

DISCLOSURE STATEMENT OPERATING PRINCIPLES FOR IMPACT MANAGEMENT



Period covered: Year ending December 31st, 2021

Mountain Nazca CBIV 2017, LLC (the “Signatory” or “Nazca”) hereby confirms its status as signatory to the Operating Principles for Impact Management (the “Impact Principles”).

This Disclosure Statement applies to the following covered assets that align with the Impact Principles: Mountain Nazca Cross Border Fund IV, LP (the “Fund”) and describes the progress in the development and implementation of Nazca’s impact management system.

The total value of the covered assets in alignment with the Impact Principles is USD \$50,250,554 as of December 31st, 2021.

STRATEGIC INTENT

PRINCIPLE 1 DEFINE IMPACT OBJECTIVES(S) CONSISTENT WITH THE INVESTMENT STRATEGY

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The impact intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible basis for achieving the impact objectives through the investment strategy; and that the scale and/or intensity of the intended portfolio impact is proportionate to the size of the investment portfolio.

- Nazca is an early-stage Venture Capital Firm that provides revolutionary empowerment to founders in Mexico and Latin America.
- Nazca's investment thesis is primarily centered on a core objective to support entrepreneurs who are building new business models based on technology. These business models are focused on creating products and services that can build a better future for society. Nazca is not an impact fund, so impact objectives were not considered at the

moment of undertaking the investments, however, related impacts will be identified through the development of the Impact Methodology.

- The Fund is mainly focused on Latin American markets and targets sectors such as Healthtech, E-commerce, Fintech, Edtech, Foodtech, Cleantech, Propotech, Mobility, among others. The impact objective of Nazca’s portfolio or fund will be set after the actual, potential and aspirational impact of the investees are identified and determined through the Impact Methodology and/or related.
- Several of the Fund’s Fintech investments foster financial inclusion which is a core featured target of eight of the seventeen Sustainable Development Goals.
- In the course of constructing the Fund’s existing portfolio, we also identified investees with significant, even transformational impact on major development problems which align with the following SDGs:

Sustainable Development Goal (SDG)	Description
SDG 2 – Zero hunger	End hunger, achieve food security and improve nutrition and promote sustainable agriculture.
SDG 3 – Good health and well-being	Ensure healthy lives and promote well-being for all at all ages.
SDG 4 – Quality education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
SDG 8 – Decent work and economic growth	Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all.
SDG 9 – Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
SDG 10 – Reduced inequalities	Reduce inequalities within and among countries.
SDG 11 – Sustainable cities and communities	Make cities and human settlements inclusive, safe, resilient and sustainable.
SDG 12 – Responsible consumption and production	Ensure sustainable consumption and production patterns.

SDG 13 – Climate action	Take urgent action to combat climate change and its impacts.
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The SDG alignment of the investees represent a preliminary assessment (and in some cases showing potential contributions), developed by a third-party. A specific, framework, methodology or standard to align the Investees to the SDG, will be used in the following assessments.

- A full list of the Fund’s portfolio companies and their alignment with SDGs is included below:

Portfolio Company	Description	SDG
Entocycle	Entocycle is a company that produces sustainable insect-based protein used as animal feed.	2, 12, 13
Miroculus	Miroculus can automate complex protocols, such as NGS library prep, in a compact, cartridge-based system that is within reach of all laboratories.	3
Hi:hab	Hi:hab is a digital urban developer, a leader in creating new spaces and services for city residents.	9, 10, 11
Minu	Minu offers Mexican workers 24/7 access to their already-worked salary when they need it and work with HR areas to improve satisfaction, retention and attraction of talent.	10
Jüsto	Justo is a 100% online / asset-light convenience-focused supermarket in Mexico offering the best quality products at a fair price.	9
Cargamos	Cargamos is a tech-enabled logistics company that is reinventing warehousing and fulfillment to optimize the delivery of goods.	9
Meru	Meru is a one-stop-shop Asian wholesale B2B marketplace for Latin America.	9
Wonder Brands	Wonder Brands is a group of mass consumer digital brands.	8
Welbe		3

	Welbe is a company focused on bringing primary and secondary health insurance and occupational health solutions to companies and employees.	
Albo	Albo is a 100% digital bank that helps customers manage their resources and offers customer-centric financial services.	10
Asistensi	Asistensi is an emergency insurance and immediate medical assistance platform focused on supporting those who have emigrated so that they can continue caring for their loved ones in their home countries.	3
Crehana	Crehana offers an online education platform with different verticals and course categories.	4
Heru	Heru is a financial technology company focused on helping self-employed individuals with tax issues.	11
Yema	Yema creates products based on what their customers want: health, sustainability, performance, and affordable prices.	2, 3, 12

PRINCIPLE 2 MANAGE STRATEGIC IMPACT ON A PORTFOLIO BASIS

The Manager shall have a process to manage impact achievement on a portfolio basis. The objective of the process is to establish and monitor impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.


- Nazca currently has a comprehensive process, developed in-house, for environmental and social risk assessments, denominated Nazca's ESMS, which will be complemented by a new methodology covering impact monitoring, as explained below.
- Nazca has not systematically tracked impact metrics in the past. However, in 2022 the firm will approve NAZCA's Proprietary Impact Methodology which will be implemented by 2023 and will consider aligning incentives with impact as best practices emerge.
- Under Nazca's Proprietary Impact Methodology, the firm will integrate the following step-by-step process for impact monitoring:
 1. Prior to investment, Nazca will establish with the prospective company relevant IRIS+ Impact Categories which are based on common industry classifications.
 2. Once Impact Categories are identified for a prospective company, Nazca will discuss all relevant metrics in each category with the Company and determine which metrics the Company currently tracks.
 3. Then Nazca will establish which additional metrics could (within reasonable effort) be tracked by the Company and which additional metrics would be aspirational. This requires input from the portfolio company.
 4. Once the three levels (current, potential, and aspirational) of metrics are identified, Nazca will include these metrics in a reporting template to be agreed with the Company. The template will include a timeline around when metrics are to be shared (ordinarily quarterly) by the Company with Nazca and when the Company will begin tracking future metrics. This template will be sent by the Company to Nazca on a quarterly basis, tracking progress over the course of the investment.
 5. Prior to investment, the Company will identify a specific employee who will be responsible for reporting the above-referenced information to Nazca. This employee will then fill out an initial draft of the template for Nazca to review.

6. On an annual basis, the agreed metrics will be reviewed by a responsible investment team member, who will walk through the IRIS+ framework with the responsible employee at the Company to determine if additional metrics should be tracked.
 7. If a metric indicates that performance is worsening over time, or new (potential, aspirational) metrics are not being tracked within the agreed timeline, Nazca will ask for an explanation from the Company and determine a remediation plan if necessary.
 8. Upon exiting an investment, Nazca will have a full table of quarterly impact metrics and their performance over time which will be included in the exit slide.
 9. Metrics from each portfolio company will be aggregated on a quarterly basis into a portfolio-wide impact summary which will be discussed by the investment team to determine progress of the portfolio and any necessary changes in the impact engagement across the portfolio.
- Nazca's Proprietary Impact Methodology will not consider the "prior to investment" section because there will be no additional investments. Due to this strategy, the impact methodology will only consider the impact of current investments.

PRINCIPLE 3 ESTABLISH THE MANAGER’S CONTRIBUTION TO THE ACHIEVEMENT OF IMPACT

The Manager shall seek to establish and document a credible narrative on its contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

- As part of Nazca’s early-stage investment approach, it is closely involved with each portfolio company. Nazca currently assists its portfolio companies in several areas including board participation, value add services and introductions, legal and financial. Their scope of involvement includes advice on strategic direction and capital raising to all companies, board participation in most cases, while other value contribution initiatives are tailored to the specific circumstances of portfolio companies.
 - The Nazca-appointed board members with voting rights are involved in decisions related to environmental and social matters, otherwise, they provide useful environmental and social information to be considered in the decision-making process.
 - Consistent with the new Proprietary Impact Methodology, Nazca-appointed board members will fully understand the impact objectives of Nazca’s investment in the portfolio company and will help Nazca’s Investment Team supervise that the portfolio company properly monitors and oversees the Company’s tracking and reporting of the agreed-upon impact metrics.
 - Nazca diffuses E&S risk best practices and improves the risk approach of its investees by engaging in providing portfolio companies with E&S risk procedures consistent with the best international standards, as well as by periodically monitoring their E&S performance.
 - Nazca has a value-add services area that systematically empowers the Founder/s of the portfolio companies (“PC’s Founders”) with singular access to tools, some of which can be directly or indirectly linked (or have implications with) to impact including:

Value Add Services	Objective
 <p>Growth & Commercial</p>	<p>Help PC’s Founders boost their growth through commercial introductions within our network</p>

 Human Capital Management	Support PC's Founders in recruiting and developing their Dream Team
 Exposure	Position PC's Founders through the necessary exposure in media
 Knowledge	Boost PC's Founders knowledge in relevant topics
 Fundraising Journey	Support PC's Founders in their fundraising journey with late-stage firms
 Nazca Perks	Provide benefits through partners

- Nazca has dedicated staff that are focused on portfolio value addition, these positions include our E&S Officer, Head of Legal, Head of Founder Talent and Principal.

PRINCIPLE 4 ASSESS THE EXPECTED IMPACT OF EACH INVESTMENT, BASED ON A SYSTEMATIC APPROACH

For each investment the Manager shall assess, in advance and, where possible, quantify the concrete, positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact varying from ex-ante expectations. In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow best practice.

- Nazca's current comprehensive E&S analysis under the ESMS will be complemented through the implementation of Nazca's Proprietary Impact Methodology to cover a wider range of impact metrics. Currently, Nazca has developed an impact matrix for seven of its investments, identifying impacts, quantitative in some cases, according to the business model and sector of influence of each of the investees included in the initial matrix.
- The new process will be inclusive of the steps listed in Principle 2. The scope of Nazca's Proprietary Impact Methodology will cover the intended impact, scale of outcome, and Nazca's role in advancing the impact of each investment. The measurement framework under development will focus on answering fundamental question 1-3 and will assess the likelihood of achieving the investment's potential impacts.
- Nazca's Proprietary Impact Methodology will determine the set of metrics that will be collected across the entire portfolio, such as gender equality, carbon footprint, etc., as well as those impact metrics that will be tracked by portfolio companies, which will be associated with the SDGs mentioned above. Some metrics related to impact, such as headcount and other operational KPIs, have been collected on a quarterly basis, while gender KPIs are collected bi-annually.

Once Nazca's Proprietary Impact Methodology is in place and metrics are collected, Nazca will specify in detail the metrics being used and provide examples.

PRINCIPLE 5 ASSESS, ADDRESS, MONITOR AND MANAGE POTENTIAL NEGATIVE IMPACTS OF EACH INVESTMENT

For each investment the Manager shall seek, as part of a systematic and documented process, to identify and avoid, and if avoidance is not possible, mitigate and manage Environmental, Social and Governance (ESG) risks. Where appropriate, the Manager shall engage with the investee to seek its commitment to take action to address potential gaps in current investee systems, processes, and standards, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, and where appropriate, engage with the investee to address gaps and unexpected events.

- Nazca implements a detailed and systematic process (ESMS)¹ to evaluate the environmental and social risks/impacts associated with each potential investment, and to provide sufficient information to determine whether the potential Investment meets complies with the IFC's Exclusion List, national legislation, local regulations, IFC performance standards and applicable international standards. The elements of this process can be summarized as follows:

#	ACTIVITY	DESCRIPTION	PERSON IN CHARGE
1	Fund's Exclusion List Application	In the Opportunity Received stage, once the proposal is received, the activities comprised in the potential investment are checked to ensure they are not included in the non-bankable activities list, which are recorded in Annex 1 of the ESMS Manual – Fund's Exclusion List.	Asset Management Team
2	Project Classification and Categorization	For projects that are admitted for evaluation by the Fund and pass the Pitch and Dealflow Meeting stages, a Soft Analysis shall be carried out by the E&S Officer with the support of the	E&S Officer E&S Advisor

¹ For further reference, please find the link to Nazca's ESMS Manual below: https://b4dfd4c3-aacd-4c53-abdf-ed2fa1a51cf0.filesusr.com/ugd/ff81dd_44fbd3feeddc4ab485bdfebcc5b5df26.pdf

		<p>E&S Advisor (if required). The E&S categorization of the projects shall be carried out as established in Annex 2 of the ESMS Manual – Investment Project Categorization Guide.</p>	
3	<p>Initial E&S Assessment</p>	<p>As part of the Soft Analysis, an Initial E&S Evaluation shall be carried out, which shall include the consultation about the project and/or its representative of available secondary information, which may include:</p> <ul style="list-style-type: none"> • Environmental offender registry review (If it exists in the country where the project will be carried out) • Direct consultations with the corresponding Environmental Authority. • Database Records of the European Commission's Environmental Justice Map. • News and publication databases, evaluating compliance with legal regulations and other resolutions <p>Likewise, for the Initial E&S Evaluation, the Asset Management Team shall request from the Founders the Information described in Annex 3 of the ESMS Manual – Information for Initial E&S Evaluation (The Founders shall provide the information applicable to the current status of their project).</p>	<p>E&S Officer E&S Advisor Asset Management Team</p>
4	<p>Evaluation of Information Provided by the Founders</p>	<p>The E&S Officer, with the participation of the E&S Advisor, if necessary, shall evaluate the information provided by the Founders, and shall consult other information sources that they consider pertinent.</p> <p>If the participation of the E&S Advisor is required, the E&S Officer shall supervise the digital report prepared by the E&S Advisor that shall be written based on this document and the E&S Summary information.</p> <p>Asset Management Team, Head of Legal and Investment Committee (IC) to be addressed in the Opportunity Snapshot.</p> <p>The report (ESG Information Request) shall include the following information:</p> <ul style="list-style-type: none"> • Client/project information. • Project categorization 	<p>E&S Officer E&S Advisor Asset Management Team Investment Committee</p>

		<ul style="list-style-type: none"> • Evaluated Information • Main findings and E&S risks identified • Conclusions and recommendations <p>The report must be included in the Opportunity Snapshot Review/meeting to decide the continuity of the project to the next stage.</p>	
5	Development of the Environmental and Social Due Diligence (DDAS in Spanish)	<p>Environmental and Social Due Diligence Procedure (DDAS) for medium risk projects (Category B):</p> <p>For projects that pass the Soft Analysis/Opportunity Snapshot review stage, the DDAS shall be mandatory, the scope of which is defined in Annex 4 of the ESMS Manual – “DDAS Scopes”. Depending on the Fund's internal capacity at the DDAS process' start time, the participation of the E&S Advisor or Independent Consultant may be considered to develop it under the supervision of the E&S Officer. It shall be the responsibility of the E&S Officer to coordinate the activities for the process' development. The Fund may adjust the scope of the DDAS depending on the project's complexity level.</p> <p>Environmental and Social Due Diligence Procedure (DDAS) for low-risk projects (Category C):</p> <p>The Initial Environmental Assessment shall replace the DDAS that must be complemented with a visit/s to the site where the project, work or activity is developed, which shall complement the environmental and social due diligence report based on this document.</p>	E&S Officer E&S Advisor
6	Independent Consultant Selection	For projects that require the support of an Independent (External) Consultant, the E&S Officer shall manage the hiring thereof, taking into consideration the elements described in Annex 5 of the ESMS Manual – “Independent Consultant Selection Considerations” .	E&S Officer
7	Execution of the DDAS by the Independent Consultant	Based on the defined scopes, the Independent Consultant shall develop the DDAS, and the E&S Officer or the E&S Advisor shall have the task of monitoring the Independent Consultant	E&S Officer E&S Advisor

8	DDAS Evaluation when the Participation of an Independent Consultant is required	<p>The E&S Officer/E&S Advisor shall verify the DDAS report and provide feedback to the Independent Consultant if necessary; once the final report has been accepted, the E&S Officer shall prepare a report for the other Staff members who participate in the operation and in the preparation of the Investment Memorandum for the IC (from the Hard Analysis). The DDAS Results must be attached to the Investment Memorandum by means of the Format established in Annex 6 of the ESMS Manual – “DDAS Report Format” which shall be provided by the Independent Consultant. Annex 8 of the ESMS Manual – “IFC Performance Standards Checklist” provides additional support for the capture of information from the DDAS process.</p>	E&S Officer E&S Advisor Staff
9	Presentation of the DDAS Results to the IC	<p>The IC shall be responsible for evaluating, among other matters, the DDAS report and the public information reviewed, and making the decision to approve the operation or not. If approved, the action plans derived from the DDAS must be included as conditions to be met by the Founders in the investment agreements/contracts. The Head of Legal shall be responsible for ensuring the incorporation of said elements.</p> <p>Note: Projects can be rejected or temporarily not approved by the IC for E&S issues, depending on the reason for the decision, clarifications shall be requested or shall be definitively rejected.</p>	IC Head of Legal
10	Closing of the Investment Cycle	<p>The Head of Legal shall be responsible for ensuring that all E&S commitments, considerations and other elements determined by the IC are included into the legal documents.</p>	Head of Legal
11	Follow-up and Monitoring of Investment Operations (Portfolio)	<p>Once the legal documents have been signed, the E&S Officer in coordination with Portfolio Management shall verify compliance with the action plans, the applicable national E&S standards and regulations, and the IFC E&S Sustainability Performance Standards. In coordination with the Founders and depending on the level of complexity of the investment, the periodicity of the review shall be defined, which in any case shall be carried out at least annually.</p>	Portfolio Management E&S Advisor

		Annex 7 of the ESMS Manual – “Monitoring and Follow-up Scopes” describes the reports' scope for the monitoring and follow-up phase (these may be adjusted depending on the investment type) which must be completed by the Founders .	
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- Governance risks are assessed independently in the legal due diligence performed prior to the investments, where corporate and Management matters are assessed, including shareholder and board conformation and employee compensations and benefits.

PRINCIPLE 6 MONITOR THE PROGRESS OF EACH INVESTMENT IN ACHIEVING IMPACT AGAINST EXPECTATIONS AND RESPOND APPROPRIATELY

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate action. The Manager shall also seek to use the results framework to capture investment outcomes.

- Once Nazca's Proprietary Impact Methodology is defined, it will include a full-scale mechanism for monitoring impact achievements of each portfolio company and the associated response. Steps 4 through 7 of Nazca's Proprietary Impact Methodology will cover this in detail and are included below:
 4. Once the three levels (current, potential, and aspirational) of metrics are identified, Nazca will include these metrics in a reporting template to be agreed with the Company. The template will include a timeline around when metrics are to be shared (ordinarily quarterly) by the Company with Nazca and when the Company will begin tracking future metrics. This template will be sent by the Company to Nazca on a quarterly basis, tracking progress over the course of the investment.
 5. On an annual basis, the agreed metrics will be reviewed by a responsible investment team member, who will walk through the IRIS+ framework with the responsible employee at the Company to determine if additional metrics should be tracked.
 6. If a metric indicates that performance is worsening over time, or new (potential, aspirational) metrics are not being tracked within the agreed timeline, Nazca will ask for an explanation from the Company and determine a remediation plan if necessary.
- Environmental, social and governance matters are currently monitored for each of the investees as part of the action plans derived from the initial E&S Assessment, however this is performed independently from the development of Nazca's Proprietary Impact Methodology.

PRINCIPLE 7 CONDUCT EXITS CONSIDERING THE EFFECT ON SUSTAINABLE IMPACT

When conducting an exit, the Manager shall, in good faith and consistent with its fiduciary concerns, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact.

- Nazca's current investment process includes a closing E&S evaluation upon exit, ensuring the corresponding portfolio company has complied with legal requirements, compliance mandates and other obligations and has not generated liabilities up to the moment of the exit.
- In addition, Nazca's Proprietary Impact Methodology will include processes to identify the effect of the exit on the sustainability of impact for a particular investment.
- In accordance with Nazca's Proprietary Impact Methodology, upon exit of an investment, Nazca will have a full table of quarterly impact metrics and their performance over time which will be included in the exit slide.

PRINCIPLE 8 REVIEW, DOCUMENT, AND IMPROVE DECISIONS AND THE PROCESSES BASED ON THE ACHIEVEMENT OF IMPACT AND LESSONS LEARNED

The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.

- Nazca's current scope of annual ESG performance reviews will be expanded under its Proprietary Impact Methodology to cover impact and the documentation of the progress and changes made to process will be outlined in future disclosures.
- Under Nazca's Proprietary Impact Methodology, Nazca plans to monitor the impact metrics quarterly and report the results on an annual basis along with ESG reviews.
- Findings will not impact investment decisions as there will be no additional investments.

PRINCIPLE 9 PUBLICLY DISCLOSE ALIGNMENT WITH IMPACT PRINCIPLES AND PROVIDE REGULAR INDEPENDENT VERIFICATION OF THE ALIGNMENT

The Manager shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns.

- Nazca has engaged KPMG to provide independent conclusion of limited assurance of the alignment with the Disclosure Statement Operating Principles for Impact Management. Nazca will publicly disclose its independent limited assurance report by close of May 18th, 2022.
- Nazca will obtain independent verification every three years.



Independent Limited Assurance Report to Mountain Nazca CBIV 2017, LLC on the information contained in the Disclosure Statement Operating Principles for Impact Management **(Non-Financial Information)**

To the Managing Partners of Mountain Nazca CBIV 2017, LLC,

We have been engaged by the Management of Mountain Nazca CBIV 2017, LLC (hereinafter "the Company") to provide limited assurance on the alignment of the developing Mountain Nazca CBIV 2017, LLC's Impact Management system, as described in its policies, procedures and supporting data ("Contents"), prepared, presented and summarized by the Management of the Company in the **Disclosure Statement** (hereafter the "Statement") of the Company dated January 2022 with the Operating Principles for Impact Management, as at and for the period ended by December 31, 2021, in the form of an **independent conclusion of limited assurance**.

Management responsibilities for the Disclosure Statement

The Company, through its Management, is responsible for the preparation and presentation of the information subject to our review and the information and assertions contained within it.

The Company, through its Management, is responsible for designing, implementing, and maintaining the relevant internal control for the preparation and presentation of the information subject to our review, which is free from material errors, whether due to fraud or error. Likewise, the Management of the Company is responsible for preventing and detecting fraud, as well as identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Management of the Company is also responsible for ensuring that the staff involved with the preparation of the Contents are properly trained, the information systems are properly updated and that any changes in the presentation of data and/or in the form of reporting, encompass all significant business units.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement on the information concerning the Contents included in the Statement and to express an independent conclusion of limited assurance based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board, that standard requires that we plan and perform the engagement to obtain limited assurance about whether, based on our work and the evidence obtained, nothing has come to our attention that causes us to believe that the Contents included in the Statement as at and for the period ended by December 31st, 2021, are not prepared in all material respects in alignment with the Operating Principles for Impact Management.

KPMG CARDENAS DOSAL S.C. (the "Firm") applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Aguascalientes, Ags.
Cancún, Q. Roo.
Ciudad de México.
Ciudad Juárez, Chih.
Culiacán, Sin.
Chihuahua, Chih.

Guadalajara, Jal.
Hermosillo, Son.
León, Gto.
Mérida, Yuc.
Mexicali, B.C.
Monterrey, N.L.

Puebla, Pue.
Querétaro, Qro.
Reynosa, Tamps.
Saltillo, Coah.
San Luis Potosí, S.L.P.
Tijuana, B.C.



The procedures selected depend on our knowledge and experience of the Contents presented in the Statement and other circumstances of the work, and our consideration of the areas in which material errors may occur.

When obtaining an understanding of the Contents included in the Statement, and other work circumstances, we have considered the processes used to prepare the Contents, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Company's internal control over the preparation and presentation of the Contents included in the Statement.

Our engagement also included assessing the appropriateness of the main subject, the suitability of the criteria used by the Company in the preparation of the Contents, assessing the appropriateness of the methods, policies, and procedures, as well as models used.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Summary of the work performed

A limited assurance engagement consists of obtaining information, primarily from people responsible for the preparation on information presented in the Statement, and applying analytical and other evidence gathering procedures, as appropriate.

The scope of the procedures on the design performed in the Company's developing Impact Management System include the following:

- Verification that the Statement is addressing each of the Principles.
- Assessment on the accuracy and understandability of the Statement in relation to the Principles.
- Interviews with relevant staff at corporate and department level responsible for providing the information in the Statement.
- Inquiries to gain understanding on the Company's processes for determining its alignment with the Principles.
- Media analysis and internet research for references to the Company during the reporting period.

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Statement may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Statement, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Our conclusion has been formed based on, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.



Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Contents of the Statement, prepared by the Company's Management and included in the Statement for the period from January 1 to December 31, 2021, is not in all material aspects, in alignment with the Operating Principles for Impact Management.

Restriction of use of our report

Our report is prepared to meet the Company's requirements and determined by its necessities.

KPMG CARDENAS DOSAL S.C.

Juan Carlos Reséndiz Muñiz
Partner
Mexico City, May 19th, 2022.