

SolCrece

*Grandes proyectos,
grandes logros.*

Soluciones De Crecimiento S.A. De C.V. SOFOM ENR

Code of Ethics and Practice Manual

Elaborated by:
Methods and Procedures

Revised by:
Communication

Authorized by:
General Direction



Code of Ethics and Practice | Manual

- 1. The Organizational Culture of SolCrece4
 - Mission4
 - Vision4
 - Values4
 - Our Action Principles.....5
 - General Ethic Regulations.....5
- 2. Applying Our Code of Ethics and Practice5
 - Living Our Values5
 - Corporate Social Responsibility.....6
 - Commitments.....6
 - Our Commitment with Suppliers7
 - Our Commitment with Customers8
 - Commitments of Every Area and their Personnel9
 - Confidentiality9
 - Safety and Management of Confidential Information9
 - Conflicts of Interests 10
 - Bribery and/or Extortion 11
 - Sanctions 11
 - Internal Auditing..... 11
- 3. Responsibilities of the Personnel..... 12
 - Relations Among Team Members..... 12
 - Administration of Material and Financial Resources 13
 - Establishing the Correct Way of Relating to Authority 13
 - Taking Part in Community Development 13
- 4. Establishing Procedures Related to Safety, Health and Environment..... 13
 - Safety and Health as Priorities..... 14
 - Tidiness and Cleanliness 14
- 5..... 14
- 6. Annex: Letter of Commitment with the Code of Ethics 15

Letter of the Director

Dear Collaborators,

Our **Code of Ethics and Practice** reflects our philosophy and commitments; it associates the vision and the business strategy, the social responsibility practices, the observance of the law, as well as the values that must guide our behavior. It contributes to increasing, in a sustained manner, the value of this company for all its involved parties: clients, investors, personnel, suppliers and communities.

The fulfillment of this Code is essential because it serves as a guide on how to act under certain situations, it helps build social coexistence and to maintain a relative state of wellbeing and communion with fellow individuals, establishing long-term relationships.

SolCrece stands out for providing quality solutions for its clients, for operating efficiently and for its talented people that work as a team. When coming to work here, our people pledge to act with rectitude at all times. This is why, to ensure the fulfillment of this **Code**, we will reward those who adopt it and sanction those who violate it.

I am convinced that a value-based culture is what strengthens our virtues and competences which is why I invite you to keep being responsible, to maintain the highest integrity and honesty standards in our work environment and our community so that our prestige of being a trustworthy, ethical and transparent company with a set of principles and respect for our clients keeps preceding us every step of the way.

**Roberto Monturiol Hernandez,
General Director and Counselor**

1. The Organizational Culture of SolCrece

Mission

Our goal is to offer financial solutions and counseling to Mexican micro-entrepreneurs so that they may find sustainable growth opportunities that turns into the assurance of patrimonial stability.

The solutions that SolCrece offers satisfy the financial needs of its customers in a timely manner, meet quality standards and are targeted to fight poverty. These solutions are the reason why we stand as a socially committed company.

To achieve this, SolCrece relies on its collaborators: people who are truly committed, highly trained and with expertise in the field that apply criteria of efficiency and efficacy to optimize our resources.

This is how we generate value for our customers, our collaborators, our investors and for the communities that we operate in.

Vision

To become leaders by reinventing microfinance through continuous innovations in our business model. To grow aggressively within our frontiers and outside them.

To be recognized as one of the best places to work and collaborate with, due to the satisfaction of our clients and to the management of our work force.

To stand out as a great investment opportunity due to our excellent management and results.

Values

Commitment
Trust
Responsibility
Tenacity
Loyalty

Honesty
Respect
Integrity
Transparency
Humility

Our Action Principles

Leadership
Efficacy
Learning
Teamwork
Client Centricity

Discipline
Humane Administration
Evidence-based Administration
Result-oriented actions
Innovation

General Ethic Regulations

We recognize people's dignity and respect their liberty and privacy. No one will be discriminated for reasons of gender, civil status, age, religion, race, political opinions, social or economic status, pregnancy, language, dialect, ethnicity, nationality, sexual preferences or disability.

We are obliged to comply with all the laws, regulations and other legislation that rule or limit our daily operations.

None of our consultants, directors or employees may use the name of SolCrece neither any of its resources for personal benefit.

All contact with dishonest people that may harm the company must be avoided.

It is not allowed to manage or be part of any type of business or service destined for employees or third parties within the company's facilities.

2. Applying Our Code of Ethics and Practice

Living Our Values

In SolCrece, our values are above all things and we must honor them in our work relationships, business doings and among our community.

We, the people that make up SolCrece, must always act according to the ethic principles and values established here. We must also promote the respect towards the

environment and the socially responsible actions within the communities that we operate in.

The relationships with our sponsors, directors, collaborators, clients, suppliers, competitors, government authorities, community and environment must always be honest and transparent.

Corporate Social Responsibility

Corporate Social Responsibility is our commitment and we understand it as a business approach that harmonically integrates business management and law fulfillment, as well as respect for values, people, community and environment.

We promote volunteer work by participating in activities and/or events that contribute to the development of the community or by collaborating with associations that promote it, provided that these activities don't interfere with the fulfillment of our duties.

We are responsible for the impact that our operations generate; we respect and obey the law and its regulations. It is SolCrece's priority to operate without harming the environment.

Commitments

The company intends to create a healthy and productive work environment in order to channel the potential and creativity of their personnel and to promote collaboration and teamwork.

SolCrece cares about:

- Carrying out work laws and regulations.
- Respecting and promoting absolute respect for others' differences and opinions, therefore prohibits all sorts of harassment and discrimination.
- Safeguarding the personnel and the premises through safety equipment, systems and proceedings.
- Protecting the health of its personnel.
- Defining, communicating and fulfilling the company's policies and internal regulations.

- Offering its personnel competitive compensations and benefits.
- Providing professional actualization and development programs.
- Granting distinctions and promoting an open communication and adequate channels to receive feedback.
- Trying to be better than our competitors in an honest way, looking to improve our market position through superior performance instead of unethical or illegal proceedings.
- Promoting market actions to differentiate our work. Avoiding behavior that may cause confusion toward the services and products that we offer.

Our Commitment with Suppliers

1. We cannot be shareholders, business partners or be related to any of SolCrece's suppliers of goods, raw materials and/or services that the company uses to operate, except those operations previously known and approved by the Board of Directors. These commercial relations must be audited annually to verify that the sums, purchases and payments are comparable to market standards.
2. Direct or indirect family members of SolCrece's collaborators may engage in commercial transactions with the company as long as family members are not involved in any type of purchase decisions or contract of services. All commercial transactions must meet competitive market standards. These transactions must be monitored and reported to the Board of Directors.
3. None of our collaborators may offer discounts or special treatment to the company's suppliers for their own benefit or the benefit of third parties, as the consequence of their participation in the process of asset or raw material purchase; or for having favored or recommended the purchase of them.
4. It is prohibited to engage in commercial transactions with suppliers that operate outside of the law, have a questionable reputation, breach environmental or social regulations or that aren't properly authorized to use or commercialize products and services submitted to royalties or intellectual property rights.
5. It is not allowed to accept or ask for gifts, trips, invitations or commissions from suppliers that may interfere in the purchase of products, raw materials or services for the company. If a supplier offers a trip to an employee for business purposes, and this trip is beneficial to SolCrece's interests, he may accept it with previous authorization from the Operations Department. Leisure trips or trips that have no relation with the employee's expertise area may not be accepted.

6. No staff members, directly or indirectly commercially related to suppliers, are authorized to ask for economic assistance or donations. Exceptions will be made when it comes to SolCrece's community services and also with suppliers that support social causes. Any event of this nature must be authorized and coordinated by the Human Resources area.

Our Commitment with Customers

SolCrece will not stand lack of commitment, faulty products nor services from any of its commercial partners. Corruption of any sort won't be tolerated.

We are committed to guaranteeing that in order to conquer clients and market status we will always favor truth over deceiving actions, omission of information that could lead to inaccuracies or mistaken information regarding our services.

- Our collaborators will deliver complete and comprehensible information to their clients on the real cost of our credit services.
- Quality services. We are committed to treating every client with dignity and respect.
- Real payments. We are committed to offering fair prices for our services. Our interest rates won't generate excessive profits, but they will be adequate for guaranteeing the company's continuance and widen coverage to more people.
- Avoid over-indebtedness. In order to avoid over-indebtedness of our clients, we are committed to professionally assess risk measurement and real creditworthiness of clients.
- Appropriate collection practices. We are aware that even though collection practices must be tough on in-debt clients we must always treat them with dignity.
- Client's information privacy. The information of our clients will always be protected and will not be shared with unauthorized entities.
- Ethic behavior of employees. Employees must maintain high professionalism standards to avoid conflict of interests and unethical behavior, especially if it may affect the client (like bribes or getting involved in personal business transactions with clients).

- Feedback mechanisms. Feedback channels with our clients must be maintained at all times in order for them to inform their respective companies on the quality of the service. These channels include personalized mechanisms that respond to the clients' needs.

Commitments of Every Area and their Personnel

- Be committed to treating every collaborator with dignity and respect and to respect their physical safety.
- Be committed to defining internal codes and policies to ensure a discrimination-free environment.
- Be committed to always communicate the truth to our employees and to be transparent in our proceedings without incurring in deceiving actions or premeditated information omission that could lead to error.
- We are committed to professionally fulfill our acquired commitments.

Confidentiality

Financial information must be truthful and sufficient for the purposes of the interested parties.

Counselors, directors and employees must refrain from commenting on the company's activities –whether it is within their families or in their community– if those comments may result harmful to the company itself or to their members.

Counselors, directors and employees must refrain from spreading confidential information regarding processes, methods, strategies, plans, projects, technical data, market data or data of any type.

Safety and Management of Confidential Information

- Every new employee must sign a confidentiality disclaimer where he or she commits to the proper use of company's information.
- The use or distribution of privileged or confidential information without authorization violates the statues of this Code of Ethics and may even be illegal.
- SolCrece employees must never reveal privileged or confidential information to third parties, except when required for objective reasons and when previously

authorized to do so. In this case, it is mandatory to submit a written report to the responsible area or person.

- It is forbidden to use privileged or confidential information for one's own benefit, whether it is directly or through another person. This may result in loss, damage or detriment of SolCrece's interests.
- The misuse of privileged or confidential information may result in civil or penal consequences without detriment of the disciplinary action that the company may establish for the case.
- Safeguarding privileged or confidential information is responsibility of ALL the company's collaborators.

Conflicts of Interests

In every organizational level we avoid activities or business transactions that for their nature may cause "conflict of interests" or jeopardize the company's integrity such as the following:

It is not acceptable for any of the company's collaborators to carry out activities, counseling or transactions that may compete or conflict the interests of SolCrece.

When employees with family ties get involved in a conflict of interests situation, the immediate superior must resolve the issue in a fair manner.

The situations that involve conflicts of interests are not always obvious or easy to solve. Collaborators are expected to report real and potential conflict of interests to the person in charge of the corresponding area. If anyone detects any conflict of interests that may influence his or her performance, he or she must submit a written report to his or her immediate superior.

In case of any real or potential conflict of interests with personal or professional relationships or an employee's activities within the company, our employees are expected to resolve the situation in an ethical manner according to the regulations of this Code of Ethics. All personnel must abstain from having financial interests or investments with SolCrece's competitors.

When a collaborator feels that he or she isn't able to fulfill his or her responsibilities objectively due to third party pressures to use his or her position, authority or influences, he or she must immediately report it in writing to the immediate superior, or, given the case, directly to the General Director's Office.

Bribery and/or Extortion

Under no circumstances will bribery and/or extortion be tolerated. If any employee is subjected to bribery and/or extortion within the company or outside of it, he or she must report it immediately. It is responsibility of every employee to report such cases even if they don't concern him or her directly.

Personnel are not allowed to accept gifts of any kind that may compromise the objectivity of the granting of credits and the management of files. Promotional items or complimentary items that stick to standard commercial practices and that have been previously authorized by the immediate superior are the only exception to this rule.

Sanctions

- Failing to comply with this Code of Ethics may result in several types of sanctions: from a verbal or written warning to the termination of the contract, including civil or penal sanctions from the corresponding authorities. The severity of the sanctions will be proportional to the committed faults.
- The manager of the area will determine the sanction according to the violation.
- The violation of this Code will result in sanctions stipulated in SolCrece's Policies and Internal Regulations Manual.
- The faults that are not contemplated in SolCrece's Policies and Internal Regulations Manual, will be evaluated through the available evidence before any sanction is applied to the alleged offender.

Internal Auditing

It is the responsibility of the area in charge of internal auditing to opportunistically inform of the objectives and goals to be reached in order to improve SolCrece's processes and to work toward the fulfillment of the present Code.

To supervise the fulfillment of this Code of Ethics and to submit the necessary amendments proposal to the General Director's Office.

To evaluate the observance of the regulations present in this Code, to report any relevant violation to the General Director's Office and to inform of the respective measures adopted by it.

3. Responsibilities of the Personnel

- To understand SolCrece's mission and to contribute to its fulfillment taking into account the values shared by the company and the regulations of the Code of Ethics.
- To know, understand, fulfill and enforce the policies and internal regulations.
- To contribute to the company's benefit with effort and talent.
- To share knowledge and expertise with other employees for the benefit of SolCrece and its clients.
- To fulfill their commitments in a consistent, honest and responsible manner.
- To be responsible of their own training and development.
- To take advantage of the learning opportunities that SolCrece provides.
- To encourage collaboration and teamwork.
- To respect and enforce the health and safety standards.
- To set a good example in representing the company's name inside and outside of its premises.

Relations Among Team Members

- Counselors, directors and employees of the company must carry themselves in a loyal, respectful, diligent and honest manner.
- The employees that have people under their command have the moral obligation to respect and protect them when necessary.
- Sexual harassment is strictly forbidden and must be denounced.
- It is forbidden to undermine, threaten, harass, discriminate or interfere with the right of a job of any employee of SolCrece in order to get or give information.

Administration of Material and Financial Resources

The material and financial resources used by SolCrece's employees, executives and directors must always be used for institutional purposes and never for personal profit. These resources include equipment, vehicles, tools, office supplies, internal information, money and working hours. The inadequate use, damage caused by negligence and theft of these resources will be sanctioned.

Establishing the Correct Way of Relating to Authority

SolCrece and its members will avoid any interaction that represents an opportunity for corruption. Bribery, conspiracy and other types of corruption may become a source of problems not only for SolCrece, but also for its community. The company will sanction these behaviors and the employees that result guilty will be turned to the corresponding authorities for trial.

Taking Part in Community Development

The behavior of SolCrece's personnel must reflect the values that we promote as a company. The company must encourage its employees to participate in activities and /or events that contribute to the development of the community.

SolCrece must act as a good neighbor in the communities where its branches are located. As part of our social commitment we must work in the integration, development and quality of life improvement of the communities. SolCrece's name must represent presence, counseling and personal aid support and must always be related to the nature of our services and products.

4. Establishing Procedures Related to Safety, Health and Environment

SolCrece's employees are responsible for:

Safeguarding the health and safety of others inside and outside of SolCrece's premises. If there's any kind of health risk or physical danger for the members of SolCrece, it must be informed to prevent accidents.

Avoid damaging the environment inside and outside of SolCrece's premises.

Safety and Health as Priorities

Individual actions and decisions must never jeopardize the safety conditions of our operations nor endanger the health of employees or the society in general.

It is equally important to maintain the safety standards of our premises and equipment. Health and safety are as important as the rest of the company's functions and objectives.

The responsible employees of every area must ensure the fulfillment of these health and safety measures:

- a) To provide and maintain safe and healthy work environments.
- b) To provide and maintain an adequate work environment.
- c) To develop a safety conscience among personnel.

Tidiness and Cleanliness

It is the responsibility of the company's personnel to maintain a tidy and clean environment within the premises in order to contribute to safety practices and to avoid risk conditions in the workplace.

The company's premises and equipment must be used only by authorized and trained personnel. It is the responsibility of the personnel of every area to maintain the company's resources in good state, to observe the maintenance practices and to apply the risk prevention programs.

These measures are intended to operate efficiently, avoid accidents and extend the useful life of our resources.

None of our collaborators must use the company's equipment, materials or resources for any kind of activity that is not related to their work.



5. Annex: Letter of Commitment with the Code of Ethics

I hereby state that I have read SolCrece's Code of Ethics and that I understand the leading principles of our company.

I understand that the fulfillment of these principles are mandatory and that by observing the Code of Ethics we are contributing to create a work environment where we can grow personally and professionally.

I declare that I fulfill the behavior standards established here, including the disclosure of any real or potential conflict of interests.

Full Name: _____

Administrative Area: _____

Immediate Superior: _____

Signature: _____

Place and Date: _____