



PRINCIPLES FOR  
RESPONSIBLE  
BANKING

## Reporting and Self-Assessment Template

The following table sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking. Signatory banks need to report on their implementation of the Principles the first time within latest 18 months after signing and annually thereafter (in line with their annual reporting cycle).

### How to use this template?

This template does NOT require your bank to produce an additional report. Rather, this template is designed for your bank to provide references/links to where in your existing reporting/public domains the required information can be found. The aim is to keep additional reporting burden to a minimum while ensuring transparency and accountability as set out in Principle 6.

Within this reporting template, there are six areas for self-assessment that are key to showing that your bank is fulfilling its commitments as a signatory of the Principles for Responsible Banking. They are highlighted.

1. Impact Analysis
2. Target Setting
3. Plans for Target Implementation and Monitoring
4. Progress on Implementing Targets
5. Governance Structure for Implementation of the Principles
6. Progress on Implementing the Principles for Responsible Banking

Only for these six highlighted items, it is required that:

- a) An assurer provides limited assurance of your self-assessment. You can do this by including it in your existing assured reporting. Where third-party assurance is not feasible, an independent review may be conducted.
- b) You provide your bank's conclusion/statement if it has fulfilled the respective requirements.

### Accommodating different starting points:

Banks have different starting points and operate in different contexts. Your bank may not be able to provide all information required in this template the first time you report. That is fine. Your bank has up to four years from signing to bring its reporting fully in line with the requirements. Feedback, support and peer learning are available to all signatory banks to help them progress with both implementation and reporting.

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/ Link(s) to bank's full response/ relevant information
<p><b>Principle 1: Alignment</b>  <b>We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</b></p>		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Grupo Financiero Banorte is a leading financial institution in Mexico. Offers the largest business diversification, operates under a universal banking model, with a wide variety of products and services through its different subsidiaries.</p>	<p>Integrated Annual Report 2021, page. 10, 11.</p>
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>We have aligned the ESG strategy to the strategy of the group, which means i) permeate it throughout the model of business and ii) promote it from the highest level of the organization, with the vision of converting the factor ESG as a key lever to accelerate growth, as a differentiator of leadership in the industry to global level.</p> <p><b>1. Sustainability Strategy:</b>  Our current sustainability strategy's model is sustained by three pillars: Environment, Social and Corporate Governance. These converge into a central pillar called Sustainable Finance. a) Environment: initiatives aimed at mitigating the environmental impact of our operations through resource use efficiency and a culture of environmental</p>	<p>1.- Integrated Annual Report 2021, page. 18, 19.  2.- Integrated Annual Report 2021, page. 24, 25.  3.- Integrated Annual Report 2021, page. 170, 171</p>

	<p>care inside and outside of the institution. This pillar considers the following topics; Climate Change, Operating Eco-Efficiency and Environmental Culture.</p> <p>b) Social: various social programs created to improve quality of life for our employees and for the communities to which we belong. This pillar considers the following topics; Human Rights, Diversity and Inclusion, Financial Education and Inclusion, Human Capital and Corporate Citizenship.</p> <p>c) Governance: a series of principles and standards ensure the proper functioning of the institution's governance body, complemented by solid risk management and efficient decision-making. This pillar considers the following topics; Corporate Governance, Stakeholders, Ethics and Accountability, Risk Management, Data Security and Technology and Innovation.</p> <p>d) Sustainable Finance: We incorporate environmental, social and corporate governance (ESG) factors in evaluating risk in our portfolios and in the products and services we offer, in order to create sustainable development. This pillar considers the following topics; Socio-environmental Risk Management in Financing, Responsible Investment,</p>	
--	--	--

	<p>Sustainable Insurance and Sustainable Financial Products.</p> <p><b>2. SDG Alignment:</b> In order to quantify our positive impact on society, we have identified the indicators operational and business activities that contribute to the United Nations Sustainable Development Goals (SDGs) Nations, prioritizing those that in turn align with the most relevant issues identified in our materiality matrix.</p> <p><b>3. Climate Strategy:</b> climate strategy At GFNorte we recognize the importance of change global climate, since it represents one of the the greatest threats facing humanity. We know that efforts must be directed with urgency to reduce dependence on fuels fossils, as well as to reduce the emission of gases greenhouse effect to avoid consequences irreversible damage to society, the environment and productive activities. We have developed a comprehensive climate strategy that considers the commitments acquired at levels national and international, aware of the transversality</p>	
--	--	--

	<p>of climate change with all ESG topics. In this way, our climate strategy focuses in six objectives that must be achieved between 2021 and 2050, aligned with issues of governance, strategy, risk management, metrics and goals, groups of interest and transparency.</p>	
<p><b>Principle 2: Impact and Target Setting</b>  <b>We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts .</b></p>		

<p>2.1 Impact Analysis: <i>Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</i></p> <ul style="list-style-type: none"> <li>a) <u>Scope</u>: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</li> <li>b) <u>Scale of Exposure</u>: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</li> <li>c) <u>Context &amp; Relevance</u>: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</li> <li>d) <u>Scale and intensity/salience of impact</u>: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services. (your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</li> </ul>	<p><b>1.- Impact Analysis:</b> In 2021, GFNorte carried out the second application exercise of the Portfolio Impact Tool, developed by the United Nations Environment Program Financial Initiative (UNEP FI), studying the composition of the Corporate Banking and Commercial Banking portfolios December 2021, which represented 42% of the total of Wholesale Banking.</p> <p>In Corporate Banking, the analysis allowed to identify manufacturing, real estate and transportation activities as representative sectors of our portfolio; highlighting issues related to the efficiency and security of resources, mobility and development, housing, climate and economic convergence, as positive impacts generated by these sectors. In parallel, we were able to observe that aspects such as the climate, the soil, the waste generation, as well as the improvement of health and sanitation systems can have negative impacts.</p> <p>In Commercial Banking, the analysis showed that commerce, construction, hotel and restaurant sectors are the most representative of the portfolio. The positive impacts focus on mobility</p>	<p>1.- Integrated Annual Report 2021, page 27</p>
---	---	---

<p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> <li>• Identified and disclosed its areas of most significant (potential) positive and negative impact</li> <li>• Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts</li> </ul>	<p>and development, on the efficiency and security of resources, on the improvement of health and sanitation systems, culture and heritage, on healthy and inclusive economies. On the other hand, the negative impacts consider the climate, the improvement of health and sanitation systems, the efficiency and safety of resources, the waste generation and impacts on the soil.</p> <p>In 2022, we will integrate into our annual strategy the actions to mitigate the negative impacts identified and strengthen the positive impacts, considering that according to the study, the priorities for Mexico are climate, efficiency and safety of resources and health issues. We will replicate the impact measurement methodology and expand the scope, with the aim of gradually covering all our portfolios.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p>		
<p></p>		

<p>2.2 Target Setting</p> <p><i>Show</i> that the bank has set and published a minimum of two <b>Specific, Measurable</b> (can be qualitative or quantitative), <b>Achievable, Relevant</b> and <b>Time-bound</b> (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.</p> <p><i>Show</i> that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p><i>Show</i> that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p><b>1. Climate Change:</b> As a financial institution, we understand the great importance of incorporating climatic aspects such as physical and transitions risks in decision making. To properly manage the direct and indirect impacts we generate when operating and doing business an internal working group was created with the aim of raising awareness about the importance of climate change, build capacity, develop tools and align the four pillars of the TCFD recommendations qualitatively and quantitatively. In alignment with our strategy and with Mexico's commitments in the Paris Agreement, we developed medium and long-term goals for scope 1 and scope 2 emissions. We have the following targets:</p> <ul style="list-style-type: none"> <li>• Reduce 50% of our absolute CO2 emissions by 2030</li> <li>• Reduce 100% of our absolute CO2 emissions by 2050</li> <li>• Reduce 30% of our intensive CO2 emissions per employee by 2025</li> <li>• Reduce 60% of our intensive CO2 emission per employee by 2030</li> </ul>	<p>1.- Banorte’s Sustainability webpage; ESG strategy; Environmental</p> <p>TCFD Report 2021, page. 3, 4, 5.</p> <p>2.- Integrated Annual Report 2021, page. 131</p> <p>Banorte’s Sustainability webpage; ESG strategy; Social</p>
--	--	--

	<p><b>2. Diversity, gender equity and inclusion:</b></p> <p>At Banorte we have a set of practices and initiatives to identify and provide equal opportunities to the various groups in our workforce, with the intention of recognizing, valuing and respecting their contributions. Through our Diversity and Inclusion Strategy, we create a culture that fosters innovation, growth and competitiveness among our diverse workforce. For this reason, this year we formalized our resolution to live a diverse and inclusive culture, whose objectives key are the following:</p> <ul style="list-style-type: none"> <li>• Change the way of thinking towards a more inclusive mindset.</li> <li>• Promote cultural change towards equity of genre.</li> <li>• Participate in this diversity strategy and inclusion of leaders of the organization, so that be drivers and promoters in their areas and work teams.</li> <li>• Anchor initiatives and work focus in the strategic pillar of attracting the best talent with gender, diversity, equity and inclusion approach.</li> </ul> <p>We have set the following goals to 2025:</p> <ul style="list-style-type: none"> <li>• Increase to at least 35% the representation of women in</li> </ul>	
--	---	--

	<p>management positions</p> <ul style="list-style-type: none"> <li>• Reduce by at least 50% the pay gap between men and women</li> <li>• &gt;95% of training on Human rights for full time employees (FTE)</li> </ul>	
--	---	--

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.

<p>2.3 Plans for Target Implementation and Monitoring</p> <p><i>Show that your bank has defined actions and milestones to meet the set targets.</i></p> <p><i>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</i></p>	<p><b>1.- Climate Change:</b> We recognize that global climate change as one of the greatest environmental threats humanity is facing. We know that efforts are urgently needed to reduce dependency on fossil fuels and lower the amount of greenhouse gases emitted into the atmosphere to avoid irreversible consequences for society, the environment, and productive activity. We have developed a comprehensive climate strategy that covers our national and international</p>	<p>1.- TCFD report 2021, page. 6</p> <p>Integrated Annual Report 2021, page. 170</p> <p>2.- Integrated Annual Report 2021, page. 131, 132.</p>
---	---	--

	<p>commitments, aware of the way climate change pervades all ESG issues. Our climate strategy focuses on six goals that will be achieved between 2021 and 2050, aligned with the issues of governance, strategy, risk management, metrics and targets, stakeholders and transparency.</p> <p><b>2.- Diversity, gender equity and inclusion</b></p> <p>At Banorte we have a set of practices and initiatives to identify and provide equality of opportunities to the diverse groups of our workforce, with the intention of recognizing, valuing and honouring their contributions. Through our Strategy of Diversity and Inclusion, we create a culture that drives the innovation, growth and competitiveness of our diverse workforce. The work plan will be carried out in different waves, during 2022 to 2025 we will focus on the following:</p> <ul style="list-style-type: none"> <li>• Wave 1: Gender equality (Work in Process during 2022)</li> <li>• Wave 2: Talent living with a disability</li> <li>• Wave 3: Talent with different sexual orientations and gender identities</li> </ul>	
--	---	--

	<ul style="list-style-type: none"> <li>Wave 4: Ethnic-racial talent</li> </ul>	
--	--	--

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p><i>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</i></p> <p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>	<p><b>1. Climate change:</b> Taking into account year 2020 as base line our progress during 2021 is the following:</p> <ul style="list-style-type: none"> <li>Reduce 50% of our absolute CO2 emissions by 2030 Progress: 3%</li> <li>Reduce 100% of our absolute CO2 emissions by 2050 Progress: 1.5%</li> <li>Reduce 30% of our intensive CO2 emissions per employee by 2025 Progress: 12%</li> <li>Reduce 60% of our intensive CO2 emission per employee by 2030 Progress: 6%</li> </ul> <p><b>2. Diversity, gender equity and inclusion:</b> <b>Our progress made during 2021 on the targets set before are:</b></p> <ul style="list-style-type: none"> <li>Increase to at least 35% the representation of</li> </ul>	<p>1.- Integrated Annual Report 2021, page. 167</p> <p>2.- Integrated Annual Report 2021, page. 124</p>
---	--	---

	<p>women in management positions Progress: Right now 12% of our middle and senior management is composed by women, having a 1% yoy increase representing a 34% of the goal covered.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets</p>		
<p><b>Principle 3: Clients and Customers</b> We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p>3.1 <i>Provide an overview</i> of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p><b>1. Socio-environmental risk policy:</b> GFNorte recognizes the importance of environmental and social aspects for the global financial sector in terms of risk, understands that economic growth depends on the natural and social capital available and that the impacts it generates must be avoided, mitigated, restored and/or compensate.</p> <p><b>2. Exclusion List:</b> Activities and operations are considered prohibited for financing.</p> <p><b>3. Social and Environmental Risk</b></p>	<p>1, 2 &amp; 3.- Banorte's Sustainability webpage; Resources; Policies and Documents</p>

	<p><b>Management System (SEMS)</b> Our Social and Environmental Risk Management System (SEMS), first implemented in 2012, was developed to identify, categorize, analyze and track the risks and impacts of our lending in the corporate, infrastructure and commercial banking segments. SEMS is an integral part of the Bank’s lending process and it is based on the national legal framework, institutional rules, the socio-environmental risk policy and the Equator Principles, the highest standard for risk management in the financial industry.</p>	
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p><b>1.- Financial inclusion and education program:</b></p> <p>As a financial institution, we are committed to providing tools that raise awareness and sensitize the population to the importance of financial literacy. For this reason, during the year, we made efforts with different areas of the business, reaching thousands of Mexicans with various workshops. In addition, we have products that promote financial inclusion were we broadened the array of personalized products and services it offers through a 100% digital channel,</p>	<p>1.- Integrated Annual Report 2021, page.</p> <p>2.- Banorte’s Investor Relations page; Annual Reports 2020, Banorte and the 2030 agenda in times of COVID-19 Report</p>

	<p>making it easier for our clients to do their banking.</p> <p>As we mention before, we are currently working on the financial education and inclusion strategy, which will contain specific KPIs and goals</p> <p><b>2.- COVID-19</b></p> <p>Since the very beginning of the current public health crisis we have maintained our efforts to continue contributing to the SDG. During these challenging times, we have been working especially hard towards the achievement of the following 2030 Agenda goals: Zero Hunger (2), Good Health and Well-being (3), Decent Work and Economic Growth (8), Reduced Inequalities (10), and Partnerships for the Goals (17).</p> <p>This report is a testament to the commitment we have to support Mexican families and to remain close to them when they need us most, as well as to share with transparency the positive impact of all the initiatives that Grupo Financiero Banorte has carried out to contribute to the SDG during the COVID-19 pandemic.</p>	
--	--	--

<p><b>Principle 4: Stakeholders</b> We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</p>		
<p>4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p><b>1.- Target Gender Equality Global Compact</b> Banorte is part of the 25 Mexican companies attached to this program since 2020 and the main topics that are worked on to establish goals concrete to 2030.</p> <p><b>2.- Mentoring program 30% Club Mexico.</b> In 2021, we decided to be part of the intercompany program of mentoring, in conjunction with 30% Club Mexico and Moving Ahead, in order to promote the female talent by sharing and learning from mentors of other organizations. 15 mentees participated (deputy directors of different areas of the group) and 15 mentors (directors and directors of different areas) to promote the development of women in leadership roles. This program will last for nine months and will end in the first quarter of 2022.</p> <p><b>3.- Sustainability Week with Tecnológico de Monterrey</b> unlike previous years, the third edition of our Sustainability Week was decided be carried out in partnership with the</p>	<p>1.- Integrated Annual Report 2021, page. 131</p> <p>2.- Integrated Annual Report 2021, page. 133</p> <p>3.- Integrated Annual Report 2021, page. 135</p> <p>4.- Integrated Annual Report 2021, page. 138</p> <p>5.- Integrated Annual Report 2021, page. 153</p> <p>6.- Integrated Annual Report 2021, page. 157</p>

	<p>University Tecnológico de Monterrey.</p> <p><b>4.- Partnership with Academia</b> Through different activities in 2021 Banorte continue to work toward the development of young talent with different partners. (i.e Internships and lessons).</p> <p><b>5.- Mexican regulatory authorities:</b> National Financial Education Week. Like every year, Grupo Financiero Banorte participates in the National Week of Financial Education.</p> <p><b>6.- Sustainability Academy for our value chain.</b> With the first generation of Banorte Sustainability Academy we demonstrate our commitment to the development of our suppliers in order to encourage corporate social responsibility strategies.</p>	
<p><b>Principle 5: Governance &amp; Culture</b> <b>We will implement our commitment to these Principles through effective governance and a culture of responsible banking</b></p>		
<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p><b>1.- Sustainability Committee. At GFNorte.</b> We have a Sustainability Committee which reports to the Risk Policies Committee (CPR), which in turn reports to the Board of Directors. The committee is composed of 12 members of senior management and a representative of the Internal Audit department.</p> <p><b>2.- ESG Policies:</b></p>	<p>1.- Integrated Annual Report 2021, page. 44</p> <p>2.- Banorte's Sustainability webpage; Resources; Policies and Documents</p>

	<p>Our Responsible Investment Policy's objective is to establish de reference framework and guidelines to incorporate Environmental, Social and Corporate Governance (ESG) factors in investment operations carried out by the personnel in charge of the Asset Management Department.</p>	
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p><b>1. ESG training to our employees:</b> At GFNorte, the training of our collaborators is a priority and, in environmental, social and corporate governance (ESG), represents a fundamental part of our sustainability strategy to achieve our initiatives successful. In 2021, we develop content oriented to the areas that interact with the Sustainability area, with which 2,077 employees were involved for 3,390 hours.</p> <p><b>2. Sustainability Ambassadors and Champions:</b> We continue with the firm commitment to permeate a culture of sustainability within the group, therefore that our ambassadors and sustainability champions They are a key piece. During 2021, we work in planning for recruitment and awareness of the new generation, as well as in</p>	<p>1.- Integrated Annual Report 2021, page. 134</p> <p>2.- Integrated Annual Report 2021, page. 135</p>

	<p>the dissemination strategy for 2022. At the end of the year, we have around 550 collaborators distributed in Mexico City and Monterrey.</p>	
<p>a. Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set</p> <p>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p><b>1. Sustainability Committee:</b></p> <p>The committee is composed of 12 members of senior management and a representative of the Internal Audit department. Members:</p> <ul style="list-style-type: none"> <li>• Director of Sustainability and Responsible Investment (President)</li> <li>• Deputy Director of Sustainability (Secretary)</li> <li>• Director of Risk and Credit</li> </ul> <p>Director Product Manager</p> <ul style="list-style-type: none"> <li>• Director of Wholesale Banking</li> <li>• Director of Retail Banking</li> <li>• Director of Government Banking</li> <li>• Director of Digital Business Development</li> <li>• Director of Investor Relations</li> <li>• Counsel</li> <li>• Director of Communication and Public Affairs</li> </ul>	
<p>Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</p>		
<p><b>Principle 6: Transparency &amp; Accountability</b></p>		

**We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.**

6.1 Progress on Implementing the Principles for Responsible Banking

*Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).*

*Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.*

*Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.*

1. Our second PRB progress report: Last year we provided our first Reporting and Self-Assessment.
2. ESG in our quarterly reporting: We continue to include our ESG performance in the quarterly reports
3. TCFD Report: For the first time, we created our TCFD report following the recommendations of the initiative.

- 1.- Banorte's webpage; Financial Information; Annual Reports
- 2.- Banorte's webpage; Financial Information; Quarterly Reports
- 3.- Banorte's webpage; Financial Information; Annual Reports

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

**References:**

- 

Annex: Definitions

- a. Impact: An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.
- b. Significant Impact: Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of *significant* impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of “materiality”.