

COMMUNICATION
ON PROGRESS



 **Tangelo**

2021 Sustainability Report

*Increasing financial inclusion
in Latin America*



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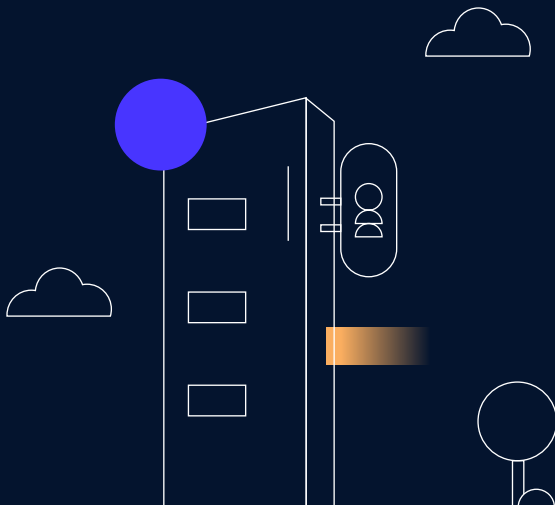
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The information presented below contains some combined data from Colombia and Mexico. The business combination will take place in the following months, once the approval from COFECE is obtained to form Tangelo.



Presentation of the **2021 Report.**

We are an innovative company operating in Latin America that promotes Social Responsibility in organizations through transparent management and a regional scope.

We are pleased to share our second Sustainability Report to present the results of our ESG strategy throughout the year. The information presented in this report covers the period between March 1, 2021 and February 28, 2022, and was developed based on our five core action areas:



Business management



Ethics and corporate governance



Connection and commitment to the community and its development



Quality of life at the company



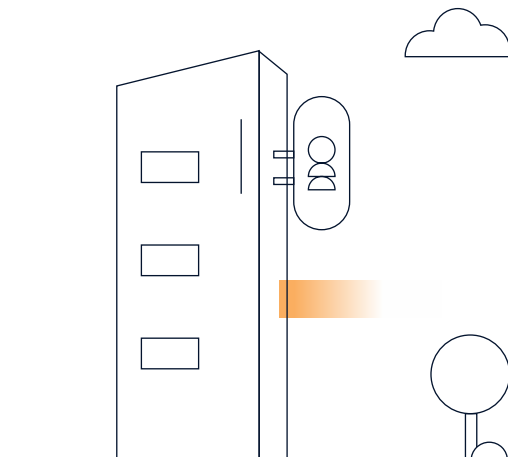
Care and preservation of the environment

This report will show the positive impact that Tangelo has had, and will have, by promoting digital alternative credit solutions in Latin America. With this report, we aim to communicate the importance of Corporate Social Responsibility.

This report can also be viewed on our website:
www.tangelolatam.com

Your comments are important to us, if you have any feedback and/or questions related to this report, please contact:

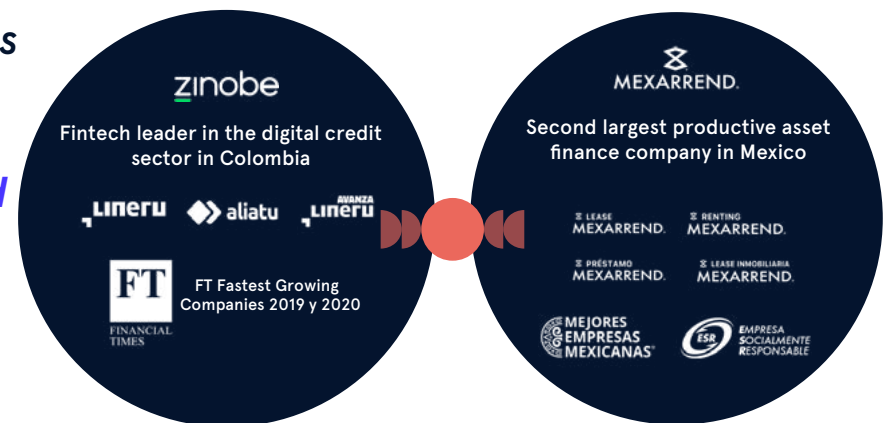
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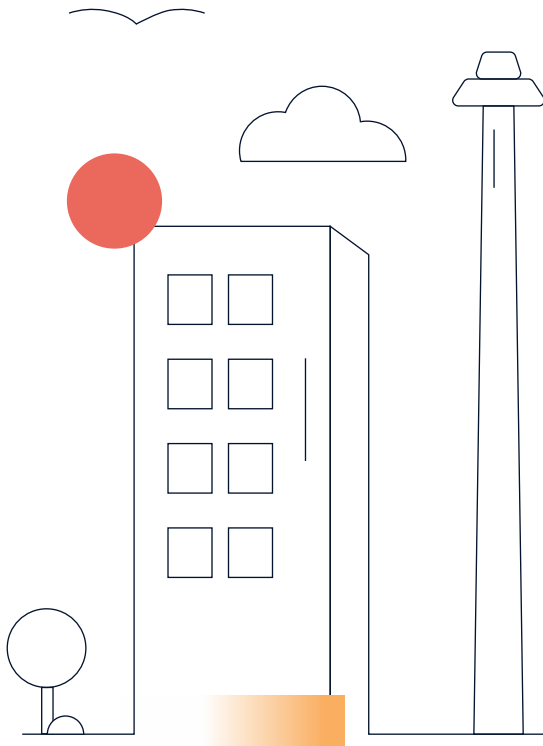
1.0 What is *Tangelo?*

Tangelo is a Latin American financial technology company specializing in alternative credit solutions, with over 25 years of experience serving consumers and SMEs in the Latin American market. **The versatility of our technology platform allows product customization and the ability to rapidly create and scale products**, including point-of-sale financing, supply chain financing, asset-based lending, credit scoring as a service, and end-to-end white-label digital credit solutions for numerous industries and regions.

Tangelo manages a combined portfolio of \$500 million and has historically reported positive net income.



The company will continue to expand quickly its existing business lines with a strong focus on developing customized credit solutions through strategic alliances. In addition, Tangelo differentiates itself by having the capacity and quality to originate and manage portfolios for large corporate and/or financial sector participants with proven above-market returns.



2.0 Letter from the **co-CEOs**



Dear reader, we are very pleased to share our second sustainability report with you, now as Tangelo. Last year was challenging, but it was also a year marked by great achievements and progress in social responsibility. It was also a transformational year, as we went through the Mexarrend and Zinobe merger, with both leading companies in their respective countries. We took advantage of each one's complementary experience and achieved relevant synergies to position ourselves as a leading company in the alternative credit sector in Latin America. Through our cutting-edge technology and digital credit processes, we have created new products that will continue to foster financial inclusion, revolutionizing the way millions of consumers, and thousands of businesses, access credit in the region.

We are very proud to share with you the actions we have taken throughout 2021. We are sure that this new chapter will generate more accelerated growth that will spark constant innovation in our business model, both in Mexico and Colombia, and will revolutionize the financial and digital market.

Credit plays a fundamental role in the advancement of economies and communities, by creating new projects that increase sources of employment and by exponentially increasing value and well-being. It has been proven that the biggest creator of employment and gross domestic product generation comes from small and medium-sized businesses, which normally have the least access to traditional financing.

Throughout our history, we have formed long-term relationships with our clients through responsibly managing the granting of credit.

This is a fundamental part of our business, using technological advancements in financing decision-making to help individuals and companies develop a credit history, which they previously did not have access to. We take advantage of the relevant information regarding our clients to make informed decisions that support their growth and financial well-being.

By working with embedded finance alliances, we develop valuable relationships in these environments, leveraging our technology to provide improved customer experience, and making it a simple, accessible, and transparent process. In this way, we continue to support both SMEs and consumers in Mexico and Colombia. As a result, through these alliances, growth is transferred to the rest of Latin America.

We are excited to share in this Report the achievements and recognitions we have obtained in the past year, including:

- **Socially Responsible Company** for the third consecutive year. This is one of the most recognized awards in social responsibility in Latin America.

- **Best Mexican Companies** awarded to us for the first time. This initiative seeks to recognize and promote medium-sized companies

that stand out for their high level of performance in business management.

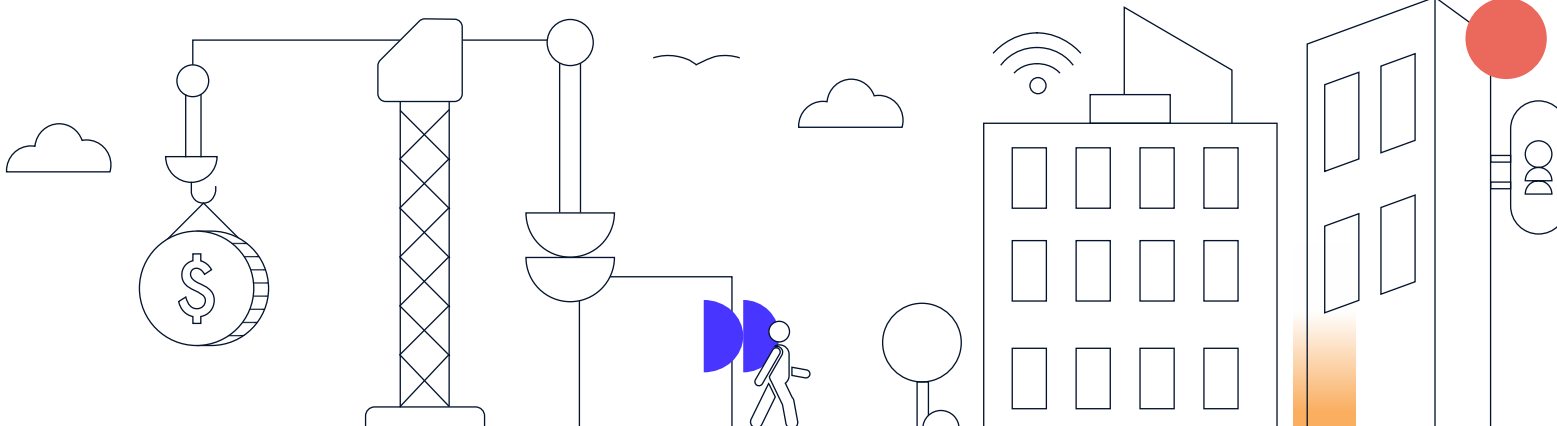
- For Tangelo, supporting **education and entrepreneurs** is fundamental in generating sustained economic well-being in addition to creating positive-effects in our communities. In the past year, we have worked on several initiatives in this regard, which are further discussed in the Report.

- Based on our goal of reducing our environmental impact, we developed the **Value Green Lease** program, which aims to encourage our customers to opt for technologies that contribute to the reduction of CO2 generation.

We are aware that much remains to be done, but we are convinced that we are on the right track. We are aligning Tangelo's business plan with our plan for continuous improvement in social responsibility.

We invite you to learn more about these issues in more detail from our Report, and we hope to count on your support to be agents of change and help build a better future for all.

Sincerely Alejandro & Tarek
co-CEOs Tangelo

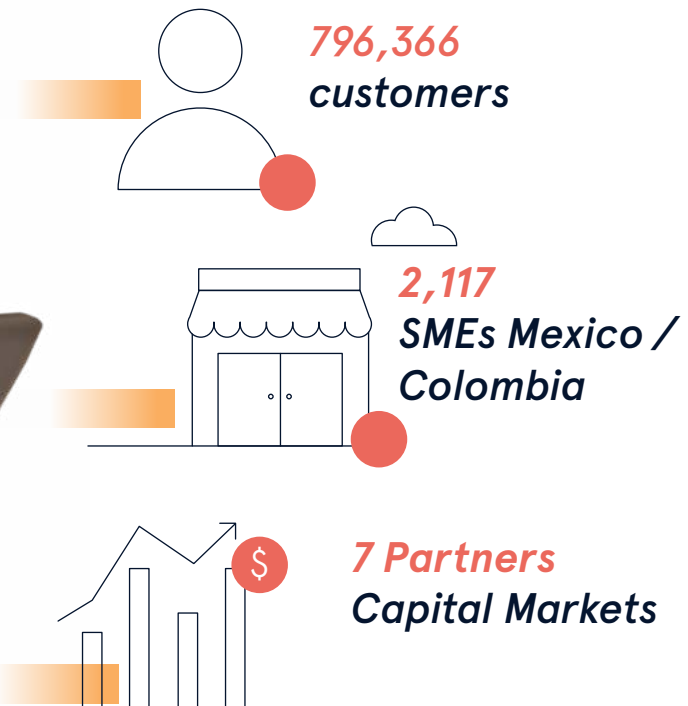


3.0 Institutional *Profile*

3.1 *Our Purpose*

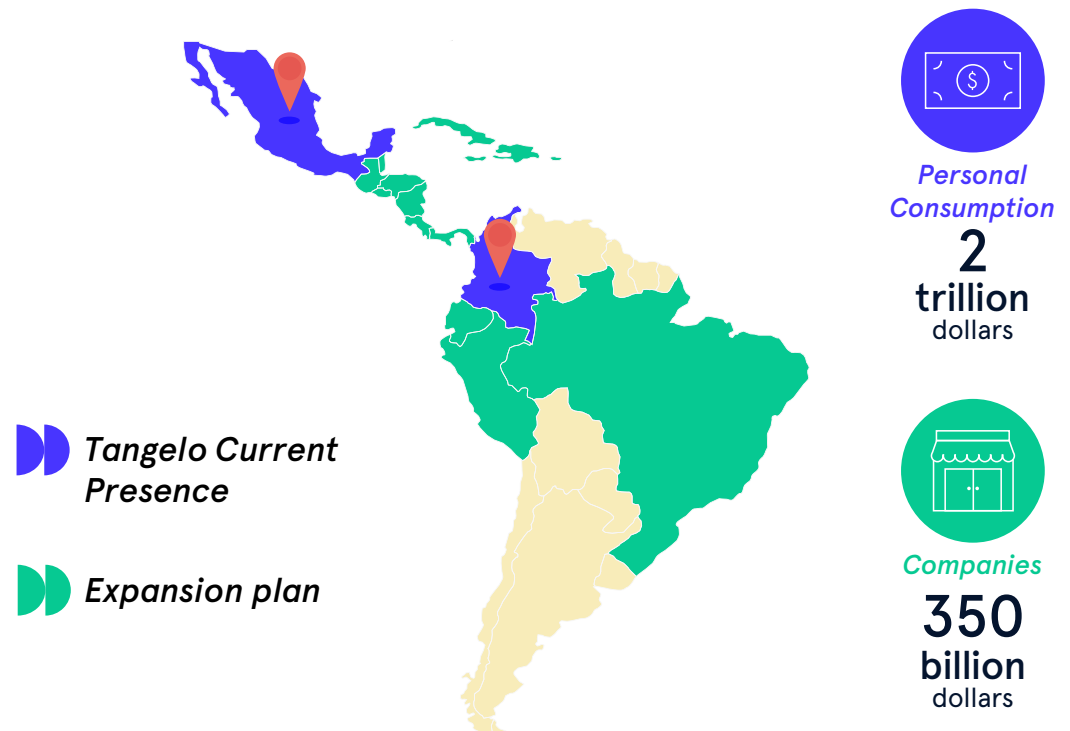
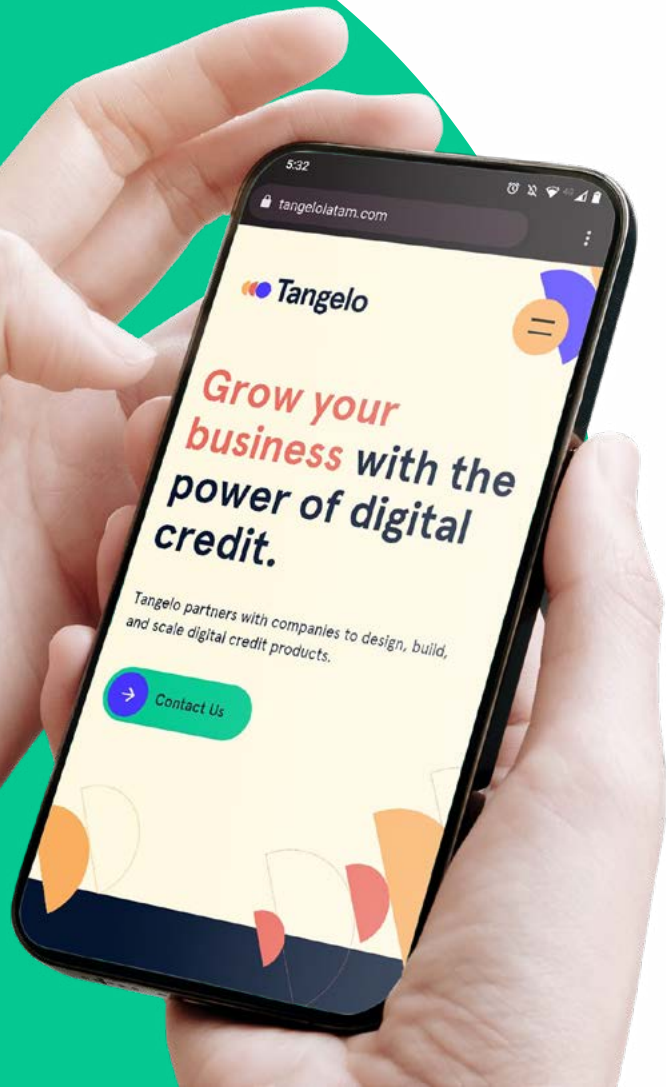
Tangelo is a technology company specializing in alternative credit solutions for Latin America, created from the business combination of leading companies specialized in providing credit products for consumers and small businesses.

By the end of 2021, we carried out more than 798,490 transactions in Mexico and Colombia:



Tangelo's combined strength positions us to capture, on the one hand, a significant share of the Latin American credit market, which, according to 2019 data, includes close to US\$2 trillion in personal consumption and US\$350 billion in SMEs; and on the other, the underserved individuals and SME segments in the region, a gap that, according to IDB data, is estimated at US\$1.2 trillion.

In addition, the most important financing for this segment is generated in the companies' supply chains, where:





3.3 Our *Products*



3.4 Our *Mission, Vision, and Values*



Mission:

Expand credit access to those who have been left behind.



Vision:

We create modern and innovative financial services.

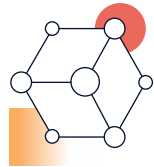


Smart decisions:

Smart decisions.

Data analysis is the most accurate way to make a good decision. We rely more on what data and historical performance tell us than opinions and subjective information.





Agile Mentality.

All our processes must be agile, efficient, and consistent. We celebrate those who automate repetitive tasks and break routines with innovative ideas.



Anti Status QUO.

Being complacent with the status quo puts our competitive advantage at risk. We recognize those who are constantly evolving and thinking of new and more efficient ways of doing things.



Team Attitude.

Company goals are placed above individual goals.

We believe in an environment of cooperation and transparency, in which all areas share mistakes, improvements, solutions, and achievements.



Client Always Comes First.

We want to establish long-term relationships with internal and external customers. We value the reputation that is built by providing fast and first-rate service to all customers.



Global Leaders.

To become a world-class company, we must understand our competition. We look at what other companies are doing locally, regionally, and globally to differentiate ourselves from them.

4.0 Tangelo *ESG*

At Tangelo, our 2022–2025 Sustainability Strategy is made up of five elements.



5.0 SDG *Alignment*

At Tangelo we are committed to the Sustainable Development Goals. These support our long-term strategy through the following objectives:



6.0 Tangelo *Quality of Life*

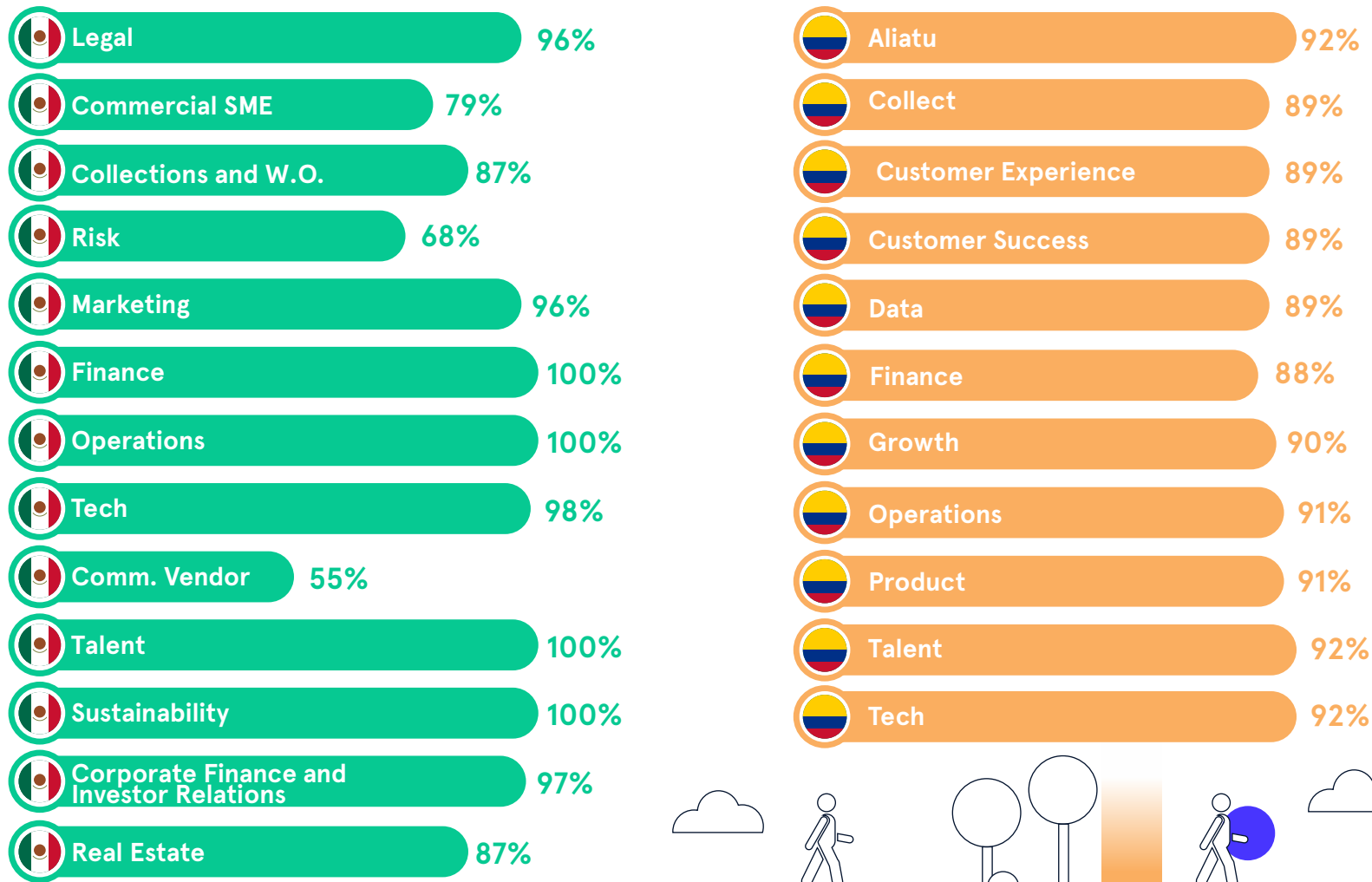
Our colleagues have the opportunity to grow and are supported by the organization's internal development plan. Our plan consists of a series of training and objectives to be met during the year with the intention of enhancing their skills and knowledge with the goal of obtaining a position with greater responsibility. With this development plan, we seek to enable more of our collaborators to reach their maximum potential in order to achieve our objectives.

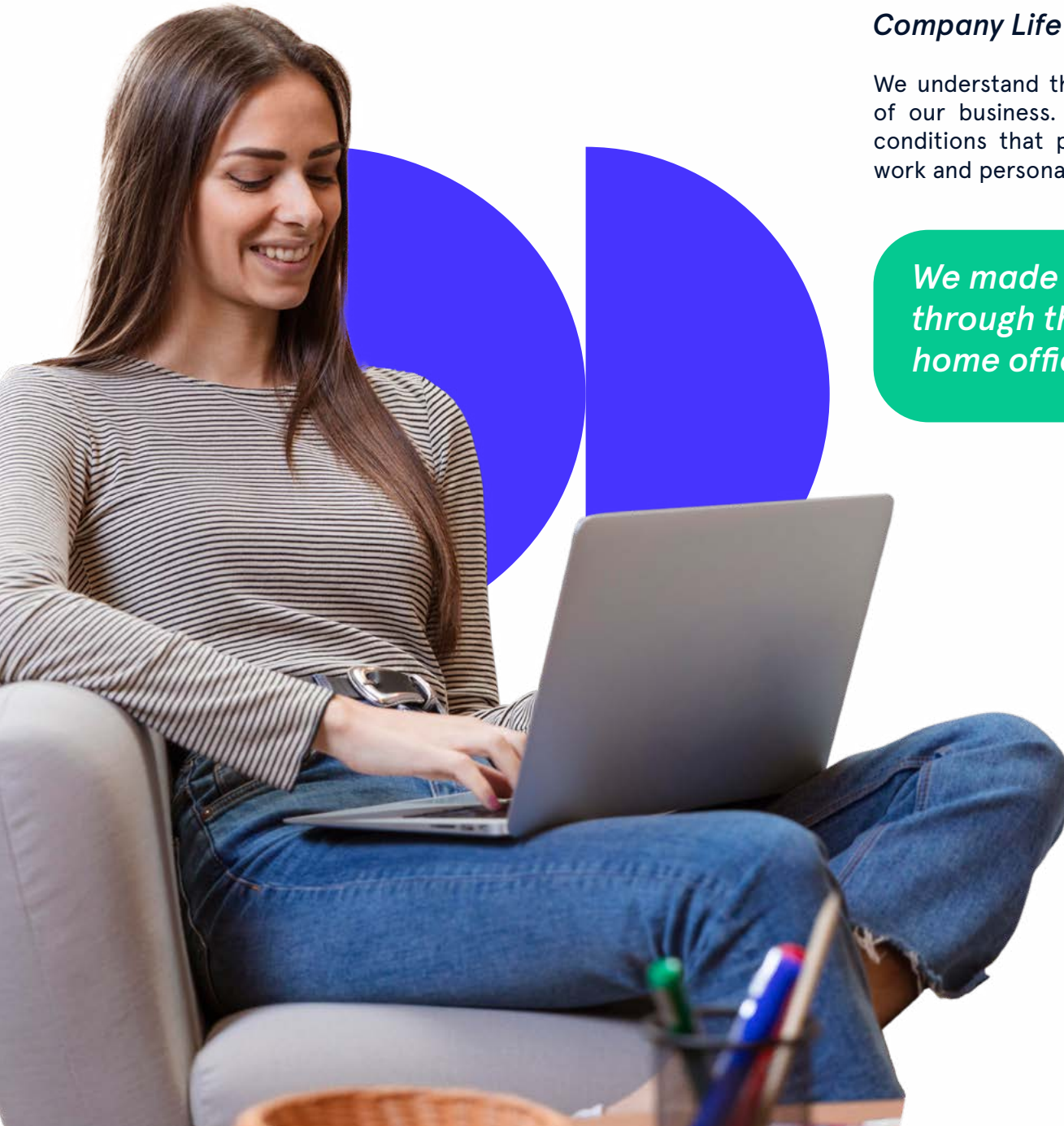


Performance Evaluation

Every year, we conduct a competency assessment of our employees to learn how the effectiveness of their work is perceived by their superiors, colleagues, collaborators, and customers.

Percentage of total employees by gender and by employee category that has received a periodic performance and career development review.

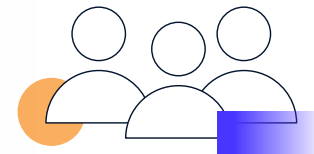




Company Life

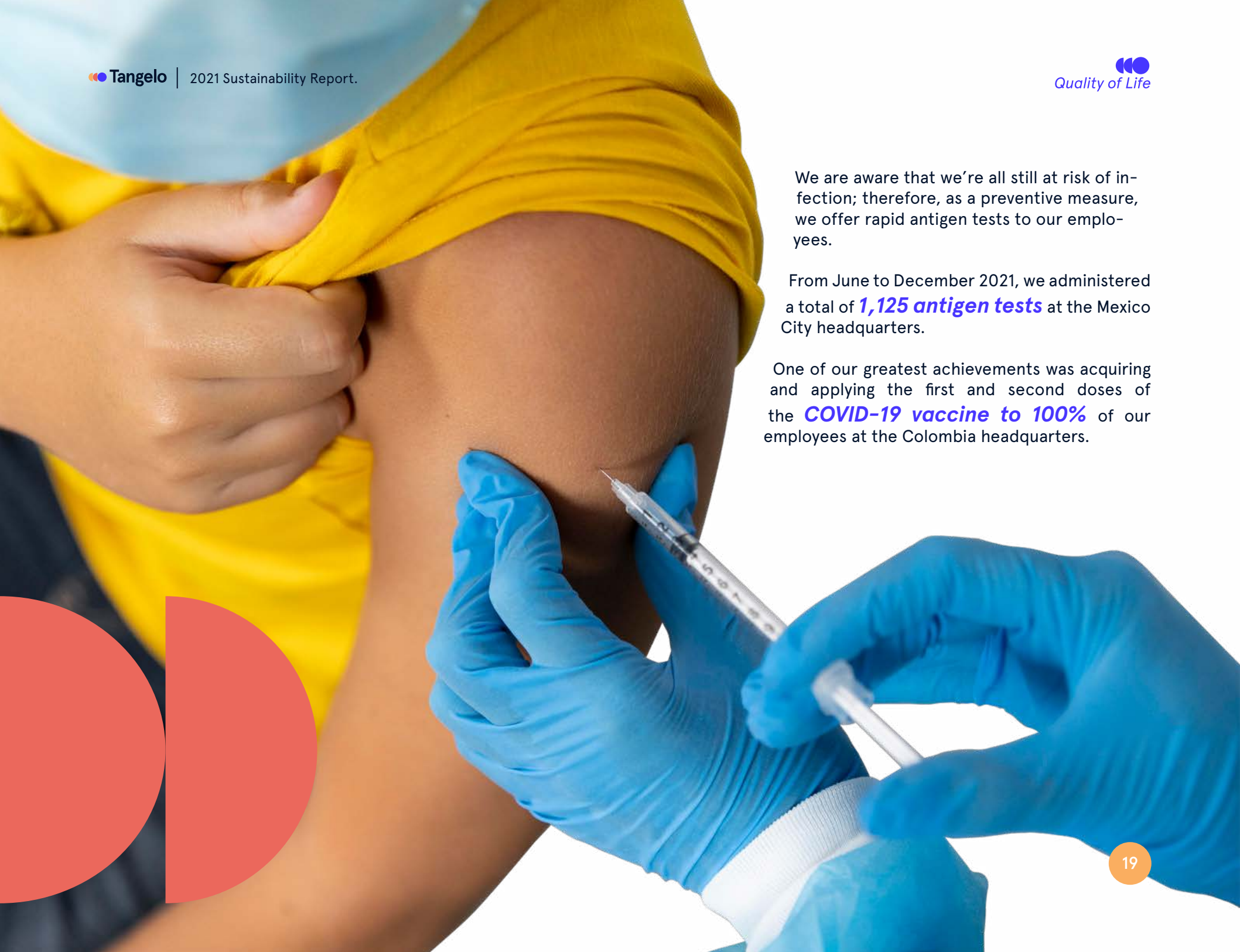
We understand the importance of our employees for the growth of our business. Therefore, we seek to offer excellent working conditions that promote healthy habits and contribute to their work and personal growth.

We made our processes more efficient through the Remote First initiative (a home office - hybrid model).



2021 in-person attendance in Mexico.

Jan	34%	Feb	34%	Mar	34%
Apr	34%	May	34%	Jun	34%
Jul	11%	Aug	10%	Sep	50%
Oct	75%	Nov	64%	Dec	19%



We are aware that we're all still at risk of infection; therefore, as a preventive measure, we offer rapid antigen tests to our employees.

From June to December 2021, we administered a total of **1,125 antigen tests** at the Mexico City headquarters.

One of our greatest achievements was acquiring and applying the first and second doses of the **COVID-19 vaccine to 100%** of our employees at the Colombia headquarters.

Hiring

In 2021, a labor reform was approved in Mexico regarding hiring processes. Based on our commitment to act always in accordance with current legislation, we have made some updates to our employee hiring process.

100% of our collaborators have been contracted directly, without recourse to outsourcing (both in Mexico and Colombia).

We informed all our employees at the Mexico headquarters about the updates to the hiring details and benefits.

- Vacation days
- 25% vacation bonus
- Life insurance
- 15 days equivalent of Christmas bonus
- Major medical insurance



Our collaborators' benefits in Mexico and Colombia

- Access to Psychologists and Nutritionists
- Support for studies
- Pre-paid grocery card
- Application download credit
- Leave of absence an days off



To protect women's privacy and well-being, we created a Mobile Lactation Room. This provides an appropriate place for lactation as well as optimally storing breastmilk.

Internal Labor Regulations

In 2021, we established our Internal Labor Regulations, which we shared with our internal community to make known the general behavior guidelines.

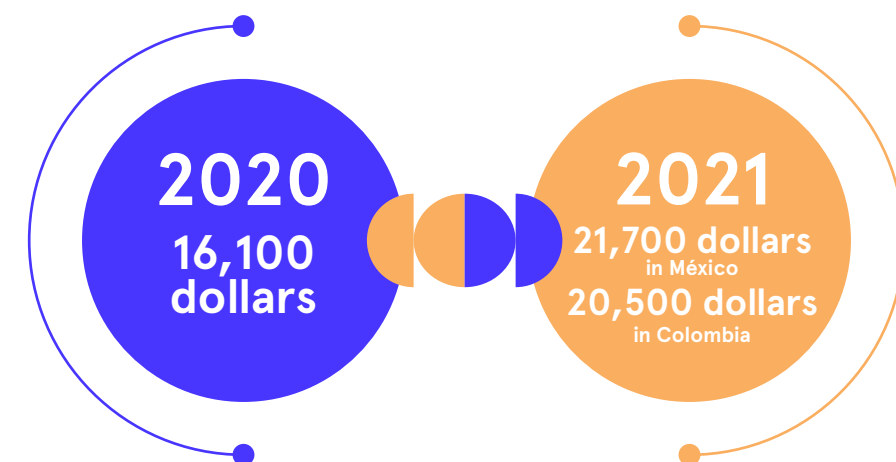
Personnel Administration

To facilitate leave and vacation requests, we implemented a platform where our collaborators can quickly submit their requests and see feedback.

Training

We firmly believe that training processes are crucial within an organization as it enhances the skills and knowledge for people in their respective jobs. Our Training Plan is based on a Training Needs Assessment (TNA).

Investment in Training



Training courses:

- Sales
- Quotes
- Project management
- Products
- Strategic planning

We've trained 100% of our employees through more than 4,013 hours of online courses.

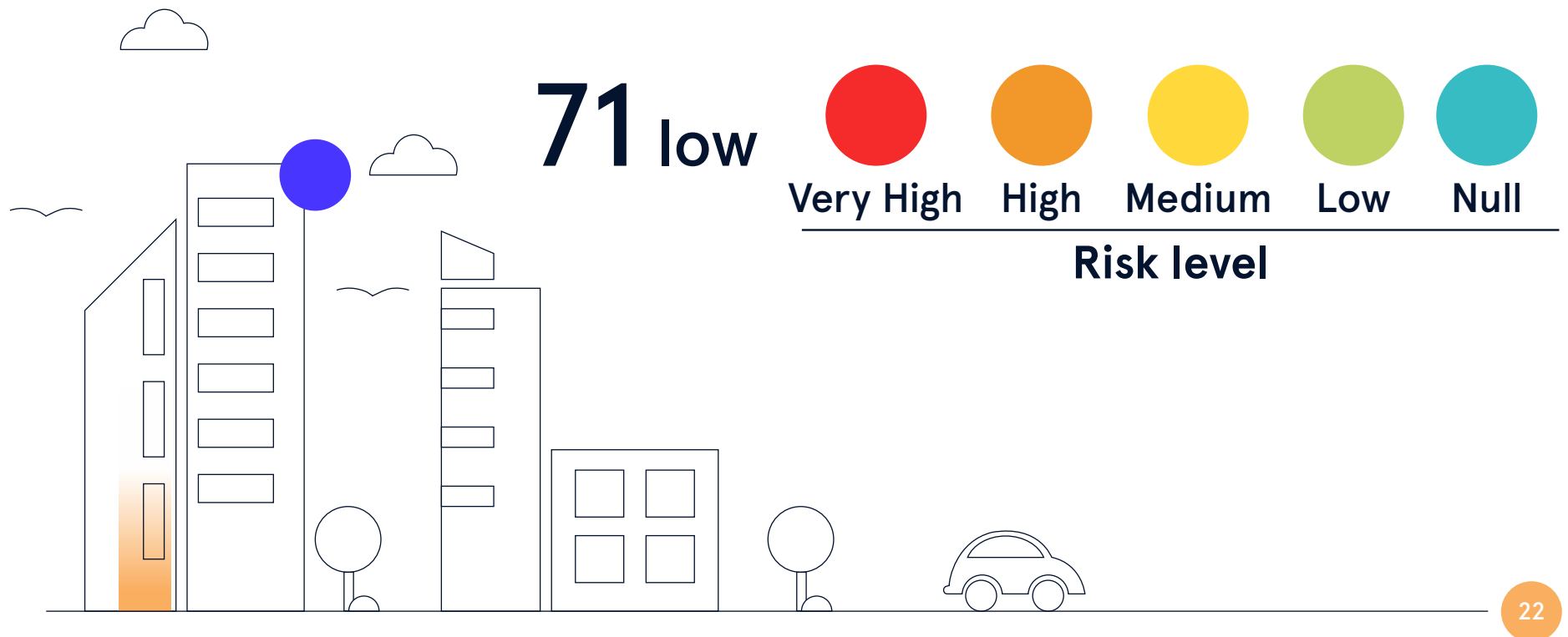


Psychosocial Well-Being

In our NOM 035 Manual we describe our annual evaluation process which we use as our standard. Our process:

- Administration of two questionnaires: the first is to identify employees who have experienced severe traumatic events and who require specialized care.
- The second is to evaluate a favorable work environment and the impact of psychosocial risk factors in the organization.

We are pleased with the results of our 2021 assessment at the Mexico headquarters, which reflect that our employees feel safe with their work activities.



7.0 Tangelo and the *Environment*

Given the current climate change context, we proposed to reduce our environmental impact as a financial company, and in 2021, we took it even further by encouraging our groups to participate in our environmental strategy to reduce CO2 emissions.

Carbon Footprint

Carbon Footprint refers to the impact humans have on the environment. It is determined based on our greenhouse gas emissions and is measured mainly in units of CO2. We are aware that our operation generates a carbon footprint due to our administrative activities. In 2021, in accordance with our internal community, we have set a goal to reduce our emissions.

With respect to the Colombia headquarters, we are proud to share that we have only one printer, which only printed 6,000 pages in 2021.

Below are the results from 2020 and 2021 at the Mexico headquarters.

Mexico Headquarters. 2020 | 2021

Pages Printed:

441,945

285,808



Water
and energy:

0.30
ton CO2

0.30
ton CO2



Vehicles:

258
ton CO2

56
ton CO2



Oxygen
consumption:

6,372
trees

1,988
trees



Actions taken

Working towards our goal, we took several steps to help us minimize our carbon footprint. Our strategy is based on 3 lines of action and we suggest our employees follow suit, such as:

• Vehicles and Electricity

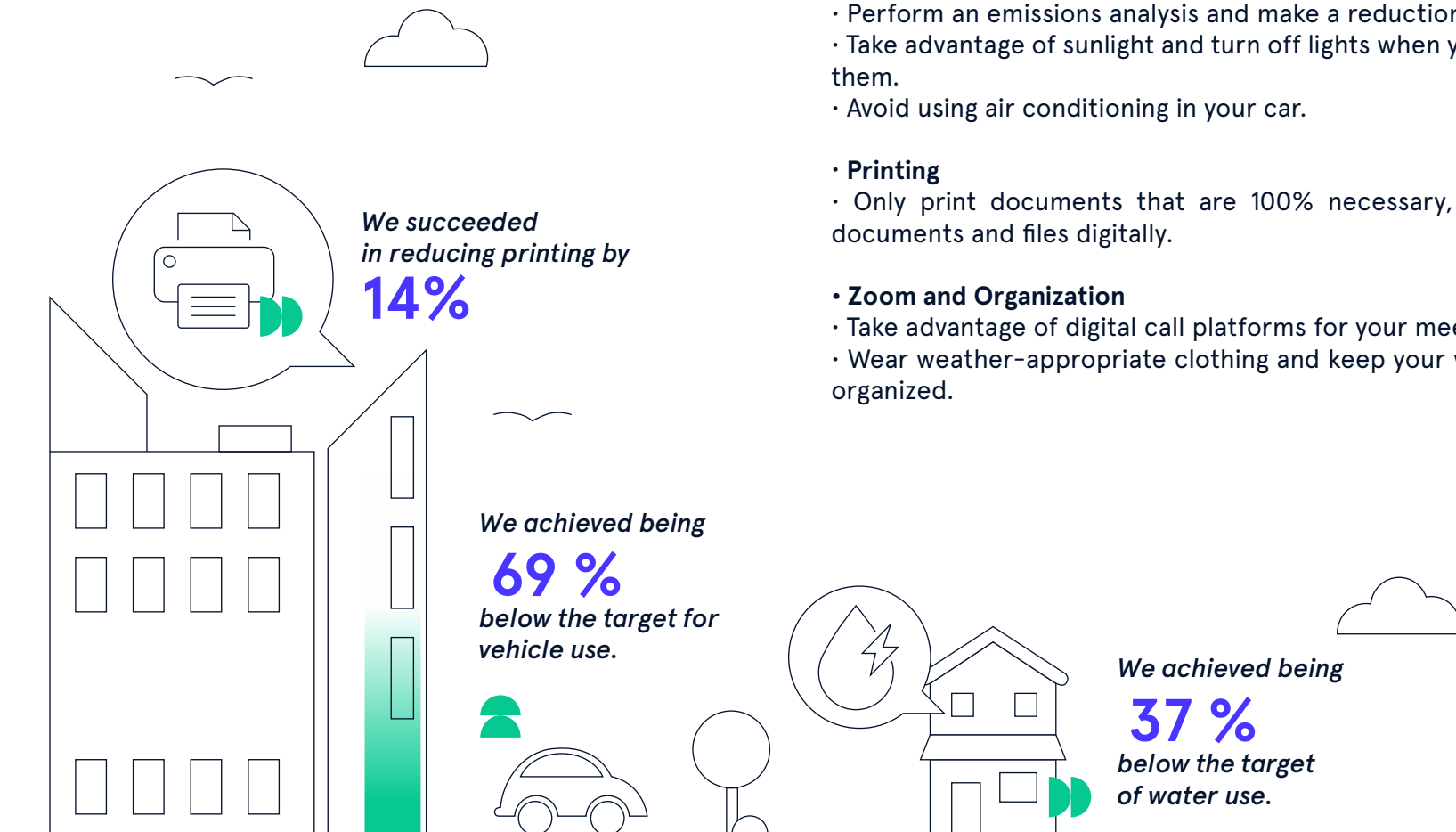
- Perform an emissions analysis and make a reduction.
- Take advantage of sunlight and turn off lights when you don't need them.
- Avoid using air conditioning in your car.

• Printing

- Only print documents that are 100% necessary, save all your documents and files digitally.

• Zoom and Organization

- Take advantage of digital call platforms for your meetings.
- Wear weather-appropriate clothing and keep your work area well organized.



Value Green Lease

We firmly believe in the potential of new technologies in creating a lower environmental impact; in the past few years, countless environmentally friendly technologies have been developed. This has allowed all types of companies to invest in these changes and significantly reduce the use of electricity, water, etc.

Value Green Lease provides financing for productive assets that help to protect the environment, which our clients can obtain at a lower cost.

Our goal is to make an impact with positive actions that reduce CO2 emissions.

Clean Energy

- Water treatment plants.
- Combined cycle plants.
- CO2 Neutral Energy.
 - Wind.
 - Solar Hydraulic.

Construction

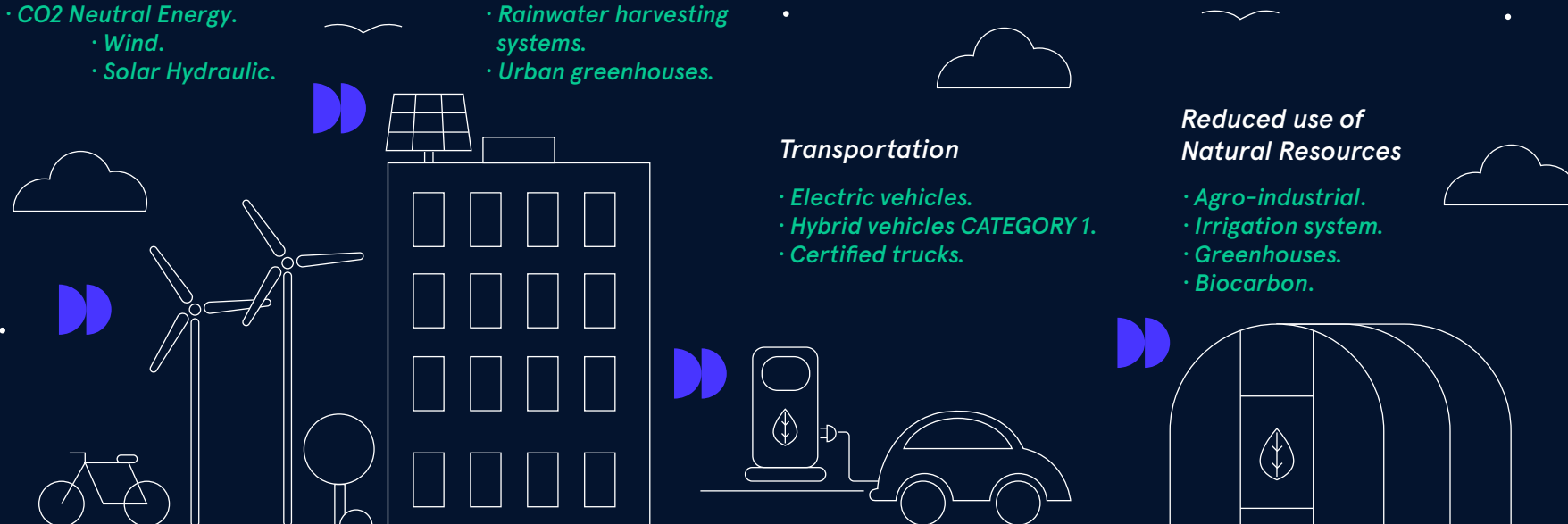
- Smart buildings.
- Green roofs.
- Rainwater harvesting systems.
- Urban greenhouses.

Transportation

- Electric vehicles.
- Hybrid vehicles CATEGORY 1.
- Certified trucks.

Reduced use of Natural Resources

- Agro-industrial.
- Irrigation system.
- Greenhouses.
- Biocarbon.



8.0 Tangelo **Social**

During the year, we focused our efforts on developing social programs with the support of several associations that pursue objectives similar to ours.

UNICEF

In Mexico, education is determined by socioeconomic conditions as well as the environment in which children and adolescents grow up. We consider it essential to support them, especially those in more vulnerable groups. We support them in obtaining a quality education that will lead to higher learning results and the development of skills useful for the rest of their lives. In support of this issue, we collaborated with UNICEF Mexico and made a financial contribution of \$12,186 dollars.

This contribution goes towards financing programs that improve education in the most vulnerable Mexican states.

In 2021, 16% of UNICEF's total resources were allocated to the education of children and teenagers in Mexico.

ITAM – EPIC LAB

ITAM



We collaborated with the EPIC Lab at the Instituto Tecnológico Autónomo de México "ITAM", with the objective of fostering entrepreneurship in university students. We contributed to weekly talks on entrepreneurship and innovation in Mexico.

The objective was to support via our sponsorship, the Wake Up Speaker Series "Transforming the World".

Job Opportunities

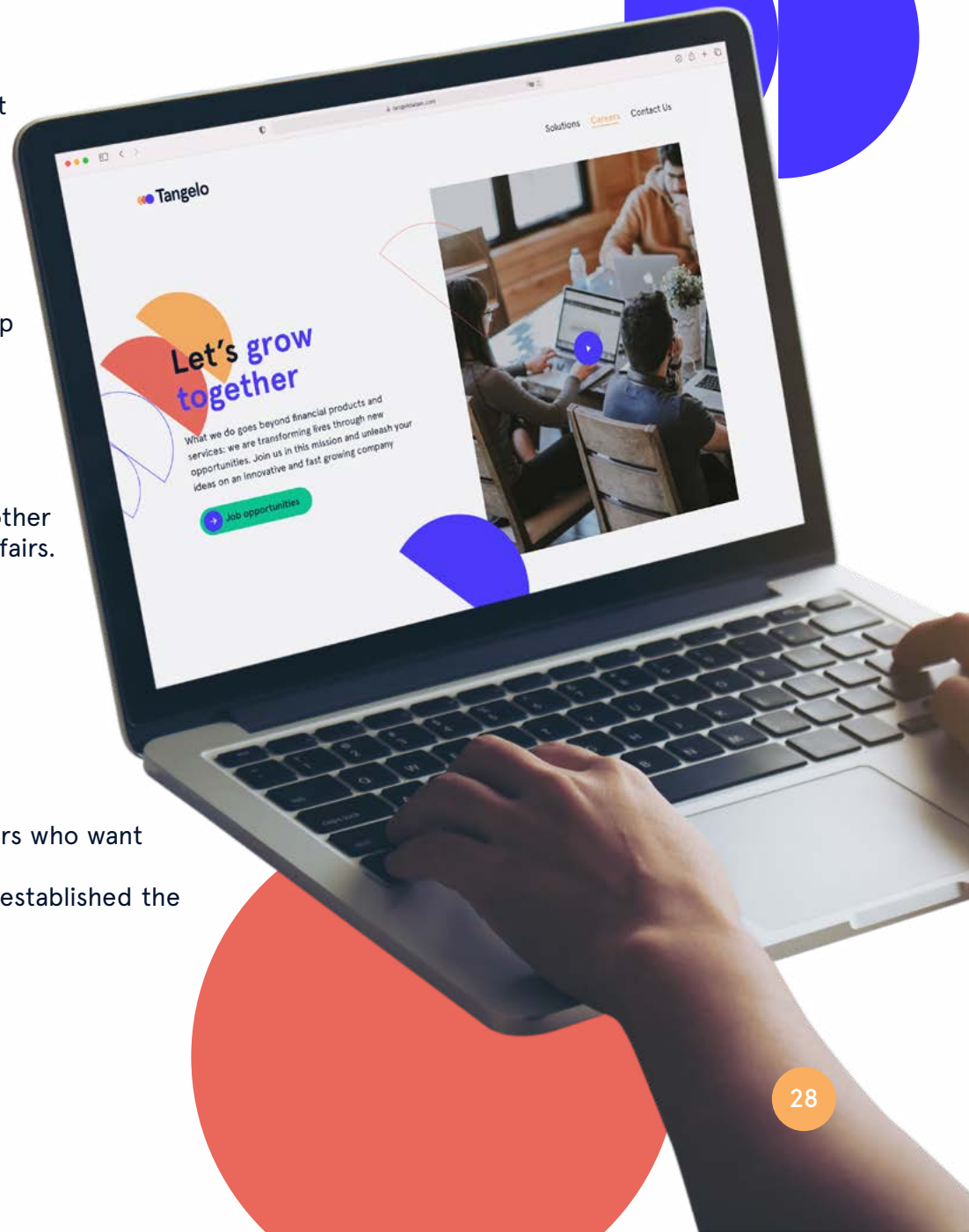
Similar to our work with ITAM, we seek to create alliances with other universities to help with job vacancies and be present at their job fairs.

- TEC de Monterrey
- Universidad Panamericana
- La Salle
- ITAM

Fellows Program

We established a program aimed at students in the final semesters who want to gain experience in areas related to their career path. To prevent child labor and to protect students' rights, we have established the following program guidelines:

- Must be 18 years or older
- Must be in the final semesters of their programs
- Is not to exceed 20 hours per week



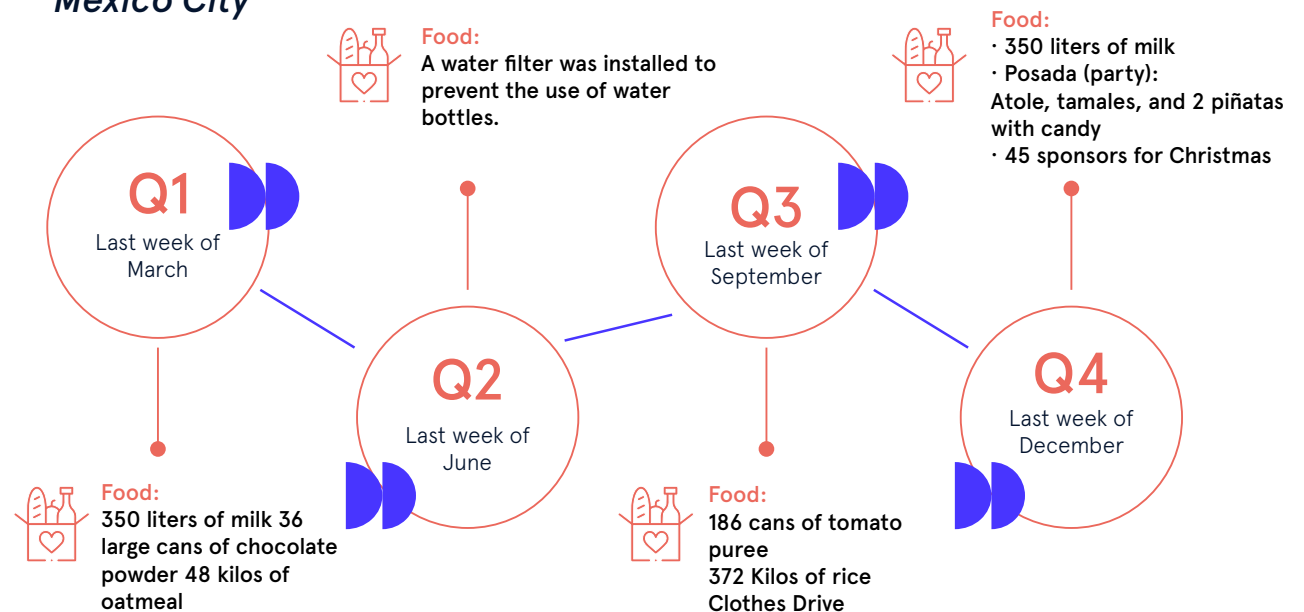


Guadalupeano Calacoaya Boarding School

The boarding school is an institution that supports underprivileged girls by providing living conditions that allow them to develop and study. On average there are 45 girls, ranging from 2 to 17 years old.

Donations made to the boarding school:

2021 Events Mexico City





**BANCO
DE
TAPITAS A.C.**

Banco de Tapitas

This is a foundation that helps fight cancer in children through the recycling of plastic bottle caps. We carried out a joint internal campaign to collect plastic bottle caps. We placed two containers in our Mexico office and invited our employees and their families to participate by bringing the bottle caps they collected from their homes.

**YO SOY PEPE TAPITAS
Y VOY A SEGUIR
LUCHANDO PARA PREVENIR
EL CÁNCER INFANTIL**

#DíaMundialcontraelCáncer
#YoSoyYoYA

Únase a nosotros el 4
de febrero
worldcancerday.org



*In 2021, we collected 190
kg of bottle caps*

9.0 Tangelo Governance

9.1 Code of Ethics

This document is mandatory and crucial to the organization's operations; it is the guide that establishes the behavior expected from the workforce and stakeholders.

For collaborators:

Guidelines for conduct for our internal regulations, applicable legislation, and interpersonal relationships.

For suppliers:

Guidelines for conduct related to anti-corruption and anti-bribery principles; ethics in our processes and ensuring both parties' wellbeing.

For customers:

Conduct guidelines regarding respecting diversity and business ethics in terms of fair competition and ethics.



9.2 Anti-Corruption and Anti-Bribery Policy

Our Policy represents one of our organization's main values. We guarantee that our operations are conducted in a transparent manner and free of any acts that could be conducive to corruption.

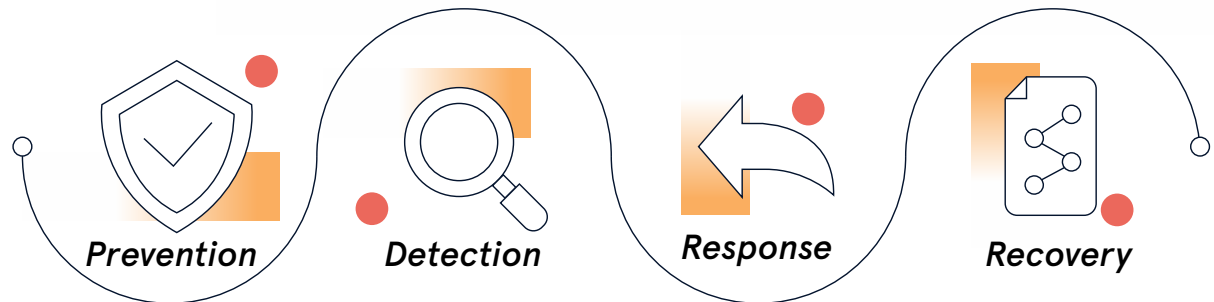
In 2021, we aimed to establish a culture of corruption prevention in all of our processes, which is why we updated our policy. As a result, we updated our sanctions for non-compliance, as well as elected new members of the Social Responsibility Committee.

100% of our employees were trained in ethical and anti-corruption policies.



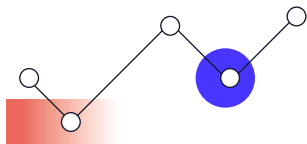
9.3 Information Security Policy

We use several different IT systems for the administration and achievement of our business objectives. For this reason, we strive to ensure that our systems comply with the principles of information security: confidentiality, availability, and integrity.



Risk, Control, and Compliance

Tangelo has implemented a Risk and Control management program in accordance with best international practices to ensure our operation's efficiency and continuity.



Operational Risk

We have developed an efficient risk management framework to ensure a holistic strategic risk mitigation strategy across each business unit and the organization.

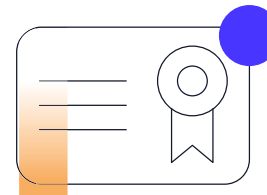
The implementation of the risk management framework includes a training plan to create a risk mitigation mentality within the company.



Internal Control

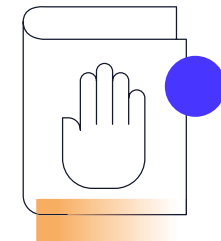
We evaluate critical and non-critical operational vulnerabilities to ensure their mitigation.

We use controls to prevent and mitigate what has been implemented internally, based on the best international practices in terms of corporate governance.



Compliance

We design checks and balances to ensure alignment, compliance, and reporting of mandatory requirements to regulatory authorities, partners, technical committees, and the executive board in terms of AML/CFT1, licensing, certifications, information security, etc.



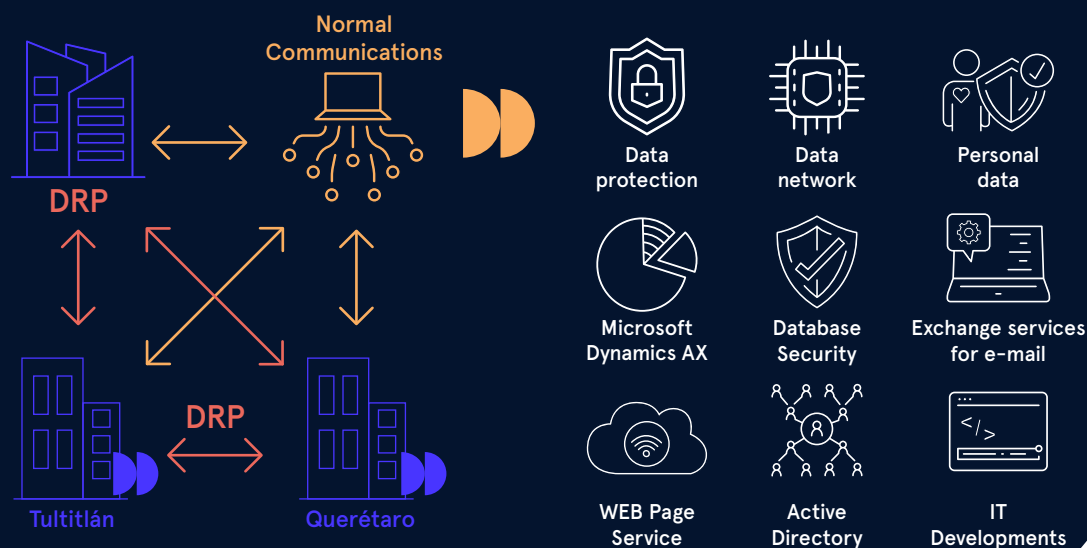
Ethics and Anticorruption

We have implemented a code of ethics and anti-corruption policy aligned with the 10th Principle of the Global Compact and international best practices for employees, customers, and other parties to comply with this code and policy, ensuring compliance with our corporate values.

Disaster Recovery Plan "DRP"

Tangelo uses this system to prepare itself for different types of possible disasters that may affect its technological infrastructure and put its information and activities at risk.

1. Introduction and planning: Determine and understand the processes essential for business continuity and estimate the potential impact.
2. Execution: Operational links and infrastructure were migrated.
3. Querétaro DRP execution: Virtualization elements were created for the operation of the services, and replication services were also activated.
4. Closure: Follow-up by creating documents for the implementation and execution of the DRP.



9.4 ARCO Rights

In accordance with the Federal Law for Individual Possession of Personal Data (Ley Federal de Datos Personales en Posesión de Particulares), we have established our ARCO (Access, Rectification, Cancellation and Opposition) Rights to prevent the leaking of confidential and sensitive information of our employees, suppliers, customers, and stakeholders in general. We are firm in our stance to safeguard our information, that is why we have strong policies regarding information security.

There were zero incidents that threatened our infrastructure in 2021.

9.5 SARAS

“Environmental and Social Risk Management System.”

For two years we have operated under our Environmental and Social Risk Management System (“SARAS” for its acronym in Spanish.), with the intention of guiding the company’s performance and behavior in socio-environmental matters for the granting of credits, support activities, and the administrative processes that we manage.

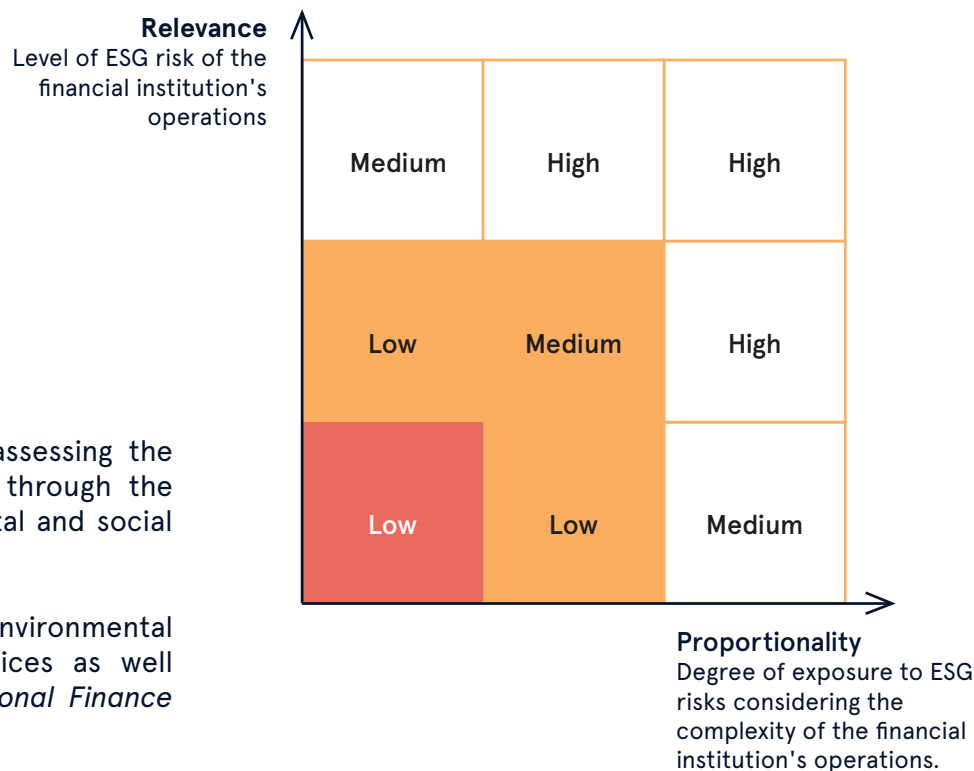
Thanks to our SARAS, from January to December 2021, we achieved very important results:

There were only 6 rejections by our exclusion list.

We evaluated a total of 367 operations from our customer portfolio

At Tangelo we decided to act and innovate by assessing the sustainability impact of the projects we finance through the implementation of “SARAS” to reduce environmental and social risks.

The methodology complies with social and regional environmental laws and promotes the best international practices as well as the Equator Principles and the IFC’s (*International Finance Corporation’s*) Performance Standards.



This means that most of the projects we financed do not involve considerable social or environmental impact risk. To further see how we operate in relation to SARAS, a few specific results can be seen below:

Territorial Sensitivity

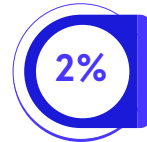
367 operations



Indigenous Communities



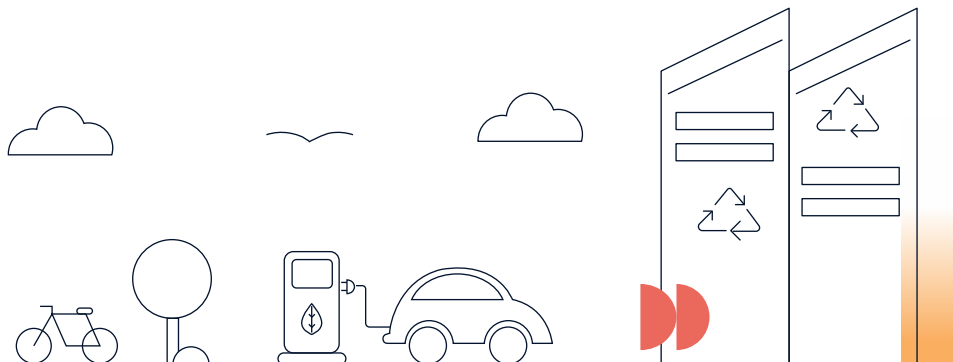
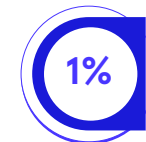
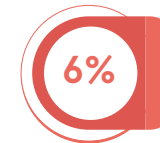
Indigenous communities	Operations
High	7
Medium	37
Low	323



Forests



Forests	Operations
High	3
Medium	22
Low	342

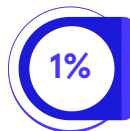


As you can see, more than **98% of the portfolio is identified by Medium-Low risk**, which demonstrates our commitment to analyzing socio-environmental matters and ensuring that the projects we finance do not cause negative impacts.

Gender equality is not just a trend, it refers to granting the same or better financing conditions to women entrepreneurs with SMEs in Latin America.

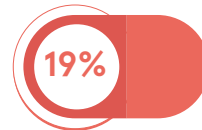
Shareholders

Men	282
Women	115
Legal Entity	21



Guarantors

Without guarantor	89
Men	197
Women	85
Legal Entity	93



9.6 Our Stakeholders

We want to develop the best relationships possible with all our stakeholders.

Customers

We want our customers to have an optimal experience based on their needs. Therefore, we have a customer service and Contact Center intent on meeting all of our customers' needs. As part of improving our "User Experience" system, we switched to a digital model during the year.

Executives from the Contact Center provide attention through several channels including telephone:
55 5004 68 16
55 9178 63 74
800 200 1043



Thanks to the continuous operational improvements we promoted, we achieved valuable results for our organization that allow us to measure our levels of customer satisfaction.

Investors

We have been active in the Mexican bond market for over 15 years, and on international markets since 2017. We are guided by best international practices. We create quarterly reports with the most important operating results and communicate them over calls with our debt holders. All our reports are available on our website:

www.mexarrend.mx
www.tangelolatam.com/es

Accountability

In 2021, we achieved the renewal of our Short-Term and Long-Term Stock Certificates program on the BIVA (The Institutional Stock Exchange) and announced these achievements via press releases to our investors.



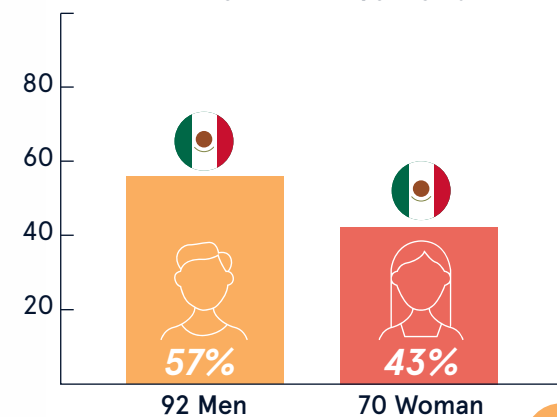
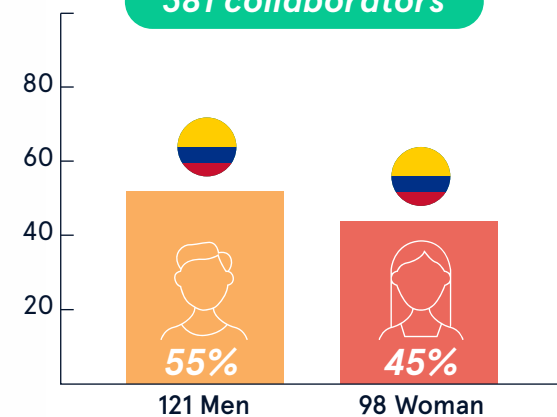
Collaborators

At Tangelo, 2021 was a year filled with innovation. Although the pandemic forced us to change the way we operate, it did not have a significant impact on us because we decided to focus on our team and use the correct technology to move us forward.

During the year we modified many of our processes without stopping our operations, and as a result, we developed strategies that allowed us to grow as a company.

Total number of collaborators

381 collaborators



9.7 Whistleblower Channels

We prioritize our stakeholders having easy access to report any situation that represents a risk, therefore, we set up several different reporting channels. During training, stakeholders will find that the Code of Ethics invites them to use these channels, which are completely anonymous and have helped us to prevent and establish guidelines to protect everyone who works with us.



Website:
<https://tangelo.ethicsglobal.com/>



E-mail:
tangelo@ethicsglobal.com



Hotline:
México:800-04-38422
Colombia:01-800-518-9191



Members of the Social Responsibility Committee.

A communication campaign was carried out, reaching 100% of our customers.

In 2022, we will communicate information about our reporting channels with the Colombian market. The objective will be for them to report situations that are inappropriate or that jeopardize their commercial relationship with our company.

In 2021, only 1 complaint was filed in the system, which was documented and resolved.

9.8 Tangelo's Committees

Audit Committee



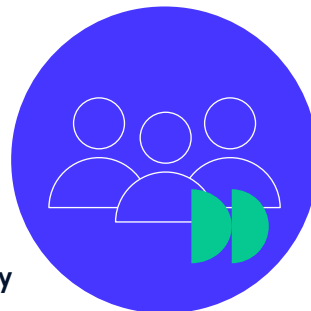
Objective:

Advise and provide specialized assistance for all matters related to audits, internal control systems, and the consolidation of the company's financial information.

Key facts:

- There are at least 4 meetings per year
- Led by an independent member (3 independents out of a total of 5 members).
- It is an objective evaluation of technical competence in processes.

Committee on Social Responsibility



Objective:

Resolve and analyze actions needed to be taken in terms of Ethics, Corporate Social Responsibility, and safeguarding the integrity of our stakeholders and the company.

Key facts:

- 4 sessions / meetings
- Risk assessment for our collaborators.

Members:

- Co-CEO
- CFO
- ESG Lead
- Risk Chief
- Legal Chief

Women's Committee



Objective:

We seek to reduce the gender gap within our operations. As a result, in 2021, we focused our efforts on taking action together with our female colleagues to prevent harassment in the workplace and promote equality in management positions.

Key facts:

- 4 sessions / meetings
- The members are from the sales, human capital, legal, marketing, customer service and sustainability areas.

Compensation Committee



Objective:

This Committee is comprised of three non-executive members and is led by the independent director. Its purpose is to oversee the compensation packages of the two main levels of the Company.

Executive Committee



Objective:

This committee is comprised of five members and meets monthly. One of the objectives of this committee is to oversee day-to-day operations and Company's performance.

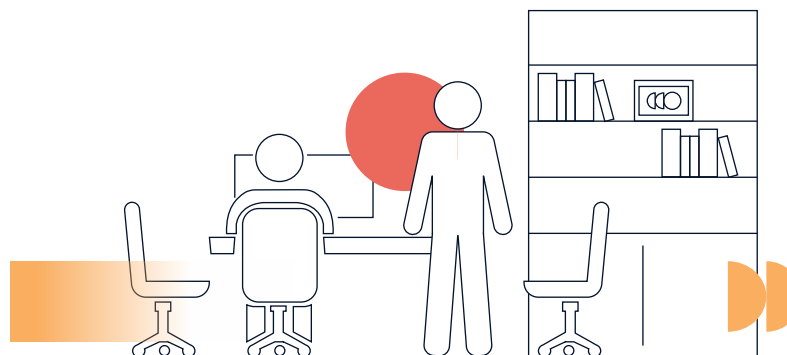
Board of Administration



Objective:

The Board is the body with the highest level of authority, whose mission is to create the Company's strategies and define its direction, to achieve the best results.

Today it is composed of 9 members, 4 of whom are independent.



9.9 Gender Equality and Workplace Harassment

Our gender equity training consists of reducing the inequality gap in our operations and promoting alternative solutions that contribute to achieving equality between men and women.

Our actions and events:

- Gender equality campaign
- Values integrated into our philosophy
- Training
- Including women in decision making
- We promote and celebrate women with opportunities to grow and prosper.
- Diversity is at the core of our values
- 47% of our employees are women

5+ Events organized to empower women

- Panel: "Women and their path to becoming CEOs of financial institutions."
- Women's Engineering Hackathon
- Women's Day Event
- "A day without them"
- 19% of our senior management (N-1) is composed of women.
- Women represent 12% of leadership positions at financial institutions in LATAM (2020)

Our 1st Women's Panel

"Women's panel and their path to becoming CEOs of financial institutions".



Panelists:

- Adriana Alcalá Ruiz
Human Capital Director in Collections and Credit at Grupo Salinas
- Mariuz Calvet Roqueto
Sustainability and Responsible Investment Director at Grupo Financiero Banorte.
- Maria Cavallazzi
Managing Director of Mexico (S&P Global Ratings) and Colombia and Panama (BRC Ratings S&P Global)
- Erika Núñez Rico
Sustainability Lead at Tangelo

Moderador:

- Abelardo Loscos
CFO at Tangelo





47% of our collaborators are women

45% of our personal loans are granted to women.

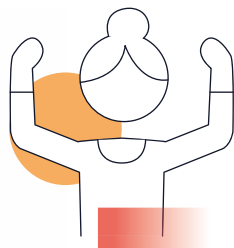
19% of our senior management is made up of women (N-1)

We are aware that sexual violence is a serious problem in the world, especially for women. To contribute to the prevention of sexual harassment and violence, we have scheduled trainings for all our employees on how to identify attitudes that degrade personal integrity and can be interpreted as harassment.

The Girl Code

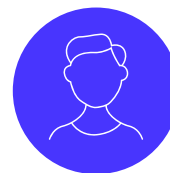
Through this initiative we seek to revolutionize the financial world, through women, from our headquarters in Colombia.

Regarding our employees, we conducted performance evaluations. The following is a distribution of categories by gender that were evaluated in 2021:



Currently, Tangelo's portfolio in Mexico is 4% women, while in Colombia it is 45%.

Our plan is to have double digit percentages in the Mexico headquarters by 2022



% of men evaluated

47%

Strategic Management 6%

Strategic 15%

Tactical 8%

Operational 19%



% of women evaluated

43%

Strategic Management 2%

Strategic 11%

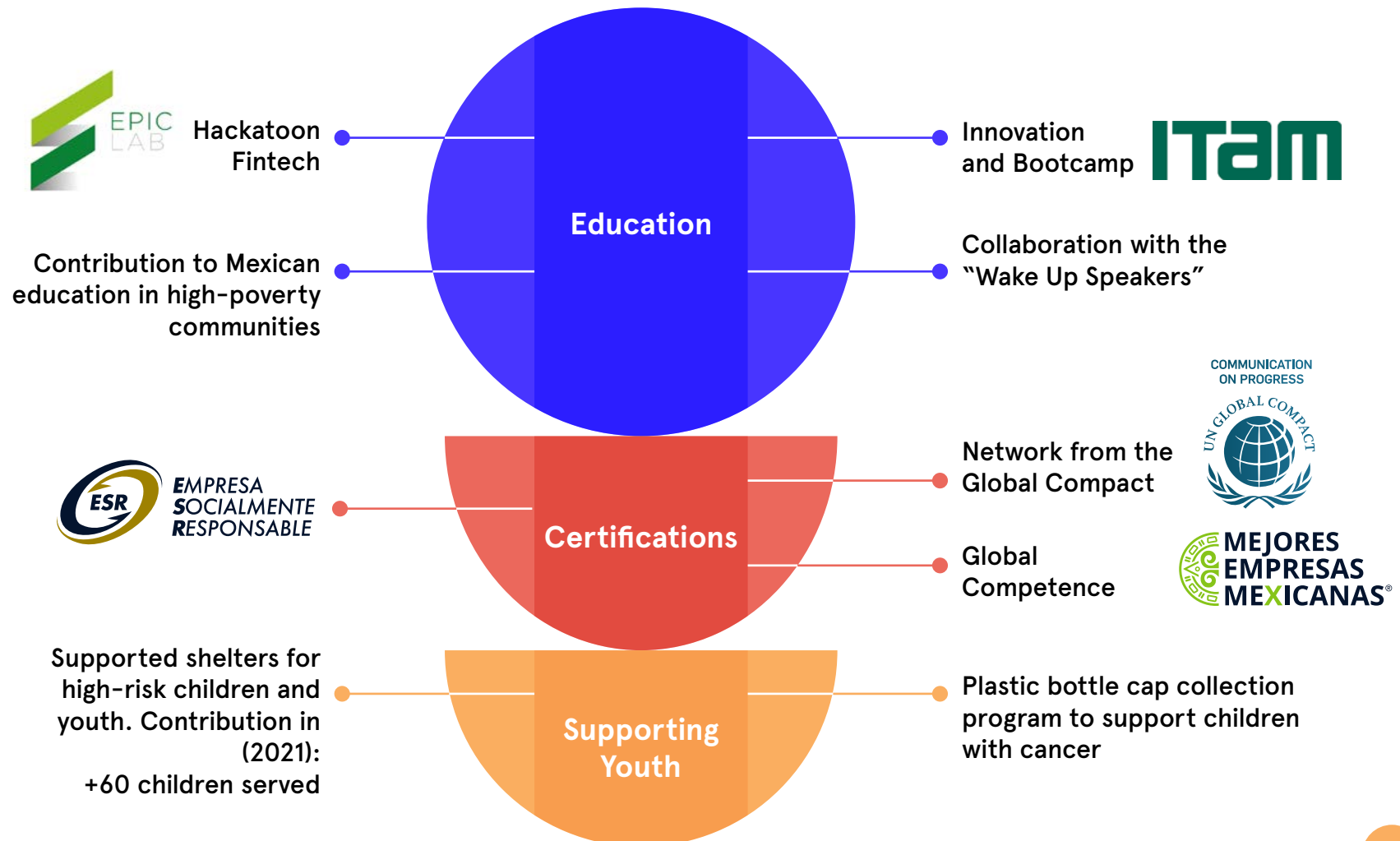
Tactical 9%

Operational 21%

NOTE: The evaluation was only carried out on 90% of the employees in Mexico.

We are committed to contributing to the development of society, which is why we help women prosper with their businesses, by providing personalized financing based on their needs.

10.0 Acknowledgments, *Certifications and Distinctions*



11.0 Indicators

The indicators from the 2018–2021 period shown below only contain results from the Mexico headquarters, the consolidation of information from Colombia and Mexico will be carried out in the following months. Therefore, as soon as we have COFECE's approval, the consolidated information will be disclosed in our next sustainability report.

Environmental indicators	2018	2019	2020	2021
Quantity of water used (liters)*	N/A	99,213	33,071	20,148
Cost of water used (Dollars \$)	N/A	\$170	\$47	\$3,140
Amount of energy used (Dollars)	N/A	161,076	136,287	133,810
Cost of energy used (Dollars \$)	N/A	\$88	\$977	\$934
Quantity of waste produced (KG)	N/A	N/A	1,320	N/A
Amount of waste recycled (KG)**	N/A	N/A	1,080	N/A
Percentage of total recycled waste (%)	N/A	N/A	82%	N/A
Has the environmental management responsibility been formally assigned? Indicate the name and position of the person in charge of the Company's Environmental Management.	N/A	N/A	"Yes Erika Nuñez Rico Sustainability and Special Projects".	"Yes Erika Nuñez Rico Sustainability Management".
Is there a documented and communicated environmental policy? ***	N/A	N/A	Yes	Yes
Does the company have an environmental certification? If yes, please indicate the name of the certification and the date it was granted****	N/A	N/A	No	No

Comments

*Includes rainwater collection.

**Plus the 190 kilograms of plastic bottle caps

***We have a Socio-environmental Policy, as part of the SARAS.

****Tangelo has the SCR (Socially Responsible Company) Distinction.

11.0 Indicators

HR Indicators	2018	2019	2020	2021
Total number of employees (NUM)*	134	170	157	156
Number of women employees (NUM)	56	77	73	73
Number of young employees (< 25 years old) (NUM)	22	162	4	6
Persons with disabilities in the labor force (NUM)	0	0	0	0
Women in management positions (NUM)	2	3	13	16
Men in management positions (NUM)	14	12	13	28
New jobs created (NUM)	0	3	3	6
Jobs acquired through acquisition / lost through sale (NUM)	0	0	0	0
Total number of employees trained (NUM)	125	170	157	156
Amount invested in training (Dollars \$)	\$ 26,921	\$ 166,023	\$16,054	\$ 16,650
Staff turnover rate (voluntary)	N/A	N/A	33%	18%
Staff turnover rate (involuntary)	N/A	N/A	3%	22%
Has the labor management responsibility been formally Assigned? Indicate the name and position of the person in charge of Labor Management at the Company.	N/A	N/A	Yes	Yes
Is there a documented and communicated HR policy**?	N/A	N/A	No	No

Comments

*Compared to 2019, the number of managerial positions has increased, providing opportunities and changing the commercial structure, this allowed creating Jr. Commercial Managers, hence the increase in management positions.

**The policy was created at the end of 2020, however, it has not been communicated with collaborators

11.0 Indicators

OSH Indicators	2018	2019	2020	2021
Employees whose health insurance is privately covered by the company (NUM)	134	170	157	156
Employees whose health insurance is covered by the state (NUM)	134	170	157	156
Number of OSHA incidents (NUM)	N/A	N/A	0	0
Number of days lost due to work-related incidents (NUM)	N/A	N/A	0	0
Hours worked at the company (NUM)*	N/A	N/A	8	8
Employees who had COVID-19	N/A	N/A	10	47
Employees who were infected with COVID-19 in a workforce related outbreak	N/A	N/A	3	8
Fatalities associated with COVID-19	N/A	N/A	0	0
Has the OSH Management responsibility been formally assigned? Indicate the name and position of the person in charge of OSH Management in the Company.	N/A	N/A	Yes	Yes
A documented and communicated OSH policy is in place	N/A	N/A	No	No
Does the company have an OSH certification?	N/A	N/A	No	No

Comments

*8 hours per day, 2,080 hours per day

Stakeholder Engagement Indicators	2018	2019	2020	2021
Amount allocated to community initiatives (Dollars \$) *	N/A	0	\$12,800	\$28,373
Has the community relations reasonability been formally designated? Indicate the name and position of the person in charge of community relations at the company.	N/A	N/A	Yes	Yes
Is there a documented and communicated policy?**	N/A	N/A	No	No

Corporate Governance Indicators	2018	2019	2020	2021
Total number of directors on the Board***	8	7	7	6
# of female directors on the Board	0	0	0	0
# of independent directors	2	2	2	2
# of directors of SouthLight Capital	3	2	2	2
#of board meeting held in the period****	4	4	4	4
# of complaints received through the complaints channel	0	0	0	1
% of complaints investigated and closed	0	0	0	100%
"List of current Board of Directors Committee and number of sessions during the reporting period:				
Board of Directors	N/A	8	4	4
Executive Board			8	8
Compensation Committee			0	2
Risk, compliance, and audit committee			8	8
Ethics and Social Responsibility Committee*****			2	2
Board of Directors	N/A	N/A	1	1
Committee members			7	7
# of Committee meetings held during the period".			4	4
Executive Committee	N/A	N/A	2	2
Committee members			4	4
# of Committee meetings held during the period".			8	8
Compensation Committee	N/A	N/A	3	3
Committee members			3	3
# of Committee meetings held during the period".			0	2

Comments

*Consideration was given to: UNICEF, CEMEFI, CoP, Bebbia, Regrigerador, ITAM, Nutrióloga, Nomitek (ESR and CoP).

**Erika Núñez / Sustainability Division

***2 Colony members, 2 Alta members, 1 founding member, 2 independents. Alberto Mulás, Ignacio Gómez de Urquiza (resigned in 2021)

Miguel Olea, Eduardo Cortina

**** A quarterly session is held, one month after the close of the quarter.

*****Board of Directors

Miguel Olea Sisniega, Eduardo Cortina Murrieta, Erick Carlberg y Gonzalez de la Vega, Adam Peter Jan Wiaktor Rynkiewicz, Alberto Felipe Mulás Alonso, Ignacio

Gomez - Urquiza Arnaiz (resigned in 2021), Javier García-Teruel Ávila

January, April, July, October." Executive Committee

Eduardo Cortina Murrieta, Erick Carlberg y Gonzalez de la Vega, Adam Peter Jan Wiaktor Rynkiewicz, Alberto Felipe Mulás Alonso February, March, May, June,

August, September, November, and December "

Compensation Committee

Adam Peter Jan Wiaktor Rynkiewicz, Erick Carlberg y Gonzalez de la Vega, Alberto Felipe Mulás Alonso".

11.0 Indicators

Indicadores de Gobierno Corporativo	2018	2019	2020	2021
Revenue (Dollars \$)	\$73,591,038	\$102,811,630	\$75,544,857	\$103,659,064
Revenue EBITDA (Dollars \$)	\$12,228,368	\$2,882,998	\$538,678	\$10,600,491
Operating cash flow (Dollars \$)	\$61,471,972	\$110,333,777	\$41,911,154	\$29,078,944
Net Debt (Dollars\$)	\$201,322,463	\$422,506,679	\$406,456,042	\$439,479,670
Net Operating Income - (Dollars \$)	\$9,931,223	\$15,487,082	\$23,130,132	\$31,239,452
Total Debt Service (Dollars \$)	\$35,260,416	\$33,973,671	\$60,656,951	\$63,010,504
Taxes paid (Dollars \$)	\$1,231,781	\$2,458,567	\$2,046,325	\$1,002,806
Local services and utilities (Dollars\$)	\$601,549	\$577,422	\$131,295	\$117,386
B2B customers served (NUM)	471	562	489	450
B2C customers served (NUM)	278	267	266	279

Comments

20.5157 TC Closing Dec 2021

18.87 TC Closing Dec 2019

Customer Satisfaction Level Indicators	2018	2019	2020	2021
Monthly customer satisfaction rating	N/A	85	87	95



12.0 Success Story *Tangelo*

The story of our success with LINERU.

+200

million
dollars

+500

thousand
users



More than 70% of our borrowers have no credit history or negative ratings with credit bureaus.



13 dollars average total fees collected per credit with
74% NPS



50% of our borrowers **improve their credit score** by at least 20%.

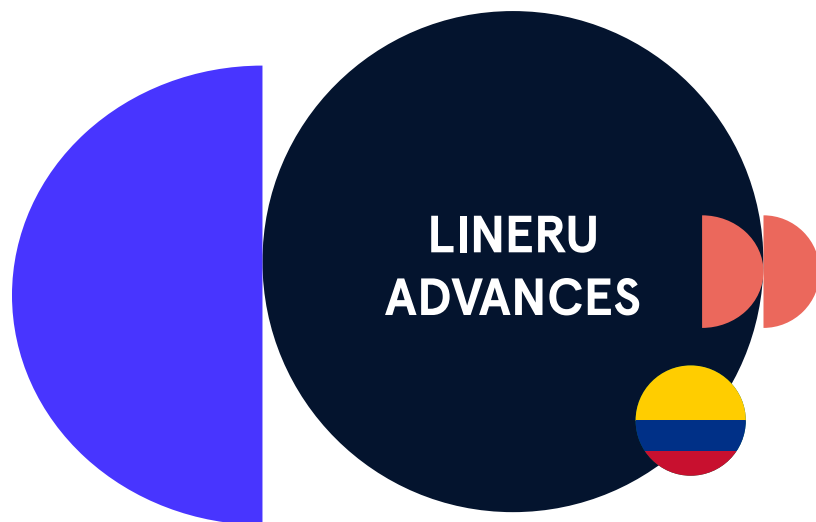


Banking services for the unbanked: We help our borrowers to open low-cost bank accounts through our partnership with Banco de Bogotá.

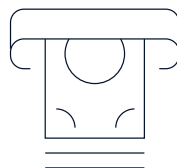
Client protection policies against predatory lending:

1. Total charges limited to 30% of borrower's salary
2. Accurate salary verification used to establish debt limits
3. No debt refinancing



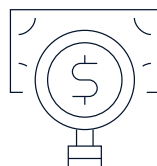


Tangelo Success Story



Product:

Low-priced government-backed line of credit for up to US\$1,250 payable in 12 months with a 3-month grace period.



Target market:

Independent service providers and workers most affected by the COVID-19 Pandemic.

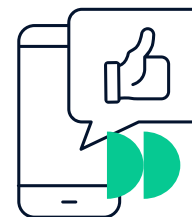
Case Study:



Time to
market:

90 days

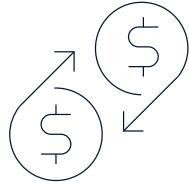
for full product
implementation



Scope:

+20k

applications received
within the first weeks
of launch



Alliance:

We collaborated with the government organizations: “Innpulsa Colombia”, which has the mandate to promote the growth of small enterprises, and Colombia's National Guarantee Fund, which guaranteed 80% of the loan's principal.



Seamless Integration:

We incorporated government policies to evaluate Hito loans: pre-registration opened on April 19, 2020 and the first disbursement was made on April 24. Was the only non-bank to participate in COVID-19 assistance program.

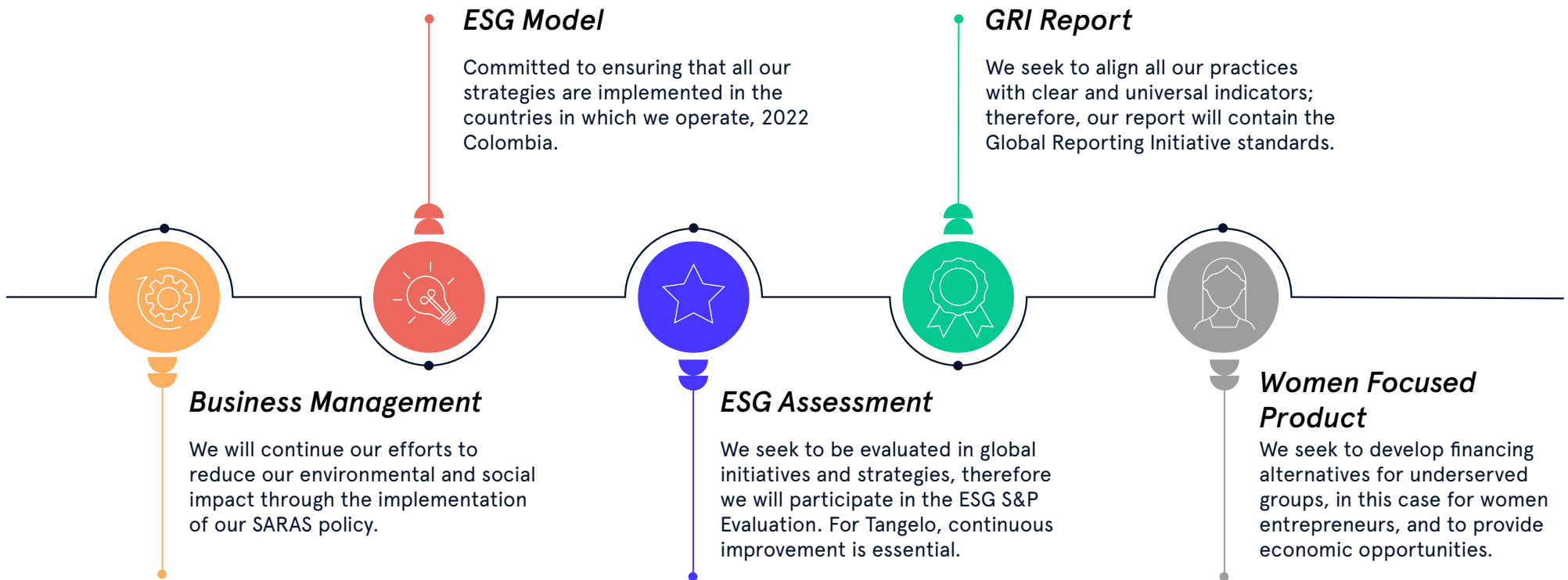
"This alliance is in line with the Government's aim to support independent parties who do not have easy access to credits in the current situation."

José Manuel Restrepo, Minister of Trade, Industry and Tourism



2022 *Objectives*

In order for us to evolve as an organization and contribute to the continuous improvement of our social responsibility, we have set the following strategic objectives.





COMMUNICATION
ON PROGRESS



Carretera. 15 #88-21
Office 901, Bogotá, Colombia

Sierra Gorda No. 42 Col. Lomas de Chapultepec
VIII section, 11000 Miguel Hidalgo, CDMX



tangelolatam.com