

Social Responsibility – Peña Verde Group (Strategic Guidelines)

Objective

Peña Verde Group has defined its vision in the following manner:

TO INTEGRATE A PLURAL COMMUNITY, THAT IS COMMITTED TO ITS ENVIRONMENT AND WHO WORKS AS AN AGENT OF CHANGE, WHILE FULLY COMPLYING WITH ITS OBLIGATIONS.

Rationale

The vision statement commences with the verb *integrate*. In the first instance, this verb refers to *attraction and commitment*, which are activities inherent in a *holding company* which manages a portfolio. This integration is ongoing, given the dynamics of the business environment, and of Peña Verde itself. The activity is constant, because integration is not modular but organic; it is a question of interdependence.

The word *community* reinforces the idea of interdependence, and embraces joint responsibility, mutual support, the relationship between ideas of a higher order, and a shared identity. It speaks to the organization's humanity, although it clearly specifies that it is a business community.

This business community is plural and open to diversity, and is only limited by the company's mission. Openness implies the respect for, and tolerance of, our differences, and entails an active search for talent whose opinions, perspectives and capabilities are not only different, but even divergent, and always enriching.

Commitment to the environment is a broad concept that, on the one hand, points to the business environment, where Peña Verde is seen as an organization that respects the law, standards and customs of the communities where it operates, and on the other, to society and the protection of the environment.

Peña Verde is an organization that is not only open to change, but is also mindful of the advantages offered by technological advances and the transformation of business practices within our fields.

From this perspective, it is not only congruent, but essential that Peña Verde Group defines a clear strategy and action plan in the area of Social Responsibility, given that it is a comprehensive and fundamental part of the group's strategy.

Peña Verde Group is committed to society and its environment. While the company does focus on creating value for its shareholders, it also seeks to generate benefits for its clients, employees, business partners, society and the environment.

Here at Peña Verde, we want to generate a social value that is aligned with our strategy as an insurance and reinsurance group, and contribute to improving the lives of the disadvantaged in our country by strengthening their education and health.

The Criteria for Complying with the Social Responsibility Plan.

The first criteria is that the plan must be congruent with the Mission and Values of the Group and its affiliates. In the case of the Group, the guidelines are as follows:

The Mission

WE DIRECT BUSINESS AND PROJECT PORTFOLIOS IN THE AREA OF RISK MANAGEMENT.

Rationale

We achieve this through our commitment to:

- The institutionalization of our companies
- Taking advantage of synergies
- The profitability of economies of scale
- The development of our businesses
- Achieving a balance between the creation of value for the shareholder and maintaining prudent levels of solvency and liquidity.

The term, *we direct*, covers the two great dimensions of the function: the strategic guideline, which shows the way, and the functional or executive leadership, which ensures our objectives are met.

Business and project portfolios refer to the group of companies we manage, and to the alliances we forge with other companies to develop business.

Our risk management focuses on financial and asset risks, basically those related to accidental and unpredictable events, and where we implement solutions that allow our clients to continue in the face of this type of eventuality.

Our Values

Integrity

We act in strict adherence to the ethical principles of the Peña Verde Group, and comply with our commitments to our shareholders, clients, colleagues, business partners, and to society in general.

Initiative

We believe in what we do, and we look to the future with optimism and confidence. For that reason, we respond rapidly to changes and challenges in the environment, as well as to the business opportunities where we can add value.

Enthusiasm

We understand work is a series of challenges that allows us to measure our achievements, and grow to expand on them. It is an activity that demands the best, and is enjoyable to those who approach it with a positive attitude and a firm resolve to deliver results.

Professionalism

We know that talent is the result of a constant effort to remain current and competitive, and that *expertise* is the fruit of tenacity and discipline in our execution, and our capacity to build a team through good communication.

Respect

We encourage relationships that are based upon trust, openness and consideration for the dignity of the people we interact with, and which leads us recognize and accept diversity in others.

The second criteria – Social responsibility must not be understood to be an adornment, or a manipulation tool. To the contrary, the company's image and reputation represent our promise of value. It increases the pride we feel as members of the Group, it fosters a comprehensive vision of the company, and improves internal communication.

The third criteria – Social responsibility begins in house; we must interact responsibly with our colleagues, shareholders and clients. If each one of us is socially responsible, we will be agents of change in our interactions with the environment and society; when defining our priorities, we must first consider their impact on our most inner circle.

The fourth criteria – Social Responsibility efforts will focus on areas such as civics, education, health, and ecology.

The fifth criteria – Our efforts must seek to have a broad impact, that generate synergies with the work being performed by other social sectors, and not isolated efforts.

How do we achieve this?

Our vision comprises the following points and to that effect, we sought strategic partners for each pillar:

Nutrition and health: we contribute with food to the BAMSA  Food Bank to generate change and new attitudes towards food. Additionally, we want to support needy communities, through social actions that are incorporated into our strategy. We want to sensitize the people of Mexico and the Group's employees to the importance of lifestyle, through information campaigns and exercise programs. To that effect, we have partnered with MOVISA (Movement for a Healthy

Life)  .

Education and Civics: we believe that education leads to health and the taking of appropriate nutritional decisions. We have partnered with Patronato Pro Educación Mexicano AC

 (Mexican Pro Education Trust) to provide technological education to communities in the State of Chiapas. In addition, ensuring a healthy environment and the ability to compete, implies detecting and fighting corruption and impunity. To achieve a proper perspective of corruption, we are partnering with speakers to talk about ethics and life experience.

The Environment: we encourage respect for the environment through internal campaigns to reduce paper use within the company. We are going to liberate space internally and in our collaborators' homes by collecting obsolete electronic equipment.

In order to achieve our objectives, we want to conserve, and increase the number of beneficiaries, maintain long term relationships with our strategic partners, retain our employees' commitment, establish an annual corporate volunteer day, and donate a percentage of our annual profits.