

SUSTAINABILITY REPORT 2025

ECLOF ECUADOR



Global Reporting Initiative (GRI) Standards

(Basic version)

Business model and strategy

Business model and strategy

GRI 2-1: Business model and strategy

Eclof Ecuador operates under the legal form of a private non-profit foundation, strategically integrating itself into the Popular and Solidarity Economy (EPS) sector. By 2025, the organization has consolidated a hybrid and socially oriented business model designed to democratize access to capital in vulnerable sectors that traditionally remain excluded from commercial banking. The institution functions through two main financial intervention mechanisms: second-tier operations (provision of loans to grassroots organizations, savings funds, and rural cooperatives) and first-tier operations (direct granting of microcredits to individuals and solidarity groups, accompanied by non-financial services such as training and technical assistance). The institutional strategy prioritizes comprehensive rural development with a cross-cutting approach to gender and environmental sustainability, channeling resources to foster economic autonomy, food security, and housing resilience for its beneficiaries.

Description of Principal Activities and Portfolio

The institution's operations are directly linked to generating a verifiable impact at the base of the pyramid. The value proposition is structured into five specialized loan products: Community Banks (Cajitas comunitarias de ahorro y crédito), Agricultural Credit Line, *Hilando el Desarrollo* (Spinning Development), Microcredit for Micro-enterprises, and Home Improvement. The Sustainable Development Goals addressed and their corresponding operational indicators are detailed below:

- **SDG 1 No Poverty:** Direct impact on rural poverty reduction. The operational indicator is 100 percent of the portfolio (740 active clients at the close of 2025) estimated to be focused on highly vulnerable rural and peri-urban areas.
- **SDG 2 Zero Hunger:** Support for food security in family farming. The focus on small farmers is an institutional priority, achieving an active portfolio at the close of 2025 of 476 clients (64% of the total) for an amount of USD 1,590,510 (61% of the total portfolio), resulting in a high level of impact.
- **SDG 5 Gender Equality:** Promotion of economic autonomy. The indicator reflects that 57 percent of the total active borrowers are women.
- **SDG 8 – Decent Work and Economic Growth:** Support for the sustainability of micro-enterprises through a base of 740 clients (currently, "Las Cajitas" is counted as a single client) within the informal sector. For the organization, it is key to strengthen this indicator through more precise and disaggregated measurement.

Context of the Microcredit Segment in the Ecuadorian Economy

In the economic context of Ecuador in 2025, the microcredit segment plays a countercyclical and stabilizing role. After the liquidity challenges faced by the national financial system in previous years, the Popular and Solidarity Financial Sector (SFPS) has consolidated itself as the main driver of financial inclusion in the country. This sector represents a vital source of funding for family farming and informal retail trade, which constitute a significant part of employment in Ecuador.

ECLOF Ecuador is specifically positioned at the base of the pyramid of this ecosystem. Unlike traditional banking, which concentrates its portfolio in urban areas and consumer segments, ECLOF directs its efforts toward dispersed rural areas and the peri-urban subsistence economy. The relevance of this model lies in its ability to mitigate multidimensional poverty through productive financing, supporting the transition of beneficiaries from vulnerability toward economic stability and formalization.

Legal and Regulatory Framework

As an entity subject to oversight, the institution operates under a strict Ecuadorian legal framework that ensures solvency, fiduciary transparency, and the protection of client data.

The main applicable regulations are detailed below:

| Regulation or Law | Description and Applicability | Control Body |
|---|---|---|
| Organic Law of Popular and Solidarity Economy and its Regulations | Establishes the legal framework for organizations in the sector, regulating the constitution, operation, and principles of community credit entities. | Superintendency of Popular and Solidarity Economy |
| Organic Monetary and Financial Code | Regulates the monetary and financial system of Ecuador. Determines the rules for solvency, risk management, and applicable interest rate limits. | Financial Policy and Regulation Board / SEPS |
| Organic Law for the Prevention, Detection, and Eradication of the Crime of Money Laundering | Requires the implementation and monitoring of risk prevention systems, mandating the reporting of any unusual or unjustified operations. | Financial and Economic Analysis Unit |
| Regulation or Law | Description and Applicability | Control Body |
| Control Standard for the Registration of Foundations and Civil Corporations | Specific resolution ordering the registration and continuous supervision of foundations that grant financing, ensuring corporate and fiduciary reporting. | Superintendency of Popular and Solidarity Economy |

| | | |
|---|--|--|
| Organic Law on Personal Data Protection | Dictates the rules for the processing of borrower data, ensuring confidentiality, access, and rectification of personal information. | Superintendency of Data Protection |
| Current Tax and Labor Regulations | Oversees compliance with all tax, employer, and social security obligations, guaranteeing labor rights and withholding payments. | Internal Revenue Service / Ministry of Labor |

Sustainability governance

Sustainability governance

GRI 2-9 Governance structure and composition

Eclaf Ecuador's governance structure is designed to ensure transparency, fiduciary responsibility, and fulfillment of its social, environmental, and financial mission. As a microcredit institution with an ecumenical, social, and environmental focus, the organization operates under a hierarchical system that ensures the representation of its member institutions and effective strategic oversight, aligned with the sustainability objectives of its financial products.

Corporate Governance Structure

The highest governing body is the General Assembly of Members, which delegates strategic direction to an elected Board of Directors. Daily and operational management is the responsibility of the Executive Management. As of the close of the 2025 fiscal year, the structure is composed as follows:

- **General Assembly:** The supreme authority, comprised of representatives from institutions including foundations, NGOs, cooperatives, and church-related entities. For the 2025 period, the Assembly has 24 members.
- **Board of Directors:** A collegiate body responsible for oversight and strategic direction, composed of 5 members elected from professionals with proven experience in social, humanitarian, and financial areas. They meet bi-monthly.
- **Executive Management:** Responsible for daily administration and the execution of the institutional strategy.

Composition of the Board of Directors and Senior Management

The Board of Directors is composed of professionals from various sectors, ensuring a mix of competencies ranging from psychology and social work to financial management and ecclesiastical leadership.

| Position | Name | Affiliation and Background |
|--------------------|-------------------------------|--|
| President | Dr. José Egas | Member of the Lutheran Church, Director of the Nueva Vida Foundation, and advisor to government entities. |
| Vice President | Rev. Felipe Adolf | President of the CLAI (Latin American Council of Churches) and member of the Family Comprehensive Center (<i>Centro Integral de la Familia</i>). |
| Secretary | Pastor Estuardo López | President of the Evangelical Confraternity of Ecuador. |
| Director | Dra. Marcela Tulcanaza Vargas | Psychologist, Director of the Desafíos Foundation (FUDEMI). |
| Executive Director | Cecilia Ortiz Montero | Experience in social, financial, and administrative fields. Responsible for daily management. |

Diversity and Independence

Eclof Ecuador promotes diversity within its governance and management bodies to better reflect the community it serves. According to data reported as of December 31, 2025, gender distribution at decision-making levels (Board and Management) is balanced:

- Gender distribution in the Board and Management: 50% men and 50% women.
- Gender distribution across the total workforce: 83.33% women and 16.67% men.

Board members are selected by the General Assembly based on their professional track record and commitment to the institutional mission, representing various civil society organizations and religious entities, which ensures independence of judgment and a pluralistic vision in strategic decision-making.

Approach for the identification of material topics

Approach for the identification of material topics

GRI 2-29 - Approach for the identification of material topics

At ECLOF Ecuador, the approach for stakeholder engagement and the identification of material topics is grounded in our dual mission of financial sustainability and social impact. Aligned with our updated Best Practice Guidelines on Corporate Governance, we define governance as the process through which stakeholders guide the institution to protect the institutional mission and assets.

During the 2025 fiscal year, we have maintained structured communication channels to ensure that stakeholder expectations are considered in the strategic and operational decision-making of our microfinance activities.

Stakeholder Identification and Selection

The identification of our stakeholders is based on the direct relationship with our value chain and our cooperative governance structure. The General Assembly, comprised of 15 institutions including foundations, NGOs, cooperatives, and religious institutions, represents our primary governance base. Likewise, given our microcredit model focused on solidarity groups, community banks (*cajitas comunitarias de ahorro y crédito*), and vulnerable sectors in Ecuador, clients constitute the central axis of our social purpose.

The dialogue mechanisms established with each stakeholder group are detailed below:

| Stakeholder Group | Dialogue Mechanisms and Frequency | Purpose of Engagement |
|--|---|--|
| Clients (Microentrepreneurs, Community Banks (cajitas comunitarias de ahorro y crédito), and Solidarity Groups) | <ul style="list-style-type: none"> • Continuous interaction through Credit Officers in the field. • Mandatory field visits by Board members (at least annually) to understand the client's reality. • Preparation for the social impact study with 60 Decibels (scheduled for 2026). | Evaluate client satisfaction, strengthen the social fabric and community capital, prevent over-indebtedness, and measure social impact in poverty reduction. |
| Stakeholder Group | Dialogue Mechanisms and Frequency | Purpose of Engagement |
| Corporate Governance (Board of Directors and Assembly) | <ul style="list-style-type: none"> • Quarterly Board meetings. • Participation of the ECLOF International regional consultant as an observer. • Annual performance evaluations of the Board and Management. | Ensure alignment with the mission, oversee risk management, and guarantee fiduciary integrity. |
| Employees and Management | <ul style="list-style-type: none"> • Performance evaluations and capacity building. • Training on the Code of Ethics and Conduct. • Strategic planning and mission review meetings (every 3 years with annual review). | Foster a fair work environment, ensure talent retention, and adherence to institutional values. |
| Strategic Partners and Funders (ECLOF International) | <ul style="list-style-type: none"> • Quarterly financial and social reports. • External and internal audits. | Accountability, financial transparency, |

| | | |
|--|--|--|
| | | and compliance with global agreements. |
|--|--|--|

Determination of Material Topics

Based on the dialogue mechanisms described and considering the operational context of 2025, ECLOF Ecuador has identified a prioritized list of material topics. These topics reflect the institution's most significant impacts on the economy, the environment, and people, as well as the risks that may affect our long-term viability.

The prioritization process has considered critical factors such as the volatility of the Ecuadorian financial environment and the need to protect our vulnerable clients against external factors. The topics defined through active stakeholder participation are as follows:

- **Risk Governance:** Strengthening the internal control structure through the Audit and Credit Committees to mitigate financial and operational risks, ensuring institutional sustainability in the face of market uncertainties.
- **Climate Change:** Recognizing the vulnerability of our clients—mostly in rural and agricultural sectors—to adverse climate events and integrating environmental risk management through assessments and mitigation plans within the credit portfolio. Based on our recent Climate Risk Exposure Report, aligned with GRI and IFRS S2, out of an audited asset base of USD 2,505,502, a Value at Risk (VaR) of USD 328,450 has been identified, highlighting the strong exposure to droughts in key agricultural cantons such as Pedro Moncayo and Cayambe. Mitigation strategies will be evaluated in 2026.
- **Client Protection Principles:** Strict adherence to codes of conduct that prevent abusive practices, ensuring total transparency in pricing and guaranteeing fair treatment, in absolute alignment with our mission to defend human dignity.
- **Over-indebtedness:** Rigorous monitoring of repayment capacity and portfolio quality to proactively prevent microcredit access from becoming a harmful financial burden for beneficiary families.
- **Mission Drift:** Constant oversight and monitoring by the Governance Committee to ensure that the pursuit of financial sustainability and institutional growth does not, under any circumstances, compromise the core social objective of serving vulnerable populations.

Looking ahead, the institution will strengthen its materiality process by executing the specialized impact study in 2026, which will provide deeper quantitative and qualitative data directly from the voice of the client for the continuous improvement of this materiality matrix.

Process for determining material topics

GRI 3-1 - Process to determine material topics

The process for determining Eclof Ecuador's material topics for the 2025 fiscal year has been structured under a double materiality approach. This approach allows for the identification and evaluation of both the significant impacts that the institution generates on the economy, the environment, and people, as well as those sustainability matters that influence the organization's enterprise value, financial position, and operating performance.

The applied methodology aligns with the institutional mission of promoting social justice and human dignity through microfinance, ensuring that the sustainability strategy responds to the realities of the Popular and Solidarity Economy sector within the Ecuadorian context, characterized by high labor informality and financial inclusion gaps in rural areas.

Identification and Evaluation Methodology

The materiality analysis was developed through a comprehensive due diligence process that combined internal document review, analysis of Ecuador's macroeconomic and climate context, and direct stakeholder consultation. The procedure was divided into four constituent phases:

- **Understanding the organization's context:** Current financial products and services were analyzed, evaluating their specific contribution to the Sustainable Development Goals and their interaction with local socio-economic dynamics in provinces such as Pichincha and Chimborazo.

Identification of actual and potential impacts: Positive and negative impacts associated with Eclof Ecuador's value chain were evaluated, using institutional risk matrices and climate and financial audit reports.

- **Assessment of significance:** Severity and likelihood criteria were applied to negative impacts, with special attention paid to emerging systemic risks such as climate instability and the economic vulnerability of micro-entrepreneurs.
- **Prioritization of topics:** The identified matters were subjected to a strategic filter to determine their magnitude in relation to clients' human rights and the institution's financial resilience, thereby consolidating the final matrix.

Stakeholder Engagement

The identification of impacts was based primarily on general observations derived from ongoing interactions with key stakeholders, facilitated by the regional consultant of Eclof International. These insights were informed by field engagement, including visits conducted by loan officers and continuous dialogue with micro-entrepreneurs and farmers. In addition, meetings with the Board of Directors contributed to validating the social mission and overseeing corporate risk management performance. A more structured and

comprehensive stakeholder engagement and impact identification process will be carried out as part of the strategic planning workshop scheduled for 2026.

List of material topics

GRI 3-2: List of material topics

For the 2025 reporting period, Eclof Ecuador has identified and prioritized the material topics that reflect the institution's most significant actual and potential impacts on the economy, the environment, and people, including respect for human rights. This methodological determination is based on the context of our operations within the Ecuadorian microfinance sector, our geographical exposure in highly vulnerable areas, and our institutional mandate to promote social justice and human dignity.

The definition of corporate materiality comprehensively considers the nature of our service portfolio, covering the following operational areas and financial intervention methodologies:

- Financing through community banks (*cajitas comunitarias de ahorra y crédito*) to foster social cohesion and rural financial resilience
- Agricultural loans conditioned on the implementation of best practices and adaptation to physical climate risk

Productive microcredits and working capital initiatives focused on local employment retention and the economic autonomy of women

- Financial solutions oriented toward the adjustment and improvement of basic housing infrastructure

To complement the vulnerability analysis regarding the material topic of Climate Change, the recent Climate Risk Exposure Report evaluated a portfolio asset base of USD 2,505,502, identifying a climate Value at Risk (VaR) of USD 328,450, equivalent to 14% of equity, which confirms the existence of an adequate capital buffer.

As a result of the double materiality process and ongoing dialogue with our stakeholders, the critical issues that ensure the foundation's long-term viability and the mitigation of negative externalities were determined. The prioritized list of material topics for the organization, classified according to their sustainability dimension, is presented below:

| Priority Material Topic | ESG Dimension |
|-------------------------|---------------|
| Risk Governance | Governance |
| Climate Change | Environmental |

| | |
|------------------------------|------------|
| Client protection principles | Social |
| Client over-indebtedness | Social |
| Mission drift | Governance |

Economic performance

Economic performance

GRI 201 - Economic performance

Economic performance management during the fiscal year has been oriented towards ensuring the institution's financial sustainability to fulfill its dual mission: promoting social justice and human dignity through financial inclusion, while simultaneously protecting institutional assets. Under the supervision of the Board of Directors, the organization has maintained a balance between economic viability and social impact, ensuring sufficient resources for continuous operations and portfolio growth.

GRI 201-1: Direct economic value generated and distributed

During the reported period, the institution generated a total direct economic value of 392,723.42 USD, primarily derived from interest and discounts earned from the loan portfolio. The distribution of this value reflects the institution's commitment to its employees, suppliers, and the fulfillment of its tax obligations, resulting in a retained economic value that strengthens institutional equity for future reinvestments.

The following table details the Direct Economic Value Generated and Distributed:

| Component | Detail | Amount (USD) |
|----------------------------|--|--------------|
| Economic Value Generated | Total Income (Interest, investments, others) | 392,723.42 |
| Economic Value Distributed | Operating Expenses (Payments to suppliers) | 158,409.46 |
| Economic Value Distributed | Employee wages and benefits | 146,554.99 |
| Economic Value Distributed | Payments to Government (Taxes) | 8,275.97 |

| | | | |
|----------------------|-------|--|------------|
| Economic Distributed | Value | Community investments (Donations and courtesies) | 4,224.29 |
| Total Distributed | | Sum of operating expenses, wages, taxes, and investments | 317,464.71 |
| Economic Retained | Value | Surplus for the Period (calculated as Generated minus Distributed) | 75,258.71 |

The calculation of the Retained Economic Value presented follows the GRI methodology. Accounting-wise, the Net Surplus for the Period reported on the Balance Sheet is 61,483.00 USD, after considering provisions and additional accounting adjustments not reflected as direct cash outflows in the standard distribution categories.

Loan Portfolio and Asset Management

The institution's total assets at the close of the fiscal year amounted to 3,394,334.85 USD. The main driver of economic value generation is the loan portfolio, whose gross balance closed at 2,596,677.33 USD. The commercial strategy prioritized the Solidarity Groups methodology, operationalized mainly through the Financing of Community Banks (*Cajitas Comunitarias de ahorro y crédito*). This product combines internal savings with external financing to strengthen financial resilience and the social fabric in rural and peri-urban areas.

The breakdown of the portfolio by product at the end of the fiscal year is as follows:

- Solidarity Groups: 2,157,055.48 USD
- Second-tier Credit: 226,068.12 USD
- Individual Credit: 156,260.97 USD
- Housing Credit: 57,292.76 USD

This composition demonstrates a clear orientation toward productive and associative microcredit, integrating products with specific sustainability objectives:

- In the individual and group segments, the Agricultural Credit Line and the "Hilando el Desarrollo" initiative stand out, focused on the textile and garment sector to generate local employment.
- The housing segment corresponds to the Home Improvement line (Pilot), intended for repairs and basic sanitation to reduce physical and health risks in low-income households.
- General microcredit supports both formal and informal ventures, prioritizing women entrepreneurs without traditional collateral.

Additionally, a total of 2,438,243.72 USD was disbursed during the year, maintaining a portfolio risk indicator (PAR 30 days) of 6.58 percent, reflecting prudent credit risk management in a challenging economic environment.

GRI 201-3: Defined benefit plan obligations and other retirement plans

The institution strictly complies with all labor and social security obligations stipulated by law. A separate private pension plan is not managed; instead, obligations are channeled through the national social security system.

During the year, the institution made the following contributions to ensure the well-being and future of its employees:

- Contributions to the Ecuadorian Social Security Institute (IESS): 9,017.96 USD
- Reserve Funds: 5,049.35 USD
- Employer-sponsored pensions and retirements: 3,531.84 USD

These obligations are covered by the organization's general resources and are paid monthly or according to established legal schedules, ensuring that there are no significant unfunded liabilities regarding employee benefits at the end of the period.

GRI 201-4: Financial assistance received from government

During the reporting period, the institution did not receive significant financial assistance, subsidies, or direct grants from the government. The entity operates with its own funds, accumulated reserves, and financing from private entities or its international network, maintaining its financial and operational independence. Taxes paid to the State amounted to 8,275.97 USD, thereby contributing to the development of the national economy.

Employment Practices

GRI 401 - Employment Practices

At Eclaf Ecuador, human talent management is a fundamental pillar for the fulfillment of our social mission and operational sustainability. During fiscal year 2025, the institution maintained a stable and efficient organizational structure, focused on promoting an equitable and safe work environment. Below are the performance indicators related to new hires, employee turnover, and benefits provided, in accordance with the GRI 401 standard.

GRI 401-1: New employee hires and employee turnover

As of December 31, 2025, Eclof Ecuador had a total workforce of 6 employees. The human resources strategy during this period focused on talent retention and the consolidation of the work team, which is reflected in a turnover rate of 0%. No new hires or employee separations were recorded during the year, evidencing a high level of labor stability and organizational commitment.

The demographic distribution of personnel demonstrates a strong commitment to gender equity, with a majority participation of women in the labor structure.

| Indicator | Detail / Value |
|-----------------------------|----------------------|
| Total number of employees | 6 |
| New hires in 2025 | 0 |
| Indicator | Detail / Value |
| Employee turnover rate | 0% |
| Gender distribution (Women) | 83.33% (5 employees) |
| Gender distribution (Men) | 16.67% (1 employee) |

GRI 401-2: Benefits provided to full-time employees

Eclof Ecuador guarantees its employees a competitive benefits package that complies with Ecuadorian legal regulations and offers additional incentives to improve the quality of life and professional development of the team. The social benefits and provisions granted in 2025 include:

- **Social Security:** Full affiliation with the Ecuadorian Social Security Institute (IESS), covering health, disability, and unemployment contingencies.
- **Legal Benefits:** Timely payment of the thirteenth and fourteenth salaries, as well as the constitution of reserve funds and annual vacations.
- **Private Medical Insurance:** The institution provides complementary medical assistance insurance for personnel.
- **Professional Development:** Investment in training programs and knowledge updates for employees.
- **Additional Benefits:** Provision of uniforms, performance bonuses, representation expenses, and institutional celebrations (Christmas and anniversaries).

Investment in Human Capital (2025)

The total investment in personnel expenses amounted to \$146,554.99. The following table breaks down the main components of the compensation and benefits granted during the period:

| Item | Amount (USD) |
|------------------------------------|--------------|
| Monthly remuneration | 73,290.63 |
| IESS contributions | 9,017.96 |
| Personnel Bonuses and Benefits | 15,900.00 |
| Thirteenth and Fourteenth Salaries | 10,389.24 |
| Medical Insurance | 5,511.01 |
| IESS Reserve Funds | 5,049.35 |
| Training | 1,931.73 |

Anti-corruption

Anti-corruption

GRI 205 - Anti-corruption

At Eclof Ecuador, integrity and transparency are fundamental pillars that sustain our mission to promote social justice and human dignity through microfinance. During the 2025 fiscal year, the institution reinforced its corporate governance structure, aligning with the "Best Practice Guidelines on Corporate Governance" updated in April 2024. Our "zero tolerance" policy toward fraud and corruption is binding for all levels of the organization, from the General Assembly and the Board of Directors to operational and administrative staff.

The highest governance body has established clear fiduciary responsibilities to protect the institution's assets and ensure they are managed consistently with agreed-upon ethical values. Oversight of ethical conduct and corruption prevention falls directly under the Board of Directors, with the support of specialized committees that ensure regulatory compliance and financial integrity.

Risk assessment and internal control (GRI 205-1)

Corruption risk management is integrated into the entity's financial and operational oversight processes. For the year 2025, Eclof Ecuador has operated under a robust internal control framework supervised by:

- **Board Oversight:** The Board of Directors has an explicit mandate to review internal control procedures, consult independent auditors, and examine any instance of fraud or service quality issues.
- **External Audit:** As part of our assurance mechanisms, the institution undergoes independent external audits. According to the final 2025 Income Statement, specific resources were allocated to "External Audit" and "Legal Management and Collections," evidencing the financial investment in control mechanisms and regulatory compliance.
- **Risk Identification:** The Board regularly monitors internal risks, which explicitly include portfolio deterioration, fraud, and over-indebtedness (multiple loans), requiring management to establish early warning indicators.

Communication and training on anti-corruption policies (GRI 205-2)

Communication of our anti-corruption policies is systematic and mandatory for all members of the organization. Eclof's Code of Ethics establishes clear principles on values, nondiscrimination, conflicts of interest, fraud, and client protection.

- **Board Induction:** New members of the Board receive an orientation package that includes the Code of Ethics and the Code of Conduct. They are required to confirm by signature that they have read the board manual and will comply with the established ethical standards.
- **Conflicts of Interest:** There are strict guidelines for the declaration of conflicts of interest. A Board member is disqualified from their duties if they fail to declare a conflict of interest or if they are convicted of crimes involving dishonest or fraudulent acts.
- **Staff and Stakeholders:** The Code is binding for all employees. Recruitment and induction processes include formal adherence to these ethical principles to ensure that the culture of integrity permeates the entire operational structure.

Confirmed incidents and actions taken (GRI 205-3)

At the close of the 2025 fiscal year, Eclof Ecuador maintains its Anti-Corruption Policy and Code of Ethics in force, according to the reported ESG management data. The institution has defined mechanisms for reporting code violations and whistleblower protection.

The governance structure ensures that any deviation or incident related to fraud is reported directly to the Audit Committee (to be implemented) and, subsequently, to the full Board of Directors for immediate corrective measures, which may include the dismissal of key personnel or legal actions, thereby guaranteeing the protection of resources intended for social development.

| Indicator | 2025 Status |
|-----------|-------------|
|-----------|-------------|

| | |
|---|-----------------------|
| Current Anti-corruption Policy / Code of Ethics | Yes |
| Financial Control Mechanisms (External Audit) | Executed (\$2,300.01) |
| Reported cybersecurity incidents | 0 |

Customer privacy

GRI 418: Customer Privacy

Management approach

At Eclof Ecuador, the protection of our customers' privacy and data security are essential components of our commitment to human dignity and social justice. We recognize that trust is the foundation of our relationship with the 740 active clients we maintained at the close of 2025. Our management is governed by internal policies aligned with Corporate Governance Best Practices and our Code of Ethics, which establishes clear guidelines on customer protection, confidentiality, and the non-disclosure of sensitive information without explicit consent.

The Board of Directors and Management periodically oversee operational and legal risks, including those related to information security and personal data protection. We maintain internal controls and technological systems designed to prevent unauthorized access, loss, or misuse of the financial and personal information of our borrowers.

Indicator GRI 418-1: Substantiated complaints and data leaks

During the reporting period corresponding to the 2025 fiscal year, Eclof Ecuador carried out exhaustive monitoring of all service and grievance channels. The objective was to identify any claims related to violations of customer privacy or data loss. The organization's performance regarding substantiated complaints about customer privacy is presented below:

| Indicator category | 2025 Result |
|--|-------------|
| Substantiated complaints received from outside parties (customers) | 0 |
| Substantiated complaints received from regulatory bodies | 0 |
| Total substantiated complaints regarding privacy | None |
| Indicator category | 2025 Result |

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|---|
| Number of identified cases of leaks, thefts, or losses of customer data |
|---|

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|---|
| 0 |
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Cybersecurity and information integrity

The institution recognizes the critical importance of cybersecurity in the digital age to protect information assets. In 2025, our monitoring and reporting systems yielded the following results:

- Number of cybersecurity incidents reported during the year: 0
- Identified data leaks: 0

Eclaf Ecuador remains committed to maintaining zero incidents, ensuring that control mechanisms and technological infrastructure, reflected in our computing and software assets, are sufficient to mitigate risks and guarantee the integrity of the data in our microcredit portfolio.

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