

Earnings  
Conference Call  
3Q/2021



- <1> Market Backdrop
- <2> 3Q21 Performance
- <3> Outlook
- <4> Key Takeaways

<1>

# Market Backdrop

# Peru's economic activity surpassed pre-pandemic levels amid improvement in the sanitary situation

## Economic Indicators

(YoY % change) <sup>(1)</sup>

	3Q21 vs 3Q20	3Q21 vs 3Q19
GDP	11.2	1.5
Non primary GDP	14.6	3.9
Construction	26.9	21.3
Commerce & Services	12.8	1.7

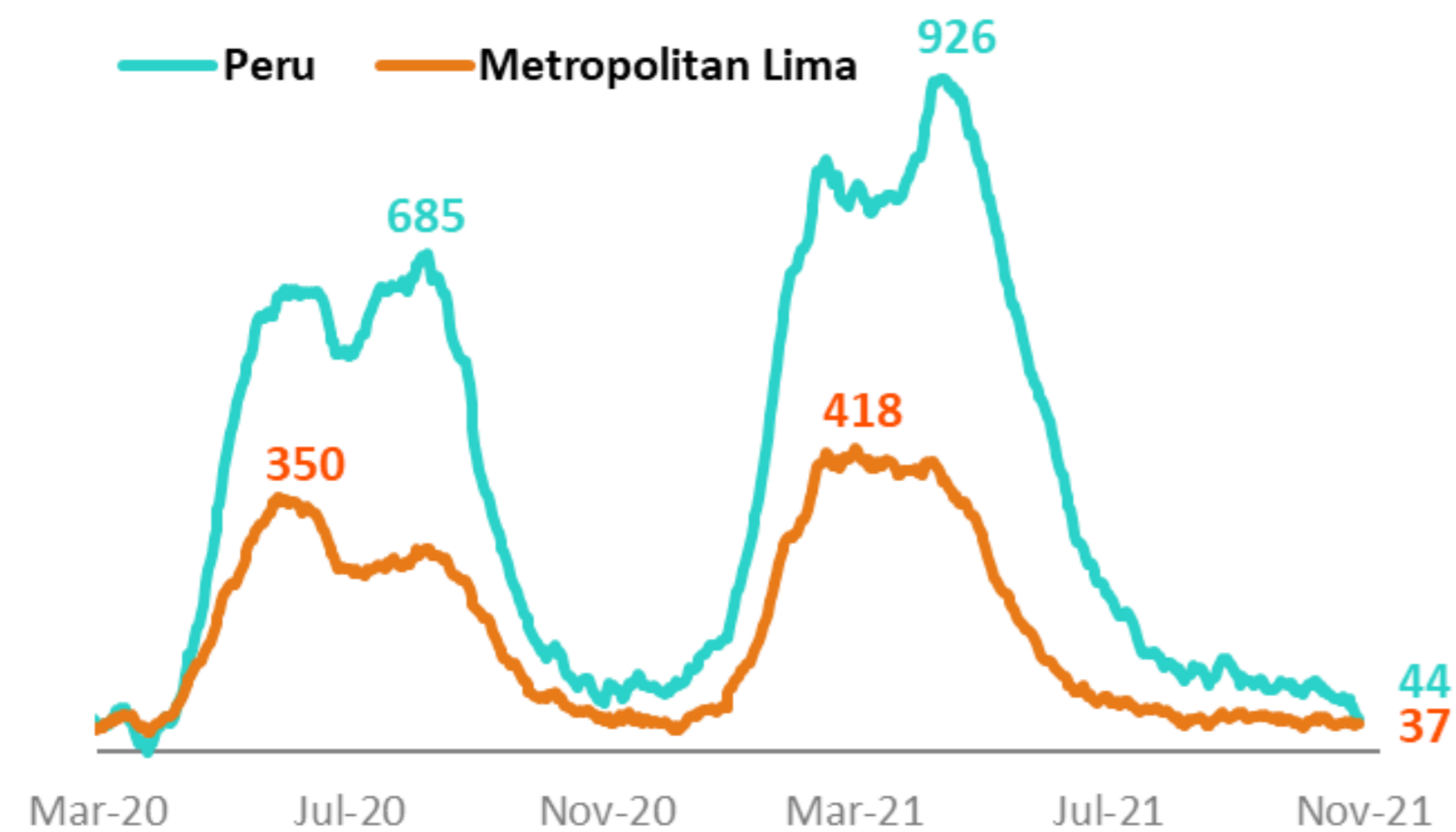
## Copper Price

(US\$/lb., as of November 3<sup>rd</sup>) <sup>(2)</sup>



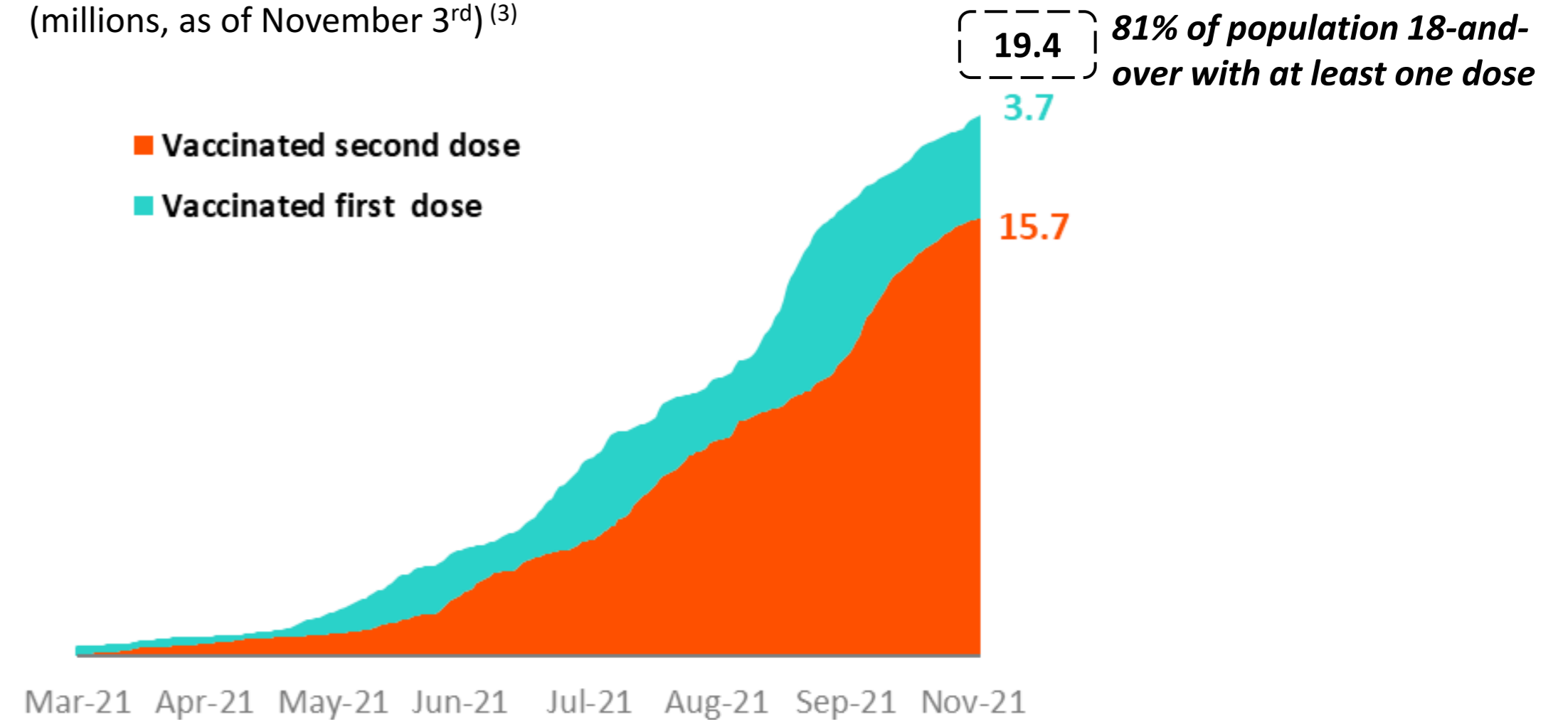
## Excess mortality

(daily deaths, 7-day average, as of November 1<sup>st</sup>) <sup>(3)\*</sup>



## COVID vaccinated population

(millions, as of November 3<sup>rd</sup>) <sup>(3)</sup>



**We expect full-year GDP to rebound around 12% in 2021 (better than initially expected)**

1. Source: BCP estimates

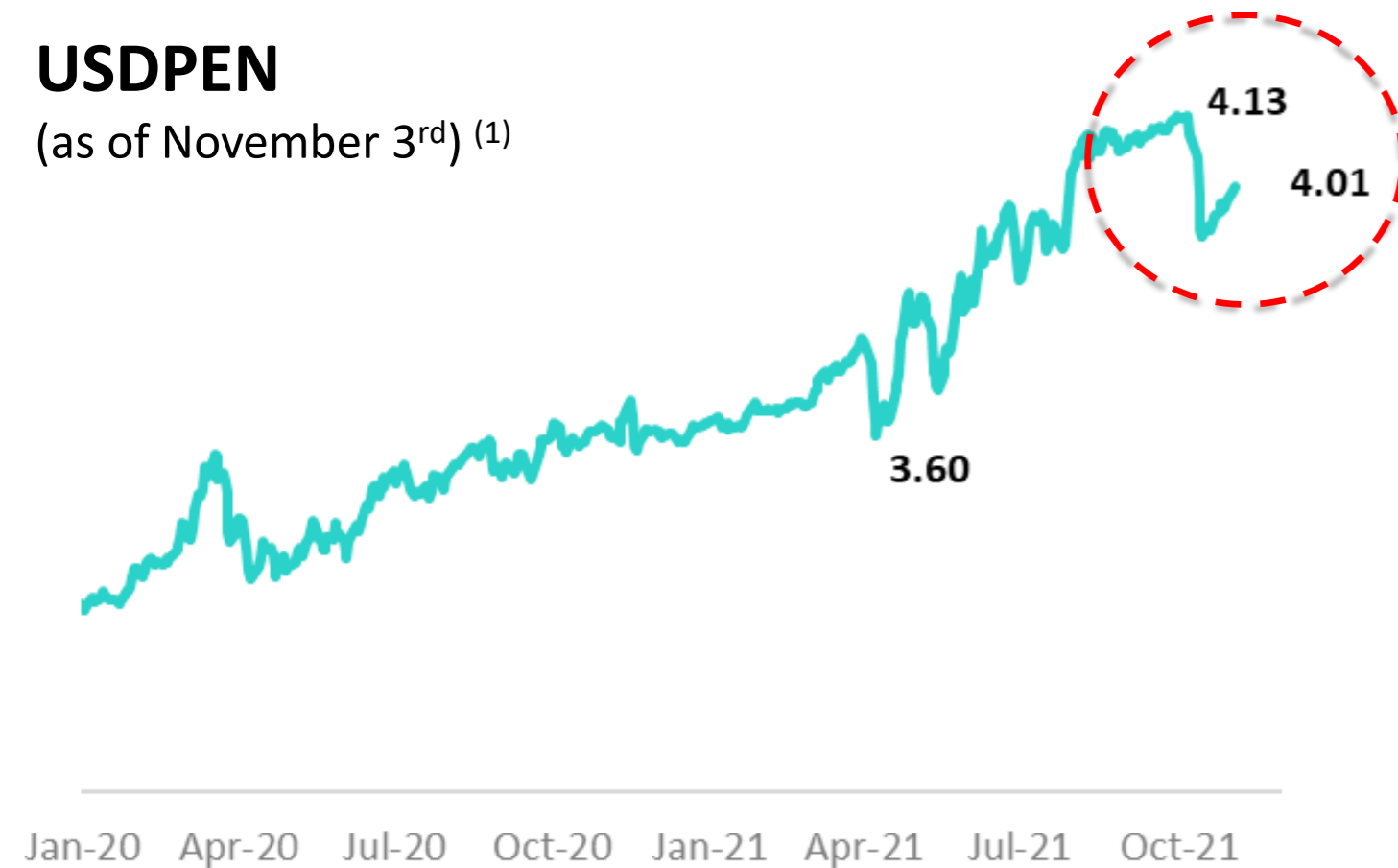
2. Source: Bloomberg

3. Source: Ministry of Health, Sinadef. \*Excess compared to 2018-2019 average.

# In the Peruvian context, key macro financial indicators have begun to register less volatility...

## USDPEN

(as of November 3<sup>rd</sup>) <sup>(1)</sup>



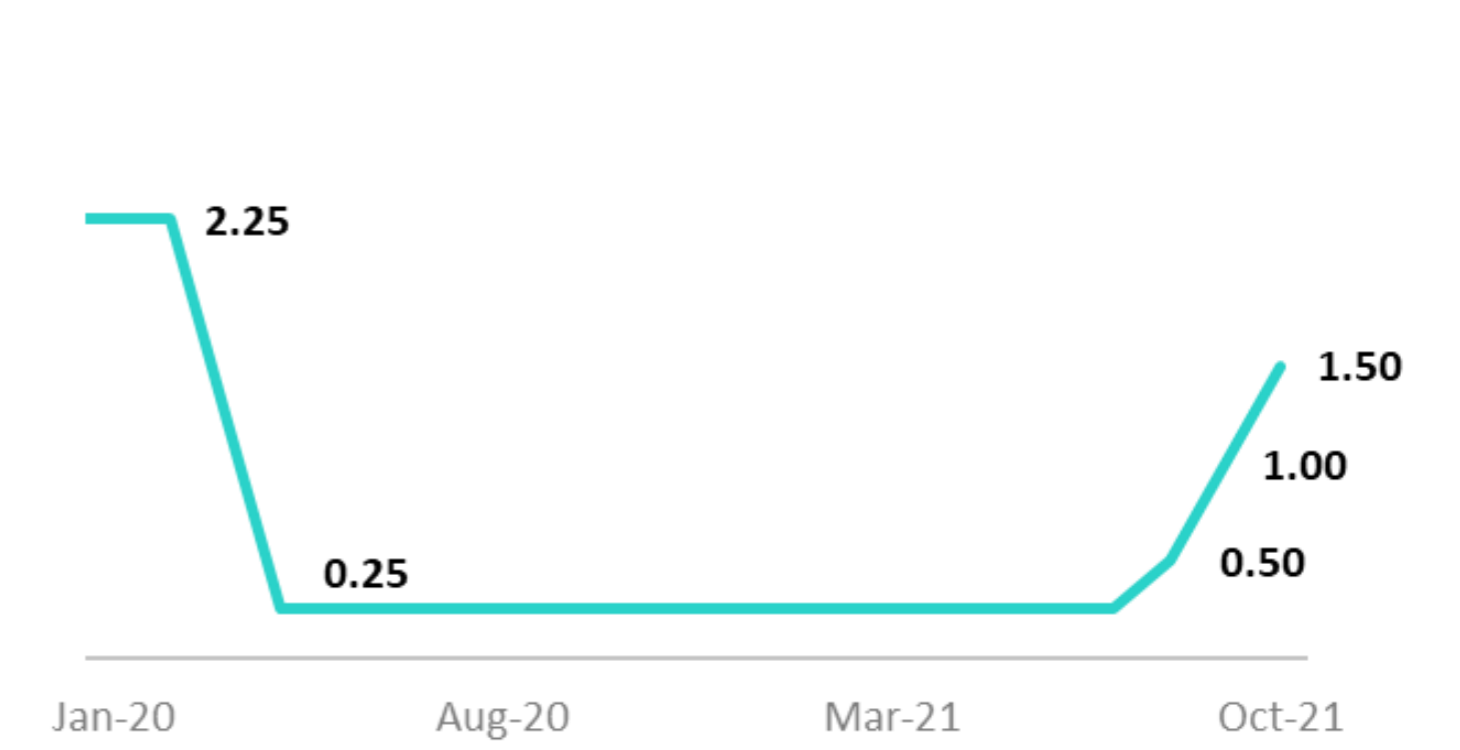
## Net International Reserves

(US\$ million, as of October 28<sup>th</sup>) <sup>(1)</sup>



## Central Bank Monetary Policy Rate

(%, as of October 2021) <sup>(1)</sup>



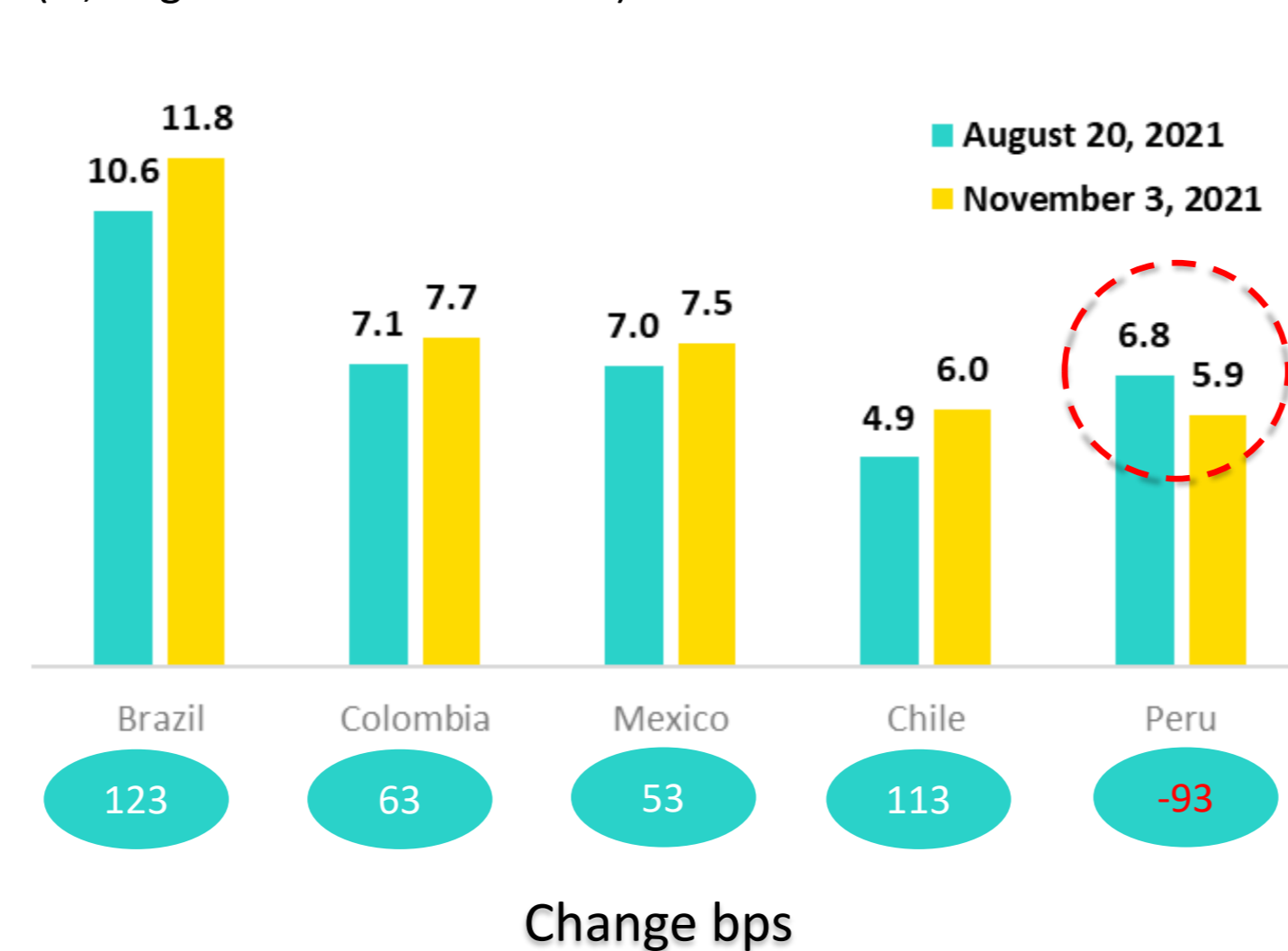
## PEN Sovereign 10-year bond

(%, as of November 3<sup>rd</sup>) <sup>(2)</sup>



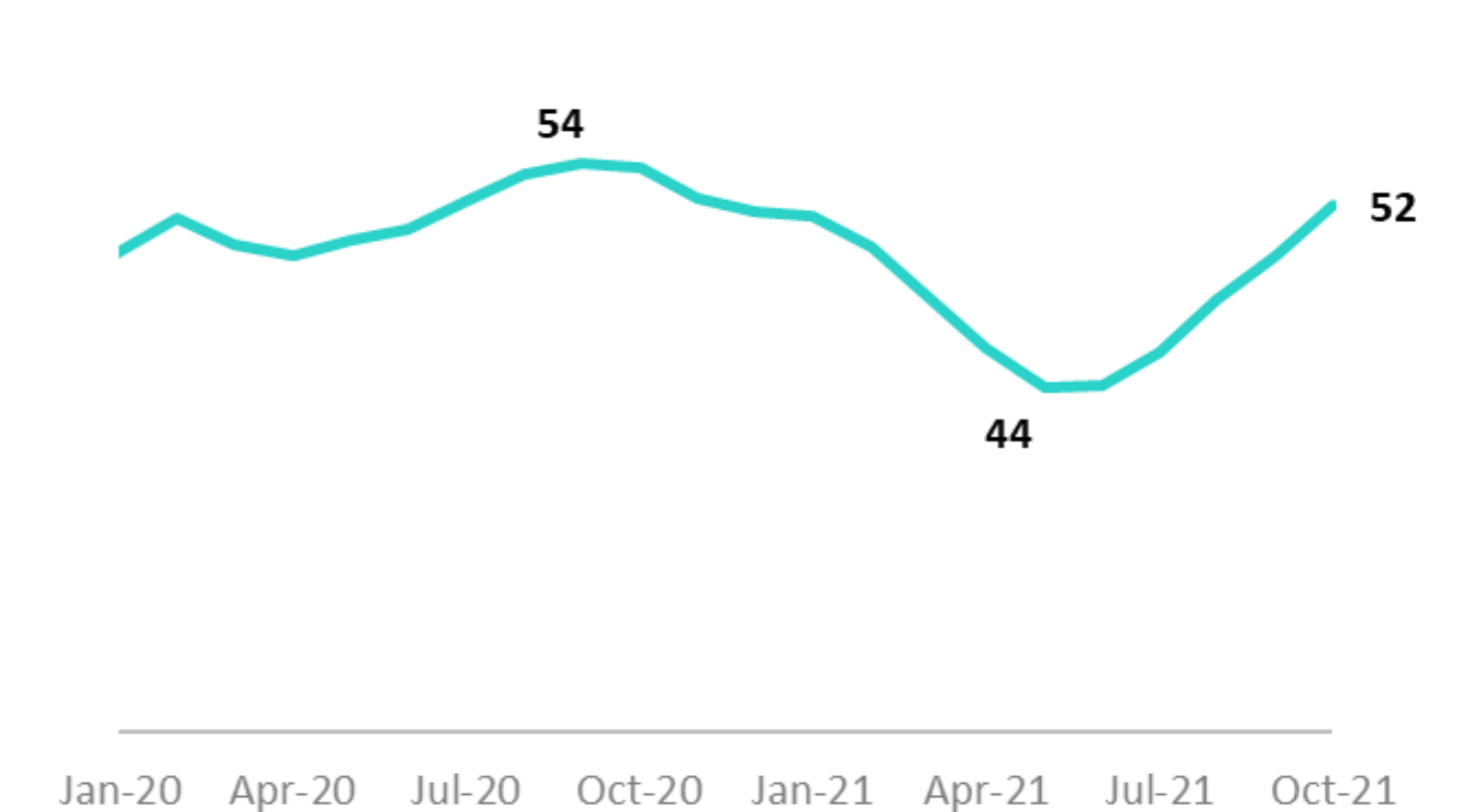
## Sovereign Bonds 10 year

(%, Aug-20<sup>th</sup> vs. November 3<sup>rd</sup>) <sup>(2) (4)</sup>



## Non-resident bondholders (sovereigns)

(% as of October 20<sup>th</sup>) <sup>(3)</sup>



1. Source: Central Banks  
 2. Source: Bloomberg  
 3. MEF and for October BCRP  
 4. Brazil 2031, Colombia 2030, Mexico 2031, Chile 2030, Peru 2031

<2>

# 3Q21 Performance



# Credicorp's Key Highlights for 3Q21

We are fostering financial inclusion and business growth through digitalization, while we recover profitability across the board

Figures for 9M 21



## Financial Inclusion

(#Financially included individuals)

**785 thousand**



## Financial Education

(#Individuals and MSMEs reached)

**4.2 million**



Figure as of Sep 21



## Digital Clients

(% Individual Clients)

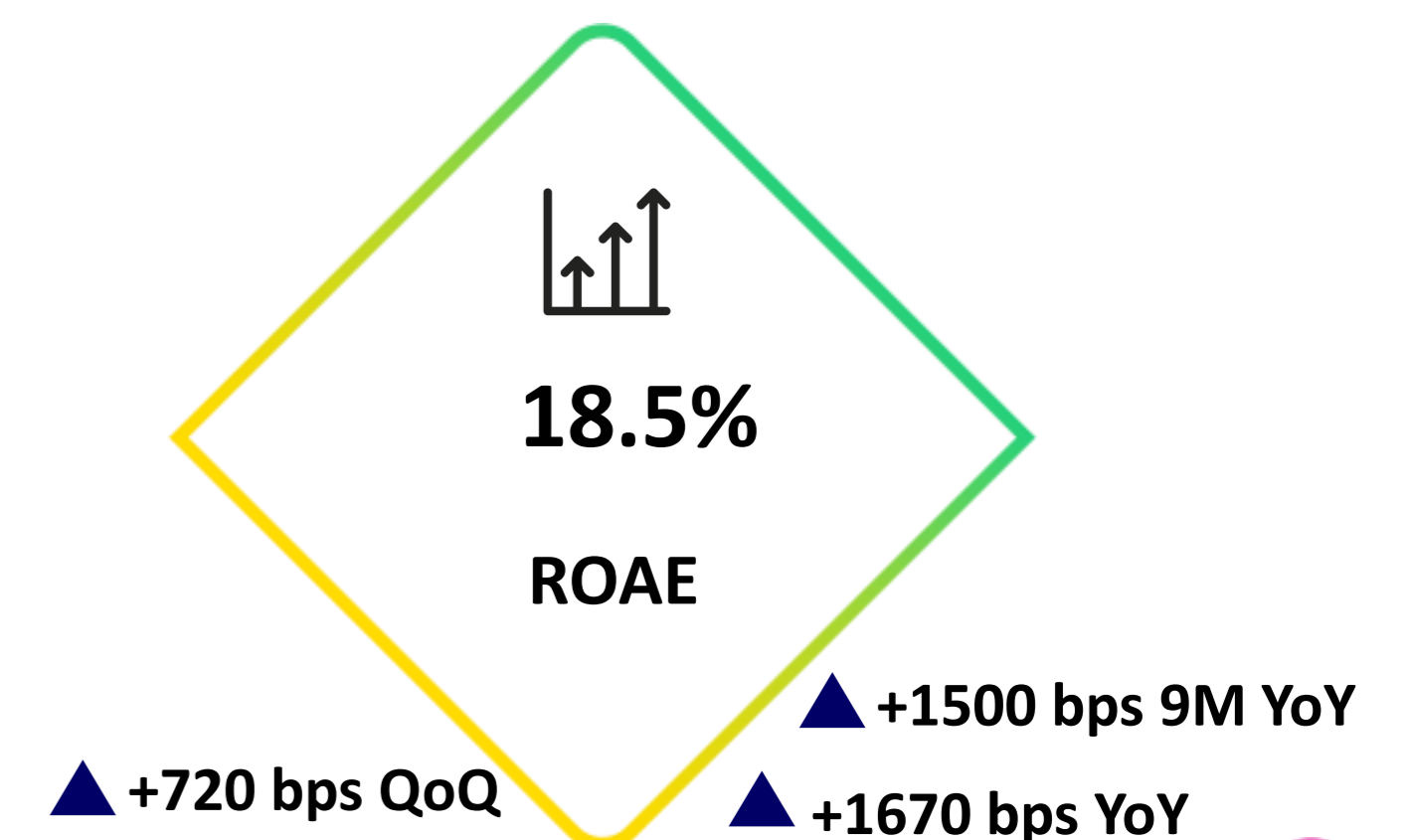
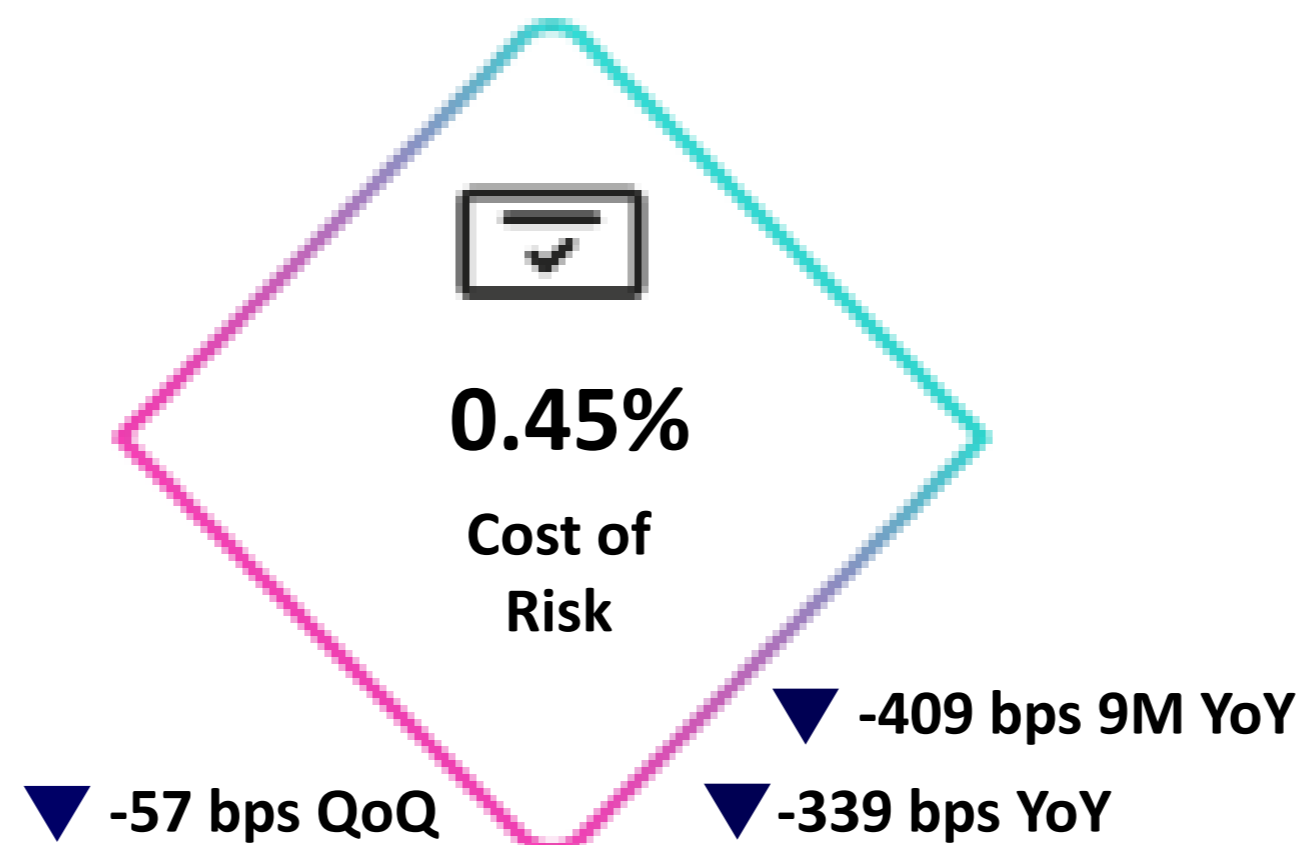
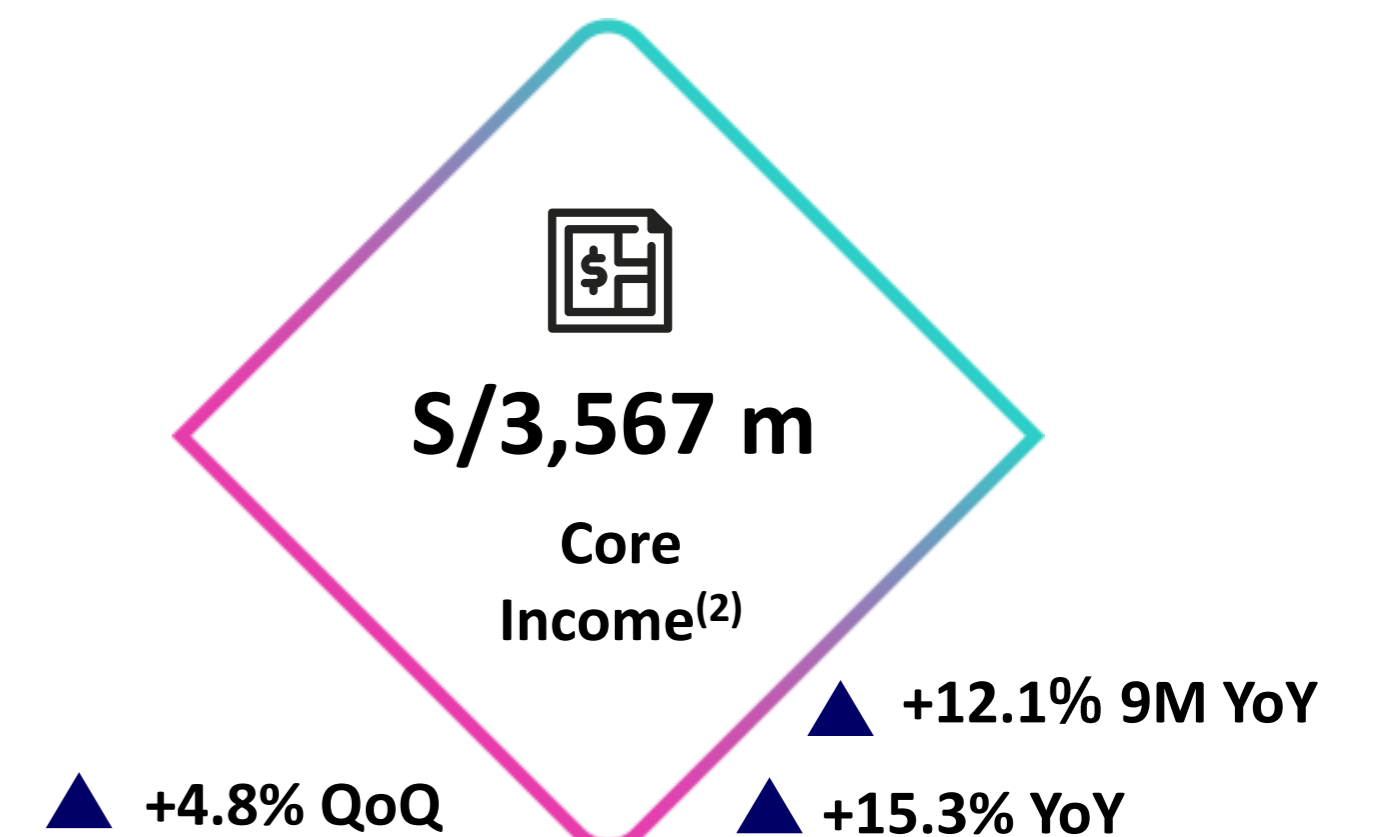
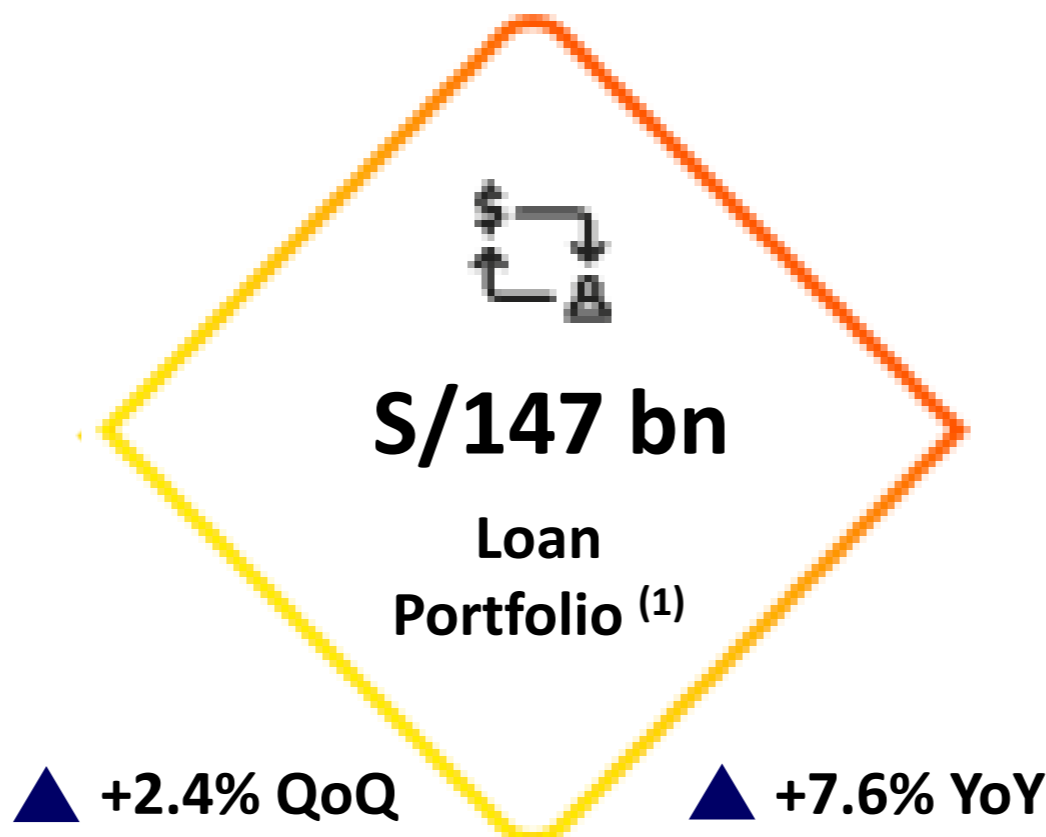
**57%**



## Disbursements through Alternative channels

(# operations)

**38%**




1. Quarter-end-balances. Includes Government Program loans  
2. Includes income from NII, Fee income and Net gain from FX transactions

# Universal Banking registered a strong rebound, as BCP accelerated its transformation investments

## BCP Stand-Alone's profitability is driven by...

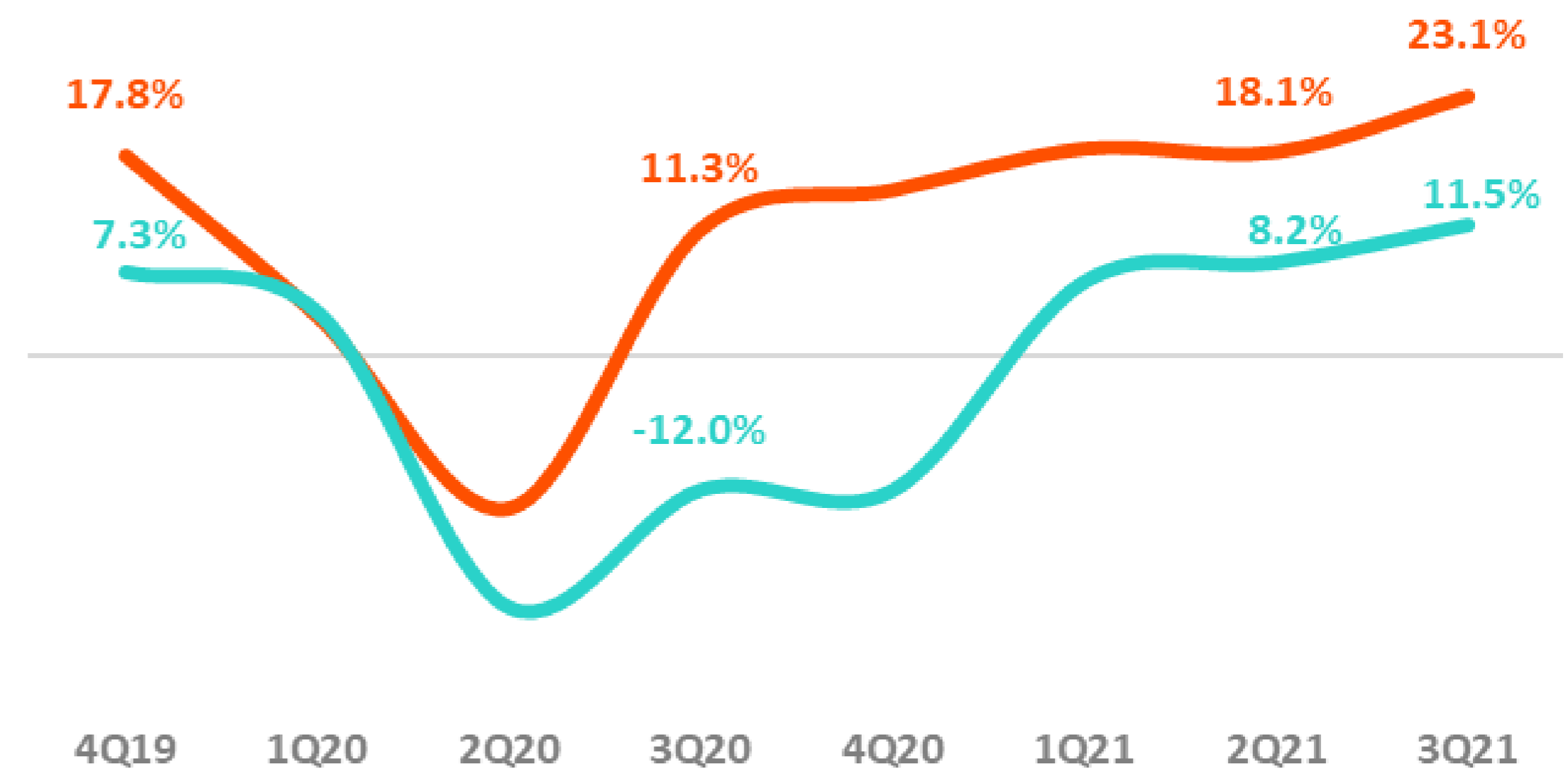
	QoQ (% change)	9m YoY (% change)
<i>Structural Loans</i> <sup>(1)</sup>	+8.5%	-0.8%
<i>Core Income</i> <sup>(2)</sup>	+3.3%	+9.9%
<i>Provisions</i>	-69%	-78%

 **YTD Expenses grew +14% YoY boosted primarily by accelerating digital transformation**

1. QoQ structural loans evolution w/o FX effect are 6.3% .  
 2. Includes income from NII, Fee income and Net gain from FX transactions  
 3. Calculated as the ratio of BCP and BCP Bolivia's earnings contributions to Credicorp to their respective average equity.

Earnings Contribution (%)	BCP Stand-Alone	BCP Bolivia
	82.6%	2.0%

**ROE** <sup>(3)</sup>  
(%, Annualized)



 **CET1 Ratio remains above our internal limits at 11.1%**



# Microfinance continues on the path to recovery as business activity picks up and the “hybrid model” begins to pay off

## Mibanco Peru recovers mainly through ...

	QoQ (% change)	9m YoY (% change)
Structural Loans <sup>(1)</sup>	+1.9%	-0.3%
Core Income <sup>(2)</sup>	+8%	+17%
Provisions	-1.4%	-60%



YTD expenses grew +1% YoY due to hybrid model deployment

## Earnings Contribution (%)

Mibanco Peru

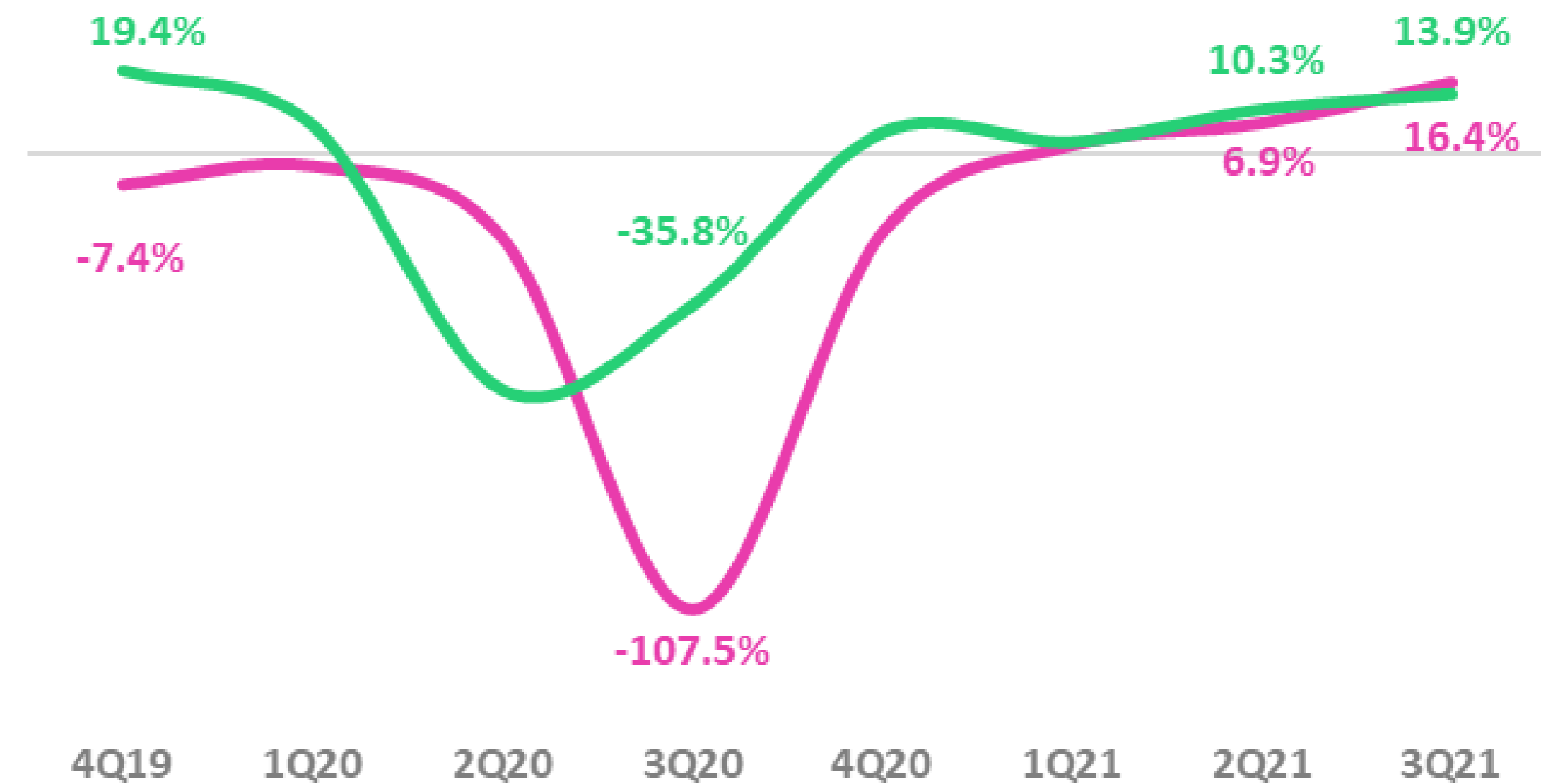
7%

Mibanco Colombia

1%

## ROE <sup>(3)</sup>

(%, Annualized)



CET1 Ratio remains above our internal limits at 15.2%

1. Calculated with a daily average balances.

2. Includes income from NII, Fee income and Net gain from FX transactions.

3. Calculated as the ratio of Mibanco's earnings contribution to Credicorp to average equity.

# Results in Insurance boosted by lower claims in the Life business as the sanitary situation improves, while Pension business fees remain resilient

Earnings attributable to lower claims in Life business and premium growth across lines

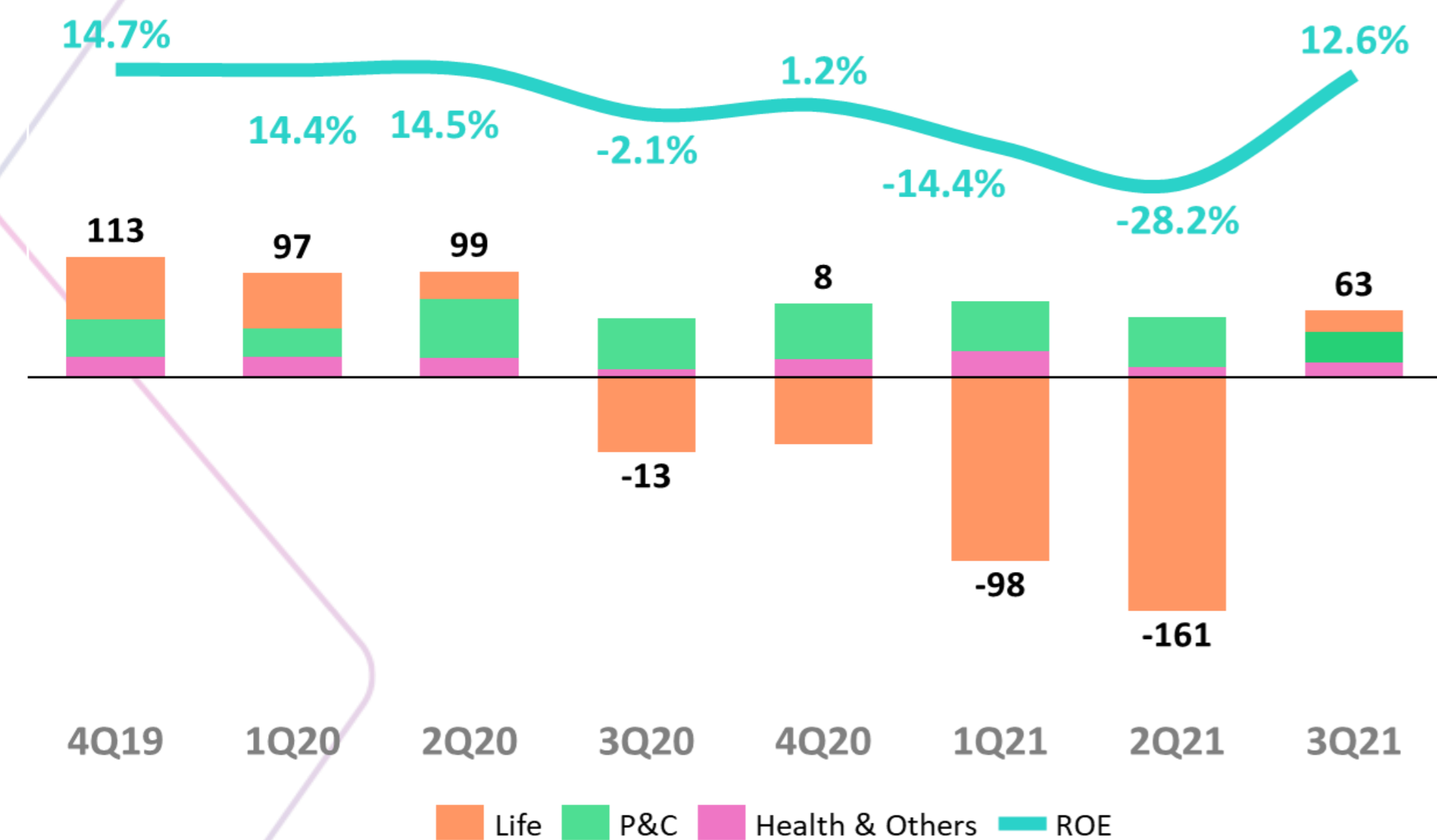
## Earnings Contribution

(%, Annualized)

Pacifico 5.4%

## ROE<sup>1</sup> and Earnings

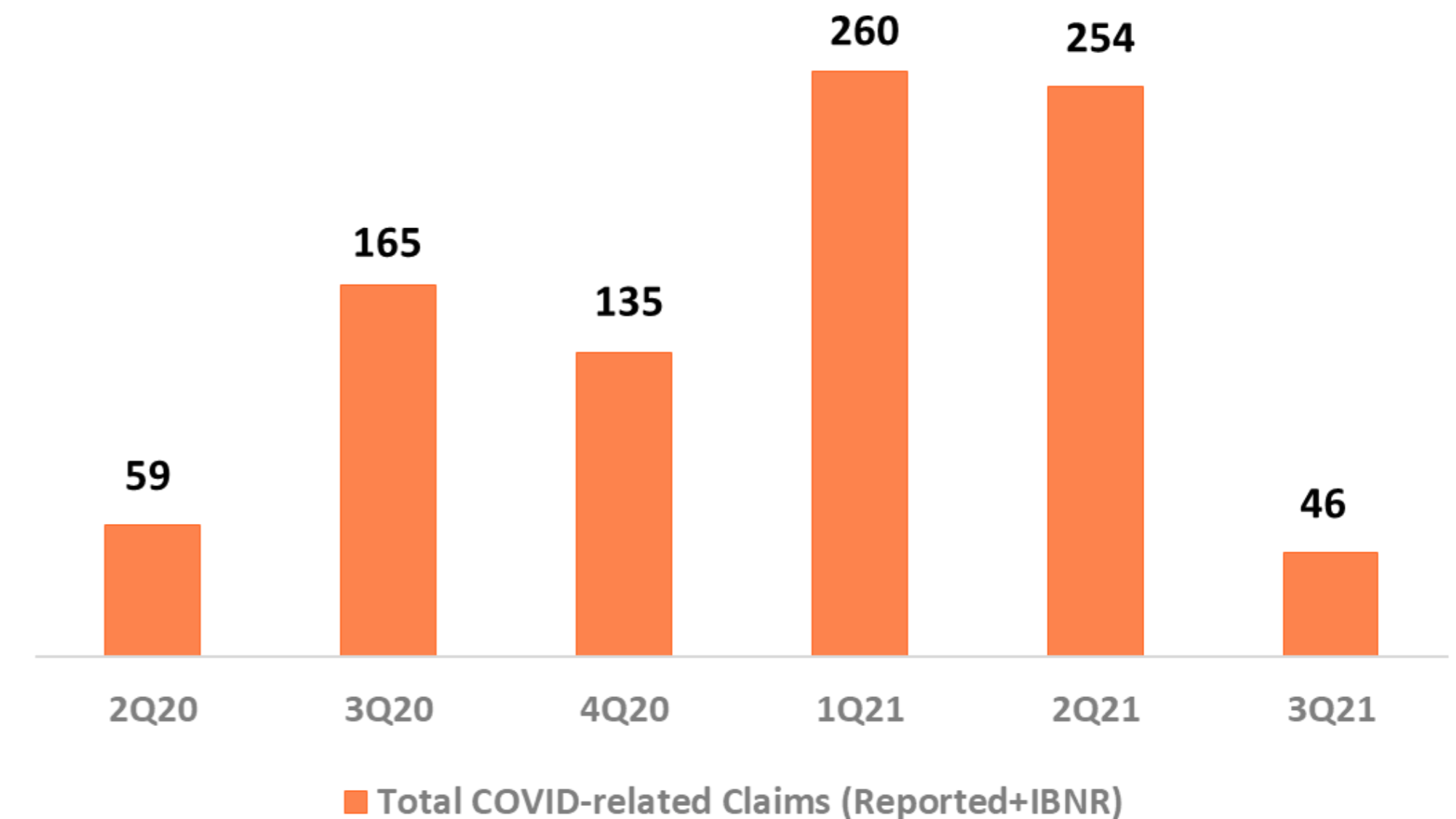
(%, Annualized; S/ millions)



Covid-19 claims decreased significantly due to IBNR<sup>2</sup> releases as mortality waned and vaccination accelerated

## Life Business Covid-19 Claims

(S/ millions)



In the Pension business, Prima fees remain resilient as uncertainty in the industry remains

1. Contributions to Credicorp reflect the eliminations for consolidation purposes (e.g., eliminations for transactions between Credicorp and its subsidiaries).  
\*Other: Crediseguros

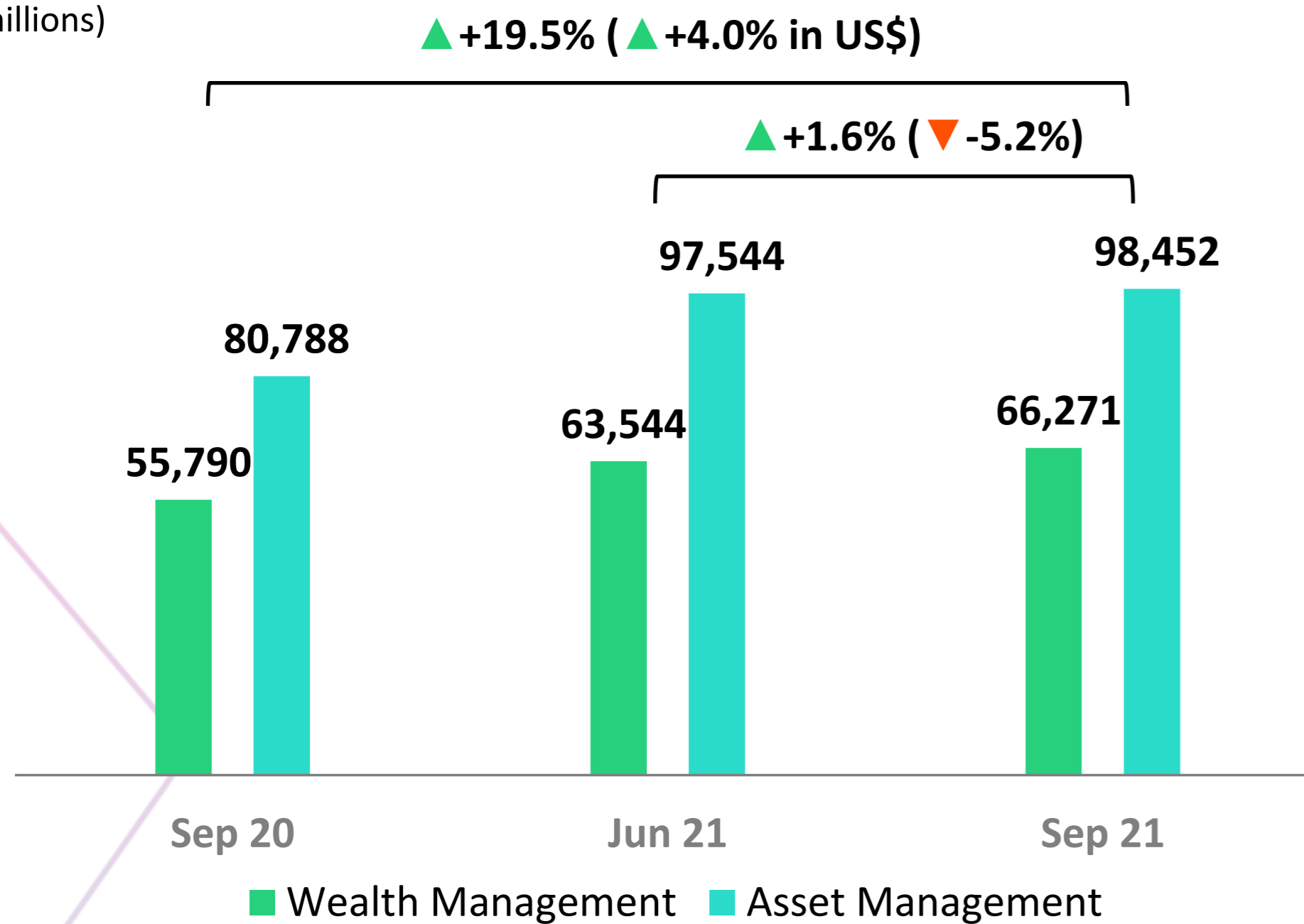
2. IBNR: Incurred but not reported net claims



# IB & WM: Income dropped QoQ mainly affected by the Capital Markets and Asset Management businesses due to lower traded volumes and AUM outflows, respectively

AUMs contraction in US\$ was mainly driven by the Asset Management business, while Wealth Management AUMs remained relatively stable

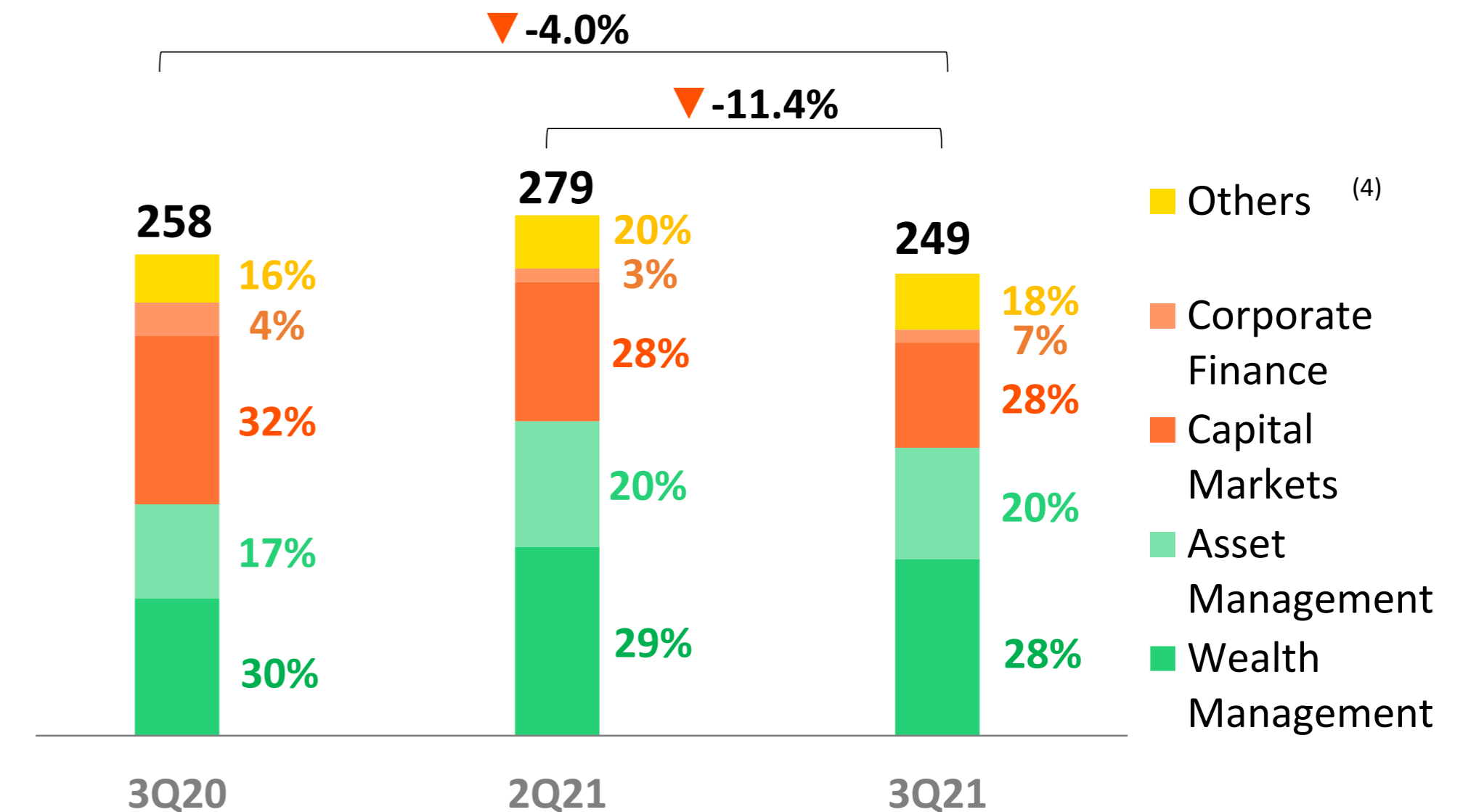
AUMs (1)  
(S/ millions)



The drop in income was mainly driven by the Capital Markets business and by a decrease in Peruvian-based funds management fees

Earnings Contribution (2) ASB & Credicorp Capital 5%

Income by Business (3)  
(S/ millions)



Income Evolution  
(% change)

AM & WM

QoQ



YoY



1. Figures include AUMs from the Wealth Management and Asset Management business. Wealth management includes Asset management products for S/16,395, S/19,732 and S/21,141 million as of Sep20, Jun21 and Sep21, respectively.  
 2. Contributions to Credicorp reflect the eliminations for consolidation purposes (e.g., eliminations for transactions between Credicorp and its subsidiaries).  
 3. Figures may not add up 100% due to rounding.  
 4. Others include Business trust and Treasury businesses.

# Consolidated Performance



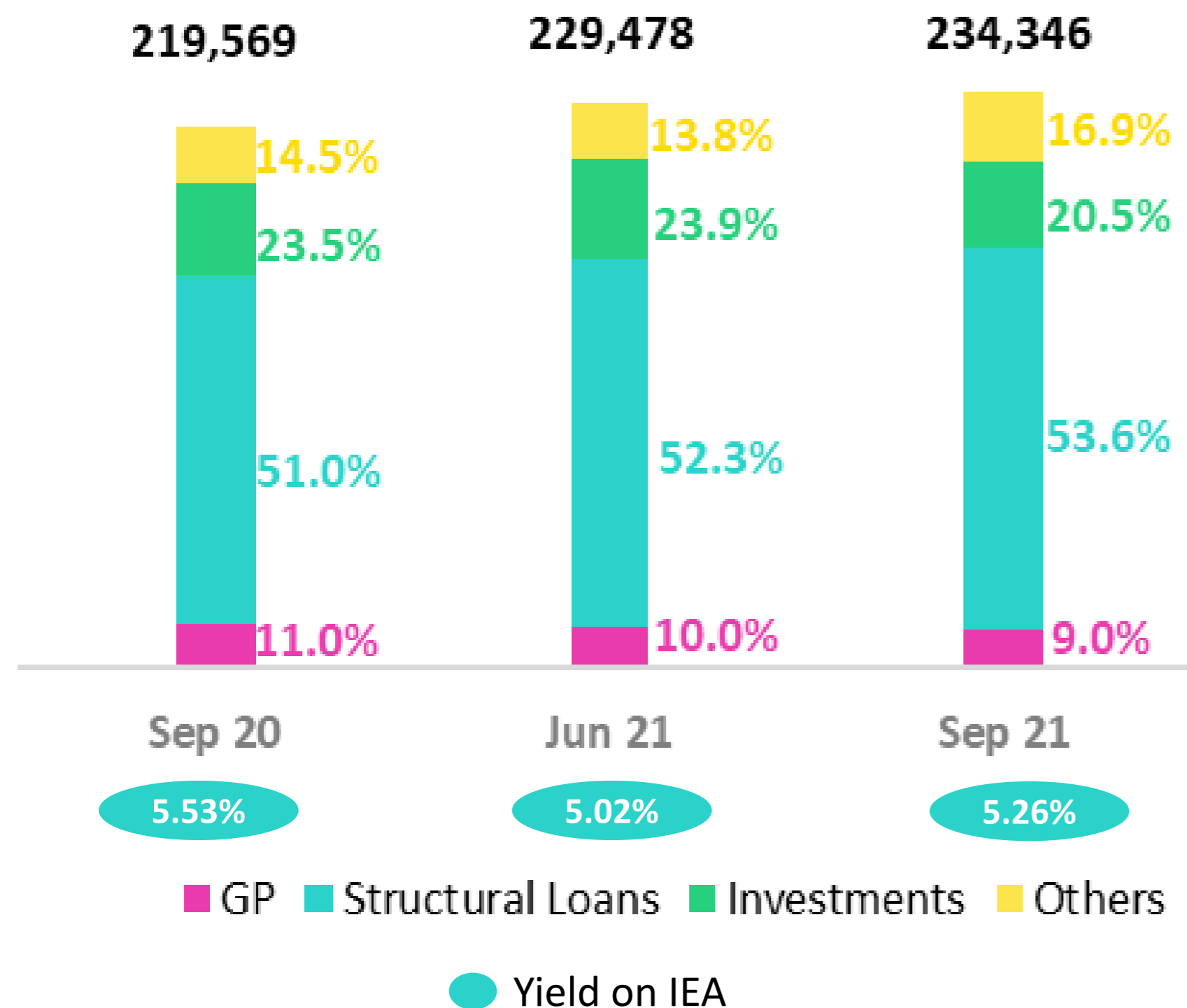
# Asset mix gradually becomes more profitable, and the funding cost benefited from growth in low-cost deposits

Structural loan growth and gradual repayments of GP loans improve IEA mix and boost yield recovery

The drop in funding from government loans was offset by an uptick in low-cost deposits. The important share of low-cost deposits allowed us to keep funding costs low.

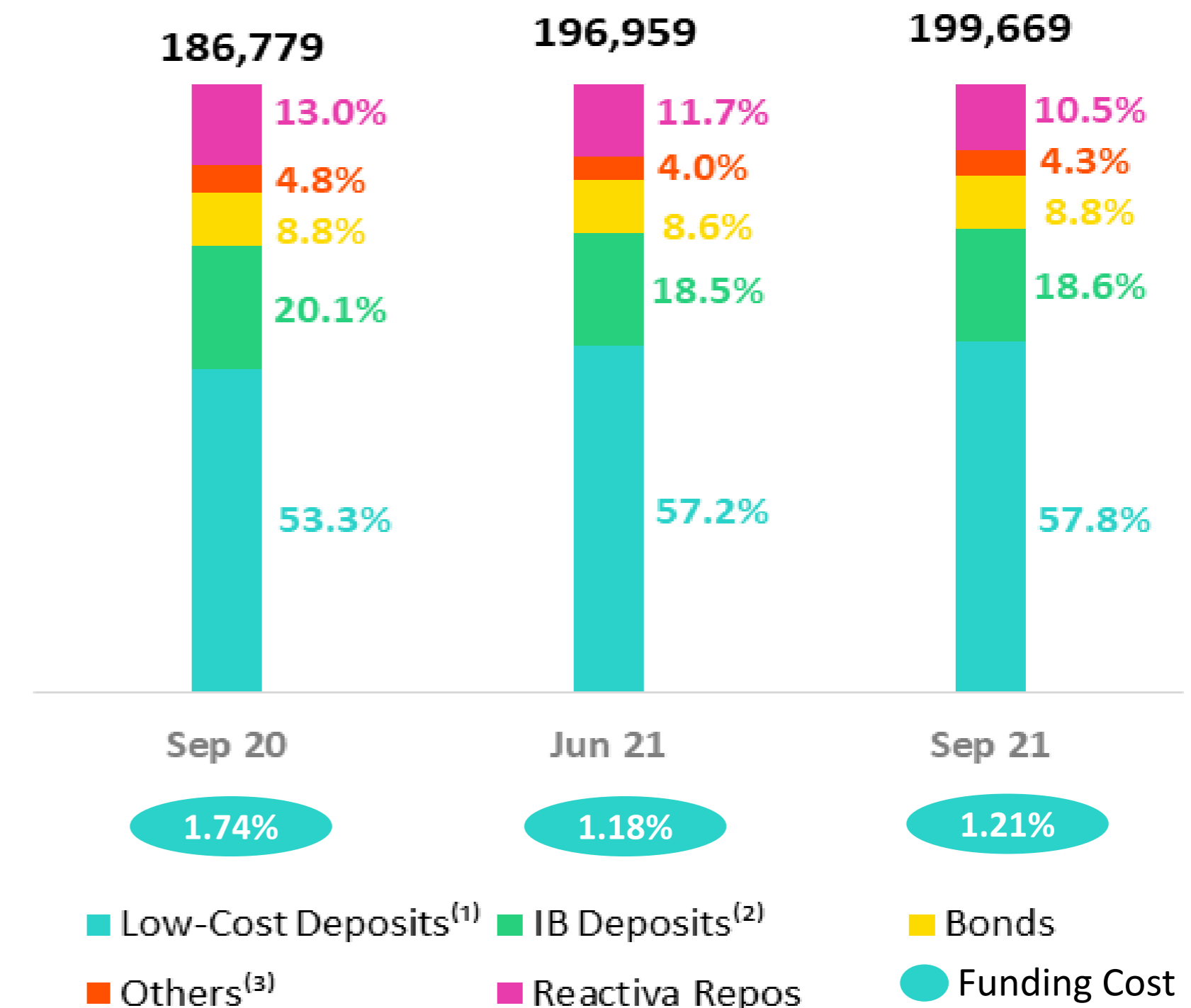
## IEA Structure and Yield

(S/ millions, Average daily balances)



## Funding Structure and Funding Cost

(S/ millions, Quarter-end balances)



1. Includes non-interest-bearing demand deposits, interest-bearing demand deposits and saving deposits.

2. Includes Time deposits and Severance indemnity deposits.

3. Includes Due to banks and correspondents, Repurchase agreements and part of BCRP instruments (excluding Reactiva).

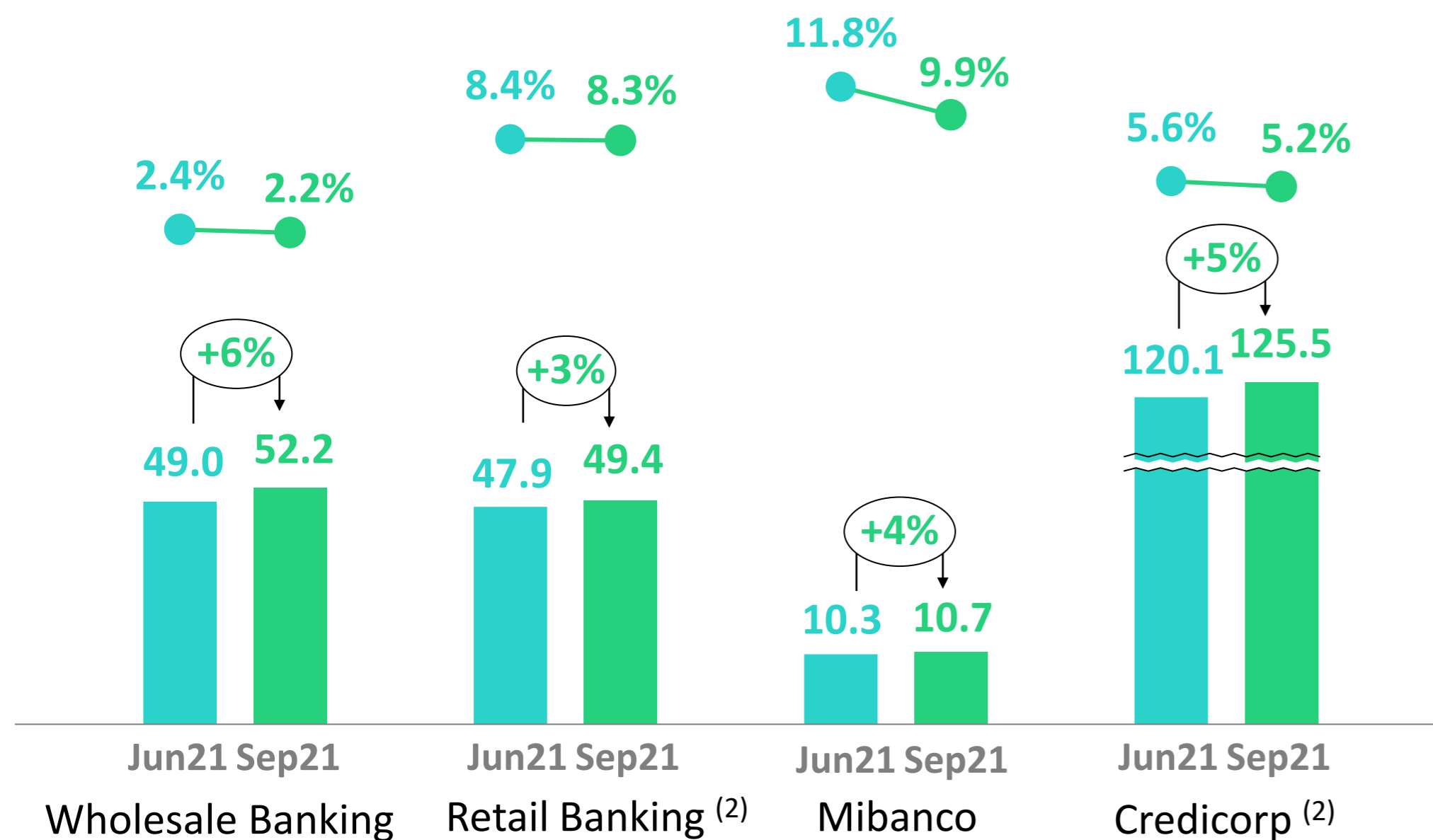
# Asset Quality of the Structural Portfolio<sup>(1)</sup>: NPLs and CoR improved in all segments, where positive payment behaviors and loan growth led ratios to drop

Strong on-time payment ratios and structural loan evolution drove positive NPL results

Provisions continued to drop, particularly at BCP, while allowances for loan losses represented 7.1% of the total Structural Loan Portfolio

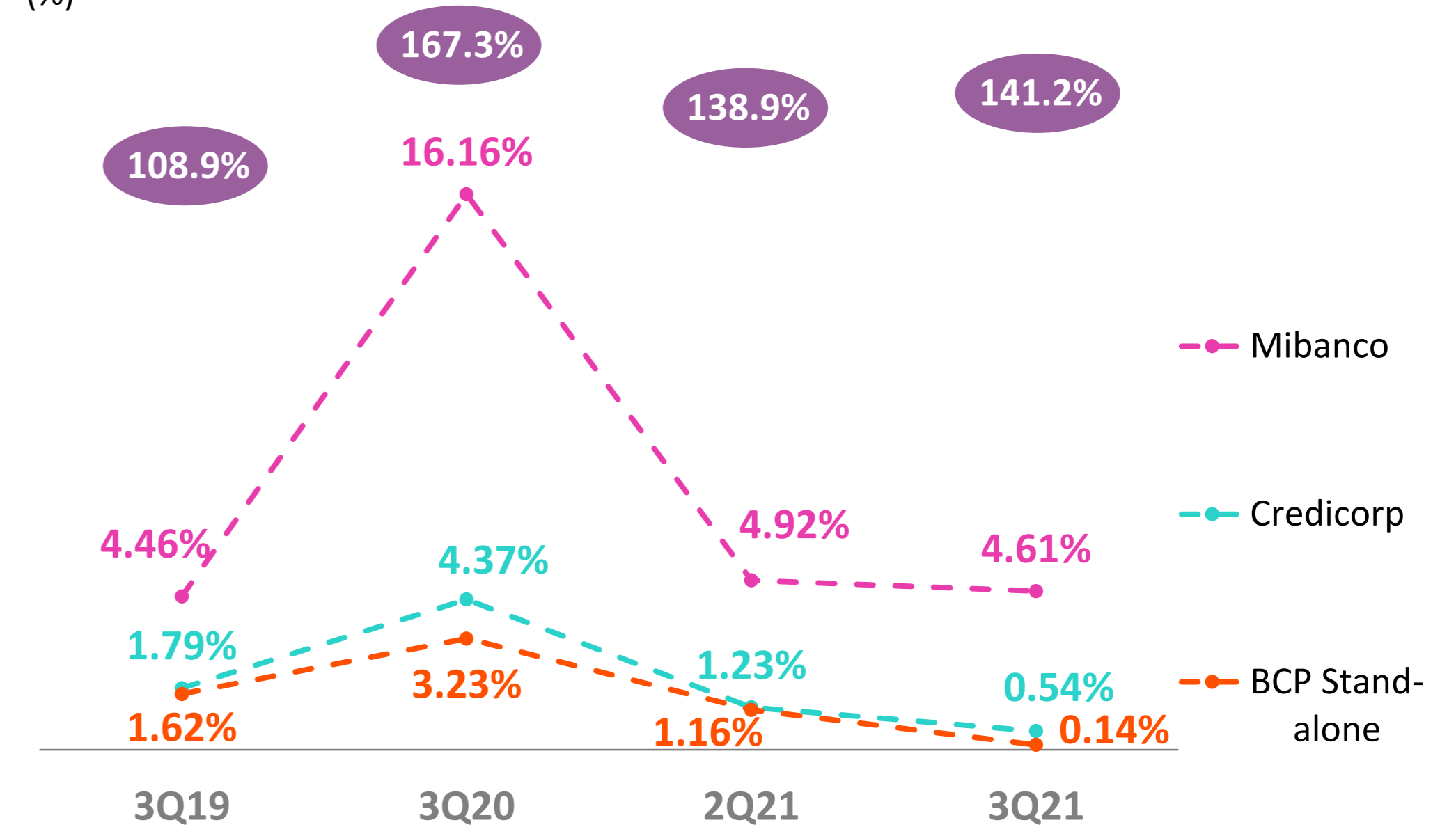
## Structural Portfolio: Loans and Evolution of NPL Ratios

(\$/ billion, %)



## Structural Portfolio: CoR and Coverage Ratios Evolution

(%)



**On-Time Payments<sup>(3)(4)</sup>**  
(%, change vs Jun 21)

**96%**  
▲ +1 pp

**96%**  
▲ +2 pp

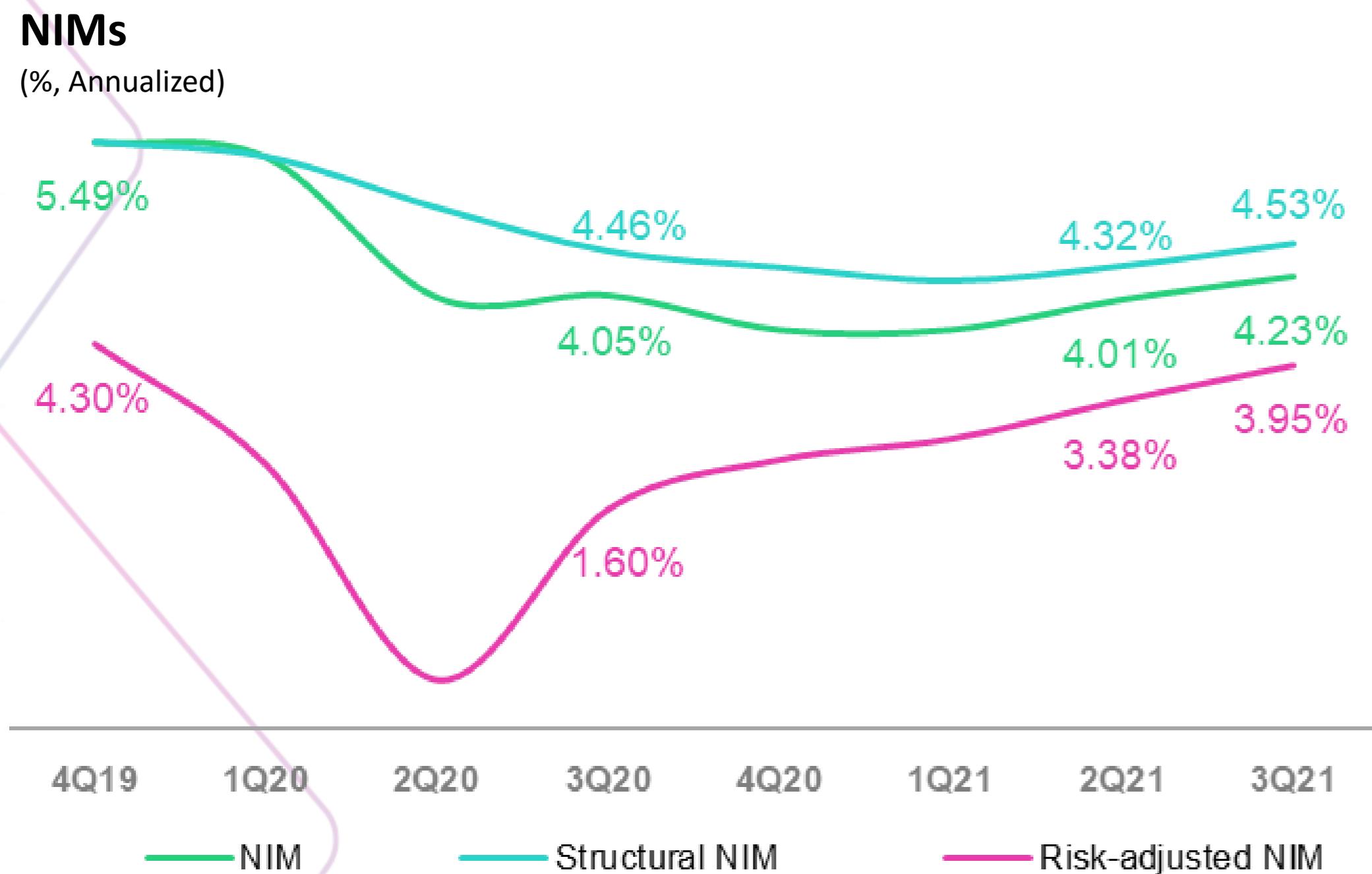
**Allowance for loan losses / Loans (%)**

1. Figures exclude Government Program loans.  
 2. Figures differ from previously reported, due to the methodological change in the calculation, which includes the overdue portfolio instead of the Portfolio Management figures.  
 3. On-time payments on loans due: loan balances with on-time payment during the period / loan balances with installments due during the period.  
 4. Portfolio management figures, which focus on analyzing new delinquency. Figures do not include loans that are over 120 days overdue, special accounts and the under legal collections portfolio.

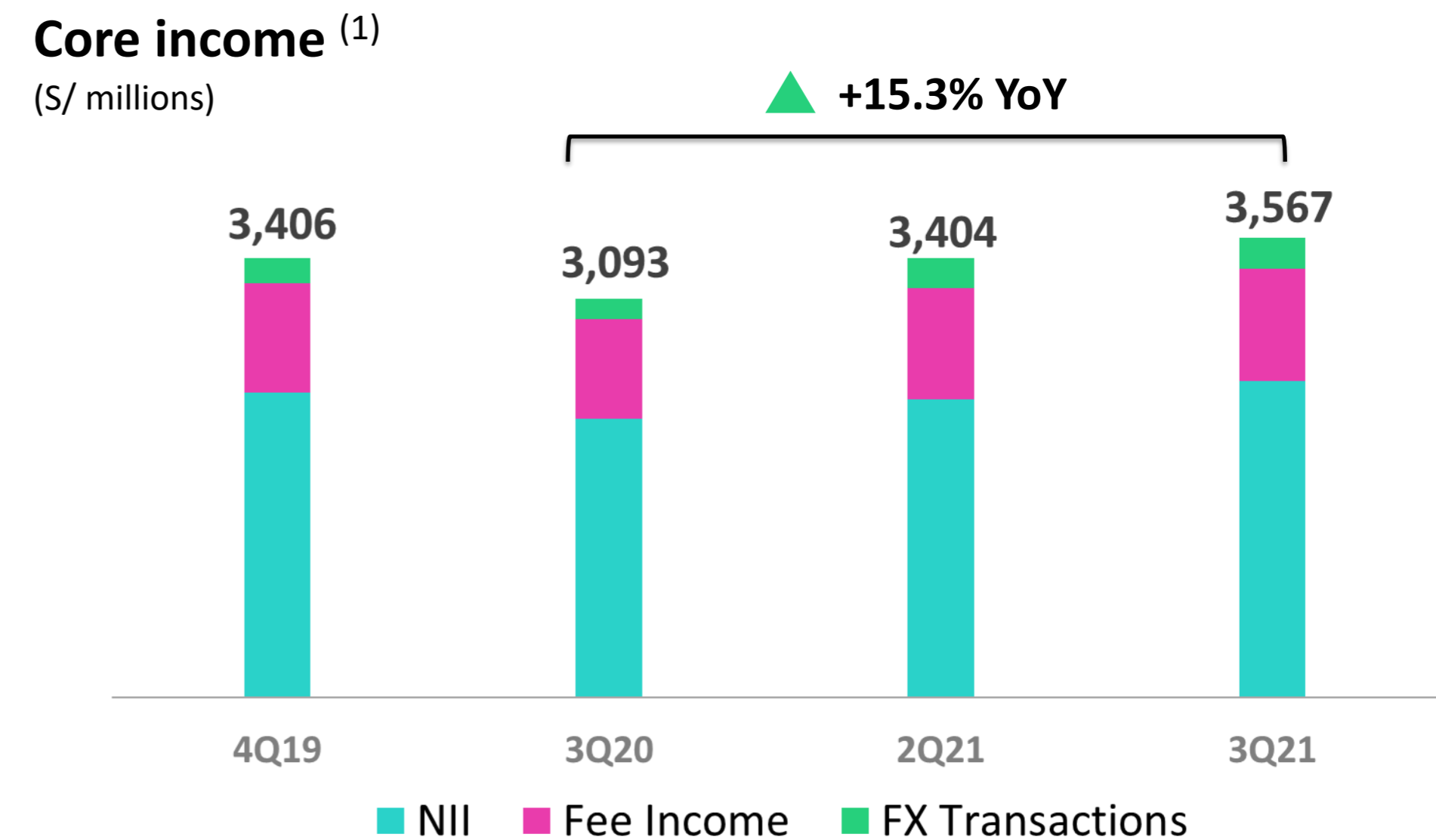


# NIMs gradually recover, bolstered by a more profitable asset mix and a low-cost funding structure, while Core Income is above pre-pandemic levels

Structural origination, gradual interest rate increased, and low-cost funding structure boosted NIM



NII, Fee Income and income for FX transactions continued to accelerate despite recent regulatory changes



### Universal Banking

- ↑ Interbank and Intl. transfers
- ↑ Debit & Credit card transaction volumes
- ↓ Fee regulation

### Microfinance

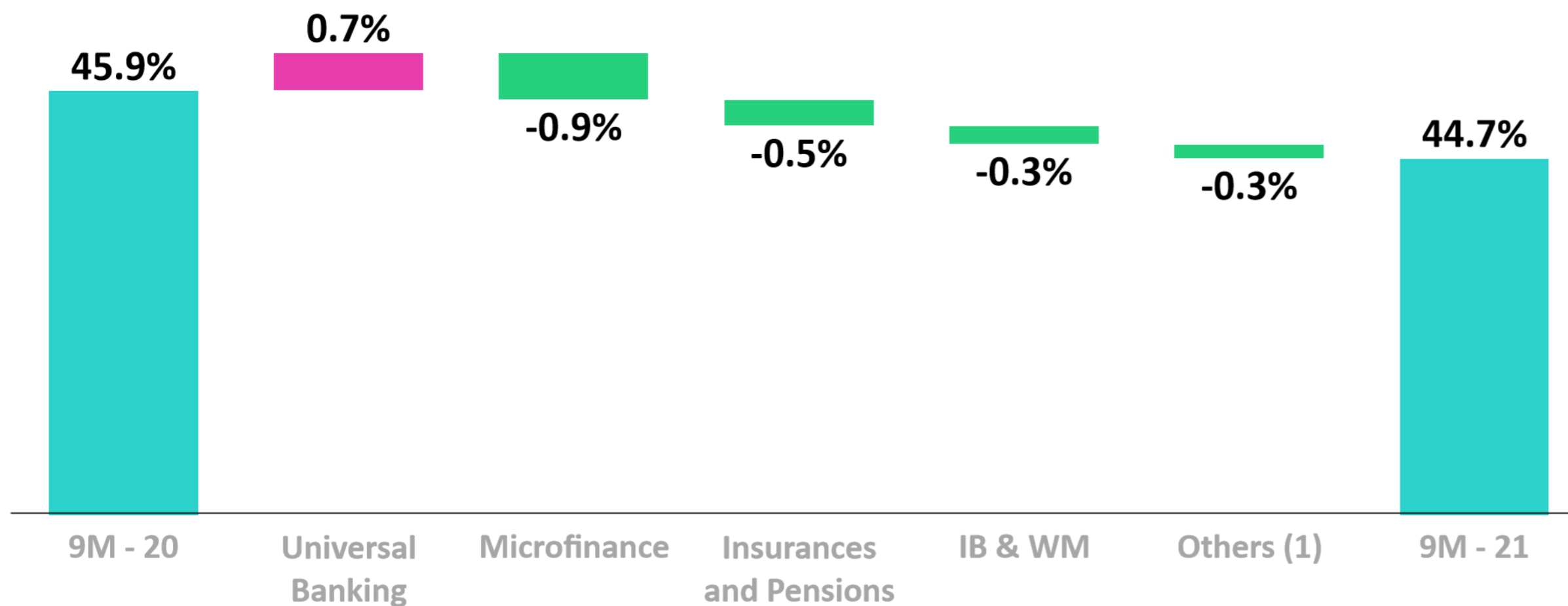
- ↑ Bancassurance fees
- ↓ Fee regulation

1. Includes income from NII, Fee income and Net gain from FX transactions

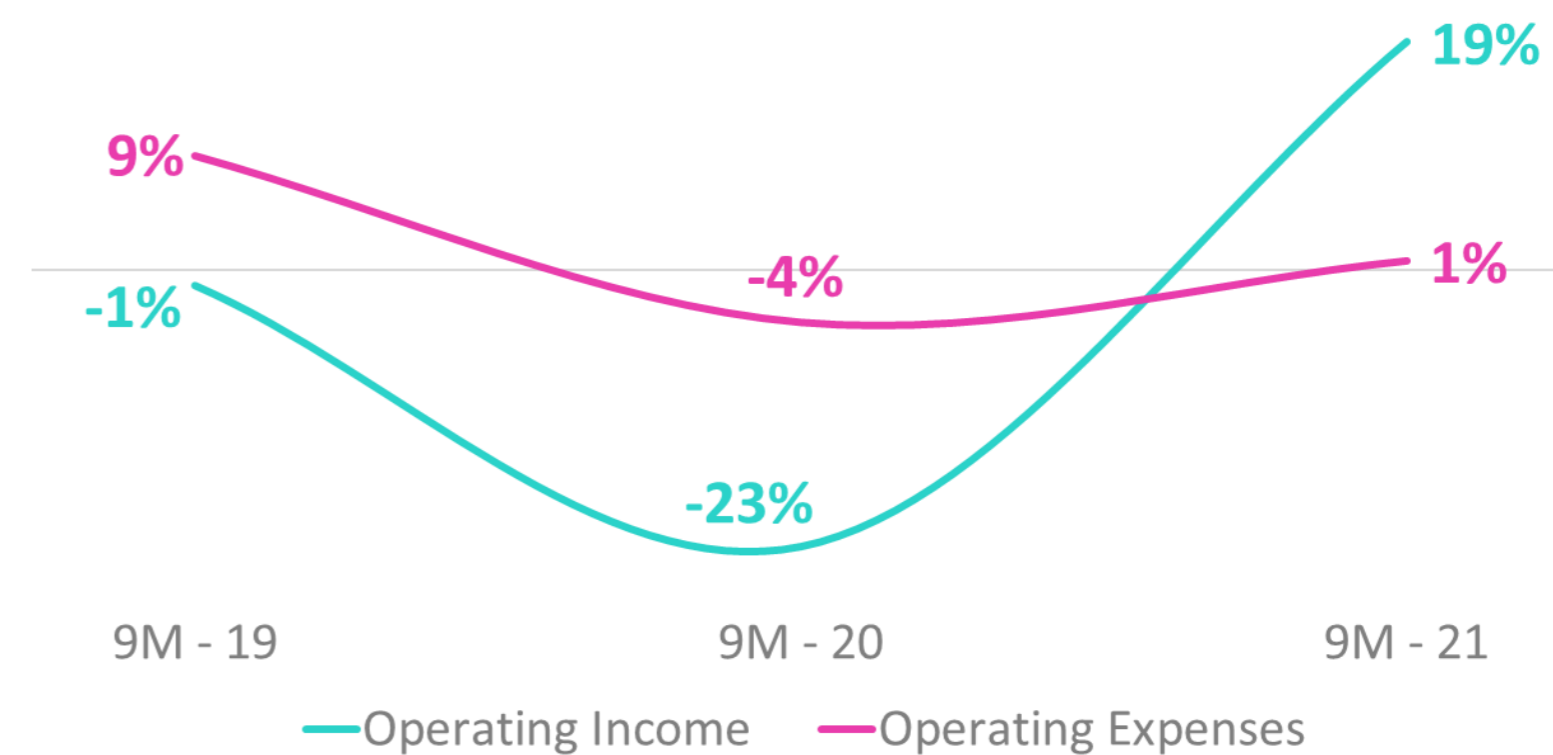
# The efficiency ratio improved driven by growth in Income in the Banking and Insurance businesses and expenses control at Mibanco

Efficiency improvements were attributable to all businesses except for BCP, which accelerated spending related to its transformation process

Efficiency (%)

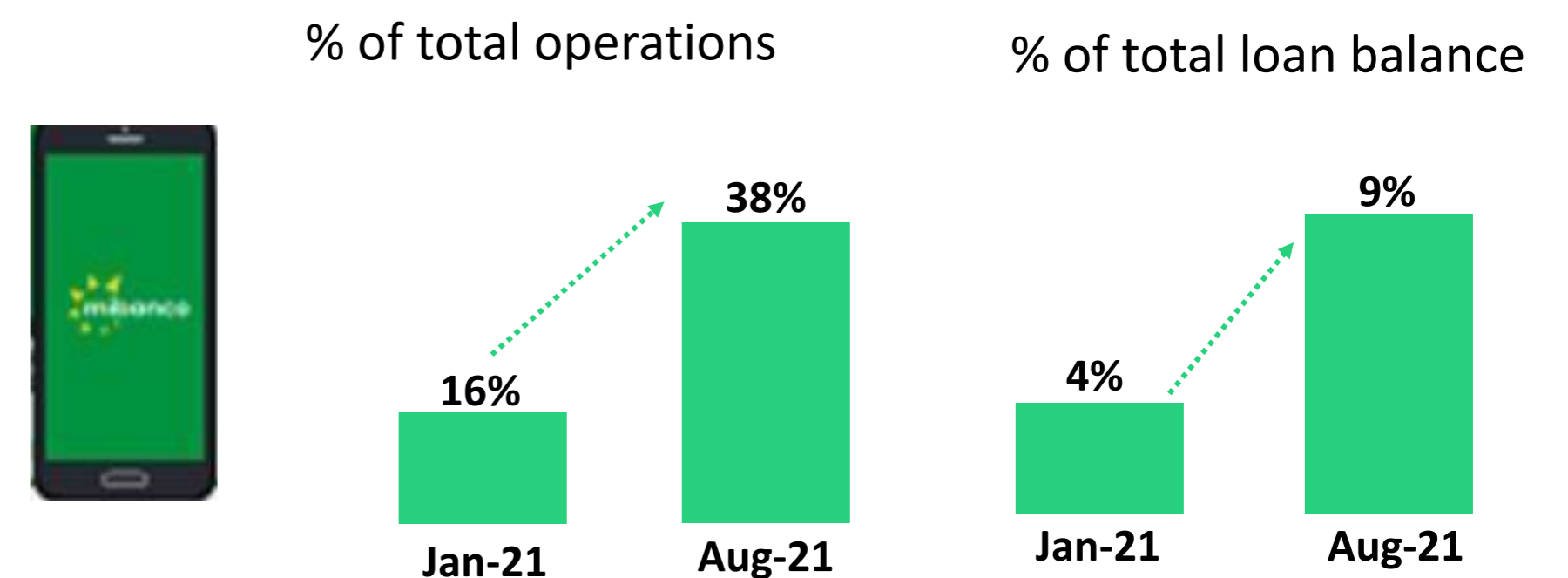


Mibanco Operating Income and Expenses (% change YoY)



Mibanco's efficiency improved as a result of its hybrid model

Disbursements through alternative channels



BCP Stand-alone IT OPEX and CAPEX

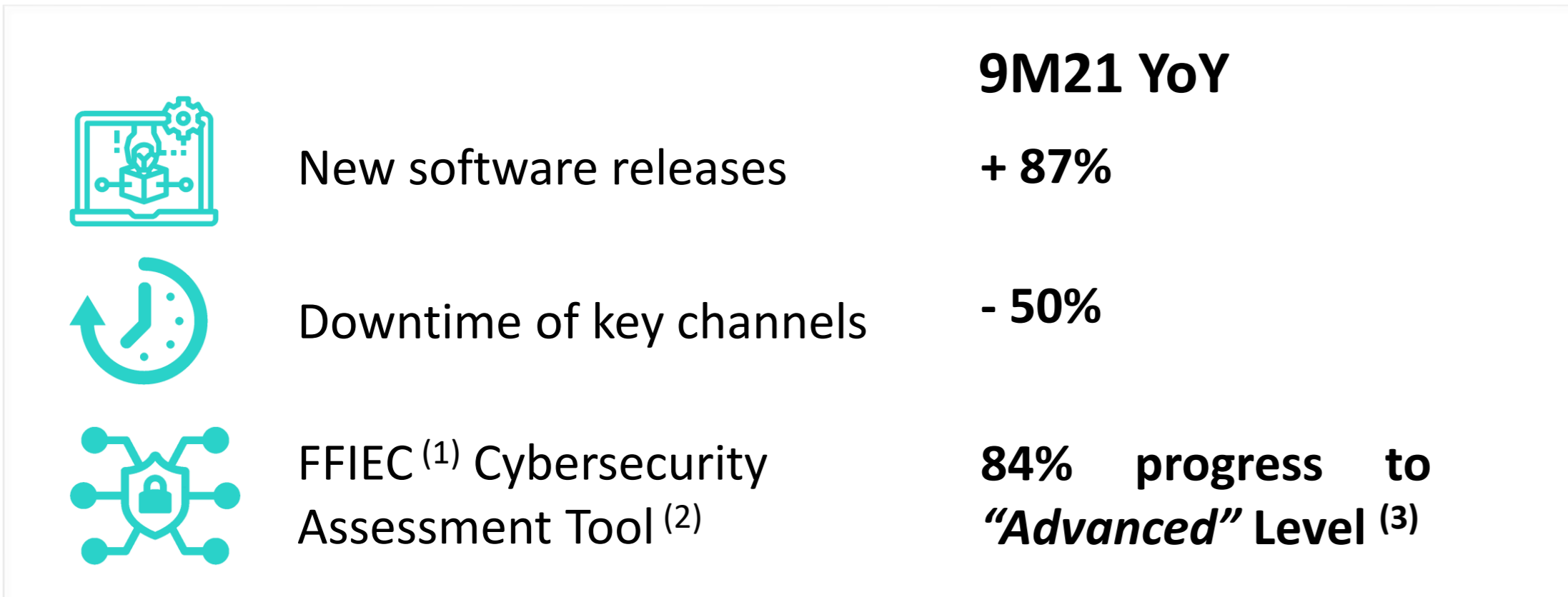
(S/ millions)



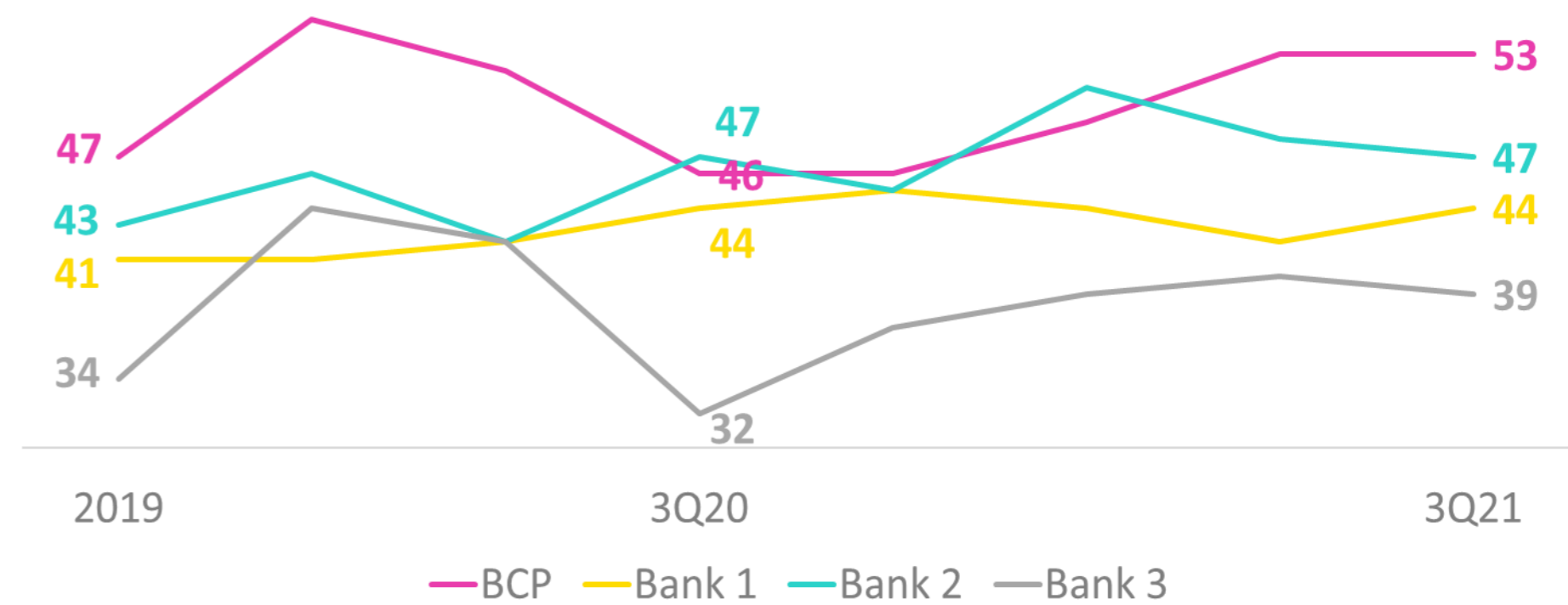
1. Others includes: Grupo Credito, among other subsidiaries and the eliminations for consolidation purposes

# We continue to push forward in our transformation journey at BCP

We are improving time-to-market and operating stability without losing sight of cyber risks



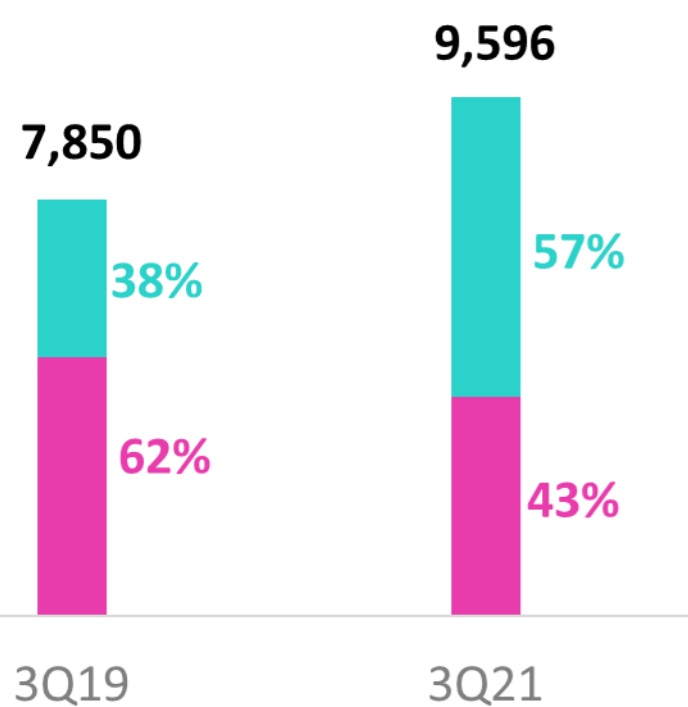
## Evolution of Satisfaction in the Consumer Segment (T2B, %)



## Retail Banking

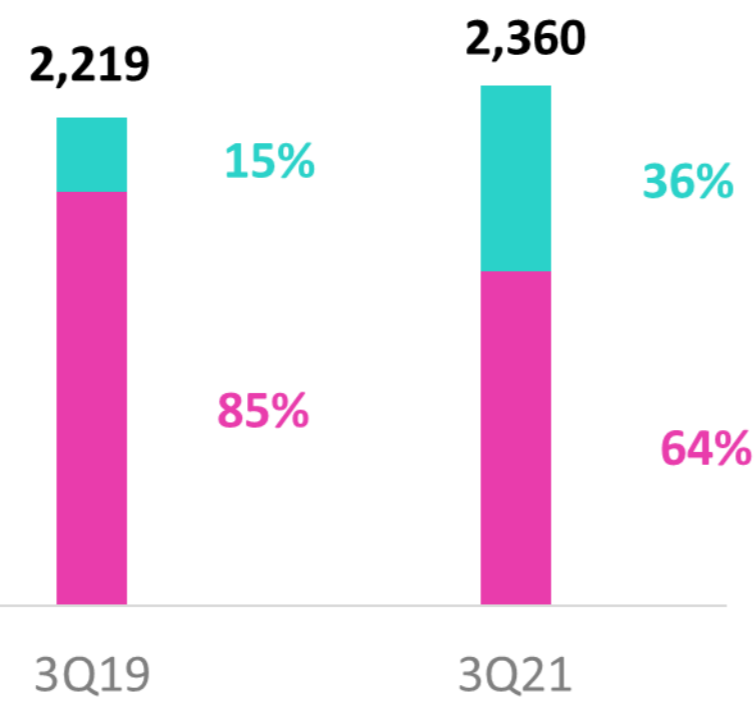
### Digital Clients evolution

(Thousand, %)



### Digital Sales

(Thousands of units)

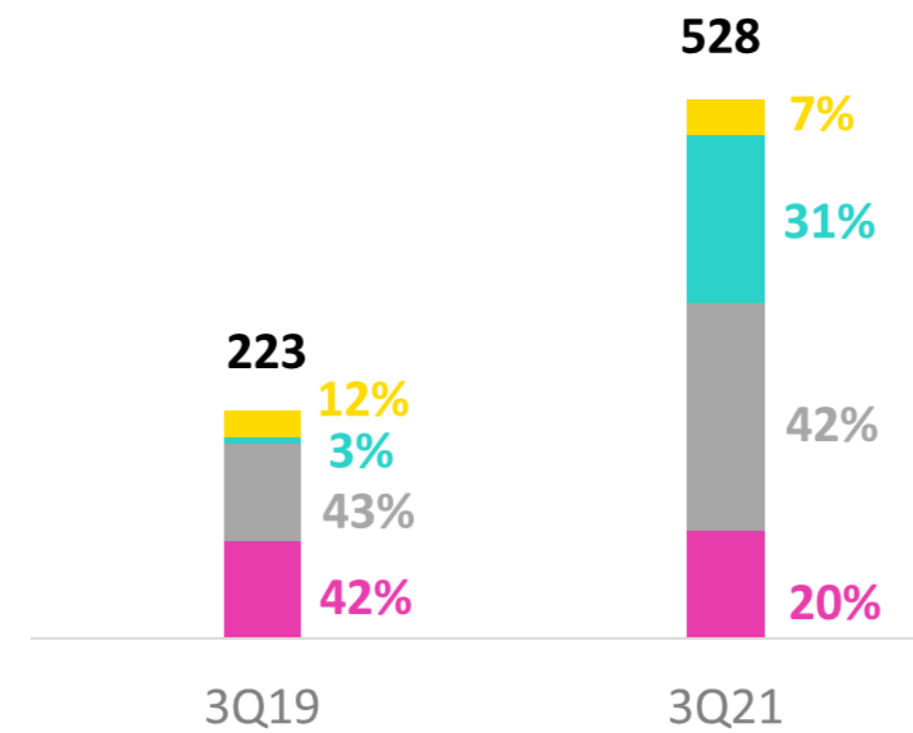


■ Non-digital ■ Digital

## Retail Banking

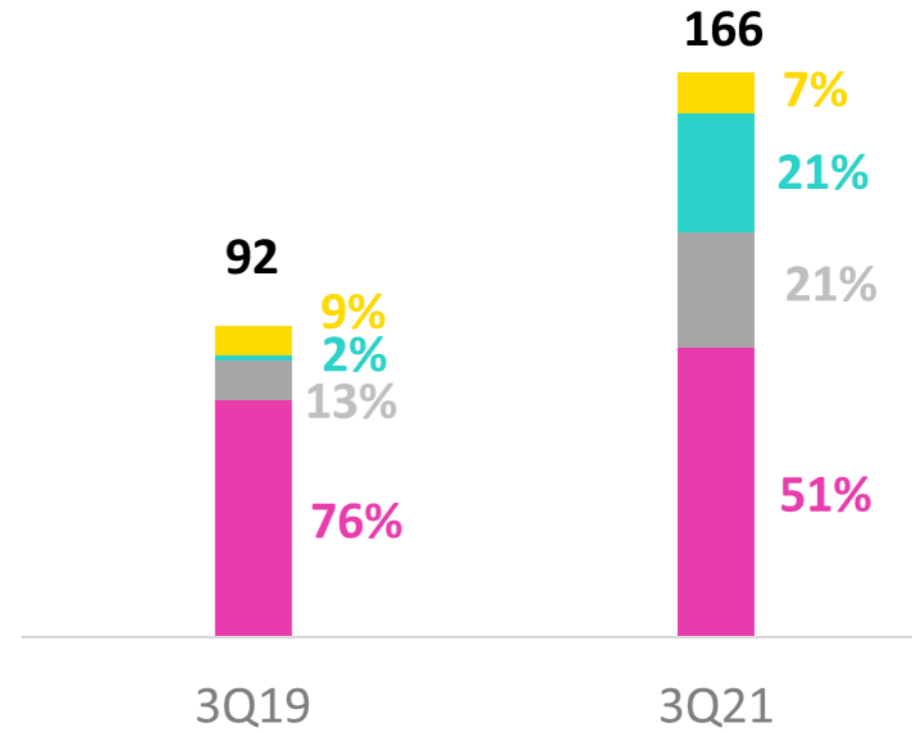
### Transactions by channel

(Monthly average, Millions of transactions)



### Monetary Transactions by channel

(Monthly average, Millions of transactions)



■ Mobile Banking ■ Yape ■ Non-digital ■ Internet

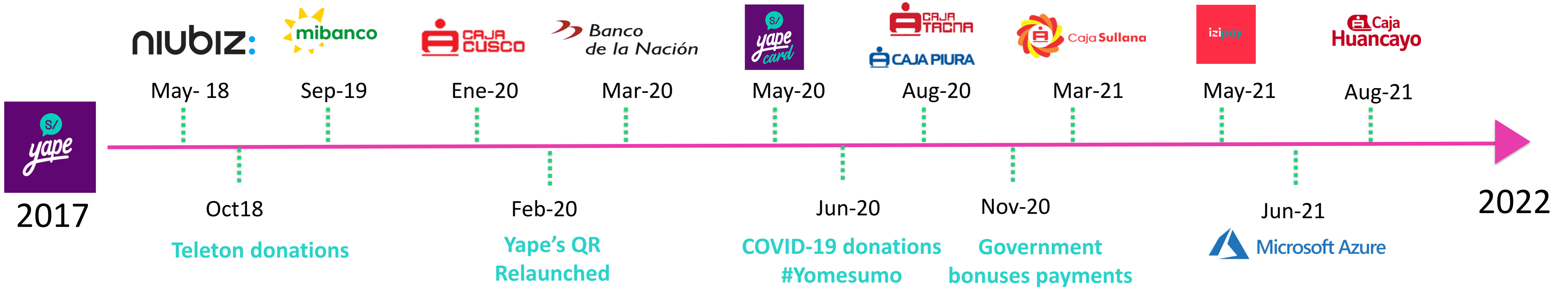
1. The Federal Financial Institutions Examination Council is a formal U.S. government interagency body composed of five banking regulators that is "empowered to prescribe uniform principles, standards, and report forms to promote uniformity in the supervision of financial institutions".  
 3. Percentage of controls implemented out of the total required to reach our 2021 target of: 90% of "Advanced" level and 100% of previous levels.

2. FFIEC developed the Cybersecurity Assessment Tool (Assessment) to help institutions identify their risks and determine their cybersecurity preparedness.



# Yape usage grows exponentially and offers ample opportunities...

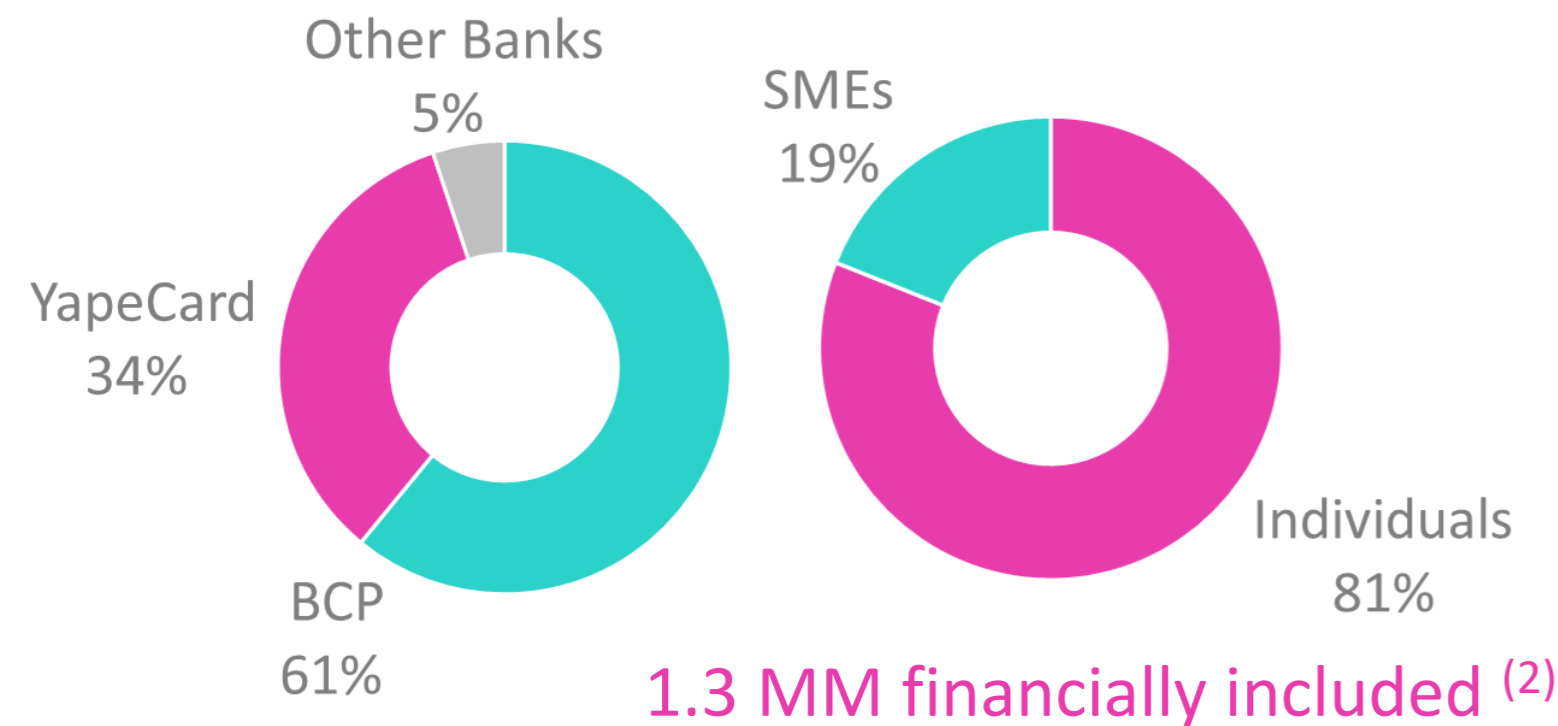
## Partnership development



## Users by Type

Sep 2021

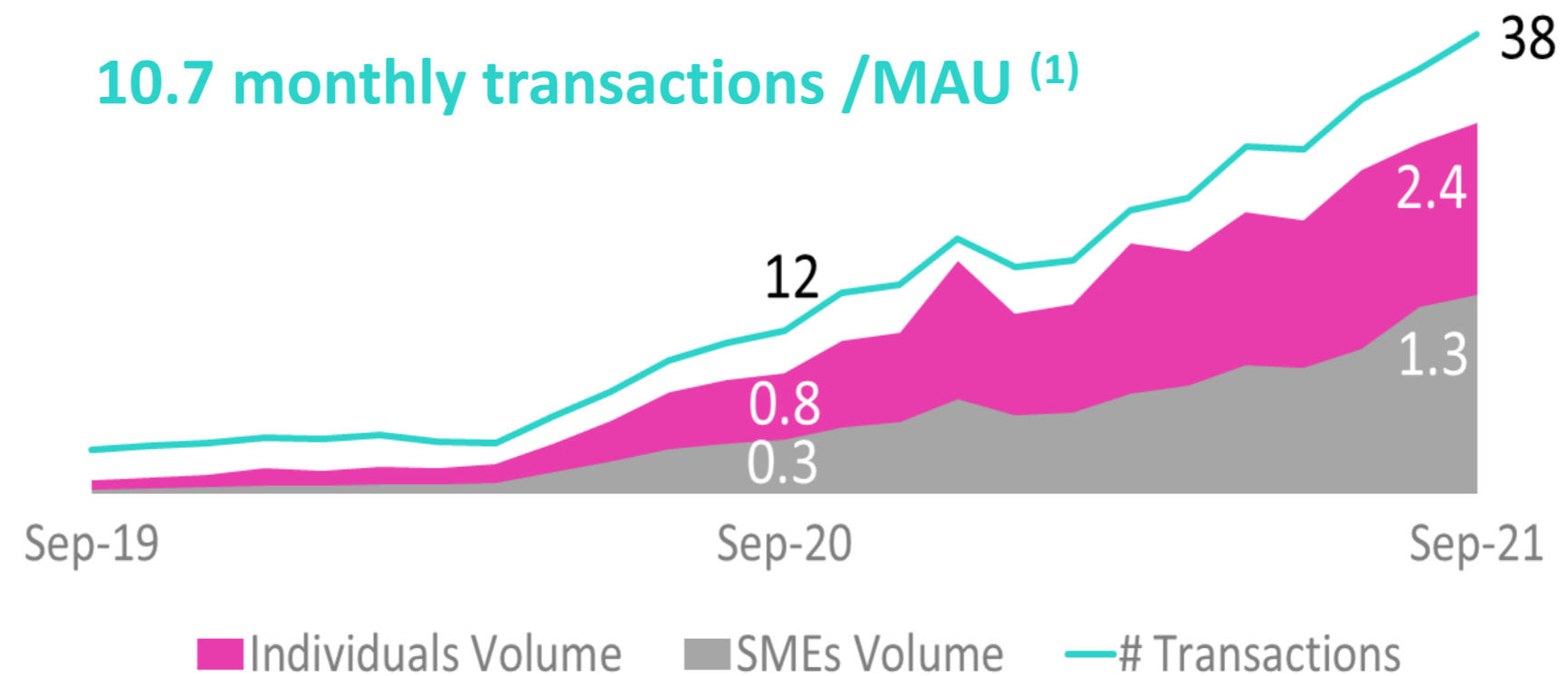
7.2 MM users (49% MAU)






1.3 MM financially included (2)

## Monthly transactions

(# of transactions in millions and volume in billions S/)



## Monetization Pipeline 2021

-  Micro-loans
-  Mobile top-ups
-  Dynamic Enterprises' QR

1. Total monthly transaction (in units) divided by monthly active users  
 2. Since Yape's inception

We have been developing disruptive initiatives through different subsidiaries and are now articulating a fintech ecosystem strategy at the Credicorp level

Scaled within incumbent



Feb 2017



Dec 19



May 20



Sep 20

Pipeline

New disruptive initiatives to scale

2022-23

Rethinking the strategy for the Fintech ecosystem and the governance model to effectively:

- 1 - Defend our current business portfolio
- 2 - Penetrate new markets and pave venues for growth
- 3



Mar 18



Jun 19



Jul 19



Nov 19



Dec 19



Jan 20

Independent at earlier stages

# We have recently disclosed an ESG update and have received valuable feedback from investors regarding our ESG Journey







## New Milestones

- ▶ Declared group-wide commitment to achieving carbon neutrality in our direct operations by 2032
- ▶ Advancing in ESG Risk Management (taxonomy, exclusion lists, roadmap & aspirations)
- ▶ GRI/SASB Materiality analysis
- ▶ Hybrid model “Junyi” for S/0-5k microfinance clients
- ▶ Joined ELSA initiative against workplace sexual harassment
- ▶ Defined medium-term aspirations for Gender Equity Program
- ▶ YTD >785k individuals financially included through Soli (Bolivia), Yape (Peru) and Mibanco (Peru)
- ▶ >15 million views of our Financial Education Comedy TV-Shows for the Banking and Pension industries
- ▶ Included gender diversity guidelines for the Board in our Corporate Governance Policy
- ▶ Implementation of short-term initiatives to improve international ESG Ratings
- ▶ Active involvement of Board in engagements with long-term investors and other relevant stakeholders

**Launched sustainable thematic funds (Social & Environmental)**

## MGMT ESG INFLUENCE MODEL

 <b>Fostering understanding &amp; conviction</b>	 <b>Reinforcing with formal mechanisms</b>	 <b>Developing talent &amp; skills</b>	 <b>Role Modeling</b>
<ul style="list-style-type: none"> <li>- Internal / External communication campaigns</li> <li>- Employee Training/Champions</li> <li>- Showcasing in main leadership forums</li> </ul>	<ul style="list-style-type: none"> <li>- ESG Governance Framework</li> <li>- Mgmt incentives aligned w/ESG</li> <li>- ESG metrics in subsidiaries' strategic pyramids</li> <li>- Incorporation into Strategic Dialogues</li> </ul>	<ul style="list-style-type: none"> <li>- Trained ~100 leaders and Board members</li> <li>- Providing relevant resources to implementation teams</li> <li>- Synergies between platforms and enablers teams</li> </ul>	<ul style="list-style-type: none"> <li>- CEOs in action (external and internal sustainability engagement)</li> <li>- Sustainability Champions</li> <li>- Toolkits for senior leaders and middle-mgmt</li> </ul>



<3>

Outlook

**We expect our profitability recovery trend to continue in the short-term; while in the longer term, uncertainties remain**

	Guidance 2021 <sup>(2)</sup>	YTD Results <sup>(3)</sup>	Outlook 2021 <sup>(4)</sup>
Real GDP Evolution	8% - 10%	+17.4% <sup>(5)</sup>	around 12%
Loan Evolution <sup>(1)</sup>	4% - 8%	+11.4%	above guidance, due to FX impact and structural portfolio recovery
Net Interest Margin	3.9% - 4.4%	4.0%	low to middle range of guidance, as rates increase, and IEA mix evolves
Cost of Risk	1.8% - 2.3%	1.0%	below YTD results, due to positive payments performance
Efficiency Ratio	44.0% - 46.0%	44.7%	upper end of guidance, as expenses increase towards end of year
ROAE	10.0% - 14.0%	13.4%	upper end of guidance, on path to pre-pandemic levels

1. Average daily balances, includes Government Programs.  
 2. 2021 Guidance estimated as of February 2021 (4Q19 Conference Call).  
 3. Year-to-date figures as of September 2021.  
 4. Year-end outlook as of October 2021.  
 5. Source: BCP estimate.

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# Key Take-aways



## Key Take-aways

1. Economic reactivation continued in 3Q21, alongside an improvement in the sanitary situation and an uptick in the vaccination process. Peru's macro fundamentals and the financial system remain solid, while a more moderate tone from the Executive Branch bolstered Peruvian financial markets and some key indicators improved.
2. In 3Q21, we continued to foster financial inclusion and business growth through digitalization, while we recover profitability across the board.
3. 3Q21 Net income was boosted by a decrease in provisions, which reflected an improvement in payment behavior in banking businesses.
4. The YoY improvement in earnings was also driven by an acceleration in core income thanks to an improvement in the asset mix as well as an uptick in interest rates; and an increase in the volume of transactions. On the other hand, expenses increase mainly driven by acceleration in digital transformation at BCP.
5. We will accelerate value generation through digital transformation at subsidiaries and via our fintech ecosystem strategy at the Credicorp level. These initiatives, coupled with progress in our Sustainability journey, will ensure that we can sustain growth efficiently.
6. We maintain our low double-digit ROE target for this year.

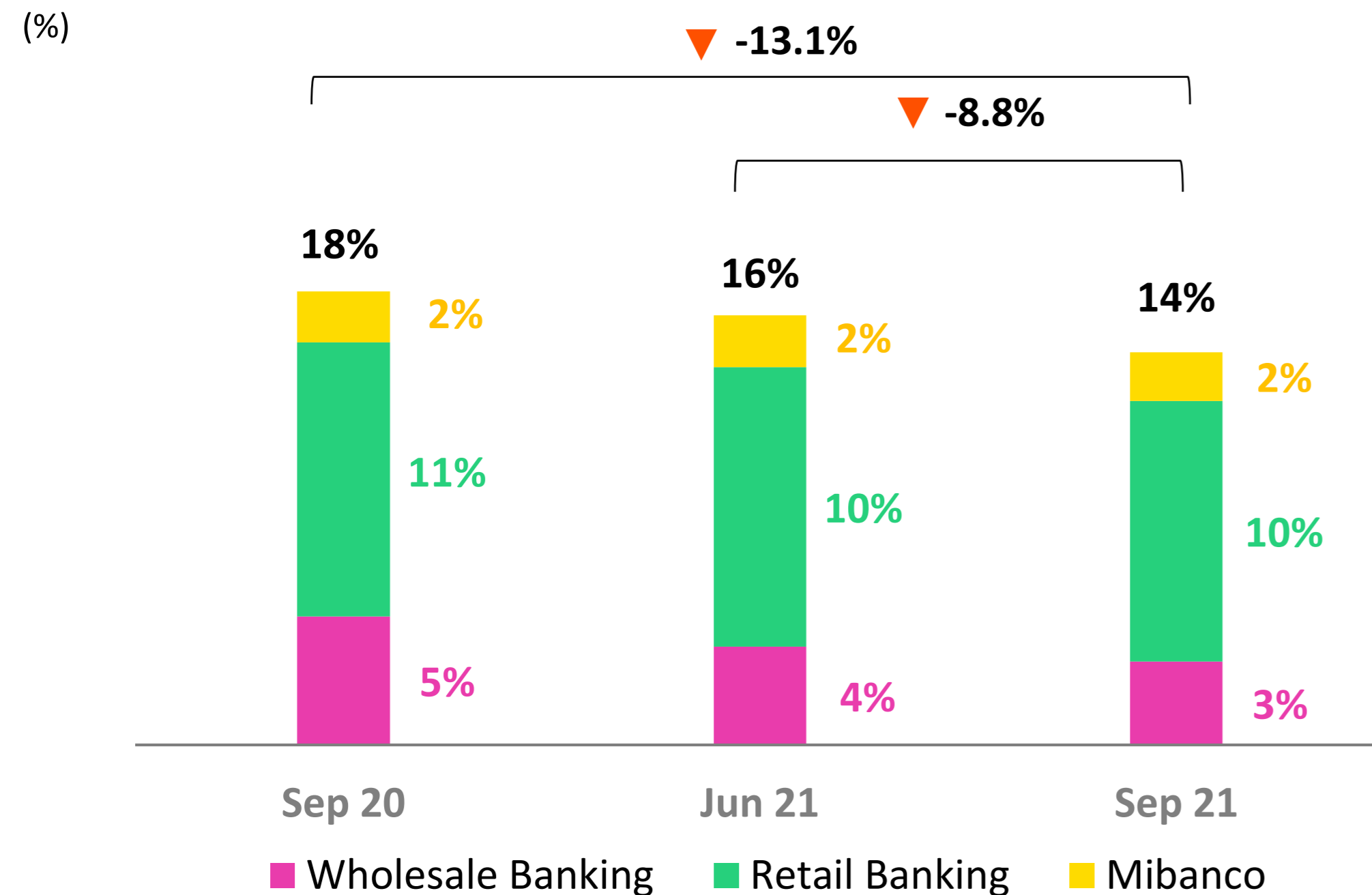
# Appendix

# Government Program Portfolio: gradual drop in loans; 32% of the portfolio was reprogrammed as clients took advantage of facilities

An increase in amortization of Middle-Market and SME-Business loans drove a drop in total loans as client income recovers

Portfolio asset quality will be fully evident by 1H22 as reprogramming facilities will continue throughout 4Q21

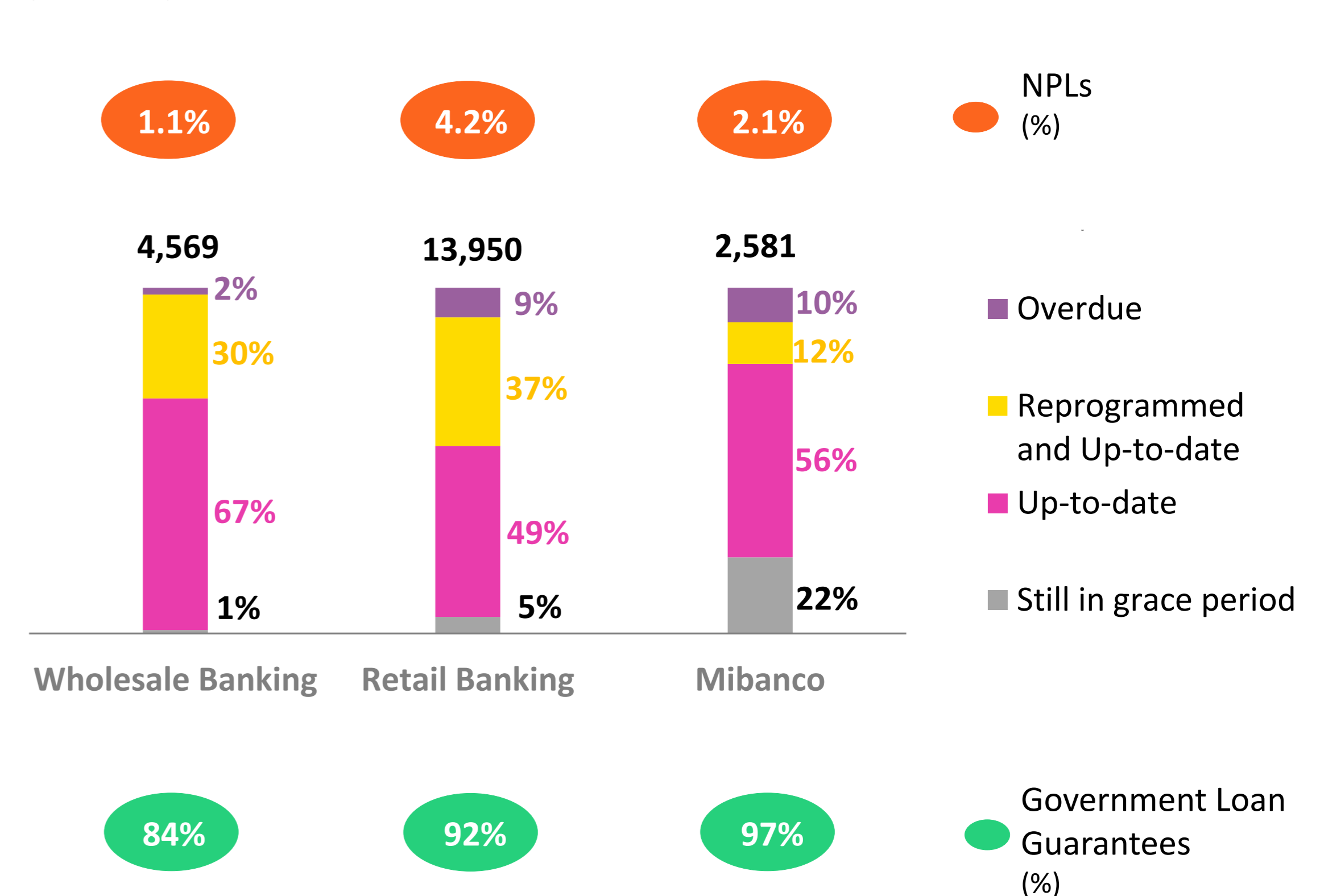
## Government Program Portfolio: Loan Composition of Total Loan Portfolio



Average Loan Maturity (years)



## Government Program Portfolio: Portfolio Structure as of Sep 21<sup>(1)</sup>



1. Portfolio management figures, which focus on analyzing new delinquency. Figures do not include loans that are over 120 days overdue, special accounts and the under legal collections portfolio.



# Credicorp's 3Q20 Consolidated Statement of Financial Position

Credicorp Ltd. S/ 000	As of			% change	
	Sep 20	Jun 21	Sep 21	QoQ	YoY
<b>ASSETS</b>					
Total cash and due from banks	35,137,959	37,958,638	44,507,856	17.3%	26.7%
Cash collateral, reverse repurchase agreements and securities borrowing	2,821,116	1,616,654	2,564,764	58.6%	-9.1%
Total investments	51,648,986	54,772,644	47,128,948	-14.0%	-8.8%
Loans, net	126,492,328	133,700,601	137,473,777	2.8%	8.7%
Financial assets designated at fair value through profit or loss	729,059	921,851	1,963,017	112.9%	169.3%
Other Assets	14,847,293	16,057,842	17,904,030	11.5%	20.6%
<b>Total assets</b>	<b>231,676,741</b>	<b>245,028,230</b>	<b>251,542,392</b>	<b>2.7%</b>	<b>8.6%</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits and obligations	137,202,674	149,161,803	152,548,368	2.3%	11.2%
Payables from repurchase agreements and securities lending	27,778,922	25,963,227	23,363,030	-10.0%	-15.9%
Due to banks and correspondents	6,601,722	6,239,161	7,466,434	19.7%	13.1%
Bonds and notes issued	16,425,832	16,951,481	17,577,630	3.7%	7.0%
Other liabilities	19,600,787	21,135,630	24,881,485	17.7%	26.9%
<b>Total liabilities</b>	<b>207,609,937</b>	<b>219,451,302</b>	<b>225,836,947</b>	<b>2.9%</b>	<b>8.8%</b>
Capital stock	1,318,993	1,318,993	1,318,993	0.0%	0.0%
Capital surplus	157,767	224,103	215,071	-4.0%	36.3%
Reserves	21,405,740	21,725,663	21,350,150	-1.7%	-0.3%
Retained earnings	(302,613)	1,335,544	2,496,665	86.9%	n.a.
Other	1,486,917	972,625	324,566	-66.6%	-78.2%
<b>Net Equity</b>	<b>24,066,804</b>	<b>25,576,928</b>	<b>25,705,445</b>	<b>0.5%</b>	<b>6.8%</b>
<b>Total liability and Equity</b>	<b>231,676,741</b>	<b>245,028,230</b>	<b>251,542,392</b>	<b>2.7%</b>	<b>8.6%</b>

# Credicorp's 3Q20 Consolidated Statement of Income

Credicorp Ltd. S/ 000	Quarter			% change		YTD		% change
	3Q20	2Q21	3Q21	QoQ	YoY	Sep 20	Sep 21	2021 / 2020
Net interest, similar income and expenses	2,161,905	2,309,042	2,451,708	6.2%	13.4%	6,502,782	6,884,133	5.9%
Provision for credit losses on loan portfolio, net of recoveries	(1,305,905)	(363,380)	(164,414)	-54.8%	-87.4%	(5,187,843)	(1,085,441)	-79.1%
<b>Net interest, similar income and expenses, after provision for credit losses on loan portfolio</b>	<b>856,000</b>	<b>1,945,662</b>	<b>2,287,294</b>	<b>17.6%</b>	<b>167.2%</b>	<b>1,314,939</b>	<b>5,798,692</b>	<b>341.0%</b>
Total other income	1,102,766	1,191,694	1,238,683	3.9%	12.3%	3,076,684	3,624,907	17.8%
Insurance underwriting result	(4,340)	(136,335)	70,204	n.a.	n.a.	273,266	(131,378)	-148.1%
Total other expenses	(1,802,009)	(1,860,447)	(1,977,794)	6.3%	9.8%	(5,209,713)	(5,518,512)	5.9%
<b>Profit before income tax</b>	<b>152,417</b>	<b>1,140,574</b>	<b>1,618,387</b>	<b>41.9%</b>	<b>961.8%</b>	<b>(544,824)</b>	<b>3,773,709</b>	<b>n.a.</b>
Income tax	(55,829)	(423,491)	(428,037)	1.1%	666.7%	213,151	(1,189,127)	n.a.
<b>Net profit</b>	<b>96,588</b>	<b>717,083</b>	<b>1,190,350</b>	<b>66.0%</b>	<b>1132.4%</b>	<b>(331,673)</b>	<b>2,584,582</b>	<b>n.a.</b>
Non-controlling interest	(8,018)	17,614	26,651	51.3%	n.a.	(25,163)	60,616	n.a.
<b>Net profit attributable to Credicorp</b>	<b>104,606</b>	<b>699,469</b>	<b>1,163,699</b>	<b>66.4%</b>	<b>1012.5%</b>	<b>(306,510)</b>	<b>2,523,966</b>	<b>n.a.</b>
Net income / share (S/)	1.31	8.77	14.59	66.4%	1012.5%	(3.84)	31.64	n.a.

<b>Government Program Loans (“GP or GP loans”)</b>	Loan Portfolio related to Reactiva Peru and FAE-Mype programs to respond quickly and effectively to liquidity needs and maintain the payment chain.
<b>Structural Loans</b>	Loan Portfolio excluding GP Loans.
<b>Non-Recurring Events at Interest Income</b>	Impairment charge (related to the government facility that allowed for deferment of certain installments at zero cost) and subsequent amortization thereof.
<b>Non-Recurring Events at Interest Expense</b>	Charges related to the liability management operation at BCP (3Q20, 1Q21).
<b>Structural Cost of risk</b>	Cost of Risk related to the Structural Loans. It excludes, in the numerator, provisions for credit losses on GP loans, and in the denominator, the total amount of GP Loans.
<b>Structural NPL ratio</b>	NPL Ratio related to Structural Loans. It excludes the impact of GP Loans.
<b>Structural NIM</b>	NIM related to structural loans and other interest earning assets. It deducts the impact from GP loans and non-recurring events from Interest Income and Interest Expenses.
<b>Structural Funding Cost</b>	Funding Cost deducting the impact in expenses and funding related to GP Loans and deducting non-recurring events from Interest Expense.



Earnings  
Conference Call  
3Q/2021

