Reporting and Self-Assessment Template

The following table sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking. Signatory banks need to report on their implementation of the Principles the first time within latest 18 months after signing and annually thereafter (in line with their annual reporting cycle).

How to use this template?

This template does NOT require your bank to produce an additional report. Rather, this template is designed for your bank to provide references/links to where in your existing reporting/public domains the required information can be found. The aim is to keep additional reporting burden to a minimum while ensuring transparency and accountability as set out in Principle 6.

Within this reporting template, there are six areas for self-assessment that are key to showing that your bank is fulfilling its commitments as a signatory of the Principles for Responsible Banking. They are highlighted.

1. Impact Analysis
2. Target Setting
3. Plans for Target Implementation and Monitoring
4. Progress on Implementing Targets
5. Governance Structure for Implementation of the Principles
6. Progress on Implementing the Principles for Responsible Banking

Only for these six highlighted items, it is required that:

a) An assurer provides limited assurance of your self-assessment. You can do this by including it in your existing assured reporting. Where third-party assurance is not feasible, an independent review may be conducted.

b) You provide your bank’s conclusion/statement if it has fulfilled the respective requirements.

Accommodating different starting points:

Banks have different starting points and operate in different contexts. Your bank may not be able to provide all information required in this template the first time you report. That is fine. Your bank has up to four years from signing to bring its reporting fully in line with the requirements. Feedback, support and peer learning are available to all signatory banks to help them progress with both implementation and reporting.
<table>
<thead>
<tr>
<th>Reporting and Self-Assessment Requirements</th>
<th>High-level summary of bank’s response (limited assurance required for responses to highlighted items)</th>
<th>Reference(s)/Link(s) to bank’s full response/relevant information</th>
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**Principle 1: Alignment**
We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

1.1 *Describe* (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.

Grupo Financiero Citibanamex is a subsidiary directly controlled (99.99%) by Citicorp (Mexico) Holdings LLC, which in turn is an indirect subsidiary (99.99%) of Citigroup, based in New York, United States of America.

Banco Nacional de México, S. A., a member of the Citibanamex financial group, we are a multiple banking institution authorized to provide banking and credit services. Since October 4, 2016, we are publicly known as Citibanamex.

According to the Law on Credit Institutions (LIC) and the provisions issued by Banco de México (Banxico), we are empowered to carry out operations such as receiving deposits, accepting loans, lending, securities transactions and execution of trust contracts, among other financial activities. We offer

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services aimed at individuals and companies in the business, government and private sectors.

Our main offices are located in: Actuario Roberto Medellín núm. 800, Edificio Sur, Piso 1, colonia Santa Fe, alcaldía Álvaro Obregón, C. P. 01210, Ciudad de México, teléfono (52) 55 22 26 75 48.

As of December 31, 2020, Grupo Financiero Citibanamex occupied 6,012 properties, of which approximately 96% were leased and the rest, owned. The total area occupied by the properties is calculated at 984,805 m², where the branch network represents approximately 66% and the main corporate buildings and other offices the remaining 34%. All properties are insured.

We offer products and services through the following areas or lines of business:

- Commercial Bank
- Business Banking and Government Banking and Institutions
- Public sector
- Mortgage Banking
- Credit cards
- Corporate banking
- Transactional Banking
As a complementary strategy, we closed two important partnerships with BlackRock and Chubb, to provide specialized investment funds and insurance products.

1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

We have our Corporate Citizenship strategy that comprehensively guides our work as a financial intermediary, in order to promote economic development, responsible finance, care for the environment and equal opportunities.

We have identified 11 of the most relevant topics of the senior management based on the highest ethical standards and solid corporate governance.

Our strategy means the gradual alignment of the planning, operation and evaluation of all our areas and everything we do, not only with financial parameters, but also with a series of environmental, social and corporate governance objectives and criteria that we are sure will enable us to contribute more to sustainable development and better fulfill...
our mission to promote economic growth and progress.

As a reference framework to guide and measure the scope and success of this strategy, we align to 8 of the 17 Sustainable Development Goals (SDGs) of the United Nations, in the following topics:

Economic development
- SDG 8 Decent Work and Economic Growth
- SDG 9 Industry, Innovation and Infrastructure

Environment and Climate Change
- SDG 7 Affordable and Clean energy
- SDG 11 Sustainable Cities and Communities
- SDG 13 Climate Action

Responsible Finance
- SDG 16 Peace, Justice and Strong Institutions

Equal opportunities
- SDG 5 Gender Equality
- SDG 8 Decent Work and Economic Growth

The SDG 17, Partnerships to achieve the Goals, is
also included for these 4 topics.

We became the first Citi subsidiary globally to sign the Principles for Responsible Banking and the Principles for Responsible Investment of the United Nations, guaranteeing our contribution to the SDGs and the Paris Agreement on climate change.

<table>
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<tr>
<th>Principle 2: Impact and Target Setting</th>
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<tr>
<td>We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.</td>
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</table>
### 2.1 Impact Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

**a) Scope:** The bank’s core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.

**b) Scale of Exposure:** In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.

**c) Context & Relevance:** Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the

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| We participate in the UNEP-Fi impact analysis program, applying the tool developed with other banks to carry out our impact analysis. As a result, we were able to analyze our credit and service portfolios in relation to the sustainable development needs of Mexico.

To execute our impact analysis, we considered 2020 fiscal year as a basis to define the total distribution of the portfolio. We included specifically consumer credit, corporate banking and business banking. Investment banking is not included on this approach. According to this, the financed economic sectors are: Consumption (30%), Construction and housing (20%), Industrial (19%), Commerce and Services (17%), Government entities (7%), Financial services (5%) and Agriculture (2%).

Through the use of the impact analysis tool, we were able to identify positive and negative impacts associated with 22 environmental, social and government impact areas.

Our positive impact is associated to Mobility (73%), Health and Sanitation (73%), Resource Efficiency and Employment (65%). On the other hand, we face the challenge negative impacts on Health and Sanitation (71%), Climate (47%), Resource Efficiency and Employment (44%). |
countries/regions in which it operates.

d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank’s activities and provision of products and services. (your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))

Show that building on this analysis, the bank has
• Identified and disclosed its areas of most significant (potential) positive and negative impact
• Identified strategic business opportunities in relation to the increase of positive impacts /

It should be noted that the different percentages of positive and negative impacts may have similar values, this is derived from the level of association of the different sectors financed with the Environmental, Social, and Governance (ESG) criteria of the impact radar and the country’s needs.

Our Corporate Citizenship strategy established in 2019 previous to this analysis considered Mexico’s priorities, Sustainable Development Goals (SDG) and Nationally Determined Contributions (NDC) for Paris Agreement and Climate Change. Under this umbrella, we cover up to a 64% of the top priorities in terms of impact. Areas that are not covered at this point are Health & Sanitization, Culture & Heritage, Biodiversity and Ecosystems and Information.

Particularly on Climate Change, since 2019 we carried out studies and participated in UNEP-FI pilots on information management and dissemination based on the Task Force on Climate-related Financial Disclosures (TCFD). In this exercise, the Agribusiness and Real Estate portfolios were analyzed, considering the following:
• In the case of Real Estate, we consider very relevant the changes in construction efficiency standards and carbon prices which could result in higher capital, operational
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<th>Reduction of negative impacts</th>
<th>and compliance expenses, and affect the valuation of assets, creating transition risks.</th>
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<td>- We expect that, in Mexico, climate change will have a significant impact on the agro-industrial sector, which depends on weather conditions. Incremental changes in climate (such as rising temperatures and changes in precipitation patterns) can affect agricultural production and productivity, while extreme events can lead to damage, operational downtime, and loss of production. Also, a carbon price would increase the cost of agricultural production.</td>
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Agricultural production requires energy, either directly in the form of fossil fuels or electricity or indirectly through energy-intensive inputs such as fertilizers. In addition, it releases Greenhouse Gas emissions, although the intensity varies greatly depending on the agricultural product. Enteric fermentation of ruminant animals (cattle and sheep) accounts for almost two-thirds of agricultural emissions. The intensity of emissions for crops is lower, and emissions come mainly from the use of fertilizers and fuels. Changes in land use for agricultural production can also generate...
For our next report, the specific analysis of each portfolio will be carried out, the bank's materiality map will be linked and during 2022, depending on the specific portfolio for each business area, the goals and indicators will be selected.
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

2.2 Target Setting

*Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.*

*Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets*

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<td>3.2.9</td>
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The Afores (pension funds) in Mexico have been pioneers in Latin America in relation to the integration of various ESG criteria, being members of the Green Finance Advisory Council (CCFV) in Mexico as well as adherents of the United Nations Sustainable Investment Principles (UN PRI).

During 2020, we continued with our commitment to incorporate responsible investments and ESG factors into our analysis. First, the co-presidency of our General Director, Luis Kuri, in the Green Finance Advisory Council was ratified. Additionally, we signed the request to public issuers for the inclusion and disclosure of environmental, social and corporate governance factors. Within the petition to public issuers, it is requested that there be a strategy against Greenhouse Gases, inclusion of strategies from the Board of Directors of companies against climate change and the promotion of the use of Sustainable Accounting Standards Board (SASB) and TCFD for the standardization of the reported information.

Finally, we continue with our effort to become signatories of the declaration of the Principles of Responsible Investment (PRI) and by 2021 we will be
against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

At Citibanamex, we align ourselves with the policies and standards for an adequate identification and monitoring of social and environmental risks, as well as to carry out the correct analysis of the loans to be financed and the conditions granted. In cases where a possible environmental or social risk is detected, we work hand in hand with our stakeholders to mitigate these. Clients are informed about the possible risks identified, in order to suggest action plans. If required, expert organizations on the subject are consulted to receive advice, if necessary, they act as intermediaries. This advice is translated into recommendations, which are transmitted to the stakeholders involved in the credit process, thus monitoring the client’s commitment to mitigating and managing negative impacts on social and environmental issues. The social and environmental risk review is carried out at the beginning of the relationship with a new client, reviewed annually, as well as when a client requests a renewal of lines of credit. In the case of risky and high-precautionary sectors, more rigorous review processes are followed, and credit financing is subject to proper compliance with the measures.
At Citibanamex, we consolidate our efforts to benefit the environment based on our financing goal that will be carried out in 2021-2025, which aims to lend, invest and facilitate $ 1.4 billion USD based on the following criteria:

- Renewable energy
- Green building
- Clean technology
- Water quality and conservation
- Sustainable transport
- Circular economy
- Energy efficiency
- Sustainable agriculture

In addition, through our Corporate Citizenship Strategy and in line with Citi's Sustainable Progress Strategy, we have established commitments that will allow us to carry out interventions in our properties and branches in the 32 states of the Mexican Republic to achieve the following goals by 2025 considering a 2010 baseline:

- 100% Renewable Energy (carbon neutral according to RE100)
- 25% reduction in energy consumption
- 25% reduction in total water consumption
- 10% increase in reuse, recycling and use of
treated water
- 10% reduction in total waste
- 40% increase in waste recycling
- 33% of the portfolio will be LEED certified or equivalent

Finally, this Gender Equity goal in which efforts were directed to increase the participation of Advisory Counselors in the different regions of the country, managing to go from 6% in 2018 to 10% in 2020.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.

2.3 Plans for Target Implementation and Monitoring

*Show* that your bank has defined actions and milestones to meet the set targets.

*Show* that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and

At Citibanamex we have Corporate Citizenship as the integral strategy to guide our work as a financial intermediary, in order to promote economic development, responsible finance, care for the environment and equal opportunities. To do this, we abide by the highest ethical standards and sound corporate governance.

We focus the primary material issues on how we do business, our products and services, our operations, our work culture and our impact on the community. Likewise, we align our strategy to the Sustainable Development Goals (SDGs) to those goals on which
any rebasing of baselines should be transparent.

we have the greatest impact through our contribution.

At the same time, we have defined 11 lines of action:

- Financial inclusion
- Responsible investments
- Sustainable financing
- Social and environmental risks
- Environmental footprint (water, waste, paper, building)
- Carbon footprint
- Sustainable cities
- Anti-corruption
- Decent job
- Gender equality
- Inclusion of people with disabilities

We execute these lines of action from the corporate directions. In each one we have indicators to reflect the social and environmental impacts of our business activities; With this, we can improve continuously on a day-to-day basis.

Thanks to this strategy, in 2020 working groups of each line of action defined relevant goals in order to track and measure progress on a quarterly basis starting in 2021. Finally, these goals will be added to Mexico’s CEO’s scorecard.
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

2.4 Progress on Implementing Targets

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank’s progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

The goals established in 2020, thanks to the Corporate Citizenship strategy and determined together with the working groups of the different lines of action, will be monitored on a monthly basis. In this way, at the end of 2021, the follow-up and the results obtained for each of them will be available.

In 2020, the gender equity goal increased from 6% in 2018 to 10% in 2020 with the participation of Advisory Counselors in the different regions of the country.

Regarding the environmental footprint, there is a 2010 baseline with goals for 2025.

Due to the pandemic, 2020 was considered an atypical year since most of the collaborators did not work in the bank’s buildings. The goals obtained for 2019 are mentioned below.

- 100% Renewable Energy (carbon neutral according to RE100)
- 18% reduction in energy consumption
- 10% reduction in total water consumption
- 2% increase in reuse, recycling and use of treated water
Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets.

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<tr>
<th><strong>Principle 3: Clients and Customers</strong></th>
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<td><em>We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</em></td>
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3.1 *Provide an overview* of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

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<th>We apply responsible marketing that involves providing sufficient and accurate information to those who are going to purchase a product or service.</th>
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<td>With respect for human rights, regulatory compliance and information security as a priority, we create and take advantage of the business opportunities offered by digital solutions, taking into account the great responsibility that safeguarding customer data and privacy entails.</td>
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<td>We apply the Treating Customers Fairly (TCF)</td>
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program, which establishes the mandate to serve as a trusted partner for clients through the responsible provision of financial services. We have a common responsibility to ensure that our decisions are in the interest of our clients, contribute to economic growth and progress and that they are always consistently accountable; For this, we adhere to the highest standards of ethics and professional conduct in dealing with our clients, providing products appropriate for their needs that work properly and are easy to understand. In this way we guarantee that we comply with our mission and values.

We are constantly committed to protecting the personal data of our clients and granting the holders of personal data the power of autonomy and control over their personal information, in accordance with the principles of protection and applicable regulatory provisions.

Any natural person client (owner) who has any doubt or disagreement regarding the use that Citibanamex makes of their personal data, can submit a request through the means and mechanisms established in the privacy notice of the corresponding legal entity to exercise any of their rights of Access, Rectification, Cancellation or Opposition (ARCO).
We seek to give the best banking experience, providing clients with the means to establish any claim or complaint.

We have Specialized Units for the attention of our clients: 35 UNE representatives (Specialized Unit), four in Mexico City and one for each state of the Republic, who are in constant training on internal regulations and guidelines.

According to the regulator’s site, the total volume of complaints to the CONDUSEF as of 3Q 2020 was 12,525, 57% better compared to the same period in 2019.

Complaints can be resolved in favor of the client or in favor of the bank: In 2020, 55.8% were resolved in favor of the client and 44.2% against it, with an average response time of 22 calendar days. The attention of the complaints has been 100% in a timely manner.

In addition, claims for unrecognized charges have had a significant improvement in service times in 2020: 50% 0-4 days and 80% 0-10 days.

3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to

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encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

At Citibanamex we have been active participants in promoting the development of Mexico in all of its regions and in each of the different economic cycles.

Sustainable business credit is a program implemented by the Sustainable Banking area in a strategic alliance with the Inter-American Development Bank, aimed at SMEs that allocate the loan resources to projects focused on renewable energy and sustainability, and that have technical, commercial and financial feasibility. Since its implementation in August 2015 through December 2020, 1,409 credits have been granted for an accumulated amount of 2,614 million pesos.

The credit program for women seeks the development and consolidation of micro, small and medium-sized enterprises led by women, granting access to preferential financing and business development tools. From 2016 to December 2020, 6,724 loans were granted for a total amount of 5,347 million pesos.

There are state programs that aim to promote the placement of credits in priority sectors, defined by...
each of the 32 participating states. Since its implementation in 2014 through December 2020, 4,189 loans have been granted for a total of 4,673 million pesos.

We have the Sistema Eco energy calculator (https://sistemaeco.org), an online platform with free access that helps the user know their savings potential of replacing their current equipment, motors, air conditioning, lighting, refrigeration, solar panels and solar water heaters, for the most efficient equipment on the market. The calculations for this platform are certified by TÜV Rheinland.

In 2020, we participated as an underwriter of Stock Certificates in FIRA’s green and social issues. The green issue was for the amount of 3,000 million pesos and its resources will be directed to the financing of green projects in sustainable agriculture, energy efficiency, renewable energy and efficient use of water. The 3,000 million pesos social bond is the first Gender Social Bond issued in the local market and its resources will be used to promote financial inclusion programs, labor and productive initiatives, as well as entrepreneurship for women.

Furthermore, we recognize the importance of involving our suppliers in the business strategy through various actions.
We have a Corporate Responsibility Questionnaire (CRQ) with 15 questions on governance, environmental and social issues. It has been applied in all the countries where we operate with an initial value of 5% in all the Request For Proposals (RFP) to select products or services. We began to include specific clauses on environmental issues in contracts with some suppliers, mainly those who work within the facilities, such as reducing the use of energy in generators and air conditioning systems.

### Principle 4: Stakeholders
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society’s goals.

4.1 *Describe* which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank’s impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

We have identified the stakeholders, the means and the periodicity with which we are in contact with them. Additionally, every 3 years we carry out a materiality study.

The development of the Sustainable Cities Index and workshops to our clients represents an example of how at Citibanamex we promote sustainable, fair and inclusive growth, which not only generates economic value, but also contributes to improving the well-being of the communities where we operate and is compatible with the care and conservation of our environment.

As a member bank and coordinator of the

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<td>7.2.4</td>
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Sustainability Committee of the Mexican Bank Association (ABM), we promote projects for the sector in order to improve financing processes considering environmental and social criteria and risks.

We are an active member of the network of banks of the United Nations Environment Program-Financial Institutions (UNEP-FI) and we are part of the quest to catalyze new ways of doing finance. In line with this initiative, we participate in projects and training workshops adjusted to global trends in finance and responsible investment to drive transformation through innovation in the financial sector.

We have voluntarily adopted the Equator Principles, which are guidelines by financial institutions regarding social and environmental management on issues related to project financing, based on the Policy and Performance Standards on Environmental and Social Sustainability of the Financial Corporation International (IFC) and the World Bank's General Guidelines on Environment, Health and Safety.

We subscribe to the commitment of the Declaration of the International Labor Office that commits members to respecting and promoting the principles and rights of freedom of association and freedom of association, as well as the effective recognition of
the right to collective bargaining, the elimination of forced or compulsory labor, the abolition of child labor and the elimination of discrimination in respect of employment and occupation.

We have 25 collaborators trained to give lectures on climate change as part of The Climate Reality Project, a global initiative focused on creating awareness about the consequences of global warming and climate change, as well as solutions to combat it.

We actively participate in the Global Green Growth Forum with the purpose of exploring and demonstrating how better collaboration between leaders, experts, investors and key stakeholders from public and private institutions can effectively boost the potential for long-term green growth.

We are part of the Aspen Network of Entrepreneurs for Development (ANDE), a global network of organizations that promote entrepreneurship in emerging markets. ANDE members provide financing, education, and support services to growing entrepreneurs and small businesses, based on the conviction that these create jobs, stimulate long-term economic growth,
and have a positive impact on society and the environment. Therefore, they have the potential to eliminate poverty in developing countries.

We are part of the Alliance for Impact Investing in Mexico (AIIM).

We are part of RedEAmérica through which we share experiences to promote the sustainable development of vulnerable communities.

In addition, we are part of the Green Finance Advisory Council (CCFV) to develop a sustainable financial market with an authentic long-term vision, where its main actors have the capacity to address the challenges related to climate change, taking into account the risks and the opportunities present in all sectors of the economy.

### Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

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<tr>
<th>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</th>
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<tr>
<td>The strategy was unveiled in November 2019 and marked a watershed in our vision and mission as a company, as well as in our way of operating.</td>
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<td>3.2.9</td>
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11 lines of action were defined:

- Financial inclusion
- Responsible investments
- Sustainable financing
- Social and environmental risks
- Environmental footprint (water, waste, paper, building)
- Carbon footprint
- Sustainable cities
- Anti-corruption
- Decent job
- Gender equality
- Inclusion of people with disabilities

For the correct follow-up of each of the action lines, we identified a corporate director and established committees and working groups represented by the different areas that jointly established the goals and followed-up on them.

In line with Citi’s Environmental and Social Risk Analysis strategy, we have policies, standards and good practices to carefully assess, manage and mitigate environmental and social risks and impacts, prior to making financing decisions.

The Bank’s policies fully incorporate the Equator Principles (PE) and use the World Bank’s environmental, health and safety standards as a reference; as well as the performance standards of
In terms of investment portfolio, we will work on the ESG Policy for the Afore (pension fund).

We are in the process of signing the Principles of Responsible Investment (PRI) to encourage the Afore to invest in social and green projects.

5.2 *Describe* the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

We are working on the goal design for 2025 in each of the management areas, in addition to training and communication strategies on the subject aimed at the entire bank.

Bankers and government banking clients were offered workshops to explain the Sustainable Development Goals (SDGs) and our Sustainable Cities Index tool.

5.3 Governance Structure for Implementation of the Principles

*Show* that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set

We carry out the management through the Social Commitment area, in the Corporate Citizenship, Sustainability and Volunteering department.
b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.

Please provide your bank’s conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

**Principle 6: Transparency & Accountability**
We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society’s goals.

<table>
<thead>
<tr>
<th>6.1 Progress on Implementing the Principles for Responsible Banking</th>
<th>In 2019 we committed to comply with the Principles of Responsible Banking, and in 2020 we began to report our progress in their implementation.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Show</em> that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</td>
<td>At Citibanamex, the goals in 2020 were gender equity, sustainable financing, and environmental footprint. These goals are aligned with the bank's Corporate Citizenship strategy, which in turn are aligned with the Sustainable Development Goals (SDG).</td>
<td></td>
</tr>
<tr>
<td><em>Show</em> that your bank has considered existing and emerging</td>
<td>In our current materiality, we apply the GRI Standards, taking the process of defining material</td>
<td></td>
</tr>
<tr>
<td>International/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issues in order to give continuity to the transparency approach and strengthening the relationship with stakeholders.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In addition, we carried out the impact analysis with the methodology proposed by UNEP-FI and two TCFD exercises.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking
Annex: Definitions

a. Impact: An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.

b. Significant Impact: Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of significant impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of “materiality”.