

## Statement on Internal Control at Profonanpe

Internal Control is inherent to the functions that Profonanpe develops as an environmental fund, so we guarantee the efficiency and transparency of our processes, the reliability of the information we handle, the safeguarding of the resources we manage and accountability, according to international standards of internal control.

The Internal Control process is applied in all Profonanpe instances, led by its Board of Directors and Executive Management, and implemented through the Administration and Finance Management, and Monitoring and Evaluation Management, in coordination with the areas that report to them. Details of the implementation of Profonanpe's Internal Control process are contained in its Operations Manual, and is supported by the Virtual Integrated Management System EMMA.

**At the level of the Administration and Finance Management,** the Internal Control mechanisms allow us to manage and supervise in an efficient and documented manner, the resources, goods and operations that Profonanpe administers; always with transparency and truthfulness in the information that is handled and delivered to our donors and executors, within the framework of the agreements that we sign.

**At the level of the Monitoring and Evaluation Department,** internal control mechanisms allow for follow-up and monitoring of compliance with agreements between donors, executors and Profonanpe, in order to ensure that resources are effectively allocated to the execution of activities relevant to the fulfillment of goals and within the established periods.

The joint work carried out by both areas allows alerting about potential delays during execution, in addition to proposing mitigation measures for the consequences that these could generate in the short, medium and long term.

The effectiveness and efficiency of Profonanpe's internal control mechanisms are validated annually through external audits conducted by independent entities and/or consultants. These audits allow us to periodically review

These audits make it possible to periodically review the institutional processes and provide the opportunity to implement constant improvements, always with a view to timely and correct compliance with the commitments undertaken.

The Executive Management supports the effectiveness, efficiency and transparency of the Internal Control applied in Profonanpe, which transcends, involves and commits all the work teams of the institution, always aligned to our mission of managing collaborative projects that have a positive impact on the environment and people.