

Second-Party Opinion

ConCrédito Social Bond Framework



Evaluation Summary

Sustainalytics is of the opinion that the ConCrédito Social Bond Framework is credible and impactful and aligns with the four core components of the Social Bond Principles 2023. This assessment is based on the following:



USE OF PROCEEDS The eligible category for the use of proceeds, Employment Generation and Socio-economic Empowerment, is aligned with those recognized by the Social Bond Principles that seek to achieve positive socio-economic outcomes for target populations in Mexico. Sustainalytics considers that investments in the eligible category will lead to positive social impacts and advance the UN Sustainable Development Goals, specifically SDGs 5, 8 and 10.



PROJECT EVALUATION AND SELECTION ConCrédito's Credit Department will be responsible for overseeing the identification and selection of eligible loans. ConCrédito has adopted internal processes to manage risks related to predatory lending and community relations. Sustainalytics considers the project selection process to be in line with market practice.



MANAGEMENT OF PROCEEDS ConCrédito intends to allocate proceeds fully at the time of each issuance. The Executive Committee will oversee the allocation process and track the proceeds in collaboration with the Credit Department. This is in line with market practice.



REPORTING ConCrédito intends to publish a Social Bond Report on its website on an annual basis or earlier in case of material developments. The report will include details on the allocation of proceeds. In addition, ConCrédito intends to report on relevant quantitative impact metrics where feasible and has provided indicative metrics in the Framework. Sustainalytics views ConCrédito's allocation and impact reporting as aligned with market practice.

Evaluation date	July 31, 2024 ¹
Issuer Location	Culiacán, Mexico

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¹ This document updates the Second-Party Opinion originally provided by Sustainalytics in September 2022.

Introduction

Fin Útil S.A. de C.V. SOFOM, E.R., founded in 2007, and FinCrementar, S.A. de C.V., founded in 2024 (jointly “ConCrédito” or the “Company”), which is a financial institution and a subsidiary of Genera S.A.B. de C.V. (“Genera” or the “Group”) since 2019. ConCrédito is a provider of consumer lending services and serves more than 77,000 direct customers. As of June 2024, the Company operates in 25 states in Mexico and has a workforce of more than 2,000 employees.²

ConCrédito has developed the ConCrédito Social Bond Framework dated July 2024 (the “Framework”), under which it intends to issue social bonds³ that will be securitized by a portfolio of retail loans aimed at enhancing financial access among the defined target populations in Mexico. The Framework defines eligibility criteria in one area:

1. Employment Generation and Socio-economic Empowerment

ConCrédito engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework’s social credentials and its alignment with the Social Bond Principles 2023 (SBP).⁴ The Framework has been published in a separate document.⁵

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent⁶ opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Social Bond Principles 2023, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.16, which is informed by market practice and Sustainalytics expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of ConCrédito’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. ConCrédito representatives have confirmed: (1) they understand it is the sole responsibility of ConCrédito to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information; and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and ConCrédito.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible

² Genera, “Genera Reporta Resultados del 2t24”, (2024), at: <https://www.genera.com.mx/wcm/connect/6e0cf9ec-2d1c-43c2-88b0-264959782611/Genera+2T24+%28Esp%29+F.pdf?MOD=AJPERES>

³ ConCrédito has communicated to Sustainalytics that the bonds issued under the Framework will be secured social collateral bonds and that it will ensure no double counting of the underlying loans with other outstanding social issuance per the voluntary process guidelines published in June 2022 Appendix 1 of the SBP 2023. ConCrédito has also communicated a commitment to disclose these details in the offering documents of each issuance.

⁴ The Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/>

⁵ The ConCrédito Social Bond Framework is available on ConCrédito’s website at: <https://www.concredito.com.mx/emision-deuda-social>

⁶ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that ConCrédito has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the ConCrédito Social Bond Framework

Sustainalytics is of the opinion that the ConCrédito Social Bond Framework is credible, impactful and aligned with the four core components of the SBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible category, Employment Generation and Socio-economic Empowerment, is aligned with those recognized by the SBP. Sustainalytics expects the eligible loans to deliver social benefits for the target populations in Mexico.
 - ConCrédito has defined a look-back period of two years for selecting the eligible assets, which Sustainalytics considers to be in line with market practice.
 - Under the Employment Generation and Socio-economic Empowerment category, ConCrédito intends to securitize a portfolio of revolving credits (retail loans) extended by the Company to the individuals who have a direct contractual relationship with ConCrédito (the “Entrepreneurs”)⁷ to carry out microcredits requested digitally by other individual borrowers (the “Individual Borrowers”), as part of its ValeDinero product offering.⁸ The loans can be used by the Individual Borrowers for any purpose except for certain activities that are excluded from the Framework.⁹ The Company has further communicated that Individual Borrowers have historically used most of the loan proceeds (70-80%) to finance their small businesses, other debt payments and medical emergencies.
 - The Company will target Entrepreneurs and the Individual Borrowers from target populations based on either: i) access to financial services as defined by the Sustainability Accounting Standard Board;¹⁰ ii) the socio-economic level per the criteria established by the Asociación

⁷ The Framework defines Entrepreneurs as individuals from the Target Populations who have the responsibility to evaluate and select the Individual Borrowers and request the Company to originate and disburse loans to them based on the limit set for the lines of credit. ConCrédito provides the loans directly to final borrowers. ConCrédito has communicated to Sustainalytics that the Entrepreneurs in turn receive compensation based on the size of the loan and that it does not charge the Entrepreneurs any fee to participate in the financing model.

⁸ ConCrédito, “ValeDinero”, at: <https://www.concredito.com.mx/valedinero>

⁹ The Framework excludes the financing of retail loans for the following purposes: i) production or activities involving harmful or exploitative forms of forced labour or harmful child labour; ii) commercial logging operations for use in primary tropical moist forests; iii) production or trade of products containing polychlorinated biphenyls, ozone-depleting substances subject to international phase-out, or wood or other forestry products from unmanaged forests; iv) production, trade, storage or transport of significant volumes of hazardous chemicals, or commercial-scale use of hazardous chemicals; v) production or activities that impinge on the lands owned or claimed under adjudication by Indigenous peoples without full documented consent of such peoples; and vi) production or commercialization of weapons or munitions.

¹⁰ This group comprises: i) the unbanked population, which is individuals without a chequing or savings account who may rely on alternative financial services (AFS), such as payday loans, non-bank money orders, non-bank cheque-cashing services, non-bank remittances, rent-to-own services, pawn shops or refund anticipation loans; ii) the underbanked population, which is individuals that have a chequing or savings account but may still regularly use AFS; and iii) the unserved population, which is individuals who are unbanked, underbanked or who otherwise have limited access to mainstream financial services often due to limited or no credit history. The Company has communicated that it has adopted internal processes to assess an individual's qualification per the criteria mentioned above.

Sustainability Accounting Standard Board, “Financials: Commercial Banks”, at: <https://sasb.ifrs.org/standards/download/?lang=en-us>

- Mexicana de Agencias de Investigación de Mercado;¹¹ iii) employment per the ILO criteria;¹² or iv) gender considerations¹³ (together, the “Target Populations”).
- The loans offered to the Individual Borrowers will range from MXN 2,000 to MXN 10,000 (approximately USD 111 to USD 555). While collecting, ConCrédito shares a portion of the repayments with the Entrepreneurs.¹⁴
 - The Framework requires the interest rates on the loans offered to the Entrepreneurs and the Individual Borrowers to reflect existing market rates in Mexico at the time of loan origination. The Company has communicated to Sustainalytics that, in case that the Individual Borrowers default on loan repayment, the Entrepreneurs have the responsibility to cover for them as part of their contractual obligations with ConCrédito.
 - To address potential risks related to predatory lending, ConCrédito has set up formal processes to ensure that the conditions set at the loan origination stage are aligned with the guidelines set by the Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros (CONDUSEF).¹⁵ The Company also provides the Entrepreneurs with credit management training as part of the onboarding process, including training on the fair practices associated with the repayment collection process to minimize risks of the Entrepreneurs adopting unfair collection practices. Refer to Section 2 for more details.
 - Sustainalytics recognizes the potential of securitizing retail loans for the Entrepreneurs to create positive social impacts for them and the Individual Borrowers and believes that such investments can enhance access to financing among the Target Populations in a developing country such as Mexico.
 - Project Evaluation and Selection:
 - ConCrédito’s Credit Department will be responsible for overseeing the identification and selection of eligible loans per the criteria defined in the Framework.
 - The Company has adopted internal processes to manage risks related to predatory lending and community relations. Please refer to Section 2 for additional details.
 - Based on the delineation of responsibility and a mechanism for addressing the identified social risks, Sustainalytics considers this process to be in line with market practice.
 - Management of Proceeds:
 - ConCrédito intends to fully allocate proceeds at each issuance with no flexibility to reallocate. The principal repayments from the securitization will be used to onboard new Individual Borrowers and increase the credit lines of the existing assigned Entrepreneurs in warranty.
 - The Company’s Executive Committee will oversee the total allocation. Both the Executive Committee and the Credit Department will be responsible for tracking the proceeds.
 - Based on the commitment to full allocation at issuance, Sustainalytics considers this process to be in line with market practice.
 - Reporting:
 - ConCrédito intends to publish a Social Bond Report on its website on an annual basis or earlier in case of material developments.

¹¹ This group comprises individuals from the following households: i) Level C-: The head of 74% of households in this segment has an educational qualification higher than elementary school, and 52% of households have a fixed internet connection at home, while 38% of monthly spending is dedicated to food and 24% to transportation and communication; ii) Level D+: The head of 62% of households in this segment has an educational qualification higher than elementary school, and 22% of households have a fixed internet connection at home, while 42% of monthly spending is dedicated to food and 7% to education; iii) Level D: The head of 53% of households in this segment has primary school education at most, and 86% of the houses in which the individuals or families live have one or two bedrooms, and 14% of households have fixed internet at home, while 48% of monthly spending is dedicated to food; and iv) Level E: The head of 82% of households in this segment has primary school education at most, and 70% of the houses in which the individuals or families live have only one bedroom and 83% do not have a full bathroom, and 0.3% of the households have fixed internet, while 52% of monthly spending is dedicated to food and 1% to education.

Asociación Mexicana de Agencias de Investigación de Mercado, “Descriptivo de Cada Uno de los NSE AMAI Estimación 2024”, at:

<https://www.amai.org/NSE/index.php?queVeo=niveles>

¹² This group consists of working-age individuals who are not employed, who have sought employment during a specified recent period and are currently available to take up employment given a job opportunity.

UNESCO Institute for Statistics, “Unemployed population / Persons in unemployment”, at: <https://uis.unesco.org/en/glossary-term/unemployed-population-persons-unemployment>

¹³ This target group comprises women entrepreneurs or those belonging to sexual or gender minority groups.

¹⁴ The Framework specifies that the Entrepreneurs typically get to keep MXN 2,700 to MXN 23,000 (USD 150 to USD 1,277) every month. According to the internal estimates by the Company, such financing has provided additional income to more than 77,000 Mexican families (cumulative figure as of June 2024).

¹⁵ CONDUSEF, “¿Qué hacemos?”, at: https://www.condusef.gob.mx/?p=que_hacemos

- The allocation reporting will include details on the net proceeds raised from each issuance and proceeds used for finance or refinance purposes.
- The impact reporting may be based on an indicative list of key impact indicators, including the number of jobs created, supported or retained; the number of women-owned businesses benefitted; the number and amount of disbursements to women-owned businesses; and the number of low-income, rural or minority women provided with access to affordable credit.
- Based on the commitment to both impact and allocation reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Social Bond Principles 2023

Sustainalytics has determined that the ConCrédito Social Bond Framework aligns with the four core components of the SBP.

Section 2: Sustainability Strategy of ConCrédito

Contribution to ConCrédito's sustainability strategy

ConCrédito focuses on the following social areas in its sustainability strategy: i) environment and climate change; ii) good governance and integrity; iii) corporate citizenship; iv) well-being of its employees; and v) impact on its clients.¹⁶ As part of the fifth pillar, the Company intends to foster financial inclusion, innovation and development of new products for its clients.

As part of its sustainability strategy and as a consumer lending service provider, ConCrédito provides financial access to disadvantaged target populations that include underbanked or unbanked individuals and individuals belonging to minority groups. The Company has a direct contractual agreement with Entrepreneurs, with women currently representing 94% and men 6%, who lend to end users that include small businesses owned by the aforementioned target populations.¹⁷ As of June 2024, women represented 63% of the end users, while men accounted for the remaining 37% of the borrowers.¹⁸ Meanwhile, ConCrédito had provided financial services to more than 77,000 Entrepreneurs and more than 875,000 end users.¹⁹ In addition, the Company became a 100% digital company after closing all its brick-and-mortar branches in 2021,²⁰ and uses mobile apps, such as the Mi oficina app, which assists Entrepreneurs and other target populations in accessing the Company's lending services through their mobile phones. Through this app, the Company also intends to support business growth and provide financial education training, such as the 10 Golden Rules guidelines for the loan origination process.²¹

Sustainalytics is of the opinion that the ConCrédito Social Bond Framework is aligned with the Company's overall sustainability strategy and initiatives and will further the Company's action on its key social priorities. Nevertheless, Sustainalytics encourages it to develop quantifiable and time-bound targets to further strengthen its sustainability practices.

Approach to managing social and environmental risks

Sustainalytics recognizes that the use of proceeds from the Framework will be directed towards eligible loans that are expected to have positive social impacts. However, Sustainalytics is aware that such eligible loans could also lead to negative social outcomes. Some key social risks possibly associated with the eligible loans could include issues related to predatory lending and over-indebtedness for financially vulnerable individuals; community relations and stakeholder participation; and unfair collection practices adopted by the Entrepreneurs.

Sustainalytics is of the opinion that ConCrédito is able to manage or mitigate potential risks through implementing the following:

- To address predatory lending and over-indebtedness for financially vulnerable individuals, ConCrédito has adopted an approach for servicing its clients, with the following principles: i) appropriate product design and distribution; ii) prevention of over-indebtedness; iii) transparency; iv) reasonable prices; v) fair and respectful treatment of clients; vi) customer privacy protection; and

¹⁶ Genera, "2023 Annual and Sustainability Report", at:

https://www.genera.com.mx/Genera/themes/media/informe2023/documents/Genera_IA_2023_English.pdf

¹⁷ ConCrédito Social Bond Framework 2024

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

vii) customer complaints resolution mechanisms.²² In addition, ConCrédito has established institutional protocols to ensure that the loan terms align with CONDUSEF's guidelines.²³ The Company has communicated that it leverages its digital loan origination system to ensure that the Entrepreneurs have no influence in deciding the loan terms for individual borrowers.

- As a subsidiary of Genera, ConCrédito follows Genera's processes of managing its relationships with its stakeholders through continual engagement, which includes interviews and surveys.²⁴ Genera's stakeholder engagement includes engaging with various representatives of key stakeholders, including clients, employees, community members, investors and other stakeholders, to identify the key material issues that could potentially impact its business, subsidiaries and stakeholders.²⁵
- Regarding the collection process adopted by the Entrepreneurs, ConCrédito has communicated to Sustainalytics that it provides Entrepreneurs with training as part of the onboarding process, including awareness sessions on unfair practices that the Company prohibits. The Entrepreneurs also have access to ConCrédito's collection department and a business advisor (account executives), who provides support for training and the adoption of ethical collection practices. In addition, the Company leverages the Centro de Atención Multiplataforma, a service tool for the Entrepreneurs that encourages them to conduct the collection process via telephone and digital channels.
- ConCrédito has further communicated to Sustainalytics that it has adopted a Code of Ethics and Conduct (the "Code"), which outlines its compliance with human rights and occupational safety regulations. The Code is applicable to ConCrédito's employees and board members, as well as to the collaborators and suppliers that take part in its social programmes. The Company has communicated that every new employee is expected to complete a training programme on the application of the Code, while existing members must renew their commitment to the Code annually.²⁶ In addition, the Group has adopted a strategic ESG policy that outlines its environmental and social obligations, including those related to anti-corruption, non-discrimination, diversity and inclusion, labour and human rights.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that ConCrédito has implemented adequate measures and is well positioned to manage and mitigate social risks commonly associated with the eligible category.

Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the SBP. Sustainalytics focuses below on where the impact is specifically relevant in the local context.

Impact of employment generation and socio-economic empowerment in Mexico

Micro-, small- and medium-size enterprises (MSMEs) make up a vital part of Mexico's emerging market economy and overall employment. In 2022, Mexico had 4.86 million SMEs, generating 14.6% of the national GDP and employing nearly 50% of the entire workforce.²⁷ However, the lack of access to financing for MSMEs has become a significant impediment to employment, economic development and shared prosperity in the country.²⁸ MSMEs in Mexico face a financing gap of USD 163.9 billion, accounting for 14% of the country's GDP.²⁹

Entrepreneurs in Mexico face numerous social issues, including a lack of financial gender equality.³⁰ Despite recent economic growth, Mexican women have the fourth lowest participation rate in the labour market of all

²² Ibid.

²³ Ibid.

²⁴ Genera, "2023 Annual and Sustainability Report", at:

https://www.genera.com.mx/Genera/themes/media/informe2023/documents/Genera_IA_2023_English.pdf

²⁵ Ibid.

²⁶ Ibid.

²⁷ OECD, "Financing SMEs and Entrepreneurs 2022", at: https://www.oecd-ilibrary.org/industry-and-services/financing-smes-and-entrepreneurs-2022_53f52411-en

²⁸ World Bank, "Expanding Financial Access for Mexico's Poor and Supporting Economic Sustainability", (2021), at:

<https://www.worldbank.org/en/results/2021/04/09/expanding-financial-access-for-mexico-s-poor-and-supporting-economic-sustainability>

²⁹ SME Finance Forum, "MSME Finance Gap", at: <https://www.smefinanceforum.org/data-sites/msme-finance-gap>

³⁰ World Bank, "Expanding Financial Access for Mexico's Poor and Supporting Economic Sustainability", (2021), at:

<https://www.worldbank.org/en/results/2021/04/09/expanding-financial-access-for-mexico-s-poor-and-supporting-economic-sustainability>

Latin American countries.³¹ Moreover, of the 28.5 million women that do not participate in the labour market, 17.2 million exclusively engage in household tasks compared with 992,000 men,³² which translates into women spending more than double the amount of time on domestic, unpaid and care duties than men.³³ With limited opportunities for entrepreneurship, women are forced into unpaid or informal employment.³⁴

To combat the effects of minimal MSME financing in Mexico, the Mexican government has taken steps to reduce the productivity gap between SMEs and large firms. Its measures include initiatives aimed at lowering the personal income tax rate, providing management training and adopting ICT in micro businesses. The National Financial Inclusion Strategy, launched in 2016, also addresses the importance of MSME financing and works to improve access to financial services for underserved populations.³⁵ To mitigate the challenges that women face, the Mexican government initiated the Women’s MSME programme, which promotes the development and consolidation of women-led MSMEs by providing financing opportunities and business development tools.³⁶

In the above context, Sustainalytics is of the opinion that ConCrédito’s financing will contribute to increasing employment generation and socio-economic empowerment and providing positive social impacts for the target groups.

Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the ConCrédito Social Bond Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Employment Generation and Socio-economic Empowerment	5. Gender Equality	5.5 Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws
	8. Decent Work and Economic Growth	8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all
	10. Reduced Inequalities	10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Conclusion

ConCrédito has developed the ConCrédito Social Bond Framework, under which it intends to issue social bonds securitized by a portfolio of eligible retail loans. Sustainalytics considers that the underlying loans under the issuances are expected to provide positive social impacts for the target populations in Mexico.

The ConCrédito Social Bond Framework outlines a process for the tracking, allocation and management of proceeds and makes commitments for ConCrédito to report on allocation and impact. Sustainalytics considers the ConCrédito Social Bond Framework to be aligned with the overall sustainability strategy of the Company and that the use of proceeds will contribute to the advancement of UN Sustainable Development

³¹ IMCO, “Data and Proposals for Equality 2024”, at: <https://imco.org.mx/en/data-and-proposals-for-equality-2024/>

³² Ibid.

³³ World Bank Group, “Mexico”, at: <https://genderdata.worldbank.org/en/economies/mexico>

³⁴ Ibid.

³⁵ World Bank Group, “Mexico to Accelerate Path to Financial Inclusion”, (2016), at: <https://www.worldbank.org/en/news/feature/2016/06/23/mexico-to-accelerate-path-to-financial-inclusion>

³⁶ Government of Mexico, “Conoce el Programa Mujeres PYME”, (2016), at: <https://www.gob.mx/se/articulos/conoce-el-programa-mujeres-pyme>

Goals 5, 8 and 10. Additionally, Sustainalytics is of the opinion that ConCrédito has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that ConCrédito is well positioned to issue social bonds and that the ConCrédito Social Bond Framework is robust, transparent and in alignment with the core components of the Social Bond Principles 2023.

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