

## EQUATOR PRINCIPLES REPORT 2012

The Banco República adhered to the Equator Principles in 2008, thus becoming one of the first banks in doing so in Latin America and the pioneer in Uruguay – being still the only one in this country.

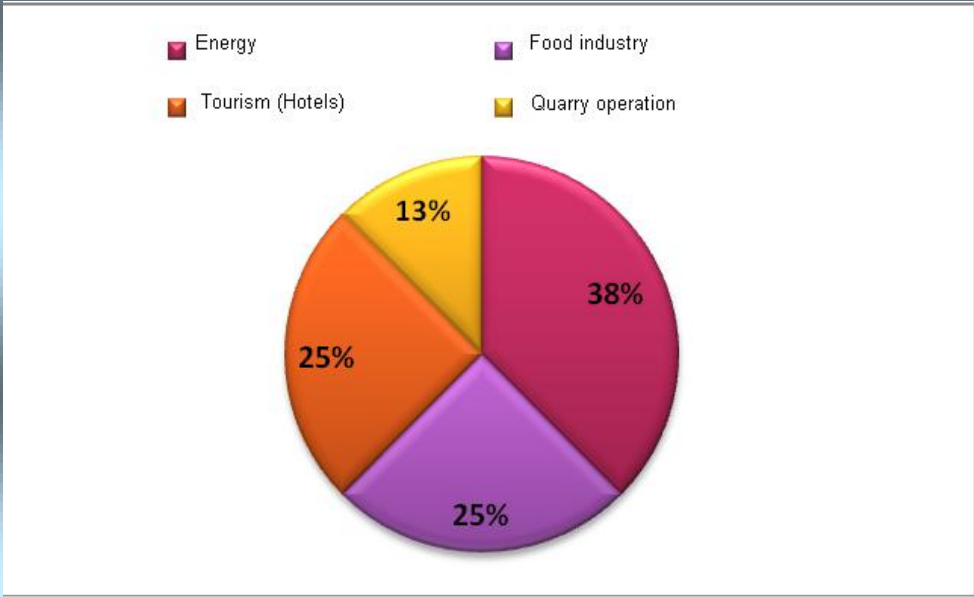
During 2012, eight investment projects over US\$ 10 million were reviewed according to the Performance Standards mentioned in the Equator Principles. Four of said projects have already been approved by the Board of Directors.

Projects assessed as per the Equator Principles' criteria	Nº	Investment (millions of US\$)	Financing (millions of US\$)
Projects approved	4	186,2	86,0
Projects pending approval	4	436,8	170,5
<b>Total projects reviewed</b>	<b>8</b>	<b>623,0</b>	<b>256,5</b>

It is worth mentioning that all minor project proposals received (seventy four) were reviewed not only under an economic and financial approach, but also according to the social and environmental criteria established in the guidelines of the Equator Principles: cleaner production processes, quality and/or traceability systems, attractive sector of activity, job generation, geographical decentralization, domestic value added of exports.

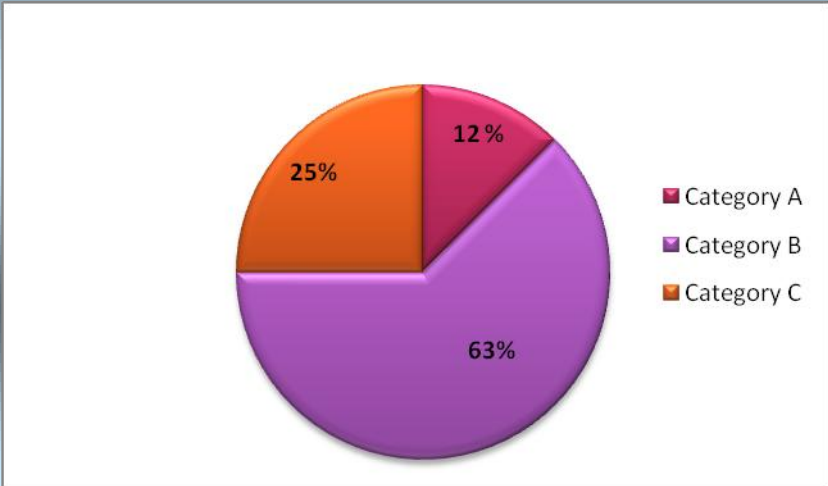
Most financial assistance requests came from the renewable energy sector, mainly wind energy projects, which accounted for 38% of them.

Equator Principles: projects reviewed by Banco República	Energy	Food Industry	Tourism (hotels)	Quarry Operation	Total
Category A	0	0	0	1	1
Category B	3	2	0	0	5
Category C	0	0	2	0	2
<b>TOTAL</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>8</b>



As refers to the categories of the projects, most of them were B (*energy and food industry*), the only category A project was *quarry operation* and *hotel starts* were category C.

Equator Principles: projects reviewed by Banco República	Nº	Investment (millions of US\$)	Financing (millions of US\$)	Location
Category A	1	140,0	50,0	South America-Uruguay
Category B	5	461,5	192,5	
Category C	2	21,5	14,0	
<b>TOTAL</b>	<b>8</b>	<b>623,0</b>	<b>256,5</b>	



All investment projects are reviewed by the Credit Analysis and Technical Advice–Architecture and Engineering- Sectors of the Credit Department, following quality assured procedures, as per Rule ISO 9001:2008, under the credit process. Each request analyzed by the abovementioned sectors follows the process shown in the following chart until finally obtaining a Resolution of the Board regarding the financing requested.

