

Strength and trust

2021 ANNUAL AND
SUSTAINABILITY REPORT



GENTERA

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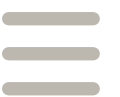
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Letter from **our** Chairmen

2-22



Carlos Labarthe
Chairman of Gentera

Carlos Danel
Chairman of Gentera

More than three decades ago, Gentera was born with the dream of bringing opportunities for **inclusion and development** to millions of people. That impetus is still alive and having a strategic clarity allowed us to overcome the challenges of 2021 and recover the growing path

Today, along with constant evolution, we remain true to the purpose of boosting dreams through human-meaning financial solutions. We have the privilege of serving millions of people in Mexico and Peru, generating social, human and economic value.

We all know how the COVID-19 pandemic has affected our countries and the effects millions suffered on their health, family and wealth. We knew, from the Board of Directors, through the management team and each of the employees, that we had to do everything humanly possible to honor the trust that our clients have placed in us and keep our value offering relevant.



We followed the example of our clients, who have continuously adapted to the circumstances of the environment

Therefore, in 2021, we focused our efforts on the recovery of our clients' businesses, knowing that this would have a positive impact on local economies and, therefore, on the results proposed to definitively overcome the challenges that 2020 brought.

We followed the model of our clients, who have continuously adapted to the circumstances of the environment, demonstrating their resilience to reactivate their businesses and with it, productive activities.

Enhancing the economic development of communities and the well-being of families is fundamental for those we serve. Thus, our offer became a relevant tool in its recovery. From Genera, we were close as a constant ally, with the necessary resources, with accessible financial products and services that responded to the immediate needs and context of our clients.

2021 was a year of great achievements, which we see reflected in the business results that are at levels close to those we had before the pan-

dem. This demonstrates our conviction of working for our clients and confirms that having the person at the center of the actions, acting ethically and doing the greatest possible good, generates results.

Aware of the challenges we face at a global level, we are working on our sustainability strategy, which will set the tone to address the environmental, social and corporate governance (ESG) issues that are priorities for our business.

We thank all our employees, who contributed with their talent, effort and commitment to achieve the results we obtained this year. We remain focused on serving our clients in the best way, with the passion that characterizes us.

At Genera, we will continue to boost the dreams of our clients, solving their financial needs with human sense, permanently placing the person at the center of our actions and decisions both present and future.



Carlos Labarthe and **Carlos Danel**
Chairmen of Genera

Letter from **our** CEO

2-22

Facing an environment in constant transformation and with substantial challenges, we achieved a year of recovery in Gentera, accomplishing in 2021 very positive results hand in hand with our clients

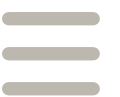
In this context, many microentrepreneurs and communities managed to prosper due to the access to convenient financing options according to their needs.

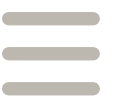
Aware of this reality, we maintained the closeness and warmth in the value offering of each of our companies. With a timely diagnosis, we generated a clear strategy to be increasingly efficient, flexible, scalable and agile to serve millions of people.

We remained focused on transforming our operation and technological architecture. We continued to develop digital solutions for our clients and employees. We moved Compartamos Banco's operations to the cloud, which places us as one of the first financial institutions in Mexico to operate under these characteristics, complying with the applicable regulatory and security requirements.



Enrique Majós
*Chief Executive Officer
of Gentera*





We connected capital markets with the productive projects of millions of people, mainly women

At the same time, we demonstrated our financial strength by carrying out four debt issuances in Mexico and Peru, endorsing the confidence of investors in our business model. The issuance of Compartamos Banco was the first in our history with a social seal, which aligns us with the best practices at an international level. Through these operations, we connected capital markets with the productive projects of millions of people, mainly women. We strengthened our commitment to empowerment and equity at all levels of the organization, starting with our Board of Directors, where women have a relevant participation.

Aware of the impact our actions have on society, we are committed to sustainable development and inclusion. As part of our commitment to sustainability, Compartamos Banco became an official signatory to the Principles of Responsible Banking (PRB) of the United Nations Environment Programme. The PRB is a strategic framework on which the banking industry commits to contributing to the Sustainable Development Goals (SDGs) and the Paris Climate Agreement.

Likewise, Genera maintained its commitment as a signatory of the United Nations Global Compact, it is aligned with its ten principles, which is reflected in this report. Through this sustainability initiative we work to create an environment with greater opportunities for all, contributing from the private sector to the achievement of the SDGs.

The recovery in Genera is a reality thanks to the commitment of our more than 20 thousand employees who accompanied our more than 3 million clients in Mexico and Peru. We showed that we were up to the challenges faced, while we continued to work on our evolution, accompanied by the trust of our stakeholders, to whom we address ourselves in this exercise of transparency and accountability.

Enrique Majós
Chief Executive Officer of Genera

Who we are

Gentera and its companies

2-1, 2-2, 2-6

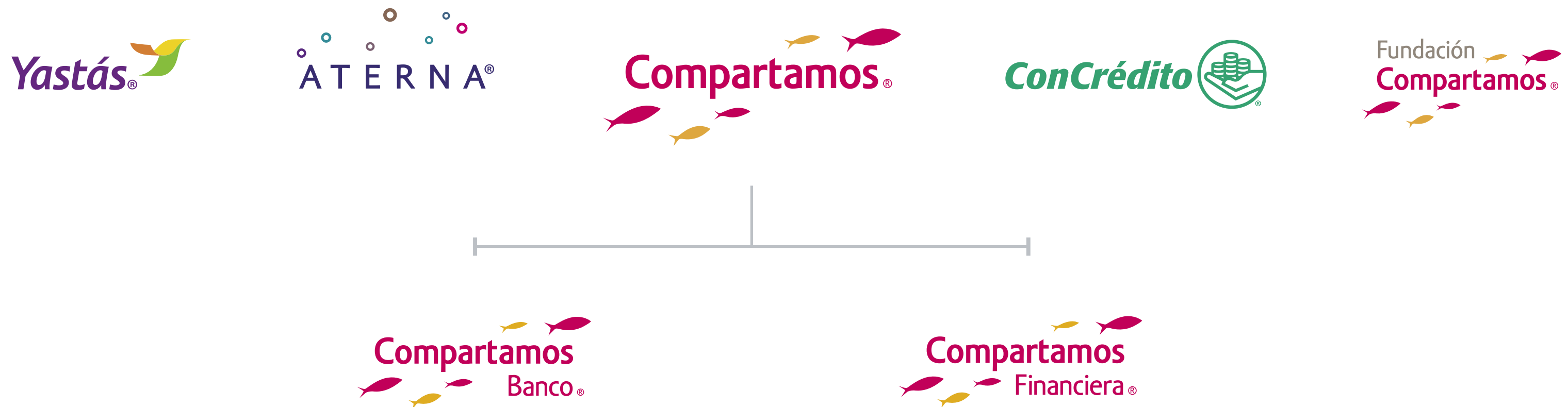
We are a group of companies that works for financial inclusion with presence in Mexico and Peru. We reach millions of people from popular segments by offering them financial products and services that boost their well-being and the development of their communities

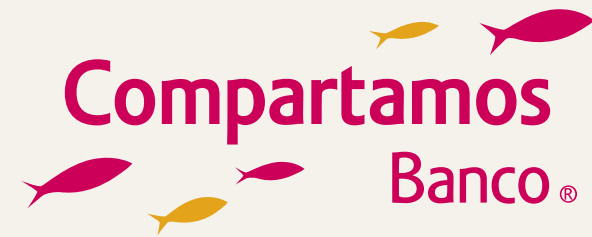




GENTERA and its companies

GENTERA®





Financial institution with **more than 31 years** of experience that offers access to credit for working capital, savings, insurance and transactional channels to microentrepreneurs and entrepreneurs in Mexico



Financial institution that offers **credit, savings and insurance** to entrepreneurs in Peru



Mexican company **with 14 years of experience**, which grants personal and revolving credit through digital operations, benefiting microentrepreneurs and end users



Bank commission agent administrator that provides **access to financial transactions, service payments and cellphone top-ups** in Mexican communities where banking infrastructure is limited or non-existent



Specialized agent in microinsurance that promotes a **culture of prevention** in Mexico and Peru



Organization that shapes the social vocation of the group through its causes which are **Education and Early Childhood**. The Foundation seeks to promote the integral development of communities



Purpose

2-23

Our purpose is to boost the dreams of our clients by solving their financial needs with a human touch

We generate shared value by working for the community:

Social value

We offer opportunities for inclusion to as many people as possible in the shortest possible time. We seek to promote the development of communities

+

Human value

We trust every person, in their willingness to grow, self-realize and be better

=

Economic value

We build innovative, efficient and profitable business models



Our history

Compartamos is founded as a Non-Governmental Organization (NGO)

1990

We started operations of Aterna

2012

We evolved to Genera

2013

We invested in ConCrédito

2018

We started operations of Yastás. We expanded to Peru. We constituted our Foundation

2011

We turned 30 years old. We acquired the majority of shareholding of ConCrédito

2020

Compartamos Banco became an official signatory of the Principles for Responsible Banking of the United Nations Environment Programme (UNEP FI)

We adhered to the United Nations Global Compact, so we are committed to complying with its 10 principles

We became Sofol

2000

We launched an initial tender offer to enter the Mexican Stock Exchange (BMV)

2007

We began issuing our first stock certificates

2002

We became a bank

2006

2021 Banco Compartamos issued its first social bond (Ps. \$2,500 million) in the Institutional Stock Exchange (BIVA, by its acronym in Spanish)

We started offering insurance among our products

2005



Financial inclusion

FN-IN-270a.4

At Genera, we understand financial inclusion as the access and use of a range of financial products and services by the population, under an appropriate regulation that takes care of their interests and promotes their financial capabilities, supported at all times by components such as client protection and financial education.

Through our companies and with the knowledge we have generated from our clients over more than three decades, we evolved our value offering and consolidated a comprehensive portfolio of financial products and services, focused on providing access to credit, savings, insurance and means of payment, which improve the quality of life of individuals and their families.

We believe in an inclusive financial sector that expands people's opportunities and drives social, human and economic development

Access

Geographical penetration

We have an extensive network of transaction points made up of branches, banking correspondents and digital channels that provide convenience to our clients

Use

Best products

Our products have been designed based on the knowledge of the needs of our clients and the accompaniment we provide

Client protection

Increased efficiency

We incorporated the seven Client Protection Principles into our operation because we have witnessed their positive impact on our value offering

Financial education

Higher quality

We aim to develop financial capacities in people to contribute to informed decision-making, the good management of resources and the responsible use of financial services for their well-being and that of their families



New realities and client needs (resilience)

Since our inception, we have remained focused on understanding the needs of our clients in order to meet them. We know that these needs change constantly, for this reason, we seek that the products we offer from our companies are always appropriate to the different realities of our clients.

2021 was a year of recovery, it made us turn into practice everything we learned in 2020 and demonstrate what we are capable of, by using the skills acquired to begin the path of our transformation. Having privileged the health of clients and employees in adverse moments was the correct decision, despite the impact that this could have on the operation.



We are proud because we were close to our clients, accompanying them in their economic reactivation. Keeping the person at the center of our actions, we focus on listening to them and providing them with capital and liquidity solutions to move ahead

The world has changed in many ways, including financial services and the way they are accessed. A large proportion of our clients are merchants who since 2020 had to modify the way of doing business by moving to hybrid models, which have had a positive impact on the promotion and sale of their products, mainly through social networks.

Bearing this in mind, we are transforming our technological architecture to also evolve towards a hybrid business model and a digital operation that will enable a service to our clients with greater efficiency, agility and flexibility, taking advantage of technology, preserving the closeness and the human touch that characterize us.



Business

The trust we have built over three decades with our clients has allowed us to fulfill our purpose of boosting dreams. 2021 was the year of recovery, where we confirmed that having the person at the center of every action, always results in positive consequences





Our business model has a strong social impact, we have witnessed how our clients have increased their possibilities and improved their quality of life and that of their families through their businesses. Likewise, they have a positive impact on the local economy of the communities and the countries where we have a presence.

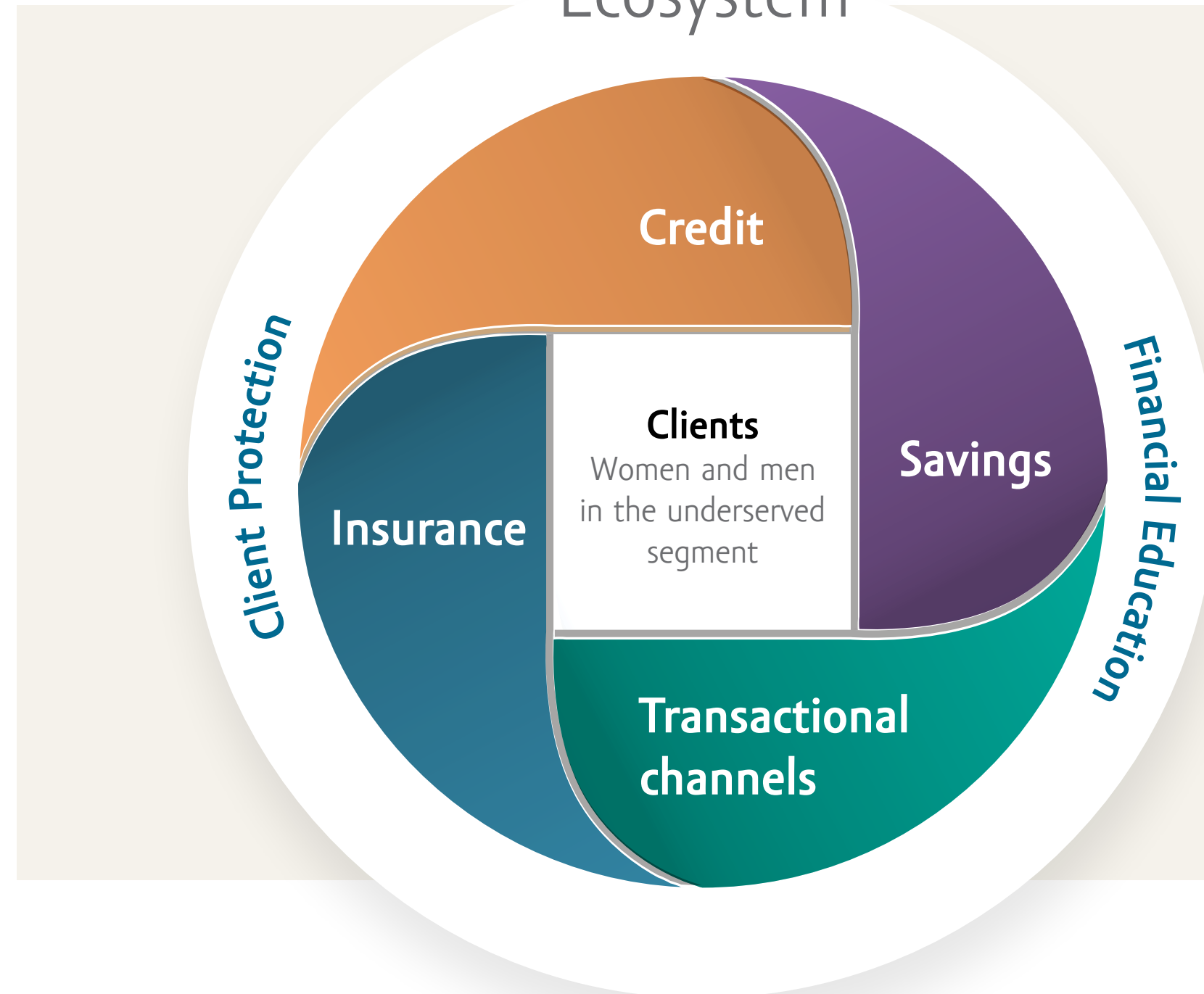
Throughout our history we have developed an ecosystem of products focused on meeting the financial needs of our clients with a human sense, with the premise of generating economic value for their businesses, social value for their communities and human value for themselves and their families. In this way, we seek to create a positive social impact.

Our product ecosystem has evolved and grown together with our clients. We started by granting credit for productive activities and now we offer insurance, savings and transactional channels.

Products



Genera Ecosystem





During 2021, we remained close to our clients as a tool for their economic recovery by providing capital and liquidity for their businesses. During this year, we disbursed Ps. \$141.7 billion.

Genera's results by year

Amount disbursed in the financial operation (in millions of pesos)

\$137,000	\$100,155	\$141,700
2019	2020	2021

Number of disbursements

9,615,963	7,040,774	11,394,415
2019	2020	2021

Number of clients/households benefited

3,486,699	3,001,092	3,198,777
2019	2020	2021



Compartamos Banco

2-6, FS6, FS7, FS13, FS14, FN-CB-240a.1, FN-CB-240a.2, FN-CB-240a.3, FN-CB-240a.4, FN-CB-410a.1, FN-CB-410a.2, FN-CB-000.A, FN-CB-000.B, FN-CF-270a.4, FN-IN-270a.2, FN-IN-270a.3

Value proposition

Credit

- Crédito Mujer (group)
- Crédito Comerciante (group)
- Crédito Individual (individual)
- Crédito Adicional Plus Compartamos

Insurance

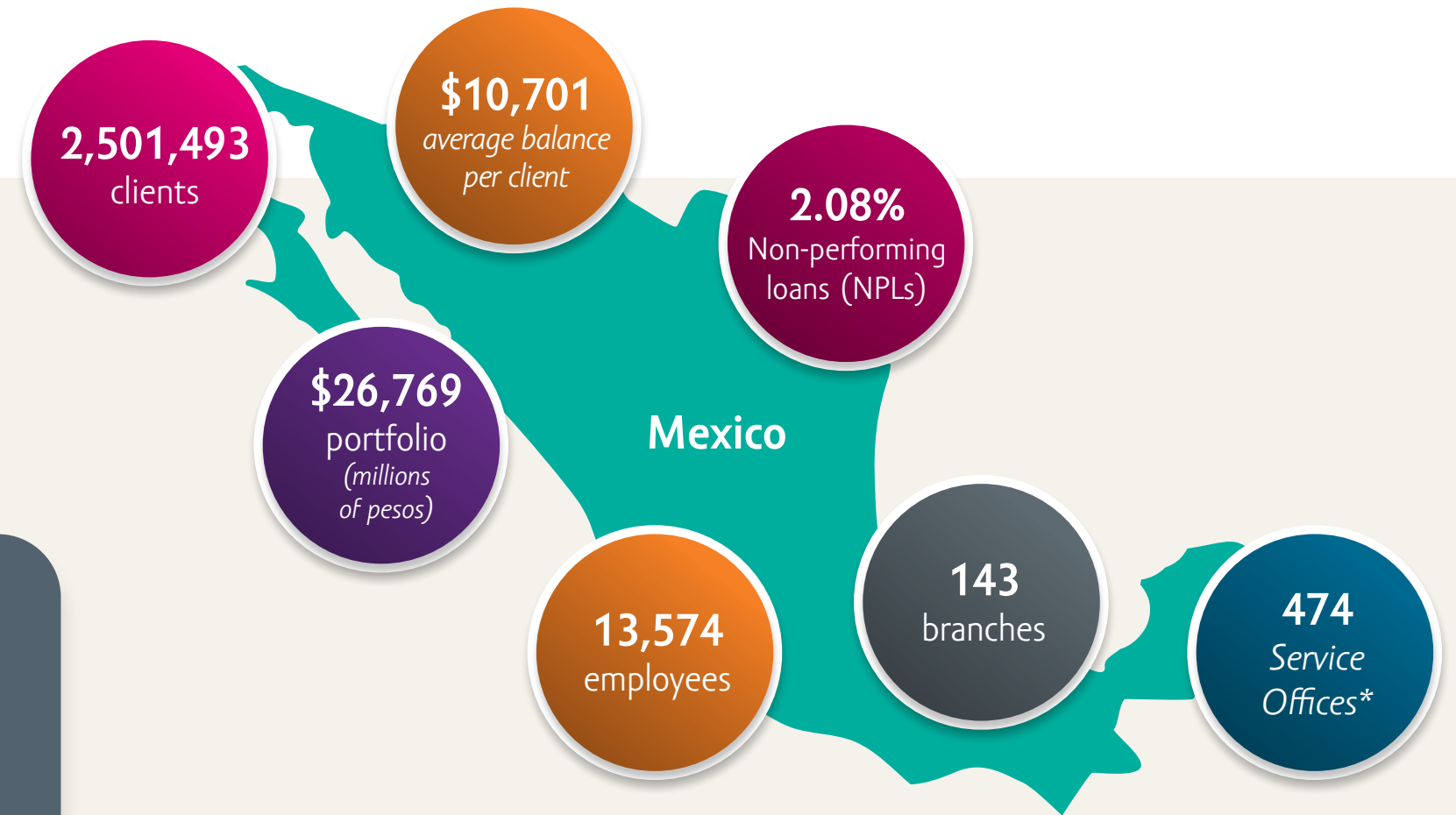
- Seguro de Vida Básico
- Compartamos Protección
- Seguro de robo
- Seguro Magenta

Savings

- Mis Ahorros Compartamos
- Mi Grupo Compartamos
- Cuenta a Mi Favor
- Inversiones Compartamos
- Cuenta de Ahorros Básica

Transaction channels

42,416 points for our clients to carry out financial transactions. Comprised of banks, banking correspondents and commercial chains



*Some of the Service Offices were transformed into branches. 74 branches are located within the Service Offices





Credits

The word credit comes from the Latin *creditum* which means “what is entrusted” and that is precisely what Compartamos Banco has established with its clients: a relationship based on trust. Compartamos is recognized as the first institution that financially included the popular segment, mainly women in Mexico, which has allowed them to have economic autonomy and contribute to their household income.

Compartamos Banco’s value offer has group and individual credits for men and women who have a productive activity or plan to start it. The characteristics of these credits are:

- Easy access
- Few requirements
- Clarity in the operation of the credit
- Flexibility in deadlines and amounts
- Accompaniment during the life of the credit
- Solidarity

This year *Crédito Adicional Plus Compartamos* was incorporated for clients who need an extra amount to deal with unforeseen events. For group clients, the amount they can request ranges from Ps. \$5,000 to Ps. \$30,000, and for Individual Credit clients it can range from Ps. \$5,000 to Ps. \$70,000.

Credit results in Mexico

	2019	2020	2021
Total clients	2,659,192	2,218,059	2,501,493
Female clients (%)	88.4%	89.7%	89.8%
Male clients (%)	11.6%	10.3%	10.2%
Client retention rate >30 days	85.1%	87.9%	87.3%
Insured clients	2,648,833	1,997,874	2,401,305
Clients with voluntary insurance	2,258,154	1,770,546	2,330,588
Average credit disbursed	13,894	13,767	14,394
Disbursements	7,571,753	5,689,755	7,193,439
Amount disbursed (millions of pesos)	105,199	78,330	103,541
Annual growth in disbursements (%)	7.2%	-24.9%	26.4%
Non-performing loans (NPLs)	3.19%	5.64%	2.08%
NPLs / Total Portfolio (millions of pesos)	838	1,403	558

Credit portfolio by type of market in Mexico

Type of market	Total (millions pesos)	Percentage represented by the market
Women's Group Market	26,769	68.5%
Mixed Group Market		26.1%
Mixed Individual Market		5.4%



Distribution of credit clients in Mexico

Market	Total clients	Products	Clients by product	Percentage of clients according to the market	Portfolio (millions of pesos)
Women's Group Market	1,713,303	Crédito Mujer	1,713,303	68.5%	15,504
Mixed Group Market	653,897	Crédito Comerciante	653,897	26.1%	4,931
Mixed Individual Market	134,293	Crédito Individual	124,803	5.0%	3,520
		Crédito Crece y Mejora CM	5,114	0.2%	590
		Crédito Adicional CM	614	0.0%	22
		Crédito Crece y Mejora CCR	2,004	0.1%	164
		Crédito Adicional CCR	412	0.0%	10
		Crédito Crece y Mejora CI	1	0.0%	-
		Crédito Adicional Plus	1,345	0.1%	2,028
			2,501,493	100%	26,769

Distribution of clients by industrial sector in Mexico

36.4%
Textiles

15.4%
Various

5.4%
Livestock, agriculture
and fishing

37.3%
Food

0.6%
Industry

4.9%
Services



Insurance

The productive activities carried out by Compartamos Banco's clients are often the main economic support for their families, therefore, linked to the credit, we provide them with complementary products to protect their assets, such as life insurance or theft insurance.

Also, aware of the conditions to which our clients are vulnerable, Compartamos Banco offers insurance to protect them in case of cancer or heart attack.

In 2021, thanks to the closeness and knowledge of clients, Seguro Magenta was launched through the internet with a very good acceptance as a service to protect cars and motorcycles at low cost.

Savings

Faithful to our purpose of boosting dreams, Compartamos Banco has different uptake products that help clients to achieve their goals. These products have two relevant attributes, safety and availability. In Mexico, Compartamos ended the year with 1,304,879 active savings accounts with a balance of more than Ps. \$3.033 billion.

Transaction channels

Convenience is a relevant attribute for our clients; therefore, a network of channels has been developed, integrated by its own branches, banking infrastructure, banking correspondents, stores, and commercial chains, as well as by digital channels that allow clients to transact at the time and place that best suits their needs.

With the aim of bringing financial opportunities to our clients in communities with limited infrastructure, Compartamos Banco has 42,416 points for our clients to collect and pay their credits.

During the peak months of the pandemic and due to the approach that people had with technology, transactions increased through the digital channels of Compartamos Banco, reaching 200 thousand clients performing more than 26 million monetary and non-monetary operations mainly on balance inquiries and transfers.

Client experience

From the pandemic, clients changed in many ways, adapted to circumstances with optimism and launched their creativity to respond with resilience to an uncertain environment. At the same time, they became more responsible for trying to complete their payments in a timely manner, in order to have a financing source available forward to reactivate their businesses, this resulted in a non-performing loans (NPLs) ratio of 2.08%.



Compartamos Banco could help its clients thanks to the closeness it maintains with them, implementing agile and immediate solutions. During 2021, Compartamos Banco continued to conduct surveys to understand the situation of its clients, carrying out more than five thousand surveys in the year.

On the other hand, every year the **Client Experience Index (IEC, by its acronym in Spanish)** is measured involving three variables: general satisfaction, recommendation index – better known as Net Promoter Score (NPS) – and service perception. The Client Experience Index reached **87%** in 2021.

Several factors that generated an increase in the Client Experience Indicator were identified such as an effect of optimism derived from the evolution of the pandemic, epidemiological traffic lights and vaccination.

In the scope of recommendation, in 2021 we reached an NPS of 90%, as a result of the confidence of our clients in the value offer that Compartamos Banco offers and the accompaniment provided by the loan officers and advisors.

As an initiative to provide enhanced services to our clients, we have a Client Protection Dashboard where the number of complaints received is monitored. During the year, 11,327 complaints were received, most through Compartel and only 14 through CONDUSEF; 76.6% of the complaints received were closed in less than three days.

The Client Experience Index reached 87% in 2021

As a result of the pandemic, other means of communication were used to stay near to our clients. In this sense, we explored digital marketing achieving a very good participation in social media and other platforms that soon could be a gateway to new markets.

Compartamos Banco is transforming its value offer by paying special interest in digital solutions. Proof of this is ComparTfon, a cell phone service with exclusive benefits for Compartamos Banco's clients with the aim of being an enabler for them to access to all their financial services in one place, preloaded with the bank's mobile applications and with coverage throughout Mexico.

ComparTfon benefits

Free WhatsApp, even without airtime

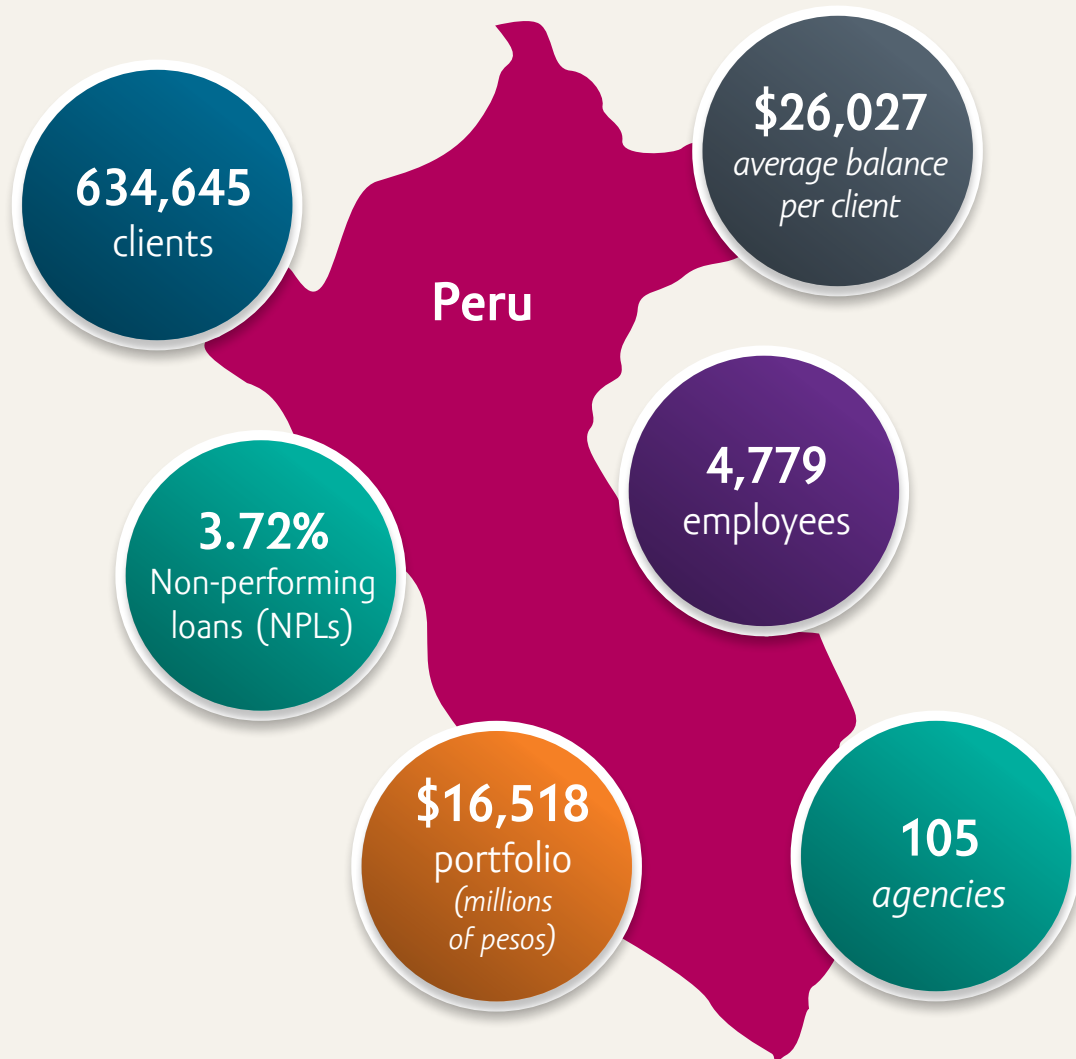
To gain extra money by selling phone top-ups from any company

From the app, the user can buy telephone packages, check the balance of the line, sell recharges, check movements of savings accounts, make transfers and much more



Compartamos Financiera

2-6, FS6, FS7, FS13, FS14, FN-CB-240a.1, FN-CB-240a.2, FN-CB-240a.3, FN-CB-240a.4, FN-CB-410a.1, FN-CB-410a.2, FN-CB-000.B, FN-IN-270a.3



Value offering

Credit

Crédito individual	<i>Construye</i>
<i>Efectivo</i>	<i>Empresario</i>
<i>Vivienda</i>	<i>Súper Fácil</i>
<i>PyME</i>	Crédito grupal
<i>Consolidación de Deuda</i>	<i>Súper Mujer</i>
<i>Activo Fijo</i>	<i>Crece y Mejora</i>

Insurance

<i>Individual</i>
<i>Group</i>
<i>Debtor's life insurance</i>
<i>General Protection</i>

Savings

<i>Cuentas de Ahorro WOW</i>	<i>Cuenta Emprendedores</i>
<i>Depósito a Plazo Fijo</i>	<i>Cuenta Súper Mujer</i>
<i>Fondo Vivo Tranquilo</i>	<i>Cuenta de Ahorros Simple</i>
<i>Cuenta Crece Libre</i>	<i>CTS</i>

Transaction channels

20,942 points to collect and pay their credits



Credits

In Peru, individual credit prevails, although group credit has become very relevant in recent years by providing the opportunity for thousands of women to join or rejoin the financial system.

Compartamos Financiera credits have the following characteristics:

- Easy access
- Few requirements
- Clarity in the operation of the credit
- Flexibility in deadlines and amounts
- Accompaniment during the life of the credit
- Solidarity

Credit results in Peru

	2019	2020	2021
Total clients	721,754	677,678	634,645
Female clients (%)	88.8%	88.1%	81.6%
Male clients (%)	11.1%	11.8%	11.9%
Client retention rate >30 days	74.1%	60.9%	74.6%
Insured clients	721,754	677,678	710,770
Clients with voluntary insurance	461,030	388,653	519,116
Average credits disbursed	\$16,422	\$16,980	\$18,499
Disbursements	1,762,194	1,157,255	1,561,311
Amount disbursed (millions of pesos)	\$28,938	\$19,650	\$28,883
Annual growth in disbursements (%)	20.8%	-34.3%	34.9%
Non-performing loans (NPLs)	2.01%	4.58%	3.72%
NPLs / Total Portfolio (millions of pesos)	\$297	\$716	\$614

Credit portfolio by type of market in Peru

Type of market	Total (millions of pesos)	Percentage represented by the market
Total structured Microenterprise	16,518	55.5%
Total microenterprise penetration		36.4%
Total pre-approved Microenterprise		0.8%
Total structured Consumption		0.6%
Total penetration Consumption		6.7%
Total pre-approved Consumption		0%



Distribution of credit clients in Peru

0.0% <i>Microenterprises</i>	6.7% <i>Non-revolving consumption</i>
88.9% <i>Small enterprises</i>	4.4% <i>Mortgage</i>

Distribution of clients by industrial sector in Peru

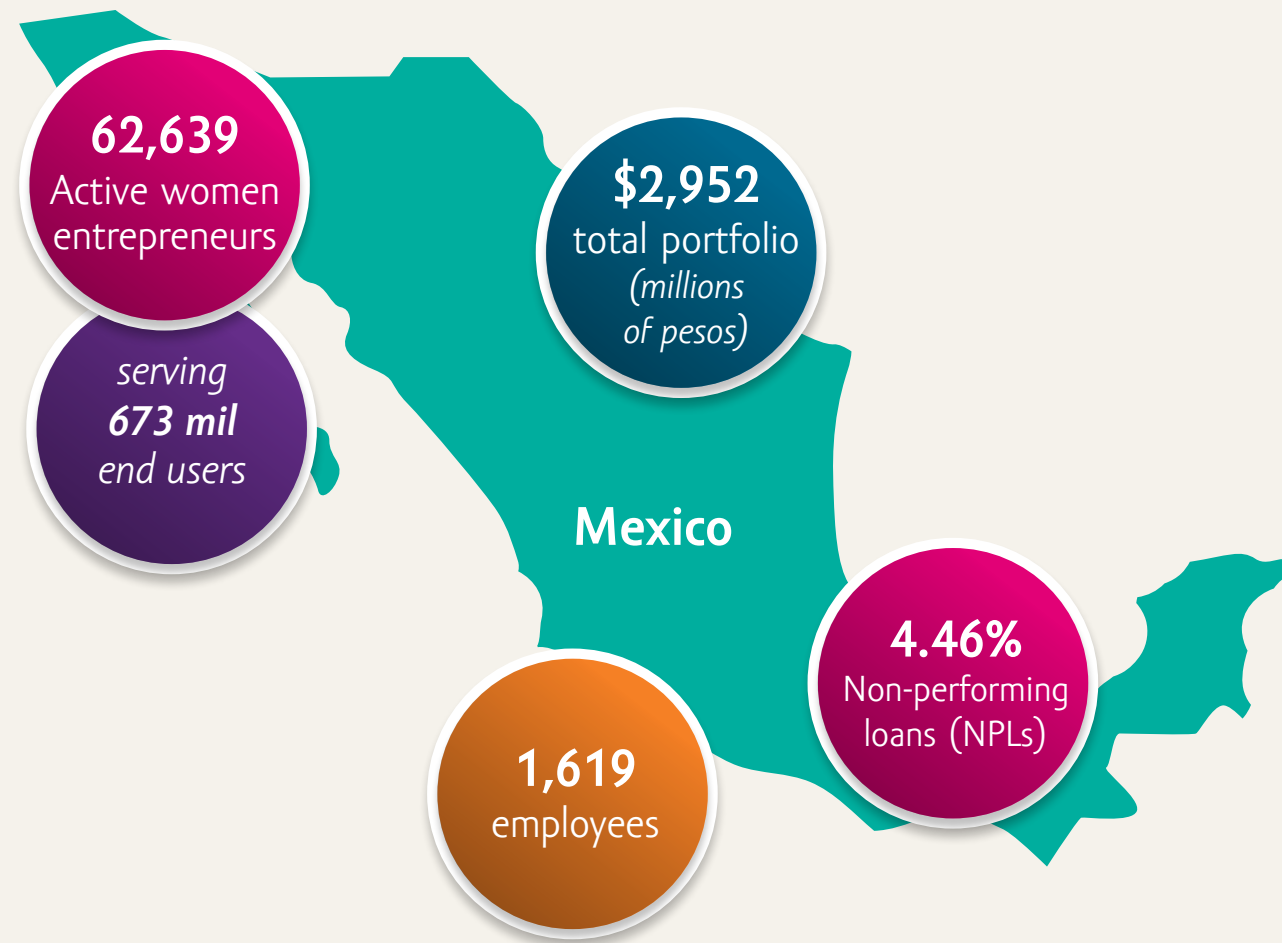
76.3% <i>Business</i>	14.7% <i>Services</i>	0.8% <i>Livestock</i>
7.2% <i>Industry</i>	0.9% <i>Agriculture</i>	0.1% <i>Fishing</i>

During 2021, Peru faced significant challenges from the pandemic, government changes and new rate regulations that mainly impacted group credit clients. However, it was a great year for Compartamos Financiera, maintaining its leading position in the Peruvian financial system and serving its clients with the warm and close treatment that characterizes us.

As part of the transformation process of Genera, during 2021 Compartamos Financiera changed its system to manage its operation (BANKING CORE), translated into efficiency, productivity and an enhanced service.

Thinking about the convenience of Peruvian clients, Compartamos Financiera made an investment in BIM electronic wallet of free affiliation, that allows clients to have money safely on their cell phone without the need for bank accounts or cards. This investment will allow the bank to speed up the recovery of credit and disbursements.

Compartamos Financiera managed to overcome the challenges presented in 2021 thanks to the professionalism of its team, the quality of its portfolio and the support of Genera.



ConCrédito

2-6, FS6, FS7, FS13, FS14, FN-CB-240a.1, FN-CB-240a.2, FN-CB-240a.3, FN-CB-240a.4, FN-CB-410a.1, FN-CB-410a.2, FN-IN-270a.3

100% digital company that grants personal and revolving microcredits to entrepreneurs who issue their end users loans through ValeDinero, payment products through CrediTienda and life insurance through ClubProtege.

Value offering

Credit
ValeDinero

Sales by term
CrediTienda

Life insurance
ClubProtege

ConCrédito was born in 2007, it has been part of Genera since 2019, and during 2020 we formalized our majority stake with the purpose of strengthening our value offer from a digital format.



ConCrédito results

	2020	2021
Entrepreneurs	42,917	62,639
End Users	530,656	673,568
Portfolio (millions of pesos)	\$2,248	\$2,952
Non-performing loans (NPLs) (%)	6.92%	4.46%
Average balance per client	\$52,384	\$47,131
Service Offices	95	-

Through ValeDinero, revolving credit lines are granted to businesswomen looking for a second source of income. They in turn, lend to other people, receiving a profit for this placement.

CrediTienda is a product catalog where clients can buy in installments.

ClubProtege is an insurance that covers the total amount of the line of credit of the businesswomen while ConCrédito offers a debtor insurance for the end users.

A few years ago, with the aim of improving the experience of businesswomen and end users, ConCrédito began the migration to a digital and self-user scheme, in which businesswomen deposit to their clients anytime and anywhere, saving waiting times and transfers. Since then, different initiatives have been relaunched to train entrepreneurs to use the application, disperse and sell products.

In July 2021, with a fully digitized business model, all the branches of ConCrédito closed. Both employees and businesswomen have received training in digital issues, as well as the necessary tools to operate in this new scheme.

In 2021 ConCrédito became a 100% digital company

As part of Genera, ConCrédito has worked on synergies with Compartamos Banco, enabling the generation of business opportunities for the bank's clients. Looking into the future, we are developing the necessary processes so that CrediTienda can sell products to Compartamos Banco's clients.

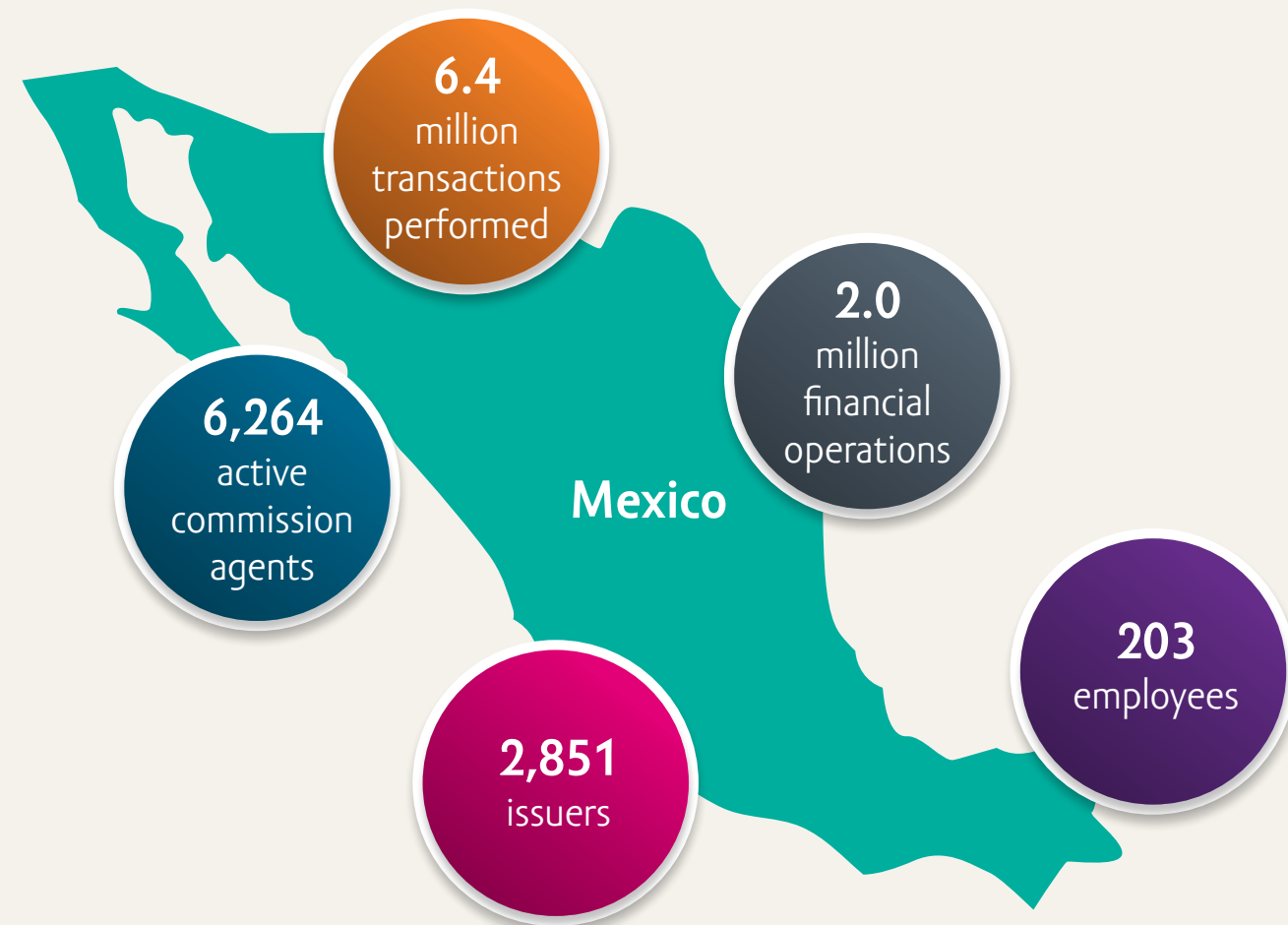
The experience of ConCrédito has allowed its integration to Genera maintaining its original structure. By 2022, we will continue to reinforce institutional issues and to refine our business model with the aim of generating efficiencies and savings, in addition to maintaining results-based decision-making.



Yastás

2-6, FS13, FS14

Administrator of bank commission agents that provides access to financial operations such as payment of services, deposits to bank accounts, withdrawals, multilevel payments and cell phone top-ups in places where the banking infrastructure is null or limited.



Yastás is the leading bank commission administrator in Mexico

Financial operations

Banorte

Compartamos Banco

Banco del Bienestar

Payment of services

Comisión Federal de Electricidad (CFE)	Megacable	Telnor	Sistema Intermunicipal de los Servicios de Agua Potable y Alcantarillado (SIAPA)
Telmex	Infonavit	Multimedios	Servicios de Agua y Drenaje de Monterrey
Sky	Avon	Blim TV	Among others
VeTV	Arabela	Cinépolis	
Izzi	PASE	Cinépolis Klic	
Maxcom	Televisa	Nintendo	
Totalplay	Gas Natural México	Xbox Live	
Axtel	Gobierno de la Ciudad de México	PlayStation	
Dish	Gobierno del Estado de México	Comisión Municipal de Agua Potable y Saneamiento de Xalapa (CMAS)	
Cablemás			



Since 2011, aiming to meet the need to carry out financial transactions conveniently and in nearby places in their communities, Yastás exists as a solution for our clients to make transactions through a Point-of-Sale Terminal installed in community businesses.

Yastás results

	2019	2020	2021
Active business	4,683	4,904	6,264
Businesses authorized to carry out financial transactions	4,526	4,577	5,785
Businesses authorized to carry out savings transactions	3,911	4,214	5,202
Number of municipalities in which it operates	1,245	1,309	1,400
Total number of transactions (in millions)	18.1	21.3	23.9
Number of financial transactions (in millions)	7.2	8.2	10.1

Presence of commission agents in municipalities according to their degree of marginalization

	2019	2020	2021
Very Low	45.7%	42.3%	54.4%
Low	19.8%	19.0%	18.0%
Middle	15.1%	16.3%	14.8%
High	17.2%	19.7%	10.4%
Very High	2.2%	2.7%	2.4%

This year Yastás began a transition period where the foundations were settled for its digital transformation with the aim of improving its value offer, as well as facilitating the lives of users.

Yastás invested in technology to have greater versatility to provide specialized services and meet new needs of users.

An example is the implementation of chat bots on Whatsapp, that help users to identify the nearest Yastás points.

As a result of this transition, with the aim to have a prepared sales team, it has been necessary to train Yastás employees in technology and new digital tools.

Yastás visualizes a more efficient and innovative future with a digital enrollment process through a mobile app that reduces time

By 2022, information security will be a priority for Yastás, so it must comply with different international standards and certifications that allow it to guarantee its commitment to this subject. In addition, it will consolidate alliances with more banks to have a competitive advantage.

On the other hand, it requires a constant work to improve the physical security of its commission agents, optimizing the accumulation of cash in a single location and evaluating the measures that generate greater security in handling money.

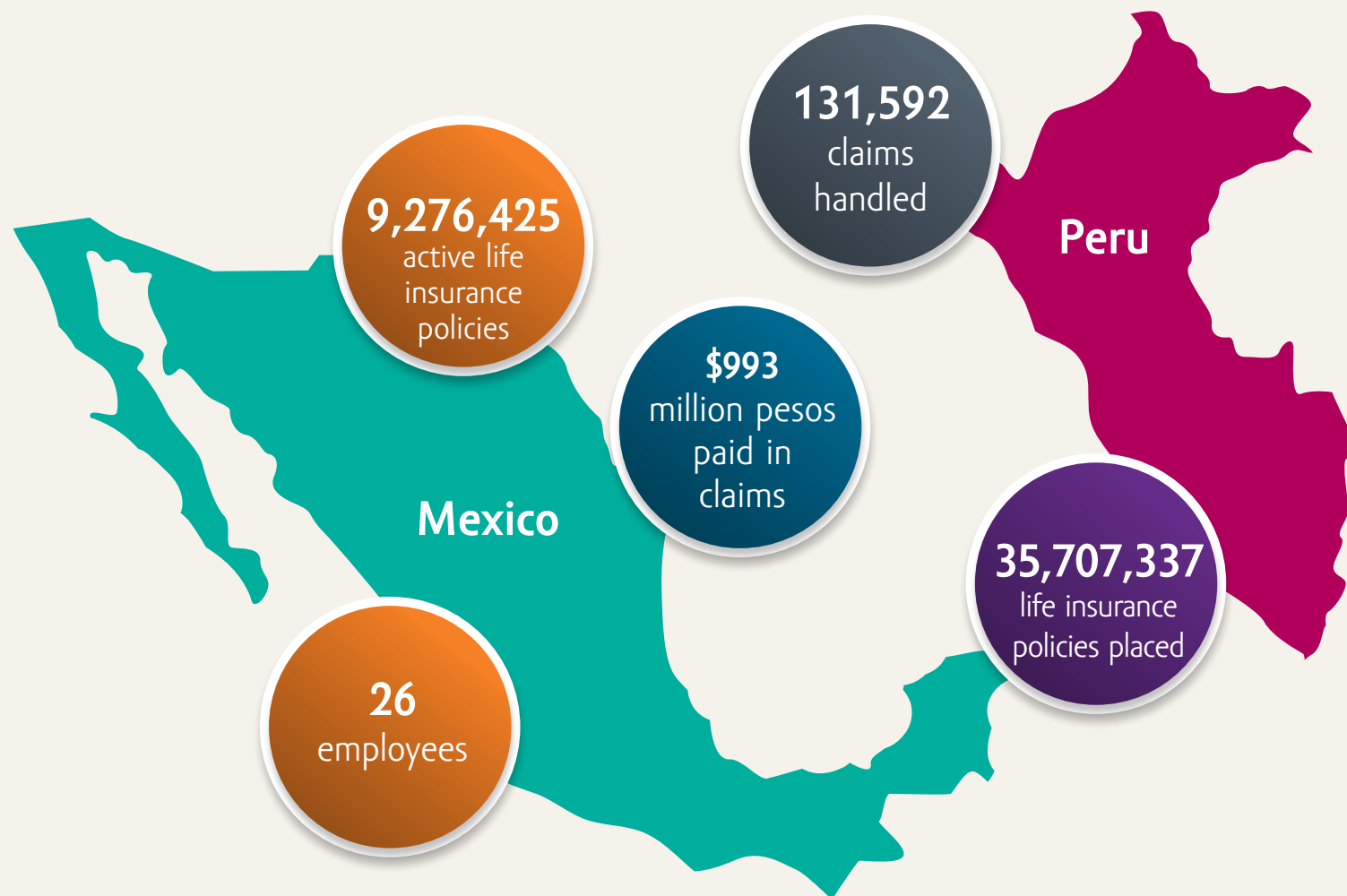
During 2021, Yastás focused its main efforts in serving the prospects of commission agents. Digital campaigns have been generated and allowed us to grow and position ourselves.



Aterna

2-6, FS7, FS14, FN-IN-000.A

Microinsurance agent specialized in meeting the needs of prevention culture of our Compartamos clients and Yastás commission agents.



Business model

Clients: people in the underserved segment, who generally do not have access to formal preventive mechanisms to handle unforeseen events

Partners: distribution channels to reach clients

Insurers: cover the risk of the products and services offered

Insurance

Life. We offer our clients the peace of mind that their family members will be covered when they are gone

Health. Considering that an accident, illness or emergency can destabilize a family's economy, we take care of our clients and their loved ones by protecting their physical integrity

Damage. We recognize how difficult it is to obtain assets, therefore, we offer our clients the opportunity to protect their properties against accidents or natural disasters



Aterna arises from the need to protect clients, their families and assets. As we understood the context of the segment we served, we discovered they needed other financial products. When a client dies, in addition to the enormous emotional impact on the family, there is an economic impact of ceasing to receive that income, or because the relatives have to dispose of their assets to meet the funeral expenses. With the person at the center of our actions, through Aterna we developed a culture of prevention in Mexico, Peru and, until 2021, in Guatemala.

Claims results by company

Company	Claims handled	Sum insured paid (millions of pesos)
Compartamos Banco	119,537	799.2
Compartamos Financiera	10,871	136.9
Other channels	1,558	59.9

Aterna results

Classification	2019	2020	2021
Distribution channels	10	6	7
Claims handled	144,276	121,872	131,966
Total brokered premium (millions of pesos)	\$1,786	\$1,637	\$2,780
Insured sum paid to beneficiaries (millions of pesos)	\$617	\$876	\$996
Voluntary insurance policies (in millions)	8	6	14
Policies sold	27,524,916	24,614,549	35,707,337
Active policies	8,426,751	6,918,221	9,276,425



Client protection

FS4

We are convinced that the trust of our clients depends to a large extent on the service we provide. For this reason, for some years now we have incorporated the following seven principles of client protection into our operation.

Client protection principles

1. Suitable products and services
2. Prevention of overhang
3. Transparency
4. Competitive pricing
5. Fair and respectful treatment of clients
6. Client data privacy¹
7. Mechanisms for resolving complaints

In 2021, 18,356 employees in Mexico and Peru completed the Client Protection certification.

We accompany our clients throughout their journey and advise them to understand their payment capacity and prevent credit overhang

¹ Check out the initiatives we carry out about data privacy of our clients in the Corporate Governance section of this report.

Financial education

FS14, FS16, FN-CB-240a.4

To build trust with our clients about the products we offer, it is our duty to advise them with adequate and sufficient information, as well as to provide them with tools so that they can improve their income, responsibly manage their finances, avoid damaging their credit history and prevent credit overhang.

This year we continued to implement financial education initiatives to benefit clients, employees and the community.

Description of financial education initiatives

Clients	<ul style="list-style-type: none"> • The financial education actions offered to our clients are digital, through content that is published on social media and web pages <p>In 2021, the following results were obtained:</p> <ul style="list-style-type: none"> • Financial education site: 7,239 views with an average stay time of 1:51 min • Blog Section "Take care of your wallet": 132,269 views with an average stay time of 1.31 min • Financial Education posts on Facebook with 7,176,591 views
Employees	<ul style="list-style-type: none"> • Healthy Finance course in DNA • Within the offer of courses that are in DNA, we offer the Healthy Finance course, where savings, credit and prevention of overhang are addressed • In 2021, 1,502 employees took this course
Community	<ul style="list-style-type: none"> • <i>Semana Nacional de Educación Financiera</i> • As part of the participation of Compartamos Banco in the Financial Education Committee of the <i>Asociación de Bancos de México</i>, we participated in the <i>Semana Nacional de Educación Financiera</i> with a virtual stand where we obtained 22,767 visits



Our People

The close accompaniment that our employees provide to clients every day has allowed us to consolidate relationships based on trust for **more than 30 years**



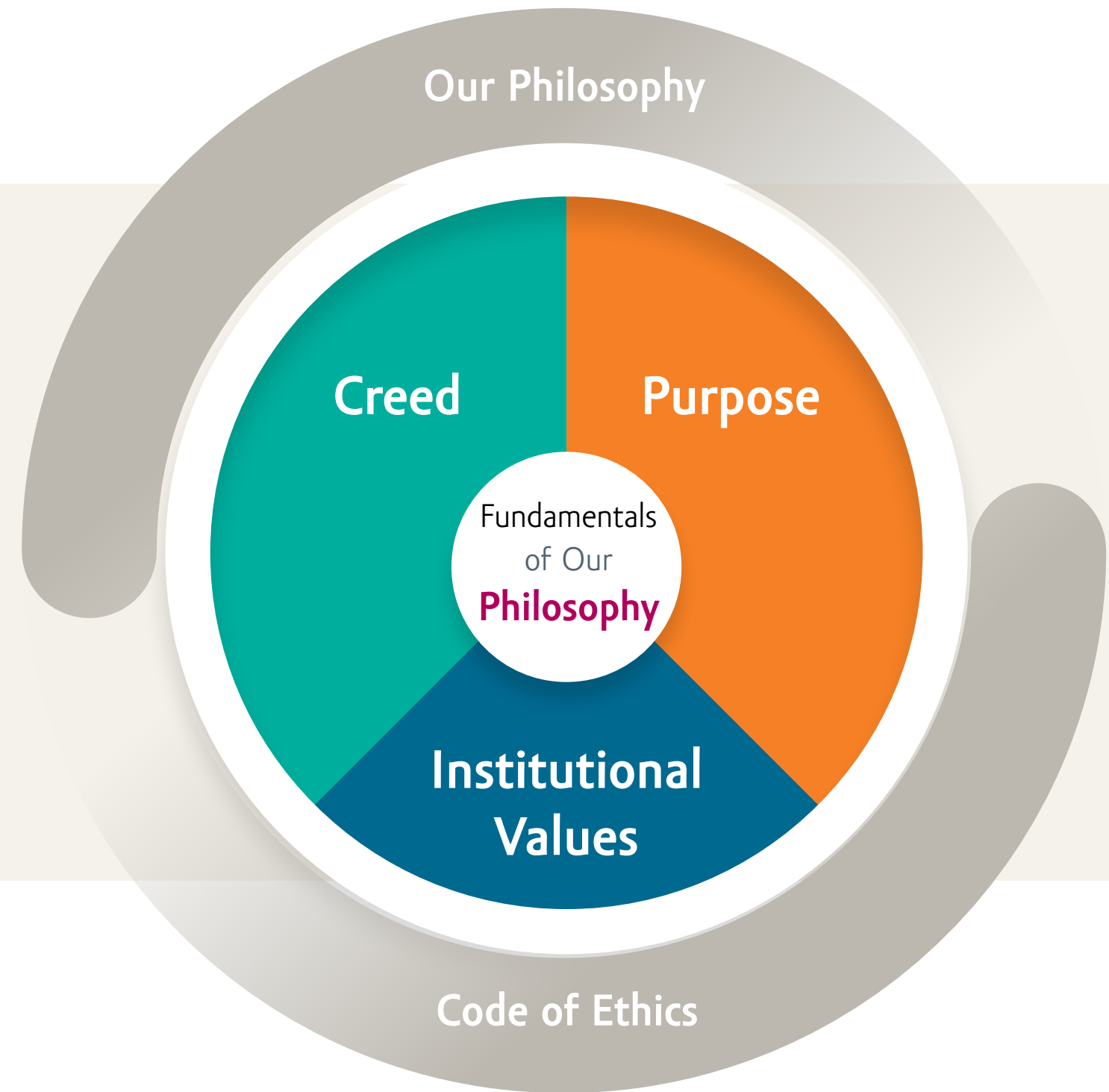


Gentera's Philosophy

2-23

Our Philosophy represents the way of thinking and acting in Gentera, respecting the dignity of the person, always guided by our ethics and values.

This Philosophy keeps us faithful to the vocation of service that leads us to promote social development, to achieve the purpose that moves us and to maintain the trust of the people we serve.





Fundamentals of Our Philosophy

Genera's Creed

These nine convictions guide our daily actions, regardless of time or place where we find ourselves, they motivate us to transcend and build a better future for our clients, employees, their families, and their communities.

1.

We believe in the individual and in their capacity to overcome to be better

2.

We believe that to act ethically is to do the greatest possible good and we strive to make this a reality in our lives

3.

We believe that exclusion is a result of poverty, and that by offering access to competitive and quality financial solutions, we create inclusion and development

4.

We believe in using business principles to help solve social problems

5.

We believe that, in the right context, profitability is the engine for development and creating competitive and efficient industries

6.

We believe that there is a space where social, economic, and human values coexist and reinforce each other.

7.

We believe in sustainable development and care for the environment

8.

We believe in *Serviazgo* as a leadership style based on serving others, which inspires and is meaningful through serving, training, growing, and delivering results

9.

We believe that we should aspire to inspire and transform, even though the challenge is enormous

Purpose

Our purpose is to boost the dreams of our clients, solving their financial needs with human touch

Bringing the person to the center of our actions drives us to be better and achieve our purpose

Institutional values

In Genera we act according to our values

Person:

we recognize their dignity and self-worth; we understand it as an end and never as a means

Service:

we give ourselves to others because we care about their good

Responsibility:

keeping our word and assuming the consequences of our actions

Passion:

loving what we do

Teamwork:

we work with others, to achieve more

Profitability:

do more with less, be productive and efficient to serve better.



Living our values survey

In order to know how Genera's values are experienced in the daily work of our employees, every year we implement the Living Our Values survey. In this way, we can identify gaps or areas of improvement where we should strengthen our institutional culture.

Number of participants

18,503
2019

19,801
2020

16,946
2021

Results

89%
2019

91%
2020

90%
2021

In 2021, we were acknowledged by the Great Place to Work Institute, in which we see reflected the experience of our values and our commitment to people.

1st place

The Best Places to Work in Mexico, category of more than 5,000 employees

1st place

The Best Places to Work in Mexico in Challenging Times for Financial Services and Insurance, category of more than 5,000 employees

15 consecutive years

being part of The Best Places to Work in Mexico

5th place

The Best Places to Work in Challenging Times in Mexico, category 5,000 employees

4th place

The Best Places for Women in Mexico, category of more than 5,000 employees

6th place

The Best Places to Work for Millennials in Peru

1st place

The Best Places to Work in Mexico in Financial Services and Insurance, category of more than 5,000 employees

21st place

The Best Places to Work in Latin America

Recognition

The Best Places to Work, Care and social contribution in the voice of its employees



FISSEP Model

403-5, 403-6, 404-2

To be well, happy and to live fully, we must develop comprehensively across all the dimensions of the individual. This development is essential for our employees to perform their work and transmit a feeling of well-being to our clients.

This is consolidated in our FISSEP Model, which inspires our employees to look after themselves in six dimensions of the person: Family, Intellectual, Health (physical and mental), Social, Spiritual and Professional.

We are convinced that people's performance improves when the different aspects of their lives are balanced

F

Family

We promote the family as the essential nucleus for personal development and social transformation

I

Intellectual

We encourage and provide the means for people to acquire more and better knowledge

S

Health

(physical and mental)

We create and spread resources to take care of our overall health

S

Social

We create spaces where people can be agents of social change because we recognize that positively influencing others gives meaning to our lives

E

Spiritual

We promote spiritual experience, respecting all creeds

P

Professional

We offer tools to develop our talent and improve our skills



In order to share content on the six dimensions of the individual that may be useful for our employees, their family and friends, we have the Vive FISSEP portal. During 2021, the portal registered 22,007 visits.

This year, the Family Week took place from August 9th to 15th, virtually. We had 11 different webinars, from cooking classes to tips for caring for pets, with a high participation of employees and their families.

Thinking of those employees who are parents, this year we carried out activities for their children such as FISSEP Kids for the summer and Children's Day and Easter Week, that will encourage them to live and put into practice their FISSEP.

Another initiative that was carried out to permeate the Philosophy and thus fulfill our purpose, was the *Sueñómetro* (Dream Meter), an activity that invites employees to visualize and make their dreams come true. At the end of 2021, more than 1,000 employees shared their dreams on the platform designed for this activity.

As every year, we deliver the *Abrazo Genera* (Genera Hug), a recognition granted to those employees who stand out for living the Genera's Philosophy in all their activities. This year 589 hugs were given.

1,650 employees who have a career of 5, 10, 15, 20, 25 and 30 years in Genera were also recognized.

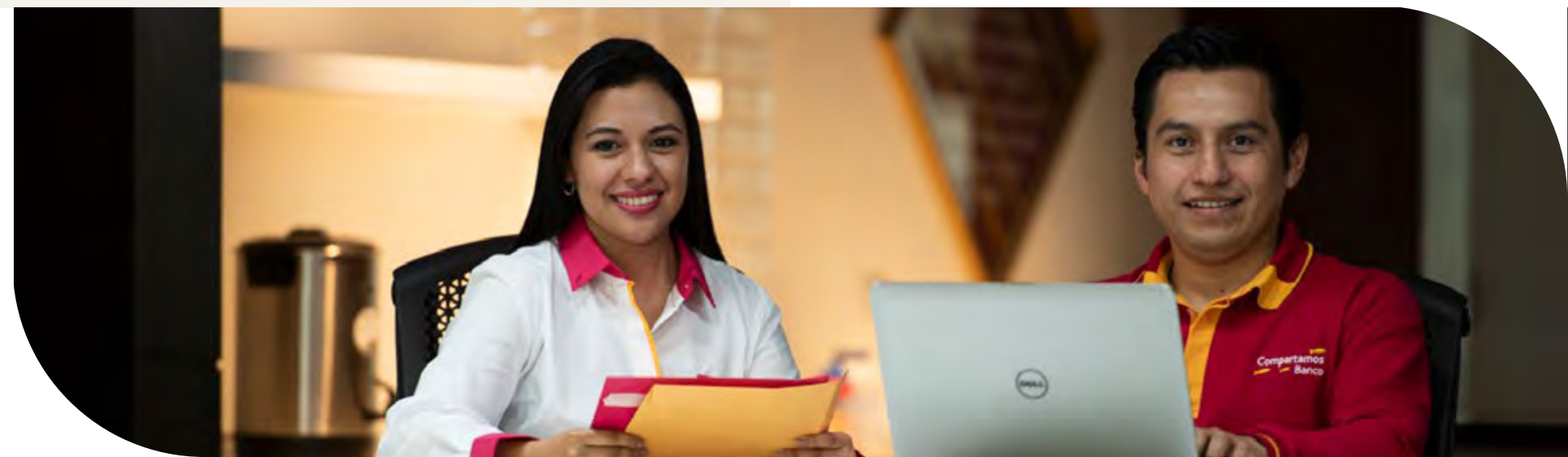
This is how the Philosophy is present in the professional and personal life of employees, recognizing that it is this essence that makes us different and relevant for our clients.

Pyxis Model

Pyxis Model is a program focused on strengthening the development of our employees from the human perspective, based on *Serviazgo*, which is our way of serving others, and supported by four commitments: to serve, to form, to grow and to deliver results.

In 2021, we provided an average of 2.5 hours of human training and *Serviazgo* per employee

This year, we focused on promoting the leadership of our employees in *Serviazgo* through different initiatives such as:





Initiative	Hours of human training	Number of employees who participated
Pyxis #TransformádonosJuntos	Based on the methodology of experiential learning, it aims to develop inspiring leaders in accordance with the Integral Model of <i>Serviazgo</i> . Aimed at all Genera field and CEAS employees in Mexico, except for Management levels	51,364
Pyxis #TransformádonosJuntos Bank Directors	It reinforces the competencies of ethical leadership and life balance of the Management Team based on the Genera's Philosophy to promote dreams with human touch	440
Pyxis #TransformádonosJuntos Recognition	It encourages the adoption of behaviors among employees that allow them to enhance their human well-being and personal growth through our Philosophy, to accompany their loved ones by promoting dreams	1,840
Pyxis #BrillandoJuntos 2021 BAU	Sessions aimed at all newly hired business employees whose objective is to publicize the Comprehensive <i>Serviazgo</i> Model as a leadership model based on service to others	20,445
Listening to your emotions	Sessions aimed at groups that have experienced situations of high emotional impact derived from the health contingency, violence and insecurity that affect the country, whose objective is to give them support and emotional containment so that they can positively channel their experiences	2,446
Brigadiers Course in Basic Emotional First Aid	Voluntary online course available to all Genera employees and their companies in Mexico, whose objective is to obtain tools for the timely and efficient intervention of containment towards another person, after an event of high emotional impact	1,160
Brigadiers Course in Intermediate Emotional First Aid	Aimed at Genera employees to be able to know and use tools to help themselves autonomously and to serve their neighbor in managing difficult times	242
Emotional First Aid Webinars	Voluntary participation webinars available to all Genera employees in Mexico and Peru, whose objective is to offer tools for emotional strengthening in three specific topics: How to love more and better, Managing emotions from neuroscience, and Resilience	1,775
Human Training Directors	Seven sessions for Directors of Genera and its companies in Mexico and Peru who seek to strengthen their skills to achieve an optimal life balance and the foundations for ethical leadership	360
Transformational <i>Serviazgo</i>	Four sessions for Deputy Directors of Genera and its companies in Mexico and Peru who seek to strengthen their skills to become inspiring leaders with emotional intelligence, even in conflict	2,090
CreeSer	Program that aims for continuity to the personal, deep and permanent transformation of Genera employees, through brief capsules via the Genera Corporate University. These capsules allowed them to generate a plan with specific actions that encourage the adoption of behaviors	13,073

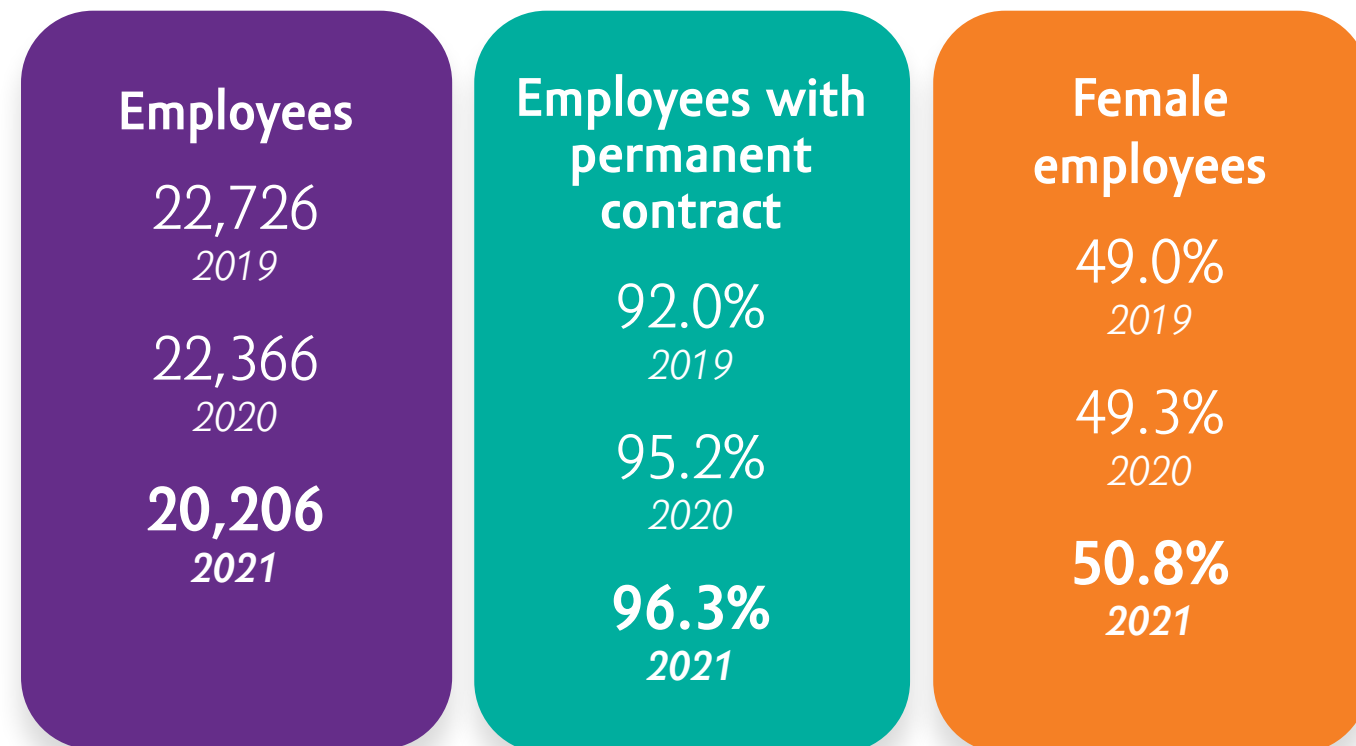


Indicators of people, hiring and turnover

2-7, 2-19, 2-20, 2-21, 2-30, 201-3, 202-1, 202-2, 401-1, 401-2, 401-3, 405-1, 405-2, FN-CF-270a.1

Our work teams are made up of 20,206 people in Mexico and Peru who work every day in putting our Philosophy into practice to boost the dreams of our clients.

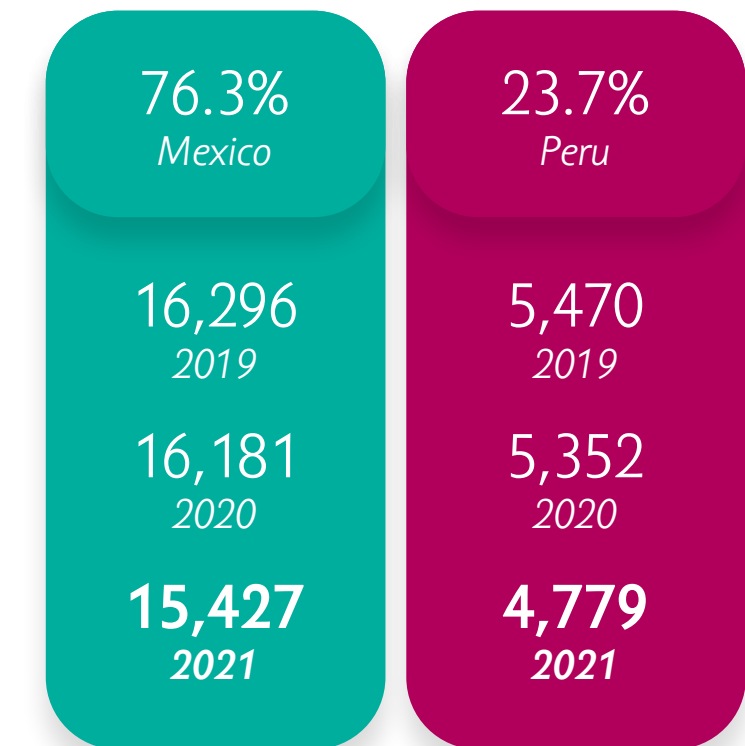
Total workforce



Workforce by gender



Employees by country





Employees by country, type of working day and gender

	Full-time		Part-time	
	M	W	M	W
Mexico	7,596	7,831	0	0
Peru	2,325	2,418	18	18
Total	9,921	10,249	18	18

Employees by country, age group and gender

Age	Mexico			Peru		
	M	W	Total	M	W	Total
<= 30 years	2,395	1,875	4,270	896	1,254	2,150
31-50 years	4,988	5,732	10,720	1,401	1,172	2,573
>= 51 years	213	224	437	46	10	56
Total	7,596	7,831	15,427	2,343	2,436	4,779

Employees by age group and gender

Age	M	W	Total
<= 30 years	3,291	3,129	6,420
31-50 years	6,389	6,904	13,293
>= 51 years	259	234	493
Total	9,939	10,267	20,206



Employees by employment category¹, age group and gender

Professional category	Compartamos Banco		Yastás		Aterna		Support Services		ConCrédito		Compartamos Financiera	
	Mexico		Mexico		Mexico		Mexico		Mexico		Peru	
	M	W	M	W	M	W	M	W	M	W	M	W
Directors	30	13	4	1	1	1	59	44	11	5	20	4
Managers	42	36	7	6	1	2	155	136	27	22	51	32
Administrative	597	1,718	45	50	10	11	330	347	217	196	439	831
Sales force	5,602	4,470	78	12	-	-	-	-	380	761	1,833	1,569
Total	6,271	6,237	134	69	12	14	544	527	635	984	2,343	2,436
Total by company and country	12,508		203		26		1,071		1,619		4,779	

Our recruitment, selection, hiring, promotion and evaluation processes are fair and without distinction. In Genera, we provide services and benefits aligned with the professional position of our employees, and we are a source of employment for more than 20,000 families in the communities where we are present.

We are proud of the team we are, we value the diversity of our workforce, which day by day is strengthened by people with different age, gender, origin, nationality, marital status, ideas, opinion, religion, social or economic situation, preferences and ways of thinking.

10,075 employees in Mexico are unionized, which represents 50% of our total workforce. All of them belong to the Justo Sierra Progressive Union of Service Workers.

Locally hired managers²

95%
Mexico

100%
Peru

¹The classification criteria for employment categories in Genera and its enterprises are listed below:

Directors CEO, General Directors, Executives, Operational and Assistant Directors (HAY grade above 18) except for HC Sales classifier.

Managers HC category Managers: CEAS, decentralized, Operations and International (HAY grades 15, 16, and 17).

Administration Employees with a grade below manager of CEAS, Decentralized, Operational and International categories (HAY grades less than 15).

Sales Force All personnel with the Sales category from the Assistant director to advisor level.

HAY is a system for measuring profiles and scales to determine job categories.

² The citizens of each country are considered "local".



Hires

We recognize the important role that our employees play in the business and value their dedication to fulfill our purpose. They are the engine that pushes us to boost our clients' dreams.

In this sense, we are looking for people committed and passionate about serving others, to whom we offer attractive working conditions such as a competitive salary, benefits superior to those required by law and a work environment where they can learn, grow and develop personally and professionally.

Facing the digitalization of our processes, we started in 2021 the use of an Artificial Intelligence (AI) tool for the recruitment of personnel in areas with high turnover rates. Through a bot, we filter the candidates in terms of the characteristics required for the position and their economic expectations; in this way, we make sure to have the best talent according to the profiles we require.

This year 2,955 people
joined our team

New hires by age and country

Age group	Mexico		Peru	
	Number	%	Number	%
18 to 28 years old	878	36.6%	379	67.8%
29 to 38 years old	1,128	47.1%	139	24.9%
39 to 48 years old	334	13.9%	32	5.7%
49 to 58 years old	56	2.3%	9	1.6%
Total	2,396	100%	559	100%

New hires by gender and country

Gender	Mexico		Peru	
	Number	%	Number	%
Women	1,090	45.5%	270	48.3%
Men	1,306	54.5%	289	51.7%
Total	2,396	100%	559	100%

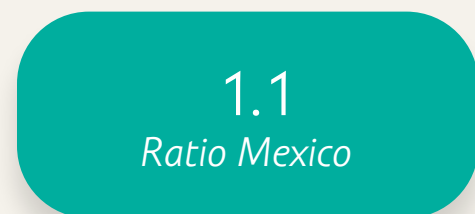
New hires by company and country

Gender	Mexico		Peru	
	Number	%	Number	%
Yastás	58	2.4%	-	-
Aterna	1	0.1%	-	-
Compartamos	2,087	87.1%	559	-
Services (CEAS)	250	10.4%	-	100%
Total	2,396	100%	559	100%

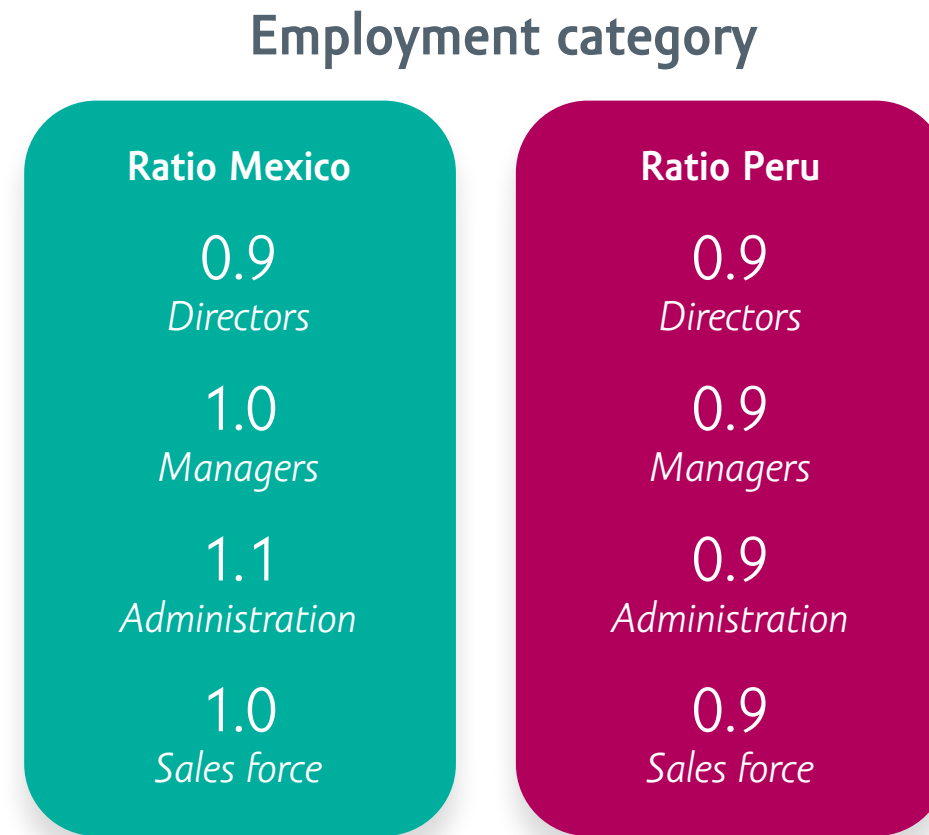


To determine the remuneration of Genera employees and its companies, we adhere to the provisions of our salary administration policy. The fulfillment of objectives of each position is associated with the allocation of performance bonuses.

Ratio of the total annual compensation of the highest paid compared to the median workforce by country



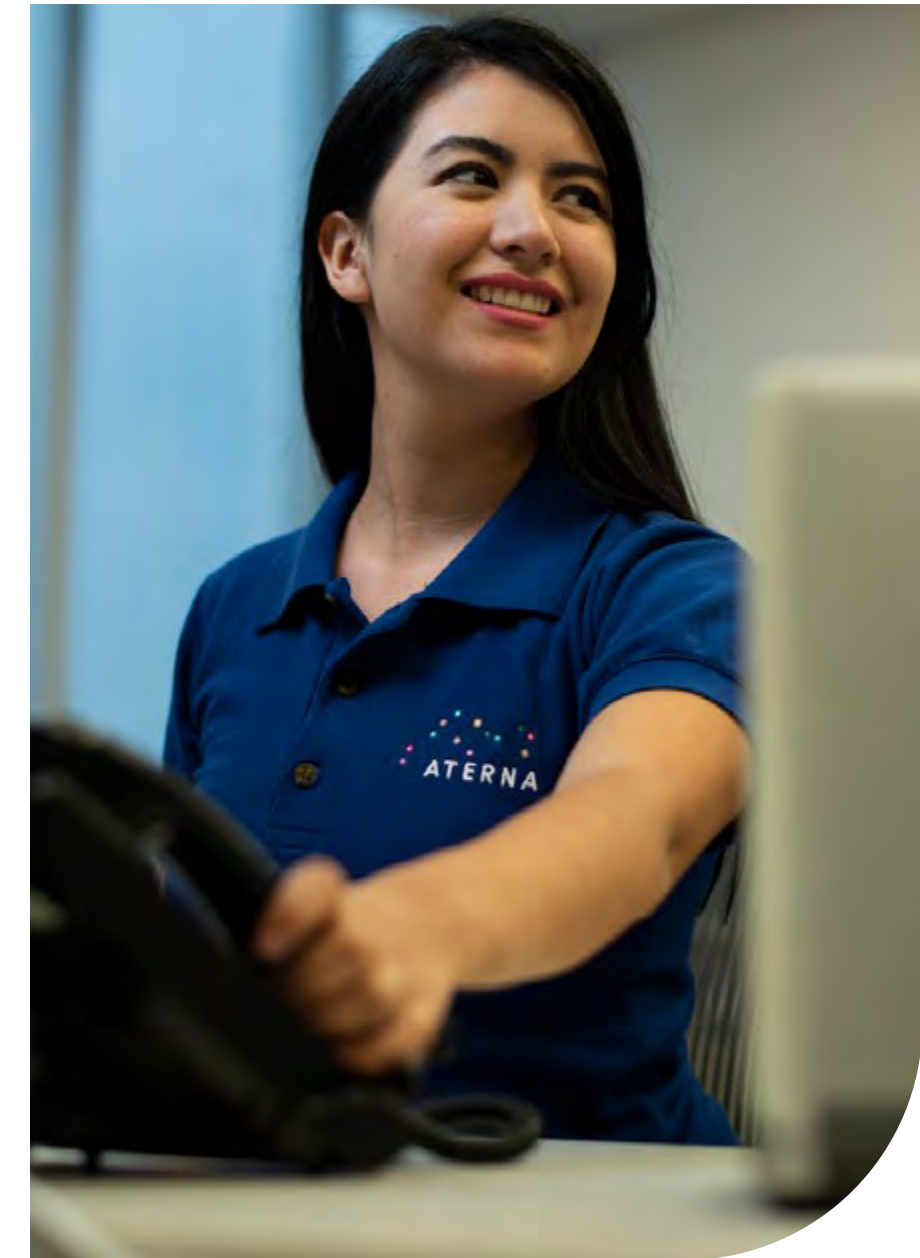
Ratio of basic salary and remuneration of women as compared to men, by employment category and country



In Mexico and Peru, 42% and 22%, respectively, of the total remuneration received by our employees, is variable, which is mostly linked to the number of products sold³.

Additionally, in order to improve the quality of life of our employees, we offer attractive benefits packages and benefits higher than those required by law.

³ This applies to 83% of our workforce.





Guaranteed fixed compensation

Mexico

- Salary¹
- Vacation³
- Mexican Social Security Institute (IMSS, by its acronym in Spanish)²
- National Workers' Housing Found Institute (Infonavit)²
- Vacation bonus²
- Profit sharing²
- Compulsory breaks and public holidays^{2****}
- Holiday bonus³

Perú

- Salary¹
- Vacation²
- Family allowance²
- Compulsory breaks and holidays²
- Compensation for service time²
- Profit sharing by law²
- Holiday and Christmas bonus²

¹ Basic remuneration.

² Legal benefits.

³ Benefits exceeding those required by law

****Some holidays apply only to certain offices and/or branches for local holidays.

Benefits

Mexico

- Emergency assistance
- Savings Fund**
- Grocery vouchers**
- Pension plan
- CV2 stock bonus*
- Personal accident insurance*
- Life insurance
- Major medical Insurance*
- COVID-19 Insurance
- Combo (insurance flexibility)**
- Benefits for employees who are new moms and dads
- Flexible maternity and paternity leave work
- "New Child" grocery vouchers
- Legal and psychological counseling for employees
- Institutional permits
- Half a day for birthdays
- Agreements
- Operating bonus*
- Performance bonus*
- Permanence bonus
- Savings bank
- Car Benefit**
- Gas vouchers**
- Webinars
- Remote work*
- Follow-up to COVID cases through the medical service

Peru

- Food benefits
- Productivity bonus (incentives)
- Performance Bonus (ED)
- CV2 stock bonus
- Life insurance
- ESALUD Medical Expenses Insurance
- Car benefit*

* Applicable only to certain positions.

** Applicable after remaining six months within the company.



During 2021, monthly support has been given to employees to cover the expenses for electricity and internet services derived from working at home, thus complying with labor reforms.

Likewise, committed to the well-being of our employees, we constantly update and strengthen our benefits package in line with the new needs that we identify according to their life moments.

An example is the CUNA benefit, which consists of providing maternity uniforms for our employees, as well as a birth kit to welcome the new baby, additional grocery vouchers and the possibility of selecting between two flexible schedule options for maternity or paternity, depending on the case.

Paternity

10
full days

20
part-time
days*

Maternity

42
days of additional
maternity period

6 x 2 x 6*
6 hours in office,
2 from home,
for 6 months

*Applicable to employees who work at CEAS.

Additionally, throughout the year, 901 employees who were mothers or fathers, took parental leave; 99% of them returned to work at the end of the leave.

Parental leave by country

Country	Employees who were entitled to parental leave		Employees who took parental leave		Employees who returned to work after the end of parental leave		Employees who are still employed 12 months after returning to work on parental leave	
	W	M	W	M	W	M	W	M
Mexico	6,847	6,961	279	345	276	344	213	275
Peru	2,436	2,343	144	86	144	86	129	82
Total	9,283	9,304	423	431	420	430	342	357



We offer a pension plan designed for our employees to have a complementary support upon retirement that allows them to maintain their quality of life. In addition, it works as a stimulus for the new generations to acquire the culture of saving.

Contributions to pension plans (millions of pesos)

	2019	2020	2021
For employees	\$36,043,984.75	\$42,673,395.96	\$47,959,275.68
For Genera and its companies	\$27,876,852.74	\$32,409,983.58	\$35,891,827.78
Annual contribution BD	\$59,826,995.00	\$186,097,368.00	\$7,188,476.00
Recognition bonus amortization	\$1,792,027.25	\$1,528,118.01	-

Note. The pension plan we offer in Genera is hybrid, the greatest benefit is granted between defined contribution (company contribution + employee contribution + recognition bonus) and defined benefit (BD).

Genera carried out the process to comply with the requirements of the Subcontracting Law (outsourcing) for its more than 14,000 employees in Mexico. This process was concluded in a timely manner based on what was established by the regulatory institutions.

Today, each employee is hired directly by the Genera company in which they collaborate, respecting his seniority, benefits and compensation package, which exceeds what is required by the Mexican law.

4,056 employees stopped working at Genera or its companies during 2021, 53% left voluntarily.

Average length of service of the sales force by country

	2019	2020	2021
Mexico (years)	3.8	4.5	3.9
Peru (years)	1.9	3	2.6

General Genera turnover rate

26.2% 20.5% 21.05%
2019 2020 2021

Turnover rate of the sales force by country

Mexico

27.0%
2019

20.8%
2020

21.5%
2021

Peru

30.0%
2019

19.2%
2020

20.6%
2021



Voluntary resignations by age and country

	Mexico	Peru
18 to 28 years old	512	338
29 to 38 years old	758	289
39 to 48 years old	182	42
49 to 58 years old	28	4
Total	1,480	673

Involuntary terminations by age and country

	Mexico	Peru
18 to 28 years old	341	171
29 to 38 years old	821	151
39 to 48 years old	310	46
49 to 58 years old	53	10
Total	1,525	378

Voluntary resignations by age, gender, and country

Country	18 to 28 years old		29 to 38 years old		39 to 48 years old		49 to 58 years old	
	W	M	W	M	W	M	W	M
Mexico	205	307	366	392	100	82	23	5
Peru	190	148	125	164	9	33	-	4

Involuntary terminations by age, gender, and country

Country	18 to 28 years old		29 to 38 years old		39 to 48 years old		49 to 58 years old	
	W	M	W	M	W	M	W	M
Mexico	122	219	346	475	146	164	16	37
Peru	90	81	56	95	14	32	1	9

This year, derived from the business strategy focused on Mexico and Peru, a decision was made to transfer the operation of Compartamos, S.A. to Fundación Génesis Empresarial. Confirming that in Genera we always act with the person at the center of our decisions, 97% of the employees in Guatemala were disassociated in accordance with the provisions of the authorities in that country and kept their jobs with the new entity. In this way, we guaranteed the stability of more than 800 people and their families in Guatemala.



Training and performance

404-1, 404-2, 404-3

For us, it is important that our employees grow and develop the required profile to materialize their dreams. Therefore, we implement different schemes to improve their abilities and boost their professional development.

We currently provide three types of training:

Career acceleration: formal academic schemes that contribute to training to obtain an academic degree

Specialty of your functions: courses, workshops or specializations that contribute to enhance the profile of the employee for the improvement of their daily functions

Regulatory regulations: courses or certifications that are essential to attend since there is a risk of sanction, or those that current regulations define as essential to perform some strategic functions

In addition, we offer the **Genera Digital University**, a training tool for our employees available on their mobile devices, which contains mandatory and elective courses so that everyone can decide in which area to develop.

With Genera's Digital University we increased our educational offer, as well as the modality and frequency in which training content is attended

On the other hand, with the aim of providing a higher quality and transparency service to our clients, every year we certify our employees in Code of Ethics and Conduct, Financial Education (Healthy Finances), Anti-Money Laundering and Terrorism Financing (AML and FT), as well as in Client Protection.

Throughout the year, we also offered different programs to improve the skills of our employees. In Mexico, 622 employees attended normative regulatory courses as well as training on career acceleration and specialty of functions, among others. Moreover, in Peru, we provided the IT Services Certification and workshops on other skills such as learning to speak in public, resilient attitude and basic Adobe Photoshop, which together benefited 5,403 members of our team.



Average training by job category, gender and country

Job category	Total training hours		Average training hours		Total training hours		Average training hours	
	Mexico				Peru			
	W	M	W	M	W	M	W	M
Directors	1,139	1,650	19.30	16.50	16	86	3.88	4.30
Managers	2,961	3,017	17.31	14.72	345	444	10.77	8.71
Administration	67,067	25,558	31.73	25.74	4,617	6,376	5.56	14.52
Sales force	224,150	242,699	50.36	43.07	92,872	100,455	59.19	54.80
Total	295,316	272,925	118.70	100.03	97,849	107,361	40.17	45.82

We invested more than Ps. \$15 million in training and development of our employees in 2021



Evaluation

We annually measure the progress and performance of our employees based on objectives aligned with our strategy.

Evaluation model

Planning:

we establish the goals to be achieved throughout the year

Mentoring:

we look back mid-year to identify the progress of the agreed objectives

Evaluation:

we assess compliance with annual objectives

Recognition:

we celebrate the achievements made during the year

Performance evaluation by job category, gender and country

	Mexico		Peru	
	W	M	W	M
Directors	86	165	5	20
Managers	169	180	30	42
Administration	466	430	160	167
Sales force	-	-	16	29
Total	721	775	211	258

In 2021 we evaluated the performance of 1,959 employees

With the results of these evaluations, we were able to identify employees who have developed skills that allow them to have greater responsibilities, encouraging them to reach their dreams by enriching their professional career from a new position.

Positions filled by internal candidates, by country

	Total open positions	Number of Genera employees who covered the positions	% of positions filled by Genera employees
Mexico	808	431	53%
Peru	589	117	20%



Health and safety

403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

Our employees are the most important thing for Genera. We care about their well-being and physical and emotional integrity, so we implement health and safety initiatives focused on ensuring their peace of mind through risk prevention and emergency assistance.

In Mexico, Genera's employees are represented in accordance with the provisions of the Federal Labor Law regarding the Safety and Hygiene Commissions

Our management system is made up of different programs focused on improving the quality of life of employees. We have vaccination campaigns, safety measures, health weeks and other activities that promote well-being and draw attention to the importance of prevention to reduce any risk.

Throughout the year, we maintained all the hygiene measures indicated by the authorities in our service offices, branches and corporate. Although it is not mandatory, we invite our employees to get vaccinated and monitor the progress of employees who were vaccinated to prevent COVID-19.

Aware of our work to contribute to maintaining the physical integrity of employees, we constantly disseminate relevant information related to the prevention and response to risk situations, such as assaults, extortion, kidnappings, events of violence, social mobilizations, and protests, among others.

Employees who work in the field can make business trips to areas with high crime rates, so, in order to safeguard their integrity, we implement actions such as the dissemination of prevention bulletins and accompanying plans.





In addition, to provide timely assistance in cases of emergency, risk situations or advice on legal or security matters, we have the Center for Intelligence and Alarm Monitoring (CIMA, by its acronym in Spanish), accessible 24/7 from any state, municipality, and locality in Mexico. This year, CIMA responded to 1,292 reports from employees requesting assistance.

To prepare and to prevent physical security risks, as well as to protect our employees from them, we have training plans focused on the different audiences, geographical areas, and business schemes of Gentera and its companies. This year we trained 3,149 employees in Mexico on safety issues, self-protection measures and security measures in branches.

Our employees are exposed to injuries or accidents related to their transportation to work sites or to meet clients, as well as to attend their own office activities. During 2021, we recorded 827 injuries and illnesses.

From our origin, we have sought to generate value for the communities in which we have a presence as a commitment that we have in three dimensions: **social, human, and economic**

Social vocation





Through the construction of mutual trust with our clients, employees, and community, we are an agent of change that promotes better living conditions for people

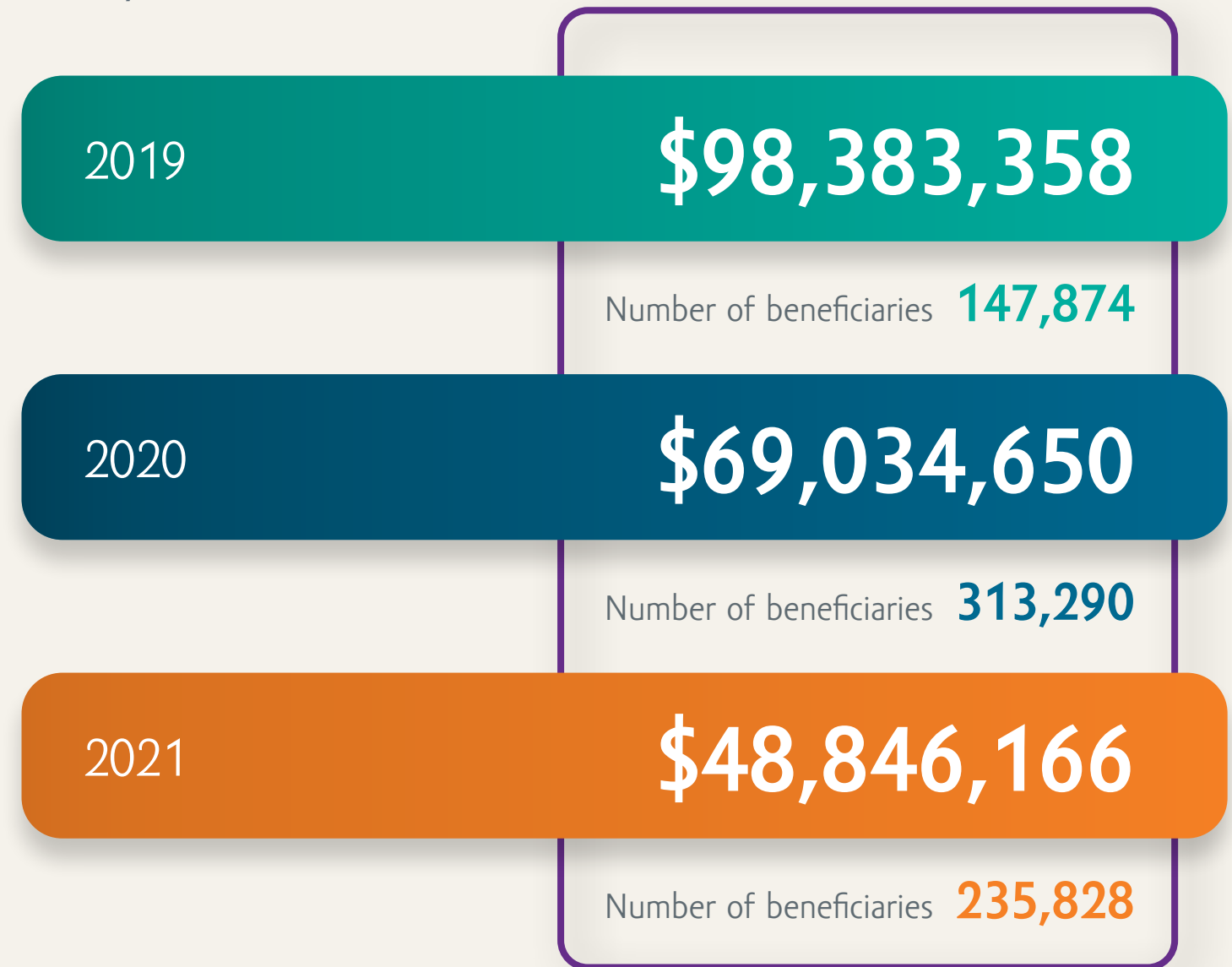
Social Responsibility Fund

Since 2009, we created the Social Responsibility Fund, an instrument that allows us to meet the specific needs of the communities where we operate. This fund is made up of 2% of the group's net profits from the previous year. Likewise, the total amount is used across different social responsibility activities of the group companies and in the causes and lines of action of *Fundación Compartamos*.

Due to the challenging context, the Social Responsibility Fund is operated mainly through alliances, seeking to optimize resources for the benefit of communities.

With **Social Responsibility Fund**, we promote the development of communities through solidarity actions

Social Responsibility Fund in MXN pesos





From Fundación Compartamos we serve two social causes, **Education** and **Early childhood**, in line with our founding principles:

Fundación Compartamos

203-1, 203-2, 413-1, FS16, FN-CB-240a.4

Following Genera’s purpose of boosting dreams, we encourage through Fundación Compartamos the development opportunities to promote the common good, positively impacting thousands of people in the communities where we operate.



Our vocation to service is a way of life that motivates us to do good to others, to be generous, and to serve



We strive to ensure that people have access to educational opportunities to promote their inclusion, development and improvement of their quality of life



When we bring development opportunities, we can transform lives, having an impact on each person while unleashing their dreams

Causes

Action lines



Education



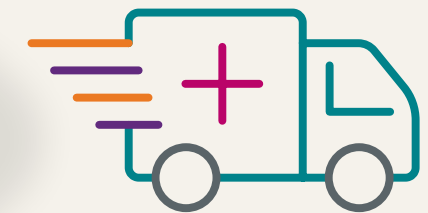
Early childhood



Volunteering



Donation



Contingencies



Education

We promote the development of capacities in the population, contributing to the generation of knowledge to trigger a social change in children, teenagers, and adults

Formal education

We contribute to the development of people through the schooled education of children, teenagers, and adults; we work to reduce the educational backwardness in adults and provide continuous training for teachers.

Project Education to achieve dreams

We promote projects to increase the educational level of adults through the certification of their primary or secondary studies

Allies

Creceer México, I.A.P.

National Institute for Adult Education (INEA, by its acronym in Spanish)

Achievements 2021

515 people obtained their certificate, 117 from primary school, 396 from secondary school and two people learned to read and write

Together with *Creceer México*, we implemented a distance learning mode that allowed us to reach **15 states** of Mexico for the first time. We also held three virtual graduations, which reinforces the success and continuity of the adventure we undertook in 2015



Formal education

Project Strengthening virtual teaching skills for teachers

We develop distance learning skills together with ENSAMBLE, a network of companies, civil society organizations, and institutions, which seek to develop communities and work for a less uneven, more just and prosperous Mexico

Allies

Fundación Coppel, A.C.
Fundación FEMSA, A.C.
Promotora Social México, A.C.
Fondo Unido México
Grupo IUSA, S.A. de C.V.
Fundación Sertull, A.C.
Nacional Monte de Piedad, I.A.P.
CIE
Fundación BBVA Bancomer, A.C.
Fundación Televisa, A.C.
Fundación Merced, A.C.

CEMEX, S.A.B. de C.V.
Centro Mexicano para la Filantropía, A.C.
(CEMEFI)
Fondo de las Naciones Unidas para la
Infancia (UNICEF)
Instituto Tecnológico de Estudios
Superiores de Monterrey

Achievements 2021

We supported **28 elementary** and high school teachers to strengthen their distance learning skills



Formal education

Project Formal education alliance, educational scholarships

Scholarships allow students to continue with their comprehensive education based on values, leadership competencies and service in benefit of their communities

Allies

Federación Mano Amiga, A.C.

Achievements 2021

We granted **31 scholarships to children** at the preschool and elementary level, and 16 scholarships to young people at the middle and high school levels, supporting the continuity of their studies in nine states. This support also contributes to the economy of **35 families**

Project Courses, trainings, workshops, and experiences offered by partner organizations

We granted scholarships to heads of household to participate in workshops, courses and experiences offered by experts

Allies

DEI Comunidad, A.C.

La Jugarreta Espacios de Participación, A.C.

Fundación en Movimiento, A.C.

Achievements 2021

21 heads of household benefited. Each one had the opportunity to take more than one of the workshops, courses and experiences on topics such as emotional containment and school for parents, educational accompaniment for young people, and human development and culture of peace in schools and homes



Financial health

We encourage the development of competencies in financial education for personal, family and business management well-being.

Project Health of personal finances

We created the EduFin section on the Genera Intranet, where you can find content, videos and articles on financial education topics from our allies and other experts in the field

Allies

National Commission for the Protection and Defense of Users of Financial Services (CONDUSEF, by its acronym in Spanish)

BBVA México

Cooltura Financiera

Achievements 2021

Since its launch, **757 visits** have been recorded

In addition, with the support of BBVA México, we delivered two workshops on savings and investment, concluding with a workshop within the Financial Education Week in Genera and training **67 people**

On the other hand, in the **Vive FISSEP**, portal, a publicly accessible website, more than **23 articles** of interest in the subject were uploaded



Culture of entrepreneurship

We develop skills and trades in young people as a complement to their formal education, as well as in adults, through training for work, trades and productive projects.

Project

Educational Platform for Entrepreneurs: ENKO

We promote the growth of businesses and contribute to the improvement of the quality of life of micro and small entrepreneurs, through this educational platform where free basic training content is offered to acquire knowledge about how to effectively run a business, use marketing to our advantage, attract clients, make promotions that sell and how to face a crisis

Allies

Fundación para el Desarrollo Sostenible en México, S.C. (ENKO)

Achievements 2021

1,248 micro and small entrepreneurs registered with ENKO, benefiting from the contents



Culture of entrepreneurship

Project Digitalization plan My SMEs

With the aim of encouraging micro and small entrepreneurs to join the electronic market, we made an alliance with Kolau, LLC, an allied company of Google that, together with the Organization of American States (OAS) carries out the MSME Digitization Plan in Latin America

Allies

Kolau, LLC

Achievements 2021

111 people took a virtual training to develop the website of their businesses, 42% of those registered have entirely completed it

Thanks to this alliance, **the website created is totally free** and offers the possibility of activating the online payment function. They can also be automatically located in Google Maps

In addition, two talks were delivered through YouTube where **210 people** learned about strategies for the online sale of their products or services, with the collaboration of Dany Sánchez-Mola, Director of Kolau



Culture of entrepreneurship

Project Alliances for capacity building in business improvement

We seek to develop capacities in trades and productive projects in young people and adults for them to generate greater income through employability

Allies

Patronato Pro-Zona Mazahua, A.C.

Ayuda y Solidaridad con las Niñas de la Calle, I.A.P.

La Gaviota Centro de atención a la Discapacidad Infantil, I.A.P.

Fundación Por Un Campo Productivo, I.A.P.

Yo Soy Luz Vida Ciencia y Arte, A.C.

Renovación, Unión de Fuerzas Unión de Esfuerzos, A.C.

Fundación Arte Educación y Talento Compartido, A.C.

Casa de la Amistad para Niños con Cáncer, I.A.P.

Achievements 2021

We donated **1,006 copies** of books “El ABC del Liderazgo” (The ABC of Leadership) and “Emprende sin Miedo” (Entrepreneurship without Fear) to eight civil society organizations to reinforce the knowledge and business experiences of their beneficiaries



Alliances for education

We are convinced that we can contribute to equal opportunities regardless of gender, social and economic conditions through education and in alliance with other organizations.

Project

12th edition of the call for Education and Early Childhood

Together with our partners, we launched the “12th edition of the call for Education and Early Childhood”, contributing to the process of social inclusion

Detail of beneficiaries by thematic axis:

1,607 in formal education

379 in entrepreneurship education

70 in financial health

4,081 in early childhood

Allies

Fundación Televisa, A.C.

Fundación INTERprotección, A.C

Achievements 2021

We supported 35 civil society organizations that operate projects aligned with the four thematic axes of the call: formal education, financial health, education for entrepreneurship and early childhood, managing to benefit **6,137 children, teenagers and adults** in vulnerable populations of Mexican communities

A favor del Niño, I.A.P., Albergue Infantil los Pinos, A.C., Albergue Infantil Salesiano, A.C., Asociación Mexicana de Ayuda a Niños con Cáncer, I.A.P., Asociación Regiomontana de Niños Autistas, A.B.P. Biocultura Sustentable, A.C. Cambiando una vida, A.C., Canica, Centro de Apoyo al Niño de la Calle de Oaxaca, A.C., Centro de Educación Infantil para el Pueblo, I.A.P., Centro de Innovación de Agricultura Sostenible en Pequeña Escala, A.C., Co Plataforma de Investigación Generativa A.C., Comunidad y Ambiente Adonai, A.C., Cultura y Fraternidad, I.A.P., De Cero a Tres Fundación, A.C., Ednica, I.A.P., Educación y Desarrollo Indígena de Chiapas, A.C., Enlacecc, I.A.P., Fomento de Oportunidades Educativas, A.C., Fundación Escuela Bancaria y Comercial, A.C. Fundación Kristen, A.C., Fundación por un Campo Productivo, I.A.P., Fundación Quinta Carmelita, I.A.P., Fundación Tarahumara José A. Llaguno, A.B.P., Hogares Providencia, I.A.P., Incidencia Civil para el Desarrollo, A.C., Interculturalidad, Salud y Derechos, A.C., Jóvenes Constructores de la Comunidad, A.C., La Jugarrera Espacios de Participación, A.C., Proayuda a la Mujer Origen, A.C., Reinserta un Mexicano, A.C., Servicios a la Juventad, A.C. y Un Kilo de Ayuda, A.C.



Early childhood

We support the well-being of children from zero to six years old, at this stage the physical, intellectual and emotional capacities that contribute to determine success in later stages of life are developed

We developed content focused on positive parenting

Accompanied by experts, we raised awareness among different audiences about the importance of sensitive care and a style of education that promotes the skills, abilities, and attitudes necessary for life, always with respect and unconditional affection for children. In 2021, we made capsules with tips presented in a fun way so that children could play and learn from home. These capsules belong to the Playing Collective initiative and were projected to the community in bank branches.

Project Accompaniment for educational agents

The facilitation project "Take care of yourself to be able to take care of others" presented at the IMSS through ENSAMBLE, consists of two phases to accompany educational agents and support them in their emotional management so that they can develop and sustain early childhood in the return to the classrooms

Allies

DEI Comunidad, A.C. (Proyecto DEI)
Instituto Mexicano del Seguro Social (IMSS)

Achievements 2021

We offered emotional accompaniment sessions to strengthen the well-being and impact of their work in the pandemic environment to **51 caregivers** of the IMSS daycare service in 30 states



We developed content focused on positive parenting

Project Early Childhood Collective

For the third consecutive year, *Fundación Compartamos* continues to be part of the group of civil society organizations that have the mission of sensitizing parents and caregivers about the importance of the first five years of life

Allies

Fundación Televisa, A.C.
Fundación Cinépolis, A.C.
Fundación FEMSA, A.C.
Fundación CMR, A.C.
Lego Foundation

Achievements 2021

We carry out actions to make basic education schools and educational actors aware of the “Playing in a Collective Manual” to encourage the creation of **affective ties** and promote the development of children in Mexico

Project Family Week FISSEP KIDS

Four virtual talks were delivered by experts on early childhood issues. In addition, FISSEP KIDS intends to provide a space for play and learning, aimed at girls, boys and young people

Achievements 2021

More than **1,500 people** participated in the talks

Activities were carried out on specific dates of the year, such as: Easter, Children’s Day, summer and Christmas, impacting more than **500 people**

Project Pact for early childhood

We collaborated with more than **400 organizations** in this citizen initiative to make early childhood a national priority that, together with other organizations, seek to influence public policies



Volunteering

We encourage our employees to provide time and talent to contribute to the development and well-being of people and their communities

In 2021, our **15,724 volunteers** dedicated **64,629 hours** of volunteer work

Project

Demos un abrazo haciendo buenas acciones

We invite our employees to participate in activities that enable an impact in their communities and at the same time, to help them live their vocation of service to others. These activities can range from food donations to people in vulnerable situations, homeless or abandoned, to living together with organizations with resident population, preparation and distribution of food to people in need, donations in kind to help people in a difficult situation, rehabilitation and improvement of public spaces, cleaning and reforestation, among others



Volunteering

Project

Jóvenes Construyendo el Futuro

In Mexico, we are part of the *Jóvenes Construyendo el Futuro* initiative, a government program in which, for a certain period, young people perform work within Genera that allows them to develop skills for life and work. In this regard, we invite our employees as volunteers to be their mentors and help them to develop new knowledge, while supporting their human and professional training

Results

51 volunteers

51 beneficiaries

176 hours of volunteering

MXN **\$1,323** in-kind volunteer donations for beneficiaries

Faithful to our vocation to serve others, we promote the participation of our employees in volunteering activities, donation culture and contingencies.



Volunteering

Project *Mundo Imáyina*

We invite volunteers to support the development of the facilities of *Mundo Imáyina*, an initiative of *Dr. Sonrisas* that seeks to impact the child population with cancer in Mexico. The volunteers carried out two days of intervention, performing activities such as gardening, reforestation and application of paint and mortar in the villas that will be the resting places of the visitors

Results

49 volunteers

349 hours of volunteering

Project **Early childhood**

We invite volunteers to generate content in favor of children between zero and six years old, which will help them to develop cognitively and psychomotorly. Volunteers learned and replicated games from the Early Childhood Collective's Play Manual

Results

40 activities performed

16 volunteers

37 hours of volunteering

205 beneficiaries



Volunteering

Project with the ABM

In alliance with the *Asociación de Bancos de México*, we call for volunteers to support three civil society organizations through virtual activities of support and coexistence to cope with the pandemic

San Felipe de Jesús Foundation Organization

2 hours of activity

10 recorded digital content to be displayed in webinars and Facebook Live of the organization

\$7,338 pesos donated

Results

Organización Interculturalidad Salud y Derechos, A.C.

11 volunteers

2 hours of activity

Workshop Business Mentality and preparation of lemon pie

Stationery and supplies for the activity donated

\$2,000 pesos donated by volunteers

Children's Family Foundation Organization

24 volunteers

2 hours of activity

Virtual Games Rally

\$5,820 pesos donated by volunteers

Microwave oven donated

\$2,273 pesos donated by volunteers



Volunteering

Project Operation Niño Dios

To support children in vulnerable situations, we invite our volunteers to donate a toy, according to the letter sent by the children to *Fundación Compartamos* through the partner organizations for this initiative. For the first time, we carry out this activity in a digital format with purchases through Amazon

Results

- +5,500** gifts delivered
- +100** regions of Mexico reached
- +1,400** participants
- 96** participating civil society organizations
- 416** participants at CEAS



Volunteering

Project Citizens for my community

We invited volunteers individually, in teams, with family and friends, to develop an activity of community impact by living the importance of their active citizenship and seeking the common good of their environments. Previously, the volunteers were trained by Más Ciudadanía, A.C. who supported us with materials, talks, and video capsules on the importance of citizenship through volunteering

Results

163 activities carried out

1,041 volunteers

220 family members involved
in the volunteer activities

2,701 volunteering hours

\$64,341 pesos raised by volunteers for
the development of their activities and
the purchase of materials



Volunteering

Project Remote reforestation

Seeking to positively impact the environment, together with ProNatura Mexico, A.C. we organized a remote reforestation, in which we invited volunteers to participate under two modalities:

a.

To make a donation of \$100 pesos to *Fundación Compartamos*, which is equivalent to a tree donated to ProNatura to reforest hectares intervened by the ally. For each tree donated, *Fundación Compartamos* gave another one.

b.

To plant a tree in your community, committing to its care and monitoring, preferably within a space of community impact.

Results

757 volunteers

1,513 trees planted by volunteers

\$40,222 pesos donated by volunteers,
equivalent to 600 trees

4,513 trees planted in total, equivalent to
4.5 hectares of reforestation



Genera Volunteering

15,724
Volunteers

64,629
Volunteer hours

204,533
Beneficiaries

85%
Percentage of workforce participation



Mexico

Genera
937 volunteers
Compartamos Banco
11,308 volunteers
Yastás
151 volunteers
Aterna
24 volunteers

52,581
Volunteer hours

146,663
Beneficiaries

90%
Percentage of workforce participation

Peru

Compartamos
Financiera
3,304 volunteers

12,048
Volunteer hours

57,870
Beneficiaries

69%
Percentage of workforce participation

At Genera, volunteering is part of our Philosophy, it helps us to bond with the community to improve the environment and the quality of life of people through the opportunity to give and help. Through volunteering, we are convinced that we create bonds of emotion and awareness that encourage us to be committed citizens who generate a positive impact that transcends.

In this sense, from *Fundación Compartamos*, 25 acknowledgements were granted this year to the volunteer work of the participants who stood out for their innovation, passion, and service as an example of serving others through the recognition *I am one of those who help.*



Donation

We encourage the generosity of Gentera’s employees, in order to support educational and early childhood projects implemented by civil society organizations. Contributions can be made through the Foundation’s bank accounts or via payroll

During 2021 we carried out **four** campaigns:

“United we are stronger” fundraising:

to support community kitchens and student community by enabling sinks in public schools that are preparing for a return to school

Amount raised:
\$28,195

Remote reforestation fundraising:

for the reforestation of six hectares and contribution to improve the environment

Amount raised:
\$ 40,222

Love in action fundraising:

to help children, teenagers and older adults in situations of abandonment, contributing to their well-being

Amount raised:
\$31,541

“Let’s Support Together” fundraising:

to help people who were affected in their homes and businesses by the Hurricanes Grace and Nora in the states of Veracruz and Michoacán

Amount raised:
\$103,820

More than **8,000 employees**, representing **62%** of our workforce, are donors to *Fundación Compartamos*

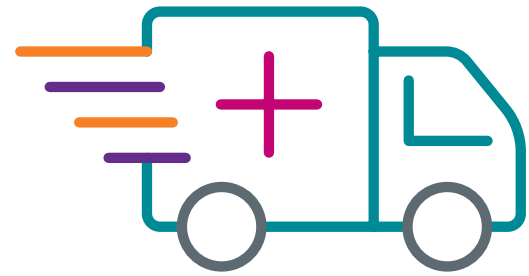


This year, we launched the **Protagonists of Change**, campaign to generate a sense of pride among the more than 8,400 donor employees who, through their contributions, promote a real change in our country through the projects of Education and Early childhood.

To engage and recognize them, we hosted an online resource giveaway event, where we introduced the selected organizations. In addition, every month, our donors receive a newsletter where we present the organizations, stories, and testimonies of the beneficiaries. At the end of each year, we report to the employees of Genera about the event that has ended up sending them the results.

When someone joins Genera and its companies, *Fundación Compartamos* participates in the inductions of employees to welcome them and explain their role as donors, as well as it invites them to participate voluntarily through a biweekly donation.

This year, we launched a pilot to raise donations from bank branches to support projects and programs selected by donors. The response from our clients was extraordinary, 48 thousand clients donated more than **\$375 thousand pesos supporting four organizations** with projects focused on serving girls, children and teenagers in street or abandonment situations.



Contingencies

We support the communities where we work every day during emergencies generated by natural disasters or health contingencies

We support the communities where we work every day during emergencies generated by natural disasters or health contingencies, delivering from groceries with basic necessities to electronic vouchers for the purchase of belongings that help them reduce the impact.

In partnership with *Isla Urbana*, we implemented quality water infrastructure in five public schools in the State of Mexico, with safe handwashing spaces to reduce COVID-19 infections and other diseases. With this initiative we benefit 2,119 people from the educational community.

In collaboration with *Fundación CMR*, A.C. we intervened in the *Las Joyitas* children's community kitchen to improve the nutritional and health status of children under six years old, as well as their families in three indigenous communities in the municipality of Akil, Yucatán, benefiting 114 people. We also donated 450 digital thermometers to 13 civil society organizations for use in sanitary filters in community kitchens, schools, and transportation. We set up 450 sets of cutleries and 998 thermoses for community kitchens, benefiting 1,448 people.

Attending to our social vocation, we support different communities that were affected by natural disasters during 2021.

In a humanitarian aid mission, in partnership with the National Disaster and Emergency Relief Committee, A.C. (CADENA, by its acronym in Spanish), we delivered 300 grocery packages and 300 sheets that served to rebuild the roofs of the houses, benefiting 1,500 people from the town of Petromex in Poza Rica, Veracruz, who were in an emergency situation due to the hurricane Grace.

In addition, we maintain a permanent campaign to support people in greater vulnerability, which are identified through censuses and local emergency reports. Derived from this exercise, we sent 1,500 grocery boxes and 708 electronic vouchers to the most affected localities, managing to benefit 9,136 people with the highest rate of affectation to meet their basic needs. The contingencies attended were:

- [Hurricane Grace, Veracruz](#)
- [Hurricane Nora and Tropical Storm Rick, Michoacán](#)
- [Heavy rains, Hidalgo y Querétaro](#)
- [Fires and support for medical care, eight states of Mexico](#)



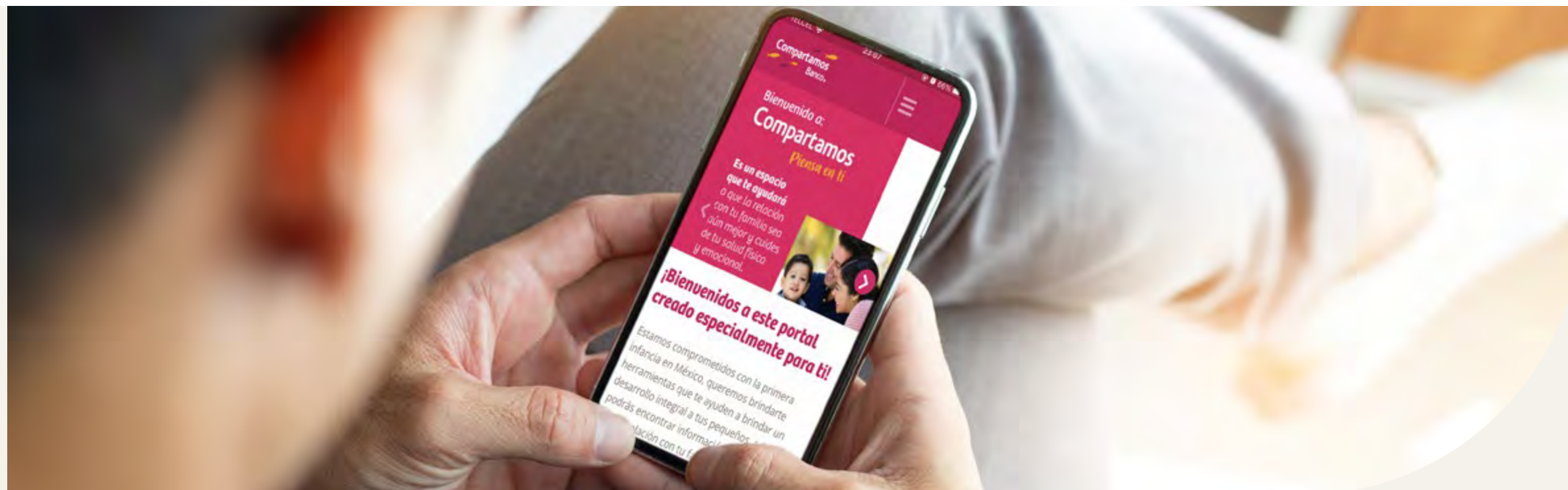
Communication efforts

We maintain different channels of communication across the various audiences that interact with *Fundación Compartamos* as organizations, allies, volunteers, donors, and the general public, with the purpose of transmitting relevant content and information.

Through our website, we achieved a digital reach of 27,397 visits from January to December 2021, while through the official fan page of *Fundación Compartamos* on Facebook, we reached 331,579 people, publishing content on project results, topics of interest to the community and Early Childhood content.

Committed to the integral development of the community, we created the site *Compartamos piensa en ti*, a blog where we present content aimed at enriching family relationships, emotional health, and early childhood care, in addition to providing advice for businesses. During 2021, this blog achieved a digital reach of 25,190 visits.

Also, in the Vive FISSEP Portal and the Vive FISSEP fan page, we publish content on Early Childhood topics such as: videos, tips, talks with experts to provide information about the development of this stage and the importance of positive parenting to achieve a full development of the youngest of the home. On the Vive FISSEP Portal we achieved a digital reach of more than 250,000 views this year.





Sustainability

We are committed to fulfilling our purpose of boosting dreams with a management aligned with the Sustainable Development Goals (SDGs) of the United Nations and other sustainability initiatives relevant to the financial sector, to continue **creating positive impacts** for our clients, employees, suppliers, communities and investors





We recognize our direct contribution to the Sustainable Development Goals (SDGs):



Other SDGs to which we contribute indirectly:





Materiality

2-29, 3-1, 3-2, 3-3

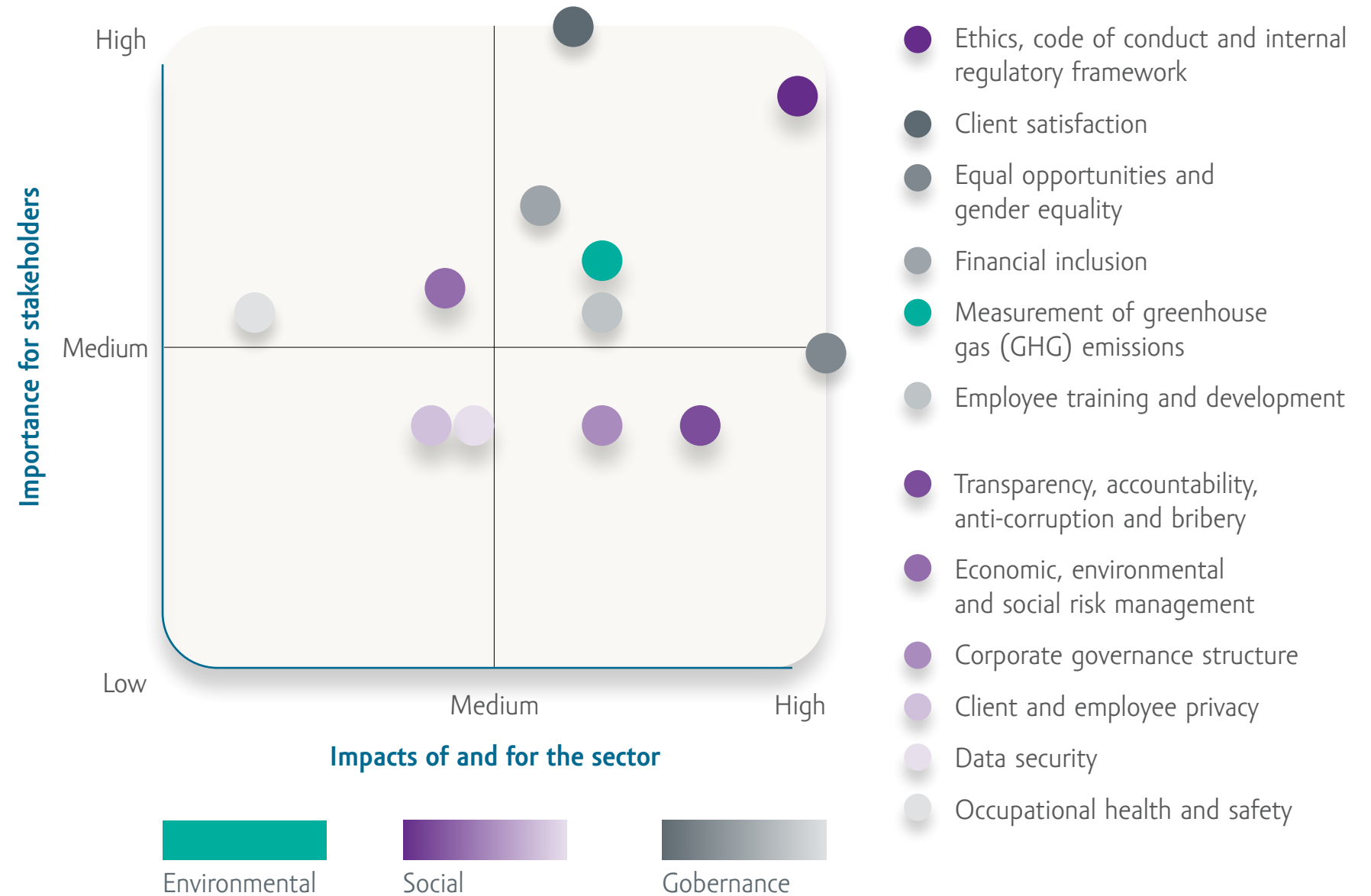
In order to address optimally and accurately the issues in which we generate a greater impact¹, those that are relevant to us or to our stakeholders, we updated the materiality analysis in 2020.

We followed the methodology recommended by the Global Reporting Initiative (GRI) and considered the relevant issues for our industry defined by international initiatives such as Sustainability Accounting Standards Board (SASB), the Equator Principles, the Principles of Responsible Investment (PRI), the International Financial Reporting Standards (IFRS), the requirements of the S&P Corporate Sustainability Assessment (CSA), the Task Force on Climate-Related Disclosures (TCFD) and the SDGs.

In addition, as part of this exercise, we analyzed the information resulting from surveys that we applied to our stakeholders and from various secondary sources.

The results of this exercise allowed us to consolidate a sustainability strategy that, accompanied by a continuous dialogue with our clients, employees, community members, investors, and other stakeholders, will help us to continue operating in a balanced way the economic, financial, social, labor, environmental and corporate governance resources of Genera.

Throughout this report we present the actions we carried out this year for the 12 material topics, as well as the management approach on which we link them to the business strategy, always in line with our values and keeping the person at the center of our decisions.



> Check out our full materiality analysis [here](#)

¹ The issues in which Genera and its companies' impact or that can impact us can be positive or negative, current or potential, in the economy, the environment, in people and human rights through our activities, value chain or business relationships



	Material topic	Type of impact	Actions to manage impacts
1	Ethics, code of conduct and internal regulatory framework	ACTUAL POSITIVE Current positive in people and human rights	Read in Sustainability chapter Awareness, re-certification, Committee, complaint channels
2	Client satisfaction	ACTUAL POSITIVE Current positive in clients	Read in Business chapter Surveys
3	Equal opportunities and gender equality	ACTUAL POSITIVE Current positive in people and human rights	Read in Our People chapter People Policies with an Equity Perspective
4	Financial inclusion	ACTUAL POSITIVE Current positive in people, the economy and human rights	Read in Business chapter Business Indicators
5	Measurement of greenhouse gas (GHG) emissions	POTENTIAL POSITIVE Potential positive in the environment and people	Read in Sustainability chapter Emissions inventory, identification of efficiencies
6	Employee training and development	ACTUAL POSITIVE Current positive in people and human rights	Read in Our People chapter Training and performance
7	Transparency, accountability, anti-corruption and bribery	ACTUAL POSITIVE Current positive in the economy and human rights	Read in Sustainability chapter PLD, Audit
8	Economic, environmental and social risk management	POTENTIAL POSITIVE Potential positive in the economy, people, the environment and human rights	Read in Sustainability chapter Risks
9	Corporate governance structure	ACTUAL POSITIVE Current positive in the economy	Read in Sustainability chapter Corporate Governance adhered to the Code of Good Corporate Governance
10	Client and employee privacy	ACTUAL POSITIVE Current positive in people and human rights	Read in Sustainability chapter Privacy, data protection, training and development
11	Data security	ACTUAL POSITIVE Current positive in people and human rights	Read in Sustainability chapter Training
12	Occupational health and safety	ACTUAL POSITIVE Current positive in people and human rights	Read in Our People chapter Physical security, FISSEP, benefits



We held a working session in which the CEO and the management team participated to learn about the results of the materiality analysis and the sustainability commitments defined in the medium and long term, aligned with the three SDGs on which we focus. These actions reflect Gentera's commitment to sustainability, because **we are aware of the impact that our actions have generated on our clients for 31 years**



Sustainability strategy

2-24, FS1, FS15

For us, it is important that the purpose of Genera and the products and services we offer are aligned with the implementation of a sustainability strategy in the short, medium and long term, with the aim of facing the current challenges in environmental, social and governance (ESG) matters with specific and measurable goals, without neglecting our purpose of boosting dreams of our clients.

During the year we developed our **ESG Strategic Policy**, a document that defines the general principles of action of Genera and its companies, as well as the specific policies on ESG issues. It is aligned with the 2030 Agenda on sustainable development approved by the United Nations and addresses some of the 17 Sustainable Development Goals (SDGs). In 2022, this policy will be approved, and we will define its governance.

Our proper management and performance in sustainability in 2021 were reflected in the renewal of the invitation to participate in the Corporate Sustainability Assessment (CSA) of Standard & Poor's

Likewise, we worked to develop our **sustainability strategy** in which we define five strategic axes, each with different areas, objectives and goals, that address the issues in which we aim to generate a greater positive impact or to reduce the negative impact caused by our business.





Our strategic axes

Well-being of our employees

- 1 Equal opportunities and gender equity
- 2 Training and development
- 3 Occupational health and safety
- 4 Privacy of employees
- 5 Family of our employees

Corporate citizenship

- 1 Community impact
- 2 Responsible supply chain

Good governance and integrity

- 1 Corporate governance structure
- 2 Management of ESG issues and risks
- 3 Human rights
- 4 Anti-corruption and bribery ethics

Impact on our clients

- 1 Client satisfaction
- 2 Client privacy and information security
- 3 Inclusion (strategic social commitment aligned to the business model)
- 4 Innovation and development of new products
- 5 Family of our clients

Environment and climate change

- 1 Environmental policy
- 2 Management and monitoring of issues related to climate change
- 3 Energy
- 4 Water
- 5 Waste
- 6 Environmental culture

With our actions we directly contribute to the **SDGs**:



Indirect SDGs

Indirect SDGs



The first results of our sustainability strategy will be monitored during 2022 and we will present them in our next Annual and Sustainability Report, providing special accompaniment to the areas responsible for addressing key ESG issues:

Environmental

Clients:

to communicate environmental opportunities to our clients, via Compartamos Banco's social media

Risks:

to promote the analysis of socio-environmental risks that may represent a high impact for the organization due to their direct impact on the business and our clients

Social

Clients:

to maintain the different initiatives in the field of Financial Education for the segment

Suppliers:

to understand the sustainability criteria that characterize our suppliers (ethics, environment and equality, among others)

Equality and diversity:

to maintain accompaniment in the field

Social impact:

to perform the impact analysis of Compartamos Banco and to highlight it as our contribution to the Sustainable Development Goals and the Principles of Responsible Banking

Corporate Governance

Corporate Governance: to communicate the relevant aspects of decision-making within Genera (transparency, fairness and adherence to best practices)

In the ESG Strategic Policy we consolidate our commitments to **environment, human rights, child labor, diversity and inclusion, health and safety, anti-corruption, supply chain, and corporate governance.**

In parallel, 12 policies and processes of People regarding attraction, selection, recruitment, training, development and evaluation were updated to expressly recognize our approach to diversity and inclusion: "at Genera we respect the differences of our clients, employees and communities with whom we relate, we value the diversity that exists in each of them, and recognize that they contribute to deliver better products and services tailored to our clients' needs, building better workplaces and maintaining healthy relationships with our partners".



United Nations Global Compact

Last year we joined the United Nations Global Compact, so this report represents our second Communication on Progress (CoP) in which we reflect how we contribute to the fulfillment of its 10 principles.

COMMUNICATION ON
PROGRESS



Human rights

1

Businesses should support and respect the protection of internationally proclaimed human rights; and

2

make sure that they are not complicit in human rights abuses

Labor

3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4

the elimination of all forms of forced and compulsory labour;

5

the effective abolition of child labour; and

6

the elimination of discrimination in respect of employment and occupation

Environment

7

Businesses should support a precautionary approach to environmental challenges;

8

undertake initiatives to promote greater environmental responsibility; and

9

encourage the development and diffusion of environmentally friendly technologies

Anticorruption

10

Businesses should work against corruption in all its forms, including extortion and bribery



Principles of Responsible Banking

Likewise, with the interest of strengthening the initiatives we endorse that allow us to offer more sustainable solutions for our clients and at the same time contribute to a better future for all, in 2020, Compartamos Banco signed the Principles of Responsible Banking (PBR) of the United Nations Environment Programme Finance Initiative (UNEP FI)², which aim to determine the role and responsibilities of the banking industry in creating a sustainable future based on six commitments:

Compartamos Banco is the first microfinance institution to be part of this initiative

Alignment

we will align our business strategy to the goals expressed in the Sustainable Development Goals (SDGs) and the Paris Climate Agreement

Impact

we will continuously increase our positive impacts while reducing the negative ones

Clients & customers

we will work responsibly with our clients and our customers to develop sustainable practices and create shared prosperity

Stakeholders

we will proactively consult, engage and partner with our major stakeholders to achieve our goals

Governance and targets

we will implement our commitment through effective governance, and we will set targets for our most significant impacts

Transparency and accountability

we are committed to transparency, assuming full responsibility for our positive and negative impacts

Throughout 2021, Compartamos Banco participated in international meetings on the UNEP FI impact analysis model and definition of targets, with emphasis on financial inclusion and gender. At the regional level, we participated in the workshop "Towards an effective implementation of the PBR in LAC".

Currently, as part of the fulfillment of the commitments acquired by Compartamos Banco when joining the initiative, we are in the phases of impact analysis and goals setting.

² UNEP FI is a partnership between the United Nations Environment Programme (UNEP) and the global financial sector, which aims to mobilize private sector financing for sustainable development. UNEP FI works with more than 350 members including banks, insurers and investors and more than 100 supporting institutions, with the purpose of helping to create a financial sector that serves people and the planet, while delivering positive impacts. The aim is to inspire, inform and enable financial institutions to improve people's quality of life, without compromising that of future generations.



Impact analysis Compartamos Banco

PBR 2, PBR 5, 413-2

Looking forward to identifying the positive, negative, actual and potential impacts of the products we offer at Compartamos Banco to our clients, at the end of 2021, we started a process to analyze the impact of the bank's portfolio using the UNEP FI' **Portfolio Impact Analysis Tool**.

This tool consists of mapping quantitative and qualitative data that helps determine the most significant areas of impact of Compartamos Banco based on the nature, content and geographical scope of the portfolio.

Scope of the analysis

- *Geography:* only our operations in Mexico
- *Period:* January 1st to December 31st, 2021
- *Lines of business:* women's group market, mixed group market, mixed individual market and savings
- *Clients:* women*

*The information analyzed for this exercise corresponds to our female clients.

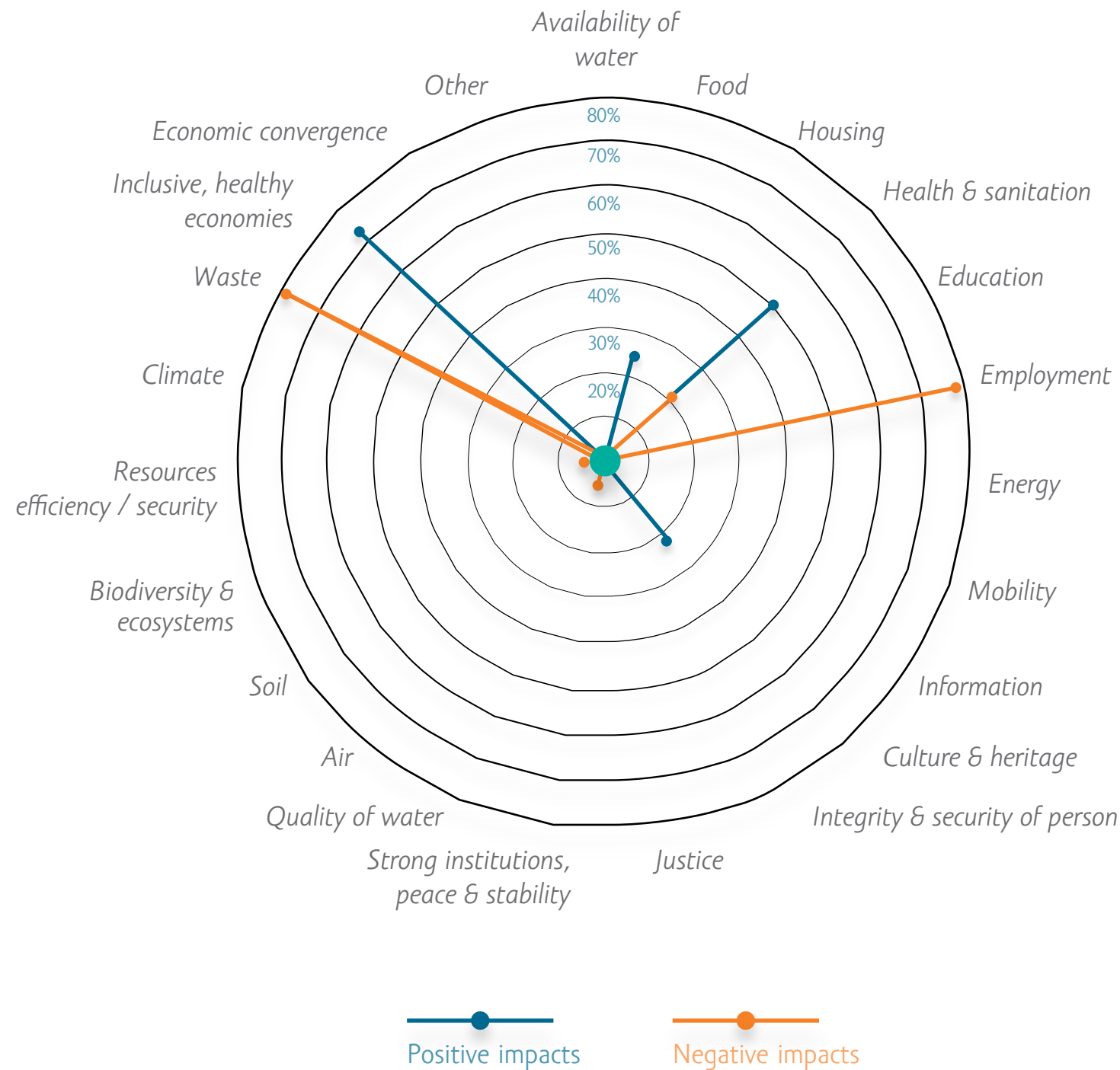
¹ If you want to know more about the methodology used for this exercise, see *Impact identification and assessment for bank portfolios*, at: <https://www.unepfi.org/wordpress/wp-content/uploads/2020/10/Guide-to-Holistic-Impact-Analysis-Oct-20.pdf>

Significant portfolio impacts





Significant impacts of credits granted by Compartamos Banco to clients



Due to the nature of the credits we offer at Compartamos Banco, most of our clients use them in small businesses buying and selling clothes, shoes and cosmetics, selling food and services, as well as in small-scale food production.

With the credits we grant to the popular segment, we promote the sale of healthy foods that generate positive impacts on health, sanitation, and also on the nutrition of those who consume them. Also, by the type of clothing, footwear and other local products that our clients sell, we contribute to the generation of positive impacts for the preservation of the culture and heritage of their communities. Finally, since the credits we grant are used for productive activities, we promote the generation of employment.

However, the use given to our credits could also cause negative impacts on the environment due to the generation and disposal of food and packaging waste that results from the sale of food from our clients, and to a lesser extent on the soil, ecosystems and biodiversity. Similarly, the use of the credits we grant could contribute to the generation of negative impacts on the health and sanitation of communities due to the sale of unhealthy or harmful products, and on the economy due to the creation of informal jobs and possible poor working conditions.

The results of this analysis will allow us to evaluate the current level of performance of Compartamos Banco in Mexico to establish goals that increase our positive impacts and other measures to reduce negative ones.



Environment

2-27, 302-1, 302-2, 305-1, 305-2, 305-3, 305-4, 306-3, 306-4, 306-5
TCFD Metrics and objectives a) and b)

We believe that caring for the environment is essential to continue boosting the dreams of our clients, employees and other stakeholders from a sustainable perspective.

In this sense, we adhere to environmental regulation in Mexico and Peru across all our operations, in addition to monitoring our environmental performance to identify the negative impact that our processes or financial services may have on the environment as well as to define mitigation initiatives. During 2021 we did not receive fines or penalties for non-compliance with environmental regulations in any of the countries where we operate.

At the corporate offices of Genera, we carry out initiatives such as the separation of waste and awareness campaigns in this regard, adequate management of electronic waste, cartridges and toners, and optimization in the use of water through saving systems in sinks and toilets. This building is LEED Silver certified³ in the interior design category for its location characteristics, indoor ambient quality, energy savings, water efficiency and waste management.

In Genera, we recognize that climate change is a reality, therefore, with the aim of providing timely attention to our employees, clients and communities in case of hydrometeorological phenomena such as hurricanes and floods, which have increased, we have a map of the most vulnerable localities where we have presence, financial provisions and a contingency plan.

Energy and Greenhouse Gas (GHG) Emissions

The data presented below on the energy consumption and emissions report of Genera and its companies⁴ corresponds to the period from January 1st to December 31st, 2020. Due to our operational capacity, access to this information is limited, in addition to the fact that it is not compulsory for us to report. For this reason, information from our operations in Guatemala is also included.

The energy we consume comes mainly from fuel and electricity, which are used in the transportation of our employees, as well as in the lighting and energy supply to our workspaces, respectively.

We have been quantifying the Greenhouse Gas (GHG) emissions of our operations for nine years, with the aim of knowing and evaluating the behavior of our consumption to define improvement actions in this regard.

³ LEED: Leadership in Energy and Environmental Design. LEED is a globally recognized initiative to certify sustainable buildings during their construction and operation.

⁴ When Genera and its companies are mentioned, information related to ConCrédito is not considered given that Genera did not own the majority shareholding of ConCrédito during 2020 and therefore, it did not maintain operational control over the entity.

Total gasoline
consumption
2020:
2,198,112 liters

Total electricity
consumption
2020:
17,088 MWh



The GHG emissions inventory⁵ that we present in this report was prepared under an **operational control**, approach, this implies that we have full authority to introduce and implement policies related to emission sources and, therefore, operational control.

We considered the consumption of gasoline for our fleet of vehicles and motorcycles for the calculation of Scope 1 emissions for the three countries, as well as the electricity used in all our facilities that comes from the municipal network for Scope 2 emissions.

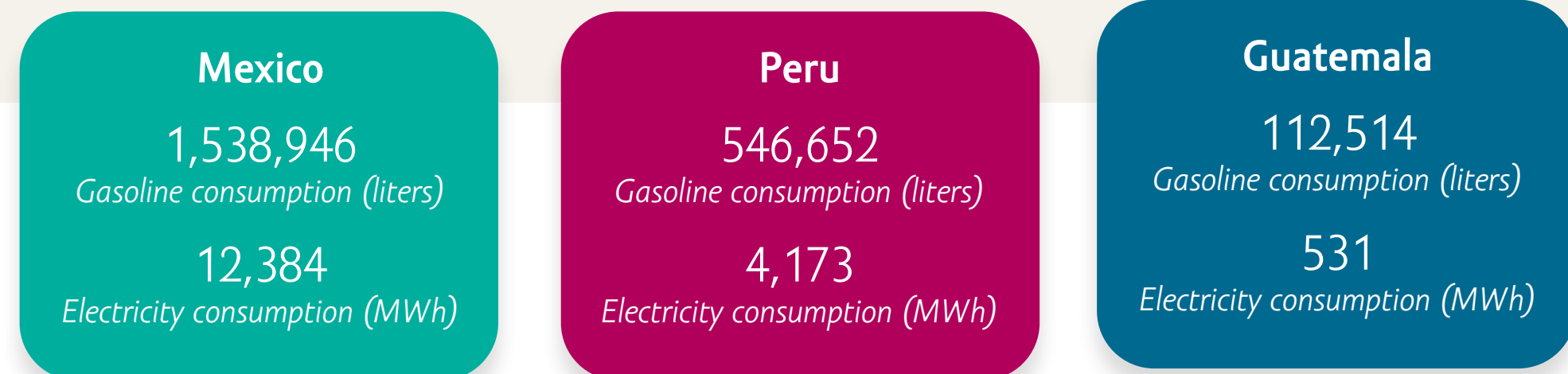
For the first time, we measured Scope 3 emissions for our operations in Mexico. We included the emissions generated by the fuel consumption for personal use as part of the benefits that we provide to certain applicable positions; this is in addition to the emissions associated with the flights made by our employees for the development of activities related to the operations of Genera and its companies.

We also estimated the social cost⁶ of our greenhouse gas emissions in order to internalize the negative effects that the externalities of our operation can have on society and the environment.

Our total GHG emissions generated in 2020 were 14,584 tons of carbon dioxide equivalent (tCO₂e). Scope 1 (fuels) emissions account for 37% of total emissions, scope 2 account for 56%, and scope 3 (consumption outside our operation) account for 7% of total emissions.

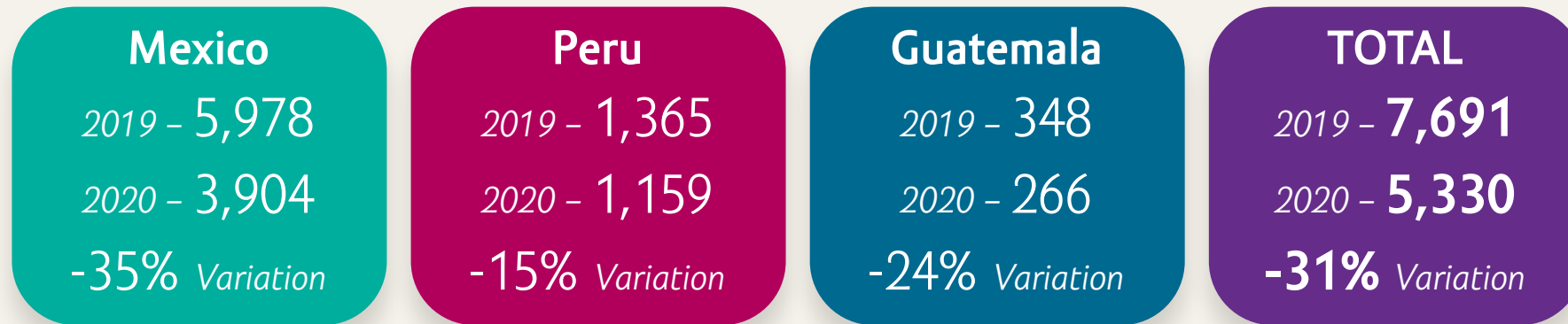
⁵ Refer to our [GHG Emissions Inventory 2020 here](#).

⁶ Refer to the result of this estimate in our [GHG Emissions Inventory 2020](#).

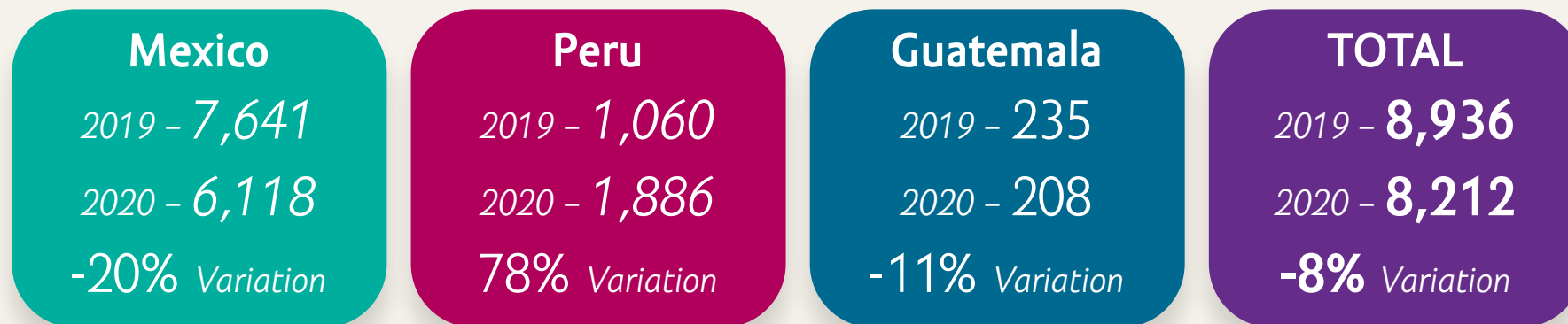




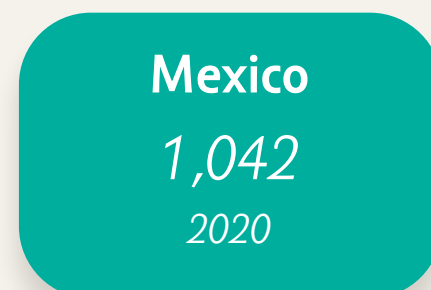
Scope 1 GHG emissions (tCO₂e) by country



Scope 2 GHG emissions (tCO₂e) by country



Scope 3 GHG emissions (tCO₂e) in Mexico



Scope 1 and 2 emissions decreased significantly as compared to 2019, mainly due to the remote work scheme derived from the COVID-19 pandemic, as we reduced the energy consumption of our offices and minimized transfers.

Emissions intensity tCO₂e per employee



As part of our commitments to reduce our GHG emissions, we are considering transitioning to the use of refrigerants with less negative impact, assessed through a life cycle analysis (LCA) or through the measurement of the carbon footprint. In addition, we are working with the teams involved to enhance the GHG inventory in Mexico, specifically for the quantification and reporting of Scope 3 emissions, as well as to reinforce this same effort for Peru, so that it can be reflected in our 2022 emissions inventory.



Water management

We recognize the importance of water as a fundamental resource for life, so we promote its efficient use among our employees, clients and communities.

The water we consume is mainly sourced from public supply networks and we use it for personal hygiene and cleaning practices in our offices.

We are working on documenting and reporting on our water consumption because its quantification represents a challenge for Genera due to the fact that our corporate is located in a shared building and that our service offices often have limited access to this resource.



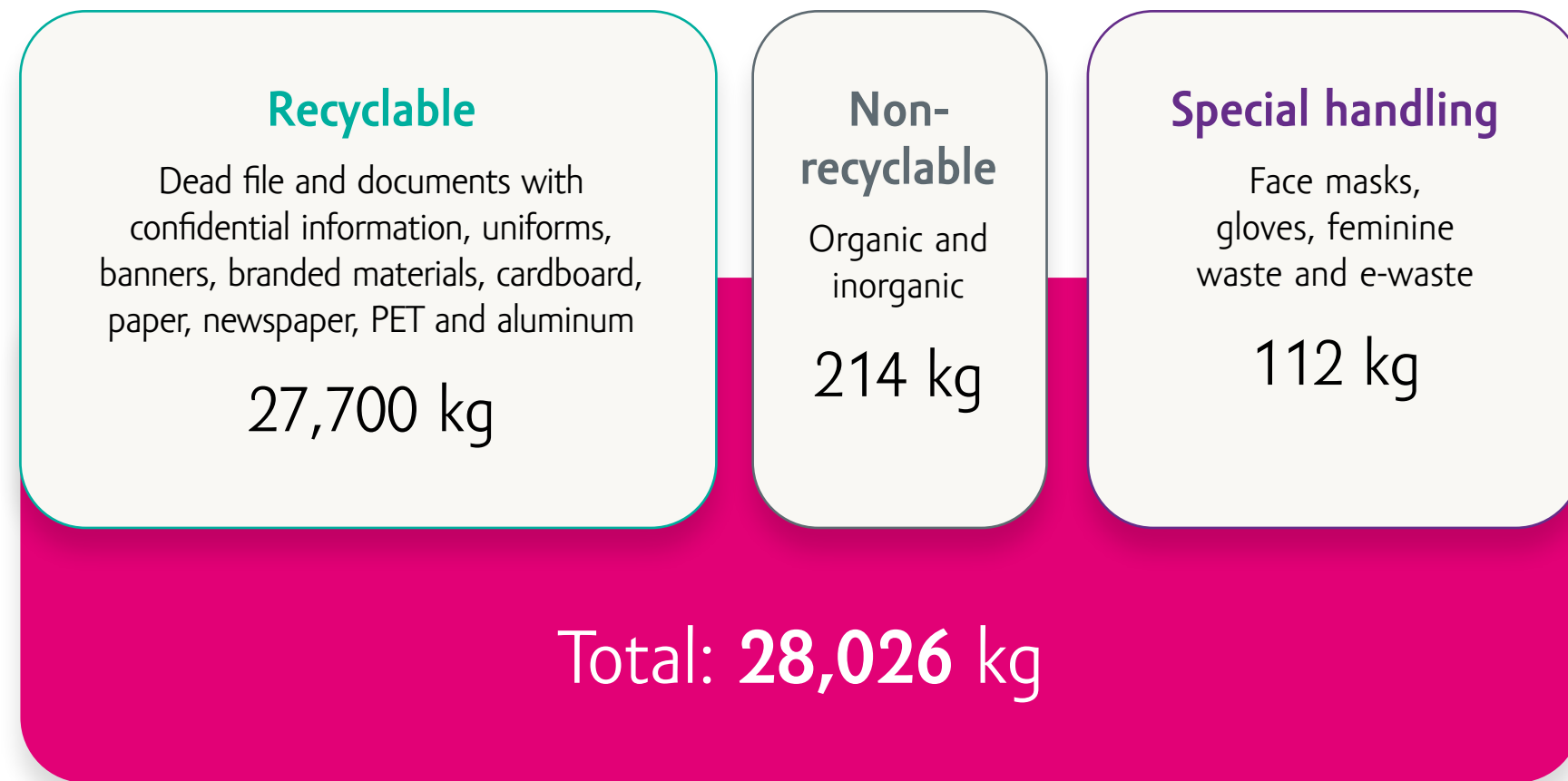
Waste management

In Genera, the consumption of materials is low as compared to other sectors, therefore, our waste generation is also low. However, the commitment we have to the environment motivates us to continue applying efforts to minimize our impact.

We manage our waste with suppliers specialized in destruction, special handling and recycling. In 2021, we generated and properly managed 28,026 kilograms of waste in the corporate building, which we separated according to their waste category.



Waste generated in the corporate office



Note: Dead file and documents with confidential information go through a process of destruction before being recycled.

Much of the recyclable waste we generated throughout the year was from **Collection Day**, a workspace release activity that consisted mainly of the destruction of files and textiles in line with the regulation in Mexico.

In 2021, we carried out the Collection Day, and initiative to mark the start of our hybrid work scheme in our corporate offices



With these actions we contributed to prevent the deforestation of 182 trees and generated savings consisting of 283,586 liters of water and 17,122 liters of fuel. In addition, it was possible to collect Ps. \$929,600 in stationery, 35% of which was donated to various organizations through Fundación Compartamos and 65% will be used in the corporate.



Ethics and human rights

2-15, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 205-2, 205-3, 206-1, 406-1, 408-1, 409-1, 411-1, 417-3, FN-CB-510a.2

We work every day seeking to do the greatest possible good and basing our actions and decisions on the highest standards of ethics, integrity and in alignment with the Universal Declaration of Human Rights.

For us, it is important that the people who are part of Genera and its companies maintain an integrity conduct in their daily activities; we trust that by doing good, we will achieve our purpose of boosting dreams more plentifully.

Our **Code of Ethics and Conduct**⁷ is inspired by our Philosophy and contains the expected behaviors of our directors, commissioners and employees on issues such as the value and respect for human rights, working environment, violence, harassment, anticorruption, conflict of interest, information management, fraud, prevention of money laundering and financing of terrorism, use of assets, relationship with suppliers, clients and competition, among others. In addition, it communicates the way we understand ethical action and defines our behaviors to do as much good as possible.

The Board of Directors and the Audit Committee are responsible for reviewing and approving its content periodically, since we make updates according to the social context of the countries where we operate and the laws or regulations in force in the matter.

⁷ Consult our Code of Ethics and Conduct at: <https://bit.ly/2OpFqMy>



In 2021, for the first time, we launched a call for updates to the Code of Ethics and Conduct in which 492 employees participated by submitting their proposals for changes.

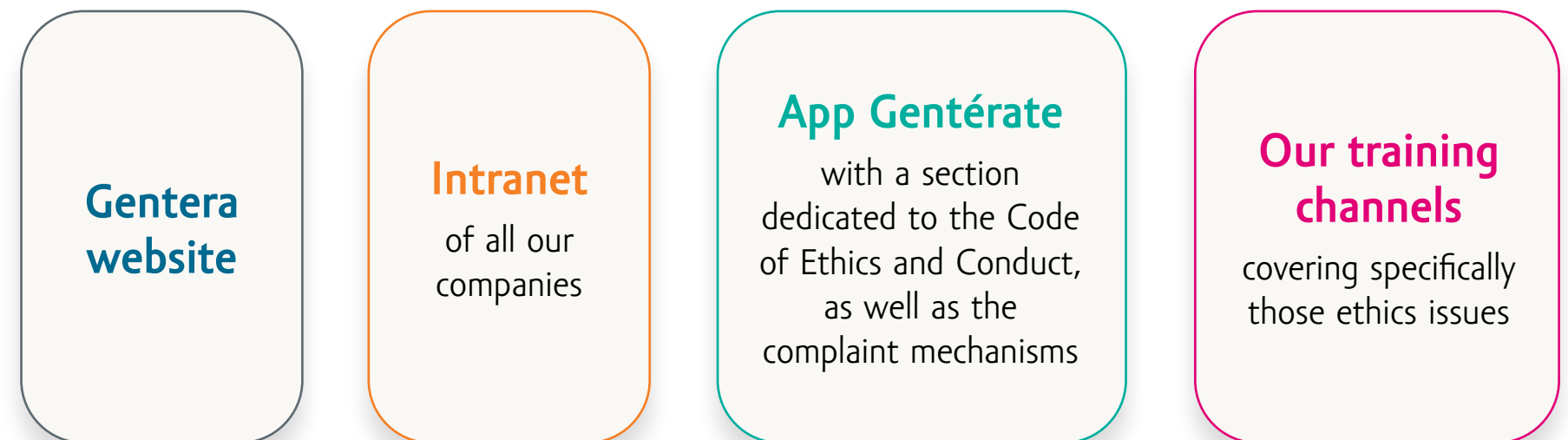
To keep the experience of our code updated during the year, we disseminated infographics and videos that reinforced the expected behaviors of our employees, as well as recommendations on how to act in the face of critical situations. Likewise, we disseminated in different communication platforms and through monthly articles **The ABC of our Code**, a synthesis with 10 essential behaviors to live our Philosophy and comply with our Code of Ethics and Conduct.

We believe that every person is unique and unrepeatable, and it has a value in itself. We respect its dignity, rights and obligations and we provide the possible means to achieve its own realization. We recognize the equality of all people, we believe in gender justice, we value the complementary role of women and men in society, and we offer them equal opportunities, so based on their talents and effort, they can grow across all their dimensions and strengthen their families. In this sense, during 2021, we updated our Code of Ethics and Conduct to incorporate this vision on human rights and equal opportunities.

We promote absolute respect for human rights, recognize the value of people and respect their dignity

In Genera and its companies we reject all types of discrimination, which consists of making any distinction, exclusion, restriction or preference on the grounds of ethnic or national origin, identity and/or expression of gender, age, disabilities, social status, health conditions, religion, opinions, sexual orientations, marital status, or any other that violates human dignity or has the object or effects of nullifying or impairing the rights and freedoms of people. We also reject any act of discrimination, child exploitation, forced labor, violation of the rights of indigenous peoples, abuse or coercion.

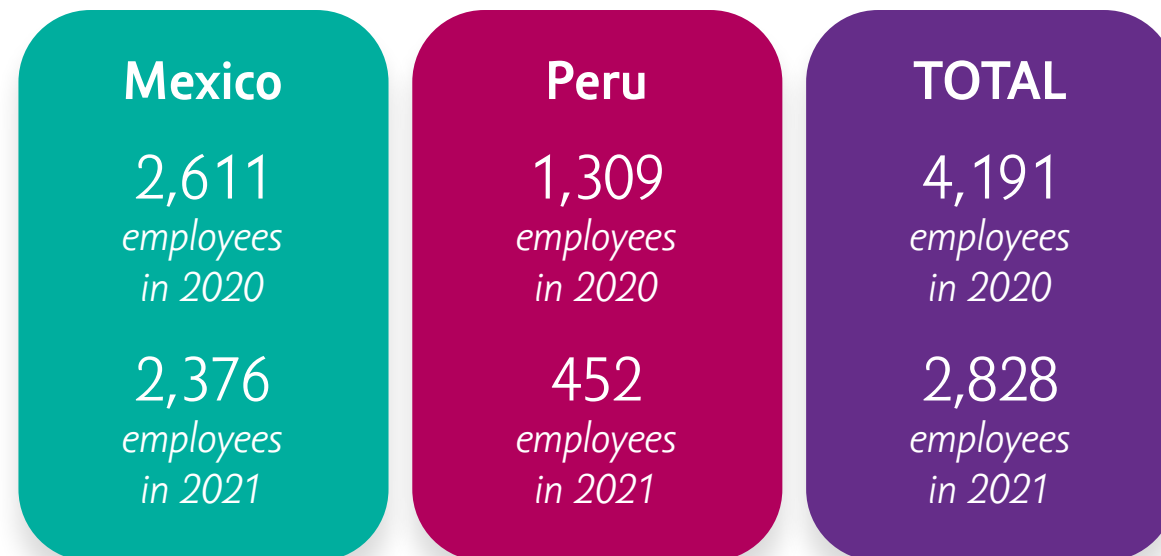
Our Code of Ethics and Conduct is available at:



Upon entering, our employees are certified in our Code of Ethics and Conduct and sign a letter in which they commit to live and respect it. Every year, they renew their commitment and get updated through a recertification.



Certifications of new employees in Code of Ethics and Conduct by country



96% of the employees we hired in 2021 were certified in the Code of Ethics and Conduct

Recertifications in Code of Ethics and Conduct by country



91% of our employees were recertified in the Code of Ethics and Conduct

Additionally, through the **Ethical Criteria Workshop** we seek to transmit to new employees the ethical culture of Genera. The course is taught online in synchronous mode with the aim of providing our employees with principles and tools to make decisions that allow them to do the greatest possible good, understand the behaviors established by our Code of Ethics and Conduct and analyze some ethical dilemmas typical of their operation, in addition to knowing our complaint mechanisms and the appropriate way to use them.

In 2021, we updated the content of the workshop based on the type of cases that were presented in the complaint mechanisms and adhering to the latest version of our code.



We also offered different training sessions on ethical issues:

Special ethics training sessions

Tailor-made to meet the specific needs of different field teams focused on issues such as conflict of interest, workplace violence, working environment and use of the complaint mechanisms.

Ethical training for trainers

Aimed at trainers of employees in the field and representatives of people who are key in the dissemination and strengthening of our ethical culture. The sessions focused on presenting an overview of the main behaviors established in our code, as well as on the knowledge and use of the complaint mechanisms.

Ethical integrity system in Gentera

Sessions focused on showing the system of ethical integrity of Gentera, including the Code of Ethics and Conduct, the complaint mechanisms, the Ethics Committee and the different areas of accompaniment and monitoring of compliance with our code.

On the other hand, we have a **Code of Ethics and Conduct for Suppliers**⁸, which describes the expected guidelines of conduct between Gentera employees and their companies, and any of our suppliers, on issues such as conflict of interest, information management, relationships, corruption and labor violence, among others.

⁸ See our Code of Ethics and Conduct for Suppliers at: <https://bit.ly/2OpFqMy>

We make available to all of our stakeholders' different complaint and reporting mechanisms designed for anyone to report, confidentially and without retaliation, breaches of any of the codes or our policies. These are available 365 days a year.

denuncia@gentera.com.mx

Mail

Mexico: 800 5061 264

(option 3)

Peru: 08000 0903

Telephones
(calls are free)

www.gentera.com.mx

>

Who we are

>

Code of Ethics

>

Transparency Mailbox



When a query or a complaint is made through any of the available means, the Complaints Monitoring team is responsible for receiving, attending and channeling them. Under specific situations when it is required, it also carries out the corresponding investigations to present the case to the Ethics Committee of Genera, for its evaluation, solution and pertinent resolution.

Complaints response process

1 >

The whistleblower identifies a breach of our Code of Ethics and Conduct

2 >

The complainant approaches any of our complaint mechanisms to report the fault

3 >

The complaint mechanisms are attended by the area of Follow-up to complaints which defines the treatment, initiates the investigation and presents the results to the Ethics Committee

4 >

The Ethics Committee defines the resolution actions with objectivity and transparency, seeking for the greatest possible good for all those involved

5 >

Once the Ethics Committee establishes the resolution actions, the Follow-up area to complaints executes them and informs the complainant of the closure of the complaint

Note. Attention to complaints of offences that violate human rights is carried out following the same process.



We provided timely attention to the cases and complaints received during the year, which were related to issues such as working environment, disagreement with processes, conflict of interest, sexual harassment, workplace harassment and poor client service; none was related to corruption, cases of child labor, forced labor, violations of the rights of indigenous peoples or violation of human rights.

Queries

336 in 2020 359 in 2021

Complaints

516 in 2020 604 in 2021

At Gentera we are committed to an integral, ethical and transparent operation, free of corruption.

During 2021, we did not receive any fines, sanctions or infractions on unfair competition, monopolistic practices and against free competition, fraud and insider trading, or marketing breaches.



Corporate Governance

2-9, 2-10, 2-11, 2-12, 2-13, 2-17, 2-18, 2-19, 2-20

We are convinced that transparency and adherence to the best corporate governance practices are essential to achieve our purpose and the sustainability of the business. Since our inception, we have maintained elements of good corporate governance and social impact, which we have shared, but above all made conscious, among our stakeholders.

Genera's Bylaws, the Code of Good Corporate Governance and Regulations of the Board of Directors define our management and encourage commitment to our Philosophy. In addition, we are adhered to standards and best practices of the sector such as the Code of Best Corporate Practices of the Business Coordinating Council, the Code of Professional Ethics of the Stock Exchange Community and the Internal Regulations of the Mexican Stock Exchange.

Genera's Board of Directors is made up of 11 proprietary directors and one honorary director, of which seven are independent. Committed to transformation, empowerment, inclusion and gender equality at all levels of the organization, this year we strengthen the presence of women on our Board of Directors, making a more plural body, which adds to sustainability, and with its capabilities, to continuous innovation.

In April 2021, Marina Díaz Ibarra joined the Board of Directors of Genera as Independent Director; she has broad experience in digital transformation processes, e-commerce and digital business development through innovative technologies and marketing tools.

The positions of chair of the Audit Committee and the Corporate Practices Committee are held by women

The General Shareholders' Meeting is responsible for the appointment, ratification and removal of the members of the Board of Directors and receives support from the Nomination and Evaluation Committee, composed of members of the Board of Directors to make the selection and evaluation of the candidates. All members are selected in accordance with the legal requirements and the professional profile, career path and personal integrity required by the Code of Good Corporate Governance and related to the purpose of Genera.

The length in the position is one year; however, directors can be re-elected for equal terms if they demonstrate good performance results in their annual evaluation.



The Board of Directors and the Audit Committee carry out an annual exercise that includes evaluation sections as a collegiate body and self-evaluation, with the aim of assessing the quality and performance of their functions. In the immediate following session, the results are announced to discuss the areas of opportunity, receive feedback, establish plans with corresponding corrective measures and, where appropriate, the topics on which the training will focus.

Based on continuous improvement, we provide constant training to the members of the Board of Directors through conferences, courses and updating forums. In addition, since 2019, the members of the Board, who have access to confidential or privileged information, annually ratify their adherence to the Code of Ethics and Conduct, to regulate the operations with securities of Genera and other issuers.

Each of Genera's companies has its own corporate governance structure that considers the legal nature and the applicable legislation in each case. Their operation is carried out in accordance with the best practices and the Code of Good Corporate Governance. In parallel, they report directly to the governing bodies of Genera, who monitor the fulfillment of their functions and issue guidelines to preserve alignment with the strategic approach and general policies.

Composition of Genera's Board of Directors⁹

Member	Type	Seniority on the Board	Age
Marina Díaz Ibarra	Independent	8 months	41 years
Martha Elena González Caballero	Independent	15 years	67 years
Rose Nicole Dominique Reich Sapire	Independent	8 years	56 years
Antonio Rallo Verdugo	Independent	6 years	60 years
Carlos Antonio Danel Cendoya	Related	21 years	52 years
Carlos Labarthe Costas	Related	21 years	53 years
Francisco Javier Arrigunaga Gómez del Campo	Independent	6 years	58 years
John Anthony Santa Maria Otazua	Independent	13 years	64 years
José Ignacio Ávalos Hernández	Related	21 years	62 years
Juan Ignacio Casanueva Pérez	Related	11 years	53 years
Luis Alfonso Nicolau Gutiérrez	Independent	2 years	60 years
José Manuel Canal Hernando	Honorary*	18 years	82 years

* With voice but without vote

Chairman	Secretary	Alternate Secretary
Carlos Antonio Danel Cendoya	Manuel de la Fuente Morales	Zurihe Sylvia Manzur García

⁹ See the functions and powers of the Board of Directors of Genera here.



The Governing Body is supported by four Committees.

Audit Committee

Member	Position	Type	Seniority on the committee
Martha Elena González Caballero ¹	Chairman	Independent	11 years, 11 months
Antonio Rallo Verdugo	Member	Independent	8 months
Luis Alfonso Nicolau Gutiérrez ¹	Member	Independent	2 years, 8 months
Jerónimo Luis Patricio Curto de la Calle ¹	Permanent guest*	Independent Specialist Advisor	7 years, 10 months
Manuel Constantino Félix Gutiérrez García ¹	Permanent guest*	Independent Specialist Advisor	7 years
Oscar Luis Ibarra Burgos	Permanent guest*	Director of Internal Audit	11 years, 11 months

*With voice, but without vote

¹ Financial expert

The Audit Committee held nine regular sessions during 2021.

Main functions

- To review the integrity of the financial statements and reports, as well as the accounting and tax criteria and practices applied
- To monitor the internal control system and the execution and follow-up of its operational processes
- To ensure that the internal and external audit function is carried out with the utmost objectivity and independence
- To follow up on the degree of compliance with the principles established in the Code of Ethics and Conduct of Genera and its companies
- To review the results of the system tests comprising the business continuity plan of Genera and its companies
- To review the Related Party Transactions submitted by the Internal Audit Director and, if appropriate, recommend to the Board of Directors the approval of those identified as Significant Related Party Transactions



Executive Committee

Member	Position	Type	Seniority on the committee
Carlos Antonio Danel Cendoya ¹	Chairman	Related	8 years, 9 months
Carlos Labarthe Costas	Member	Related	10 years, 9 months
Francisco Javier Arrigunaga Gómez del Campo ¹	Member	Independent	5 years, 9 months
José Ignacio Ávalos Hernández	Member	Independent	10 years, 9 months
Juan Ignacio Casanueva Pérez	Member	Related	8 months
Enrique Majós Ramírez	Member	Related Managing Director	4 years, 3 months
Manuel de la Fuente Morales	Member	Related Corporate Managing Director	3 years, 8 months
Patricio Diez de Bonilla García Vallejo	Member	Related Managing Director of Banco Compartamos, S.A. Multiple Banking Institution	3 years, 8 months
Álvaro Rodríguez Arregui	Permanent guest*	Asesor Specialist Advisor	6 years, 9 months
Juan José Gutiérrez Chapa	Permanent guest*	Independent Specialist Advisor	3 years, 8 months

*With voice, but without vote

¹ Financial expert

The Executive Committee held five regular sessions during 2021, one unanimous resolution was documented.

Main functions

- To follow up on the strategy approved by the Board of Directors, including the ESG aspects that apply
- To support the management team by analyzing and discussing strategic or highly relevant matters, mainly during periods when the Board of Directors are not in session
- To evaluate new business options and follow up on the negotiation
- To serve as a liaison and foster greater communication between the Board of Directors and the management team



Corporate Practices Committee

Member	Position	Type	Seniority on the committee
Francisco Javier Arrigunaga Gómez del Campo ¹	Chairman	Independent	3 years, 8 months
Marina Díaz Ibarra	Member	Independent	8 months
Martha Elena González Caballero ¹	Member	Independent	10 years, 6 months
John Anthony Santa María Otazua ¹	Member	Independent	5 years, 9 months
Manuel de la Fuente Morales	Permanent guest*	Corporate Managing Director	3 years, 8 months

*With voice, but without vote

¹ Financial expert

The Corporate Practices Committee held four regular sessions and one extraordinary session during 2021.

Main functions

- To participate in the supervision, retention, evaluation and compensation of the CEO and the management team
- To prepare and approve policies on talent development and succession planning, and if so, to make it available to the General Shareholders' Meeting
- To determine the salary and compensation policies for members of the Board of Directors and relevant Genera executives
- To review and determine the comprehensive compensation packages for employees of Genera and its companies
- To be informed on transactions with related parties that are reported by the Audit Committee through the Internal Audit Director
- To prepare the annual activities report, including transactions with related parties during the fiscal year, highlighting those considered significant



Risk Committee

Member	Position	Type	Seniority on the committee
Rose Nicole Dominique Reich Sapire	Chairman	Independent	6 years, 9 months
Carlos Labarthe Costas	Member	Related	10 years, 9 months
José Ignacio Avalos Hernández	Member	Related	3 years, 8 months
Luis Alfonso Nicolau Gutiérrez ¹	Member	Independent	8 months
Marcela Morandeira Santamaría	Member	Head of the Unit for Integral Risk Management	3 years, 8 months
Patricio Diez de Bonilla García Vallejo	Member	Related Banco Compartamos, S.A. Multiple Banking Institution CEO	3 years, 3 months
José Manuel Canal Hernando	Member	Honorary Director	8 months
Oscar Luis Ibarra Burgos	Permanent Guest*	Internal General Auditor	6 years, 9 months

*With voice, but without vote

¹ Financial expert

Main functions

- To identify, supervise and develop mechanisms to mitigate the risks to which Genera or its companies are exposed
- Together with the management team, it defines the risk map, mitigation strategies, adequate monitoring and follow-up controls
- To define and propose risk exposure limits, including the ones related to ESG issues, and approve those that correspond to its powers, and ensure that the organization's risk profile is in accordance with the guidelines approved by the Board of Directors and applicable legislation
- To monitor the performance of the indicators, as well as any alerts that may be detected in order to define the appropriate mitigation and control measures for each case

The Risk Committee held 10 regular sessions during 2021.



Board of Directors

Marina Díaz Ibarra

Year of appointment: 2021

Studies: Degree in Economics graduated from Torcuato Di Tella University, with a Master's degree in Project Valuation and Management from the Technological Institute of Buenos Aires – CEMA University; MBA with specialization in Strategic Management and Marketing at The Wharton School, University of Pennsylvania where she recently concluded the executive program Analytics for Growth Using Machine Learning, AI, and Big Data.

Current activities: Advisor to several transformation companies such as Lionforge and Jumex. She is an Angel investor in technology and impact ventures in the region and a mentor for Endeavour Mexico.

Experience: Specially in digital transformation processes and digital business development through innovative technologies and marketing tools. She has collaborated in Wolox (acquired by Accenture in January 2021) as Partner & Chief Strategy Officer, Mercado Libre as General Manager for Argentina, Chile and Peru, Under Armour as Global Senior Manager, Nike as Emerging Markets Apparel Merchandising Manager, Unilever as Regional Brand Manager for the Dove brand and Monsanto as Financial Analysis Trainee and Six-Sigma Champion.

Participation in other boards: Rotoplas Group and BITSO.

Field of expertise: Technology and systems.

Martha Elena González Caballero

Year of appointment: 2006

Studies: Certified Public Accountant graduated from Universidad Iberoamericana.

Current activities: Independent practice, Commissioner and Board member of several companies in the public and private sector, including Chairman of the Audit Committee of Active Leasing.

Experience: More than 30 years as an independent auditor, from 1976 to August 2005 she worked at Ruiz Urquiza y Cía., S.C.- Arthur Andersen, now Galaz, Yamazaki, Ruiz Urquiza, S.C., representatives of Deloitte, and was appointed Partner in 1991. She is also member of the Instituto Mexicano de Contadores Públicos and the Colegio de Contadores Públicos de México; partner in the project of harmonization of financial reporting standards with the standards issued by the National Banking and Securities Commission, and advisor to such Commission in the issuance of accounting regulations for financial institutions.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple; Infonavit and Active Leasing.

Field of expertise: Audit and consulting in the financial sector.



Rose Nicole Dominique Reich Sapire

Year of appointment: 2013

Studies: Bachelor's degree in Computer Science from Instituto Tecnológico de Estudios Superiores Monterrey, with a Master's degree in Business Administration from Instituto Tecnológico Autónomo de México (ITAM); Corporate Leadership program from Harvard Business School, Boston, Massachusetts, and an executive program from Kellogg School of Management at Northwestern University.

Current activities: CEO of BNP Paribas Cardif Mexico and independent Board member of several companies in Mexico and abroad.

Experience: From 2007 to 2012, Executive Vice President and CEO of Grupo Financiero Scotiabank Mexico; CEO of Scotiabank in the Dominican Republic. At Citigroup, she held senior management positions, including General Manager and CEO for Peru, Chile and the Dominican Republic.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple and other companies in Mexico and abroad.

Field of expertise: Finance, insurance and banking.

Antonio Rallo Verdugo

Year of appointment: 2015

Studies: Marine Biologist graduated from the University of California in San Diego, California, with a postgraduate degree in Aquaculture from Aix Marseille III, in France.

Current activities: CEO of ID345- Start UP, a company focused on the development of technology companies and scalable platforms.

Experience: Former Vice President of Strategy and Technology of Grupo Televisa, Co-Founder and Chairman of the Board of NCubo Holdings, incubation company of technology companies such as: KIO Networks; Founder and Executive Chairman of iWeb; Founder and Executive Chairman of Digital Media Studio; Regional Director of Multimedia Technologies for Apple's European division.

Participation in other boards: KIO Networks and Banco Compartamos, S.A. Institución de Banca Múltiple.

Field of expertise: Systems and technology.



Carlos Antonio Danel Cendoya

Year of appointment: 2000

Studies: Architect graduated from Universidad Iberoamericana, with a Master's degree in Business Administration from Instituto Panamericano de Alta Dirección de Empresa (IPADE). He has studied microfinance programs at The Economic Institute in Boulder and taught at Harvard Business School.

Current activities: Co-Founder and Chairman of the Board of Genera, S.A.B. de C.V. and member of the Board of Banco Compartamos, S.A. Institución de Banca Múltiple.

Experience: More than three decades in microfinance in Genera, S.A.B. de C.V., a financial institution with the purpose of boosting the dreams of its clients by attending to their financial needs with human touch in Mexico and Peru. Under the Compartamos brand, financial services of credit, savings, insurance and means of payment are provided to entrepreneurs. In 2007 he was selected as a Young Global Leader by the World Economic Forum.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple.

Field of expertise: Microfinance, financial services and business.

Carlos Labarthe Costas

Year of appointment: 2000

Studies: Industrial Engineer graduated from Universidad Anáhuac del Norte, with studies in Senior Business Management from Instituto Panamericano de Alta Dirección de Empresa (IPADE).

Current activities: Co-Founder and Chairman of the Board of Banco Compartamos, S.A. Institución de Banca Múltiple and member of the Board of Genera, S.A.B. de C.V.

Experience: More than three decades in microfinance in Genera, S.A.B. de C.V., a financial institution with the purpose of boosting the dreams of its clients by attending to their financial needs with human touch in Mexico and Peru. Under the Compartamos brand, financial services of credit, savings, insurance and payment channels are brought to entrepreneurs. In 2015, he was recognized by the Great Place to Work Institute and Wobi magazine as The Most Trusted CEO in Mexico.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple; Kipling Group; Promotora Ignia, S.C.; and the Instituto Tecnológico y de Estudios Superiores de Monterrey.

Field of expertise: Microfinance, financial services and business.



Francisco Javier Arrigunaga Gómez del Campo

Year of appointment: 2015

Studies: Degree in Law from Universidad Iberoamericana, with a Master's degree in Law from Columbia University and a specialization in Corporate Law and Finance.

Current activities: Chairman of the Board of Grupo Aeroméxico, S.A.B. de C.V. and CEO of Xokan, a financial advisory firm.

Experience: CEO of Grupo Financiero Banamex (subsidiary of Citigroup), Mexican Ambassador to the OECD, various positions at Banco de México, Chief Executive Officer of Fondo Bancario de Protección al Ahorro, President of the Asociación de Bancos de México, Board member of different companies and institutions, including the Mexican Stock Exchange, Banamex Financial Group, National Banking and Securities Commission, and Inverlat Financial Group.

Participation in other board: Banco Compartamos, S.A., Institución de Banca Múltiple; Investment Fund of the Pension Plan of Canada, Prestanómico, S.A.P.I. de C.V., Grupo Dine, Grupo Kuo; the Port of Liverpool, Paralelo 19; and associate of the General Assembly of the Universidad Iberoamericana, among others.

Field of expertise: Finance and financial services.

John Anthony Santa María Otazúa

Year of appointment: 2008

Studies: Degree in Business Administration and Master's degree in Finance, graduated from Southern Methodist University Dallas, Texas.

Current activities: Director of the Mexican Division of Coca-Cola FEMSA.

Experience: Career at McKinsey & Company and PepsiCo, he joined Coca-Cola FEMSA in 1995, where he was COO for Mexico, Strategic Planning and Mergers and Acquisitions Officer; Strategic Planning and Business Development Officer and COO of the South American Division of Coca-Cola FEMSA.

Participation in other board: Banco Compartamos, S.A., Institución de Banca Múltiple, FEMSA Foundation and American School Foundation.

Field of expertise: Strategic planning, business administration and finance.



José Ignacio Ávalos Hernández

Year of appointment: 2000

Studies: Degree in Business Administration graduated from Universidad Anáhuac del Norte.

Current activities: Chairman of the Board of Promotora Social México, A.C., Founder and President of Un Kilo de Ayuda, A.C.

Experience: More than 33 years of experience in philanthropy and finance.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple y Mexicanos Primero, A.C.

Field of expertise: Philanthropy and microfinance.

Juan Ignacio Casanueva Pérez

Year of appointment: 2010

Studies: Public Accountant from Universidad Iberoamericana, with studies in Business Administration from Instituto Panamericano de Alta Dirección de Empresa (IPADE), Corporate Governance: Effectiveness and Accountability in the Boardroom, Kellogg Northwest University.

Current activities: Chairman of Grupo Casanueva Pérez S.A.P.I. de C.V. and Chairman of the Interprotección Agente de Seguros y de Fianzas.

Experience: More than 25 years of experience in the insurance, brokerage, reinsurance and surety sector with global presence and recognition. In 2018, he was granted with an award as Philanthropist of the Year, by the Association of Fundraising Professionals (AFP).

Participation in other boards: Grupo AXO, S.A de C.V.; Banco Compartamos, S.A. Institución de Banca Múltiple; Aterna, Agente de Seguros y Fianzas, S.A. de C.V.; Controladora AT, S.A.P.I. de C.V.; BIVA Casa de Bolsa, S.A. de C.V.; UNIFIN Agente de Seguros, S.A. de C.V.; Man Nature A.C; President of the Carlos Casanueva Pérez Foundation; and President of the Pro-bosque trust of Chapultepec.

Field of expertise: Insurance and business.



Luis Alfonso Nicolau Gutiérrez

Year of appointment: 2019

Studies: Law degree from Escuela Libre de Derecho, with a Master's degree in Law from Columbia University.

Current activities: Independent practice and member of the Board of Directors of various companies.

Experience: More than 30 years in mergers and acquisitions, transactions in the capital markets, debt and equity and in the financial and banking sector, including regulatory aspects. Advisor to underwriters and issuers of debt and equity in Mexico and abroad. He worked as a foreign associate at Johnson & Gibbs, Dallas, and shearman & Sterling, New York.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple; Posadas Group; Coca Cola FEMSA; Grupo Cementos Chihuahua; Coppel Group; KIO Networks; Morgan Stanley Mexico; member of the Investment Committee of the Ignia Public Capital Fund and Promotora Social México, A.C.

Field of expertise: Legal, investment and financial services.

José Manuel Canal Hernando

Year of appointment: 2003

Studies: Public Accountant graduated from Universidad Autónoma de México (UNAM).

Current activities: Director, Commissioner and Advisor to the Board of Directors of several financial, industrial, and consumer products groups.

Experience: Independent auditor, Director, Commissioner and Advisor to companies in various financial and industrial groups.

Participation in other boards: Banco Compartamos, S.A., Institución de Banca Múltiple; FEMSA, Coca-Cola FEMSA; Grupo Financiero BBVA Bancomer; Seguros Monterrey, New York Life; Grupo Alsea; Grupo KUO; Grupo Industrial Saltillo, Consorcio Comex and Estafeta Mexicana.

Field of expertise: Accounting, auditing, internal control and corporate governance.



Risk management

2-12

Like any other company, we are exposed to economic, financial, political, reputational, environmental, social and governance risks, which we seek to identify, prevent, address and mitigate in a timely and appropriate manner through our strategy.

We continuously manage the risks we identify and incorporate regular analysis throughout the operation.

Genera's desired risk profile is reviewed and approved by the Board of Directors, which sets global limits and tolerance levels according to the risk assumed. For its part, the Directorate of Integral Risk Management and the Risk Committee have the responsibility to monitor that the exposure to risk is consistent with the risk levels established by the authority and that it does not exceed the internal limits established through the policies approved by the Board of Directors.

The Risk Management Department of Genera is the Comprehensive Risk Management Unit (UAIR, by its acronym in Spanish) who defines the methodologies for the correct identification, measurement and monitoring of possible risks by each business unit. Likewise, every company of Genera is responsible for the risks it assumes and the UAIR ensures that all of them are reported on a monthly basis to the Risk Committee, while the Audit Committee is responsible for following up on the risk observations of the supervisory entities and its own reviews of each of the companies





Risks and opportunities related to climate change

201-2

TCFD Governance a) and b), Strategy a) and b), Risk management b) and c)

At Genera we recognize that climate change is a reality that can represent a risk to our business, but also an opportunity for the creation of long-term value for our clients and stakeholders.

Main climate change risk for Genera and its companies

Increase in severe extreme weather phenomena, cyclones and floods.

Classification

Physical

Description of the risk-related impact

Operating contingency that interrupts the operation of the business.

Financial implications of the risk before action is taken

- Reduction of income due to a decrease in the capacity of attention to clients.
- Reduction in the ability to recover the loan portfolio.
- Increase in the costs of capital (due to damages in the facilities).
- Increase in insurance premiums.

Methods used to manage risk

- Training for Brigade Members in the field, as well as alerting and monitoring of meteorological events that could have an impact on areas of operation and clients.
- Report and monitoring of portfolio.

Cost of actions taken to manage risk

Ps. \$7.5 million in training for brigade members.

La The UAIR is responsible for monitoring risks related to climate change through the Risk Committee

This committee is responsible for assessing climate change-related risks that may compromise business continuity or result in an impact on the loan portfolio. It also informs the Board of Directors of the risks identified under this scenario.

Within the Crisis Committee, issues related to climate events are addressed and presented, where appropriate, for timely attention.



Data Security

418-1, FN-CB-230a.1, FN-CB-230a.2, FN-CF-220a.1, FN-CF-230a.1, FN-CF-230a.3

The guidelines to be followed to receive, store and manage data and information of our employees and clients are defined by our Information Security Governance model, the Genera Information Security Policy and the Regulatory Framework.

Our Organizational and Operational Governance Model of Information Security is supported by the same regulatory framework, as well as the definition of roles and responsibilities; it interacts with several areas of the institution.

The responsibility of the Executive Directorate of Governance Risk and Compliance is to supervise the security of the information in all the processes and activities that we carry out at Genera and its companies, whose functions are supported by the Chief Information Security Officer (CISO) and the Chief Technology Officer (CTO).

Likewise, we have response procedures to deal with possible incidents of loss of information and contingency plans, which are tested at least every six months in order to ensure their correct functioning and to analyze their vulnerability.

Our annual information security and privacy awareness and training program provides the necessary tools for our employees to handle information in accordance with our guidelines.

During 2021, we recorded 142 cybersecurity incidents that did not affect our clients.

On the other hand, in line with our transformation strategy, we moved the business processes and operational support of Compartamos Banco to the cloud and enabled the systems for the other Genera companies, which places us as one of the first financial institutions in Mexico to operate with these characteristics, complying with regulatory and security requirements of the applicable information.

The National Banking and Securities Commission (CNBV) gave us the approval to move our operations to the cloud

The support services provided for the operation of the bank are aligned with the needs of our internal and external clients, under criteria of innovation and best practices that place us as a cutting-edge financial institution.

With the enablement of our technological architecture, we can be increasingly efficient, flexible and agile by serving millions of people in a personalized way, maintaining the personal, warm and human touch that characterizes us.



Financial performance

We are convinced that we generate value by having the person at the center of our actions while working for the well-being of communities and their development. As a result, our business outcomes will allow us to continue boosting dreams

Information for investors

2-2, 201-1, 203-2, FN-IN-270a.3

Facing a challenging economic context in Mexico and Peru, we lived a year of recovery thanks to the approach and correct implementation of our strategy.

We accompanied more than 3 million clients in the economic reactivation of their businesses. Total loan portfolio reached the largest figure in Genera's history at Ps. \$46.238 billion in 4Q21, a 13.6% growth compared to 4Q20.

Our commitment to the economic reactivation of the countries where we operate resulted in 6.6% increase of clients, one of the largest growth in recent years.

Genera's overdue portfolio closed at 2.82%, improving by 2.61 percentage points as compared to 2020, a sign of the attention given to responsible placement.

The recovery in profits is a consequence of a growth with quality. In 2021, we reported Ps. \$2,625 million in Net Income for the 2021 full year. In addition, capital / total assets in Genera for 4Q21 stood at 35.3%, which demonstrates a strong liquidity position.

These results, together with the quality of our assets and the disciplined control of expenses in place, confirm our solid and reliable position to continue serving our clients in Mexico and Peru based on high service standards, setting the beginning of the transformation of Genera proposed for the following years.



Financial and operating results (figures expressed in millions of Mexican pesos)

Concept	2019	2020	2021
Credit Clients	3,486,699	3,001,092	3,198,777
Employees	22,736	22,366	20,206
Service Offices ¹	747	788	579
Branches	201	163	143
Portfolio (millions of pesos)	41,692	40,689	46,238
Average Loan per client	11,957	13,558	14,455
NPLs / Total portfolio	2.79%	5.43%	2.82%
Interest earned on credit portfolio	22,380	18,745	21,891
Income from financial investments	429	607	552
Proceeds from sale of assets	(43)	(10)	(5)
Interest income	22,809	19,352	22,443
Interest expense	2,076	2,302	1,965
Net Interest Income	20,733	17,050	20,478
Net interest income after provisions	17,569	10,070	16,596
Operating expenses	13,808	13,417	14,659
Salaries and benefits	8,751	8,716	9,423
Income tax	1,407	(709)	1,005
Net operating income	4,571	(2,482)	3,831
Net income	3,309	(1,635)	2,625
Capitalization (broken down in terms of debt)	31,892	42,793	40,839
Total stockholders' equity	20,521	22,282	24,834
Average portfolio	37,841	41,686	41,274
Average productive assets	45,418	57,493	57,632
Operating income / average portfolio	12.1%	-6.0%	9.3%
Net income / average portfolio	8.7%	-3.9%	6.4%
Operating income / average productive assets	10.1%	-4.3%	6.6%
Net income / average productive assets	7.3%	-2.8%	4.6%

¹ ConCrédito Service Offices are not considered because currently they are all virtual.

Balance sheet	2019	2020	2021
Assets			
Availability + Investments in securities + Debtors under repurchase agreements (cash and other investments)	7,710	18,481	13,850
Total Assets	56,640	68,951	70,272
Liquidity (availability + investments in securities) / total assets	13.6%	26.8%	19.7%
Total portfolio	41,692	40,689	46,238
Non-performing loans	1,163	2,209	1,303
Fixed asset	1,032	870	717
Liabilities			
Total liabilities	36,119	46,669	45,438
Liability with cost	31,892	42,793	40,839
Equity (Total stockholders' equity)	20,521	22,282	24,834
Net income per share (in Mexican pesos)	2	(1.02)	1.65
Average assets	53,849	66,740	69,226
Average equity	19,318	21,726	23,318
ROA (net income / average assets)	6.1%	-2.4%	3.8%
ROE (net income / average equity)	17.1%	-7.5%	11.3%

Value of the share	2019	2020	2021
Book value per share (in Mexican pesos)	12.9	14.04	15.59
Exchange rate	18.86	19.91	20.51
Share prices at the end of the year (in Mexican pesos)	19.47	9.73	13.18
Total actions for UPA and PCA calculation	1,590,893,876	1,587,593,876	1,592,856,876



100% of Genera's shares are floating.

Loan portfolio by country (millions of pesos)	2019	2020	2021
Mexico*	26,268	22,093	26,769
Peru	14,754	15,624	16,518
ConCrédito	-	2,248	2,952
Total²	41,022	39,965	46,239

*It only includes consumer credit portfolio, it excludes Ps. \$910 million pesos of commercial portfolio.

² The total portfolio balance includes the data for Guatemala for 2019 (Ps. \$669.8 million) and for 2020 (Ps. \$723.7 million).

Amount disbursed by countries (millions of pesos)	2019	2020	2021
Banco Compartamos	105,198	78,330	103,541
Peru	28,938	19,650	28,883
Guatemala	2,954	2,174	1,333
ConCrédito	n/a	n/a	7,944
Total	137,090	100,154	141,701



Interest income by country	2019		2020		2021	
	Interest income by country	%	Interest income by country	%	Interest income by country	%
Mexico	17,721	77.7%	14,630	75.6%	18,238	81.3%
Peru	4,497	19.7%	4,274	22.1%	4,205	18.7%
Guatemala	591	2.6%	448	2.3%	0	0.0%
Total	22,809	100%	19,352	100.0%	22,443	100%

Year	Percentage of portfolio broken down by business unit						
	Compartamos Banco	ConCrédito	Yastás	Aterna	Genera	Compartamos Financiera	Compartamos S.A.
	Mexico	Mexico	Mexico	Mexico	Mexico	Peru	Guatemala
2019	63.0%	0.0%	0.0%	0.0%	0.0%	35.4%	1.6%
2020	54.3%	5.5%	0.0%	0.0%	0.0%	38.4%	1.8%
2021	57.9%	6.4%	0.0%	0.0%	0.0%	35.7%	-

Net Income (Loss) (millions of pesos)	2019	2020	2021
Mexico (Compartamos Banco)	2,342	(1,344)	2,285
Peru	554	(277)	(139)
Genera, S.A.B. and subsidiaries	3,309	(1,635)	2,625
ConCrédito	-	-	543
Guatemala	56	(233)	-

² The total portfolio balance includes the data for Guatemala for 2019 (\$669.8 mdp) and for 2020 (\$723.7 mdp).



Economic value created, distributed and retained

Main indicators	Banco Compartamos		Compartamos Financiera		ConCrédito	
	2021	Δ vs 2020	2021	Δ vs 2020	2021	Δ vs 2020
NPLs / Total portfolio	2.08%	-3.56 pp	3.72%	-0.86 pp	4.46%	-2.46 pp
Coverage ratio	281.5%	106.6 pp	243.7%	20.1 pp	317.0%	170.6 pp
ROA	6.1%	9.9 pp	-0.7%	0.6 pp	13.0%	N/C
ROE	20.7%	32.5 pp	-4.0%	3.2 pp	24.0%	N/C

Main indicators	Banco Compartamos		Compartamos Financiera		Compartamos S.A.	
	2020	Δ vs 2019	2020	Δ vs 2019	2020	Δ vs 2019
NPLs / Total portfolio	5.64%	2.45 pp	4.58%	2.57 pp	12.59%	8.35 pp
Coverage ratio	174.9%	-28.7 pp	223.6%	-72.0 pp	199.8%	43.0 pp
ROA	-3.8%	-11.3 pp	-1.3%	-4.9 pp	-26.6%	-33.5 pp
ROE	-11.8%	-32.3 pp	-7.2%	-26.4 pp	-32.1%	-39.8 pp

Main indicators	Mexico		Peru		Guatemala	
	2019	Δ vs 2018	2019	Δ vs 2018	2019	Δ vs 2018
NPLs / Total portfolio	3.19%	0.60 pp	2.01%	-0.93 pp	4.2%	0.58 pp
Coverage ratio	203.6%	-21.6 pp	295.6%	57.7 pp	156.8%	-7.60 pp
ROA	7.5%	0.4 pp	3.6%	-0.2 pp	6.9%	0.60 pp
ROE	20.5%	1.7 pp	19.2%	-0.9 pp	7.7%	0.70 pp

Concept (millions of pesos)	2019	2020	2021
Direct economic value created ¹	24,035	20,820	24,889
Distributed economic value ²	16,847	14,848	17,528
Retained economic value ³	7,188	5,972	7,361
Net income	3,309	(1,635)	2,625

¹ Direct economic value created = interest income + commissions and fees charged + intermediation results + other operating income (expenses), net.

² Distributed economic value = interest expense + commissions and fees paid + administrative and promotional expenses + share of associate's income + taxes - depreciation and amortization.

³ Retained economic value = direct economic value created - distributed economic value.

Concept	2019	2020	2021
Number of Clients	3,486,699	3,001,092	3,198,777
Net Interest Income (millions of pesos)	20,733	17,050	20,478
Operating efficiency	25.6%	20.1%	21.2%
Net Operating Income (millions of pesos)	4,571	(2,482)	3,831
Net income (millions of pesos)	3,309	(1,635)	2,625



We have credit lines in Mexico and Peru that ensure the liquidity of our operations and the confidence of the market, as well as that of investors in our business.

Mexico

Citi, the U.S. International Development Finance Corporation (DFC) and the Japan International Cooperation Agency (JICA), in partnership, introduced loan agreements with Compartamos Banco to provide 70 million dollars in loans to primarily women-owned small businesses located in the less developed regions of Mexico.

In line with the Principles of Responsible Banking and other initiatives to generate sustainable value, Compartamos Banco successfully placed the amount of Ps. \$2.5 billion in the Institutional Stock Exchange (BIVA, by its acronym in Spanish). This being the first issuance of sustainable debt intended to fund productive projects, mainly for women, that generate a positive impact on society.

During 2021, we carried out a sustainable debt issue

Peru

Compartamos Financiera debt issuance for the total amount of 100 million soles in February and November was mainly highlighted by the rate achieved.

ConCrédito debt issuance for the amount of Ps. \$600 million in Trust certificates will enable a solid growth and offer financial solutions through a digital model to an increasing number of clients and end users.

The debt issuances in both countries demonstrate the clear commitment we have at Gentera to our stakeholders and to the clients we accompany every day, but it is also proof of our commitment to ensure that our business promotes the responsible and sustainable development of the communities where we are present.



Compartamos Banco Data	Capital	Commercial Banking	Development Banking	Multilateral	Cebures (local bonds)	Funds raised	Total
Dec-19	39.6%	0.0%	22.9%	0.0%	28.5%	9.0%	100%
Dec-20	30.3%	1.0%	36.8%	0.0%	24.0%	7.9%	100%
Dec-21	32.7%	0.0%	26.9%	0.0%	31.4%	9.0%	100%

Compartamos Financiera Data	Capital	Commercial Banking	Development Banking	Multilateral	Investment Funds	Funds raised	Payables under repurchase agreements	Total
Dec-17	19.4%	13.4%	6.7%	0.0%	8.4%	52.1%	0.0%	100%
Dec-18	18.9%	13.9%	4.0%	0.0%	6.5%	56.7%	0.0%	100%
Dec-19	19.1%	11.9%	7.3%	0.0%	1.6%	60.1%	0.0%	100%
Dec-20	17.5%	6.9%	11.3%	0.0%	0.0%	63.0%	1.3%	100%
Dec-21	18.6%	7.8%	7.8%	0.0%	0.0%	64.1%	1.7%	100%

Genera and Mexico Data	2019		2020		2021	
	Bank	Genera	Bank	Genera	Bank	Genera
Cumulative efficiency ratio	77.0%	75.1%	126.0%	122.7%	79.4%	79.3%
Accounting Capital / Total Assets	37.7%	36.2%	29.5%	32.3%	30.5%	35.3%
ICAP	32.6%	-	31.4%	-	37.1%	-

About the report

2-3, 2-4

Through our 2021 Annual and Sustainability Report we share with our stakeholders the operational, financial, environmental, social and governance results of Genera and its companies.

The environmental, social and governance (ESG) information reported, as well as the financial information corresponds to the operations of Genera, its companies and Fundación Compartamos in Mexico. Results from other entities, institutions, companies, shareholders, clients or business partners are not included. Since July 2021, Compartamos, S.A. is no longer part of Genera, so data or information about this company is not included, unless otherwise indicated.

Genera has prepared this report in accordance with the GRI Standards for the period from January 1st to December 31st, 2021. The information contained herein is effective for this term, with the exception of our greenhouse gas (GHG) emissions inventory from year 2020.

This report also responds to the requirements of the Sustainability Accounting Standards Board (SASB) applicable to the Consumer Banks, Financing and Insurance industries. It also contains our progress in contributing to the UNEP FI Principles for Responsible Banking.

With the aim of improving the quality of the information we disclose about our climate-related risks and opportunities, this report addresses key recommendations from the Task Force on Climate-related Financial Disclosures (TCFD).

Also, as signatories to the United Nations Global Compact, our 2021 Annual and Sustainability Report represents our Communication on Progress (CoP).

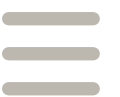
Genera, S.A.B. de C.V. is a public limited company listed on the Mexican Stock Exchange in accordance with the Mercantile Companies Law and the Securities Market Law.



Shareholder structure of Genera, S.A.B. de C.V.

at the end of the General Ordinary Shareholders' Meeting held on April 16th, 2022 is as follows:

Shareholders	Number of shares	% of equity interest
Repurchase fund	0	0
Free float	1,587,593,876.00	100
Total capital stock	1,587,593,876.00	100



Affiliation to associations in Mexico and Peru

2-28

Genera

Coparmex^{1,2,3}

Consejo Mexicano de Negocios²

Compartamos Banco

Prodesarrollo³

Asociación de Bancos de México (ABM)²

UNIFIMEX^{1,2}

Red Acción¹

¹ The affiliated company occupies a position in the governing body of the association.

² The affiliated company participates in projects or committees of the association.

³ The affiliated company provides financing in addition to the affiliation fee.

Awards and recognitions

Genera Awards

Las 100 empresas mexicanas globales
(100 Mexican global companies) Expansión – 59th place

1st place as one of the Best Places to Work® #ForAll
in Mexico 2021, category of 5,000 employees

5th place as one of the Best Places to Work in Times of Challenge in Mexico 2021,
category of 5,000 employees

Great Culture to Innovate Certification Mexico
Genera CEAS

Carlos Danel and Carlos Labarthe
Los 300 Líderes más Influyentes de México
(Top 300 most influencing leaders in Mexico)
Líderes Mexicanos – 165th place

Las empresas más innovadoras de México
(The most innovative companies in Mexico)
Category + 500 employees – 4th place

Los 100 empresarios más importantes de México
(Top 100 most important businessmen in Mexico)
Revista Expansión

Exceptional Companies 2021 Exceptional Practice
New Ways of Working Category

Las 500 empresas más importantes de México
(Top 500 most important companies in Mexico)
Expansión – 157th place

Best Places to Work in Latin America 2021
Great Place to Work Mexico – 21st Place – Multinationals Category

Best Workplaces for Women 2021
category of more than 5,000 employees – 4th place

500 empresas contra la corrupción
(500 companies against corruption) – Expansión/Mexicanos Contra la Corrupción y la Impunidad (Mexicans Against Corruption and Impunity)
Transparencia Mexicana – 23rd place

Compartamos Banco Awards

Best Workplaces 2021
CompuTrabajo – 2nd place – Banking Category

Ranking 50 most valuable and strongest brands in Mexico
Brand Finance – 50th Place

Exceptional Companies 2021
Exceptional Practice
Response and Adaptation Strategies Category

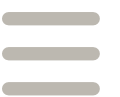
Compartamos Financiera Awards

Great Place to Work Perú
Best Places to Work for #Millennials in #Perú 2021
6th place



GRI Content Index

Universal Standards			
GRI Standard		Content	Page or response
GRI 1 Foundation 2021			
GRI 2 General Disclosures 2021			
1. The organization and its reporting practices			
GRI 2 General Disclosures 2021	2-1	Organizational details.	7
	2-2	Entities included in the organization's sustainability reporting.	7, 116
	2-3	Reporting period, frequency and contact point.	122, back cover
	2-4	Restatements of information.	122
	2-5	External assurance.	Only the Financial Statements have been verified by an external entity to Genera and its companies
2. Activities and workers			
GRI 2 General Disclosures 2021	2-6	Activities, value chain, and other business relationships.	7, 14, 17, 22, 25, 27, 29
	2-7	Employees.	39
	2-8	Workers who are not employees.	All our personnel are employees of Genera or its companies



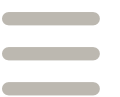
3. Governance			
GRI 2 General Disclosures 2021	2-9	Governance structure and composition.	101
	2-10	Nomination and selection of the highest governance body.	101
	2-11	Chair of the highest governance body.	101
	2-12	Role of the highest governance body in overseeing the management of impacts.	101, 113
	2-13	Delegation of responsibility for managing impacts.	101
	2-14	Role of the highest governance body in sustainability reporting.	The Shareholders' Meeting is responsible for approving Genera's 2021 Annual and Sustainability Report
	2-15	Conflicts of interest.	95
	2-16	Communication of critical concerns.	95
	2-17	Collective knowledge of the highest governance body.	101
	2-18	Evaluation of the performance of the highest governance body.	101
	2-19	Remuneration policies.	39, 101
	2-20	Process to determine remuneration.	39, 101
2-21	Annual total compensation ratio.	39	
4. Strategy, policies and practices			
GRI 2 General Disclosures 2021	2-22	Statement on sustainable development strategy.	3, 5
	2-23	Policy commitments.	10, 33, 95
	2-24	Embedding policy commitments.	83, 95
	2-25	Processes to remediate negative impacts.	95
	2-26	Mechanisms for seeking advice and raising concerns.	95
	2-27	Compliance with laws and regulations.	90, 95
	2-28	Membership associations.	123
5. Stakeholder engagement			
GRI 2 General Disclosures 2021	2-29	Approach to stakeholder engagement.	80
	2-30	Collective bargaining agreements.	39
GRI 3 Material Topics 2021			
GRI 3 Material Topics 2021	3-1	Process to determine material topics.	80
	3-2	List of material topics.	80
	3-3	Management of material topics.	80



Topic Standards			
GRI Standard		Content	Page or response
GRI 200: Economic standards			
GRI 201 Economic performance 2016	201-1	Direct economic value generated and distributed.	116
	201-2	Financial implications and other risks and opportunities due to climate change.	114
	201-3	Defined benefit plan obligations and other retirement plans.	39
GRI 202 Market presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage.	39
	202-2	Proportion of senior management hired from the local community.	39
GRI 203 Indirect economic impacts 2016	203-1	Infrastructure investments and services supported.	55
	203-2	Significant indirect economic impacts.	55, 116
GRI 204 Procurement practices 2016	204-1	Proportion of spending on local suppliers.	96% of our procurement budget in Mexico is allocated to local suppliers
GRI 205 Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures.	95
	205-3	Confirmed incidents of corruption and actions taken.	95
GRI 206 Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	95
GRI 300: Environmental standards			
GRI 302 Energy 2016	302-1	Energy consumption within the organization.	90
	302-2	Energy consumption outside of the organization.	90
GRI 305 Emissions 2016	305-1	Direct (Scope 1) GHG emissions.	90
	305-2	Energy indirect (Scope 2) GHG emissions.	90
	305-3	Other indirect (Scope 3) GHG emissions.	90
	305-4	GHG emissions intensity.	90
GRI 306 Waste 2020	306-3	Waste generated.	90
	306-4	Waste diverted from disposal.	90
	306-5	Waste directed to disposal.	90

GRI 400: Social standards			
GRI 401 Employment 2016	401-1	New employee hires and employee turnover.	39
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	39
	401-3	Parental leave.	39
GRI 403 Occupational health and safety 2018	403-1	Occupational health and safety management system.	51
	403-2	Hazard identification, risk assessment, and incident investigation.	51
	403-3	Occupational health services.	51
	403-4	Worker participation, consultation, and communication on occupational health and safety.	51
	403-5	Worker training on occupational health and safety.	36, 51
	403-6	Promotion of worker health.	36, 51
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	51
	403-8	Workers covered by an occupational health and safety management system.	51
	403-9	Work-related injuries.	51
	403-10	Work-related ill health.	51
GRI 404 Training and education 2016	404-1	Average hours of training per year per employee.	48
	404-2	Programs for upgrading employee skills and transition assistance programs.	36, 48
	404-3	Percentage of employees receiving regular performance and career development reviews.	48
GRI 405 Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees.	39
	405-2	Ratio of basic salary and remuneration of women to men.	39
GRI 406 Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken.	95
GRI 408 Child labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor.	95
GRI 409 Forced or compulsory labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor.	95
GRI 411 Rights of indigenous peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples.	95
GRI 413 Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs.	55
	413-2	Operations with significant actual and potential negative impacts on local communities.	88
GRI 417 Marketing and labeling 2016	417-3	Incidents of non-compliance concerning marketing communications.	95
GRI 418 Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	115



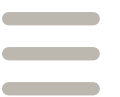


GRI Sector Disclosures			
GRI Sector Disclosures: Financial Services	FS1	Policies with specific environmental and social aspects applied to business lines.	83
	FS4	Processes to improve personnel competence in implementing environmental and social policies and procedures applicable to lines of business.	31
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large and by sector).	17, 22, 25
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	17, 22, 25, 29
	FS13	Access points in low-populated or economically disadvantaged areas by type.	17, 22, 25, 27
	FS14	Initiatives to improve access to financial services for disadvantaged people.	17, 22, 25, 27, 29, 31
	FS15	Policies for the correct design and offer of financial products and services.	14, 83
	FS16	Initiatives to improve financial literacy and education by type of beneficiary.	31, 55

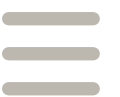


SASB Content Index

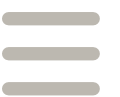
Commercial Banks			
SASB Standard		Content	Page or response
Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected.	115
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks.	115
Financial Inclusion & Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development.	17, 22, 25
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development.	17, 22, 25
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers.	17, 22, 25
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers.	17, 22, 25, 31, 55
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry.	17, 22, 25
	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis.	17, 22, 25 Partially reported



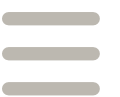
Business Ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.	During 2021, these type of monetary losses were not recorded in Genera or its companies
	FN-CB-510a.2	Description of whistleblower policies and procedures.	95
Systemic Risk Management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category.	Does not apply
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	Does not apply
Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business.	17 Small business does not apply to Genera
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate.	17, 22 Small business does not apply to Genera



Consumer Finance			
SASB Standard	Content	Page or response	
Customer Privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes.propósitos secundarios.	115
	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy.	During 2021, these type of losses were not recorded in Genera or its companies
Data Security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected.	115
	FN-CF-230a.2	Card-related fraud losses from (1) card-notpresent fraud and (2) card-present and other fraud.	During 2021, these type of frauds were not registered in Genera or its companies
	FN-CF-230a.3	Description of approach to identifying and addressing data security risks.	115
Selling Practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold.	39 Partially reported
	FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660.	Does not apply
	FN-CF-270a.3	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660.	Does not apply
	FN-CF-270a.4	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB.	17
	FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products.	During 2021, these type of monetary losses were not recorded in Genera or its companies
Activity Metrics	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account.	All our clients receive their credit through a debit account
	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts.	All our clients receive their credit through a debit account



Insurance			
SASB Standard		Content	Page or response
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance productrelated information to new and returning customers.	During 2021, these type of monetary losses were not recorded in Genera or its companies
	FN-IN-270a.2	Complaints-to-claims ratio.	17
	FN-IN-270a.3	Customer retention rate.	17, 22, 25, 116
	FN-IN-270a.4	Description of approach to informing customers about products.	12
Incorporation of Environmental, Social, and Governance Factors in Investment Management	FN-IN-410a.1	Total invested assets, by industry and asset class.	Not reported
	FN-IN-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies.	Not reported
Policies Designed to Incentivize Responsible Behavior	FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology.	Not reported
	FN-IN-410b.2	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors.	Not reported



Environmental Risk Exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes.	Not reported
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance).	Not reported
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy.	Not reported
Systemic Risk Management	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives.	Not reported
	FN-IN-550a.2	Total fair value of securities lending collateral assets.	Not reported
	FN-IN-550a.3	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities.	Not reported
Activity Metrics	FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance.	29



TCFD Index

TCFD		Content	Page or response
TCFD - Governance	a)	Describe the board's oversight of climate-related risks and opportunities.	114
	b)	Describe management's role in assessing and managing climate-related risks and opportunities.	114
TCFD - Strategy	a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	114
	b)	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	114 Partially reported
	c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Not reported

TCFD		Content	Page or response
TCFD - Risk Management	a)	Describe the organization's processes for identifying and assessing climate-related risks.	Not reported
	b)	Describe the organization's processes for managing climate-related risks.	114 Partially reported
	c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	114 Partially reported
TCFD - Metrics and Targets	a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	90 Partially reported
	b)	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	90
	c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Not reported

Independent Auditors' Report

The Board of Directors and Stockholders

Genera, S.A.B. de C.V.

(Millions of pesos)

Opinion

We have audited the consolidated financial statements of Genera, S. A. B. de C. V. and subsidiaries (Genera), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of income, changes in stockholders' equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Genera, S. A. B. de C. V. and subsidiaries, have been prepared, in all material respects, in accordance with the Accounting Criteria for Credit Institutions in Mexico (the Accounting Criteria), set forth by the National Banking and Securities Commission (the Commission).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of Genera in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Mexico, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

The key audit matters are those that, according to our professional judgment, have been of the major relevance in our audit of the consolidated financial statements of the current period. These matters have been addressed in the context of our audit of the consolidated financial statements as a whole and in forming of our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for loan losses for \$3,473, in the consolidated balance sheet

See notes 3(f) and 8 to the consolidated financial statements

Key audit matter

The consumer loan portfolio's allowance for loan losses involves the evaluation of different factors established in the methodologies set forth by the Commission, which include, among others, pastdue billings, payments, balances reported in credit bureau, as well as the reliability in the documentation and update of information, which serves as an input for the determination of the allowance for loan losses.

Therefore, we have determined the allowance for loan losses as a key audit matter.

How the key Audit matter was treated in our audit

The audit procedures applied to the determination by Management of the allowance for loan losses and the effect on income for the year included the assessment, through selective tests, of both the inputs used and the calculation method for the consumer loan portfolio, based on the methodology in force established by the Commission.

Calculation of labor obligations related to retirement and termination for \$928 (liability)

See notes 3(q) and 16 to the consolidated financial statements

Key audit matter

Genera has established defined benefit plans for its employees. The determination of the liability for labor obligations related to defined benefit was made through actuarial calculations that requires significant judgment in the selection of the assumptions used to determine the net liabilities for defined benefits of labor obligations related to retirement and termination.

Therefore, we have determined the labor obligations related to defined benefits as a key audit matter.

How the key Audit matter was treated in our audit

Our audit procedures to address this key matter included, among others, assessing the following:

Through the involvement of our actuaries, we assessed both the reasonableness of the assumptions used by management to determine the net liability for defined benefits of the labor obligations related to retirement and termination, as well as the method of calculation used.

In addition, selective items were tested to corroborate the appropriate incorporation of the personnel data that were included as a base for the actuarial calculation, and we assessed the appropriateness of the disclosures in the notes to the consolidated financial statements.

Goodwill impairment test assessment for \$4,997 (asset)

See notes 3(m), 11 and 12 to the consolidated financial statements

Key audit matter

Genera has recognized goodwill for \$4,997. Such goodwill is subject to impairment testing which is performed through the use of valuation techniques that involve a significant judgment for the determination of the future cash flows estimated by Management.

Most of the goodwill has been assigned to the cash flow generating units (CGUs) of the acquired businesses.

The annual impairment test for goodwill is considered a key audit matter due to the complexity of the calculations and the significant judgments necessary in determining the assumptions to be used to estimate the recoverable amount.

The recoverable amount of the CGUs is derived from the predicted discounted cash flow models.

These models use several key assumptions, including future sales prices, growth percentages of the terminal values and the weighted average cost of capital (discount rate).

How the key Audit matter was treated in our audit

Our audit procedures for this key matter included, among others, the following:

- We involved our specialists to assist us in evaluating the appropriateness of the discount rates used, which included comparing the weighted-average cost of capital to the average of the sectors of the relevant markets in which the CGUs operate.
- We assessed the appropriateness of the assumptions applied to key data such as volumes, operating costs, inflation and long-term growth rates, which included comparing such data to external sources as well as our evaluation based on our knowledge of the client and of the industry.
- We also evaluated the appropriateness of the disclosures in the notes to the consolidated financial statements.

Other information

Management is responsible for the other information. The other information includes the information included in the Annual Report of Genera corresponding to the year ended December 31, 2021, to be presented to the National Banking and Securities Commission and Mexican Stock Exchange (the Annual Report), but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is estimated to be available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any kind of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when available and, in doing so, consider if the other information is materially inconsistent with the consolidated financial statements or with our knowledge obtained during the audit, or if it appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement in that other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and those charged with governance in relation to the consolidated financial statements

Management is responsible for the preparation of the consolidated financial statements in accordance with the Accounting Criteria set forth by the Commission, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing Genera's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate Genera or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Genera's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also::

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Genera's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or with conditions that may cast significant doubt on Genera's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Genera to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Genera to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to those charged with governance of the entity a statement that we have fulfilled the applicable requirements of ethics in relation with the independence and that we have communicated to them all the relationships and other matters from which it is possible to hope reasonably that they can affect our independence and, where appropriate, the actions taken to eliminate threatens or applicable safeguards.

Among the matters that have been an object of communication with those charged with governance, we determine those which have been of the major relevance in the audit of the consolidated financial statements of the current period and that are, in consequence, the key audit matters. We describe these matters in our auditor's report unless legal or regulatory provisions prohibit public disclosure of the matter or, in extremely rare circumstances, we determine that a matter should not be communicated in our report as it could be reasonably expected that the adverse consequences thereof would exceed its public interest benefits.

KPMG Cárdenas Dosal S.C.

Alberto Alarcón Padilla
Mexico City, February 23, 2022.

Genera, S. A. B. de C. V. and subsidiaries
 Insurgentes Sur 1458, Colonia Actipan, C. P. 03230, Mexico City

Consolidated balance sheets

Years ended December 31, 2021 and 2020

(Millions of pesos)

Assets		2021	2020
Cash and cash equivalents (note 6)	\$	12,134	17,194
Investment securities (note 7):			
Trading		400	-
Available-for-sale securities		1,316	1,287
		1,716	1,287
Derivates:			
Trading		13	-
Current loan portfolio (note 8):			
Commercial loans:			
Business and commercial		130	141
Consumer loans		44,805	38,338
Residential mortgages		-	1
Total current loan portfolio		44,935	38,480

Assets		2021	2020
Past-due loan portfolio (note 8):			
Commercial loans:			
Business and commercial		7	4
Consumer loans		1,296	2,205
Total past-due loan portfolio		1,303	2,209
Total loan portfolio		46,238	40,689
Less:			
Allowance for loan losses (note 8)		3,473	4,178
Loan portfolio, net		42,765	36,511
Other accounts receivable, net (note 9)		3,187	2,980
Properties, furniture and equipment, net (note 10)		717	870
Investment in associated companies (note 11)		113	94
Long-lived assets available for sale, net (note 11)		347	-
Deferred income tax and employee statutory profit sharing, net (note 17)		1,922	2,570
Other assets, deferred charges and intangibles, net (note 12)		7,358	7,445
Total assets		\$70,272	\$68,951

Liabilities and stockholders' equity	2021	2020
Liabilities:		
Deposit funding (note 13):		
Demand deposits	\$ 3,919	2,939
Time deposits:		
General public	10,142	10,784
Money market	1,008	972
Debt securities issued	11,283	8,794
Global account of deposits with no movements	82	39
	26,434	23,528
Banking and other borrowings (note 14):		
Short-term	2,318	3,199
Long-term	10,356	14,591
	12,674	17,790
Creditors on repurchase/resell agreements	327	258
Obligations in securitization operations (note 15)	1,404	1,217
Other accounts payable:		
Income tax payable	88	39
Employee statutory profit sharing payable (note 17)	264	72
Sundry creditors and other accounts payable (note 18)	3,910	3,544
	4,262	3,655

Liabilities and stockholders' equity	2021	2020
Deferred income tax (note 17)	200	221
Deferred charges and advance payments	137	-
Total liabilities	45,438	46,669
Stockholders' equity (note 20):		
Paid-in capital:		
Capital stock	4,764	4,764
Additional paid-in capital	515	558
Earned capital:		
Statutory reserves	1,845	1,845
Prior years' results	11,743	13,335
Valuation of available-for-sale securities	(2)	3
Cumulative translation adjustment	107	358
Remeasurements for employees' defined benefits	(85)	(388)
Net income (loss)	2,347	(1,592)
	15,955	13,561
Non-controlling interest	3,600	3,399
Total stockholders' equity	24,834	22,282
Commitments and contingent liabilities (note 26)		
Subsequent event (note 26)		
Total liabilities and stockholders' equity	\$ 70,272	68,951

Memorandum accounts		2021	2020
Contingent assets (note 6)	\$	3,744	6,759
Credit commitments		3,328	-
Uncollected interest accrued on past-due loans (note 8)		293	207
Other memorandum accounts (note 14)		15,118	7,482

The historical capital stock as of December 31, 2021 and 2020, amounts to \$4,764, in both years.

The accompanying notes are an integral part of these consolidated financial statements.

“These consolidated balance sheets were prepared in accordance with the accounting criteria for credit institutions issued by the National Banking and Securities Commission based on Article 78 of the “General Provisions Applicable to Issuers of Securities and Other Securities Markets Participants” applied on a consistent basis. Accordingly, they reflect the transactions carried out by the Institution through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound banking practices and the applicable legal and administrative provisions.”

“These consolidated balance sheets were approved by the Board of Directors under the responsibility of the following officers.”

Enrique Majós Ramírez
Chief Executive Officer

Mario Ignacio Langarica Ávila
Chief Financial Officer

Marco Antonio Guadarrama Villalobos
Controller

Oscar Luis Ibarra Burgos
General Internal Auditor

Genera, S. A. B. de C. V. and subsidiaries
 Insurgentes Sur 1458, Colonia Actipan, C. P. 03230, Mexico City

Consolidated statements of income

Years ended December 31, 2021 and 2020
 (Millions of pesos)

	2021	2020
Interest income (note 23) \$	22,443	18,905
Interest expense (note 23)	(1,965)	(2,298)
Financial margin	20,478	16,607
Allowance for loan losses (note 8)	(3,882)	(6,740)
Financial margin after allowance for loan losses	16,596	9,867
Commissions and fee income (note 23)	1,579	1,071
Commissions and fee expense (note 23)	(552)	(594)
Financial intermediation result	10	9
Other operating income (expenses), net (note 23)	857	380
Administrative and promotional expenses	(14,659)	(12,943)
Operating income (loss)	3,831	(2,210)
Equity method of associated companies (note 11)	(17)	79
Operating income (loss) before income tax	3,81	(2,131)
Current income tax (note 17)	(591)	(313)
Deferred income tax (note 17)	(414)	983
Net income (loss) before discontinued operations	2,809	(1,461)
Discontinued operations (note 11)	(184)	(174)

Net income (loss)	2,625	(1,635)
Non-controlling interest	(278)	43
Controlling interest net income (loss)	2,347	(1,592)
Earning (loss) per share (in pesos, see note 3(y))	1.65	(1.02)

The accompanying notes are an integral part of these consolidated financial statements.

“These consolidated statements of income were prepared in accordance with the accounting criteria for credit institutions issued by the National Banking and Securities Commission based on Article 78 of the “General Provisions Applicable to Issuers of Securities and Other Securities Markets Participants” applied on a consistent basis. Accordingly, they reflect the revenues and disbursements relating to the transactions carried out by the Institution during the years noted above. Furthermore, these transactions were carried out and valued in accordance with sound banking practices and the applicable legal and administrative provisions.”

“These consolidated statements of income were approved by the Board of Directors under the responsibility of the following officers”.

Enrique Majós Ramírez
Chief Executive Officer

Mario Ignacio Langarica Ávila
Chief Financial Officer

Marco Antonio Guadarrama Villalobos
Controller

Oscar Luis Ibarra Burgos
General Internal Auditor

Genera, S. A. B. de C. V. and subsidiaries
 Insurgentes Sur 1458, Colonia Actipan, C. P. 03230, Mexico City

Consolidated statements of changes in stockholders' equity

Years ended December 31, 2021 and 2020

(Millions of pesos)

	Paid-in capital		Earned capital					Non-con- trolling interest	Total stockholders' equity	
	Capital stock	Additional paid-in capital	Statutory reserves	Prior years' results	Valuation of available- for-sale securities	Cumulative translation adjustment	Remeasure- ments for employees' defined benefits			Net income (loss)
Balances as of December 31, 2019	\$ 4,764	558	1,888	10,060	(1)	531	(612)	3,275	58	20,521
Changes resulting from stockholders' decisions:										
Resolutions agreed on April 17, 2020:										
Appropriation of prior year's net income	-	-	-	3,275	-	-	-	(3,275)	-	-
Repurchase of shares	-	-	(43)	-	-	-	-	-	-	(43)
Total	-	-	(43)	3,275	-	-	-	(3,275)	-	(43)
Changes related to the recognition of comprehensive income:										
Net loss	-	-	-	-	-	-	-	(1,592)	(43)	(1,635)
Valuation of available-for-sale securities, net of deferred taxes	-	-	-	-	4	-	-	-	-	4
Cumulative translation adjustment of subsidiaries, net	-	-	-	-	-	(173)	-	-	-	(173)
Remeasurements for employees' defined benefits, net of deferred taxes	-	-	-	-	-	-	224	-	-	224
Total	-	-	-	-	4	(173)	224	(1,592)	(43)	(1,580)

	Paid-in capital		Earned capital					Non-controlling interest	Total stockholders' equity	
	Capital stock	Additional paid-in capital	Statutory reserves	Prior years' results	Valuation of available-for-sale securities	Cumulative translation adjustment	Remeasurements for employees' defined benefits			Net income (loss)
Non-controlling interest	-	-	-	-	-	-	-	-	3,384	3,384
Balances as of December 31, 2020	4,764	558	1,845	13,335	3	358	(388)	(1,592)	3,399	22,282
Changes resulting from stockholders' decisions:										
Resolutions agreed on April 17, 2021:										
Appropriation of prior year's net income	-	-	-	(1,592)	-	-	-	1,592	-	-
Repurchase of shares	-	(43)	-	-	-	-	-	-	-	(43)
Total	-	(43)	-	(1,592)	-	-	-	1,592	-	(43)
Changes related to the recognition of comprehensive income:										
Net income	-	-	-	-	-	-	-	2,347	278	2,625
Valuation of available-for-sale securities, net of deferred taxes	-	-	-	-	(5)	-	-	-	-	(5)
Cumulative translation adjustment of subsidiaries, net	-	-	-	-	-	(251)	-	-	-	(251)
Remeasurements for employees' defined benefits, net of deferred taxes	-	-	-	-	-	-	303	-	-	303
Total	-	-	-	-	(5)	(251)	303	2,347	278	2,672
Non-controlling interest	-	-	-	-	-	-	-	-	(77)	(77)
Balances as of December 31, 2021	\$ 4,764	515	1,845	11,743	(2)	107	(85)	2,347	3,600	24,834

The accompanying notes are an integral part of these consolidated financial statements.

“These consolidated statements of changes in stockholders’ equity were prepared in accordance with the accounting criteria for credit institutions issued by the National Banking and Securities Commission based on Article 78 of the “General Provisions Applicable to Issuers of Securities and Other Securities Markets Participants” applied on a consistent basis. Accordingly, they reflect all the stockholders’ equity account entries relating to the transactions carried out by the Institution during the years noted above. Furthermore, these transactions were carried out and valued in accordance with sound banking practices and the applicable legal and administrative provisions.”

“These consolidated statements of changes in stockholders’ equity were approved by the Board of Directors under the responsibility of the following officers.”

Enrique Majós Ramírez
Chief Executive Officer

Mario Ignacio Langarica Ávila
Chief Financial Officer

Marco Antonio Guadarrama Villalobos
Controller

Oscar Luis Ibarra Burgos
General Internal Auditor

Genera, S. A. B. de C. V. and subsidiaries
 Insurgentes Sur 1458, Colonia Actipan, C. P. 03230, Mexico City

Consolidated statements of cash flows

Years ended December 31, 2021 and 2020
 (Millions of pesos)

	2021	2020
Net income (loss)	\$ 2347	(1,592)
Adjustment for items not requiring cash flows:		
(Reverse) losses of impairment associated with investment activities	(2)	29
Depreciation and amortization	670	687
Loss on sale of furniture and equipment	139	10
Provisions	725	920
Current and deferred income tax	1,005	(709)
Discontinued operations	184	(59)
Equity investment in associated companies	17	(79)
	2,738	799
Operating activities:		
Change in investment securities	(434)	(449)
Change in derivatives	(13)	
Change in loan portfolio (net)	(6,306)	5,013
Change in other operating assets (net)	(1,349)	(1,109)
Change in deposit funding	2,906	2,255
Change in banking and other borrowings	(5,116)	6,591

	2021	2020
Change in creditors on repurchase/resell agreements	69	258
Change in obligations in securitization operations	187	(83)
Change in other operating liabilities	805	(710)
Payments of income tax	(401)	(1,247)
	(9,652)	10,519
Net cash flows (used in) from operating activities	(4,567)	9,726
Investment activities:		
Proceeds from the disposal of furniture and equipment	22	8
Payments in the acquisition of furniture and equipment	(279)	(140)
Cash flow (paid) received for acquisition of subsidiary companies	(55)	588
Dividends received from associated companies	-	67
Increase in intangibles assets	(290)	(111)
Collections of disposal of long-lived assets available for sale	-	265
Net cash flows (used in) from investment activities	(602)	677
Financing activities:		
Payments associated to repurchase of own shares	-	(43)
Change in non-controlling interest	201	32
Net cash flows from (used in) financing activities	201	(11)
Net (decrease) increase in cash and cash equivalents	(4,968)	10,392
Effects on changes in cash and cash equivalents	(92)	(73)
Cash and cash equivalents at the beginning of the year	17,194	6,875
Cash and cash equivalents at the end of the year	\$ 12,134	17,194

The accompanying notes are an integral part of these consolidated financial statements.

“These consolidated statements of cash flows were prepared in accordance with the accounting criteria for credit institutions, issued by the National Banking and Securities Commission, based on Article 78 of the “General Provisions Applicable to Issuers of Securities and Other Securities Markets Participants” applied on a consistent basis. Accordingly, they reflect the cash inflows and outflows arising from transactions carried out by the Institution during the years noted above. Furthermore, these transactions were carried out and valued in accordance with sound banking practices and the applicable legal and administrative provisions.”

“These consolidated statements of cash flows were approved by the Board of Directors under the responsibility of the following officers.”

Enrique Majós Ramírez
Chief Executive Officer

Mario Ignacio Langarica Ávila
Chief Financial Officer

Marco Antonio Guadarrama Villalobos
Controller

Oscar Luis Ibarra Burgos
General Internal Auditor

Genera, S. A. B. de C. V. and subsidiaries

Notes to the consolidated financial statements

For the years ended December 31, 2021 and 2020

(Millions of pesos, except otherwise noted)

(1) Description of business -

Description of business-

Genera, S. A. B. de C. V. (Genera) is a Mexican corporation located in Insurgentes Sur 1458, Colonia Actipan, 03230, Mexico City, which purpose is to acquire interest or participations in other commercial or civil entities, as well as dispose of or transfer such shares or participations and enter into partnership or association contracts with domestic or foreign individuals or legal entities.

At December 31, 2021 and 2020, Genera and its consolidated subsidiaries are comprised of:

- i. Banco Compartamos, S. A., Institución de Banca Múltiple (the Bank) which in accordance with the Law for Credit Institutions, is authorized to carry out multiple banking activities in Mexico, which comprise, among others, granting loans, receipt of deposits, acceptance of borrowings, operation with securities and other financial instruments.
- ii. Compartamos Financiera, S. A. (Compartamos Financiera) is an entity incorporated under the regulations of the Republic of Peru, which purpose is to operate as a financial services entity, and is allowed to carry out all transactions and provide all services, by any means that result applicable and correspond, in accordance with established legal provisions that regulate entities of this nature in conformity with Peruvian legislation.

On April 8, 2020, Compartamos Financiera increased its shareholding in Pagos Digitales Peruanos, S. A. with an increase in capital stock of 11,835,075 Peruvian soles for the subscription of 62,237,237 shares, for which it acquired control of such entity and increased its shareholding to 55.56%, therefore as of that date this entity is consolidated.

- iii. Compartamos, S. A. (Compartamos Guatemala) established in Guatemala, which until July 5, 2021 had as its corporate purpose, among others, granting all types of loans and financing to individuals or legal entities. On that date, it entered into a purchase and sale agreement for the purpose of selling 100% of its portfolio and assets; as of that date, it has been in the process of closing its operations; therefore, for the years ended December 31, 2021 and 2020, the results are presented under the caption "Discontinued operations".
- iv. Red Yastás, S. A. de C. V. (Red Yastás), is an entity incorporated in Mexico, which purpose is: a) to enter into agreements to provide services, either mandates or commercial commission with credit institutions to engage with other people on behalf of the aforementioned credit institutions, the commissions or services mandated, complying with applicable regulation on each transaction or banking service, b) to service credit institutions as manager of commission agents with the purpose of organizing service

providers' networks or banking commission agents to carry out certain activities and c) to receive, process and distribute all types of funds or economic resources through electronic, manual or telephonic transfers or directly online through any other means of communication, among others.

- v. Compartamos Servicios, S. A. de C. V. (Compartamos Servicios), is an entity incorporated in Mexico, which purpose is to provide the provision of services for the planning, organization and management of companies.
- vi. Controladora AT, S. A. P. I. de C. V. (Controladora AT), is an entity incorporated in Mexico, which consolidates Aterna, Agente de Seguros y Fianzas, S. A. de C. V. (Aterna). Controladora AT's purpose is acquiring interest or participations in other commercial or civil entities, as well as dispose of or transfer such shares or participations and enter into partnership or association contracts with individuals or legal entities. Aterna is an entity incorporated in Mexico, which purpose is to act as insurance and bonding agent under the terms of the General Law for Insurance and Mutual Insurance Companies, Federal Bonding Institutions Act and Regulation of Insurance Agents and Bonding.
- vii. Fin Útil, S. A. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (Fin Útil), a consolidated subsidiary beginning August 10, 2020 (see note 11), is a financial institution established in Mexico, which main activity is granting commercial and personal loans to individuals. For such purpose, Fin Útil obtains financing from Mexican financial institutions and from issuances of stock certificates through public trust Fideicomisos Irrevocables de Emisión de Certificados Bursátiles Fiduciarios, Administración y Pago numbers F/00925 and F/01064 (Issuer Trusts), backed by Fin Útil's loans. These trusts, which are detailed below, are consolidated by Fin Útil considering that it acts as portfolio manager and second trustee, and therefore has the power over

them to direct their relevant activities, and is exposed and entitled to variable yields from the remaining portfolio of the trust when settling the totality of the trust certificates to the investing public.

- Fideicomiso Irrevocable de Emisión de Certificados Bursátiles Fiduciarios, Administración y Pago number F/00925, which main purpose is to issue stock certificates and manage the Trust's assets, which are contributed by Fin Útil.
 - Fideicomiso Irrevocable de Emisión de Certificados Bursátiles Fiduciarios, Administración y Pago number F/01064, which main purpose is to issue stock certificates and manage the Trust's assets contributed by Fin Útil.
 - Fideicomiso Irrevocable de Administración CIB/591, which main purpose is to establish a mechanism to facilitate the administration of the collection in compliance with the obligations of Fin Útil with respect to the Trustees, derived from the loan agreement and other financing documents.
- viii. Comfu, S. A. de C. V. (Comfu), a subsidiary consolidated beginning August 10, 2020 (see note 11), is a company established in Mexico which main activity is the sale, distribution, purchase, import, export, sale or acquisition of all kinds of articles, merchandise and consumer products such as household appliances, kitchen and dining appliances, electronics, cell phones, among other services that are provided to Fin Útil's customers.
 - ix. Talento Concrédito, S. A. de C. V. (Talento Concrédito), consolidated subsidiary beginning August 10, 2020 (see note 11), is a company established in Mexico which main activity is providing personnel supply, recruitment, training and management services for the companies Fin Útil and Comfu.

(2) cambios a la narrativa-

Authorization

On February 23, 2022, the Board of Directors and the following officers approved the issuance of the accompanying consolidated financial statements and their related notes:

Enrique Majós Ramírez	Chief Executive Officer
Mario Ignacio Langarica Ávila	Chief Financial Officer
Marco Antonio Guadarrama Villalobos	Controller
Oscar Luis Ibarra Burgos	General Internal Auditor

The Stockholders of Genera are empowered to modify the consolidated financial statements after its issuance.

Bases of preparation

a) Statement of compliance

The "General regulations applicable to securities issuers and other securities market participants" which establishes that securities issuers which, through its subsidiaries, carry out mainly financial activities subject to the supervision of Mexican authorities, are required to prepare and audit its financial statements under the same basis applicable to such subsidiaries, with the purpose of ensuring that the financial information of both entities is comparable.

The aforementioned is determined when such activities represent more than 70% of consolidated assets, liabilities or total revenues at the prior year-end, it is deemed required to have three fiscal years in which the activity represents less than 50% of the total consolidated assets, liabilities or revenues of an issuer, or, in the fiscal year immediately preceding the fis-

cal year in question, represents less than 20% of such activity. Consequently, since the Bank comprises 53% and 74% and Fin Útil 12% and 8% of the consolidated assets and revenues, respectively, as of and for the year ended December 31, 2021 (the Bank 52% and 73% respectively, in 2020), the accompanying consolidated financial statements have been prepared in conformity with the Accounting Criteria for Credit Institutions in Mexico (Accounting Criteria) established in Article 33 of the General Provisions applicable to Credit Institutions issued by the Commission.

The Accounting Criteria establish that the accounting of Credit Institutions must comply with the basic structure of the Mexican Financial Reporting Standards (MFRS) defined by the Mexican Financial Reporting Standards Board (Consejo Mexicano de Normas de Información Financiera, A. C. - CINIF) in MFRS A-1 "Structure of Financial Reporting Standards", considering in first instance the MFRS contained in the MFRS A Series "Conceptual framework", as well as the provisions of accounting criteria A-4 "Supplementary application to accounting criteria". Likewise, Accounting Criteria establish that institutions must observe the accounting guidelines of the MFRS except when it is necessary, in the Commission's judgment, to apply specific accounting standards or criteria on recognition, valuation, presentation and disclosure applicable to specific items of the financial statements and those applicable to their preparation, considering that entities carry out specialized transactions.

Likewise, the Accounting Criteria points out that in the absence of specific accounting criteria from the Commission and in a broader context the MFRS, supplementary use of Mexican MFRS A-8 will be followed and only in the event that the International Financial Reporting Standards (IFRS), referred to by Mexican MFRS A-8 do not provide guidance to the accounting treatment, another set of established accounting standards may be used in the following order: generally accepted accounting principles in the United States of America ("US GAAP") or any accounting standard that is part of a formal and recognized set of standards, provided that it meets the requirements of the Commission's criteria A-4 "Supplementary application to accounting criteria".

b) Use of estimates and judgments

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the recorded amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of income and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

Judgments and assumptions and estimation uncertainties

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Notes 3(f), 3(g), 8 and 9 – Determination of the allowance for loan losses and recoverability of other accounts receivable: assumptions and inputs for its determination.
- Notes 3 (m), 10, 11 and 12- Impairment assessment of book value of properties, furniture and equipment, intangibles, permanent investments and goodwill: key assumptions for the recoverable amount, including recoverability of development costs, measurement of impairment of investment in associated companies.
- Notes 3 (k) and 17 – Recognition of deferred tax assets: availability of future taxable profits and materialize of deferred tax asset.
- Notes 3 (q) and 16 – Measurement of defined benefit obligations: key actuarial assumptions.
- Notes 3 (i) and 11 – Investment in associated companies: whether Genera has significant influence.
- Note 3 (b) – Consolidation: whether Genera has factual control over an investee.

c) Functional and reporting currency and translation of financial statements for foreign operations

The consolidated financial statements are presented in Mexican peso reporting currency.

The financial statements of the foreign subsidiaries have been translated into Mexican pesos (reporting currency) considering that their recording and functional currency are the same, resulting in the use of the following exchange rates: a) year-end for monetary and non-monetary assets and liabilities (\$5.1436 Mexican pesos per Peruvian sol and \$2.6567 Mexican pesos per Guatemalan quetzal as of December 31, 2021, b) historical for stockholder's equity and c) weighted average of the period (\$5.4072 Mexican pesos per Peruvian sol and \$2.5755 Mexican pesos per Guatemalan quetzal) for revenues, costs and expenses, translation effects are presented as part of stockholders' equity.

The exchange rates used in 2020 were: a) year-end for monetary and non-monetary assets and liabilities (\$5.4981 Mexican pesos per Peruvian sol and \$2.4501 Mexican pesos per Guatemalan quetzal, b) historical for stockholder's equity and c) weighted average of the period (\$6.8315 Mexican pesos per Peruvian sol and \$2.4988 Mexican pesos per Guatemala quetzal) for revenues, costs and expenses, translation effects are presented as part of stockholders' equity.

For purposes of disclosure in the notes to the consolidated financial statements, pesos or "\$" refers to millions of Mexican pesos, and when reference is made to dollars, it means dollars of the United States of America, when reference is made to soles, it means soles of the Republic of Peru.

d) Transactions at the trade date

The consolidated financial statements of Genera recognize assets and liabilities arising from investment securities on the trade date, regardless of the settlement date.

(3) Summary of significant accounting policies-

The following summarizes the most important accounting criteria followed during the preparation of the consolidated financial statements, which have been applied consistently during the years presented.

(a) Recognition of the effects of inflation-

The accompanying consolidated financial statements include the recognition of inflation effects in the financial information through December 31, 2007, based on the measurement factor derived from the value of the Investment Unit (UDI – Spanish abbreviation) which is an index, whose value is determined by Banco de México (the Central Bank) derived from inflation, given that beginning in 2008, in accordance with the Mexican MFRS B-10 “Effects of Inflation”, Genera and subsidiaries operate on a non-inflationary economic environment (accumulated inflation in the prior three-year period less than 26%).

The percentage of accumulated inflation in the prior three-year period, yearly inflation and the value of UDI at each of the year-end are shown as follows:

	Inflation			
	December, 31	UDI	Yearly	Cumulative
2021	\$	7.108233	7.61%	14.16%
2020		6.605597	3.23%	11.31%
2019		6.399018	2.77%	15.03%

(b) Basis of consolidation-

The accompanying consolidated financial statements as of and for the years ended December 31, 2021 and 2020, include the balances of Genera and its subsidiaries mentioned below.

The financial statements of the subsidiaries have been converted, prior to consolidation, to Accounting Criteria set-forth by the Commission. All significant balances and transactions between Genera and the subsidiaries have been eliminated upon consolidation:

Entity	Participation	Functional currency
Banco	99.98%	Mexican pesos
Compartamos Guatemala	99.99%	Guatemalan quetzal
Compartamos Financiera ⁽¹⁾	99.99%	Peruvian soles
Red Yastás	99.99%	Mexican pesos
Compartamos Servicios	99.99%	Mexican pesos
Controladora AT ⁽²⁾	50.00%	Mexican pesos
Fin Útil ⁽³⁾	51.49%	Mexican pesos
Comfu ⁽⁴⁾	51.49%	Mexican pesos
Talento ⁽⁴⁾	51.49%	Mexican pesos

- (1) Compartamos Financiera consolidates its financial statements with Pagos Digitales Peruanos, S.A.
(2) Controladora AT is consolidated because Genera has control on the financial policies and operating decisions of the subsidiary.
(3) Consolidated subsidiaries beginning August 10, 2020 (see note 11), which in turn consolidates the Issuer Trusts.
(4) Consolidated subsidiaries beginning August 10, 2020 (see note 11).

(c) Cash and cash equivalents-

This caption comprises, bank accounts in local and foreign banks and restricted cash which are recognized at face value, and cash and cash equivalents in foreign currency are valued at the exchange rate issued by the Central Bank at the date of presentation of the consolidated financial statements. Interest earned from cash and cash equivalents is recognized in the consolidated income statement on an accrual basis (note 6).

The restricted cash and cash equivalents include documented bank loans with original maturities of up to three days ("Call Money"), deposit auctions and the deposit of monetary regulation, both with the Central Bank in accordance with the Law, in order to regulate the money market liquidity, such deposit bears interest at interbank funding rate. Also, this caption includes the saving fund of Genera's employees and guarantee deposits with financial institutions in Peru.

The foreign exchange currencies acquired and agreed to be settled at later date to the purchase/sale transaction are recognized as restricted cash (foreign currency to be received), while foreign currency sold is recorded as cash outflow (currency to be delivered). The rights and obligations arising from the foreign exchange sales and purchases are recorded in the captions "Other accounts receivable" and "Sundry creditors and other accounts payable", respectively.

(d) Investment securities-

Investment securities consist of equity instruments, government and banking securities, listed and unlisted, which are classified in accordance with the intention of use that Genera assigns at the date of their acquisition as follows:

Trading securities-

Trading securities which are held for operation in the market are recorded at fair value using current prices obtained from specialists in the supply and price calculation to value securities portfolios, authorized by the Commission, known as "price vendors", and in case of unlisted securities, market prices of financial instruments with similar characteristics are used as reference, which uses prices calculated based on formal and widely accepted valuation techniques. The fair value is the amount at which interested parties are willing to exchange for the financial instrument, in an uninfluenced transaction. Valuation effects of this category are directly recognized in the consolidated income statement of the year under the caption "Financial intermediation result".

Expenses incurred in the acquisition of trading securities are recognized in the income of the year. Interest income is recognized in the consolidated income statement as accrued.

Available-for-sale securities-

Available-for-sale securities are comprised of equity instruments, whose intention is not to obtain profits derived from the differences in prices resulting from trading transactions, and therefore represent a residual category, that is, they are acquired with a different intention from trading or held-to-maturity securities.

At the moment of acquisition, these securities are recorded at fair value plus acquisition costs for the transaction, which represents the cost of acquisition for Genera and are subsequently valued in the same way as trading securities; the valuation effect is recognized in stockholders' equity under "Unrealized gain or loss from valuation of available-for-sale securities", net of deferred taxes, which is cancelled to recognize in income the difference between the net value of realization and acquisition cost at the time of the sale.

The yield on debt securities is recorded in accordance with the effective interest method as appropriate according with the nature of the instrument; such income is recognized as realized in the consolidated income statement under "Interest income".

The cash dividends of the stock securities are recognized in the consolidated income of the year in the same period in which the right to receive the payment is generated.

Securities impairment-

When there is objective evidence that an available-for-sale security is impaired, the book value of the security is modified and the amount of the loss is recognized in the consolidated results for the year.

Reclassifications between categories-

Reclassifications of securities from trading to available-for-sale could be only permissible with the express authorization of the Commission.

(e) Loan portfolio-

Represents the outstanding balances of the amounts granted to borrowers, plus uncollected interest and commissions earned in accordance with the payment scheme. Outstanding loan and interest balances are classified as past-due according to the following criteria:

- *Commercial loans with principal and interest periodic partial payments - 90 or more days after due date.*
- *Commercial loans with a single payment of principal and interest at maturity - 30 or more calendar past-due days.*
- *Consumer and mortgage loans - 90 or more days past due.*
- *Residential mortgages - When the outstanding loan balance presents installments payments not fully collected for 90 or more due days.*

Loans are granted based on an analysis of the customer's application and the consultations made at the credit information bureaus. In some cases, as required, an analysis is conducted of the borrower's financial position and other general characteristics established in the applicable laws, Genera's manuals and internal policies.

Non-revolving consumer loan portfolio is controlled by periodic visits to the clients by Genera personnel, and by daily monitoring of the payments through the system, where the relevant personnel can follow-up on late payments.

Loans are collected weekly, biweekly or monthly. According with the contracted credit, clients make loan payments through deposits in banking accounts contracted by Genera with other

multiple banking institutions solely for that purpose, as well as its correspondents to conduct this type of operations and through its branch offices.

Evaluation on the credit risk of each client is handled by verifying their credit history with Genera, and checking clients' credit ratings with the credit bureau.

Genera's policy for avoiding risk concentration is based mainly on setting maximum amount limits on loans by the borrower.

Interests are recognized in income as accrued. However, the accumulation of interests is suspended when a loan is transferred to past due loan portfolio recording interest in memorandum accounts. When such interest is collected, these are recognized as income. Reserves are created for the total balance of non-collected accrued ordinary interest, related to the loans transferred to past due loans, at the moment of transfer.

Past due loans are transferred to current loans when the outstanding balances of past-due loans (principal and interest, among others) are totally settled or that existed evidence of sustained payments.

It is considered that there is sustained payment when the borrower shows compliance of the payment without delay for the total amount of principal and interest, for at least three consecutive installment payment of the loan payment scheme.

In the case of sale, cession or derecognition of financial assets, where substantially all the risks and rewards of the financial assets are transferred, Genera derecognizes such financial assets from its consolidated financial statements, recognizes the amount received in the transaction and recognizes the gain or loss on the transaction in consolidated income for the year.

Commissions on late payment of loans are recognized in the consolidated income statement when the delay occurs.

As of December 31, 2021 and 2020, Genera had mainly a short-term consumer loan portfolio (note 8).

In the event of sale of loan portfolio previously written-off, Genera's internal policy corresponding to such process, provides that participants be unrelated parties having as purpose obtaining the best possible market price. In addition, economic and reputational assessment of each participant is performed to make the best decision.

Restructurings

Loans with periodic payments of principal and interest, which are subject to restructuring, may be considered as in force at the time that such act is carried out, regardless the following requirements be applicable to them:

- Current loans that are restructured, without at least 80% of the original loan term of the loan having elapsed, shall be deemed to be current, only when they meet the criteria mentioned below:
 - i. The borrower has covered all the interest accrued as of the date of the restructuring, and
 - ii. The borrower would have covered the principal of the original loan amount, which at the date of the restructuring should have been covered.
 - iii. If all the conditions described in the previous paragraph are not met, they will be considered as due from the time they are restructured and until there is no evidence of sustained payment.

- In the case of current loans that restructure during the course of the final 20% of the original term of the loan, these will be considered valid only when the borrower has:
 - a) Liquidated all the interest accrued as of the date of the restructuring
 - b) Covered the principal of the original loan amount, which at the date of the restructuring should have been covered, and
 - c) Covered 60% of the original loan amount.

If all the conditions described in the previous paragraph are not met, they will be considered as due from the time they are restructured and until there is no evidence of sustained payment.

(f) Allowance for loan losses-

An allowance for loan losses is booked which, in Management's opinion, is sufficient to cover for credit risks associated with the loan portfolio, as well as other credit risks.

Allowances for loan losses are based on analytical studies of the portfolio in accordance with the "General dispositions applicable to credit institutions" (the Dispositions) issued by the Commission, which include the following:

Commercial loan portfolio-

Allowances for loan losses for commercial loan portfolio are based on the individual assessment of the credit risk and classification of the costumers in accordance with the Dispositions issued by the Commission.

The loan portfolio with companies and individuals with business activity, with annual income or net sales less than 14 million UDIS is rated by the methodology described in Annex 20 and 21 of the Dispositions. Such methodology is based on the expected loss, which considers the probability of default, loss given default and exposure at default.

Allowances for loan losses booked at December 31, 2021 and 2020 were determined in conformity with the degree of risk and the corresponding percentage ranges of allowance as shown below:

Degree of risk	Percentage ranges of allowance
"A-1"	0 to 0.9
"A-2"	0.901 to 1.5
"B-1"	1.501 to 2.0
"B-2"	2.001 to 2.5
"B-3"	2.501 to 5.0
"C-1"	5.001 to 10.0
"C-2"	10.001 to 15.5
"D"	15.501 to 45.0
"E"	More than 45.0

Troubled loans- Commercial loans with a high probability of not being totally collected.

Consumer loan portfolio-

The calculation of the non-revolving consumer loan portfolio's allowance for loan losses is carried out in conformity with the current dispositions issued by the Commission, which model of expected loss establishes that the allowance for loan losses is based on the probability of default, loss given default and exposure at default, considering for the calculation of the allowance the figures at the last day of each month.

For the non-revolving portfolio, the inputs considered in such model to determine the probability of default are comprised of: i) number of billings past due, ii) maximum number of billings past due, iii) payment made, iv) balance reported in the credit information companies, v) amount demandable reported in the credit information companies, vi) seniority of the borrower at Genera, vii) months elapsed since the last late payment in the last thirteen months reported in the credit information companies, viii) number of members of the group, ix) group cycles of the borrower, and x) original loan amount.

In accordance with the reform of Articles 91 Bis, 99 Bis, 99 Bis 2, section II of the provisions published in the Official Gazette of the Federation (DOF for its acronym in Spanish) on July 20, 2021, it was established to apply an adjustment factor to the percentage of allowance for loan losses to loans granted to women. This factor will be applicable to individuals credit portfolio. The characteristics to apply this adjustment factor are: i) gender: loans granted to women; ii) date: originated from July 24, 2021; iii) portfolio: personal, these are loans that exceed the limits of microcredits; iv) arrears: loans with no past-due payments v) adjustment factor: 96% to the percentage of reserves with the above characteristics. The impact on the allowance for loan losses as of December 31, 2021 due to such adjustment was a decrease of \$4.

Additionally, when non-revolving consumer loans have collaterals, the covered and exposed parts must be segregated, considering an assignment in the given default loss of 10% to the covered part if related to cash collateral and /or liquid collateral and in case of mortgage collaterals a loss given default of 60% to the covered part may be assigned.

The allowance for loans losses for consumer loan portfolio as of December 31, 2021 and 2020, is determined by the degree of risk assigned to the loan, as shown below:

Degree of risk	Percentage ranges of allowance
	Non-revolving
"A-1"	0 to 2.0
"A-2"	2.01 to 3.0
"B-1"	3.01 to 4.0
"B-2"	4.01 to 5.0
"B-3"	5.01 to 6.0
"C-1"	6.01 to 8.0
"C-2"	8.01 to 15.0
"D"	15.01 to 35.0
"E"	35.01 to 100.0

Mortgage loan portfolio-

The allowance for loan losses for residential mortgages is determined using the corresponding balances at the last day of each month. Furthermore, factors such as: i) outstanding amount, ii) payment made, iii) value of property, iv) loan balance, v) past-due days, vi) loan denomination and vii) completeness of the file are considered. The total amount of allowance for each loan assessed is the result of multiplying the probability of default by the loss given default and exposure at default.

Degree of risk and percentages of allowance for loan losses at December 31, 2021 and 2020 are as shown below:

Degree of risk	Percentage ranges of allowance
"A-1"	0 to 0.50
"A-2"	0.501 to 0.75
"B-1"	0.0751 to 1.00
"B-2"	1.001 to 1.50
"B-3"	1.501 to 2.00
"C-1"	2.001 to 5.00
"C-2"	5.001 to 10.00
"D"	10.001 to 40.00
"E"	40.001 to 100.00

Write-offs– Genera has the policy to write-off the non-revolving consumer loans that has 180 days, after being considered past-due, except for those loans in process of judicial collection, given that during that period and once carried out all recovery efforts, its practical impossibility of recovery is determined, except in cases where management determines that a loan or group of loans must be written-off prior to this number of days. Such write off is carried out during the first days of each month, considering the loans that comply with the aforementioned term until the last day of the immediate previous month, canceling the unpaid balance of the loan against the allowance for loan losses. In the event that the loan balance to be write-off exceeds its corresponding allowance, prior to the write-off, such allowance is increased up to the amount of the difference.

In the case of commercial loans and residential mortgages the policy of write-off fits the moment once its recovery is determined to be impractical.

Recoveries related to written-off loans from the consolidated balance sheet are recognized in the consolidated statement of income of the year under the caption of "Allowance for loan losses".

Write-downs, cancellations and discounts, i.e., the amount written-down on partial or total loan payments, are charged to income under the allowance for loan losses; in the event that the amount of these exceeds the balance of the allowance associated with the loan, allowances are previously recorded up to the amount of the difference.

(g) Other accounts receivable-

This caption represents, among others, receivables from employees, accounts receivable from correspondents, recoverable income taxes and items directly related to the loan portfolio, which an allowance for doubtful receivables is determined based on the same percentage of risk assigned to the associated loan.

For the other receivables, including accounts receivable from correspondents, related to identified debtors with maturity exceeding 90 calendar days, a provision is created for the total unpaid balance (60 days if balances are unidentified), except for those related to recoverable tax balances and clearing accounts.

Management considers that the reserve for doubtful accounts is sufficient to absorb losses in accordance with Genera's policies.

(h) Property, furniture and equipment-

Property, furniture and equipment, including acquisitions from capitalized leases, are stated as follows:

- i) Acquisitions conducted from January 1, 2008 at their historical cost, and
- ii) Acquisitions made up to December 31, 2007 at their restated values, determined applying factors derived from the UDI, to their acquisition costs up to December 31, 2007.

Depreciation is calculated using the straight-line method, based on the estimated assets' useful life determined by Genera's Management

The leases are capitalized if the contract terms substantially transferred all inherent risks and benefits of ownership of the leased asset. The capitalized value is the value of the leased asset or the present value of minimum lease payments, whichever is less at lease inception. In the case of capital lease agreements, the interest rate used for calculating the present value of minimum payments is implicit in the related agreement. If interest rate is not available, the incremental rate is used.

The related liability with the lessor is included in the consolidated balance sheet as an obligation for capitalized lease. The financial costs of the financing granted by the lessor to acquire the leased assets are recognized in the consolidated income statement as accrued. Lease payments are allocated between finance charges and reduction of the lease obligation in order to achieve a constant interest rate on the remaining balance of the liability. Assets held under capitalized leases are included within furniture and equipment and computer equipment captions, and its depreciation is calculated according to the term of the lease.

(i) Permanent investment-

Permanent investments in associated companies, in which Genera has no significant influence or control, are valued using the equity method, through which the participation in the results and in the stockholders' equity of these companies is recognized using the financial statements of the Company. Same date and for the same Genera period.

The other permanent investments made by the Group are recorded at cost.

(j) Long-lived assets available for sale-

Long-lived assets are classified as intended to be sold if they meet all the following requirements:

- i) Genera's governance that approves this activity has committed to a sales plan.
- ii) The assets are available for immediate sale, in their current conditions, subject exclusively to the usual and customary terms for the sale of those assets and their sale is highly probable.
- iii) Actions to locate the buyer and other activities to complete the plan are underway. If the buyer is not located, at least the potential market has been identified.
- iv) It is expected that the sales plan will be completed in less than a year. This requirement is not met in the cases in which the entity enters into sales agreements that are essentially purchase options and sale contracts with a return lease. An extension of the one-year period to complete the sale does not prevent the asset from being classified as held for sale, if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed with a plan to sell the asset.
- v) There is an adequate estimate of the prices to be received in exchange for the asset or group of assets.
- vi) It is not probable that there will be significant changes to the sale plan or it will be canceled. Assets for sale that meet the requirements of the preceding paragraph, must be evaluated on the date of approval of the sale plan at their net book value or the net sale price, the lower. If applicable, the impairment loss should be applied to the results of the year.

(k) Income tax (IT) and employee statutory profit sharing(ESPS)-

The current IT and ESPS are determined according to current tax legislation (note 17).

Deferred IT and ESPS are recognized using the assets and liabilities method, which compares their accounting and tax values. Deferred IT and ESPS (assets and liabilities) are recognized for future tax consequences attributable to temporary differences between the value reflect-

ed in the consolidated financial statements of existing assets and liabilities and their respective tax bases, as well as for operating loss carryforwards and other recoverable tax credit.

Deferred IT and ESPS (assets and liabilities) are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered. The effect of changes in tax rates on deferred IT and ESPS are recognized in consolidated results of the period in which they were enacted.

The current and deferred IT and ESPS are presented and classified to the consolidated results of the period, except for those originated from a transaction that was recognized directly in stockholders' equity.

(l) Other assets, deferred charges and intangibles-

This caption is mainly comprised of guarantee deposits, insurance and expenses paid in advance, intangibles, goodwill and expenses for debt issuance. Amortization is accounted for using the straight-line method during the life of each transaction.

The expenses paid in advance as of December 31, 2021 and 2020, do not present impairment losses nor reversals of impairment losses, since these still have the capacity to generate economic future benefits.

Intangible assets with defined useful life are recorded at acquisition or development cost, and are amortized using the straight-line method, based on the estimated intangible's useful life determined by Management.

(m) Impairment of long-lived assets-

Genera periodically assesses the net carrying amount of property, furniture and equipment, intangibles assets, investment in associated companies and goodwill, to determine whether there is an indication that the carrying amount exceeds the recoverable amount. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future net revenues reasonably expected to be generated by the asset. If the net

carrying amount of the asset exceeds the recoverable amount, Genera records the necessary provisions. When Genera has the intention to sell such assets, these are reported in the consolidated balance sheet at the lower of net carrying amount or realizable value.

Long-lived assets, both tangible and intangible, are subject to impairment testing, in the case of assets with an indefinite life and goodwill, impairment testing is performed annually and assets with a definite life are only subject to impairment testing when there are signs of impairment.

(n) Deposit funding-

Liabilities arising from deposit funding including demand deposits, time deposits, debt securities issued and global account of deposits with no movements are recorded at placement cost, plus interest expense, determined using the straight-line method as accrued.

Those securities issued at a price different from the face value, shall recognize a deferred charge or credit for the difference between the face value of the security and the amount of cash received, which will be recognized in the consolidated income statement as an interest income or expense as accrued, taking into account the maturity of the security.

Issuance expenses are initially recognized as deferred charges and amortized against the consolidated results for the period, according to the term of the debt issuance from which they derived.

(o) Banking and other borrowings-

Banking and other borrowings comprise borrowings from banks and financing provided by development banking institutions and development funds specialized in financing economic, productive or development activities. The banking and other borrowings are recorded at the value of the contractual obligation; interest is recognized on an accrual basis in the income statement. The balance of unused credit lines received is recorded in memorandum accounts.

(p) Provisions-

Liability provisions represent present obligations as a consequence of past events in which the outflows are probable in the short-term. These provisions have been recorded under the best estimate carried out by Management.

(q) Employee benefits-

The benefits granted by Genera to its employees are described as follows:

Short-term direct benefits-

Short-term direct benefits are recognized in income of the period in which the services rendered are accrued. A liability is recognized for the amount expected to be paid if Genera has a legal or assumed obligation to pay this amount as a result of the past services provided and the obligation can be reasonably estimated.

Long-term direct benefits-

Genera's net obligation in relation to the direct long-term benefits and which is expected to pay at least twelve months after the date of the most recent consolidated balance sheet presented, is the amount of future benefits that the employees have obtained in exchange for their service in the current and previous periods. This benefit is discounted to its present value. Remeasurements are recognized in income in the period in which they are accrued.

Termination benefits-

A liability is recognized for termination benefits along with a cost or expense when Genera has no realistic alternative other than to make the corresponding payments or when the offer of these benefits cannot be withdrawn or when conditions that require the recognition of restructuring costs are met, whichever occurs first. If benefits are not expected to be settled within twelve after the date of the most recent consolidated balance sheet presented, then they are discounted.

Post-employment benefits-

Genera has implemented a pension plan, which consists of a mixed scheme in which the benefit is derived from two components that are a defined benefit plan and a defined contribution plan.

The defined benefit plan is funded entirely by Genera, and the defined contribution plan is funded with the contributions from both Genera and the employees.

The cost of defined benefit plan is determined in accordance with provisions of the MFRS D-3 "Employee benefits" and the cost of the defined contribution plan is equivalent to the amount of the contributions that Genera makes to the individual employees' bank account.

Genera records a provision to meet obligations for severance and seniority premiums. The recording of the provision is recognized in the results of each year based on actuarial calculations under the projected unit credit method using nominal interest rates and considering projected salaries.

Remeasurements (known before as actuarial gains and losses), resulting from differences between projected and actual actuarial assumptions at the end of the period, are recognized in the period when incurred under the caption "Remeasurements for employee defined benefits" within stockholders' equity.

(r) Stockholders' equity-

Capital stock, statutory reserves and prior years' results are stated as follows: i) movements made beginning January 1, 2008 at their historical cost, and ii) movements made prior to January 1, 2008, at their restated values determined by applying factors derived from UDIS to their historical values through December 31, 2007.

(s) Repurchase of shares-

The own shares acquired are shown as a decrease in the fund for the repurchase of own shares, included in the consolidated financial statements under the statutory reserves. Dividends received are recognized by decreasing their cost.

With respect to the sale of repurchased shares, the amount obtained in excess or deficit of their restated cost is recognized as additional paid-in capital.

(t) Cumulative translation adjustment-

Represents the difference arising from translating foreign operations from the recording and functional currency, which are the same, to the reporting currency.

(u) Comprehensive income (loss)-

Comprehensive (loss) income comprises the net (loss) income, cumulative translation adjustment of subsidiaries, remeasurements for employees defined benefits and unrealized gain from valuation of available-for-sale securities, as well as items required by specific accounting standards to be included in the stockholders' equity, such items do not constitute capital contributions, reductions or distributions.

(v) Revenue recognition-

Interest earned from cash and cash equivalents, investments in securities are recognized in the consolidated income statement as accrued, as per the effective interest method; while equity instruments are recognized at the time the right to receive payment is generated, against the consolidated results for the year.

Loan portfolio interest is recognized as accrued, except for those related to past-due portfolio, which are recognized in income when collected. Commissions are recognized when earned under the caption "Commissions and fee expense" in the consolidated income statement.

Amortization of premiums for the issuance of debt securities is also considered as income.

Income from sales of furniture and equipment is recognized in the consolidated income statement when all of the following requirements are met: a) the risks and benefits of the goods have been transferred to the buyer and no significant control thereon is retained; b) income, costs incurred or costs to be incurred are determined on a reliable basis, and c) Genera is likely to receive economic benefits from the sale.

(w) Interest expense-

This caption comprises interest accrued on financing received to fund the operations of Genera and the interest accrued from the demand and time deposits and the global account of deposits without movements, debt securities issued and banking and other borrowings, as well as the effects on changes in cash and cash equivalents.

(x) Other operating income (expense)-

This caption includes income and expenses such as financing cost of capital lease, charges for doubtful accounts, write-offs, donations, impairment losses of long-lived assets and result in the sale of furniture and equipment.

(y) Earning or (loss) per share-

This caption represents the result of dividing the net result for the period by the weighted average of current shares during the period. For the years ended on December 31, 2021 and 2020, the earning and (loss) per share is \$1.65 Mexican pesos and (\$1.02) pesos, respectively.

(z) Contributions to the Banks Savings Protection Institute (IPAB for its acronym in Spanish)-

Contributions made by multiple banking institutions to the IPAB are made in order to establish a system to protect the banking savings of parties conducting guaranteed operations in the terms and with the restrictions stipulated in the Bank Savings Protection Law, as well as to regulate the financial support granted to multiple banking institutions for the protection of the interests of the savings of the public.

(aa) Foreign currency transactions-

The accounting records are maintained in both Mexican pesos and foreign currencies, which for consolidated financial statement presentation purposes, currencies other than dollars are translated to the dollar equivalent and subsequent to Mexican pesos as established by the Commission. For the dollar translation into Mexican pesos, the exchange rate determined by the Central Bank for the settlement in Mexico of transactions denominated in foreign currencies is used. Exchange gains and losses are recognized on accrual basis in the consolidated results of the year.

(bb) Financial intermediation result-

Arises from the difference between the exchange rate used to buy or sell foreign currencies, including the adjustment to the final position, valued at the exchange rate referred to in the preceding paragraph, as well as the valuation at fair value of trading securities.

(cc) Contingencies-

Liabilities or important losses related to contingencies are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. When a reasonable estimation cannot be made, qualitative disclosure is provided in the notes to the consolidated financial statements. Contingent income, earnings or assets are not recognized until their realization is certain.

(dd) Segment information-

The accounting criteria prescribed by the Commission establishes that multiple banking institutions must segregate their activities in order to identify the different operating segments, which as minimum include: i) loan operations; ii) treasury and investment banking operations, and iii) operations conducted on behalf of third parties. In addition, due to materiality, additional operating segments and sub-segments can be identified (note 23).

(ee) Derivatives-

Transactions with derivative financial instruments include those for trading purposes, which regardless of their intent, are recognized at fair value and their valuation effect is recognized in income.

(4) Accounting changes and reclassification-

2020 accounting changes-

(a) Special accounting criteria issued by the Commission derived from the pandemic by COVID-19

As a result of the sanitary contingency caused by COVID-19 and the negative impact on the economy, on March 27, 2020, the Commission temporarily issued special accounting criteria for credit institutions in Mexico with respect to the consumer and commercial loan portfolio, for customers that have been affected and that were classified as current as of February 28, 2020 (except for those granted to related parties as provided in Articles 73, 73 Bis and 73 Bis 1 of the Law of Credit Institutions).

In accordance with such special accounting criteria, there were no considered as restructured loans or as past-due loans in accordance to the accounting criteria B-6, the loans that at Feb-

ruary 28, 2020 were classified as current for accounting purposes and that were subsequently restructured or renewed, for which the procedures were concluded within 120 calendar days following the aforementioned date, and for which the new maturity date was not greater than 6 months from the date on which the loans would have matured of the following loans:

1. Loans with periodic payments of principal and interest consisting of:
 - i. No having elapsed at least 80% of the original term of the loan, when the borrower has covered:
 - a) all accrued interest, and,
 - b) the principal of the original amount of the loan, which at the date of the renewal of restructuring should have been paid.
 - ii. During the course of the final 20% of the original term of the loan, when the borrower has:
 - a) settled all accrued interest,
 - b) paid all of the original amount of the loan that at the date of renewal or restructuring should have been paid, and
 - c) covered 60% of the original amount of the loan.

For the application of the special accounting criteria described above, the Institution granted a freeze on the amounts due to its clients for a period of up to ten weeks, considering the following:

- i) Without affecting the days in arrears to its borrowers.
- ii) No calculation of additional interest computed to the customer during those periods.
- iii) No contractual modifications on interest capitalization.
- iv) No commissions charged.

The benefits granted by the Bank in relation to the aforementioned special accounting criteria were recognized during 2020, benefiting 2,731,021 clients with payment deferrals, which represented a loan portfolio balance of \$23,704. As of December 31, 2020, there is no current loan portfolio with benefits from the special accounting criteria.

Additionally, 377,297 borrowers were granted loans under the payment plan benefit, which represented a loan portfolio balance of \$5,616 during 2020. The payment plan consists of a restructuring in terms of the special accounting criteria; however, it does not meet the criteria of accounting criteria B-6 "Loan portfolio".

(b) Reclassification -

On July 5, 2021, the subsidiary Compartamos Guatemala entered into a purchase and sale agreement for the sale of 100% of its portfolio and assets, and as of that date has been in the process of closing the transaction.

As a result of the transaction described in the preceding paragraph, the results of this subsidiary for the year ended December 31, 2021, are presented under the caption "Discontinued operations" in the consolidated statement of income. The consolidated statement of income for the year ended December 31, 2020 was reclassified to conform to the presentation used in the consolidated statement of income for the year ended December 31, 2021, as shown below:

		Previously reported figures	Discontinued operations	Reclassified figures
Interest income	\$	19,352	(447)	18,905
Interest expense		(2,302)	4	(2,298)
Allowance for loans losses		(6,980)	240	(6,740)
Commissions and fee income		1,083	(12)	1,071
Commissions and fee expense		(603)	9	(594)
Other operating income (expenses)		376	4	380
Administrative and promotional expenses		(13,417)	474	(12,943)
Deferred income tax		1,022	(39)	983
Discontinued operations		-	(233)	(233)

(5) Foreign currency position--

In the case of the Bank, the Central Bank regulations establish the standards and limits for operations in foreign currencies carried out by the credit institutions as follows:

1. The (short or long) position in US dollars must not exceed a maximum of 15% of the Bank's basic capital.
2. The foreign currency position must not exceed 2% of net capital, except for the dollar or currencies referred to the dollar, which can reach up to 15% of the basic capital of the Bank.

3. The net foreign currency position must not exceed 1.83 times the Bank's basic capital.
4. The foreign currency operations investment regulations make it necessary to hold a minimum amount of liquid assets, in accordance with a calculation mechanism established by the Central Bank, based on the maturity of operations in foreign currency.

At December 31, 2021 and 2020, the Bank complies with the limits and standards established by Central Bank.

Foreign currency position (figures in millions) of Gentera and subsidiaries as of December 31, 2021 and 2020 is analyzed as follows:

	2021		2020	
	Dollars	Pesos	Dollars	Pesos
Assets				
National Banks	1	\$ 16	5	\$ 100
Foreign Banks	6	113	6	119
Accounts receivable	-	-	284	5,654
Long position	7	129	295	5,873
	2021		2020	
	Guatemalan Quetzals	Pesos	Guatemalan Quetzals	Pesos
Assets	131	\$ 347	282	\$ 720
Liabilities	-	\$ -	(64)	\$ (163)
Long position – net	131	347	218	557

	2021		2020	
	Peruvian Soles	Pesos	Peruvian Soles	Pesos
Assets	3,978	\$ 20,452	282	\$ 720
Liabilities	3,154	\$ (16,223)	(3,042)	\$ (16,725)
Long position – net	824	4,229	743	4,080

As of December 31, 2021, the exchange rate determined by Central Bank and used by Gentera to value foreign currency assets was \$20.5075 pesos per dollar (\$19.9087 pesos per dollar in 2020). As of February 22, 2022, the exchange rate is \$20.2972 pesos per dollar

(6) Cash and cash equivalents-

At December 31, 2021 and 2020, cash and cash equivalents consist of the following:

	2021	2020
Cash on hand	\$ 1,468	1,690
Mexican banks	2,088	,884
Foreign banks	424	501
Restricted funds:		
Monetary regulation deposit with the Central Bank*	2	2
Bank loans with original maturity up to three days *	2,514	-
Deposit with the Central Bank (Actions)*	1,212	6,758
Other restricted funds	4,426	4,359
	\$ 12,134	17,194

* Included as part of the caption "Contingent assets" in memorandum accounts.

For the years ended on December 31, 2021 and 2020, interest earned from cash and cash equivalents, amounted to \$529 and \$586, respectively, recorded under the caption "Interest income" in the consolidated statement of income (see note 23) and are comprised as follows:

The interest earned from Mexican and foreign banks amounted to \$220 and \$180 for the years ended on December 31, 2021 and 2020, respectively.

At December 31, 2021 and 2020, the monetary regulation deposit with Central Bank has no established term and bears interest at the rate of bank deposit funding. For the year ended December 31, 2020, the interest income earned from monetary regulatory deposit amounted to \$14.

At December 31, 2021 and 2020, the average annual rate of interbank loans with maturity up to 3 days was 4.55% (5.84% in 2020). For the years ended on December 31, 2021 and 2020, the interest income earned from Call Money transactions amounted to \$30 and \$44, respectively.

At December 31, 2021, the average annual rate of trusts administrated was 3.5% (2.85% in 2020). For the years ended on December 31, 2021 and 2020, the interest income earned from trusts administrated amount to \$5 and \$2, respectively.

At December 31, 2021, and 2020, the average annual rate of the deposit auction with the Central Bank with an average term of 1 and 91 days was 4.36% and 4.53%, respectively. For the years ended on December 31, 2021 and 2020, the interest income amounted to \$274 and \$352, respectively.

As of December 31, 2021, the other restricted funds correspond to Genera's employees savings fund for \$7 Mexican pesos, time deposits of Genera for \$334, Banco Compartamos for \$500, Compartamos Financiera for \$1,328, Compartamos Servicios for \$654, Red Yastás for \$247, Aterna for \$111, Finútil for \$400, Comfu for \$86 and Talento for \$196, with an average term of 5 days, and an average rate of 4.31%. As well as for the balances of Fin útil in

the Trusts for \$ 512 used to cover the debt recognition agreements of 3 months of interest and expenses with Trusts. As of December 31, 2020, the other restricted funds correspond to Genera's employees savings fund for \$7 Mexican pesos time deposits of Genera for \$14, Compartamos Financiera for \$2,649, Compartamos Servicios for \$349, Red Yastás for \$109, Aterna for \$87, Finútil for \$551, Comfu for \$231 and Talento for \$40, with an average term of 5 days, and an average rate of 4.06%. As well as for the balances of Fin útil in the Trusts for \$ 322.

At December 31, 2021 and 2020, Genera has no coined precious metals.

(7) Investment securities-

Cash surpluses resulting from Genera operations are invested in debt and equity instruments, searching for the best available rate with the authorized counterparties.

Investments in securities are subject to different types of risks directly related to the market in which they operate, such as interest rates and credit and market liquidity inherent risks.

Risk management policies, as well as the analysis of the risks which Genera is exposed to are described in note 24.

As of December 31, 2021, investment securities classified as trading are comprised of a promissory notes with yield payable at maturity (PRLV) with a fair value of \$400, at a rate of 5.57% with a term of 28 days.

As of December 31, 2021 and 2020, the caption of "available-for-sale securities" is comprised of certificates of deposit of the Central Bank of the Republic of Peru for \$1,311 and \$1,329, respectively and by Peruvian Treasury Bills for \$48 as of December 31, 2020. At December 31, 2021, this caption are comprised of 27 shares corresponding to net equity instruments, with a market value of \$5.

For the years ended December 31, 2021 and 2020, the caption of investment securities classified as available-for-sale securities recognized a net income in stockholders' equity net of deferred taxes, for \$2 and \$4, respectively

At December 31, 2021 and 2020, the average annual rates (unaudited) of investments were 1.24% and 0.74%, respectively. For the years ended on December 31, 2021 and 2020, interest income from investments were to \$24 and \$15, respectively, recorded under the caption "Interest income" in the consolidated statement of income.

At December 31, 2021 and 2020, there were no transfer in securities between categories and there are no indicators of impairment over the value of the securities.

(8) Loan portfolio-

The loan portfolio is comprised mainly of non-revolving consumer loans, with an average term of four months with a fixed rate and joint guarantee of the borrowers. Principal and interest are mainly paid on a weekly basis.

As of December 31, 2021 and 2020, total loan portfolio (current and past-due loans) are comprised as follows:

2021	Principal	Accrued interest	Total loan portfolio
Current loans			
Commercial loans:			
Business and commercial	\$ 128	2	130
Consumer loans	44,053	752	44,805
	44,181	754	44,935

2021	Principal	Accrued interest	Total loan portfolio
UPast-due loans			
Commercial loans:			
Business and commercial	\$ 7	-	7
Consumer loans	1,168	128	1,296
	1,175	128	1,303
Total loan portfolio	\$ 45,356	882	46,238

2020	Principal	Accrued interest	Total loan portfolio
Current loans			
Commercial loans:			
Business and commercial	\$ 137	4	141
Consumer loans	37,387	951	38,338
Residential mortgages	1	-	1
	37,525	955	38,480
Past-due loans			
Commercial loans:			
Business and commercial	4	-	4
Consumer loans	1,924	281	2,205
	1,928	281	2,209
Total loan portfolio	\$ 39,453	1,236	40,689

At December 31, 2021 and 2020, the loans (current and past-due loans), broken-down by economic sector, are as follows:

Economic activity	2021		2020	
	Amount	%	Amount	%
Farming	\$ 395	1	307	0.8
Agriculture	1,484	3	1,017	2.5
Food and drinks	14,771	32	9,386	23.1
Rentals	888	2	131	0.3
Leather or fur items	293	1	80	0.2
Construction	733	1	441	1.1
Electronics, machinery and equipment	725	1	126	0.3
Exploitation and extraction	24	-	29	0.1
Hardware	240	1	189	0.4
Financial	26	-	9	-
Manufacturing industry	2,645	6	1,164	2.9
Jewelry	573	1	464	1.1
Wood	84	-	30	0.1
Metals	73	-	47	0.1
Furniture and decoration items	269	1	230	0.6
Other commerce	5,171	11	11,920	29.3
Other services	2,750	6	4,471	11.0
Stationery, books and printing	556	1	289	0.7
Plastic and rubber	250	1	101	0.2
Chemicals	1,445	3	1,235	3.0
Textiles, clothing, footwear and fabrics	11,812	26	8,673	21.3
Transport	1,031	2	350	0.9
Total	\$ 46,238	100	40,689	100

The distribution of the consumer loan portfolio at December 31, 2021 and 2020, by geographical region is shown as follows:

In México	2021		2020	
	Current	Past-due	Current	Past-due
Aguascalientes	\$ 116	5	105	4
Baja California	1,021	16	721	45
Baja California Sur	477	12	346	70
Campeche	200	4	168	7
Chiapas	1,239	36	1,030	41
Chihuahua	694	26	536	31
Coahuila	1,083	26	827	45
Colima	150	7	101	5
Mexico City	1,415	30	1,078	99
Durango	491	19	413	28
Estado de México	3,858	74	2,954	178
Guanajuato	780	14	582	28
Guerrero	1,039	14	787	52
Hidalgo	846	17	686	33
Jalisco	559	17	466	34
Michoacán	1,026	25	879	27
Morelos	423	7	345	15
Nayarit	286	8	208	11
Nuevo León	691	17	591	36
Oaxaca	952	22	792	28
Puebla	1,625	24	1,343	55

	2021		2020	
	Current	Past-due	Current	Past-due
In Mexico				
Querétaro	\$ 322	6	267	6
Quintana Roo	258	4	187	46
San Luis Potosí	440	7	343	9
Sinaloa	793	21	668	35
Sonora	938	34	710	45
Tabasco	1,030	18	764	31
Tamaulipas	1,258	15	995	49
Tlaxcala	639	7	531	21
Veracruz	3,165	71	2,581	92
Yucatán	316	7	220	17
Zacatecas	394	10	319	15
Total principal	28,524	620	22,543	1,238
Accrued interest	507	69	397	164
Total Mexico, to the next page	\$ 29,031	689	22,940	1,402

	2021		2020	
	Current	Past-due	Current	Past-due
Abroad				
Guatemala	\$ -	-	607	80
Peru	15,657	555	14,375	610
	15,657	555	14,982	690
Accrued interest	247	59	558	117
Total abroad	\$ 15,904	614	15,540	807
Total loan portfolio	\$ 44,935	1,303	38,480	2,209

As of December 31, 2021 and 2020, aging of the past-due loan portfolio is as follows:

	Aging				
	Days		Years		Total
	1 to 180	181 to 365	1 to 2	More than 2	
2021					
Commercial loans:					
Business and commercial	\$ 6	1	-	-	7
Consumer loans	1,031	225	35	5	1,296
	\$ 1,037	226	35	5	1,303

2020	Aging					Total
	Days		Years			
	1 to 180	181 to 365	1 to 2	More than 2		
Commercial loans:						
Business and commercial	\$ 2	-	-	1	3	
Consumer loans	2088	59	24	35	2,206	
	\$ 2,090	59	24	36	2,209	

Following is an analysis of the movements of the past-due loans, for the years ended December 31, 2021 and 2020:

	2021	2020
Past-due loans at the beginning of the year	\$ 2,209	\$ 1,163
Plus:		
Transfer from current loans	4,259	5,836
Past-due loans acquired (Fin Útil)	-	154
Less:		
Write-offs	4,260	4,405
Collections	352	516
Transfer to current loan portfolio	416	19
Sale of loan portfolio	91	-
Exchange rate fluctuation	46	4
Past-due loans at year-end	\$ 1,303	\$ 2,209

As of December 31, 2021 and 2020, Genera had troubled loan portfolio of \$386 thousand pesos and \$427 thousand pesos, respectively, from Compartamos Financiera, which is 100% reserved.

Due to the low probability of collection of the portfolio affected by COVID-19, as of December 31, 2020, Genera anticipated the write-off of the past-due consumer loan portfolio for an amount of \$498, which had an aging between 91 and 179 days.

Interest and commission income for the years ended December 31, 2021 and 2020, according to the type of loan is comprised as follows:

	2021			2020		
	Interest	Commissions	Total	Interest	Commissions	Total
Current loans:						
Commercial loans	\$ 10	-	948	17	965	
Consumer loans	21,720	145	21,865	17,791	102	17,893
Residential mortgages	-	-	-	-	-	-
Subtotal	21,730	145	21,875	18,739	119	18,858
Past-due loans:						
Commercial loans	-	-	-	-	-	-
Consumer loans	160	-	160	6	-	6
Subtotal	160	-	160	6	-	6
	\$ 21,890	145	22,035	18,745	119	18,864

As of December 31, 2021 and 2020, there is \$1,341 and \$1,607 of the loan portfolio transferred to guarantee the obligations in securitization operations (note 15).

The Compartamos Financiera's loan portfolio at December 31, 2021 and 2020, pledged as collateral for funding received for its operation, amounts to \$1,501 and \$2,114, respectively.

Interest accrued not collected on past-due loans, which by accounting criteria is recorded in memorandum accounts and applied to income until collected, at December 31, 2021 and 2020, amounts to \$293 and \$207, respectively.

For the year ended December 31, 2021, the amount of recoveries from the previously written-off loan portfolio, represented a profit of \$128 (\$56 in 2020), which were recorded in the caption "Allowance for loan losses" in the consolidated statement of income.

Loan management

The authorization of loans as responsibility of the Board of Directors is centralized in committees and empowered officers, whom in turn can delegate this authorization to the services office personnel.

For credit management, the general process is defined from the promotion to the recovery of the loan, specifying from each business unit policies, procedures and responsibilities of the officers involved and the tools to be used in each stage of the process.

The loan process is based on an in-depth analysis of loan applications in order to determine the overall risk of the borrower.

Restructuring loans:

As of December 31, 2021 and 2020, the restructuring loans consist of the following:

		2021	2020
Commercial loans	\$	1	2
Consumer loans		376	477
	\$	377	479

During the year 2021 and 2020, restructuring of past-due loans were carried out, which remained in the past-due loan portfolio for \$72 and \$63, respectively.

UAllowance for loan losses

As of December 31, 2021 and 2020, the rating of the overall loan portfolio and the allowance created based on the actual risk for each year, are as follows:

2021 Risk grade	Rated loan portfolio			Required allowance		
	Commercial	Consumer	Total	Commercial	Consumer	Total
"A-1"	\$ 8	20,465	20,473	-	243	243
"A-2"	6	1,073	1,079	-	28	28
"B-1"	24	1,094	1,118	-	42	42
"B-2"	34	13,093	13,127	1	538	539
"B-3"	6	665	671	-	37	37
"C-1"	23	3,409	3,432	2	247	249
"C-2"	4	2,542	2,546	-	278	278

"D"		32	1,289	1,321	8	289	297
"E"		-	2,471	2,471	-	1,581	1,581
Subtotal	\$	137	46,101	46,238	11	3,283	3,294
For accrued past-due einterest					-	30	30
For operational risks					-	2	2
Additional allowance for loans losses					-	147	147
Total		137	46,101	46,238	11	3,462	3,473

2021 Risk grade	Rated loan portfolio				Required allowance				
		Commercial	Consumer	Residential	Total	Commercial	Consumer	Residential	Total
"A-1"	\$	13	20,191	1	20,205	-	269	-	269
"A-2"		5	1,126	-	1,131	-	40	-	40
"B-1"		41	273	-	314	1	15	-	16
"B-2"		26	12,451	-	12,477	1	514	-	515
"B-3"		8	547	-	555	-	33	-	33
"C-1"		24	1,363	-	1,387	2	100	-	102
"C-2"		3	779	-	782	-	94	-	94
"D"		25	962	-	987	6	283	-	289
"E"		-	2,851	-	2,851	-	2,054	-	2,054
Subtotal	\$	145	40,543	1	40,689	10	3,402	-	3,412
For accrued past-due einterest						-	84	-	84
For operational risks						-	2	-	2
Additional allowance for loans losses						-	680	-	680
Total		145	40,543	1	40,689	10	4,168	-	4,178

The movements in the allowance for loan losses during the years ended December 31, 2021 and 2020, are as follows:

		2021	2020
Allowance for loan losses at the beginning of the year	\$	4,178	2,625
Plus:			
Increase in the provision for loan losses		3,920	6,834
Beginning balance of estimate for acquisition of Fin Útil		-	122
Less application of reserves due to write-offs:			
From current loans (by death)		133	138
From past-due loans		3,757	4,405
Sale of loan portfolio		182	-
Release, cancellation and refunds of interest		460	664
Exchange rate fluctuation		93	196
Allowance for loan losses at year-end	\$	3,473	4,178

During 2021, the Bank granted its clients a new loan with a non-revolving line of credit. As of December 31, 2021, the amount of unused authorized consumer credit lines, recorded in "Loan commitments" in memorandum accounts, amounted to \$1,875.

During 2020, Genera created additional allowances for loan losses for \$2,538 (Bank for \$2,295, Compartamos Financiera for \$206 and Compartamos Guatemala for \$37, respectively) which were charged to income for the year. The purpose of these provisions is to cover risks that were not foreseen in the different rating methodologies of the loan portfolio and that specifically address the portfolio affected by the COVID-19 pandemic during 2020. As of December 31, 2021 and 2020, the balance of the allowance for loan losses included \$147 and \$680, respectively (in 2021 \$147 from Compartamos Financiera and in 2020 the Bank for \$461, Compartamos Financiera for \$206 and Compartamos Guatemala for \$13, respectively) of such additional reserves.

(9) Other accounts receivable -

At December 31, 2021 and 2020, this caption is comprised as follows:

		2021	2020
Loan portfolio accessories	\$	193	211
Other receivables:			
Sundry debtors ⁽¹⁾		1,034	559
Debit from transactions with correspondents		1,282	1,000
Recoverable balance of taxes		766	1,290
		3,275	3,060
Less allowance for doubtful accounts		(88)	(80)
	\$	3,187	2,980

(1) Includes balances with related parties and associated companies for \$6 y \$59 in 2021 and 2020, respectively, (note 22).

(10) Properties, furniture and equipment-

At December 31, 2021 and 2020, this caption is comprised as follows:

2021		Original cost	Depreciation and amortization annual rate (%)	Accumulated depreciation and amortization	Net value
Land	\$	4	-	-	4
Constructions		21	5	(12)	9
Office furniture and equipment		311	10 y 20	(219)	92
Transportation equipment		181	25	(102)	79
Computer equipment		408	15 al 67	(321)	87
Others:					
Leasehold improvements		1,369	*	(1,021)	348
Telecommunications equipment		311	10	(213)	98
	\$	2,605		(1,888)	717

2020		Original cost	Depreciation and amortization annual rate (%)	Accumulated depreciation and amortization	Net value
Land	\$	4	-	-	4
Constructions		22	5	(12)	10
Office furniture and equipment		356	10 y 20	(221)	135
Transportation equipment		238	25	(149)	89
Computer equipment		412	15 al 67	(328)	84
Others:					
Leasehold improvements		1,411	*	(996)	415
Telecommunications equipment		342	10	(209)	133
	\$	2,785		(1,915)	870

* The amortization rate of leasehold improvements is in accordance with the term of the lease agreement for each property.

For the year ended December 31, 2021, the charge to the consolidated income statement in the “Administrative and promotional expenses” caption, related to depreciation and amortization amounted to \$162 and \$140, respectively (\$229 and \$126, respectively in 2020).

	Original cost	
	2021	2020
Fully depreciated assets		
Constructions	\$ 5	5
Office furniture and equipment	56	57
Transportation equipment	46	35
Computer equipment	233	189
Leasehold improvements	428	377
Telecommunications equipment	57	42
	\$ 825	705

The property, furniture and equipment owned by Genera, is not pledged or restricted for its use or disposal.

Genera as lessee has capitalized leases for transportation equipment, mobile devices and automated teller machines with terms of 3 to 4 years with purchase option. The lease of furniture and transportation equipment was recognized as capitalized because the present value of minimum lease payments exceeds 90% of fair market value of the asset at the beginning of the agreement.

At December 31, 2021 and 2020, assets leased through capitalized leases are comprised as follows:

	2021	2020
Office furniture and equipment	\$ -	3
Transportation equipment	21	40
Less accumulated depreciation	11	30
	\$ 10	13

The payable liability related to capitalized leases is as follows (see note 18):

2021	Future Minimum payments	Discounted interest	Present value
Less than one year	\$ 4	-	4
Between one and five years	7	(1)	6
	\$ 11	(1)	10

2020	Future Minimum payments	Discounted interest	Present value
Less than one year	\$ 30	(1)	29
Between one and five years	13	-	13
	\$ 43	(1)	42

Interest expense from capitalized leases during the years ended December 31, 2021 and 2020, was \$1 and \$2, respectively, which is recorded under the caption of “Other operating income (expenses), net” in the consolidated statements of income (see note 23).

(11) Investment in associated companies-

At December 31, 2021 and 2020, the permanent investments are comprised as follows:

		2021	2020
Associated companies	\$	37	30
Other permanent investments at acquisition cost	\$	76	64
		113	94

At December 31, 2021 and 2020, the investment in associated companies is valued by the equity method, considering the results and the stockholders' equity of the companies where by there is not control over the financial policies and the operating decisions are led by the controlling shareholders. The associated companies as follows:

Activities	% of participation	Stock Capital	Equity in net assets
December 31, 2021			
Aflore	Microfinance	24.06	71
Reinventando el Sistema S. A. P. I. de C. V.	Placement of insurance	26.94	76
		147	37
December 31, 2020			
Aflore	Microfinance	29.32	103
		103	30

The participation in the result of associated companies for the years ended December 31, 2021 and 2020, is as follows:

	% of participation	Net results	Equity in the results
December 31, 2021			
Aflore	24.06%	\$ (55)	(14)
Reinventando el Sistema S.A.P.I de C.V.	26.6%	(12)	(3)
		\$ (67)	(17)
December 31, 2020			
Aflore	29.32	\$ (47)	(14)
Fin Útil ⁽¹⁾	45.04	13	7
Comfu ⁽¹⁾	45.04	175	89
Talento Concrédito ⁽¹⁾	37.26	9	4
Pago Digitales Peruanos ⁽²⁾	55.56	(13)	(7)
		\$ 137	79

(i.ii.c.1) Equity in income as associated companies until July 31, 2020.

(i.ii.c.2) Equity in income as associated companies until May 30, 2020.

As of December 31, 2021 and 2020, the other permanent investments at acquisition cost are as follows:

	2021	2020
Avante.com.vc SOLUÇÕES E PARTICIPAÇÕES, S. A. ⁽¹⁾	\$ 109	109
Epesos, S. A. P. I. de C. V. ⁽¹⁾	50	50
Reinventando el Sistema S.A.P.I de C.V.	-	21
Fondadora 2. O., S. A. P. I. de C. V.	25	-
IDE345 III S.A.P.I de C.V.	19	19
IDE345 II, S. A. P. I. de C. V.	15	15
ALLVP Fund III,L.P.	16	8
Grupo Aliada MX, S. A. P. I. de C. V. ⁽¹⁾	-	2
500 Luchadores, L.P.	1	1
Subtotal	235	225
Impairment reserve	(159)	(161)
	\$ 76	64

(1) As of December 31, 2021 and 2020, an impairment reserve was recognized in these permanent investments equivalent to 100% of the investment amount.

Business acquisition in stages-

On June 15, 2020, following a resolution at the Board of Directors' meeting held on October 31, 2017, the investment in the associates Fin Útil and Comfu was increased, through the conversion of loans for \$657 granted to Fin útil and Comfu, therefore the percentage of ownership at June 30, 2020 had an increase from 36.74% to 45.04%, respectively.

On August 10, 2020, through a transaction covered with its own resources, Genera formalized the investment process to achieve a majority shareholding in Fin Útil, Comfu and Talento Crédito, increasing its participation to 51% through the payment of \$506 and assuming control of strategic business decisions, as well as its financial and operating policies. The aforementioned entities are incorporated in Mexico with more than 12 years of experience in the granting of loans, with presence in 21 states of the country and a portfolio managed through a network of more than 41 thousand distributors. As of August 2020, Fin Útil, Comfu and Talento Crédito are subsidiaries of Genera and are therefore consolidated.

The following table summarizes the fair value of the total consideration transferred and each of its parts as of December 31, 2020:

Value of previously acquired investment prior to acquisition of control	\$ 2,976
Payment made in cash on date of acquisition of control	506
Total consideration transferred	\$ 3,482

The estimated fair value as of August 10, 2020, of the assets acquired and liabilities assumed at the acquisition date is presented below:

Cash and cash equivalents	\$	1,097
Loan portfolio, net		2,778
Other accounts receivable, net		142
Property, furniture and equipment, net		53
Other assets		249
Intangibles assets acquired		764
Total assets acquired		5,083
Securitization operations		1,281
Banking and other borrowings		580
Other accounts payable		348
Deferred income tax		229
Total liabilities assumed		2,438
Asset acquired net		2,645

Measurement of fair values

The valuation techniques used to measure the fair value of property, plant and equipment acquired are as follows:

Asset acquired	Valuation technique
Intangible asset	The multi-period excess return method considers the present value of the net cash flows expected to be generated by the relationships with credit dealers.

Accounts receivable include contractual amounts due of \$2,900, which had an allowance for loan losses of \$122 at the acquisition date.

From the \$764 of intangible assets acquired, \$73 was allocated to a trademark and \$691 to the relationship with the credit distributor network, which has an estimated useful life of 10 years.

Goodwill arising from the acquisition has been recognized as shown below:

Consideration paid	\$	3,482
Non-controlling interest, based on the proportional interest in the amounts recognized for assets and liabilities by the acquiree		3,346
Fair value of identifiable net assets		(2,645)
Goodwill		4,183

Long-lived assets available for sale - Liquidation of Compartamos S. A. (Compartamos Guatemala)

On July 5, 2021, the subsidiary, Compartamos Guatemala, entered into a purchase and sale agreement for the purpose of selling 100% of its portfolio and assets, and as of that date has been in the process of closing its operation; therefore, as of December 31, 2021, the investment in Compartamos Guatemala is presented under the caption "Long-lived assets available for sale", which represents liquid cash to be distributed to shareholders. Likewise, the results for the years ended December 31, 2021 and 2020, are presented under the caption "Discontinued operations" in the consolidated statements of income. As of December 31, 2021, Genera is in the process of initiating the legal liquidation of Compartamos Guatemala.

As of December 31, 2021 and 2020, the net loss from the discontinued operation of Compartamos Guatemala is analyzed as follows:

		2021	2020
Interest income	\$	269	447
Interest expense		(4)	(4)
Allowance for loan losses		(44)	(240)
Commissions and fee income		10	12
Commissions and fee expense		(4)	(9)
Other operating income (expenses), net		80	(4)
Administrative and promotional expenses		(488)	(474)
Deferred income tax		(2)	39
General expenses	\$	(1)	-
Discontinued operations		(184)	(233)

During the year 2020, the discontinued operations line item includes, in addition to the Compartamos Guatemala operation, the amount of \$59 corresponding to the discontinued operation of Pagos Intermex, S. A. de C. V.

(12) Other assets, deferred charges and intangibles-

At December 31, 2021 and 2020, this caption is comprised as follows:

		2021	2020
Goodwill ^(a)	\$	4,997	5,052
Guarantee deposits ^(b)		52	59
Insurance ^(c)		18	28
Electronic banking system, intangibles and licenses ^(d)		2,986	2,770
Trademark Concrédito ^(e)		73	73
Intangible for relationship with distributors ^(e)		691	691
Advance payments		265	248
Debt issuance costs (Cebures)		49	37
Plan assets (Note 16)		47	-
		9,178	8,958
Less:			
Accumulated amortization of intangible		1,820	1,513
	\$	7,358	7,445

a) Arises from business acquisitions of Compartamos Financiera for \$788 (\$843 in 2020), Fin Útil for \$3,646, Comfu for \$535 and Talento Concrédito for \$28, which is subject to impairment tests in both years.

b) Not amortizable deposit, subject to recovery upon expiration of each leasing agreement for the respective service office.

- c) Insurance is amortized according to the duration of each policy. The amount charged to the consolidated income statement for the years ended on December 31, 2021 and 2020, amounted to \$36 and \$38, respectively.
- d) Investment in intangibles includes the development of an electronic system for the control and management of banking operation, licenses and acquisition of software. The estimated useful life of the intangible asset and software is ten and seven years, respectively. The amortization of intangible assets and software for the years ended as of December, 31, 2021 and 2020, amounted to \$368 and \$332, respectively.
- e) Derived from the acquisition of Fin Útil, the Concrédito brand was recorded as intangible assets with an indefinite life, which is subject to impairment tests, and the network of distributors with a useful life of 10 years. Amortization charged to income as of December 31, 2021 and during the period from August 10 to December 31, 2020 amounted to \$69 and \$28, respectively.

(13) Deposit funding -

Deposit funding includes deposits on demand, time deposits and debt securities issued in Mexican pesos and global account of deposits with no movements. As part of the deposit funding, demand deposits for \$1,553 and \$1,331, as of December 31, 2021 and 2020, respectively, \$82 and \$39 for the global deposit account with no movement as of December 31, 2021 and 2020, correspond to the Bank, 460 and 293 million of Peruvian soles correspond to Compartamos Financiera as of December 31, 2021 and 2020, respectively (equivalent to \$2,366 and \$1,608 as of December, 2021 and 2020, respectively). At December 31, 2021 and 2020, time deposits from general public include \$1,487 and \$1,382 respectively, from the Bank, as well as 1,683 and 1,710 million of Peruvian soles at December 31, 2021 and 2020, respectively. (equivalent to \$8,655 and \$9,402, respectively).

The weighted average rates (non-audited) of the different deposits funding products during the years ended on December 31, 2021 and 2020, are analyzed as follows:

	2021	2020
Demand deposits	1.41 %	1.90 %
Time deposits	3.71 %	5.17 %
Money market	1.18 %	1.05 %

At December 31, 2021 and 2020, Compartamos Financiera issued money market certificates of deposit (cedes) in soles for 196 and 177, respectively (equivalent in Mexican pesos to \$1,008 and \$972), maturing in one year. Interest expense on the CEDES for the years ended December 31, 2021 and 2020, amounts to \$19 and \$32, respectively (see note 23).

Compartamos Financiera, carried out a public offer on November 13, 2019, for series "A" corporate bonds for 70 million of Peruvian soles, at a fixed annual nominal interest rate of 4.40625% plus 203 basis points points, and a term of 2 years. The current program was registered in the Public Registry of the Securities Market of the Superintendency of the Securities Market of Peru. As of December 31, 2021 and 2020, the balance equivalent in Mexican pesos amounts to \$361 and \$386, respectively. The interest expense recognized by the Corporate Bonds as of December 31, 2021 and 2020 amounts to \$16 and \$23 respectively, (see note 23).

As of December 31, 2021 and 2020, long term unsecured Cebures were issued in Mexican pesos, under the current issuance program approved by the Commission for an amount of \$15,000 in both years. The current issued Cebures are as follows:

2021						
Cebures		Amount of issuance	Date of issuance	Maturity date	Interest rate	Balance
COMPART 16-2	\$	2,000	October 2016	October 2023	Fixed 7.50%	2,000
COMPART 18		2,500	October 2018	September 2022	TIE 28 Days + 42 bp	2,500
COMPART 19		2,000	May 2019	May 2024	TIE 28 Days + 45 bp	2,000
COMPART 20		1,860	June 2020	June 2025	Fixed 8.09%	1,860
COMPART21S		1,783	November 2021	November 2024	TIE 28 Days + 40 bp	1,783
COMPART21-S2		717	November 2021	November 2026	Fixed 9.19%	717
						10,860
Interest payable						62
Total debt issuance						\$ 10,922

2020						
Cebures		Amount of issuance	Date of issuance	Maturity date	Interest rate	Balance
COMPART 16-2	\$	2,000	October 2016	October 2023	Fixed 7.50%	2,000
COMPART 18		2,500	October 2018	September 2022	TIE 28 Days + 42 bp	2,500
COMPART 19		2,000	May 2019	May 2024	TIE 28 Days + 45 bp	2,000
COMPART 20		1,860	June 2020	June 2025	Fixed 8.09%	1,860
						8,360
Interest payable						48
Total debt issuance						\$ 8,408

Interest accrued derived from Cebures for the year ended on December 31, 2021, amounted to \$552 (\$574 in 2020) see note 23.

At December 31, 2021 and 2020, Cebures had the following maturity terms:

Expiration year		2021	2020
2021	\$	-	\$ 48
2022		2,562	2,500
2023		2,000	3,000
2024		3,783	1,000
2025		1,860	1,860
2026		717	-
		10,922	8,408

(14) Banking and other borrowings-

At December 31, 2021 and 2020, Genera had contracted the following borrowings in Mexican pesos and in Peruvian soles, translated into Mexican pesos, as follows:

	2021	2020
Short term:		
Borrowings from development banks	\$ 2	205
Borrowings from multiple banking institutions	1,728	1,788
Public trusts borrowings	27	47
Other institutions	561	1,159
Total short-term	2,318	3,199
Long term:		
Borrowings from development banks	4,250	3,950
Borrowings from multiple banking institutions	-	338
Public trusts borrowings	5,086	8,869
Other institutions	1,020	1,434
Total long term	10,356	14,591
Total banking and other borrowings	\$ 12,674	17,790

As of December 31, 2021 and 2020, there is a liability related to interest accrued for the amount of \$33 and \$34, respectively.

For the year ended December 31, 2021, the accrued interest from banking and other borrowings amounted to \$901 (\$1,055 in 2020), see note 23.

As of December 31, 2021 and 2020, the maturities of banking and other agencies long-term borrowings are shown below:

Maturity	2021	2020
2022	\$ 77	3,932
2023	3,015	2,718
2024	759	-
2025	180	-
More than 5 years	6,325	7,941
	\$ 10,356	14,591

Genera s received credit facilities as of December 31, 2021 and 2020, as well as the unused portion thereof, are shown below:

Institution	2021	
	Credit facility received	Unused portion*
Fideicomiso Instituido en Relación con la Agricultura (FIRA)	\$ 11,250	6,138
Nacional Financiera, S. N. C. (NAFIN)	5,000	750
BBVA Bancomer, S. A.	200	180
Banco Nacional de México, S. A.	560	560
HSBC México, S. A.	550	550
Banco Mercantil del Norte, S. A.	250	187
Corporación Financiera de Desarrollo S. A. (COFIDE)	3,964	2,658
FONDEMI – COFIDE	67	45
Citibank, S.A.	410	410

Institution	2021	
	Credit facility received	Unused portion*
Banco de la Nación	566	566
BBVA Banco Continental	718	8
Banco Interbank	143	17
Banco GNB Perú, S.	257	-
Citibank Perú, S. A.	463	463
Banco Invex, S.A. Institución de Banca Multiple Gpo Financiero	150	100
Japan Interntinal Cooperation Agency	1,025	1,025
Caja Municipal de Ahorro y Crédito de Arequipa, S. A.	103	103
ICBC International Trade Processing Center	205	205
Fondo de Cooperación para el Desarrollo Social	77	-
Sura Asset Management Peru, S.A.	7	-
Banco de Crédito del Perú, S. A.	410	19
Banco Ve por Mas, S. A	250	250
Banco Actinver, S.A.	200	100
CI Banco, S. A. y SOCADE, S.A.P.I. de C.V.	400	333
FAE Mype COFIDE	83	-
	\$ 27,308	14,667

* See explanation on the next page.

Institution	2020	
	Credit facility received	Unused portion*
Fideicomiso Instituido en Relación con la Agricultura (FIRA)	\$ 10,500	1,585
Nacional Financiera, S. N. C. (NAFIN)	4,000	50
BBVA Bancomer, S. A.	150	-
Banco Nacional de México, S. A.	560	460
HSBC México, S. A.	550	550
Banco Mercantil del Norte, S. A.	800	613
FONDEMI – COFIDE	55	13
Línea puno – COFIDE	4,071	2,200
Banco de la Nación	605	401
BBVA Banco Continental	697	147
Banco Interbank	239	239
Banco GNB Perú, S. A.	275	-
Citibank Perú, S. A.	495	165

Institution	2020	
	Credit facility received	Unused portion*
Banco del Bajío, S. A.	500	500
Banco G&T Continental, S. A.	38	-
Caja Municipal de Ahorro y Crédito de Arequipa, S. A.	165	165
ICBC International Trade Processing Center	199	199
Fondo de Cooperación para el Desarrollo Social	82	-
Banco Internacional, S. A.	38	-
Banco de Crédito del Perú, S. A.	239	45
Banco Ve por Mas, S. A	200	100
Banco Actinver, S.A.	200	50
CI Banco, S. A. y SOCADE, S.A.P.I. de C.V.	400	-
CARDIF S.A.	180	-
FAE Mype COFIDE	83	-
	\$ 25,238	7,482

* The amount of the unused credit facilities are recognized in memorandum accounts as part of the caption "Other memorandum accounts".

As of December 31, 2021, borrowings accrued interest at average annual interest rates (non-audited) in Mexican pesos of 6.88% (9.76% in 2020), in Guatemalan quetzales 7.25%, in Peruvian soles of 3.49% (3.94% in 2020).

(15) Obligations in securitization operations-

As of December 31, 2021, and 2020, the balance of securitization operation are included in the following page.

Debt securities issued by Fin Útil corresponding to Cebures are summarized as follows:

2021						
Issuance	Trust	Amount of issuance	Rating	Maturity date	Interest rate	Amount
FUTILCB21	F/01064	6,000,000	HR AAA/MX AAA	June-25	TIIE at 28 days+218 bp	600
FUTILCB19	F/00925	8,000,000	AAA /HRAAA	March-23	TIIE at 28 days+220 bp	\$ 800
Interest payable						4
						\$ 1,404

2021						
FUTILCB19	F/00925	8,000,000	AAA /HRAAA	March-23	TIIE at 28 days+220 bp	\$ 800
FUTILCB18	F/01064	5,000,000	MXAAA /AAA	March-21	TIIE at 28 days+218 bp	417
						\$ 1,217

Each trust has a revolving period mentioned below, in which Fin Útil as Settlor and Trustee in second place has the right to discount the portfolio prior to the objective amortizations of each issue. As established in the contract of each trust, Fin Útil is entitled to receive back the assets and rights it contributed to the trust, as well as all the amounts and assets that are part of the Trust Estate, in the corresponding proportion according to the terms agreed in the contract, once the principal and interest and other amounts payable under the Certificados Bursátiles have been fully paid.

(16) Employees' benefits-

Genera has a pension plan in a mixed scheme, in which the benefit that is granted to the personnel is derived from two components: defined benefit plan and defined contribution plan. The retirement pension plan covers the permanent employees. The benefits are based on 10 years of service and 65 years of age on the integrated daily wage. The defined benefit plan is funded in its entirety by Genera, and the defined contribution plan is funded with contributions from both Genera and the employees.

Genera granted for one time only in 2012 the right to a recognition bonus for enrolling in the pension plan. The recognition bonus of \$35 for employees was granted to the personnel who had at that date two or more years of service, and who enrolled in the plan at the time of its establishment, the aforementioned bonus is contributed in a deferred form to a trust in an annual basis and expires in 2022, as long as the personnel remains active. As of December 31, 2021, Genera has contributed \$26.

Cash flows

The contributions and benefits paid for the years ended December 31, 2021 and 2020, are as follows:

2021		Contribution to the fund	Benefits paid from the fund
Termination	\$	-	258
Recognition bonus		2	-
Total	\$	2	258

2020		Contribution to the fund	Benefits paid from the fund
Termination	\$	-	141
Recognition bonus		2	-
Defined benefit		188	-
Total	\$	200	141

Obligations-

The components of the defined benefit cost for the years ended December 31, 2021 and 2020, are as follows:

As of December 31 2021 and 2020, the obligations financial situation is as shown:

		Legal compensation		Seniority premium		Pension plan	
		2021	2020	2021	2020	2021	2020
Current Service Cost (CSC)	\$	74	55	26	16	55	132
Prior Service Labor (income) cost provided in the year		127	-	18	54	(22)	-
Loss (gain) on early settlement of obligations (LAO)		(94)	-	(23)	-	37	-
Net interest on defined benefit net liability (DBNL)		45	31	9	5	-	39
Reclassification of remeasurements of DBNL in OCI		89	54	1	2	(6)	17
Reclassifications of remeasurements for LAO		395	-	38	-	(123)	-
Net cost for the period		636	140	69	77	(59)	188
Increase (decrease) in remeasurements of the DBNL or (DBNA) in OCI		(422)	269	(15)	6	8	(500)
Defined benefit cost	\$	214	409	54	83	(51)	(312)
Beginning balance of DBNL or (DBNA) remeasurements	\$	591	322	23	17	(70)	430
Remeasurements generated in the year		62	323	24	8	(121)	(483)
Reclassification of remeasurements recognized in OCI of the year		(89)	(54)	(1)	(2)	6	(17)
Reclassification of remeasurements for LAO		(395)	-	(38)	-	123	-
Ending balance of DBNL remeasurements		169	591	8	23	(62)	(70)
Increase (decrease) in remeasurements of the DBNL or (DBNA) in OCI		(422)	269	(15)	6	8	(500)
Beginning balance of DBNL		722	435	136	63	11	511
Acquisition effec for Talento Concrédito	\$	-	7	-	3	-	-
Defined benefit cost		214	409	54	83	(51)	(312)
Contributions to the plan		-	-	-	-	(7)	(188)
Payments charge to DBNL		(228)	(129)	(30)	(13)	-	-
Ending balance of DBNL		708	722	160	136	(47)	11
Defined benefit obligations (DBO)	\$	(708)	(722)	(160)	(136)	(518)	(513)
Plan assets		-	-	-	-	565	502
Financial position of the obligation		(708)	(722)	(160)	(136)	47	11

During November and December 2021 and 2020 Genera paid termination benefits to employees for an amount of \$44 and \$87, respectively, reducing the labor obligations liability with respect to the one actuarially determined.

The cost, obligations and other elements of pension plans, seniority premiums and legal termination benefits other than restructuring, mentioned in note 3(q), was determined based on calculations prepared by independent actuaries at December 31, 2021 and 2020.

Main actuarial assumptions-

The main actuarial assumptions used, expressed in absolute terms, as well as the discount rates, yield of the plan assets, salary increases and changes in the indexes or other variables referred, at December 31, 2021 and 2020, the same actuarial assumptions in both years, as indicated below:

Age	Death EMSSA 09 Men	Death EMSSA 09 Women	Disability IMSS 97	Rotation CEAS	Rotation Desentralized	Rotation Sales	Rotation Operations	Retirement BCS
20	0.00197	0.00093	0.00076	0.99999	0.99999	0.99999	0.99999	0.00000
25	0.00230	0.00095	0.00100	0.33878	0.31410	0.25465	0.25240	0.00000
30	0.00274	0.00099	0.00112	0.20544	0.19048	0.15442	0.15306	0.00000
35	0.00332	0.00105	0.00129	0.12906	0.11966	0.09701	0.09615	0.00000
40	0.00411	0.00116	0.00164	0.08259	0.07658	0.06208	0.06154	0.00000
45	0.00517	0.00132	0.00221	0.04935	0.04575	0.03709	0.03676	0.00000
50	0.00661	0.00158	0.00347	0.02728	0.02529	0.02051	0.02033	0.00000
55	0.00859	0.00199	0.00712	0.01152	0.01068	0.00866	0.00858	0.00000
60	0.01131	0.00270	0.00000	0.00000	0.00000	0.00000	0.00000	0.51006
65	0.01512	0.00396	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000

	2021	2020
Discount rate:		
Banco and Compartamos servicios		
Sales division	8.04%	6.74%
CEAS division	8.04%	6.74%
Talento Fin Útil and Comfu	7.25%	6.62%
Rate of salary increases:		
Banco and Compartamos servicios		
Sales division	5.00%	5.00%
CEAS division	8.00%	8.00%
Talento Fin Útil and Comfu	5.57%	5.50%
Rate of increases to the minimum salary:		
Sales division	4.50%	4.00%
CEAS division	4.50%	4.00%
Talento Fin Útil and Comfu	4.50%	3.50%

During the years of 2021 and 2020, the amount contributed to the defined contribution pension plan was \$36 and \$32, respectively.

(17) Income Tax (IT) and Employee Statutory Profit Sharing (ESPS)-

(a) IT

According to the current IT Law in Mexico, the IT rate for the fiscal years of 2021 and 2020 was 30%. The ESPS rate for the fiscal years of 2021 and 2020 was 10%. The IT rate in Peru for fiscal years of 2021 and 2020 was 29.5%. The IT rate in Guatemala for fiscal years of 2021 and 2020 was 25%.

The tax result differs from the accounting result, mainly in such items that are taxable or deductible differently for accounting and tax purposes, by the recognition of the inflation effects for tax purposes, as well as such items that only affect either the accounting or tax results.

Genera does not consolidate its subsidiaries for tax purposes carryforward, following is presented for informative purposes the expense (income) in the consolidated income statement related to current and deferred income taxes for the years ended December 31, 2021 and 2020:

	2021			2020		
	Current IT	Deferred IT in OCI	Deferred IT	Current IT	Deferred IT in OCI	Deferred IT
Banco	\$ (252)	2	(398)	-	-	726
Genera	-	-	-	-	-	(53)
Compartamos Financiera	(2)	-	(3)	-	(34)	239
Compartamos Servicios	(55)	(129)	(103)	(230)	(1)	(20)
Controladora AT	(43)	-	3	-	-	(23)
Red Yastás	-	1	(8)	(25)	-	-
Compartamos Guatemala	-	-	-	-	(3)	39
Fin Útil	(82)	-	75	10	-	109
Comfu	(74)	-	15	(65)	-	7
Talento Concrédito	(83)	-	5	(3)	-	(2)
	\$ (591)		(414)	(313)	(38)	1,022

On the next page, the reconciliation between the current and effective IT tax rates of the Bank for the years ended on December 31, 2021 and 2020, which provision is the main consolidated IT expense, is shown.

		2021	2020
IT at 30% rate on income before IT	\$	(881)	-
Plus (less) the effect of IT on:			
Deductible annual inflation adjustment		213	-
Allowance for loan losses		(454)	-
Write-offs		648	-
Employee liability		(131)	-
Others, net (mainly provisions)		(311)	-
Tax loss amortization		664	-
Current IT		(252)	-
Deferred IT		(398)	726
IT (expense) income in the Bank	\$	(650)	726
Effective IT rate		22%	35%

At December 31, 2021 and 2020, the main temporary differences of Genera on which deferred IT asset (liability) arises, are analyzed as follows:

		2021	2020
Allowance for loan losses	\$	793	927
Furniture and equipment		82	69
Installation expenses		195	185
Employees' benefits		280	177
Provisions		478	201
Tax losses carryforward		460	1,274
Other		76	135
		2,364	2,968
Less:			
Valuation allowance *		(442)	(398)
Deferred IT asset, net	\$	1,922	2,570

* As of December 31, 2021 and 2020, such reserve corresponds mainly to the deferred tax loss carryforwards of Genera of \$805 and \$793, respectively; as well as the disposal on sale of shares of \$565 and \$525, respectively.

As of December 31, 2021 and 2020, Genera recognized a deferred tax liability arising from the recognition of intangible assets in the business acquisition (note 11), as shown below:

		2021	2020
Trademark Concrédito	\$	22	22
Intangible for women entrepreneurs relations		178	199
Deferred liabilities		200	221

For the year ended December 31, 2021, the deferred IT movement in Genera represented a debit the year results for \$414, debit for \$126 in OCI. (a credit to income for \$1,022 and a credit of \$38 to stockholders' equity in 2020).

As of December 31, 2021 and 2020, deferred tax asset derived from ESPS amounted to \$115 and \$150, respectively. Deferred tax asset derived from ESPS at December 31, 2021 and 2020 is reserved at \$92 and \$143, respectively.

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

(b) ESPS

For the years ended on December 31, 2021 and 2020, determined ESPS amounts to \$254 and \$63, respectively, which was recognized under the "Administrative and promotional expenses" caption in the consolidated statement of income.

As of December 31, 2021 and 2020, the ESPS payable from previous years amounts to \$10 and \$9, respectively.

(18) Sundry creditors and other accounts payable-

At December 31, 2021 and 2020, the balance of this caption is comprised as follows:

		2021	2020
Capitalized lease liabilities (note 10)	\$	10	42
Social security contributions		161	158
Other taxes		454	392
Labor liabilities (note 15) ⁽¹⁾		928	907
Sundry provisions		730	898
Sundry creditors		1,627	1,147
	\$	3,910	3,544

(1) Includes \$86 and \$100 as of December 31, 2021 and 2020, respectively, of labor liability mainly from the subsidiaries abroad.

Following is the analysis of the most significant provisions for the years ended December 31, 2021 and 2020:

Type of provision	Balance at January 1, 2020	Provisions for acquisition of bussines	Plus increases	Less applications	Balance at December 31, 2021
Short term:					
Sundry provisions	\$ 898	293	2,070	391	730

Type of provision	Balance at January 1, 2020	Provisions for acquisition of bussines	Plus increases	Less applications	Less cancellations	Balance at December 31, 2020
Short term:						
Soundry provisions	\$ 944	72	1,712	1,573	257	898

Provisions represent present obligations for past events where it is more likely than not, there will be outflow of economic resources in the short-term.

Following are presented the main provision concepts at December 31, 2021 and 2020:

	2021	2020
Employees bonuses	\$ 278	293
Advisory and services	5	32
Legal provisions	78	58
Commissions	5	5
Other provisions	364	510
Total provisions	\$ 730	898

(19) Institute for the protection of bank saving (IPAB- for its acronym in Spanish)-

The System for the Protection of Bank Savings, in effect since 2005, comprises, among other changes, the protection of deposits from the general public amounting to the equivalent of 400,000 UDI (approximately \$2.5 at December 31, 2021 and 2020), excluding interbank deposits and those payable to its stockholders and upper bank management, among others.

Fees paid to the IPAB during the years ended December 31, 2021 and 2020, amounted to \$96 and \$89, respectively, which were charged directly to the consolidated results of the year within the caption of "Administrative and promotional expenses".

(20) Stockholders' equity-

(a) Structure of stock and movements of stockholders' equity

Genera was incorporated with a minimum fixed capital of fifty thousand Mexican pesos and an unlimited variable capital.

Movements 2021-

At the Ordinary Annual General Shareholders' Meeting, held on April 17, 2021, it was approved i) transfer to the prior years' results the amount of \$1,592 corresponding to the result of the 2020 year, ii) suspend the use of the fund for the acquisition of treasury stock until a new date to be defined by the Board of Directors, iii) Cancel 5,263,000 shares nominative ordinary shares without nominal value expression, without reducing capital stock.

Therefore, Genera did not declare dividends during 2021.

Genera's subscribed and paid capital at December 31, 2021 and 2020, is comprised as follows:

Series	Shares	Description	Amount
"Unique"	415,595,676	Minimum fixed capital with no withdrawal rights	\$ 1,201
	1,171,998,200	Variable capital	3,563
	1,592,856,876	Capital Stock	\$ 4,764

(b) Restrictions on stockholders' equity-

The General Corporations Law requires Genera to separate annually 5% of their profits to constitute the statutory reserve until it reaches 20% of the capital stock.

(c) Capitalization requirements (unaudited)-

The Ministry of Finance and Public Credit (SHCP-Spanish acronym) requires banks in Mexico to have a percentage of capitalization on assets at risk, which are calculated by applying certain percentages depending on assigned risk. As of December 31, 2021 and 2020, the Bank had complied with the percentage.

Minimum capital stock-

The Bank's subscribed and paid-in minimum capital is equivalent, in Mexican pesos, to the value of ninety million UDIs. The minimum capital stock required for the Bank to operate must be subscribed and paid-in. When the capital stock exceeds the minimum, at least 50% must be paid-in, provided this percentage is not below the established minimum.

In order to comply with minimum capital requirements, the Bank can consider the net capital held, as per the provisions of article 50 of the Law of Credit Institutions. At no time net capital can be less than minimum capital.

Capitalization-

Net capital-

The Bank maintains a net capital related to the market, credit and operating risk to which it is exposed, and which is not lower than the sum of the capital requirements for the aforementioned risks, in terms of the Capitalization Requirement Rules for Multiple Banking Institutions issued by the SHCP.

At December 31, 2021 and 2020, the Bank is in compliance with the capitalization rules, which require the Institution to maintain a certain net capital in relation to market and credit risks incurred in its operations, which may not be lower than the total amount from adding up capital requirements for both types of risk.

Bank capitalization index (unaudited)-

Capitalization rules for financial institutions establish requirements for specific levels of net capital, such as a percentage of assets subject to market, credit or operational risk. The Bank's capitalization Index (ICAP by its acronym in Spanish) as of December 31, 2021 was 37.09% in accordance with current rules and 31.44% as of December 31, 2020.

The ICAP on assets subject to credit risk ("ASRC" by its acronym in Spanish) as of December 31, 2021 and 2020, is 44.26% and 38.59%, respectively.

Following are the most relevant items of the ICAP at December 31, 2021 and 2020:

		2021	2020
Assets in market risk	\$	2,497	3,565
Assets in credit risk		24,136	24,094
Assets in operational risk		2,179	1,917
Total risk assets	\$	28,803	29,576
Net capital	\$	10,693	9,298
Ratio on assets subject to credit risk		44.26%	38.59%
Ratio on assets subject to total risk		37.09%	31.44%

The Bank's net capital requirement derived from its exposure to credit risk must be at a minimum ICAP of 10.5%, which is the result of multiplying the weighted assets for which the standard method was used.

The net capital, is determined as follows:

		December 31, of
		2021
Stockholders' equity ¹	\$	11,364
Deduction of intangibles and deferred expenses or costs		(681)
Basic capital		10,683
Complementary capital		-
Net capital	\$	10,683

According to Article 220 of the Dispositions applicable to Credit Institutions, issued in the Official Gazette on December 2, 2005 and subsequent amendments, the Institution has as of December 31, 2021 Fundamental Capital Ratio (CCF by its acronym in Spanish) higher than 0.7 plus the sum of the Systemic Countercyclical Supplement Capital (SCCS by its acronym in Spanish) and the Countercyclical Supplement Capital Ratio (SCCI by its acronym in Spanish), a Ratio of Basic Capital higher than 0.085 for the years 2021 and 2020 plus the sum of SCCS and SCCI and an ICAP higher than 10.5%, for both years, plus the sum of SCCS and SCCI. Therefore the Institution is classified in the "I" category in accordance with the aforementioned provisions for both years.

El Coeficiente de Capital Básico 1 y el Coeficiente de Capital Básico, se determinan como sigue:

The Ratio of Basic Capital 1 and the Ratio of Basic Capital, is determined as follows:

$$\text{CCB1} = \frac{\text{Basic Capital 1} / \text{Weighted Assets subject to Total Risks}}{\text{ICAPRM}}$$

$$\text{CCB} = \frac{[(\text{Basic Capital 1} + \text{Basic Capital 2}) / \text{Weighted Assets subject to Total Risks}]}{\text{ICAPRM}}$$

ICAPRM R = R Ratio of minimum capitalization .

SCCS = It is the percentage referred to in subparagraph b) of section III of article 2 Bis 5 of these provisions and that corresponds to it in accordance with Article 2 Bis 117 of these provisions.

SCCI = It is the Countercyclical Capital Supplement that each Institution must constitute in accordance with Chapter VI Bis 2 of Title One Bis of these provisions.

Multiple banking institutions will be notified by the Commission of their rating with respect to their categories, as well as the applicable minimum corrective measures and/or special additional measures.

Special additional corrective measures could be applied by the Commission in addition to minimum corrective measures, which, depending on the category, could include the requirement to issue more detailed reports to the Board of Directors of those institutions and the Commission, and hiring special auditors to deal with specific questions with external auditors authorized by the Commission, to the replacement of officers, directors, statutory auditors, the modification of interest rate policies and the withdrawal of the multiple banking institution's operating authorization

As of December 31, 2021 and 2020, the computation only considers the following capital accounts: i) capital stock, ii) statutory reserves, iii) prior years' results, iv) net income, v) valuation of available-for-sale securities and vi) remeasurements for employees defined benefits. All this in accordance with the modification of Article 2 Bis, Section I, subparagraph a) of the "General Provisions applicable to Credit Institutions", published in the Official Gazette on November 28, 2012.

Market risk-

The capital required for the position of assets at market risk as of December 31, 2021 and 2020, is as follows:

Item	Amount of the equivalent positions		Capital requirement
	2021	2020	
Operations at nominal rate in local currency	\$ 2,307.67	3,329.63	184.61
Operations at nominal rate in foreign currency	0.16	0.20	0.01
Shares and on shares positions	-	-	-
Positions in foreign currency or with return indexed to exchange rates	189.42	235.35	15.15
	\$ 2,497.25	3,565.18	199.77

Credit risk-

The amount corresponding to weighted assets subject to credit risk and their respective capital requirements as of December 31, 2021 and 2020 is shown below per risk group and item:

	Risk-weighted assets		Requerimientos de capital	
	2021	2020	2021	2020
Risk group:				
From borrowers in loan portfolio:				
Group III (weighted at 20%)	\$ 860.882	463.089	68.871	37.047
Group III (weighted at 100%)	4.948	0.003	0.396	0.0003
Group VI (weighted at 75%)	17,273.881	-	1,381.910	
Group VI (weighted at 100%)	2,061.553	19,671.065	164.924	1,573.685
Group VII_A (weighted at 20%)	22.610	21.463	1.809	1.717
Group VIII (weighted at 115%)	134.012	293.851	10.721	23.508
For transactions with related persons::				
Group III (weighted at 115%)	1,033.304	1,202.343	82.664	96.187
Group III (weighted at 100%)	51.748	78.331	4.140	6.267
Group VII_A (weighted at 115%)	83.707	-	6.697	-
Of issuers of debt securities in position:				
Group III (weighted at 20%)	-	-	-	-
Permanent investments and other assets:				
Group III (weighted at 20%)	0.040	0.103	0.003	0.008
Group III (weighted at 115%)	0.934	-	0.075	-
Group III (weighted at 115%)	0.679	0.539	0.054	0.043
Group IV (weighted at 20%)	1,262.417	1,009.807	100.993	80.785
Group VII_A (weighted at 100%)	1,342.625	1,351.313	107.410	108.105
Group IX (weighted at 100%)	2.581	2.581	0.206	0.206
Group X (weighted at 1250%)	0.040	0.103	0.003	0.008
Total credit risk.	\$ 24,135.921	24,094.488	1,930.873	1,927.558

Operational risk-

The capital requirement for its exposure to operational risk using the alternative standard method for the calculation of December 2021 is \$173.6, while for 2020 it was \$153.3.

Capital requirements are calculated periodically and the sufficiency of capital is evaluated. At December 31, 2021 and 2020, the Institution has maintained a capitalization index of 37.09% and 31.44%, respectively, higher than the current regulatory limit (10.5%).

(d) Leverage index of the bank (unaudited)-

The rule for calculating the leverage ratio established by the Commission, as of December 31, 2021 and 2020, considers the follows:

	2021	2020
Basic capital	\$ 10,683	9,298
Accounting assets	37,278	35,913
Deductions	682	850
Derivatives	-	-
Repurchase/resell agreements and loan of securities	-	-
Memorandum accounts – loan commitments	3,365	440
Leverage index	27%	26%

(e) Bank's agencies credit rating (unaudited)-

As of December 31, 2021 and 2020 the Bank obtained the following agencies credit rating in both years:

Agency	Domestic ranking	Global ranking
Fitch RatingsP ⁽¹⁾	'AA+(mex) / F1+(mex)'	BB+ / B
Standard&Poor'sP ⁽²⁾	'mxAAA / mxA-1+'	BB+ /B'

(1) Modified rating on December 14, 2021.

(2) Modified rating on November 18, 2021.

(f) Liquidity coverage ratio (unaudited)-

2021	Unweighted amount (average)	Weighted amount (average)
Computable liquid assets		
Total computable liquid assets	\$ N/A	5,723
Cash outflows:		
Non-guaranteed retail financing	1,979	116
Stable financing	1,630	81
Less stable financing	349	35
Non-guaranteed wholesale financing	112	74
Operational deposits	-	-
Non-operational deposits	64	25
Unsecured debt	1,979	116
Guaranteed wholesale financing	48	49
Additional requirements	N/A*	-
Outflows related to derivative financial instruments and other guarantee requirements	3,597	179
Outflows related to debt instrument financing losses	-	-
Lines of credit and liquidity	-	-
Other contractual financing obligations	3,597	179
Other contingent financing obligations	237	235
Total cash outflows	-	-
	N/A*	605

2021	Unweighted amount (average)	Weighted amount (average)
Cash inflows:		
Cash inflows from guaranteed transactions	-	-
Cash inflows from non-guaranteed transactions	13,033	7,997
Other cash inflows		
Total cash inflows	13,033	7,997
Total computable liquid assets	N/A*	5,723
Total net cash outflows	N/A*	151
Liquidity coverage ratio	N/A*	4,364.92%

* N/A= Not applicable, since the values subject to division are zero.

2020		Unweighted amount (average)	Weighted amount (average)
Computable liquid assets			
Total computable liquid assets	\$	N/A*	11,092
Cash outflows:			
Non-guaranteed retail financing		1,522	92
Stable financing		1,201	60
Less stable financing		321	32
Non-guaranteed wholesale financing		633	444
Operational deposits		-	-
Non-operational deposits		589	399
Unsecured debt		44	45
Guaranteed wholesale financing		N/A*	-
Additional requirements		440	22
Outflows related to derivative financial instruments and other guarantee requirements		-	-
Outflows related to debt instrument financing losses		-	-
Lines of credit and liquidity		440	22
Other contractual financing obligations		145	145
Other contingent financing obligations		-	-
Total cash outflows		N/A*	702

2020		Unweighted amount (average)	Weighted amount (average)
Cash inflows:			
Cash inflows from guaranteed transactions		-	-
Cash inflows from non-guaranteed transactions		8,417	5,357
Other cash inflows		-	-
Total cash inflows		8,417	5,357
Total computable liquid assets		N/A*	11,092
Total net cash outflows		N/A*	176
Liquidity coverage ratio		N/A*	7883.83%

* N/A= Not applicable, since the values subject to division are zero.

The Liquidity Coverage Coefficient is calculated monthly, which is a regulatory requirement and determines the coverage provided by the Available Liquid Assets to cover the Net Cash Outflows in the next 30 days, The average presented considers the information corresponding to the period from October 1, to December 31, 2021 and 2020. During the fourth quarter of 2021 and 2020, no deviation was presented to the daily Liquidity Coverage Ratio, and the corresponding scenario according to the Liquidity Provisions was Scenario I.

(21) Commitments and contingent liabilities-

Compartamos Servicios entered into a lease agreement of a building for the exclusive use of corporate offices in Mexico, the amount of the rent is in dollars and it was translated into Mexican pesos as of April 1, 2013, date when conditions are met to occupy the building.

The term of the agreement is for a period of 126 months, starting on October 1, 2012, and ending on March 31, 2023, paying a total of 44,889,935 dollars at an exchange rate of \$12.62 Mexican pesos per dollar, during the aforementioned period. For the payment of the rent Genera has a grace period of six months to condition the property for its use beginning on October 1, 2012. Genera entered into an amendment agreement dated October 29, 2018 for the return of floors 19, 20 and 21 with their respective terrace. The formal return of the aforementioned floors took place on April 30, 2019.

The total amount of lease payments, which will be made during the following five years amounts to \$1,709 (\$548 in 2022, \$409 in 2023, \$304 in 2024, \$245 in 2025 and \$203 in 2026).

The majority of the lease agreements for the service offices are based on Genera's templates, containing the following clauses: purpose, intent, duration, rent, guarantee deposit, form of payment, expense, additional obligations, rescission, returning of the building, maintenance and leasehold improvements, privation, non-compliance, contractual penalty, modifications, notices and notifications, assignment, absence of flaws and jurisdiction

Most of the agreements establish the option of early termination for Genera, prior notification to the lessor in writing.

For the most part, contract renewals require that the lessor respect the preemptive right established in the legislation, as well as signature of a new lease agreement in the same terms and conditions set forth in the expiring agreement. The lessor is to grant Genera 60 days prior to expiration of the agreement to conduct the renewal.

Genera will enjoy a term of 10 business days as from the first working date after the lesser delivers the agreement, in order for the former to decide whether or not to sign the agreement. Genera does not sign lease agreements with an option to buy. All of the lease agreements are guaranteed with cash deposits, which are the equivalent to 1 or 2 months' rent, as the case may be. Under no circumstances does Genera offer additional guarantees

Rent agreements are paid on a monthly basis and are updated annually and increases are determined based on the National Consumer Price Index published by Central Bank the previous month prior to signing the agreement supporting said increase.

In most cases, the annual increase is capped to 10% of the rent price paid the prior year, in the event of macroeconomic contingencies, this percentage will be increased.

Rent increases must be supported through an amending agreement, to be signed 30 days prior to the date on which the rent is to be increased. Genera's lease agreements do not consider caps on dividend payments and debt contracting.

For the years ended December 31, 2021 and 2020, lease payments were recorded in the consolidated income statement for \$882 and \$928, respectively.

Genera is involved in several claims and trials, derived from the normal course of its operations. According to the opinion of its legal counsels and to the assessment made by the Management, there are elements of defense in which exists a probability to obtain a favorable outcome. As part of those claims up to date stands out the nullity trials and claims brought by the Mexican Internal Revenue Service (SAT-Spanish acronym) for fiscal years: 2014 and 2015, whose claim comes mainly from the difference in the criteria applied for expenses, deduction of write-off and loss from the sale of loan portfolio, respectively; the amounts observed by the SAT, amount to: \$1 and \$371, respectively.

Compartamos Servicios is involved in several claims and labor trials, derived from the demands of ex-employees, whose effects are not expected to have material effect.

(22) Balances and operations with related parties-

During the normal course of operations, Genera conducted transactions with related parties.

Related parties are defined as either individuals or entities holding direct or indirect control of 2% or more of the shares representing Genera’s capital and the members of the Board of Directors.

Also considered as related parties are entities, as well as the advisors and officers thereof, in which Genera has direct or indirect control over 10% or more of their shares.

The total sum of operations with related parties did not exceed 50% of the basic portion of the Bank’s net capital, as set out in article 50 of the Law of Credit Institutions (unaudited).

For the years ended on December 31, 2021 and 2020, Genera granted to key management personnel, short term direct benefits for \$369 and \$492, respectively.

The main transactions celebrated with related parties for the years ended on December 31, 2021 and 2020, are as follows:

		2021	2020
Interest income from associated companies	\$	-	1

The main balances with related parties for the years ended December 31, 2021 and 2020, are shown below:

		2021	2020
UAccounts receivable			
C4 uno	\$	6	1

As of December 31, 2020, there are no balances with related parties.

(23) Additional segments information-

Genera has consumer, commercial and mortgage loans, thus its source of income is derived from interest of the loan products offered, in addition to the products of treasury operations, such as interest from investments in securities and repurchase/resell agreements. Liability transactions include demand and time deposits, debt securities issued and bank and other loans, from which interest expenses arise.

Out of the total income earned by the Bank (main subsidiary) for the years ended December 31, 2021 and 2020, represent 99% and 97% respectively came from its loan operation. Consequently, the resources of deposit funding and bank and other loans obtained during the year were primarily used for the placement of loans, therefore the accrued interest are identified by the credit segment, same trend is reflected in administrative expenses. The remaining operations are the treasury segment and commissions from insurance operations.

Financial margin-

For the years ended on December 31, 2021 and 2020, the financial margin is shown below:

	2021	2020
Interest income:		
Loan portfolio interest	\$ 21,890	18,304
Interest on cash and cash equivalents	529	586
Interest arising from investments in securities	24	15
	\$ 22,443	18,905
Interest expense:		
Demand and time deposits	471	594
Certificates of deposit		32
Cebures (includes amortization of issuance expenses of \$14 and \$15 in 2021 and 2020, respectively)	566	589
Corporate bonds	16	23
Securitization operation	9	6
Banking and other borrowings	901	1,051
Repurchase/resell agreements operation	2	3
	\$ 1,965	2,298

Interests and commissions per type of loan-

Interests and commissions per type of loan, for the years ended on December 31, 2021 and 2020, are comprised as follows:

Interest income	2021		2020	
	Current	Past-due	Current	Past-due
Commercial loans:				
Business and commercial	10	-	507	-
Consumer loans	\$ 21,720	160	17,791	6
	21,730	160	18,298	6

For the years ended on December 31, 2021 and 2020, income and expense for commissions and fees, are comprised as follows:

	2021	2020
Commissions and fees income:		
Commercial loans	\$ -	17
Consumer loans	145	102
Insurance operations	809	541
Correspondent	352	327
Other	273	84
	\$ 1,579	1,071
Commissions and fees expense:		
Bank fees	\$ 194	171
Brokers	269	201
Insurance operations	62	213
Borrowings received	27	9
	\$ 552	594

For the years ended December 31, 2021 and 2020, "Other operating income (expenses), net", is analyzed as follows:

	2021	2020
Other operating income (expense), net:		
Allowance for bad debts, net	\$ (62)	(59)
Miscellaneous losses	(151)	(62)
Donations	(20)	(16)
Result on sales of furniture and equipment	(5)	(7)
Capitalized leases	(1)	(2)
Cancellation of provisions	-	77
Other income (mainly insurance premiums)	1,096	449
Total	857	380

Following is a condensed consolidated income statement (including intercompany balances eliminations) of Gentera and subsidiaries for the years ended on December 31, 2021 and 2020:

2021		Genera	Bank	Compartamos Guatemala	Compartamos Financiera	Red Yastás	Compartamos Servicios	Controladora AT	Fin útil	Comfu	Talento	Total
Interest income	\$	7	16,424	-	4,206	21	41	4	1,727	9	4	22,443
Interest expense	\$	(23)	(1,319)	-	(495)	-	-	-	(128)	-	-	(1,965)
Financial margin	\$	(16)	15,105	-	3,711	21	41	4	1,599	9	4	20,478
Financial margin after allowance for loan losses	\$	(16)	13,599	-	1,937	21	41	4	997	9	4	16,596
Operating income before income tax	\$	(126)	8,621	-	(127)	(152)	(5,221)	165	625	244	(215)	3,814
Discontinued operations	\$	-	-	(184)	-	-	-	-	-	-	-	(184)
Net result	\$	(126)	7,971	(184)	(131)	(160)	(5,380)	125	618	186	(294)	2,625

2020		Genera	Bank	Compartamos Guatemala	Compartamos Financiera	Red Yastás	Compartamos Servicios	Controladora AT	Fin útil	Comfu	Talento	Total
Interest income	\$	11	14,153	-	4,275	14	41	5	401	4	1	18,905
Interest expense	\$	(31)	(1,391)	-	(799)	-	-	-	(77)	-	-	(2,298)
Financial margin	\$	(20)	12,762	-	3,476	14	41	5	324	4	1	16,607
Financial margin after allowance for loan losses	\$	(20)	7,782	-	2,062	14	41	5	(22)	4	1	9,867
Operating income before income tax	\$	(32)	5,846	-	(505)	(46)	(7,436)	117	(147)	206	(213)	(2,210)
Discontinued operations	\$	59	-	(233)	-	-	-	-	-	-	-	(174)
Net result	\$	60	6,572	(233)	(273)	(69)	(7,686)	94	(28)	146	(218)	(1,635)

(24) Comprehensive risk management (CRM) from the bank, main subsidiary (unaudited)-

The Bank recognizes that the essence of its business is to assume risks in seeking potential financial and social returns. Consequently, CRM is a core component of the business' strategy for identifying, measuring, overseeing and controlling the different types of risks faced during the normal course of operations.

The Bank's CRM is considered to be an on-going process involving all levels of management. The structure for the Bank's CRM is based on the following guidelines:

- a. Commitment by Top Management and the Board of Directors to properly manage risks encountered.
- b. Ongoing supervision of CRM policies and procedures.
- c. Clear segregation of duties to ensure independence and objectivity in risk management.
- d. Formal cooperation between the CRM structure and the business units.
- e. Clear determination of responsibilities pertaining to CRM.

Continuous supervision of the Internal Control and Audit area, to ensure proper compliance with the CRM function.

The Board of Directors has set up a Risk Committee to ensure that operations are conducted in line with the objectives, policies and procedures for CRM, as well as with the exposure limits approved by said committee. This committee meets at least once a month and works in accordance with the guidelines set out in the General dispositions applicable to credit institutions.

The Risk Committee is aided by the Comprehensive Risk Management Unit (CRMU) for identification, measurement, oversight and disclosure of risks as per the General Provisions Applicable to Credit Institutions in effect and applicable best practices.

Discretionally, CRMU is based fundamentally on the determination of a structure of global and specific limits, and on the application of risk methodologies authorized by the Board of Directors.

Credit of risk-

Credit risk management considers: identification, quantification, establishing of limits, risk policies and risk monitoring, potential losses due to borrower or counterparty default in operations with financial instruments.

The Bank's loan portfolio at December 31, 2021 and 2020 is made up in 96.8% and 95.4%, respectively, of loans made to individuals for a specific purpose (consumer portfolio) 3.2% and 4.6% with related parties in Mexican pesos. The consumer portfolio is sufficiently diversified to represent no concentration risk and there is a scarce value of individual positions. In accordance with the criteria indicated in paragraph 70 of "CRE30.21 of the Basel framework", most of the Bank's portfolio can be classified as retail portfolio.

As of December 31, 2021 and 2020, the portfolio is comprised for 2.9 and 2.4 million loans, respectively, as well the average outstanding balance in this dates has remained at approximately \$9,296 and \$9,147 Mexican pesos, respectively at an average term of five months, in both years.

As of December 2021 and 2020, the maximum authorized amount for a consumer loan is \$202,411 Mexican pesos in both years, as a result of which, the maximum financing limits established in the provisions for one individual or group of individuals representing a common risk were complied with no exceptions. In addition, no operations were conducted with customers considered an individual or group of individuals who, comprising one or more liability operations payable by the Bank, exceeded 100% of the basic capital.

Analyses of quality of the loan portfolio and credit risk rating thereof are conducted at least monthly. Loans are rated as per the methodology mentioned in note 3(e).

Rating-based distribution of the loan portfolio, that could be interpreted as the risk profile of the bank's loan portfolio, shows its greatest concentration in rating A-1, current loan portfolio.

For comparative and sensitivity purposes, the following table is presented below considering the modification of the Article 129 of the Provisions:

Distribution of the loan portfolio by rating (data in percentages to the total loan portfolio)				
Consumer loans	2021		2020	
	Balance	Average	Balance	Average
"A-1"	63.7	65.8	70.1	61.8
"A-2"	3.4	3.9	3.5	6.5
"B-1"	4.0	1.2	0.4	0.4
"B-2"	5.5	6.3	6.6	5.7
"B-3"	2.1	2.0	2.0	1.6
"C-1"	9.6	8.9	6.1	5.9
"C-2"	5.6	5.6	3.0	3.5
"D"	2.2	2.2	1.3	1.9
"E"	3.9	4.1	7.0	12.7
Total	100	100	100	100

Probability of default and loss given default weighted for exposure

	2021	2020	Variation
Exposure	\$ 26,769	22,093	4,676
Probability of default (weighted exposure) (%)	7.7	9.9	(22.7)
Loss given default (weighted exposure) (%)	76.4	75.7	(0.4)

The measurement methodology used to calculate the unexpected losses from the portfolio credit risk is an approximate of such loss through a Gamma distribution with parameters associated to the regulator model plus a calibration factor.

The expected loss is calculated, multiplying the exposure of the operation by the probability of default by the borrower, using the aforementioned rating model for assigning of probability of default, mentioned above.

Commercial loan portfolio				
Concept	Balance 2021	Average 2021	Balance 2020	Average 2020
Commercial loan portfolio:				
Total exposure	910	1,188	1,060	789
Expected loss	-	-	-	-
Unexpected loss at 95%	-	-	-	-
Expected loss/total exposure	N/A*	N/A+	N/A*	N/A*
Unexpected loss/total exposure	N/A*	N/A*	N/A*	N/A*

* N/A = It is not applicable, because the values subject to division are zero.

At December 31, 2021 and 2020, the quantitative information for credit risk of the consumer loan portfolio is shown as follow:

Credit risk				
Concept	Balance 2021	Average 2021	Balance 2020	Average 2020
Consumer loan portfolio:				
Total exposure		26,769	26,158	22,093
Expected loss		1,866	1,840	3,261
Unexpected loss at 95%		1,877	1,851	3,276
Expected loss/total exposure		7.0%	7.0%	14.76%
Unexpected loss/total exposure		7.0%	7.1%	14.83%

The expected loss pertaining to the loan portfolio under consideration as of December 31, 2021 represents 7% of the overall balance exposed to default. The Bank has set up loan loss reserves totaling \$1,557 equivalent to 5.8% of the balance of the overall portfolio. The loan portfolio is rated in accordance with the rules for rating the loan portfolio issued by the SHCP and the methodology established by the Commission. The Bank sets up allowance for loan losses in addition to those created as a result of the portfolio rating process, in compliance with Title Two, Chapter I, Section Four of Article 39 of the General Provisions Applicable to Credit Institutions; As of December 31, 2021 and 2020 additional reserves had been constituted by instruction of the Commission for \$2 in both years.

Expected and unexpected losses are calculated on a monthly basis under different scenarios (sensitivity analyses), including stress scenarios. The results of the analysis are presented to the areas involved in portfolio risk management, to the Chief Executive Officer's Office and to the Risk Committee.

At December 31, 2021, interest income from loan operations amounted to \$16,082 representing 96.9% of the Bank's total interest income, compared to the same item at December 31, 2020, the variation in income, in percentage terms is 17.05%.

Income from loan operations	2021	2020	Variation (%)
Loan interest income	\$ 16,082	13,739	17.05
Total interest income	16,506	14,215	16.12
Income from loan operations (%)	97.4	96.7	0.78

For the management of credit risk in transactions with financial instruments or counterparty risk, the exposure to credit risk in transactions with financial instruments, their expected loss and unexpected loss is calculated on a monthly basis. As of December 31, 2021, there was a position in financial instruments subject to counterparty risk of \$2,914; 26% in auction with Banco de México, 19.53% in direct operations with Commercial Banking (promissory note with yield payable at maturity), while 54.47% corresponds to call money operations, with an expected loss for counterparty risk of 0.04%, with respect to total exposure. In comparison, as of December 31, 2020, there is no position in financial instruments subject to counterparty risk corresponding to direct commercial banking operations or call money operations. Likewise, there is no expected loss due to counterparty risk.

The methodology for managing credit risk in financial operations consists of an economic capital type model which generates an allocation of capital that must be available to cover the losses.

Probability of default: This information is obtained from the following sources: 1) Standard & Poors, rating granted to financial institutions based on their rating scale known as CAVAL over the long term; 2) Moody's, as with S&P, according to the rating granted over the long-term; 3) Fitch, is the third source for learning the rating granted by this agency, 4) HR Ratings and VERUM (these authorized rating agencies, according to the Appendix 1-B of the General Provisions for Banks), and 5) in the event the Institution has no rating from any of the three agencies, an average rating is assigned according to its group. The above grouping refers to the group to which it pertains in the market (P8, AAA, P12, other). In the event of rating differences, the lowest rating is used.

The exposure to counterparty risk for purchase / sale of securities and interbank loans as of December 31, 2021, as well as the maximum exposure to such risk during this year, is as follows:

Exposure to counterparty risk at December 31, 2021				
		Amount at year-end	Maximum exposure	Concentration at year-end (%)
Posición total	\$	2,914.2	1.2	100%
Compra/venta de valores:				
Calificación AAA		-	-	-
Calificación AA		-	-	-
Calificación A		-	-	-
Inversiones en valores, títulos para negociar y call money	\$	2,914.2	1.2	100%

* The authorized counterparty risk limit is 8% of the product related to the ASRC of the Bank's latest known net capital. The ASRC product x ICAP of the period was \$701.

Due to the nature of its business, it is the Bank's policy not to conduct brokerage operations or to act as issuer of derivative products.

Market risk-

Market risk management considers, at least, identification, quantification and establishing of limits and monitoring of risks arising from changes in the risk factors affecting the valuation or expected results of asset or liability operations or those giving rise to contingent liabilities.

The portfolio of financial instruments subject to market risk in the Bank is comprised solely of certificates of deposit transactions in the money market and call money in 2021. As a result, within the main risk factors that could affect the value of the investment portfolio are interest rates, spreads and the price of other financial instruments, mainly. It is important to note that the treasury operation of the Bank is limited to the investment of cash surpluses from credit operation.

The process for risk measurement of risk assumed by the Bank to manage this type of risk is the Value at Risk (VaR), which is calculated on a daily basis. VaR is an estimation of the potential loss in value of a determined period of time given the level of confidence. The method used by the Bank is the historical simulation method.

Parameters used in calculating the VaR.

- Method: Historical simulation
- Confidence level: 99%
- Investment horizon: one day
- Number of observations: 252 days
- Weighting of scenarios: Equally probable

The market risk quantitative information as of December 31, 2021, is shown as follows:

Value at Risk, 1 day (VaR) on December 31, 2021					
Portfolio		Market Value	VaR at 99%	% Position	Uso of limit (%) ¹
Total position	\$	4,256.98	1.89	1.89%	33.78%
Money ²		400.21	0.08	0.02%	1.43%
Purchase of securities		-	-	-	-
Call Money		2,513.98	0.05	0.00%	0.89%
Derivatives ³		-	-	-	-
Foreign currencies		126.29	1.87	1.48%	33.39%
Equity		-	-	-	-

1. At December 31, 2021 the authorized risk limit is calculated based on the maximum exposure, with an exposure of \$4,256.98 corresponds a limit of \$5.6
2. The positions subject to market risk referred to are certificates of deposits in the money market, call money and foreign currencies.
3. There are no derivative transactions for trading or hedging purposes.

Following is the quantitative information for market risk as of December 31, 2021

Value at Risk, 1 day (VaR) on December 31, 2020					
Portfolio		Market Value	VaR at 99%	% Position	Uso of limit (%) ¹
Total position	\$	8,087.01	4.64	0.06	116
Money ²		-	-	-	-
Purchase of securities		-	-	-	-
Call Money		-	-	-	-
Derivatives ³		-	-	-	-
Foreign currencies		156.90	4.63	2.95	115
Equity		-	-	-	-

1. At December 31, 2020 the authorized risk limit is calculated based on the maximum exposure, with an exposure of \$8,087.01 corresponds a limit of \$4.
2. The positions subject to market risk referred to are certificates of deposits in the money market, call money and foreign currencies.
3. There are no derivative transactions for trading or hedging purposes.

market risk of the balance sheet; which is also used to manage risk by interest rate. The average daily VaR during 2021 was \$2.6, which corresponds to 46% of the limit calculated for the exposure as of December 31, 2021. The average daily VaR during 2020 was \$3.6, corresponding to 92% of the last product of ASRM x ICAP known as of December 31, 2020.

As part of the market-risk management process, backtesting, sensitivity and stress scenario tests are conducted.

Backtesting is conducted monthly to compare the losses and gains that would have been observed had the same positions been maintained, considering only the change in value due to market movements, against the calculation of the VaR. This allows for evaluating the accuracy of the prediction. To date, testing has been highly effective by more than 99.44%.

The sensitivity analyses conducted periodically normally considers movements of ± 100 base points in rates or risk factors. Whereas to generate stress scenarios, movements of ± 150 base points are considered in rates or risk factors.

As of December 31, 2021 and 2020, sensitivity and stress tests are as follows:

Sensitivity analysis as of December 31, 2021					
Portfolio		Market Value	VaR at 99%	Sensitivity +100 pb	Stress +150pb
Total position	\$	4,256.98	1.89	5.89	8.53
Money:		-	-	-	-
Purchase of securities:		400.21	0.08	0.28	0.42
Call Money		2,513.98	0.05	0.21	0.31
Direct		-	-	-	-
Foreign currencies		126.29	1.87	6.17	9.26

Sensitivity análisis as of December 31, 2020					
Portfolio		Market Value	VaR at 99%	Sensitivity +100 pb	Stress +150pb
Total position	\$	8,087.01	4.64	7.88	11.82
Money:		-	-	-	-
Purchase of securities:		-	-	-	-
Call Money		-	-	-	-
Direct		-	-	-	-
Foreign currencies		156.90	4.63	7.88	11.82

Revenues from treasury operations at the end of 2021 were \$424, representing 2.5% of the total interest income of the Institution; the variation with 2020 it was 10.92%.

Income from treasury operations				
		2021	2020	Variation (%)
Income from treasury operations	\$	424	476	10.92%
Total interest income		16,506	14,215	17.05%
Income from treasury operations (%)		2.5%	3.3%	-

Interest rate risk-

Interest rate risk is defined as the impact that variations in interest rates may generate on the balance sheet products, which may affect the results and the current value of the Bank's positions.

Interest rate risk management is based on the generation of interest gaps with contractual and stress scenarios to measure the possible impact of a movement in interest rates. The CRMU carries out, through its own reports, the correct elaboration and consolidation of information for the analysis of results in the corresponding committees.

To monitor the interest rate risk, the following scenario is considered:

An increase in the reference interest rate of 1,000 basis points (bp) is assumed and applied to the total flow of liabilities, which will generate an additional cash flow for interest payments. As of December 31, 2021 this increase means an over run of \$8,296

Derived from the structure of the Bank's balance sheet, it was determined not to consider the deposits without maturity for their analysis of the interest rate. Additionally, as of December 31, 2021, the Bank has not outstanding loans that, due to their nature, need to simulate their early repayments.

The Assets and Liabilities Committee (ALCO) conducts follow-up sessions that analyze market expectations, their possible impact on the Bank's interest rate and capital risk, as well as the efficiency of risk hedges within the operations of the balance sheet.

Liquidity risk-

Liquidity risk management includes, at least, identification, measurement and establishment of limits and follow up on risks or potential losses arising from the impossibility or difficulty of renewing liabilities or of contracting others under normal Bank conditions due to early or forced sale of assets at unusual discounts to settle its obligations, or to the fact that a position cannot be promptly sold, acquired or hedged by means of establishing an equivalent contrary position.

The Bank's business model is based on its reputation as a solid institution that always responds to its customers' credit needs. Therefore, liquidity risk management is an essential element for timely prevention of the differences arising from the possible "gap" between its main positions in terms of liquidity risk: expected cash flows (payments on current loans) and projected outflows (current expenses, placement of new loans).

The measurement methodology used in liquidity risk management is:

- Liquidity gap analyses consider the Bank's main assets and liabilities, whether recorded on or off the balance sheet, establishing maturity bands according to the characteristics of the products offered. A limit is established for each bucket.
- Liquidity Value at Risk (liquidity VaR) for measurement of the market's liquidity risk determines the possible inability to liquidate positions in one day and is calculated in the same way as the market VaR with a 10-day horizon.

As of December 31, 2021, the quantitative information for the analysis of liquidity gaps is as shown in the following page.

Analysis of liquidity gaps (accumulated) ¹ 2021				
Bucket		Gap	Limit*	Use of limit (%)
0-1 days	\$	5,069	31%	0%
2-7 days		5,092	31%	0%
8-15 days		5,183	31%	0%
16-23 days		5,438	33%	0%
24-30 days		6,197	37%	0%
31-60 days		10,670	64%	0%
61-90 days		16,402	99%	0%
91-180 days		24,216	146%	0%
181-360 days		26,127	158%	0%
361-720 days		20,575	124%	0%
721-1,080 days		12,556	76%	0%
1,081-1,440 days		8,793	53%	0%
1,441-1,800 days		7,513	45%	0%
> 1,800 days		7,513	45%	0%

Analysis of liquidity gaps as of December 31, 2021				
Bucket		Gap	Limit*	Use of limit (%)
0-1 days	\$	5,069	0.31	0%
2-7 days		23	-	0%
8-15 days		91	0.01	0%
16-23 days		255	0.02	0%
24-30 days		760	0.05	0%
31-60 days		4,472	0.27	0%
61-90 days		5,733	0.35	0%
91-180 days		7,814	0.47	0%
181-360 days		1,910	0.12	0%
361-720 days		(5,55)	(0.34)	(34)%
721-1,080 days		-8019	(0.48)	(48)%
1,081-1,440 days		(3,764)	(0.23)	(23)%
1,441-1,800 days		(1,280)	(0.8)	(8)%
> 1,800 days		-	-	0%

1 The calculation of the accumulated gaps is presented in order to clarify the period, where a gap of liquidity exists.

* The authorized risk limit is calculated as a percentage of the total liquid assets plus available lines.

The liquid assets plus available lines of the bank as of December 31, 2021, were \$16,550

As of December 31, 2020, the quantitative information for the analysis of liquidity gaps is as follows:

Analysis of liquidity gaps (accumulated) ¹ 2020				
Bucket	Gap	Limit*	Use of limit (%)	
0-1 days	\$ 9,122	0.72	0%	
2-7 days	9,149	0.72	0%	
8-15 days	9,294	0.73	0%	
16-23 days	9,445	0.74	0%	
24-30 days	9,521	0.75	0%	
31-60 days	12,717	1.00	0%	
61-90 days	15,190	1.19	0%	
91-180 days	21,663	1.70	0%	
181-360 days	13,220	1.04	0%	
361-720 days	6,541	0.51	0%	
721-1,080 days	318	0.02	0%	
1,081-1,440 days	(6,718)	(0.53)	(53)%	
1,441-1,800 days	(11,154)	(0.88)	(88)%	
> 1,800 days	(11,154)	(0.88)	(88)%	

Analysis of liquidity gaps December 31, 2020				
Bucket	Gap	Limit*	Use of limit (%)	
0-1 days	\$ 9,122	0.72	0%	
2-7 days	27	0.00	0%	
8-15 days	145	0.01	0%	
16-23 days	151	0.01	0%	
24-30 days	76	0.01	0%	
31-60 days	3,196	0.25	0%	
61-90 days	2,473	0.19	0%	
91-180 days	6,473	0.51	0%	
181-360 days	(8,443)	(0.66)	(66)%	
361-720 days	(6,679)	(0.53)	(53)%	
721-1,080 days	(6,223)	(0.49)	(49)%	
1,081-1,440 days	(7,035)	0.55	(55)%	
1,441-1,800 days	(4,436)	(0.35)	(35)%	
> 1,800 days	-	-	-	

1 The calculation of the accumulated gaps is presented in order to clarify the period, where a gap of liquidity exists.

* The authorized risk limit is calculated as a percentage of the total liquid assets plus available lines.

The liquid assets plus available lines of the bank as of December 31, 2020, were \$11,751.

Differences in flows (gaps) show excesses (greater asset flows than liability flows) in the first buckets, which is natural for the type of operations handled by the Bank, as 90% of the assets considered correspond to cash flows arising from recovery of loans with an average term of four months and investments at terms below 180 days, while liability flows correspond to financing contracted at the short and medium term maturity date, giving rise to a positive accumulated gap over 360 days, at the end of 2021, of \$26,127. The overall accumulated gap is positive.

At December 31, 2021 the quantitative information for liquidity risk of the Bank, is as follows:

VaR Liquidity, 10 days 2021				
		Value	Position	Use of limit (%)*
VaR Liquidity at 99%	\$	5.98	0.14%	33.78%
Money:		-	-	-
Purchase of securities		-	-	-
Call Money		0.17	0.01%	0.89%
Foreign currencies		5.94	4.70%	33.39%
Direct		0.27	0.06%	1.43%

* The authorized risk limit is calculated based on the maximum exposure at December 31, 2021 with an exposure of \$4,256 corresponds to a limit of \$17.7.

The net capital of the Bank as of December 31, 2021 is \$10,683.

At December 31, 2020 the quantitative information for liquidity risk of the Bank, is as follows:

VaR Liquidity, 10 days 2020				
		Value	Position	Use of limit (%)*
VaR Liquidity at 99%	\$	14.7	0.2%	116%
Money:		-	-	-
Purchase of securities		-	-	-
Call Money		-	-	-
Foreign currencies		14.6	0.18%	115.7%
Direct		-	-	-

* The authorized risk limit is calculated based on the maximum exposure at December 31, 2020 with an exposure of \$8,087.01 corresponds to a limit of \$12.6

The net capital of the Institution as of December 31, 2020 is \$9,298

The average liquidity VaR of 2021 was \$8.5, equivalent to 55.36% of the average limit calculated at December 31, 2021. Sensitivity and stress tests are also conducted for liquidity risk management. The average liquidity VaR for 2020 was \$15.3, equivalent to 116.6% of average limit calculated as of December 31, 2020.

Diversification of the Institution's sources of financing are assessed periodically, assuming the related risk limits established in Chapter III of the General Provisions Applicable to Credit Institutions on Risk Diversification for conducting Asset and Liability Operations. The diversification is evaluated through the aforementioned liquidity indicators, mentioned above.

Additionally, in complying with the General Provisions Applicable to Credit Institutions, there is a Liquidity Contingency Plan in place, the purpose of which is to ensure that the Institution will be able to face its daily obligations under any circumstances, including a liquidity crisis; said Plan has been included in the policies and procedures manual for CRM.

Operation risk (including legal and technological risk)-

Operational risk can be defined and is understood in the bank as the potential loss due to defects or deficiencies in internal controls resulting from errors in processing and storing operations or in the transmission of information, as well as to adverse administrative and legal rulings, fraud or theft, and it includes legal and technological risks.

In the Bank's methodology, management and control of operational risks include the following matters, among others:

The processes that describe each area's of the bank duties are identified and documented. The Institution has areas engaged in developing and documenting methods, procedures and processes under the Internal Control Director's Office.

Inherent operational risks and the controls pertaining to the processes that describe the Institution's substantial processes under "Risk and Control Matrixes" are identified and documented. Additionally, the internal audit area has implemented its audit model based on risks.

Consequences for the business arising from materialization of identified risks are assessed and reported to the heads of the areas involved, to the Chief Executive Officer and the Risk Committee. Each area must be aware of and participate in the control and management of own risks.

A historical database is maintained through systematic recording of the different loss events and their effects on the accounting records. Those events are duly identified through classification per business unit within the Institution, and are recorded in the Operational risk system.

Loss events identified by both the Risk area and the other Institution's areas are recorded, which are responsible for reporting any operating risk event that could arise or that has represented a loss for the Institution, the mentioned above environment of a culture of risk.

The operational risk loss events, including technological and legal, are recorded systematically, associating them with the corresponding business lines or units as well as the type of risk (1. Internal Fraud, 2. Outside Fraud, 3. Labor Relations and occupational safety, 4. Clients, products and business practices, 5. External events, 6. Incidents in the business and flaws in the system, as well as 7. Execution, delivery and process management). The Bank considers fraud and damage to assets its main exposures.

A global tolerance level has been established for operational risk, taking into account the causes, origins or risk factors.

There is a Business Continuity Plan (BCM) that includes a Disaster Recovery Plan (DRP) aimed at technology risks and a Business Contingency Plan (BCP). The update of such plans is the responsibility of the leaders named for such purpose.

At the end of December 2021 and 2020, the Tolerance Level, which by the way it is defined can be understood as the Institution Exposure to Operational Risk, is 0.30% of annual income, estimated monthly, equivalent to \$46.8 for 2021 and \$52.0 for 2020. The materialized loss events, associated to operational risk, added up to 15% in 2021 and 0.25% in 2020 as a percentage of annual income.

Technological risk-

One important aspect of operational risk management is that pertaining to technological risk, which involves potential loss due to damage or failure from use or reliance on hardware, software, systems, applications, networks and any other means of conveying information in the Institution's supply of services to its customers.

The Bank has different internal controls that have the objective of minimizing the negative impacts due to the materialization of technology risks, internal controls such as:

- i. Government structuring aimed at maintaining an adequate control of technological risks, ensuring an agile response capacity.
- ii. Have the Operation Continuity Plan, through criteria such as criticality of applications and technological risk.
- iii. Risk assessment, determination of treatment actions and evaluation of technological controls.
- iv. Database backup and restoration procedures to ensure the availability and integrity of the historical archive of operations in case of contingency.
- v. Automated processes for carrying out daily reconciliations, in addition to generation of control figures to ensure the integrity of transactions between systems.

Legal risk-

The Bank's legal risk management, defined as the potential loss due to non-compliance with the applicable legal and administrative provisions, the issuance of unfavorable administrative and judicial resolutions and the application of sanctions, in relation to the Operations that the Institution carries out, has implemented policies and procedures to mitigate this risk that consider, among other things:

- i. The review and approval of all agreements by the Legal Director's Office to ensure proper instrumentation of agreements and contracts.
- ii. Procedures for filing and safeguarding agreements and other legal information.
- iii. Detailed management of powers granted to the Board of Directors, so as to avoid misuse.
- iv. Procedures to ensure adequate action in response to litigation, defend efficiently and effectively, be able to take action to protect and preserve the rights of the Institution.
- v. Preparation of reports on the likelihood of issuance of adverse legal or administrative rulings. The reports are prepared at least on a quarterly basis.
- vi. Procedures established to ensure that the Legal department safeguards the correct use of the Institution's trademarks, local trademarks, commercial notices and copyrights.

(25) Recently issued financial reporting and regulatory standards-

Changes in the provisions of the Commission

By Annex 1 of official letter 142-5/83070/2020, the CNBV informed the Administration of the Institution, which postpones the entry into force of the General Provisions applicable to credit institutions, modified by publication in the DOF on December 30, 2021, previously deferred on November 4, 2019 in the DOF, published in the DOF on December 27, 2017 and amended on November 15, 2018, being as follows: Financial Reporting Standards B-17 "Determination of fair value", C-3 "Accounts receivable", C-9 "Provisions, contingencies and commitments", C-16 "Impairment of financial instruments receivable", C-19 "Financial instruments payable", C-20 "Financial instruments to collect principal and interest", D-1 "Income from contracts with clients", D-2 "Costs for contracts with clients" and D-5 "Leases", issued by Mexican Board of Financial Information Standards (Consejo Mexicano de Normas de Información Financiera, A. C. - CINIF) and referred to in paragraph 3 of Criterion A-2 "Application of particular standards", will enter into force on January 1, 2022.

In accordance with the transitional articles mentioned in the Provisions, and as a practical solution, credit institutions in the application of the accounting criteria contained in Annex 33 that are modified, may recognize on the date of initial application, that is, January 1, 2022, the cumulative effect of the accounting changes. Likewise, the quarterly and annual basic financial statements that are required of the Institution, in accordance with these Provisions corresponding to the period ended December 31, 2022, must not be presented comparatively with each quarter of the year 2021 and for the period ended December 31, 2021.

Below is listed the details of the MFRS:

MFRS B-17 "Determination of fair value"- Establishes the valuation and disclosure standards in the determination of fair value, in its initial and subsequent recognition.

MFRS C-3 "Accounts receivable"- Establishes that, from the initial recognition, the value of money in the time must be considered, so if the effect of the present value of the account receivable is important in view of its term, it must be adjusted considering such present value.

MFRS C-9 " Provisions, contingencies and commitments "- It revokes Bulletin C-9 "Liabilities, Provisions, Contingent Assets and Liabilities and Commitments". Its scope is reduced by re-locating the issue related to the accounting treatment of financial liabilities in MFRS C-19 "Financial instruments payable".

MFRS C-16 " Impairment of financial instruments receivable "- It sets out the rules for the accounting recognition of impairment losses of all financial instruments receivable (IFCs), indicates when and how an expected impairment loss should be recognized.

MFRS C-19 " Financial instruments payable "- It introduces the concepts of amortized cost to value financial liabilities and the effective interest method, based on the effective interest rate.

MFRS C-20 " Financial instruments to collect principal and interest "- For the classification of financial instruments in the asset, the concept of intention to acquire and hold them is discarded to determine their classification, instead, the concept of business model of management is adopted, either to obtain a contractual return, generate a contractual return and sell to meet certain strategic objectives or to generate profits from their purchase and sale, to classify them according to the corresponding model.

MFRS D-1 " Income from contracts with clients "- It sets the standards for the accounting recognition of income arising from contracts with clients.

MFRS D-2 " Costs for contracts with clients "- It establishes the rules for the accounting recognition of the costs of sales of goods or provision of services.

MFRS D-5 " Leases " - The application for the first time of this MFRS generates accounting changes in the financial statements mainly for the lessee. Among the main changes are the following:

- It eliminates the classification of leases as operating or capitalizable for a lessee, and a lessee must recognize a lease liability at the present value of payments and a right-of-use asset of the same amount, of all leases with a duration greater than 12 months, unless the underlying asset is of low value.
- An expense for depreciation or amortization of assets for the right of use and an interest expense on lease liabilities are recognized.

- Modifies the presentation of related cash flows as cash outflows from operating activities are reduced, with an increase in cash outflows from financing activities.
- Modifies the recognition of profit or loss when a seller-lessee transfers an asset to another entity and leases that asset back.

Management estimates that the potential effects of adopting the aforementioned accounting criteria will be a decrease in the allowance for loan losses by \$61. The calculated amount of the origination costs of the credit portfolio in effect as of January 1, 2022 amounts to \$82. A debit and credit of \$1,180 under the headings "Assets for rights of use" and "Liabilities for capitalizable lease".

MFRS and Improvements to the MFRS

The CINIF has issued MFRS C-15 "Impairment of long-term assets" and Improvement to MFRS D-3 "Employee Benefits" which take effect on January 1, 2022.

MFRS C-15 "Impairment of long-term assets"-. This MFRS becomes effective for periods beginning January 1, 2022. Rescission of Bulletin C-15, "Impairment" in the value of long-lived assets and their disposal. Accounting changes due to their initial application should be recognized based on the prospective method. The main changes are as follows:

- adds new examples of indicators to assess whether impairment exists, and separates them into external sources of information, internal sources of information and those applicable to investments in subsidiaries, associates or joint ventures.
- Changes the use requirement from a net sales price to fair value, less costs of disposal to perform impairment testing;

- Establishes the option of using estimates of future cash flows and a discount rate, in real terms;
- Incorporates standards for the treatment of future cash flows in foreign currency in the determination of the recoverable amount;
- Amends MFRS C-8, Intangible Assets, to indicate that the allocation of goodwill should be made at the level of a cash-generating unit (CGU) that is expected to benefit from the synergy of the business acquisition;
- It incorporates the recognition of goodwill impairment in two steps: i. first, by comparing the carrying value of the CGU including goodwill with its recoverable amount, and if the latter is lower, an impairment loss is generated; and ii. second, by affecting this loss in the first instance to goodwill, even to zero, and then, if there is an excess loss to be allocated, distributing it pro rata among the other long-lived assets that are part of the CGU.
- Eliminates the calculation of impairment through the value in perpetuity for intangible assets with indefinite useful lives, modifying the impairment test.
- It establishes the determination of impairment of corporate assets as follows: i. first, they are assigned to the CGU to which it belongs in a reasonable and consistent manner, ii. second, the carrying value of the CGU, including corporate assets, is compared to its recoverable amount and if the latter is lower, an impairment loss is generated, which is distributed pro rata among all long-lived assets that are part of the CGU, including corporate assets.
- Modifies the disclosures in accordance with the changes described above.

Management is in the process of quantifying the effects of the adoption of accounting criteria that will become effective January 1st, 2022.

(26) Subsequent event-

On January 17, 2022, Gentera made an additional investment in its subsidiaries Fin Útil, Comfu and Talento, increasing its equity interest in these companies from 51.49% to 57.53%.

Enrique Majós Ramírez
Chief Executive Officer

Mario Ignacio Langarica Ávila
Chief Financial Officer

Marco Antonio Guadarrama Villalobos
Controller

Oscar Luis Ibarra Burgos
General Internal Auditor

Corporate information

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Corporate office

Genera S.A.B. de C.V.

Av. Insurgentes Sur 1458

Colonia Actipan, Delegación Benito Juárez

Mexico City

Investor Relations

investor-relations@genera.com.mx

Sustainability information

contacto@genera.com.mx

Ticker symbol in the
Mexican Stock Exchange:



GENTERA



[genera.com.mx](https://www.genera.com.mx)

