

Information Summary for the Public
ION Financiera, S.A.P.I. de C.V., SOFOM ER

Host Country(ies):	Mexico
Name of Borrower:	ION Financiera, S.A.P.I. de C.V., SOFOM ER (“ION”)
U.S. Sponsor:	WorldBusiness Capital
Foreign Sponsor:	Jose Shabot Cherem Tenedora ION, S.A.P.I. de C.V. Industrias SHCH S.A. de C.V.
Project Description:	The Project is the expansion of ION’s lending business to capitalize on significant unmet demand among SMEs and individual mortgages to the underserved market segment of Mexican lower-middle income families.
Total Project Cost:	\$15,450,000
Loan Provided Under OPIC-WorldBusiness Capital Framework Agreement:	\$14,625,000
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy. There is no U.S. procurement associated with this Project, and, therefore the Project is expected to have a neutral impact on U.S. employment. The Project is expected to have a neutral five-year U.S. trade balance impact.
Developmental Effects:	This Project is expected to have a positive developmental impact by expanding the availability of mortgage financing for middle-income homebuyers and access to credit to SMEs in Mexico. According to the World Bank, mortgage penetration as a percent of GDP in Mexico remains low at 3.1% and primarily serves the low-income and formal worker borrowers. The Project will provide innovative financial products that are targeted to informal, non-salaried professionals and business owners that are underserved by commercial banks and government programs. Additionally, the Project will help address Mexico’s \$163.9 billion MSME credit gap and expand financing

	<p>options to the MSME sector which customarily receives just 11% of commercial loans. MSMEs are essential to the Mexican economy, as they account for 71% of the country's employment.</p>
Environment and Social Assessment:	<p>The Project has been reviewed against OPIC's 2017 Environmental and Social Policy Statement ("ESPS") and has been determined to be categorically eligible. Loans to financial institutions for the purposes of SME and mortgage lending are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent are not required for these investments. To ensure that ION's investments in SME's and mortgages are consistent with OPIC's statutory and policy requirements, the OPIC-guaranteed loans made to the Borrower will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Management System ("ESMS") that meets the 2012 IFC Performance Standards.</p> <p>Under OPIC's ESPS, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation's Performance Standard ("PS") 1 and 2. A desk-review based due diligence assessment indicates that because the Project involves SME and mortgage lending, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated, and therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.</p> <p>The Borrower has various policies and procedures that assist it in reviewing and analyzing the environmental and social risks that it may be directly or indirectly exposed to regarding SME and mortgage lending. The Borrower has an Exclusion List for initial screening, Human Resources Policies, Employment Contracts,</p>

	<p>Corporate Code of Conduct, and non-discrimination procedures. The Borrower has monitoring and reporting procedures commensurate with the risks associated with SME and mortgage. There is also a process in place to review applications, report ESG matters to the Board of Directors, and external reporting to stakeholders.</p>
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