 8-2014, non-accruing loans are presented by category as follows:

	December 31, 2025					Total
	Normal	Special mention	Substandard	Doubtful	Unrecoverable	
Loans at amortized cost						
Impaired loans	—	—	—	26,933	11,775	38,708
Total	<u>—</u>	<u>—</u>	<u>—</u>	<u>26,933</u>	<u>11,775</u>	<u>38,708</u>

[Table of Contents](#)**Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**

Notes to the consolidated financial statements

*(Amounts expressed in thousands of U.S. dollars, unless otherwise indicated)***31. Applicable laws and regulations (continued)**

December 31, 2024						
	Normal	Special mention	Substandard	Doubtful	Unrecoverable	Total
Loans at amortized cost						
Impaired loans	—	—	—	6,933	10,107	17,040
Total	—	—	—	6,933	10,107	17,040

December 31,		
	2025	2024
Non-accrual loans:		
Private corporations	38,708	17,040
Interest that would have been reversed had the loans not been classified as non-accrual.	1,302	474

As of December 31, 2025, and 2024, no interest income was collected on loans in non-accrual status.

32. Subsequent events*Dividends declared*

At the Board of Directors' meeting held on February 10, 2026, the declaration of a quarterly cash dividend of US\$0.6875 per common share, corresponding to the fourth quarter of 2025, was approved. Such dividend was paid on March 12, 2026, to shareholders of record as of February 25, 2026. At the same meeting, the payment of the first coupon on the Bank's Additional Tier 1 (AT1) capital instruments was also approved, which was paid on March 18, 2026.

Subsidiaries of Banco Latinoamericano de Comercio Exterior, S.A.

Name of Subsidiary	Jurisdiction of Incorporation
Bladex Holdings Inc.	United States
Bladex Representação Ltda.	Brazil
Bladex Development Corp.	Panama

BLADEX

CODE OF ETHICS

UPDATED: **October 2025**

Approved by the Board of Directors at their meeting held on **October 21, 2025**, as stated in the respective Minutes.

FOREWORD

This Code of Ethics (hereinafter referred to as the “Code”) of Banco Latinoamericano de Comercio Exterior, S.A. (hereinafter also called “Bladex” the “Bank”, the “Institution”, the “Organization” or “us”) contains the general principles and policies that should guide the ethical- professional conduct of the Organization’s Employees and Directors. Its objective is to uphold the values that are fundamental for a proper conduct of the Institution’s business and management, in line with the principles and values of the Bank that, as a regional Bank, with a shareholding structure representing both the public and the private sectors, conjugates a series of interests that require clear guidelines for undertaking its business and activities.

It is essential for the Institution to have a clear direction of the Organization in line with the core principles and values of human beings and the environment in which it operates; hence this Code aims to define the action framework that would enable us to attain such commitment. People and work become one, discarding any duality or incoherence between the work and individual behavior in the concrete undertaking of business and vis-à-vis the shareholders.

The Bank’s Customers should not only receive products of an adequate quality according to their price, but also an honest, transparent and trustworthy treatment. Each shareholder, in turn, deserves to receive, from Bladex, a precise, timely and transparent accounting. The Institution has a moral responsibility to look after the interests of all those involved in its activities, even more so when considering that we are a financial entity that depends on the trust people have placed in us.

The Bank is a company that works with the money and securities of third parties, a particularity that requires trust and honesty in each of its functions, both toward the inside as well as to the outside of the Organization. The relationship between the Bank and its Shareholders, Employees, Customers, Suppliers and its social environment is based on trust, correctness and honesty, which will make it possible for all participants in the system to trust each other.

This trust depends on the way that Bladex members put the Organization’s values in practice when they go about their jobs, thus extolling the high ethical standards being promoted by Bladex, the preservation of the confidentiality of its Customers’ information, the avoidance of conflicts of interest and the compliance with the laws and regulations governing the Bank’s activities.

Bladex does not finance any business of, nor intends to enter into any business relationship with, financial institutions or companies that do not follow ethical standards or those of which are known to participate in unlawful or degrading businesses or such business contravening public safety, that are harmful to the environment, or may not fully comply with applicable law. We uphold a policy of complete rejection of and self-protection against, any activities that may be linked to money laundering, the financing of terrorism, the financing of the proliferation of weapons of mass destruction, fraud, graft, corruption or similar practices, whatever their origin may be and it is the obligation of each member of this Organization to collaborate in the different actions put in place for monitoring, detecting or helping to identify and reject any activity that might violate such policy.

For certain specific matters that require more detailed regulations, the norms of this Code shall be developed or complemented by those set forth in the relevant manuals, policies and guidelines that are currently in force, as such may be revised from time to time, or as may be issued in future.

CONTENTS

I. OVERVIEW	5
General Principles and Objectives	5
II. PERSONS COVERED BY THIS CODE	6
III. FUNDAMENTAL PRINCIPLES	6
III.1. Personal Finances	6
III.2. Conflicts of Interest	6
III.2.a. Transactions with Related Parties	7
III.2.b. Receiving Invitations and Gifts	7
III.2.c. Granting Invitations and Gifts	8
III.2.d. Relationship with Suppliers	8
III.2.e. Travel Per-Diem and Expenses to be Reported	8
III.2.f. Use of insider information and other related aspects	9
III.2. f.1. "Window period" and "Black-out Period"	9
III.2.f.2. "Rule" 10b5-1 of the "Securities and Exchange Commission" (SEC)	10
III.2.f.3. Revocation and amendments of contracts, instructions or anticipated plans for the purchase and sale of shares:	11
III.2.f.4. Additional Obligations Related to Transactions with Bladex Shares:	11
III.2.g. Personal relationships with job applicants.	11
III.3. Handling Confidential Information	11
III.3.a. Information safekeeping	11
III.3.b. Restrictions on the flow of information	12
III.4. Acting on behalf of Bladex	12
III.4.a. Individual liability	12
III.4.b. Labor Responsibility	13
III.4.c. Publications and Public Presentations	13
III.4.d. Appointment to Public Office and other designations	14
III.4.e. Exercising Delegation of Powers	14
III.5 Illegitimate business and Anti-Money Laundering	14
III.6. Personal Integrity	14
III.7. Investigations	15
III.8. A culture of high honesty and ethics	15
III.9. Relations with the public Sector and regulatory entities	15
III.10. Social network presence	16
III.11. Environmental Protection	16
III.12. Prevention of Corrupt Practices	16
IV. ETHICS AND CORPORATE CONDUCT COMMITTEE	17

V. COMPLIANCE WITH REGULATIONS	17
ANNEX I	18

I. OVERVIEW

General Principles and Objectives

This Code sets forth the rules binding those who are subject hereto (Persons Covered by this Code, as such term is defined hereunder), to respect it and report any attempt to disregard it.

Aware of the social and individual responsibilities of the different activities and functions involved in managing the Institution, the general principles and action policies are defined herein for guiding the decisions and actions of each person that is part thereof.

Our mission, as members of this Institution, whether individually or collectively, is to act in line with the ethical values and principles of human beings, the Bank and Society.

The Institution promotes and upholds the ethical values it considers essential in its operations: **Commitment, Humility, Excellence, Respect and Integrity (hereinafter altogether referred to as the "Values")**.

This Code aims to establish the general ethical framework for work performance within each of the Institution's activities.

The content hereof covers the general situations and issues that may arise in the scope of the Institution's activities, as well as such cases that may relate more specifically to the management and performance of the Institution itself.

The rules compiled in this Code constitute a tool for constant consultation and knowledge; they provide a guideline for the decisions to be made by each of the Bank's members, according to their position and function.

Each of the Institution's members should act in line with these Values in a uniform, coherent and constant manner. A responsible exercise of authority and acting correctly is always expected of all Persons Covered by this Code.

This Code describes general conducts from an ethical point of view; however, it is everyone's duty to assume an individual responsibility in making the Board of Directors, the Nomination, Compensation and Operations Committee, the Audit Committee, Senior Management, Compliance department or Human Development department, as the case may be, aware of any facts that might generate some degree of ethical difficulty in the decision-making process, through the tools and mechanisms set forth by the Bank this purpose.

Although the Code intends to address a wide range of practices and procedures, Bladex cannot foresee all the problems and situations that may arise.

If any of the Persons Covered by this Code are not sure of what to do in a given situation, then additional information and guidance should be sought before taking any action. The Persons Covered by this Code should exercise good judgment and common sense; if something appears incorrect or unethical, it is likely to be so. If any questions regarding the best course of action to be taken in a specific situation arise, or, if a possible violation of any law, rule or ethical norm is suspected or known to have happened, then Human Development Department should be contacted immediately in order for it to provide guidance with respect to the handling of the relevant situation. Any report of possible infringements of this Code, or any other norm that further develops or complements it, should be made through the tool that the Bank has made available for such purpose, available on the Bank's intranet and on its website.

II. PERSONS COVERED BY THIS CODE

Persons Covered by this Code are, except for legal or other reasons justified by the Audit Committee, the following (hereinafter "Persons Covered by to the Code"):

- The Directors and Officers of the Bank and those of its subsidiary companies.
- The members of the Senior Management of the Bank and its subsidiary companies.
- All persons (employees) who provide their services in the areas of the Bank or its subsidiaries.
- The representatives or agents of the Bank or its subsidiary companies directly related to its activity.
- Such other persons who, by the nature of their activity, must be subject, in the opinion of the Ethics Committee, temporarily or permanently to the provisions of this Code.

III. FUNDAMENTAL PRINCIPLES

III.1. Personal Finances

Persons Covered by the Code must maintain exemplary financial conduct, fulfilling their financial obligations and commitments on a timely manner at all times. It is Imperative that those who demand this behavior of their clients also act accordingly.

The above means that Persons Covered by the Code must handle their banking, financial and commercial matters in general responsibly and in accordance with their effective capacity to incur debt. A criterion of utmost prudence must prevail in this area, which is not compatible with the existence of unpaid or overdue obligations.

Persons Covered by the Code that require it must request loans or financing exclusively to formal and recognized financial institutions that are habitually dedicated to such activities and that are acting within the current legal framework. Informal entities whose financings imply a high financial cost, or the creation of disproportionate guarantees are prohibited.

Private investments or businesses carried out by Persons Covered by the Code must not be contrary to the interests of the Institution, ethics or good social behavior.

The issuance of personal loans to third parties as a habitual business practice and/or getting involved in unlawful business shall be considered as inappropriate behavior for all Persons Covered by this Code.

III.2. Conflicts of Interest

Any transaction which by its nature involves the Bank and a shareholder, Director, Officer or employee of the Bank, or a person from whom such shareholder, Director, Officer or employee is a shareholder, director, officer, employee or agent, or a person with whom any of them has family ties (kinship), close friendship, business or prior labor relationship (all of them, "Related Persons"), presents a situation of potential conflict of interest. Therefore, all transactions of this kind must be conducted in the best interest of the Bank, with strict adherence to applicable laws and regulations and never for the individual benefit of a shareholder, or Director, Officer or employee related to the Bank or its Related Persons. For the purposes of the application of this standard, the policies and guidelines of the Bank, shall further develop the scope of the concepts contained herein, including, for example, the minimum participation that a person should have in a company or the degree of kinship to be considered as Related Persons.

Regarding the decisions made by the Bank about such transaction where there might be a conflict of interest, it must proceed as follows:

- Persons Covered by the Code who may find themselves in a conflict of interest situation regarding a specific transaction must disclose it to the Compliance Officer.
- Persons Covered by the Code who may find themselves in a conflict of interest situation regarding a specific transaction must refrain from any communications that could influence the persons in charge of such transaction, regarding the issue that causes the conflict of interest situation.
- If a collegiate decision regarding the transaction is in order, then such decision shall be made without the participation of Persons Covered by the Code who may be conflicted.

III.2.a. Transactions with Related Parties

Bladex strictly adheres to the dispositions in force that establish limits to transactions between natural and legal persons considered as Related Persons, as may be applicable in the jurisdictions in which it operates. If there are differences between the different legislations, Bladex will always adopt the most stringent and conservative ones.

The category of Related Party that a person, client or supplier has or may have, with respect to the Bank, must be assessed by the Compliance Department, with the support and advice of the Legal Department, if required. This review is intended to determine that the transactions and business conducted by the Bank with Related Parties does not contravene the laws and regulations in force of the Republic of Panama, those issued by the Securities and Exchange Commission ("SEC") of the United States of America, or any other existing legal provision applicable to the Bank. The form, scope and periodicity with which these reviews and evaluations are made will be developed in the Manuals and Procedures, in accordance with the laws and regulations applicable to the Bank.

III.2.b. Receiving Invitations and Gifts

None of the Persons Covered by the Code shall request or accept from third parties' fees, intentionally, either directly or indirectly, commissions, gifts, securities, remuneration or lucrative advantages, whether in liquid sums of money or in kind, in connection with a transaction, service or business made with the Institution and/or its affiliates, for the purpose of influencing an act or decision made by them for the benefit of the Bank or the Persons Covered by the Code, or inducing third parties to seek their influence for the purpose of or grant an improper advantage in favor of the Bank or the Persons Covered by the Code.

Reasonable social courtesies such as symbolic or corporate gifts, invitations to dinners or events for a work meeting are excluded from the aforementioned prohibitions. This, provided that, under no circumstances any such courtesies shall be construed as a commitment, influence or that, in its nature or frequency, it could be interpreted as a deliberate will to affect the independence, impartiality or criterion of a person and they shall be infrequent, of minimal value, transparent and open. Notwithstanding the foregoing, the Persons Covered by the Code must not accept gifts or invitations of the type described in this section worth more than \$200, with an annual limit of \$500 in aggregate (GU-105-GCO100 Guía de Aceptación u Ofrecimiento de Regalos, Invitaciones, Donaciones y Atenciones). In case of doubt as to whether it is appropriate to accept a gift or invitation, the Compliance Officer should be consulted before accepting one or the other.

If it would be inconvenient to refuse a gift, such situation must be reported in writing to the Compliance Officer, who may order the disposal of the gift and the donation of the money resulting therefrom to a nonprofit organization.

III.2.c. Granting Invitations and Gifts

According to the Bank's marketing policies and strategies, corporate gifts and hand-outs may be granted to its Customers on the Bank's behalf, if they adequately represent the corporate image of the Institution and are granted exclusively to customers.

The Bank does not, nor will the Persons Covered by the Code acting on its behalf, make cash payments, donations or grant gifts to third parties for the purpose of influencing an act or decision by customers for the benefit of the Bank or the Persons Covered by the Code or inducing customers to use influences in order to procure a business or grant an inadequate advantage in favor of the Bank or the Persons Covered by the Code.

Reasonable social courtesies such as symbolic or corporate gifts, invitations to dinners or events held in connection with a business meeting are excluded from the foregoing prohibitions, provided that under no circumstances such courtesies imply a commitment or influence, or, due to their nature or frequency, could be interpreted as a deliberate intent to affect the independence, impartiality or judgment of the recipient, and provided that they are infrequent, of minimal value, transparent and open, in accordance with GU-105-GCO100 Acceptance or Offering of Gifts, Invitations, Donations and Courtesies Guidelines.

III.2.d. Relationship with Suppliers

The relationship between the Persons Covered by the Code and suppliers must remain strictly independent and in line with the corporate interests, in accordance with the provisions of this Code always upholding the parameters of usefulness, quality and the Institution's budget.

With respect to external auditors, the Bank must observe, in addition to the foregoing, the provisions of ISB standard No. 1 of the SEC and the Sarbanes-Oxley Act regarding the rules of independence prohibiting the hiring of employees of the audit firm who have worked as part of the team that audited the Bank's financial statements and its subsidiaries in the previous two years.

In addition, the Bank should observe the provisions of the United States Foreign Corrupt Practices Act ("**FCPA**") with respect to the relationships that suppliers may have, including their intermediaries or agents, with members of political parties or government officials and the use of money paid to suppliers, their agents and/or intermediaries for their services. (Refer to PO-045-GRC1401 Política Anti-Soborno y Anti-Corrupción (FCPA)).

The Bank does not, nor will the Persons Covered by the Code acting on its behalf, make cash payments, donations or grant gifts to suppliers for the purpose of influencing an act or decision by suppliers for the benefit of the Bank or the Persons Covered by the Code, or inducing suppliers to use influences to procure a business or grant an inadequate advantage in favor of the Bank or the Persons Covered by the Code.

III.2.e. Travel Per-Diem and Expenses to be Reported

The funds that the Institution provides to its employees for the performance of their activities are owned by the Institution, and as such they should be used exclusively for the purpose for which they were given, maintaining strict transparency and filing the mandatory reports in accordance with the guidelines that the Bank sets forth for this purpose.

III.2.f. Use of insider information and other related aspects

Persons Covered by the Code must abstain, when going about their personal investments, from using information they may have acquired or become aware of because of their position for their own benefit or that of any other person. Those who have access to any insider or confidential information of Bladex or its securities, must abstain from transacting with those instruments. In turn, those who are aware of the investment policies and strategies, plans, studies or negotiations, should not use such information, directly or indirectly, for gaining any advantage in any operations, for their own benefit or that of any third party.

None of the Persons Covered by the Code may make use of privileged information to carry out transactions with securities issued by any of the companies belonging to its client portfolio, or from any other issuer in respect of which it owns this type of Information.

All forms of currency or interest rate coverage or similar agreements that exist on the financial market (derivatives), simultaneous operations and short sales are also subject to the insider information provisions set forth herein.

Any acquisition or disposal relating to public offering of securities made by any employee of the Institution who, depending on the position held by such employee, accesses or is able to access privileged information, must be communicated in writing to the Compliance Officer.

Without prejudice to the above, it is advisable for the employees of the Institution to carry out their personal transactions for investment purposes and not speculative ones.

III.2. f.1. "Window period" and "Black-out Period"

A Window period is the time interval during which Persons Covered by the Code can freely enter into transactions that involve shares of the Bank's stock.

In general, unless there is a reason for the Bank to close the Open Period, it is established that it begins two (2) business days after the issuance of the press releases on the Bank's financial results and lasts for forty-five (45) calendar days after the issuance of the corresponding press release, or until the last day of the closing month of each quarter (March, June, September, and December), whichever comes first.

The period that begins after the expiration of the Window Period and ends two (2) business days after the issuance of the press release regarding the Bank's financial results is called the "Black-out Period".

Bladex reserves the right to extend the duration of the Black-out Period or to restrict the Window Period at its sole discretion.

Persons Covered by this Code must submit written notification of any type of trades of Bladex shares carried out, immediately upon their execution by filling out the form provided by the Bank for such purpose, as follows:

- For Bank Directors or Officers, including the CEO, notification must be made to the Chairman of the Board of Directors of the Bank with a copy to the Shareholder Relations Department.
- For the Chairman of the Board of Directors of the Bank, notification must be made to the Chair of the Bank's Audit Committee with a copy to the Shareholder Relations Department.

For Bank Employees, notification must be made to the CEO with a copy to the Human Development and the Shareholders Relations departments. If the contract, instruction or advance

plan for the purchase and sale of shares comes from a Director or Officer of the bank, including the CEO, it must be approved by the Chairman of the Board of Directors.

If the contract, instruction or advance plan for the purchase and sale of shares comes from the Chairman of the Board of Directors, it must be approved by the Chair of the Bank's Audit Committee.

The above designated persons shall send copies of the reports received to the Bank's Shareholders Relations Department in case of Directors and Officers.

The forms used for reporting any event covered in this section are available through the Bank's Intranet or may be requested to Shareholders Relations Department. A copy of the filled out and signed form, either an original or copy received by fax or in PDF format, must be filed in the employee records of the corresponding Director, Officer or employee kept in the Bank's Shareholders Relations and Human Development departments.

The procedures established herein are applicable to any type of purchase, sale or trade of Bladex shares (including shares obtained by exercising stock options), carried out on their own account or through another party, either an individual or legal entity, including family members, friends or coworkers.

Notwithstanding the above, the Persons Covered by the Code must abstain from carrying out trades in Bladex shares, even if within the "Window Period" set forth in this section, if they become aware of any confidential, privileged and insider information of material importance related to Bladex and its business that has not been disclosed to the market by Bladex.

Any of the above-mentioned individuals to whom this policy is applicable who does not comply with the dispositions contained herein and carries out a transaction of selling/buying shares during the Black-out Period, must reverse said transaction within two (2) weeks. Any profits obtained from this reversion shall be handed to the Bank and any loss shall be assumed by the individual.

The Audit Committee of the Board of Directors shall determine the severity of the infringement and shall apply such disciplinary measures it may deem appropriate.

III.2.f.2. "Rule" 10b5-1 of the "Securities and Exchange Commission" (SEC)

All Persons Covered by the Code have the option of establishing a contract, instruction or advance plan for the purchase and sale of shares under the Rule 10b5-1 of the Securities Exchange Act of 1934, which would allow them to purchase and/or sell shares of the bank during the Black-out Period.

Such contract, instruction or advance plan for the purchase and sale of shares adopted with the respective broker ("broker") may only be implemented for a Window Period and must specify the number of shares to be purchased or sold and the price and date of purchase or sale. As an alternative to the foregoing, a written formula or algorithm or a computer program may be included to determine the amount, price and date of the sale or purchase of shares.

In any event, the contract, instruction or advance plan referred to above must prohibit the person concerned from modifying or altering thereafter the quantity, price and date of the purchase or sale of shares, unless such modification is made during a Window Period when the person concerned has no knowledge of privileged or confidential information.

Any contract, instruction or advance plan for the purchase and sale of shares to be used must be previously approved in writing prior to entry into force by the following authorities:

- If the contract, instruction or advance plan for the purchase and sale of shares comes from a Bank's employee, it must be approved by the CEO.

In addition, in the case of Directors, Officers and Chairman of the Board, a copy of the agreement, instruction or advance plan for the purchase and sale of shares must be sent to the Shareholder Relations department, and in the case of Bank's employees, to Human Development department.

III.2.f.3. Revocation and amendments of contracts, instructions or anticipated plans for the purchase and sale of shares:

Any Director, Officer and Bank employee may revoke his/her contract, instruction or advance Plan of purchase and sale of shares in a Window Period by written notice to his/her "broker".

Under certain circumstances, a contract, instruction or Advance Purchase and Sale Plan of shares must be revoked. This includes circumstances such as the merger announcement or an event that would cause the transaction to violate the law or have an adverse effect on the bank. In such circumstances, the Shareholder Relations department must be authorized to notify the "broker" of the owner of the contract, instruction or Advance Plan of Purchase and Sale of shares.

III.2.f.4. Additional Obligations Related to Transactions with Bladex Shares:

It is mandatory that all Subjects to the Code inform the Bank, when required, about the number of Bank shares they own, or the transactions related to these. The Bank may periodically request such information through questionnaires and/or forms for the declaration of ownership of Bank Shares.

Failure to comply with the provisions of this section may lead to the sanctions described later in this Code.

III.2.g. Personal relationships with job applicants.

In the field of recruitment and hiring of personnel, no applicant may receive preferential treatment with respect to other candidates based on personal or family relations or be the subject of any kind of discrimination.

III.3. Handling Confidential Information

III.3.a. Information safekeeping

The information on the operations of the Institution and its customers is confidential, so the use, preservation and safekeeping of the respective documents must be kept strictly in accordance with internal policies.

Therefore, it is the responsibility of every employee to secure all entrusted documents and/or valuables, as well as any information of the institution's and that of its customers.

III.3.b. Restrictions on the flow of information

Any confidential information on issuers of public offering securities, their financial instruments or transactions in which they are involved, must be kept under strict confidentiality. It is forbidden to disclose or communicate to third parties any such information, even to persons within the Institution, in compliance with ethical-professional principles of banking confidentiality.

If, based on labor relations within the Institution, it is necessary to communicate to a third-party confidential matter, the following procedure must be followed:

- Clearly establish that the information is confidential.
- Inform the restrictions on the dissemination of such information.
- Make known the prohibition of making financial transactions based on that information.

It is prohibited to communicate, reproduce or transmit to third parties, verbally or by written or electronic means, bank information on business strategy aspects, databases, customer segmentations or any business information or transactions of the Institution and its customers, even if the employee did not intervene directly.

Persons Covered by the Code must refrain from responding, without prior consultation to the Compliance Officer or Human Development to the questions asked about such operations or any other matter that may cause liability or damage to the Bank or its customers.

It is of paramount importance the care and responsible management of the information of stock markets, both in the relationship with customers and in its correct personal administration.

Likewise, Persons Covered by the Code required to participate in the preparation of the reports and documents that Bladex must register and/or present to the respective supervisory authorities shall make such disclosure in a reasonable, complete, safe, timely and understandable manner. The same conduct must be observed in the preparation of any other public communication issued by the Bank.

III.4. Acting on behalf of Bladex

III.4.a. Individual liability

As integral part of the Institution, employees assume the individual responsibility of their own actions and behavior, which includes the knowledge of and mandatory compliance with the provisions set forth in the manuals, guidelines, policies and internal procedures.

An employee must not perform illegal acts or take any conduct that may be detrimental to the prestige, interests or assets of the Institution or its employees. If an employee receives instructions that are incompatible with the values, policies and internal norms from a supervisor, he or she must communicate it to the higher-ranking members of the Human Development department, to take the necessary measures and safeguards.

The use given to the resources that the Bank makes available to employees shall be for the sole purpose of developing its business and to carry out the relevant functions in the best possible manner. The use of institutional e-mail should not compromise the Bank's image or prestige.

Employees must exercise the utmost and complete loyalty to the Institution in all its aspects, and not use its name for personal purposes. No information that would undermine the dignity of the Institution or its employees should be published or disseminated at any time.

III.4.b. Labor Responsibility

All employees must devote their time and capacity fully to the service of the Institution during working hours. Consequently, offices or other assets of the Institution shall not be used for other activities outside of the corresponding duties.

With respect to other activities or external endeavors, an employee must not assume responsibilities or functions that may constitute any kind of conflict of interest with the management of the Bank. In the absence of this contraindication, the acceptance or undertaking of any job, representation or external advisory for which payment is received, must be informed in writing to the Compliance Officer and duly authorized by Human Development department. In any case, such activities shall not interfere with the performance and obligations of the employee, nor shall they require prolonged hours of dedication that may affect their physical or mental capacity.

It is forbidden to the Bank's employees to provide services of any kind to other banks or financial institutions, as well as to companies that belong to or that are related to the Bank's customers, that could result in a conflict of interest and/or may constitute an unfair competition for Bladex.

Bladex's employees who practice university teaching may do so outside their working hours.

Participation in non-remunerated activities outside the institution is allowed so long as it does not interfere with the performance and moral conduct of the person within the Bank and is known and duly authorized by the relevant supervisor.

In the case of non-profit organizations, the Institution authorizes and encourages the participation of its employees in charitable and social assistance activities.

III.4.c. Publications and Public Presentations

Any Subject to the Code who must represent the Bank in talks, conferences, seminars or similar external meetings must previously disclose the content of the presentation and obtain the prior authorization of the relevant supervisor and the Corporate Communications Vice Presidency, in accordance with the Bank's Spokesperson Policy.

Any request for information made by the media regarding Bladex must be referred to, and previously approved by, the Corporate Communications Vice Presidency, and the Subjects to the Code must refrain from providing background information or granting interviews to any media outlet that has not been duly validated or authorized by such area.

The products and services of the Institution are exclusive property thereof, as well as any contribution that any of those Persons Covered by the Code may make with respect to its development and implementation. These conditions remain unchanged, even when the person is no longer linked to the Institution.

Any personal communication, whether written or verbal, must be made in the name and on behalf of the employee, not involving the Bank under any circumstances.

III.4.d. Appointment to Public Office and other designations

Positions or appointments in public functions are not compatible with the performance as a member of the Institution, whether such positions of a municipal, governmental or other public connotation, designated or elected. Functions arising from unavoidable civil obligations, such as jury duty in accordance with applicable law are excluded from this consideration.

In any case, any of the Persons Covered by the Code may request the Compliance Officer's authorization to hold an office of public connotation which may not be governmental or municipal, to the extent that there are no legal incompatibilities with the work conducted for the Bank and that the exercise of such functions does not jeopardize the reputation of the Institution.

III.4.e. Exercising Delegation of Powers

Bladex's employees may only sign documents, represent, or exercise authority on behalf of the Bank if they have the power or the specific delegation granted to them from time to time in accordance with the person's position and function performed. Any document evidencing the commitment, agreement or convention by the Institution must be signed in accordance with the Delegation of Powers issued by the Board of Directors from time to time.

III.5 Illegitimate business and Anti-Money Laundering

The Institution will only participate in legitimate businesses and in accordance with the law in force. It will maintain standards of quality, price and superior services, always acting within a framework of fair, legitimate and open competition. For the purpose hereof, illegal businesses shall be those prohibited by law, as well as those that do not uphold and protect the internal policies of the Bank.

Any attempt to incur in "money laundering" activities will be considered a threat to the Institution's trust and reputation and the Bank shall do everything in its power to prevent it from being used for any such purposes.

Employees must comply with the policies and procedures set forth with respect to this matter and must report any suspicious or unusual transaction to the Compliance Officer.

The Bank shall not establish any relationship with natural or legal persons, whether customers, investors or suppliers, if the money or services offered by them are suspected to be the product of illegal or illegitimate activities.

III.6. Personal Integrity

Persons Covered by the Code must always conduct themselves, inside and outside the Institution, in a manner that reflects the values promoted by the Bank. The Institution always demands respect for the dignity of all its employees and of them an honest and responsible conduct in all areas .

Special consideration in relation to the personal integrity deserves the prohibition to the Persons Covered by the Code to manifest or exert any type of harassment, by any means, that can prejudice the labor situation or opportunities in the employment of any person.

Arbitrary discrimination on any basis, whether race, sex, religion, disability or other, constitute practices that are not tolerated in the ethical framework defined by Bladex, this being a workplace in which respect, professionalism and dignity must always prevail.

Likewise, Bladex encourages everyone to develop a quality of life associated with concepts such as promotion of health and wellness. In this line, the consumption, carrying or sale of drugs, alcohol or narcotics, within the company, is strictly prohibited.

III.7. Investigations

It is a duty to cooperate fully any duly with any authorized internal or external investigation, including, among others, those related to problems of an ethical nature, or legal procedures of any kind.

Making false or misleading statements to internal or external auditors, to Legal and to Compliance, or to the representatives or regulatory entities of Bladex, may be sufficient cause for dismissal or termination of any relationship with Bladex. Any information relating to ethical problems which, for this reason, must be brought to the attention of the relevant management levels, should never be withheld or kept silent.

III.8. A culture of high honesty and ethics

The Sarbanes-Oxley Act of 2002, issued in the United States of America, provides for the obligation to ensure adequate internal controls in the organization to:

- Provide reasonable assurance that transactions are duly registered and are carried out only according to the authorizations of the Board of Directors;
- Design effective internal controls to ensure that significant information related to the Company and its consolidated subsidiaries is disclosed;
- Implement measures to prevent, deter and detect fraud.

The implementation of these measures must be recorded in a separate document drawn up by the Bank's Management, in accordance with the generally accepted international guidelines on the subject.

The Bank is required to maintain information related to the events and operational risk incidents that may take place. It is the duty of all members of the Bladex task force to report and disclose in a timely manner all events or incidents of operational risk that may occur in the processes, both to each department supervisor and to the Operational Risk department.

III.9. Relations with the public Sector and regulatory entities

The deference and courtesy of Bladex and its representatives to members of the public sector and regulatory entities must be of an institutional nature. These relationships should not be used for personal gain as a member of Bladex's team. At all times, high moral and civic standards must be observed and compliance with laws shall prevail.

Bladex, as a multinational bank, is subject to several laws and regulations of its operation in the different countries in which it has a presence or conducts operations. Failure to comply with such laws and regulations may be subject to penalties. It is the responsibility of each employee to know

and understand the legal aspects applicable to the performance of the assigned tasks, to the activity of the department to which it belongs and to the Bank in its entirety, in order to avoid incurring acts that may cause damage to the Bank.

Every employee must inform Compliance if he or she has a direct or indirect relationship with a public official or a Politically Exposed Person. For purposes of this provision, a direct relationship includes the employee's spouse, parents, children and siblings, grandparents, grandchildren, parents-in-law, sons-in-law, daughters-in-law and brothers-in-law, as well as any person with whom the employee maintains an intimate cohabitation relationship. An indirect relationship is one related to matters of a public or associative nature.

None of the Persons Covered by the Code shall solicit, offer, pay, promise, transfer, authorize, plan or accept, intentionally, whether directly or indirectly, cash payments, commissions, gifts, securities, remuneration or lucrative advantages, for or from members of political parties or government officials, whether domestic or abroad, in connection with a transaction, service or business made with the Bank 14 and/or its Affiliates, for the purpose of influencing an act or decision by them for the benefit of the Bank or the Persons Covered by the Code, or induce them to use their influences in order to procure or retain a business or to grant an improper advantage in favor of the Bank or the Persons Covered by the Code.

III.10. Social network presence

Every Subject to the Code must comply with the rules established by the Bank regarding behavior on social media, as set forth in the Bank's Spokesperson Policy (section 5.6 Responsible Use of Social Media), acting respectfully, using good judgment and common sense, and taking care with the information they share. They must refrain from posting confidential information about Bladex, its clients or employees, or opinions that may be attributed to Bladex.

When posting information or opinion on their own behalf, Persons Covered by the Code should avoid referring to their status as a Bank employee or any other content that may link the published content to Bladex.

III.11. Environmental Protection

The Bank recognizes that protection of the environment is vital to the survival of society. Therefore, it favors in its businesses measures that seek the protection of the environment. The Bank also promotes its employees to the efficient use of natural resources and recycling, among others.

III.12. Prevention of Corrupt Practices

Pursuant to the U.S. Foreign Corrupt Practices Act ("**FCPA**") issued in the United States of America, the payment of bribes and corrupt practices to government officials, state authorities, political figures in foreign countries, including reaching suppliers and customers, is strictly prohibited and all Subjects bound must refrain from making any payment or promise payment, gifts, donations, compensations or benefits, regardless of whether they are payments in cash or in kind, either directly or indirectly, to national or foreign officials, or government officials or members of political parties, for the purpose of influencing or inducing them for the purpose of obtaining or retaining business for the benefit of the Issuer, or of obtaining an unlawful advantage for the benefit of the Issuer.

The Bank's Management shall ensure the implementation of measures aimed at preventing and detecting acts that violate the provisions of this section and shall be recorded in a separate document, in accordance with the guidelines of general international acceptance on the matter.

The Bank is required to maintain information related to the events and operational risk incidents that may take place. It is the duty of all Persons Covered by the Code to report and disclose in a timely manner all events or incidents of operational risk that may occur in the processes, both to each department supervisor and to the Operational Risk department.

IV. ETHICS AND CORPORATE CONDUCT COMMITTEE

The Bank's Ethics and Corporate Conduct Committee is responsible for continuously evaluating and updating this Code and reviewing and implementing the necessary mechanisms to disseminate and promote the highest standards of behavior within the Institution. The Committee will be composed in accordance with its internal regulations, ensuring at least the participation with voice and vote of a Director and the Executive Vice President of Audit, who will have a voice but no vote, with the purpose of evaluating and monitoring compliance with the Code and periodically presenting the results of the matters discussed in the Ethics and Corporate Conduct Committee to the Nomination, Compensation, and Operations Committee.

Unless expressly stated otherwise in this Code, the Ethics and Corporate Conduct Committee will report to the Nomination, Compensation, and Operations Committee on any non-compliance by any Subject to the Code with the standards contained in this Code. The Nomination, Compensation, and Operations Committee will, in turn, inform the Audit Committee of such non-compliance, for the awareness of the Audit Committee members and for the adoption of the corresponding actions and/or sanctions.

V. COMPLIANCE WITH REGULATIONS

These provisions are supplemented, for employees within a general framework, by the Employment Agreement or equivalent document, as applicable in each jurisdiction, the Internal Labor Regulations, legal rules, banking regulations, internal procedure rules and guidelines currently in force or issued in the future, as applicable in the different countries in which the Bank maintains a physical presence.

Bladex shall sanction the Subjects to the Code for engaging in any conduct that deviates from or contravenes the rules of the Code, without prejudice to the fact that such conduct may also constitute a violation of the Internal Labor Regulations, where applicable, and/or the Employment Agreement or its equivalent, as appropriate in each jurisdiction, in which case the sanctions regime provided for in such regulations and/or applicable law shall also apply.

Bladex must submit and/or make available to each of the Persons Covered by the Code a copy of the Code of Ethics at the time of hiring.

ANNEX I

BANCO LATINOAMERICANO DE COMERCIO EXTERIOR, S.A. (“Bladex”)

SPECIAL STATEMENT BY SENIOR FINANCIAL EXECUTIVES RELATED TO BLADEX CODE OF ETHICS (THE “CODE”)

The CEO, the Executive Vice President – Finance, and the Vice President – Accounting, as Senior Financial Executives of Bladex, hereby accept the provisions of the Code and agree to comply with the additional provisions contained herein.

This Special Statement by Bladex's Senior Executives is intended to promote:

- I Honest and ethical conduct, including ethical management of current or apparent conflicts of interest between personal and professional relationships;
- II A complete, fair, accurate, timely and understandable disclosure in the reports and documents Bladex issue or present to the “Securities and Exchange Commission” (“SEC”) and other public communications made by Bladex;
- III Compliance with applicable laws, government rules and regulations;
- IV Timely internal reporting of Code violations to an appropriate person or to persons identified in the Code; and
- V The responsibility for adherence to the Code

Every Senior Executive must adhere to a high standard of business ethics and should be sensitive to situations that may result in current or apparent conflicts of interest. Bladex expects its Senior Executives to meet the principles of this Code at all times. A violation of this Code is a cause of disciplinary action including dismissal and possible legal action. Any consultation on the application of the Code must be referred to the Audit Committee of the Board of Directors of Bladex.

Senior Executives must ethically handle conflicts of real or apparent interest.

A “Conflict of interest” occurs when the private interest of a Senior Executive interferes with the interests of, or his service to, Bladex. For instance, a conflict of interest from a Senior Executive may arise if a Senior Executive, or a member of his family, receives improper personal benefits because of his position at Bladex.

Any Senior Executive shall ensure that the guidelines for the handling of conflicts of interest referred to in paragraph III. 2 of the Code are strictly followed and, in particular, that they avoid the situations described in that paragraph.

In situations involving a Senior Executive, in which there is the appearance of, or potential, conflicts of interest, but the Senior Executive believes that it is not a significant conflict of interest, the Senior Executive shall obtain approval from the Audit Committee before getting involved in such a situation. No approval of this type will be considered an exception to the Code.

Disclosure and Compliance

I Every Senior Executive should be familiar with the disclosure and compliance requirements generally applicable to Bladex;

II Each Senior Executive must refrain from misrepresenting, or causing others to misrepresent, facts about Bladex, whether inside or outside Bladex, including Bladex's Directors and Officers and auditors, or to government regulators and independent organizations.

III Each Senior Executive Officer should, to the extent appropriate in his or her area of responsibility, consult with other Bladex executives and employees with a view to promoting full, fair, accurate,

- public communications made by Bladex; and
- It is the responsibility of each Senior Executive to promote compliance with the standards and restrictions imposed by applicable laws, rules and regulations.

Reporting and Responsibilities

Each Senior Executive must:

- Once the Code has been adopted (or as applicable thereafter, upon becoming a Senior Executive), state in writing to the Board of Directors, that they have received and read, and understand the Code;
- Refrain from retaliating against any other Senior Executive or employee of Bladex or their family members for reports of potential violations made in good faith.
- Promptly notify the Audit Committee if he or she becomes aware of any violation of the Code, understanding that failure to do so will be considered a violation of the Code.

The Audit Committee is responsible for applying the Code in specific situations where questions arise and has the authority to interpret the Code in any particular situation. Any exceptions should be considered by the Audit Committee.

Bladex will follow the following procedures in its investigations to enforce the Code:

- The Audit Committee will take all appropriate actions to investigate any potential violations reported to them;
- If after investigation, the Audit Committee believes that no violation has occurred, the Audit Committee is not required to take any further action;
- If the Audit Committee determines that a violation has occurred, it will consider appropriate action which may include either a review of, and modifications to, applicable policies and procedures; or a recommendation that the Senior Executive Officer be terminated;

Changes or Exceptions to Compliance with the Code

The Audit Committee shall be responsible for granting exceptions to compliance with the Code, as appropriate.

Any waivers granted pursuant to the Code will be reported and filed with the SEC and will be reported to Bladex's shareholders within such time periods as may be determined by SEC rules and any applicable laws of any banking, securities or exchange regulator on which Bladex is listed.

Other Policies and Procedures

This Code shall be the only Code of Ethics adopted by Bladex for purposes of the Sarbanes-Oxley Act of 2002 and the rules and forms applicable to companies registered thereunder.

Amendments

Any amendment to the Code must be approved by the Nominations, Compensation and Operations Committee and ratified by a majority vote of the Audit Committee of the Board of Directors.

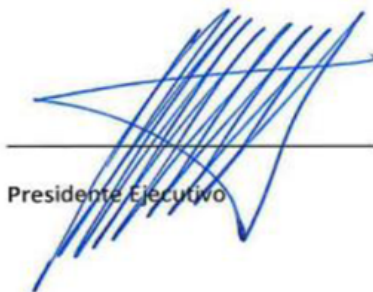
Confidentiality

All reports and records prepared or maintained pursuant to the Code shall be considered confidential and shall be maintained and protected as such. Except as required by law or this Code, such matters shall not be disclosed to anyone outside the Audit Committee and the Bladex Board of Directors. 18

Internal Use

This Code is for Bladex's internal use only and does not represent an admission, by or on behalf of Bladex, of any fact, circumstance, or legal conclusion.

I have read and understand the terms of the Code. I acknowledge the responsibilities and obligations incurred by me as a result of being subject to the Code. I hereby agree to comply with the Code.



Presidente Ejecutivo



Vicepresidente Ejecutivo – Finanzas



Vicepresidente – Contabilidad

CERTIFICATION

I, Jorge Salas, certify that:

1. I have reviewed this Annual Report on Form 20-F of Banco Latinoamericano de Comercio Exterior, S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the Audit Committee of the company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 20, 2026

By:

/s/ Jorge Salas
Chief Executive Officer

CERTIFICATION

I, Annette van Hoorde de Solis, certify that:

1. I have reviewed this Annual Report on Form 20-F of Banco Latinoamericano de Comercio Exterior, S.A.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the Audit Committee of the company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 20, 2026

By:

/s/ Annette van Hoorde de Solis

Chief Financial Officer

CERTIFICATION

This certification is provided pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and accompanies the Annual Report on Form 20-F (the "Report") for the period ended December 31, 2025 of Banco Latinoamericano de Comercio Exterior, S.A. (the "Company").

I, Jorge Salas, the Chief Executive Officer of the Company, certify that:

- (i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 20, 2026

By:

/s/ Jorge Salas

Chief Executive Officer

CERTIFICATION

This certification is provided pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and accompanies the Annual Report on Form 20-F (the "Report") for the period ended December 31, 2025 of Banco Latinoamericano de Comercio Exterior, S.A. (the "Company").

I, Annette van Hoorde de Solis, the Chief Financial Officer of the Company, certify that:

- (i) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 20, 2026

By:

/s/ Annette van Hoorde de Solis

Chief Financial Officer

LETTER FROM FORMER INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM



KPMG

Torre PDC, Ave. Samuel Lewis y
Calle 56 Este, Obarrio
Panamá, República de Panamá

Telephone: (507) 208-0700
Website: kpmg.com.pa

April 6, 2026
Securities and Exchange Commission
Washington, D.C. 20549

Ladies and Gentlemen:

We were previously independent registered public accounting firm of Banco Latinoamericano de Comercio Exterior, S.A. (the "Company") and, under the date of April 15, 2025, we issued our reports on the Company's consolidated financial statements for the years ended December 31, 2024 and 2023 (and on the effectiveness of internal control over financial reporting as of December 31, 2024).

Until December 31, 2024, KPMG in Panama, a member firm of the KPMG global organization, served as the Company's independent registered public accounting firm for purposes of issuing audit reports in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB). Effective for the fiscal year ended December 31, 2025, KPMG Cárdenas Dosal, S.C. ("KPMG in Mexico"), also a member firm of the KPMG global organization, became the Company's independent registered public accounting firm.

We have read the statement made by the Company included under Item 16F of its Form 20-F dated April 20, 2026, and we agree with such statements in so far as they relate to our firm.

Very truly yours,

/s/ KPMG
Panama, Republic of Panama