

A hand holding a small globe covered in green moss, symbolizing sustainability. Surrounding the globe are eight white line-art icons inside wireframe spheres, connected by dotted lines. The icons represent: a handshake, a globe held by two hands, a wind turbine, a magnifying glass over a leaf, two people under trees, a classical building, a recycling symbol, and a lightbulb. The background is a blue-tinted image of a modern building with a grid pattern.

MONEX

Executive Report ESG 2023

Committed to the
Transformation of a
Sustainable Business

Executive Report ESG 2023

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1. Introduction



1. Introduction

(GRI 2-2, 2-3, 2-4, 2-5, 2-14)

About This Report

In sharing this information on Grupo Financiero Monex (hereinafter Monex) and in selecting the content herein, the concept of double materiality was applied, as well as presenting progress achieved in economic, social and governance performance for the period encompassing Jan. 1 to Dec. 31, 2023. Regarding the previous report, there was no restatement of information presented.

Data was compiled by the Sustainability Department, which reports to the Chief People and Corporate Affairs Officer, supervised by COSUSTENTA (the Committee for Risk Analysis and Sustainable Opportunities) and validated by the corresponding Directorates.

All Global Reporting Initiative (GRI) standards taken into consideration, which correspond to social-environmental and governance impact, and to the Sustainability Accounting Standards Board (SASB) for the financial sector industry regarding asset management and safekeeping for commercial banking, investment banking, and brokerage activities. These in turn correspond to information requests, especially from investors.

Also presented is our contribution to the sustainable Development Goals (SDGs) adopted by the UN to approach the many challenges faced by society, serving as Communication on Progress (CoP) for the Global Compact.

Lastly, we also communicate the progress achieved regarding the Principles of Responsible Banking (PRB) promoted by the United Nations Environment Program Finance Initiatives (UNEP FI) to strategically align the banking sector with the SDGs.

How to Read This Report

The annual report contains a message from the CEO and eight chapters.

- On each page there is a navigation menu that takes you to the chapter of your choice
- At the beginning of each page is the reference for the GRI content index and/or the SASB parameter.
- The final chapter contains the attachments on ESG management, environmental management, contribution to the SDGs, a glossary, and GRI and SASB tables.

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Message from the CEO



It is a great pleasure to present our achievements and results for the year in our ESG Executive Report 2023. Herein are our principal results pertaining to social, environmental, and governance matters.

This was a historic year in terms of economic performance. Our Company achieved significant growth, posting \$13,208 billion pesos in total revenue, that is, 12% higher than that of 2022. This increase is largely due to diversified income stemming from purchase-sale transactions of foreign exchange, representing 40% of income; followed by 26% from the credit and deposit segment; 19% in foreign exchange transactions from subsidiaries abroad; 9% from the stock brokerage business; and 5% from the derivatives business.

Our leadership position in the foreign exchange market and international payments has been maintained, standing above the rest due to our cutting-edge electronic platform. These achievements of ours have only been possible thanks to a team who always pushes for excellence and who has a real passion for what they do. In 2023, our headcount was 2,229 employees, with a gender breakdown of 48% women and 52% men. This constitutes a true reflection of our commitment to workplace diversity and inclusion, which has once again positioned Monex as one of the Best Places to Work in Mexico, by Great Place to Work for the last 20 years.

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Our commitment to sustainability and sustainable investment are key to our corporate strategy. We have therefore participated in initiatives such as the placement of sustainable sovereign bonds (BONDESG), where we ranked Number Two in terms of distributed amounts. Also included were bonds labeled in the portfolios, representing 20.6% of the total value. Moreover, we act as a market maker in the BONSEG secondary market, thus contributing to its development.

Knowing that education is key to achieving financial inclusion, our employees and customers alike have been made aware and received training so they may make informed and better financial decisions. Our strategy in philanthropy is aimed at supporting community development and education through scholarships. We also sponsor Mexican cinematography through an annual call for movie production and distribution, as well as making contributions to social research through the Award for Research on Civil Society and the documentation center, promoted by Cemefi.

All of our actions are a reflection of the commitment to the economic and social development of our country. Monex shall continue reinforcing our ESG strategy in the aim to further an increasingly more sustainable financial sector.

Mauricio Naranjo
Chief Executive Officer

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Who We Are

(GRI 2-1, 2-6)

Grupo Financiero Monex aspires to create value for all our stakeholders, with specific focus on our customers, enabling them to access convenient and top quality financial services, generating jobs in support of Mexico's development, and promoting environmentally-friendly practices.

We have accumulated 38 years of experience providing financial services in Mexico. Our structure encompasses three entities: Banco Monex, Monex Casa de Bolsa, and Monex Operadora de Fondos. The primary focus is the foreign exchange market and payments, although a variety of specialized financial services are also offered as part of our growth and diversification strategy.

We are part of Monex S.A.P.I., which also includes Arrendadora Monex and its international subsidiaries in the United States, Europe, and Asia.

Purpose

Helping our customers achieve success through simple, comprehensive, global, and innovative financial solutions.

Vision

Being a leading institution in financial business and international payments through comprehensive, global, and innovative solutions, working hand in hand with our customers so they may accomplish their objectives.

Our Values

- Customer centricity: Untiring support for the achievement of our customers' goals.
- Integrity: Acting with honesty in everything we do.
- Adaptability: Agile resilience in adapting to changing conditions through innovative solutions.
- Teamwork: Achieving more through collaboration and working together as a team.
- Empowerment: Encouraging all our employees to reach their fullest potential.

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Primary Products and Services

In 2023, the branch network consisted of 31 offices, with our corporate headquarters in Mexico City. The geography of Mexico enables Monex to have national coverage, present in the primary commercial and business centers.

Monex offers financial solutions for Commercial Banking, Private Banking, and for Individuals.



COMMERCIAL BANKING

- Foreign exchange and international payments
- Derivatives solutions for risks:
 - | OTC derivatives
 - | Exchange rate derivatives
 - | Interest rate derivatives
 - | Investment: Structured financial instruments
- Cash management
 - | Comprehensive treasury management
- Credit and Foreign Trade:
 - | NAFIN production chains
 - | Commercial letters of credit
 - | Stand by letters of credit and guarantees
 - | Documentary collection
 - | Long-term loans
 - | Digital loans
 - | FIRA loans
 - | Simple loans
- Factoring
 - | Factoring payment to suppliers
 - | Factoring without recourse
 - | Electronic supplier factoring
 - | Letter of credit system access
- Digital banking
 - | FX Electronic platforms

COMMERCIAL BANKING

- Arrendadora Monex
- Mutual funds
- Fiduciary products:
 - | Common representative issuers
- Investments in money markets:
 - | Private documents
 - | Bank securities
 - | Government instruments
- Institutional savings:
 - | Funds and employee savings management
 - | Pension plans

PRIVATE BANKING

- Investment advice
- Fixed income
- Mutual funds
- Bond market
- Loans with pledge of securities
- Trusteeship
- Monex Trader
- Derivatives and structured financial instruments

INDIVIDUALS

- Multi-currency digital account (Monex One)

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ESG Strategy

(GRI 2-2, 2-23, 2-24, 3-1, 3-2)

Monex is fully committed to environmental sustainability, social responsibility, and good governance (ESG), values that are reflected in all operations as a financial services provider, employer, and in stakeholder relations.

To accomplish this goal, a strategic plan has been designed that begins by identifying critical ESG issues specific to the markets in which we operate and the type of activities conducted. Based on this identification, strategic priorities were established and executed under different initiatives.

The first step in the strategic path entailed conducting a materiality study for 2022, whereby the concept of double materiality was applied, in keeping with international standards:

- Impact materiality, where different stakeholders are considered in economic, social and environmental terms.
- Financial materiality, which offers a comprehensive overview for investors and other capital providers, reflecting ESG factors that could financially impact the situation, performance and cashflow for Monex business transactions.

This is seen in the ESG Model, which outlines approaches and business lines that set priorities and goals regarding business risks and opportunities, as well as promoting responsible and sustainable business practices.

The pillars of the strategy are Environmental, Social and Governance factors, which in turn give rise to four important themes: ethics and integrity, customer centricity, committed talent, and sustainable finance. For each one, strategic objectives have been defined, tied to different material subjects. In addition, the themes contained in the strategy contributed to specific Sustainable Development Goals which have been underscored as part of this analysis.

The Strategy is coordinated by COSUSTENTA, which supervises progress and the primary indicators.



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ESG Strategy

(GRI 2-2, 2-23, 2-24, 3-1, 3-2)

THEME	OBJECTIVES	MATERIAL SUBJECTS
1. Ethics and Integrity	Ensure safekeeping of Company wealth and the trust of stakeholders, promoting ethical practices, a culture of compliance, and protection measures for data. Reinforce internal decision-making, and incorporate ESG criteria.	<ul style="list-style-type: none">• Corporate governance• Ethics and anticorruption• Regulatory compliance• Cybersecurity• Dissemination and transparency of financial information
2. Customer centricity	Promote transparent and trustworthy relationships with customers, where customer development prevails through comprehensive financial solutions. Provide availability of service networks so they may achieve Company growth.	<ul style="list-style-type: none">• Digital transformation• Product innovation• Customer service• Sales practices/product information
3. Committed Talent	Install financial management capabilities both for customers as well as for society as a whole. Maximize educational possibilities as a means to achieve financial inclusion.	<ul style="list-style-type: none">• Attract and retain employees• Diversity and equal opportunities• Employee training and development
4. Sustainable Finance	Foster customer best practices in social and environmental themes, contributing to sustainable development through services rendered to customers. Also manage risks and opportunities that appear in ESG-related subjects.	<ul style="list-style-type: none">• Sustainable funding• Financial inclusion• Sustainable investment• Own and portfolio ESG risks

Notes:
*Systemic risk management and economic performance remain as cross-sectional subjects in all approaches
**All material subjects presented include financial and socio-environmental (impact) materiality

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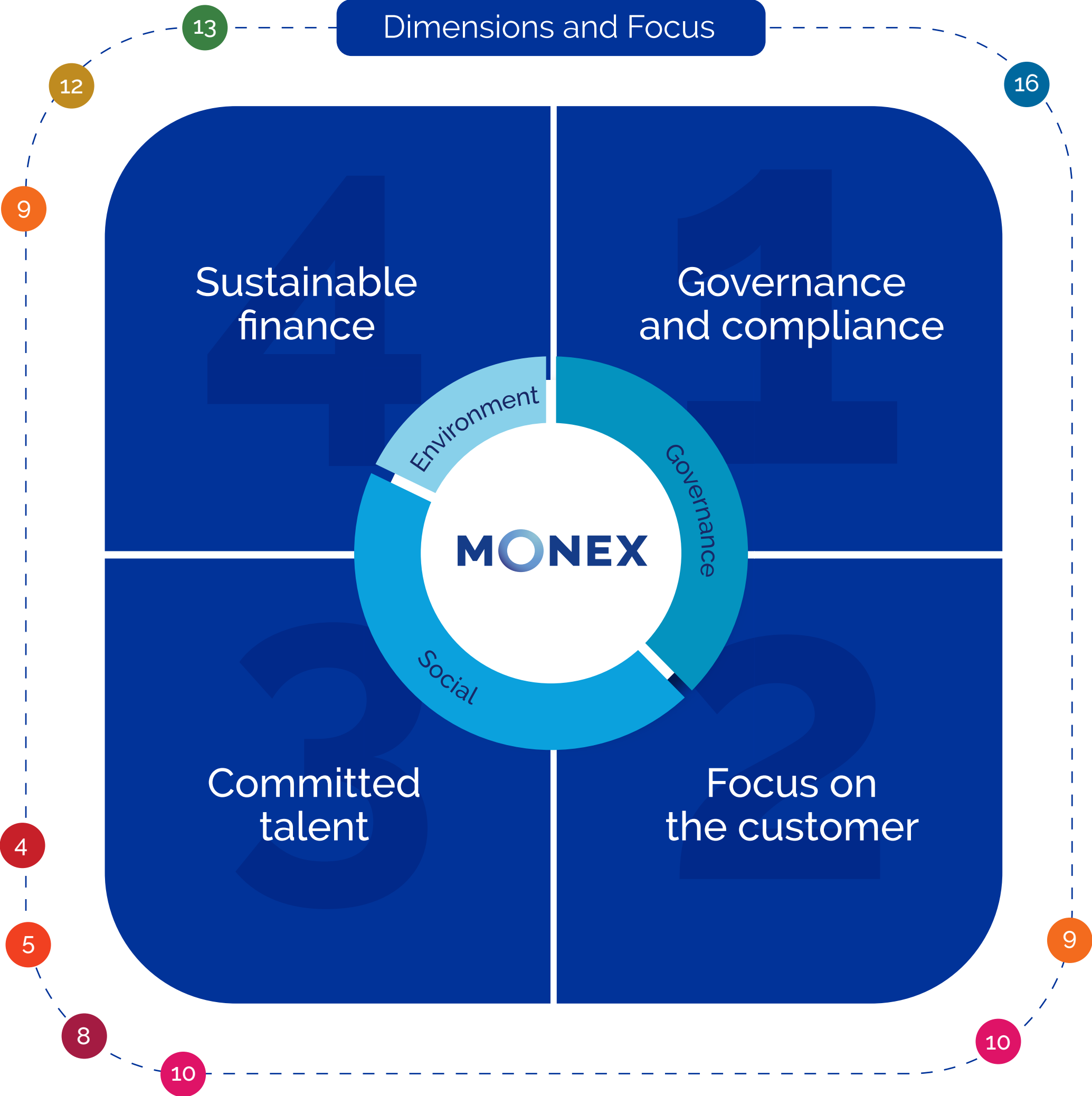
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ESG
MODEL



Stakeholder

- Company customers
- Person customers
- Employees
- Investors and other capital suppliers
- Authorities
- Trade and other associations
- Competitors
- Suppliers
- Community

Lines of action

- 

1.1. Corporate Governance Structure
1.2. Culture of ethics and compliance
1.3. Information security
- 

2.1. Digital transformation
2.2. Culture of innovation
2.3. Transparency with the customer
- 

3.1. Attraction and retention of employees
3.2. Diversity of talent
3.3. Diversity and well-being of the employee
- 

4.1. Customer development
4.2. Promotion of green practices
4.3. Alliances for market development

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2. Economic Performance

2. Economic Performance

Our progress in the financial field has been consolidated through a consistent capability to evolve in an ever changing environment. The commitment we have to operational excellence and innovation has led to our positioning as one of the principal financial entities in Mexico.

Important Financial Data

The following are the headings of the consolidated financial statements for Monex, S.A.P.I. de C.V.

CONCEPT	2023	2022	2021
Total operational income	13.208	11.808	9.030
Overhead and promotion expenses	8.732	7.907	6.846
Operational results	4.476	3.901	2.184
% <i>Operating margin</i>	33.89	33.04	24.19
Net results	3.197	2.910	1.654
Total assets	189.050	217.219	183.826
Total liability	172.711	202.724	171.393
Total net worth	16.339	14.495	12.433

Billions of pesos

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At the close of 2023:

- Total operating income amounted to \$13.208 billion pesos, thus representing 12% growth over amounts reported for 2022.
- The income generated consists primarily of 40% from the purchase-sale operations for foreign currency in Mexico; 26% from the credit and deposit segment; 19% from foreign exchange operations by subsidiaries abroad; 9% from stock brokerage business; and 5% from the derivatives business.
- Income from the foreign exchange and international payments business in Mexico produced a total of \$5.250 billion pesos, that is, 14% growth over figures for 2022.
- The credit and deposits segment posted income amounting to \$3.479 billion pesos, thus representing 82% more than the previous year.
- The foreign exchange and international payments business for subsidiaries abroad reported \$2.513 billion pesos in income, which is a 2% reduction as compared to the same period in 2022.
- Income from the stock brokerage business grew 68%, compared to the year before, which resulted in earnings of \$1.212 billion pesos.
- The derivatives segment posted \$646 million pesos in income, thus representing an 8% reduction as compared to postings for 2022.
- Net profits amounted to \$3.197 billion pesos, equivalent to 10% growth over the previous year.

For greater information, see:

Informe de la
administración al
31 de diciembre
de 2023

Reporte
Trimestral 4T23
Dictaminado
- Monex SAPI
VF.pdf

Presentación
de PowerPoint
(monexsapi.com)

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3. Governance and Compliance



3. Governance and Compliance

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-19, 2-20, 405-1)

As Grupo Financiero Monex, our governance is based on current regulations and best practices at both national and international levels, guiding our actions with the corporate bylaws we have designed to ensure the fulfillment of our strategic objectives and the creation of value for our shareholders and other stakeholders.

Board of Director Monex Grupo Financiero, S.A. de C.V.

The Monex Board of Directors is in charge of jointly governing the entity with the CEO. The Board has seven regular Directors, of which three are independent (43%) with one woman (14%) and three alternate Directors. There is also a Deputy Chairman, a Secretary, and an Asst. Secretary; the latter two are not part of this governing body.

Monex Board members are appointed or ratified during the Annual General Ordinary Shareholders' Meeting. The shareholders, or those representing a minimum of 10% of capital stock have the right to appoint one Board member and the respective alternate.

The members of the Board of Directors hold their positions for one year and perform their duties until replaced by the appointed alternates. The Board meets each quarter, and holds extraordinary meetings when so necessary.

The makeup of the Board was ratified during the General Ordinary Shareholders' Meeting held on April 23, 2023.

Regular Directors

- Héctor Pío Lagos Dondé, **Chairman**
- Mauricio Naranjo González, **Deputy Chairman**
- Georgina Teresita Lagos Dondé
- Moisés Tiktin Nickin

Alternate Directors

- Patricia García Gutiérrez
- Jorge Hierro Molina
- Ana Isabel Lagos Vogt

Members at Dec. 31, 2023

Consejeros Independientes

- David Aarón Margolin Schabes
- Hernando Carlos Luis Sabau García
- Jorge Jesús Galicia Romero

Secretary and Asst. Secretary

- Jacobo Guadalupe Martínez Flores
- Erik Alberto García Tapia

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Committees

The Board of Directors appoints the members of the different committees, which have a minimum of three members and where the majority must be present to make any decisions. The President of each committee is chosen by the Board of Directors and has the deciding vote.

Corporate Practices and Audit Committee

The primary duty of this committee is to prepare the annual reports and present them to the Board of Directors for approval. Moreover, it must ensure that all financial and accounting information is prepared according to any and all applicable financial information standards and legal provisions. This committee meets each quarter.

Members:

- David Aarón Margolin Schabes, President
- Jorge Jesús Galicia Romero, Independent Director
- José Francisco Meré Palafox, Independent Director
- Patricio Bustamante Martínez, Director of Internal Audit
- Jacobo Guadalupe Martínez Flores, Secretary and Corporate Legal Director
- Erik Alberto García Tapia, Asst. Secretary and Legal Asst. Director
- Gabriela Solórzano Espejel, Asst. Secretary and Legal Asst. Director

Risk Committee

The purpose is to manage risks and ensure that operations adapt to objectives, guidelines and policies for integral risk management, as well as to the exposure limits for defined risks. This Committee meets monthly.

Members:

- Jorge Hierro Molina, President and Chief Operations and Finance Officer
- Mauricio Naranjo González, CEO of the Financial Group
- David Aarón Margolin Schabes, Independent Director
- Hernando Carlos Luis Sabau García, Independent Director
- Moisés Tiktin Nickin, Independent Director
- Tomas Noriega Noriega, Executive Director for Markets and Treasury (Monex Casa de Bolsa)
- Carlos Humberto Castro Gaytán, Executive Director for Risks
- Grocio Salomón Soldevilla Canales, Corporate Director for Risk Management
- Patricio Bustamante Martínez, Corporate Director for Audits

The Risk Management department has ISO 9001 certification.

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Remuneration Committee

This committee advises the Board of Directors when developing standards and policies that govern remuneration management and evaluation plans included in our remuneration system, as well as establishing the standards and policies for the remuneration plan for certain employees.

The Committee is in charge of the implementation and updating of the remuneration system, reporting twice a year to the Board of Directors. It also suggests remuneration policies and procedures; recommends employees or staff to be included in the remuneration system; and submits special cases and circumstances to the Board of Directors for its approval.

The Remuneration Committee meets each quarter.

Monex has developed a Remuneration System in keeping with the standards set forth by the National Banking and Securities Commission, which adheres to the following criteria:

- Establishing the responsibilities for corporate bodies in charge of implementing remuneration packages.
- Setting policies and procedures that govern ordinary and extraordinary remuneration for those persons subject to the Remuneration System, consistent with a reasonable level of risk.
- Continuously reviewing payment policies and procedures, and making adjustments as needed regarding risks, and which may pose any threat to the liquidity, solvency, stability, and reputation of the institutions.

The Remuneration Committee exercises independent judgment, basing its decisions on the evaluation of risks assumed by Banco Monex and Monex Casa de Bolsa.

Additional duties performed by the Committee include informing the Board of Directors of Remuneration System operations; reviewing the evaluation methodology; and sanctioning for each specific case, the payment of variable compensation.

Corporate Practices and Audit Committee

This Committee is in charge of suggesting pay packages or comprehensive remuneration for the CEO and other relevant executives.

Members:

- Jorge Jesús Galicia Romero, President and Independent Director (only for Banco Monex)
- David Aarón Margolin Schabes, President and Independent Director (only for Monex Casa de Bolsa)
- Héctor Pío Lagos Dondé, Regular Director
- Mauricio Naranjo González, CEO of the Financial Group
- Grocio Soldevilla Canales, Corporate Director for Risk Management
- Patricia García Gutiérrez, Chief People and Corporate Affairs Officer
- Alfredo Gershberg Figot, Corporate Director for Finance and Strategic Transformation
- Patricio Bustamante Martínez, Corporate Director for Audits
- Carlos Humberto Castro Gaytán, Executive Director for Risks
- Jacobo G. Martínez Flores, Secretary

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Communication and Control Committee

Its purpose is to execute and monitor compliance with the minimum measures and procedures needed to prevent and detect actions, omissions, or operations that could favor, render assistance or cooperate in the commission of crimes -such as localand/orinternationalterrorism, and operations with illegally obtained resources- as covered by the Federal Criminal Code.

Regular Members:

- Mauricio Naranjo González
Board member and CEO of the Financial Group
- Jorge Hierro Molina
Board member and Chief Operations and Finance Officer
- Antonio Nava Tamez
Executive Director of Private Institutional Banking and Equity Management Consulting
- Marco Antonio Montiel Velázquez
Director of Controllershship and AML (Compliance Officer)
- América Alejandra Ferreyra Rivera
Asst. Director of AML
- Jacobo Guadalupe Martínez Flores
Corporate Legal Director
- Gilberto Salazar Salazar
Executive Director of Corporate Business
- Mauricio Robles Seńkowski
Regional Director for Commercial Banking, Metropolitan area
- Patricio Bustamante Martínez
Internal Audit Director
- Secretary**
Erik Alberto García Tapia
Sr. Asst. Director for Corporate Legal

Miembros Suplentes:

- Tomas Noriega Noriega
Executive Director for Markets and Treasury
- Rodrigo Arturo Gómez Lavanderos
Corporate Director of Operations
- Librado Sergio Martínez Ferretiz
Director of Private Banking, Metro South region
- Laura Susana Bernal Ramírez
Manager for Analysis, Investigation, and AML Report
- Nashely Uriza Ortiz
Manager for Monitoring AML
- Gerardo Tinoco Álvarez
Asst. Director for Legal Litigation
- José Manuel Chig Valenzuela
Regional Bank Director Northern region
- Jesús Rodrigo Mata Paredes
Regional Director for Commercial Banking, Southern region
- Felipe de Jesús Chichil Martínez
Internal Audit Asst. Director
- Asst. Secretary**
Fernando Sotelo Chaparro
Asst. Manager for Corporate Legal

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Committees

(GRI 2-22)

Comité de Análisis de Riesgos y Oportunidades Sustentables (COSUSTENTA)

Created in 2021 with the mission of examining and adopting both national and international trends and standards related to ESG risks. Its specific objectives are to develop internal capability to identify and manage ESG risks in our credit portfolio and securities investments, define and monitor the ESG risk strategy set by Monex, coordinate decision-making across other company levels, establish a sustainable roadmap by identifying urgent ESG issues, and optimize extra-financial reporting by facilitating the delivery of transparent information. It is composed of senior management, an external advisor, and is chaired by Georgina Teresita Lagos Dondé.

Additionally, to raise awareness and disseminate information to employees, executives, and the Board of Directors, we have implemented a set of actions through materials and presentations available electronically, also highlighting the importance of maintaining good relationships with stakeholders.

Other Committees:

- Audit Committee (Banco Monex and Monex Casa de Bolsa).
- Credit and Loans Committee (Banco Monex); which meets at least once a month
- Assets and Liabilities Committee (Banco Monex)
- Financial Products Analysis Committee (Banco Monex and Monex Casa de Bolsa)

The Committee meets quarterly and also holds extraordinary meetings when called for such by its President or Secretary.



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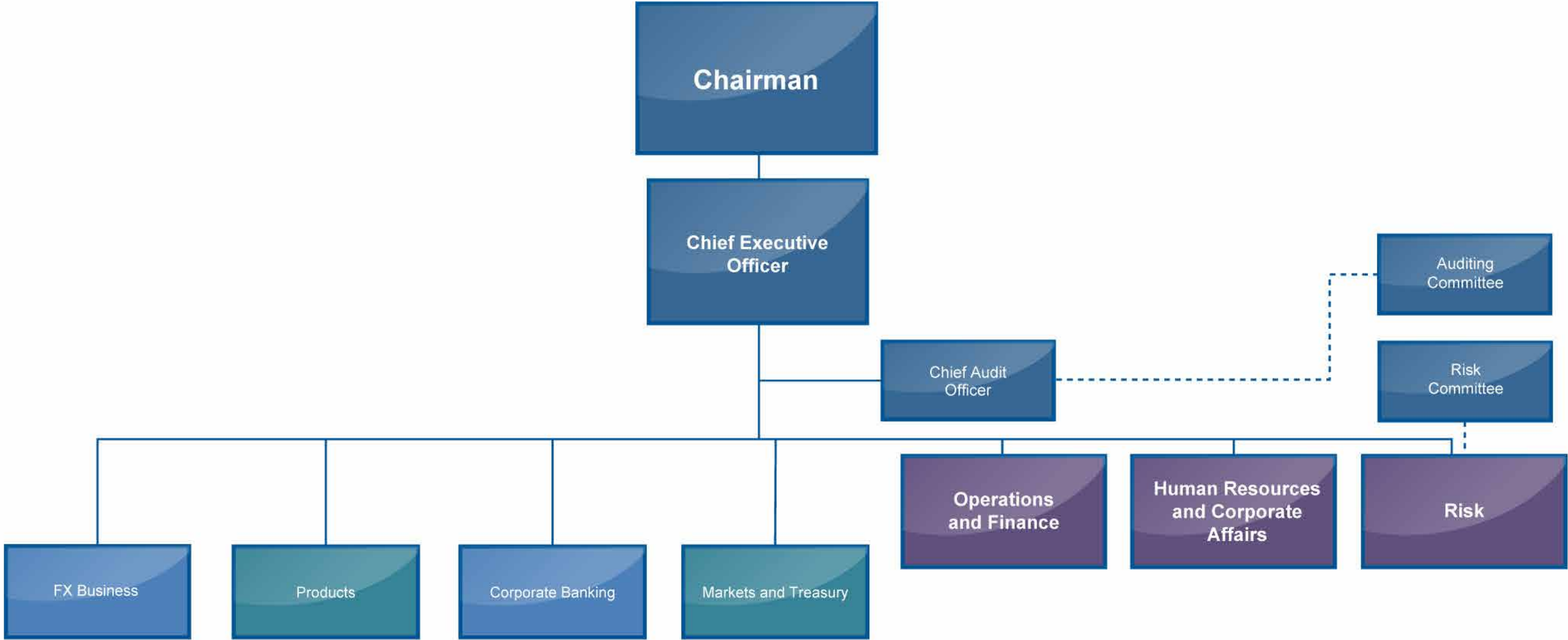
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Ethics and Anticorruption

(GRI 2-15, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3)
(SASB FN-IB-510B.4, FN-CB-510A.2; FN-AC-510A.2; FN-IB-510A.2)

Monex has a strict ethical commitment based on fair and transparent market practices, and complies with the highest professional-conduct standards. This enables the Group to generate trust and security among its customers and stakeholders. All applicable laws and regulations are strictly obeyed; there is also a framework for internal policies, procedures, and regulations that guide all daily activities, thus ensuring integrity in all operations.

The [Code of Ethics and Conduct](#) is a simple and practical tool and practice used to guide decision making by all who are part of Monex, and it is applicable to shareholders, Board members, customers, executives, employees, suppliers, and all parties related to our Company.

To create a culture of ethics and legality throughout the organization, our employees continuously receive training.

Training 2023

	Employees	Hours of Course
Ethics	1,737	1,737
Anticorruption	197	11,405
Money Laundering	2,145	8,613

4,079 employees received a total of 21,755 hours of training in 2023.

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(GRI 206-1)

Hotline

Our Ethics Hotline pursues full compliance with the Code of Ethics, thereby providing customers, suppliers, and employees a safe and confidential channel for reporting any illicit, illegal, or questionable behavior. Reporting may take place through the following means:

 Toll-free phone call:
800 54 66 639

 Website: <https://tulineatica.kpmg.com.mx/LineaEtica/monex>

 Email:
lineaeticamonex@kpmg.com.mx

This process guarantees that any report filed will be properly investigated and treated in keeping with the seriousness involved.

The Executive Committee at Monex is in charge of imposing the administrative sanctions that stem from violating the Code of Ethics and Conduct and policies related to disciplinary actions.

Depending on the seriousness of the case, a violation of the Code of Ethics and Conduct may result in a written warning, administrative action, temporary suspension, termination of the labor agreement or service rendering contract. Sanctions enforced do not void any applicable administrative, civil, or criminal consequences.

Regulatory Compliance

Everyone at Monex works in strict compliance with all our regulations, policies, and procedures as per applicable legislation. The principal guidelines include:

- Anti-Money Laundering
- Information Security
- Code of Conduct for Performing Transactions With foreign Currency

During 2023 there were no reported cases of misuse of confidential information or unfair trade practices.

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Cybersecurity

(GRI 418-1) (SASB FN-CB-230A.2)

Monex is fully aware of the increasing risks of cyberattacks and security breaches in the financial system. To address them a robust framework of policies, controls, and procedures has been implemented to enable identifying, assessing, and managing potential risks, as well as detecting questionable behaviors that could compromise the security of our systems. Regulations issued by Banco de México and the CNBV are followed, utilizing best practices and technologies to safeguard systems integrity and information security

Our security technologies are continuously strengthened through such measures as digital web certificates, secure websites, encrypted communication protocols, data encryption methods, intrusion detection systems, artificial intelligence tools for email threat protection, and penetration testing, among others.

There is an Comprehensive Security Master Plan that not only aligns with our business strategy, but also defines and prioritizes information security projects, thus reducing exposure to technological risks and the occurrence of incidents.

Each year, our ISO/IEC 27001 international certification in information security is renewed; it establishes the best practices in cybersecurity. This certification is issued by DNV and endorsed by the UKAS international accreditation body.

Monex has an Information Security Policy with a formal methodology for identifying and managing customer risk while also meeting the objectives of preserving confidentiality, integrity, and information availability.

Regarding alleged frauds, in 2023, some 47 clarification requests and 14 claims were received, all of which were initiated by 19 customers of the institution. These were received through the UNE - Specialized Customer Attention Unit and/or the Condusef, including its Single Registration Portal (SIGE).

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4. Customer Centricity

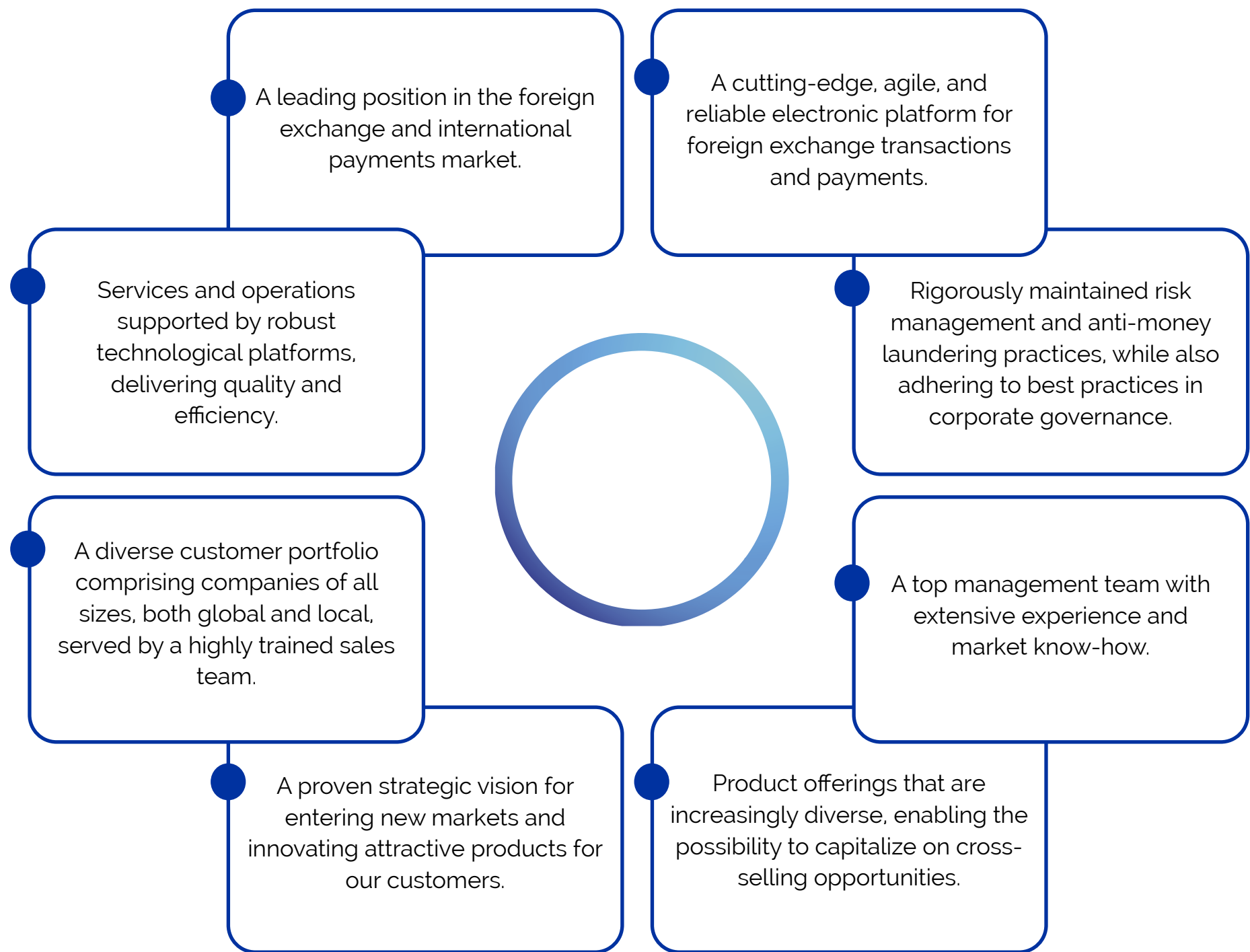


4. Customer Centricity

(SASB FN-AC-270A.3)

Monex aspires to be the leading provider of financial products and services for customers with international operations. The primary aim is to build lasting relationships by offering specialized attention through a highly experienced team, and a range of tailored products and services to meet customer needs in banking and international payments.

Our competitive advantages include:



Our leadership position in the market of foreign exchange transactions and international payments allows us to have a portfolio of repeat customers, which in turn generates stable income and solid foundations for growth.

Our products and services offerings have diversified through the incorporation of risk management solutions, banking and fiduciary services, stock market brokerage, financial asset management, and leasing. This diversification enables us to increase our revenue streams and expand our customer portfolio, thus consolidating our market position.

To provide the best service, we offer:

1. A telephone service center with which our customers may purchase and sell foreign currencies, make payments and transfers, as well as monetary investments.
2. An online platform that offers a multi-currency digital account so customers may purchase and sell foreign currencies and make payments.

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Our preference for technological innovation has allowed us to develop cutting-edge systems and platforms for processing payments, which differentiates us from competitors, making it possible to offer exceptional service, and guaranteeing information security and confidentiality.

A continuous investment strategy is maintained to enhance the speed, efficiency, and profitability of our payment-processing platform. Additionally, our offerings have been expanded to include new foreign-exchange purchase and sale services as well as transfer solutions designed to meet customer needs. Our focus on in-house software development, supported by cutting-edge technologies, lets us deliver customized solutions, complemented by third-party apps.

A notable example is the multi-currency digital account, which supports a range of operations, including foreign exchange transactions, transfers across various networks, and the option to have balances in multiple currencies.

Our online application processes were updated to streamline completion and response times for both our representatives and customers. Furthermore, the leasing application process has been integrated with online quotes to efficiently address the asset needs of end customers.



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We offer clients two electronic platforms for foreign exchange transactions, accessible via our web portal and mobile application. The first platform, Monex ULTRA II, is designed for corporate customers handling high transaction volumes with specialized treasury needs, seeking competitive real-time pricing. It is available 24/6, from Sunday to Friday. The second platform, Monex One, targets individuals or companies with lower-volume, less-frequent foreign exchange transactions.

Monex strategy focuses on maintaining a strong position in the foreign exchange market by establishing operational lines with major global banks, and ensuring continuous market share. This collaboration places us in a prominent position, particularly with foreign banks, granting us access to exclusive technological tools.

All Cash Management solutions operate through Monex Digital Banking, comprising both the web portal and mobile app. These platforms allow customers to check balances, execute transactions, obtain receipts, invest in term deposits, finalize foreign exchange transactions, and make payments or transfers from their digital accounts.

We remain committed to developing innovative digital platforms that enhance efficiency and service across current and new market segments, while also implementing segmentation strategies for personalized and exceptional customer care.



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5. Committed Talent

5. Committed Talent

(GRI 2-7, 2-30, 401-1, 405-1) (SASB FN-IB-330.A.1, FN-AC-330A.1)

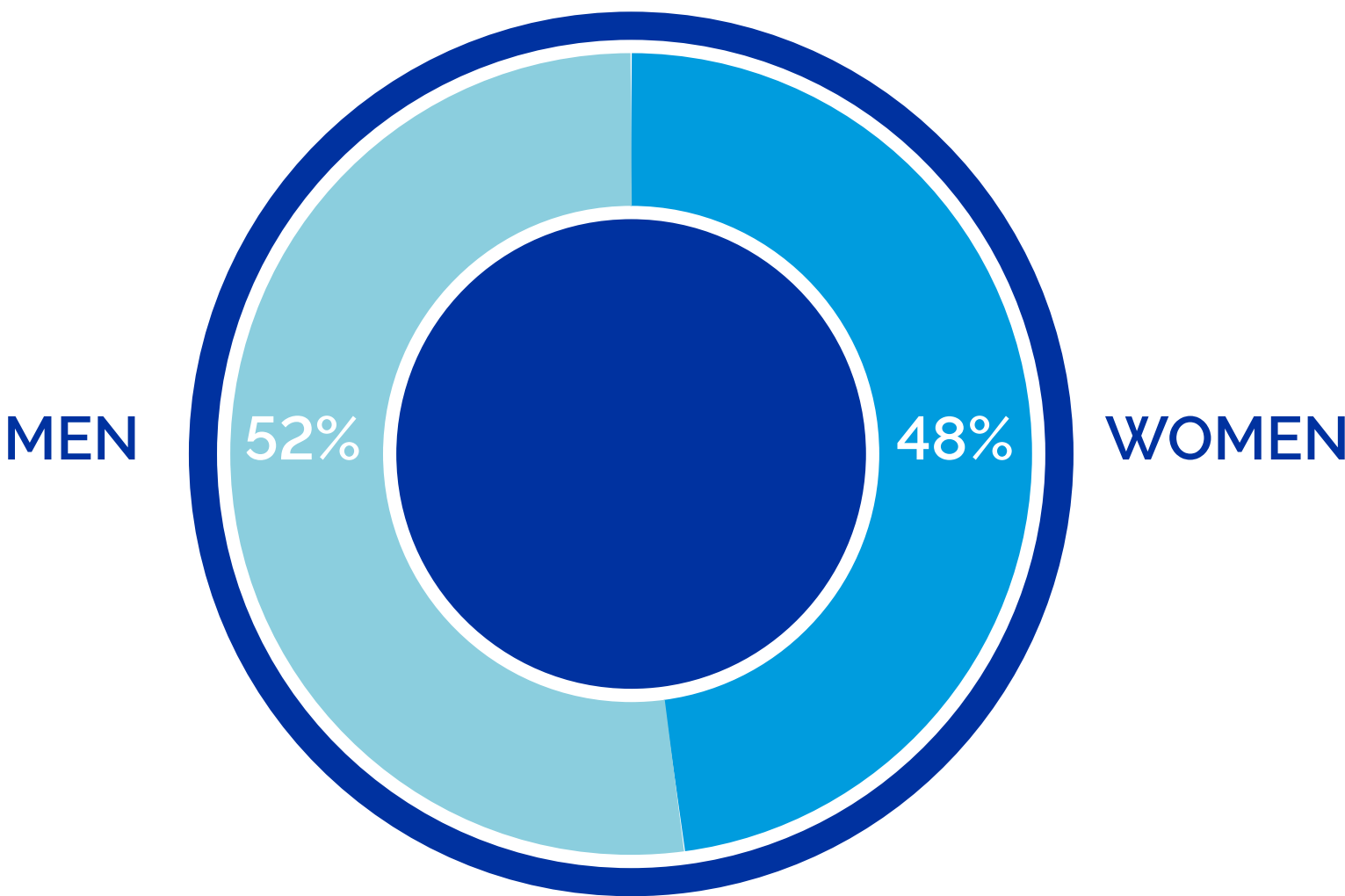
Monex firmly believes that people constitute the driving force behind our growth. Therefore, special attention is paid to attracting, retaining, and developing the best talent. Additionally, teamwork is promoted as one of our greatest strengths in meeting the challenges of our business.

Headcount and Diversity

We are committed to diversity and inclusion, focusing on equality, respect, and the plurality of ideas, without any distinctions made in hiring based on race, gender, age, color, religion, political opinion, social status, or ethnic origin.

In 2023, our workforce consisted of 2,229 employees, of which 1,067 are women and 1,162 are men, representing a 9.8% increase in staff compared to 2022.

Of the total number of employees, 158 are temporary. All employment agreements are for full-time work, and approximately 55% of our workforce is located in the metropolitan area.



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2023: Employees by Position, Gender, and Age								
	Under 30		From 30 to 50		Over 50		TOTAL	
	F	M	F	M	F	M	F	M
Director	0	0	6	31	12	43	18	74
Asst. Director	0	0	6	24	9	30	15	54
Manager/Asst. Manager	2	3	74	94	27	38	103	135
Coordinator/Supervisor	0	4	56	38	12	22	68	64
Analyst/Assistant	182	186	512	436	115	86	809	708
Clerk	34	42	19	59	1	26	54	127
TOTAL	218	235	673	682	176	245	1,067	1,162

2022: Employees by Position, Gender, and Age								
	Under 30		From 30 to 50		Over 50		TOTAL	
	F	M	F	M	F	M	F	M
Director	0	0	5	31	11	40	16	71
Asst. Director	0	0	7	22	8	28	15	50
Manager/Asst. Manager	2	2	76	93	24	33	102	128
Coordinator/Supervisor	1	3	50	41	13	22	64	66
Analyst/Assistant	151	155	476	404	103	75	730	634
Clerk	26	17	24	53	2	32	52	102
TOTAL	180	177	638	644	161	230	979	1,051

Our collective bargaining agreement is with SINATIFBANC (The National Union of Workers in Financial Institutions, Banking, Organizations, and Auxiliary Credit Activities, Office Employees, and Related Fields of Mexico).

Some 9.69% of our employees are covered by a collective bargaining agreement.

An Individual Labor Agreement determines labor conditions for those employees not covered by collective bargaining agreements.

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Attraction and Retention
(GRI 401-1)



The talent attraction and development strategy is continuously strengthened to adapt to the needs of the sector, technological innovations, and the digital era.

Grounded in our corporate culture, we promote a balance between family and work life to foster the holistic development of our employees, respecting their dignity and labor rights.

Monex has experienced steady growth in the integration of new team members.

Hires, dismissals, and turnover

	2021	2022	2023
Additions	247	396	482
Voluntary and involuntary dismissals	328	268	295
Turnover rate	15.80%	12.91%	12.67%
Desertion rate	7.04%	7.32%	6.73%

Employees are provided a comprehensive benefits package that includes competitive compensation, professional growth opportunities, and wellness programs that promote a healthy lifestyle and a better work-life balance. Additionally, we foster a workplace environment rooted in respect, open collaboration and innovation, where everyone can thrive and grow.

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Training and Career Growth

(GRI 404-1, 404-2)

A participatory and practical training methodology is used to enhance the overall technical and professional skills of our employees, fostering their development and growth within the organization.

Keeping pace with the times, we have transitioned to increasingly digitized training programs that address identified needs and drive the growth of our team.

In 2023, both the number of participating employees and training hours increased by 55.9% and 35.1%, respectively, compared to 2022.

2023: Employee training by position level, gender and hours of training					
Position Level	Participants		Hours		Hours/participant
	F	M	F	M	
Operational (Analysts, Consultants)	872	824	49,878	42,274	57
Tactical (Asst. Managers, Coordinators)	67	69	3,586	3,516	53
Executive (Managers, Specialists)	110	138	9,815	9301	89
Strategic (Directors, Asst. Directors)	33	132	2,100	7,715	64
	2,245		128,185		66
2022: Employee training by position level, gender and hours of training					
Position Level	Participants		Hours		Hours/participant
	F	M	F	M	
Operational (Analysts, Consultants)	514	533	33,865	35,099	66
Tactical (Asst. Managers, Coordinators)	58	46	3,794	3,036	66
Executive (Managers, Specialists)	86	73	5,692	4,838	66
Strategic (Directors, Asst. Directors)	86	43	5,692	2,846	66
	1,440		94,861		66

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Health and Safety

(GRI 403-1, 403-3, 403-4, 403-5, 403-6)

The health and safety of our employees is a top priority at Monex. We have policies, training, monitoring, communication, and wellness promotion to create a safe, healthy, and supportive work environment conducive to personal and professional growth.

Our Wellness Creation program is a comprehensive strategy that promotes health and prevents illness by encouraging healthy lifestyle habits. Various campaigns are conducted in line with the pillars of our Wellness Program—Activity, Rest, Nourishment, and Self-Care—aimed at motivating employees to stay active, rest adequately, eat healthily, and care for their overall well-being. To reinforce this program, we have assigned a dedicated wellness advisor.

Additionally, a portal has been developed within our internal site where all employees can access a wide range of health resources, including videos, informative shorts, and educational materials. Email communication helps to promote these initiatives, where webinars, infographics, and surveys are sent.

Actions for promoting and preventing health risks

- Medical services available to address any health needs of employees
- Health-risk surveys to identify and undertake preventive measures

- Emotional well-being promoted through various activities and resources to support employees' mental health
- Vaccination campaigns to prevent disease and protect employee health
- Breast and prostate cancer awareness and early detection campaigns
- Laboratory tests to monitor employee health and early detection of potential issues
- Webinars on prevention and care, providing employees with tools and information to stay healthy.
- Ergonomic risk measures and training to prevent these risks in the workplace
- Mental health promotion through programs and resources supporting employee emotional well-being.
- Promotion of healthy habits and physical activity through a variety of sports options, among others
- Employee Assistance Program (EAP): Support provided to employees and their families on medical, nutritional, legal, veterinary, psychological, and financial matters. The program includes webinars offering information and guidance on various relevant and useful topics. Additionally, the EAP helps implement and comply with NOM (Official Mexican Standard) 035.
- By identifying Psychosocial Risk Factors and Severe Traumatic Events (ATS), the goal is to detect and address situations that could negatively impact employee mental and emotional health. In 2023, the psychosocial risk analysis was conducted in accordance with NOM-035-STPS-2018, as part of the health strategy focused on disease prevention and health promotion. Participation included 2,187 employees, representing 100% of the workforce.

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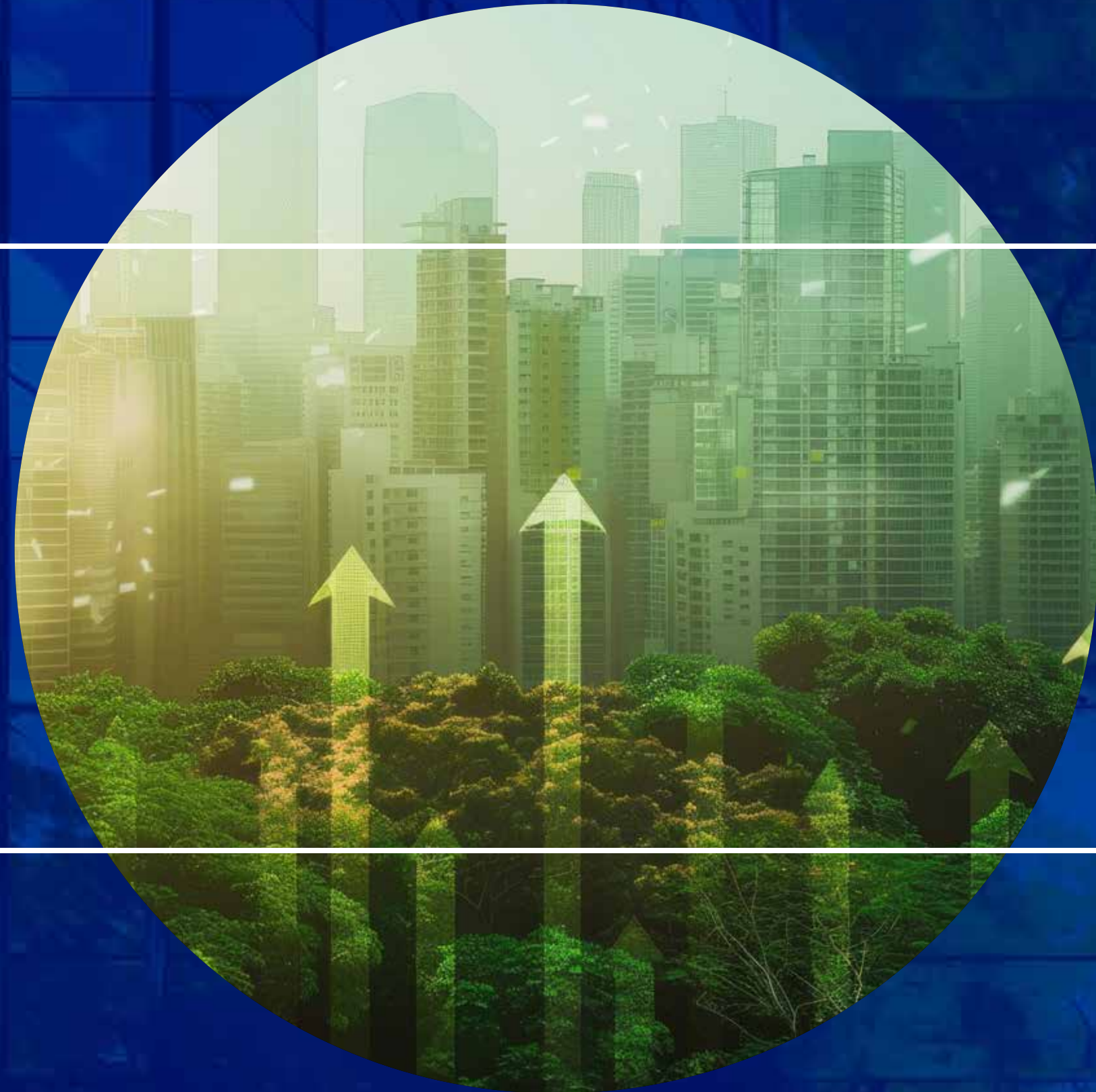
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6. Sustainable Finances



6. Sustainable Finances

(SASB FN-CB-240A.2, FN-AC-410A.1)

Monex is committed to promoting responsible and sustainable financial development, taking into account ESG matters. We have actively participated in developing the green and sustainable finance market in our country through initiatives already incorporated into our sustainable business model.

As a financial entity, we are dedicated to contributing to the SDGs set by the United Nations in the 2030 Agenda through a banking model that fosters economic and social development while also protecting the environment.

This commitment has been strengthened by adopting the Principles for Responsible Banking (PRB) since 2020, under the coordination of UNEP FI. We have conducted self-assessments using a Portfolio Impact Analysis Tool for Banks, developed to identify the positive and negative impacts of our portfolio. This analysis has helped to define priorities and determine the main impact areas, including foreign exchange transactions, international payments, and the corporate credit portfolio.

ESG Bonds Market

In 2023, we participated in two placements of BONDESG (Sustainable Sovereign Bonds) as a member of the distribution union in the local peso market for SDG-linked bonds, a mandate granted by the Secretary of Finance and Public Credit (SHCP) and the Bank of Mexico.

These placements helped achieve two second-place rankings based on the amount distributed (allocated), competing with other banks. The total amount placed in the two transactions was \$30 billion pesos, of which we secured an allocation of \$10.38 billion pesos, approximately 35% of the total placed in both transactions.

Another of our ESG initiatives is the inclusion of labeled bonds in fixed-income portfolios. By the end of 2023, these holdings amounted to \$17,943 billion pesos, representing 20.6% of the total portfolio value (NAV of \$87.286 billion pesos), a significant increase compared to 2022 holdings.

To reaffirm the institution's commitment to developing the thematic bond market in Mexico, we are one of the few institutions actively pricing these bonds in the secondary market, particularly government BONDESG securities. Daily purchase and sale prices are provided to the five brokers servicing the local market, and these reference levels contribute to the valuation of these instruments. The trading volume in this Market Making activity was \$19.19 billion pesos, equivalent to slightly over 68% of the BONDESG in circulation during this period.

Additionally, Monex participated for the first time, on behalf of the National Bank of Public Works and Services (BANOBRAS), in a Long-Term Bond Issuance as a co-lead in the transaction of the first sustainable bond with a gender perspective issued by the institution. We collaborated with Actinver Brokerage House and Santander, successfully placing \$10 billion pesos, with 12.3% allocation of the transaction.



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Products and Services with Social Benefits

Part of our commitment is to facilitate access to financial products and services for SMEs; between 2022 and 2023, we increased the percentage of these customers in our total portfolio from 23% to 29%. We have also opened new digital channels for granting credit, making access easier.

2023		
PRODUCT / SERVICE	VALUE	REPRESENTATIVE % VS. TOTAL PORTFOLIO
Entities and self-employed individuals, posting sales or net annual income below 14 million UDIS (Investment Units).	11,237.87	29%
2022		
PRODUCT / SERVICE	VALUE	REPRESENTATIVE % VS. TOTAL PORTFOLIO
Personas morales y físicas con actividad empresarial, con ventas o ingresos netos anuales menores a 14 millones de UDIS.	6,987.42	23%

We have bank loans and those from other organizations, including funding for production chains and digital credit from NAFIN, as well as financing lines for the agricultural, rural, and fishing sectors in Mexico (FIRA).

Monex also engages in interbank loans and has credit lines, which are primarily used for short-term funding and in bank-leveling markets.

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The development of the ESG market is promoted through our participation in industry forums and the establishment of various alliances. We hold two seats on the general advisory board of the Mexican Council for Sustainable Finance (CMFS). In this forum, working groups on education, governance, capital mobilization, and public policies are coordinated, in addition to maintaining significant presence in promoting large-scale sustainable finance events at the national level.

We participate in the annual Sustainable Finance MX and Green Invest MX forums, as well as in multiple workshops on topics such as reporting frameworks, disclosure standards, climate-risk analysis, biodiversity, transition and gender, standards and taxonomies, among others.

Additionally, senior management members of Monex participated in over 45 CMFS meetings, contributing more than 90 hours of work dedicated to advancing the ESG market. We are also active in the Sustainability Committee of the Mexican Banking Association (ABM) and other relevant forums such as the Sustainable Finance Committee of the Financial Stability Council (SHCP, Banxico), among others. Furthermore, we collaborated in multiple sessions that led to a restructuring of the CMFS, with pro bono support from a renowned law firm.

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Monex maintains that financial education is a responsibility and key to enabling people to achieve greater stability and economic well-being. During 2023, two specific programs were developed to raise awareness in this regard, driven by the Government of Mexico and/or the ABM.

PROGRAM / INITIATIVE	OBJECTIVE	DESCRIPTION
National Financial Education Week	Encourage and raise awareness among the population about the importance of managing their finances to improve their financial health, enabling them to better manage and make the most of their available resources.	Financial education campaign: Dissemination through electronic and social media to provide Monex employees and the general public with tools and practical advice on facilitating an understanding of personal finances and various investment portfolios.
Industry-wide Financial Education Programs	Provide information and knowledge, as well as assist in developing the skills needed to evaluate options and make the best financial decisions, accessible to employees.	Online courses: "Monex Financial Education" and "Credit: An Essential Tool in My Life."

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7. Social Action

7. Social Action

(GRI 2-28)

Monex has a philanthropic corporate strategy that is a reflection of our commitment to generating value for our stakeholders, in alliance with different sectors.

Support rendered
for 5 social pillars:



1 Community Development

Work is done with different social organizations to benefit communities and enhance the positive impact of our actions:

- Production chains that bring about positive change in the quality of life of the inhabitants
- Reforestation and marine life protection activities
- In-kind donations such as computer furniture and equipment
- Races with a cause

Total contribution: **\$1,492,470 pesos**

2 Education

Education for children and young students is fostered through scholarships and comprehensive services with the Bécalos program and the Quiera Foundation.

Total contribution: **\$1,019,225 pesos**

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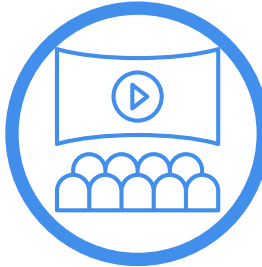
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3 Athletics – Support for Cycling

We sponsor Mexican talent in the world's most important circuits, which since 2020 has included the AR Monex Pro Cycling Team, consisting of some of the best young cyclists in Mexico.



4 Mexican Cinema

Support is given to Mexican moviemaking to encourage and promote Mexican cinematography, thus contributing to our country's cultural and economic development.

An annual invitation is made to support Eficine projects for national cinematography production and distribution. We supported two projects in 2023: La Hiedra (production) and Zapatos Rojos (distribution).

Total contribution: \$7,681,247 pesos



5 Social Research

We supported the Awards for Research on Civil Society that is promoted by Cemefi. The purpose is to recognize researchers who conduct innovative academic work with methodological discipline and who creatively contribute to the analysis of civil society-related matters in Mexico.

Contribution: \$500,000 pesos

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Recognitions and Initiatives in 2023

We have received recognition from different organizations, a reflection of how we are truly committed and dedicated to offering our customers quality and excellence in our services.

	<p>20th consecutive year - Best Place to Work Recognition in Mexico</p> <ul style="list-style-type: none">• 6th place - The Best Place to Work, for 500 to 5,000 employees• 2nd place - The Best Place to Work Financial Services and Insurance sectors• 4th place - The Best Place to Work Central Region• Mauricio Naranjo - The Best CEOs• Patricia García - The Top 100 CHRO's		<p>United Nations Global Compact</p>	<p>UN Global Compact, since 2005.</p>
			<p>PRINCIPLES FOR RESPONSIBLE BANKING</p>	<p>Principles for Responsible Banking (PRB), since 2020.</p>
			<p>Workplace Wellness Council-Mexico</p>	<p>8th consecutive year - Workplace Wellness Award (OSR).</p>
	<p>19th consecutive year - Socially Responsible Enterprises, awarded by Cemefi.</p>		<p>Addiction-Free Company award.</p>	<p>22th consecutive year, awarded by the Secretary of Labor and Social Services.</p>

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Attachment I: ESG Management Information

Stakeholder Engagement

(GRI 2-29)

At Monex, we aim to create value for all our stakeholders through our relationship with them and their participation in our activity. Our stakeholders include all people and entities that may be affected by our operations, and that may influence our business.

Therefore, we have conducted an internal analysis to identify and prioritize stakeholders. We have defined a relationship plan setting the frequency and appropriate communication channels to maintain a close and effective dialogue with them.

The value proposition, commitment, and primary communication channels with our stakeholders are:

STAKEHOLDER	VALUE PROPOSITION	COMMITMENTS	COMMUNICATION CHANNELS
Employees	Achieving a comprehensive development of our employees by promoting a balance between work and family. We conduct practices setting an environment with principles of respect for people's dignity and labor rights.	Offering competitive and fair salaries and benefits based on job responsibilities and performance. Be aware of the employee's well-being, health, and quality of life. Comprehensive training through skills development, technical training, and ethical values. Avoid any discrimination with evident respect for human dignity. Achieve long-term service and loyalty from employees.	Work environment survey Internal communication Whistleblowing and confidential channels Performance evaluations Website Social media
Customers	Providing customers with the best service to promote their development, meeting their needs effectively and efficiently.	Protecting and contributing to the development of customer assets through an efficient and value-added service. Honesty and transparency with customers, including marketing and operation service. Total customer satisfaction.	Website Executive Report Social media In-person channels Satisfaction surveys Communication channels Call center Whistleblowing and confidential channels

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Stakeholder Engagement

STAKEHOLDER	VALUE PROPOSITION	COMMITMENTS	COMMUNICATION CHANNELS
Shareholders, investors, and other capital suppliers	Boosting our customers' investment return through prudent management and a consolidated business model, always with comprehensive transparency in decision-making and business results.	Delivering reliable and timely information on business development. Governing the company efficiently, consistently, ethically, and transparently. Adhering to transparent and honest corporate governance practices. Developing a professional administration with a long-term vision	BMV Annual Report Executive Report Website In-person channels Board of Directors Meeting Presentations and results
Suppliers	Offering trusting relationships, where both parties benefit from transparent and fair conditions, and always ensuring transparency.	Developing selection processes with free competition in a transparent and honest environment. Meeting mutually established commitments to build a relationship of trust and loyalty.	Executive Report In-person channels Satisfaction surveys Whistleblowing and confidential channels Telephone and traditional communication channels
Authorities and regulatory bodies	Ensuring compliance with the applicable regulations.	Strictly complying with laws and regulations. Being proactive in collaboration with authorities and regulatory bodies.	Website BMV Annual Report Executive Report Social media In-person channels Association committees
Competitors and trade associations	Operating under fair and ethical business relationships.	Exercising ethical relationships of respect and transparency with competitors. Collaborating in strengthening the financial system through trade initiatives. Participating in partnerships and working together to promote sustainable finance.	Website Executive Report Social media Communication channels
Community	Contributing to the development of the community through initiatives that meet their primary needs and improve their quality of life.	Supporting the development of communities through in-kind and financial donations to different foundations, in an effort made by Fundación Monex. Encouraging the participation of employees in social and environmental actions.	Company's website CSR web section Executive Report Social media Communication channels Fundación Monex's own channels

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Materiality Analysis

In 2022, we conducted a materiality analysis through the concept of double materiality under international trends:

- Impact Materiality. All stakeholders are considered, and the most significant impacts of Monex's business abroad are identified economically, socially, and environmentally.
- Financial Materiality. This dimension provides detailed information for investors and other capital providers based on ESG factors that could financially affect Monex's business condition, performance, and cash flows.

Process for Impact Materiality

We prepared the impact materiality analysis based on the Global Reporting Initiative (GRI) recommendations:

- First, we identified potentially relevant topics and analyzed the main sector risks and opportunities, critical topics assessed by international rating agencies, frequently asked questions by investors and analysts in 2021, and press coverage of the company.
- Then, the topics were prioritized by our primary stakeholders. Through surveys and interviews, we consulted employees, suppliers, main shareholders, and trade and financial-related organizations. For customers of different businesses, we consulted Monex's customer relations teams.
- For prioritization, we also interviewed key directors and managers of the Group and our business lines (subsidiaries) to provide their strategic perspectives.
- The integration of our main stakeholders and top management's perspective allowed us to determine the material topics (impact materiality).
- Finally, the material topics underwent an internal validation process by senior management.

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Materiality Analysis

The impact of material topics has allowed us to determine the Sustainable Development Goals (SDGs) to which we strategically contribute.

MATERIAL TOPIC	SDG	MATERIAL TOPIC	SDG
Ethics and anticorruption		Product innovation	
Corporate governance		Financial inclusion	  
Digital transformation	 	Disclosure and transparency of financial information	
Regulatory compliance		Diversity and equal opportunities	 
Economic performance	 	Cybersecurity	  
Customer service		Sustainable investment	  
Attraction and retention of employees		Own and Portfolio ESG Risks	 
Training and development of employees	 		

Financial Materiality Process

- The Sustainability Accounting Standards Board (SASB)—an international benchmark for ESG information for investors—has determined, through a global analysis and consultation process, a list of material topics by industry on which it has based its standards.
- At Monex, we decided to apply the topics that SASB established for the industries in which we operate, specifically in the financial sector: Commercial Banking, Asset Management, and Investment Banking and Brokerage. Therefore, we can ensure appropriate management of the risks and opportunities arising from these material topics and contribute to improving our ESG performance.

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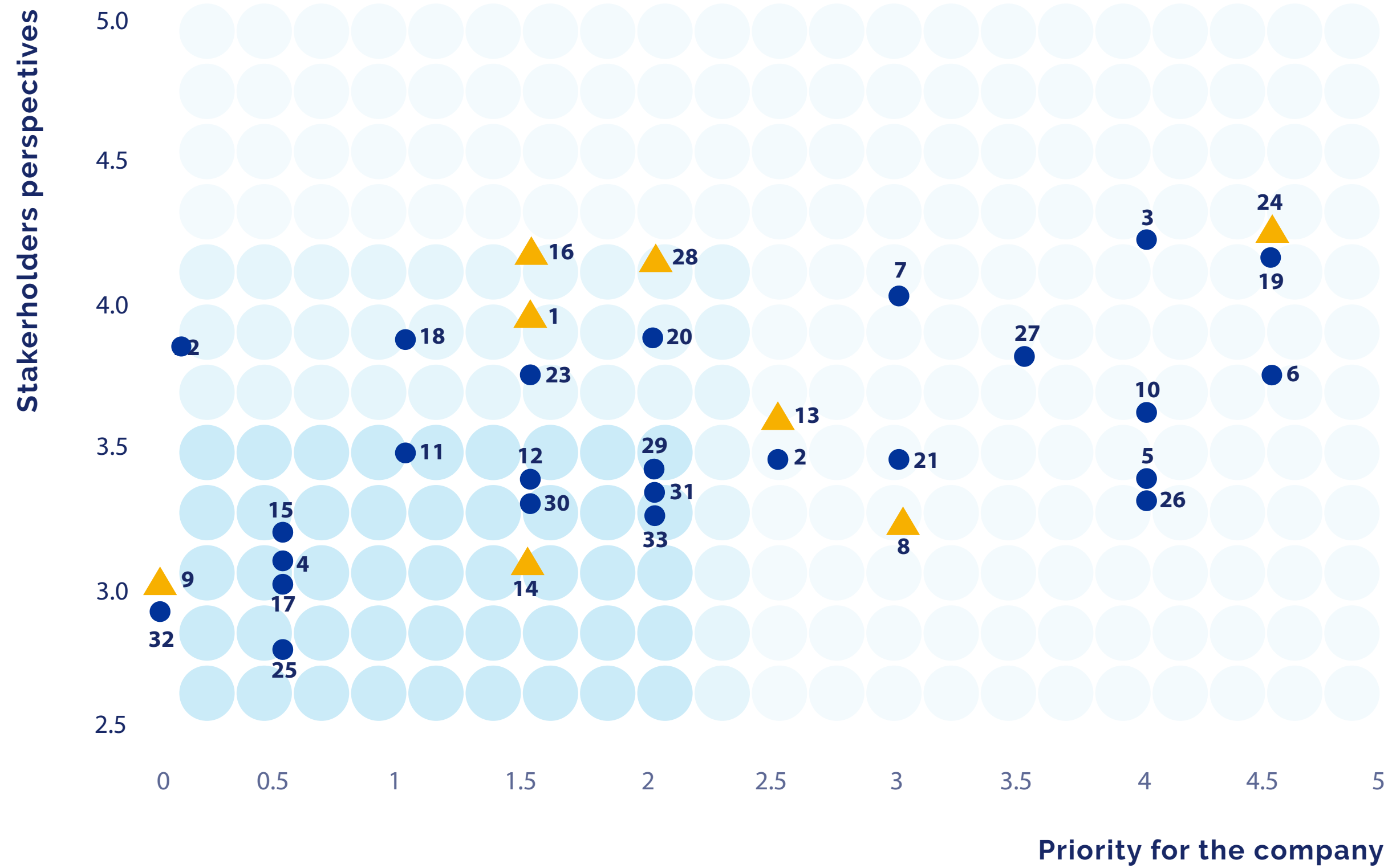
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Materiality Analysis

This is the matrix that integrates both materialities:



Matrix of Integrated Materiality



Materiality of impact

Material issues

Emerging issues

Non-proactive management issues

VALUE REPORTING FOUNDATION

SASB STANDARDS

Material issues	▲	24	Ehitics and anticorruption
		19	Corporate governance
		6	Digital transformation
		3	Regulatory compliance
		10	Economic performance
		5	Customer service
		26	Attraction and retention of employees
		27	Training and development of employees
		7	Product innovation
		21	Disclosure and transparency of financial information
	▲	8	Financial inclusion
	▲	13	Cybersecurity
		2	Sustainable investment
Emerging issues	▲	16	Own ESG risks and of the portafolio
	▲	28	Diversity and equal opportunities
	▲	1	Sustainable financing
		22	Disclosure and transparency of sustainable information (ESG)
		23	Relationship with authorities
Non-proactive management issues		18	Environmental and social impact of the portfolio
		22	Relationship with investors
		29	Remuneration and incentives to employees
		31	Work climate
		33	Financial education
		12	Development of the importer and exporter market (Mexico)
		30	Health and social security
	▲	14	Systemic risk management
		11	Evolution of the foreign exchange and stock market (economic, social and political factors)
		15	Customer data management
		4	Responsible supply chain
		17	Operational ecoefficiency
		25	Tax strategy
	▲	9	Selling practices / product information
		32	Socioeconomic development of communities

Portfolio Risk Analysis

Impact Identification and Sizing—Introduction

The Responsible Banking Principles (RBP) demand the identification of positive and negative impacts of our portfolio. At Monex, as detailed below, we have used the tools offered by UNEP FI, especially the most appropriate ones for the products included in our portfolio.

UNEP FI has established the potential impact areas under its Impact Radar initiative (see image).

Organizational Scope: In this exercise, we incorporated the currency exchange and international payments (41.7%) and credit portfolio (6.1%) segments, reaching 48% of Monex's total portfolio.

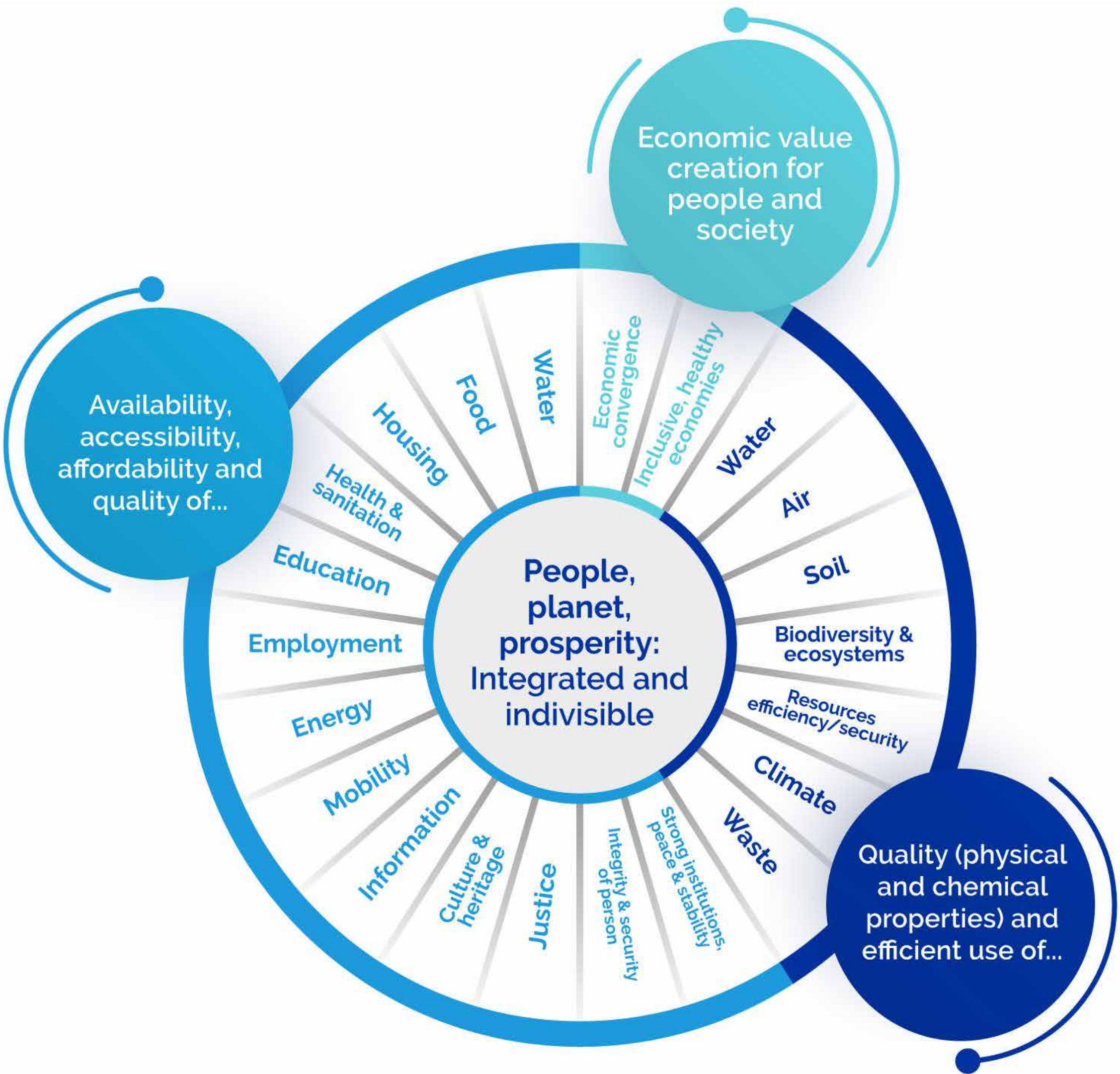
- Consequently, we used the following tools: 1) Investment Portfolio Impact Analysis Tool for currency exchange and international payments, and 2) Portfolio Impact Analysis Tool for Banks for credit.

Geographic Scope: Mexico. We excluded international transactions from the scope.

Types of Business: Business Banking, Trading | Execution.

Scale of Exposure: All sectors and industries of both businesses.

Context and Significance: The tool provides Monex's portfolio's economic, social, and environmental impact areas. It also provides a criticality rating for each impact area by country.



Source: Adapted from The Impact Radar (UNEP FI, 2018).

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Portfolio Risk Analysis

Impact Identification and Sizing—Results

Principal Impact Areas – Currency Exchange and International Payments

Since Monex is the national leader in the payments and international exchange business, we included all our currency exchange business in this analysis.

Using the classification proposed by the tool, the services were classified as follows: individual foreign exchange (3%); remittances (direct or through transfer companies) (1%); SMEs (e.g., import/export activities) (24%); large companies (e.g., import/export activities, return of benefits or dividends) (38%); institutional investors (pension funds and insurance companies) (13%); government (1%); other companies (17%).

Below, we explain the relationship between our activity and the areas of potential impact. This theoretical framework and our management will allow us to extend the positive impacts and decrease, mitigate, or directly eliminate negative ones.

TYPE OF IMPACT	SIGNIFI-CANCE	IMPACT AREA	TYPE OF IMPACT	SIGNIFI-CANCE	IMPACT AREA
Positive	1	Economic convergence	Negative	1	Economic convergence
	2	Inclusive & healthy economies		2	Inclusive & healthy economies
	3	Employment		3	Strong institutions
	4	Strong institutions			

The principal impact areas of international payments and changes are:

The mobilization of capital through the foreign exchange market **can positively contribute to:**

- Stimulate the local economy in Mexico (primary market), distributed to the population through salaries, local supply agreements, etc.
- Provide economic stability to companies to develop more robust corporate governance and focus on the medium to long term.

The mobilization of capital through the foreign exchange market **can negatively contribute to:**

- Create inequalities if not acting responsibly in exercising the different beneficiary companies (indirect impact of Monex).
- Represent risks and impacts associated with capital flows on ethics, local taxes, and the inappropriate use of resources. In that regard, Monex strictly applies "Know Your Client" policies.

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Portfolio Risk Analysis

Principal Impact Areas – Corporate Credit Portfolio

All the credit portfolio was integrated with the following sectors (listed from highest to lowest proportion): Other Financial Services, except for Insurance and Pension Fund Activities (17%), Real Estate Housing Development (14%), Industrial Real Estate Development (8%), Trusts and Similar Financial Entities (7%), among others.

We present below an explanation of the relationship between our type of activity and the impact areas.

This theoretical framework and our management will allow us to extend the positive impacts and decrease, mitigate, or directly eliminate negative ones.

The principal impact areas of the credit portfolio are the following:

TYPE OF IMPACT	SIGNIFI-CANCE	IMPACT AREA	TYPE OF IMPACT	SIGNIFI-CANCE	IMPACT AREA
Positive	1	Economic convergence	Negative	1	Strong institutions
	2	Inclusive & healthy economies		2	Resource efficiency/security
	3	Mobility		3	Waste
	4	Cultural heritage		4	Water availability
	5	Housing		5	Cultural heritage
	6	Strong institutions			

Corporate credit, by the main sectors to which it is directed, **may positively contribute to:**

- Financial activities that facilitate the availability of resources for companies and citizens, contributing more to their governance.
- Availability of infrastructure by third parties and impact on mobility, tourism, and culture.
- Housing development.

Corporate credit, by the main sectors to which it is directed, **may negatively contribute to:**

- Risk due to the type of sectors exposed to poor ethical practices; to this end, Monex has controls in place.
- Risk of dynamic financial activities that contribute to other resource-intensive and waste-generating activities. Real estate developments and infrastructure, including cultural heritage, could also be affected. There is an analysis methodology to limit such risks.

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Portfolio Risk Analysis

Commitments and Targets

Based on the most significant impact areas of the portfolio - foreign exchange (FX) & international payments and corporate credit - a series of commitments were established, aligned with different Sustainable Development Goals (SDGs).

First Target:

Related Impact Areas: Economic convergence; Inclusive and healthy economies; Employment.

Commitment: Contribute to creating employment by supporting companies with profits of up to USD\$13.35 million in sales ^[1] in the wholesale, retail, and manufacturing sectors.

The sectors have been determined by those in the Group's portfolio that contribute the most to Mexico's employment, according to the *National Institute of Statistics and Geography (Instituto Nacional de Estadística y Geografía (INEGI))*.

Business Targets:

- Growth in cross-selling from FX/credit payments in those sectors.
- Growth of FX transactions/payments in those sectors.
- Credit growth in these sectors.

Related SDGs: 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), and 10 (Reduced Inequalities).

[1] Based on Monex's internal classification of company segments; includes companies with relationships through any commercial channel.

Second Target:

Related Impact Areas: Inclusive and healthy economies; Efficiency/security of resources.

Commitment: Contribute to the ecoefficiency of the customers' business operation.

Business Targets:

- Increase debt purchase with ESG (environmental, social, and governance) criteria for its distribution to customers in the secondary market—facilitate customers' understanding of the funding opportunities based on the performance with high ESG standards.
- Provide financing for environmentally responsible practices (e.g., generation with renewable energies, energy efficiency).
- Obtain ESG-linked funding: explore the issuance of green and/or sustainable bonds and any other financing mechanism of this type.

Related SDGs: 7 (Affordable and Clean Energy), 9 (Industry, Innovation, and Infrastructure), 12 (Responsible Consumption and Production), and 13 (Climate Action).

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Attachment II: Environmental Management

The challenge of climate change is faced with the utmost responsibility, managing our environmental footprint and promoting sustainable finance. Monex creates projects to reduce the environmental impact of our activities through eco-friendly practices. This includes adopting clean technologies, reducing our carbon footprint, and promoting environmental education.

Our carbon footprint is measured annually to identify areas of opportunity and set goals to minimize this impact.

In 2023, some 2,092 tons of CO2e were generated, representing a 9.8% increase compared to the 1,907 tons of CO2e in 2022.

Nevertheless, our commitment goes beyond simple measurement; we constantly seek opportunities to implement more sustainable practices in our operations. This includes adopting increasingly efficient technologies, promoting sustainable mobility, proper waste management, and optimizing energy and water consumption.

Monex employees are encouraged to become involved with these challenges by participating in volunteer programs, with primary focus placed on reforestation and the protection of marine life in partnership with different organizations throughout various regions of the country.

In 2023, the results of these initiatives included 8,232 turtle eggs and 80 turtle nests rescued, as well as 3,900 trees planted in Mexico City and in the states of Coahuila, Jalisco, Nuevo León, and Yucatán.



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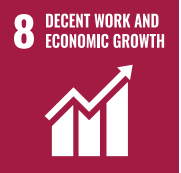








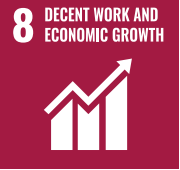
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Attachment III: Contribution to the Sustainable Development Goals

One of our priorities at Monex is to maximize our contribution to the UN SDGs. Our business model is based on a sustainability approach and the creation of shared value, thereby reflecting our commitment to address the most pressing challenges faced by society.

We have identified the strategic SDGs where we can have the greatest impact, considering our type of business, operations, and the various stakeholders we serve. To determine these strategic SDGs, our material issues were analyzed, the environment in which we operate was evaluated, and the needs and expectations of our community were considered.

Correlation of Material Topics and SDGs

MATERIAL TOPIC	SDG	MATERIAL TOPIC	SDG
Ethics and anticorruption		Product innovation	
Corporate governance		Financial inclusion	  
Digital transformation	 	Disclosure and transparency of financial information	
Regulatory compliance		Diversity and equal opportunities	 
Economic performance		Cybersecurity	  
Customer service		Sustainable investment	  
Attraction and retention of employees		Own and Portfolio ESG Risks	
Training and development of employees	 		

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Contribution to SDGs table

The following table highlights our contribution, which is reported throughout the report.

SDG	MATERIAL SUBJECT	CONTRIBUTION	2023 INDICATORS
<div>1</div> <div>No Poverty</div> <div></div>	<ul style="list-style-type: none">Financial inclusion	Through access to financial services, support for entrepreneurs and SMEs, and the adoption of innovative financial technologies, a more inclusive financial system is promoted and more people are provided with the opportunity to fully participate in the economy.	Some \$11.238 billion pesos granted to entities and self-employed individuals with sales or annual net income less than 14 million Investment Units. Representing 29% of the total portfolio.
<div>4</div> <div>Quality Education</div> <div></div>	<ul style="list-style-type: none">Employee training and development	There are specific training programs designed for our employees, which are integrated into the educational offerings. These programs are key to improving their performance and contributing to the success of the business.	A total of 2,245 employees received training in different subjects during 2023. An average of 66 hours of training per employee.
<div>5</div> <div>Gender Equality</div> <div></div>	<ul style="list-style-type: none">Diversity and equal opportunities	The inclusion of women is promoted through various initiatives and programs that encourage gender equality and their active participation in the financial sector.	48% of headcount are women. 33% of management staff are women. 14% of the Board of Directors are women.
<div>8</div> <div>Decent Work and Economic Growth</div> <div></div>	<ul style="list-style-type: none">Employee attraction and retentionDiversity and equal opportunitiesEmployee training and development	Employment stability and access to various benefits are fostered to contribute to the well-being of our employees, always prioritizing equal opportunities. Additionally, technical training is provided to ensure we have the best talent and competitive employees, thereby fostering their development.	482 new hires 9.69% are unionized

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Contribution to SDGs table

SDG	MATERIAL SUBJECT	CONTRIBUTION	2023 INDICATORS
<div>9 Industry, Innovation, and Infrastructure</div> <div></div>	<ul style="list-style-type: none">Digital transformationProduct innovationFinancial inclusionCybersecuritySustainable investment	<p>Various strategies and digital tools have been implemented to enhance our financial services. An example of this is our digital multi-currency account, which allows our customers to perform foreign currency transactions and transfers via SPEI, SPID, and SWIFT.</p> <p>Two electronic platforms are available for our customers for foreign currency transactions: Monex ULTRA II and Foreign Currency Transactions.</p> <p>All Cash Management solutions operate through Banca Digital Monex, which includes our web portal and the mobile app "Monex Móvil."</p> <p>There are existing initiatives to develop the thematic ESG bond market in Mexico, such as our participation in the issuance of the Sustainable Sovereign Bond (BONDESG).</p>	<p>Approximately 60% of transactions at Monex USA were conducted online.</p> <p>Our proprietary holdings of ESG Bonds amounted to \$11.093 billion pesos, equivalent to 10.5% of the total portfolio value.</p>
<div>10 Reduction of Inequalities</div> <div></div>	<ul style="list-style-type: none">Financial inclusionDigital transformation	<p>Access to financing is provided for more vulnerable groups, such as entrepreneurs and SME business owners.</p> <p>Bank loans and financing are offered from other organizations, which include funding for production chains and NAFIN digital credit, as well as credit lines for Mexico's agricultural, rural, and fishing sectors (FIRA). (complementary to SDG 1).</p>	<p>Some \$11.238 billion pesos were granted to legal entities and self-employed individuals with annual net sales or income below 14 million Investment Units. 29% of this amount represents the total portfolio.</p>
<div>12 Responsible Consumption and Production</div> <div></div>	<ul style="list-style-type: none">CybersecuritySustainable investment	<p>Cybersecurity is managed through the implementation of technical measures, staff training, and periodic evaluations to ensure the protection of data and systems against cyber threats.</p>	<p>In 2023, two cases related to information security were reported.</p>

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Contribution to SDGs table

SDG	MATERIAL SUBJECT	CONTRIBUTION	2023 INDICATORS
<div>13 Climate Action</div> <div></div>	<ul style="list-style-type: none">• Cybersecurity• Sustainable investment	<p>Financing associated with environmentally friendly practices is provided, which allows us to contribute to sustainable development and to promote environmental protection.</p>	<p>Our proprietary holdings of ESG Bonds amounted to \$11.093 billion pesos, equivalent to 10.5% of the total portfolio value.</p>
<div>16 Peace, Justice, and Strong Institutions</div> <div></div>	<ul style="list-style-type: none">• Ethics and anticorruption• Regulatory compliance• Corporate Governance• Dissemination and transparency of financial information	<p>We have a Code of Ethics and Conduct that, along with other complementary policies, serves as a self-regulation guide for our employees. All our employees are required to comply with these policies. Additionally, training is provided to prevent potential risks and strengthen our organizational culture of ethics.</p>	<p>In 2023, we trained 2,145 employees in AML/CFT matters.</p> <p>0 (zero) cases of corruption or sanctions for antitrade practices.</p> <p>No cases of insider trading or unfair competition were reported.</p>

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Attachment IV: ESG Glossary

ESG	The ESG (environmental, social, and corporate governance) criteria are tools investors use to measure a company's non-financial factors and analyze how it manages issues unrelated to its business activity.
ESG Bonds	Allocating capital to an investment vehicle to generate a financial return and positively impact the environment or society.
GHG Emissions	Greenhouse Gases (GHG) are gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and emit infrared radiation, causing the greenhouse effect.
Sustainable Finance	They entail that ESG factors are considered in the investment decision-making process.
SDGs	The Sustainable Development Goals are a universal call to action to end poverty, protect the planet, and improve the lives and prospects of everyone, everywhere. In 2015, all United Nations Member States approved 17 Goals as part of the 2030 Agenda for Sustainable Development. This Agenda establishes a plan to achieve the Goals in 15 years.
PRB	The Principles for Responsible Banking are voluntary standards promoted by the United Nations Environment Programme Finance Initiative (UNEP FI) to support banks in aligning their business strategy with the Sustainable Development Goals (SDGs) and the Paris Climate Change Agreement.
UNEP FI	UNEP FI or the United Nations Environment Programme Finance Initiative is a partnership between the United Nations and the global financial sector. UNEP FI has partnered with financial institutions worldwide to identify and promote links between sustainable development and financial topics.
COSUSTENTA Committee	A Monex committee in charge of ESG initiatives, now structured under a 2025 Strategy based on a double (impact and financial) materiality methodology.

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Material Topics	These topics represent the most significant economic, environmental, and human impact of an organization, including impacts on human rights. They are identified and assessed to determine their relevance and impact on the company and its stakeholders. Material topics should be appropriately managed and, in some cases, reported because they are essential for a comprehensive sustainability strategy.
Materiality	Identification and assessment of ESG factors with a significant impact on the profitability of a company and its stakeholders.
GRI	The GRI (Global Reporting Initiative) standards are sustainability reporting guidelines for organizations to transparently and consistently communicate their sustainability performance.
SASB	The SASB (Sustainability Accounting Standards Board) standards are specific guidelines for organizations to report ESG factors materially significant to their industry. They represent an international ESG information benchmark for investors.
SDGs	The Sustainable Development Goals (SDGs) are a collection of 17 goals adopted by the United Nations in 2015 as part of the 2030 Agenda for Sustainable Development. These goals are a universal call to action to end poverty, protect the planet, and ensure that by 2030, all people will enjoy peace and prosperity.
TCFD	The Task Force on Climate-related Financial Disclosures (TCFD) is a group that promotes climate-related financial disclosure through recommendations for organizations to report climate-related risks and opportunities more effectively.
Global Compact	The Global Compact is a United Nations corporate sustainability initiative. It is the largest corporate sustainability initiative. Its main objective is to promote responsible and sustainable business practices.
Mexican Sustainable Finance Advisory Board	The Mexican Sustainable Finance Advisory Board (Consejo Mexicano de Finanzas Sostenibles) is a representative body of the Mexican financial sector to promote funding for investment projects and assets that generate environmental and social benefits through capacity building, the development of financial vehicles, and recommendations and proposals to promote sustainable development goals (SDGs).

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Attachment V: GRI and SASB Content Index



UNIVERSAL STANDARDS				
Section	Standard	Disclosure	Omission	Page(s)
GRI 1: Foundation 2021				
GRI 2: General Disclosures 2021				
The organization and its reporting practices	GRI 2-1	Organizational details		7
	GRI 2-2	Entities included in the organization's sustainability reporting		4
	GRI 2-3	Reporting period, frequency and contact point		4
	GRI 2-4	Restatements of information		4
	GRI 2-5	External assurance	Not assured	-
Activities and workers	GRI 2-6	Activities, value chain and other business relationships		7
	GRI 2-7	Employees		30
	GRI 2-8	Workers who are not employees		-
Governance	GRI 2-9	Governance structure and composition		16
	GRI 2-10	Nomination and selection of the highest governance body		16
	GRI 2-11	Chair of the highest governance body		16
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts		16
	GRI 2-13	Delegation of responsibility for managing impacts		16
	GRI 2-14	Role of the highest governance body in sustainability reporting		4
	GRI 2-15	Conflicts of interest		22
	GRI 2-16	Communication of critical concerns		-
	GRI 2-17	Collective knowledge of the highest governance body		-
	GRI 2-18	Evaluation of the performance of the highest governance body		-
	GRI 2-19	Remuneration policies		16
	GRI 2-20	Process to determine remuneration		16
	GRI 2-21	Annual total compensation ratio		-
Strategy, policies and practices	GRI 2-22	Statement on sustainable development strategy		22
	GRI 2-23	Policy commitments		9-10-22
	GRI 2-24	Embedding policy commitments		9-10-22
	GRI 2-25	Processes to remediate negative impacts		22
	GRI 2-26	Mechanisms for seeking advice and raising concerns		22
	GRI 2-27	Compliance with laws and regulations		22
	GRI 2-28	Membership associations		41
Stakeholder engagement	GRI 2-29	Approach to stakeholder engagement		45
	GRI 2-30	Collective bargaining agreements		30
GRI 3: Material Topics 2021				
	GRI 3-1	Process to determine material topics		9 - 10
	GRI 3-2	List of material topics		9 - 10

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Material Topics	Section	Standard	Description	Omission	Page(s)
Ethics and anti-corruption	GRI 205 ANTI-CORRUPTION 2016	205-1	Operations assessed for risks related to corruption		22
		205-2	Communication and training about anti-corruption policies and procedures		22
		205-3	Confirmed incidents of corruption and actions taken		22
	GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		23
Training and development	GRI 404: TRAINING AND EDUCATION 2016	404-1	Average hours of training per year per employee		33
		404-2	Programs for upgrading employee skills and transition assistance programs		33
		404-3	Percentage of employees receiving regular performance and career development reviews		-
Generation of employments	GRI 401: EMPLOYMENT 2016	401-1	New employee hires and employee turnover		30 - 33
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		-
		401-3	Parental leave		-
Creating Wellness	GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1	Occupational health and safety management system		34
		403-2	Hazard identification, risk assessment, and incident investigation		-
		403-3	Occupational health services		34
		403-4	Worker participation, consultation, and communication on occupational health and safety		34
		403-5	Worker training on occupational health and safety		34
		403-6	Promotion of worker health		34
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		-
		403-8	Workers covered by an occupational health and safety management system		-
		403-9	Work-related injuries		-
		403-10	Work-related ill health		-
Diversity and Equal Opportunity	GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees		16 - 30
		405-2	Ratio of basic salary and remuneration of women to men		-
Customer Privacy	GRI 418: CUSTOMER PRIVACY 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		24

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Attachment V: Specific Topics - SASB



Sector	Topic	Code	Disclosure	Omission	Page
INVESTMENT BANKING AND BROKERAGE	Activity Metrics	FN-IB-000.A	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions		-
	Activity Metrics	FN-IB-000.B	(1) Number and (2) value of proprietary investments and loans by sector		-
	Activity Metrics	FN-IB-000.C	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products		-
	Employee diversity and inclusion	FN-IB-330A.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees		30
	Incorporation of Environmental, Social and Governance Factors in Investment Management & Advisor	FN-IB-410A.1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry		-
		FN-IB-410A.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry		-
		FN-IB-410A.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities		-
	Business Ethics	FN-IB-510A.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations		-
		FN-IB-510A.2	Description of whistleblower policies and procedures		22
	Professional integrity	FN-IB-510B.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumerinitiated complaints, private civil litigations, or other regulatory proceedings		-
		FN-IB-510B.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party		-
		FN-IB-510B.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care		-
		FN-IB-510B.4	Description of approach to ensuring professional integrity, including duty of care		22
	Systemic Risk Management	FN-IB-550A.1	Global Systemically Important Bank (G-SIB) score, by category		-
	Employee Incentives & Risk Taking	FN-IB-550B.1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)		-
		FN-IB-550B.2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied		-
		FN-IB-550B.3	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities		-
COMMERCIAL BANKS	Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business		-
	Activity Metrics	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate		-
	Data Security	FN-CB-230A.1	1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected		-
		FN-CB-230A.2	Description of approach to identifying and addressing data security risks		24
	Generation of financial capacity and inclusion	FN-CB-240A.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development		-
		FN-CB-240A.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Partial	36
		FN-CB-240A.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customer		-
		FN-CB-240A.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers		-
	Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB-410A.1	Commercial and industrial credit exposure, by industry		-
		FN-CB-410A.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis		-
	Business Ethics	FN-CB-510A.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations		-
		FN-CB-510A.2	Description of whistleblower policies and procedures		22
	Systemic Risk Management	FN-CB-550A.1	Global Systemically Important Bank (G-SIB) score, by category		-
		FN-CB-550A.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, longterm corporate strategy, and other business activities		-

Sector	Topic	Code	Disclosure	Omission	Page
ASSET MANAGEMENT AND CUSTODY ACTIVITIES	Activity Metrics	FN-AC-000.A	Total assets under management (AUM)		13
	Activity Metrics	FN-AC-000.B	Total assets under custody and supervision		-
	Transparent information & fair advice for customers	FN-AC-270A.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings		-
		FN-AC-270A.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers		-
		FN-AC-270A.3	Description of approach to informing customers about products and services		26
	Employee, diversity & inclusion	FN-AC-330A.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) nonexecutive management, (3) professionals and (4) all other employees		30
	Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	FN-AC-410A.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (ESG) issues, (2) sustainability-themed investing and (3) screening	Partial	36
		FN-AC-410A.2	2 Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies		-
		FN-AC-410A.3	Description of proxy voting and investee engagement policies and procedures		-
	Business Ethics	FN-AC-510A.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations		-
		FN-AC-510A.2	Description of whistleblower policies and procedures		22
	Systemic Risk Management	FN-AC-550A.1	Percentage of openend fund assets under management by category of liquidity classification.		-
		FN-AC-550A.2	Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management		-
		FN-AC-550A.3	Total exposure to securities financing transactions		-
		FN-AC-550A.4	Net exposure to written credit derivatives		-



ESG Executive Report 2023

If you wish to receive more information and/or make any queries related to this report, you can contact us at the following email address:

sustentabilidad@monex.com.mx

Paseo de la Reforma 284, 06600, CDMX. | 55 5230 0200 | monex.com.mx

