

Credicorp Ltd.

ISIN CODE: BMG2519Y1084

Overall score 26/100

Sector: Retail & Specialised Banks Emerging Market

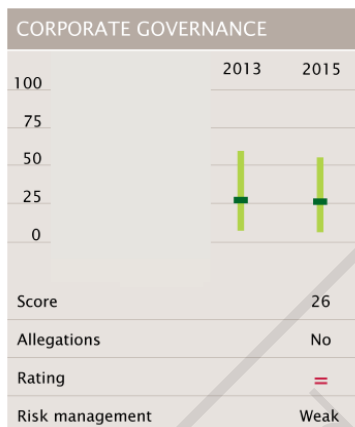
Companies in sector panel: 77

Information rate: 38% (Sector average: 47%)
Company cooperation level: Not responsive *

General information

Credicorp Ltd. is a financial services holding company that provides a wide range of financial and health services and products through its banking and non-banking subsidiaries, mainly throughout Peru and other countries. The company operates through four segments: Banking, Insurance, Pension Funds, and Investment Banking. The company was founded on October 20th 1995 and is headquartered in Lima, Peru.

Main Economic Segment**	Turnover 2012
Banking	76.0 %
Insurance	20.0 %
Investment Banking	2.0 %



■ Sector performance
■ Company performance
 Rating: min -- / max ++

Key issues

Sound corporate governance is required to oversee a company's strategic direction, including the CSR strategy. Vigeo's framework has been adapted to capture the level of integration of CSR topics at Board-level, supplementing traditional signals on efficient governance practices. Directors are notably evaluated on their level of diversity and experience with operational, financial, and CSR topics (CGV1.1). The audit and internal controls system is examined regarding the efficiency and reach of its risk management (CGV2.1). Shareholders are expected to have fair voting rights and access to all relevant information on material CSR issues (CGV3.1). Executive remuneration is assessed for transparency and alignment with the interests of company's shareholders and other stakeholders (CGV4.1).

Company performance

- The Company's performance in the Corporate Governance domain is weak in absolute terms.
- The domain's score has been stable compared to the previous review.
- The Company adopted most of the recommended measures for a sound risk management, but the Audit Committee plays a limited role in overseeing internal and external controls. Only 12.5% of the group's Board members are independent and CSR issues do not appear to be reviewed regularly at the board level. Moreover, the Company respects the 'one share - one vote' principle, but transparency about executives' remuneration does not seem to be disclosed.

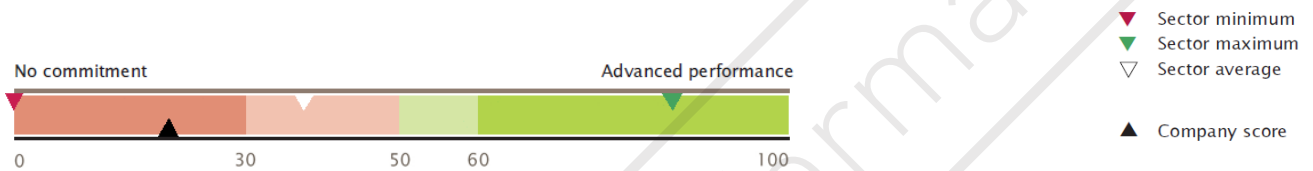
* On a 4-level scale: proactive, responsive, partially responsive, not responsive
 ** See detailed economic indicators in Selected financial data section
 *** Based on the most recent Index at the date of publication

Corporate Governance

Score : 26

CGV1.1 Board of Directors

(score: 20, weight: 3)



[LISTED COMPANIES] Existence and independence of Nomination Committee

A specific Committee is in place, but at least one executive is part of it, which might raise concerns.
One member of the 3-member Nomination Committee is considered independent.

Independence of board Chairman

The roles of Chairman and CEO are separated, but the chairman is not considered independent.

Responsibility allocated over CSR issues

Information on the responsibilities allocated over CSR issues is insufficient.

Share of independent shareholder-elected Board members

The Board is between 0 and 20% independent, which might raise concerns. One member of the 8-member Board is considered independent.

Diversity of the skills and backgrounds of the Board

*The Company's Board of Directors diversity appears to be partial:
- Board members with demonstrated professional experience in the Company's sector of activities*

Training and expertise provided to board members

Information obtained from the company and public sources regarding training provided to board members is insufficient.

Regular election of Board members

Board members are elected at least every three years and these elections are not staggered. Board members are eligible for re-election following three-year terms.

Evaluation of Board's functioning and performance

Information obtained from the company and public sources regarding the evaluation of board functioning and performance is insufficient.

Review of CSR issues at Board meeting

CSR issues do not appear to be reviewed regularly at Board level.

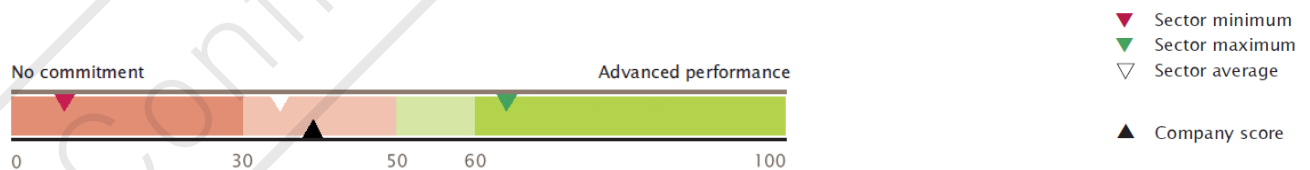
Regularity of and attendance at Board meetings

Regular meetings are held, but no attendance rates are disclosed. Twelve Board meetings were held during the last fiscal year.

Non-independent board members (excl. employee representatives)	Role	Current or Former Executive	More than 9 years on board	Stock options or warrants	Paid >1/2 executive salary	Owens or represents >3% company's shares	Other
Dionisio Romero Paoletti	Chairman						non-independent Director
Luis Enrique Yarur	Board Director		X				
Fernando Fort	Executive Committee						non-independent Director
Reynaldo Llosa Barber	Compensation committee/Executive / Nomination		X				non-independent Director
Juan Carlos Verme	Auditing committee/CGV/Executive		X				
Benedicto Cigüeñas	Auditing committee/CGV/Executive committee/Risk committee		X				
Martin Pérez Monteverde	Board Director						non-independent Director

CGV2.1 Audit & Internal Controls

(score: 39, weight: 3)



[LISTED COMPANIES] Existence and independence of Audit Committee

No executive is a member of the committee, but half or fewer are independent. One member of the 3-member Audit Committee is considered independent.

Skills and backgrounds of Audit Committee members

Members appear to have financial experience and relevant operational experience.

Operational and CSR risks covered by the company's internal controls system

Information disclosed on this subject is insufficient or not relevant.

Governance of risks

The company adopted most of the recommended measures for a sound risk management:
 - The Chairman of the Audit Committee is a member of the Risk Committee
 - The Chief Risk Officer (CRO) is at par level of Chief Financial Officer (CFO)
 - The CRO has direct access to the Board Risk Committee (including attending committee meetings)

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee has a limited role that includes:
 - Oversee internal audit and internal controls
 - Oversee the work of the external auditor
 - Approve the type of audit and non-audit services provided and fees paid to the external auditor

Management of the CSR risks

Information obtained from the company and public sources regarding the management of the CSR risks is insufficient.

Supervision of material risk-takers

Information disclosed on this subject is insufficient or not relevant.

Leverage ratio of the bank

The leverage ratio of the bank is above 7%.
 At 31st of December 2014, the unweighted leverage ratio of the bank was 9%.

Independence of the firm's external auditors

The audit firm receives non-audit fees, but these represent only 25% or less of total fees.
 Non-audit fees represented 18% of total fees paid to Paredes, Zaldívar, Burga & Asociados S.C.R.L., a member of EY Global, in the last fiscal year.

Inclusion of CSR issues in company reporting

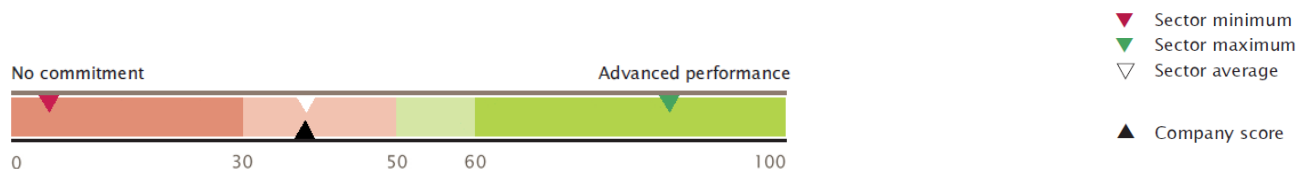
The company does not publish any significant CSR reporting on the key material issues for its sector.

Reliability of the company's internal controls system

A review of stakeholder sources did not reveal any allegations for internal control failures against the company during the period under review: stakeholders' feedback is neutral.

CGV3.1 Shareholders

(score: 38, weight: 2)



Nonexistence of voting rights restrictions

The company respects the "one share - one vote" principle.

Nonexistence of anti-takeover devices

The company does not publish any information on shareholders' rights.

Ability to add items to the agenda of the AGM and to convene an EGM.

Information obtained from the company and public sources, regarding the ability to add items to the agenda of the AGM and to convene an EGM, is insufficient.

Access to voting at General Meetings

There are no major restrictions on shareholders' ability to vote, and it is possible to vote using online services.

Ability to vote on relevant issues in separate resolutions at AGM

Information obtained from the company and public sources, regarding which items are customarily put to a vote at the AGM, is insufficient.

Presentation of CSR strategy to shareholders and investors

Information disclosed from the entity and public sources regarding the presentation of CSR strategy to shareholders and investors is insufficient.

Board's attitude towards CSR-related shareholder resolutions

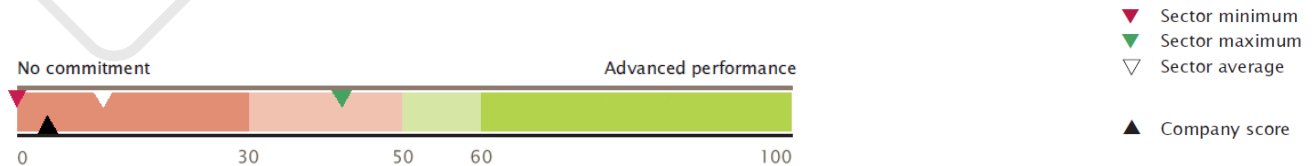
Information obtained from the company and public sources, regarding the Board's attitude toward legitimate CSR related shareholder resolutions is insufficient.

Feedback from shareholders and other stakeholders on the company's corporate governance performance

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

CGV4.1 Executive Remuneration

(score: 4, weight: 2)



Disclosure of the remuneration of executives and material risk takers

Disclosure of executive remuneration data for senior executives is insufficient.

[LISTED COMPANIES] Existence and independence of Remuneration Committee

A specific committee is in place, but at least one executive is part of it, which might raise concerns.
One member of the 3-member Remuneration Committee is considered independent.

Link between Short Term Incentive Plans and the performance of the company

There is no disclosure on what rules guide the company in allocating bonuses and other short-term incentives to senior executives.

Link between the main Long Term Incentive Plan and the economic performance of the company

Information on the rules and performance conditions guiding the allocation of long-term incentives to senior executives is insufficient.

Severance pay for senior executives

Information obtained from the company and public sources regarding severance pay for senior executives is insufficient.

Evolution of CEO-to-employee compensation ratio

Information obtained from the company and public sources regarding the compensation of CEO and the average employee salary is insufficient.

Risk alignment of remuneration of top senior executives

Information on risk adjustments of remuneration is insufficient or not relevant.

Risk alignment of remuneration of material risk takers

Information on risk adjustments of remuneration is insufficient or not relevant.

Stakeholders feedback on the company's executive remuneration

A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

Contacts

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