

GENTERA

LEADERS OF FINANCIAL INCLUSION

Materiality and
Stakeholders
Annual and Sustainability
Report 2016

Relations with stakeholders (102-21, 102-40, 102-42, 102-43, 102-44)

At Genera, we consider dialogue with stakeholders to be an essential part of our operations; aligned with our goal of creating shared value, and fostering communication through a variety of channels. Beyond the purpose of knowing their expectations and sharing our responses, we seek to strengthen trustworthy relationships, and to push their participation in our different administration and communication processes.

We determine stakeholders through an analysis made with the help of external experts, which consider entities and individuals that could be affected by our operations, and those that could have an impact on us.

Below we share our different stakeholders, the mechanisms we offer, as well as the expectations and interests obtained through them.

Stakeholders	Main communication channels and mechanisms	Highlighted expectations and interests
Clients	<ul style="list-style-type: none"> • Customer service phone line • Website • Suggestion box • Advisor (direct communication) • Satisfaction surveys • Social media • Magazines and printed publicity 	<ul style="list-style-type: none"> • Excellent and speedy delivery of products and services • Product security • Clear information about the products and services • Information about financial administration (financial education)
Employees	<ul style="list-style-type: none"> • Internal communication (notice board, intranet, screens, mail, internal bulletins and magazines) • Code of Ethics and Conduct report channel • Integration meetings (monthly) • Annual sales and support services events (CEAS) • Annual work environment survey • Focus group for the Annual and Sustainability Report 2016 	<ul style="list-style-type: none"> • Contribution to society through volunteering and donations • Work environment and organizational culture • Training opportunities and career development • Health and security in the work environment • Excellence in customer satisfaction care
Investors	<ul style="list-style-type: none"> • Area for Investor Relations • Comments and analysis about the administration • Consolidated financial statements (every trimester) • Notes about Consolidated Financial Statements (every trimester) • Corporate presentation (every trimester) • Conference call (every trimester) • Financial information package (every trimester) • Information instruments (every trimester) • Annual and Sustainability Report • Trimester report to BMV • Annual report to BMV • Financial Statements (annual) 	<ul style="list-style-type: none"> • Financial and operational results • Corporate strategy: business model, innovation, and market positioning

Stakeholders	Main communication channels and mechanisms	Highlighted expectations and interests
Providers	<ul style="list-style-type: none"> • Procurement Area • Code of Ethics and Conduct for providers • Audits for providers • Website • Complaint channels (transparency mailbox, telephone line) 	<ul style="list-style-type: none"> • Ethics and integrity in operations • Efficiency in operational processes • Business growth
Authorities, regulators, and legislators	<ul style="list-style-type: none"> • Reunion 1x1 • Field visits • Presentations with business information • Fact sheets • Website • Annual and Sustainability Report 	<ul style="list-style-type: none"> • Norm compliance • Conditions for a favourable business environment • Risk prevention and management
Community	<ul style="list-style-type: none"> • Website • Email • Social media • Volunteer activities 	<ul style="list-style-type: none"> • Information about how to administer finances (financial education) • Social and economic development Possibilities offered by Genera's products and services for social and economic development
Civil Society Organizations	<ul style="list-style-type: none"> • Website • Email • Workshops for NGOs that work with Genera • Annual and Sustainability Report • Call for Education (annual) • Activities report of the Genera Foundation 	<ul style="list-style-type: none"> • Financial inclusion through products and services • Contribution to the social and economic development of the clients and their environment • Promotion of financial education in society
Competitors	<ul style="list-style-type: none"> • Public financial results • Publicity campaigns • Website • Social media 	<ul style="list-style-type: none"> • Corporate strategy and market positioning • Competition practices • Economic results
Future generations	<ul style="list-style-type: none"> • Incluso Program • Web Chavitos • Social media • Initiatives with NGOs • Volunteer activities • Family Day (annual) 	<ul style="list-style-type: none"> • Economic and social development • Financial education
Media and Opinion Leaders	<ul style="list-style-type: none"> • Positioning campaigns in massive media channels • Advertisements • Press bulletins • Bulletin website • Interviews 1x1 • Website for the media • Email 	<ul style="list-style-type: none"> • Economic results, growth, and market positioning • Security and protection of client information • Business ethics and integrity • Innovation and integration of new technologies

Stakeholders	Main communication channels and mechanisms	Highlighted expectations and interests
Allies	<ul style="list-style-type: none"> • Agreements • Social alliances • Fiinlab programs 	<ul style="list-style-type: none"> • Contribution to social and economic development • Promotion of financial education in society • Ethics and integrity in operations • Innovation and integration of new technologies
Webs, Associations, and Organisms	<ul style="list-style-type: none"> • Participation in forums and committees • Meeting 1x1 • Delivery of business information 	<ul style="list-style-type: none"> • Contribution to socio-economic development • Financial inclusion • Transparency, ethics, and integrity
Academia	<ul style="list-style-type: none"> • Summer Internship Program, social service, and professional internships • Website • Email 	<ul style="list-style-type: none"> • Business model and social impact

Contribution to the Sustainable Development Goals

At Genera, our purpose is financial inclusion, which is key for socio-economic development of an sub-served segment, which in this way it can implement its personal and professional projects.

Through credit, we facilitate the access of the sub-served segment, to solutions that improve their quality of life and contribute to strengthen their family and community situation. Moreover, through financial education and delivery of saving solutions, we promote the administration of our clients' and the community's finances. With insurances, we contribute by creating a culture of prevision.

In 2015, the United Nations approved the 2030 Agenda, that focuses on the international community's efforts regarding social, environmental, and economic issues. It established 17 Sustainable Development Goals, that materialize the issues to be resolved through a collective effort between the public administrators, companies, and civil society organizations.

From the start, through the different solutions that we offer, we have worked to resolve some of these challenges. We've helped our clients implement their projects, along with the contributions that they transfer to their communities. With our emphasis in the sub-served segment, and especially on women, we push for gender equality and for the reduction of social inequality.

We mainly contribute to:

ODS 1: Ending poverty in all its forms, everywhere.

ODS 5: Achieve gender equality and empower all women and girls.

ODS 10: Reduce inequality within and among countries.

General parameters (102-32, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56)

In Genera, we share our financial and non-financial development, including information about social issues and corporate government through our Annual and Sustainability Report. From the beginning, we consider the methodology crafted by Global Reporting Initiative (GRI) and its updates. In this sense, the present report has been developed adhered to GRI Standards and its option of essential conformity. Additionally, we consider the supplemental content of the GRI for the financial services sector that is linked to material issues.

The content has been revised and approved by the Executive Directorate for External Relations and Corporate Responsibility, and by the Internal Audit Area, with the purpose of strengthening the monitoring processes and compilation of information after Genera’s growth, and the adaptation of the new GRI Standards. Because of this, and contrary to the preceding report, we have made the decision of to not proceed with an external verification in this case.

In the present integrated report, we offer Genera’s performance, as well as that of the entirety of our companies from 2016, including, for the first time, FiinLab’s performance, our innovation laboratory for financial inclusion, as well as this year’s creation and official launch.

Throughout this publication, we detail measuring mechanisms and calculation formulas from Employees. We stress that there is no re-expression of data pertaining to what is included in the Annual and Sustainability Report 2015.

For more information about the present report, please contact the following:

Investment relations

investor-relations@gentera.com.mx

Sustainability information

contacto@gentera.com.mx

Determination of material issues (102-46, 102-47, 102-49)

For the definition of the content that is to be included in this report, or which topics are to be considered ‘material’, as well as the internal and external limits, wherever they are relevant, we perform a **4-stage process**: identification, prioritization, validation, and revision. This has allowed us to integrate **the company’s strategic focus** from **the perspective of our stakeholders**, with specific activities from each stage:

Revision and identification

Genera’s Focus	<ul style="list-style-type: none"> • Analysis of corporative documents, including our Ethics Code and some of the main policies, etc. • Interviews with key Genera executives, as well as from our companies, which planned an wide array of topics.
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Perspective from our stakeholders

- Analysis of Genera’s results, as well as from our companies and subsidiaries, from the interactions maintained with stakeholders, including the work environment survey (Great Place to Work, GPTW) and the main information requirements from the investors.
- Moreover, we made an analysis of the main topics from each industry, based on what is indicated in important publications from the Global Reporting Initiative (GRI Section Supplement for Financial Services, Sustainability Topics for Sectors), included in the annual RobecoSAM analysis (Sustainability Yearbook), the materiality from SASB, aspects included in the referenced documents from the PSI initiative from UNEP –FI, and in the Financial Inclusion in Latin America and the Caribbean: Data and Tendencies 2015, from FOMIN¹.

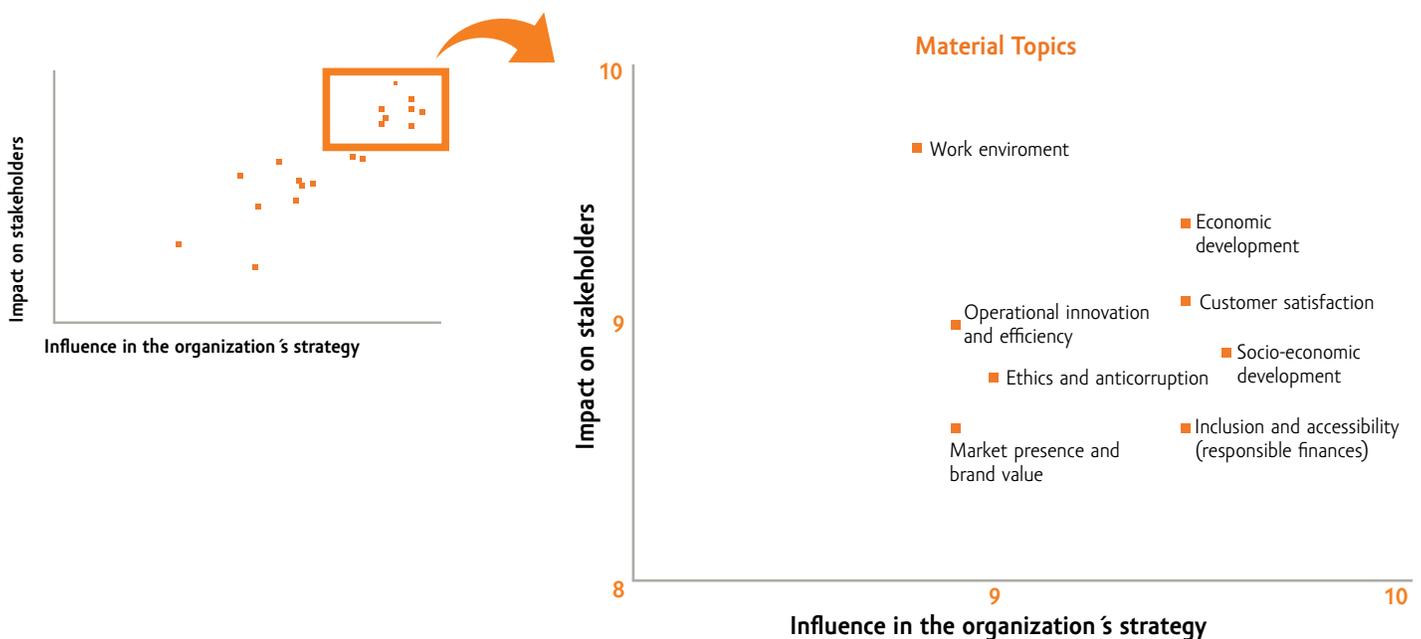
Prioritization and validation

After the generation of the list of potentially relevant issues, we proceeded to the prioritization of these topics, and the determination of ‘material’ issues, considering the double perspective of the company’s strategy, and the focus of the stakeholders. In this case, by:

Enfoque Genera	<ul style="list-style-type: none"> • Importance given to the issues by the interviewed executives.
Perspectiva de los grupos de interés	<ul style="list-style-type: none"> • Direct consultation with our Employees via the realization of a focus group, as well as indirect consultation with our clients through studies of brand perception, interviews with the team in charge of its positioning, and the visit to various branches in the State of Puebla.

The list of material issues was validated by the Executive Directorate of External Relations and Corporate Responsibility, for its inclusion in the present report, and we present it below:

Materialization Matrix



¹ Sustainability Accounting Standard Board (SASB), Principles for Sustainable Insurance (PSI), The United Nations Environment Programme Finance Initiative (UNEP-FI), Fondo Multilateral de Inversiones (FOMIN).

Material Topic (GRI STANDARD 102-47)	INTERNAL (GRI STANDARD 103-1)	LIMITS (Coverage)	
		EXTERNAL (GRI STANDARD 103-1)	
Work environment	Genera ¹	N/A	
Socio-economic development		Clients	
Economic performance		Investors and other capital providers	
Ethics and anti-corruption		N/A	
Risk management		Investors and other capital providers Commissionists Clients	
Inclusion y accesibility (responsible finances)		Commissionists Clients	
Operational innovation and efficiency		Commissionists Financial entities (delivery/credit reception) Clients	
Market presence and brand value		Investors Commissionists	
Client satisfaction		Commissionists Clients	

Aside from the topics deemed to be material, Genera administers and communicates its greenhouse gases, setting every year's inventory at the disposal of the corresponding stakeholders. The emission report for 2016 could be consulted in the following website:

<http://bit.ly/2go1uCU>

¹ Due to similarities in client segments and type of businesses from the various subsidiaries (financial and insurance sector), the limit is entirely made up by entities that form Genera.

GRI content index (102-55)

GRI STANDARD 102: General Disclosures 2016	
Disclosure	Page/s
Organizational Profile	
102-1	Back cover
102-2	1
102-3	Back cover
102-4	1
102-5	57
102-6	1
102-7	11, 20, 24, 26, 28,
102-8	42, 42
102-9	37,
102-10	26, 29, 27
102-11	60
102-12	33, 41
102-13	13
Strategy	
102-14	8
102-15	8, 60
Organizational Profile	
102-16	12, 59
102-17	59
Governance	
102-18	57,
102-19	57
102-20	57
102-21	57, 1
102-22	57
102-23	57
102-24	57
102-25	57, 59
102-26	57
102-27	57
102-28	57
102-29	60
102-30	60
102-31	60
102-32	4
102-36	42, 42, 57
102-37	42, 42

Disclosure	Page/s
Stakeholder engagement	
102-40	1
102-41	42, 42
102-42	1
102-43	36, 48, 49, 1
102-44	1
Reporting practice	
102-45	1
102-46	4
102-47	4
102-48	4
102-49	4, 4
102-50	62, 4
102-51	62, 4
102-52	62, 4
102-53	62, 4
102-54	4
102-55	7
102-56	4

Relevant Topic	GRI Standard	Disclosure	Page/s
Work environment	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	
	GRI 401: Employment 2016	401-1	42, 42
		401-2	42, 42
	GRI 404: Training and Education 2016	404-1	46
		404-2	33, 46
		404-3	46
	GRI 405: Diversity and Equal Opportunity 2016	405-1	42, 42, 57
Socio-economic development	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	
	GRI 203: Indirect Economic Impacts 2016	203-1	28, 29, 36, 37
		203-2	33, 37
Economic performance	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	
	GRI 201: Economic Performance 2016	201-1	38, 39
		201-3	42, 42
		201-4	

Relevant Topic	GRI Standard	Disclosure	Page/s
Ethics and anti-corruption	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	59
	GRI 205: Anti-corruption 2016	205-1	59
		205-2	59
		205-3	59
GRI 415: Public Policy 2016	415-1	59	
Risk management	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	60
		412-2	59
		410-1	59
Inclusion y accesibility (responsible finances)	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	20, 31
		FS1	31, 34,
		FS2	34, 60
		FS4	33, 34
		FS7	24, 26, 28
		FS13	26, 28
		FS14	26, 28
	FS16	31	
Operational innovation and efficiency	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	34, 36
		416-1	34
Market presence and brand value	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	1, 12, 20
		FS6	20, 24, 26, 28
Client satisfaction	GRI 103: Management Approach 2016	103-1	A/7 (Annexed)
		103-2	A/7 (Annexed)
		103-3	13, 34
	GRI 216: Customer Health and Safety 2016	416-1	34
	GRI 417: Marketing and Labeling 2016	417-1	34
		FS15	34
	GRI 418: Customer Privacy 2016	418-1	35

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LEADERS OF FINANCIAL INCLUSION

(102-1, 102-3, 102-5)

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Clave de pizarra en la Bolsa Mexicana de Valores durante 2016: GENTERA

