

Mexico's Sustainable Yield Curve

MEXICO'S FACTSHEET

Steadily Economy Recovery

- Three consecutive quarters of growth left the GDP at 96% of its pre-pandemic level (Q42019)
- 12 million jobs have been recovered (94%)

Solid Public Finance

- Strong performance in tax revenues. Between 2018 and 2020, revenues registered a constant gain of 1.4% of GDP

Favorable debt profile

- Credit rating agencies have reaffirmed their rating for Mexico's sovereign debt above investment grade



CHARACTERISTICS



Built off

- Sustainable framework
- It is flexible (green/social/sustainable)



Strong focus in social gaps

- Overweight in health and education expenses



Relies on a robust selection process and transparency

- We use 7 budgetary filters

WHY ARE WE DOING THIS?

- Mexico's priority to **reorient sources towards integral social programs** (health, education and ensure food security, access to essential services)
- **Closing the gender, financial, regional and income gaps** is the missing link to reach sustainable growth where economic growth can actually be translated into national welfare



15.5 BILLION DOLLARS, ELIGIBLE SUSTAINABLE EXPENDITURES



Health care and medicines for every one

- Health care and medicines (US\$5,977 mm)
- Training of human resources for health (US\$264 mm)



15.5 BILLION DOLLARS, ELIGIBLE SUSTAINABLE EXPENDITURES



Develop human capital

- Scholarships to avoid school dropouts (US\$3,856 mm)



15.5 BILLION DOLLARS, ELIGIBLE SUSTAINABLE EXPENDITURES



Sustainable solutions to end hunger

- Sowing Life (US\$1,446 mm), 425 thousand beneficiaries
- Production for Wellbeing (US\$675 mm), 2.2 million beneficiary producers



15.5 BILLION DOLLARS, ELIGIBLE SUSTAINABLE EXPENDITURES

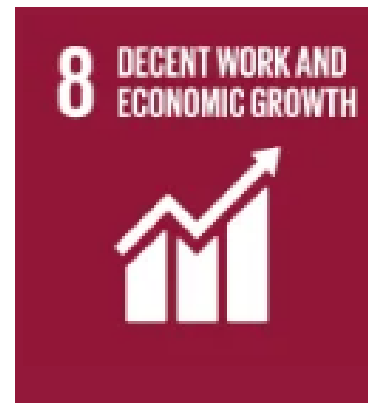


Support to reactivate rural areas

- Road construction and conservation (US\$1,046 mm)



15.5 BILLION DOLLARS, ELIGIBLE SUSTAINABLE EXPENDITURES

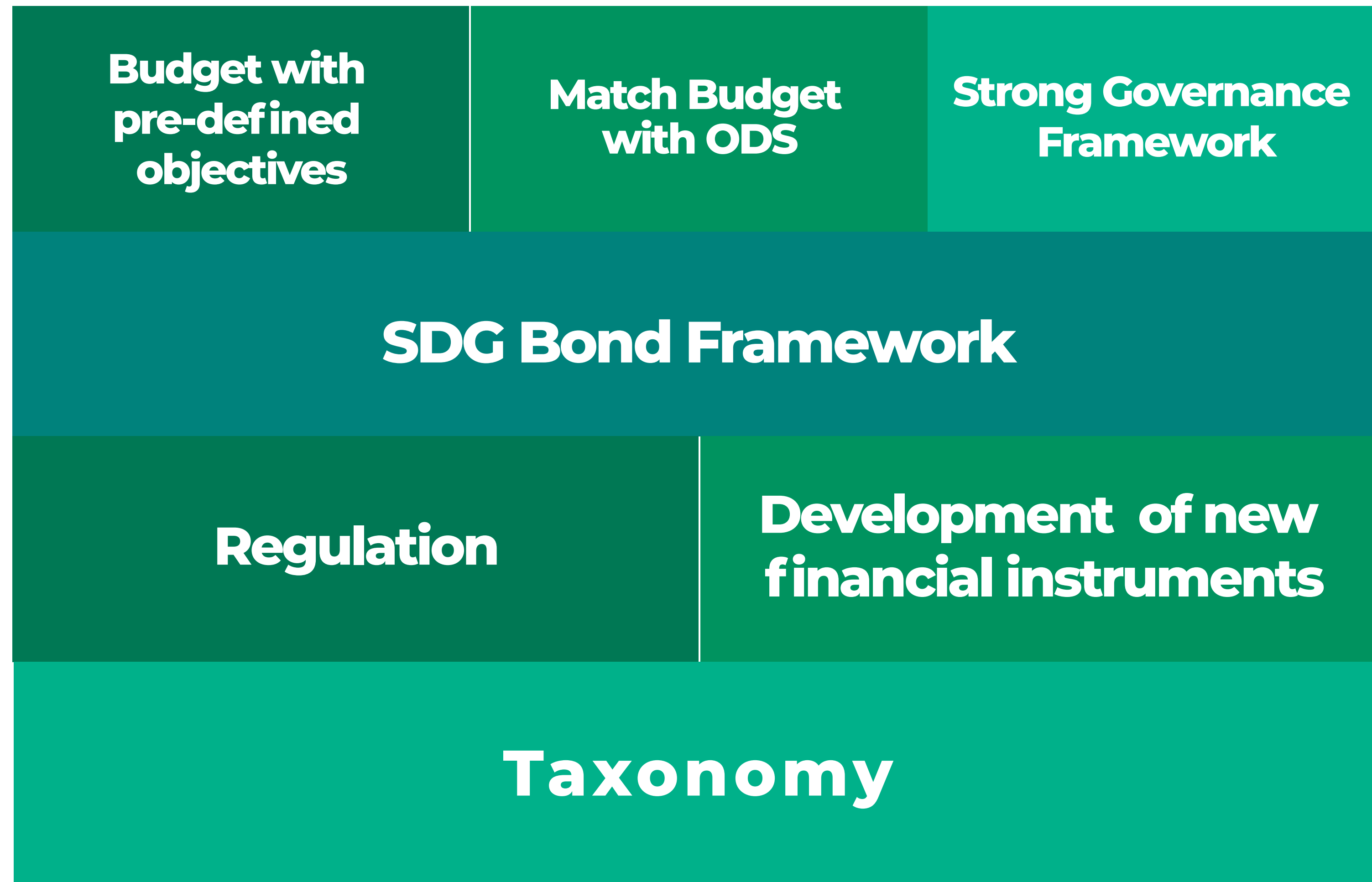


Access of financial products
and services (US\$62 mm)



MEXICO TOWARDS SUSTAINABLE GROWTH

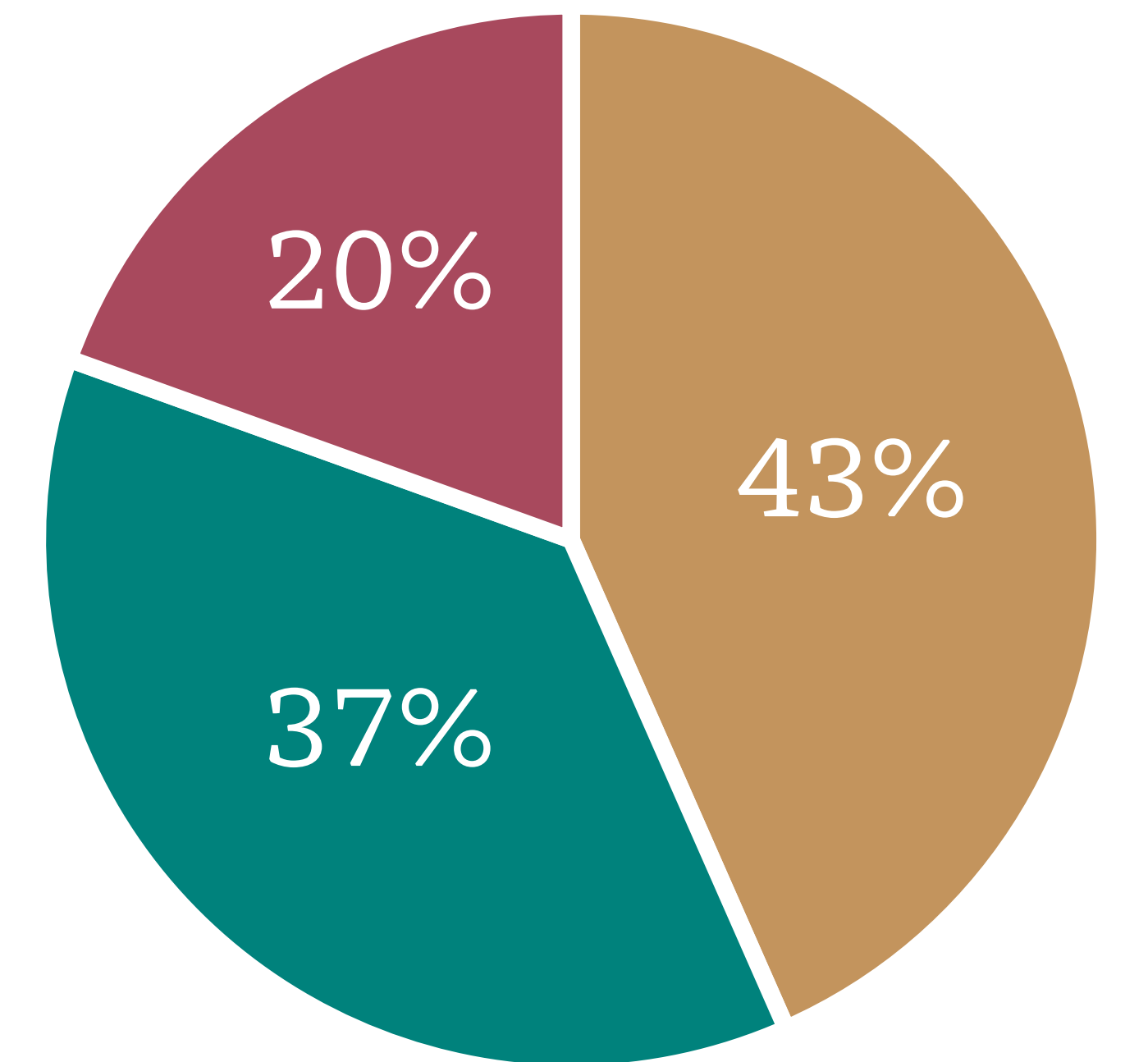
- Sustainable financial ecosystem



MEXICO TOWARDS SUSTAINABLE GROWTH

- Consolidation and diversification of the sustainable bond market
 - In less than 4 years, the total amount of corporate issuances has nearly doubled
- To construct a sound **ESG yield curve** and promote an orderly development of financial markets towards sustainability

Corporate issuances



- Sustainable / target based
- Green issuances
- Social issuances

Thanks!
