

Information Summary for the Public

Host Country:	Mexico
Name of Borrower:	Financiera Realidad, S.A. de C.V., SOFOM E.N.R. (“Finreal”)
Project Description:	Expansion of Finreal’s microlending business to capitalize on significant unmet demand among low income entrepreneurs in Mexico
Proposed OPIC Loan:	\$9,750,000
Total Project Cost:	\$10,300,000
U.S. Sponsor:	WorldBusiness Capital, Inc.
Foreign Sponsor:	Dr. Alfredo Campuzano Rodriguez
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 U.S. trade balance impact.
Developmental Effects:	This Project is expected to have a positive developmental impact by expanding the availability of financing across the Borrower’s portfolio of loans to microfinance borrowers in Mexico. Despite Mexico’s high-income status, access to finance remains a challenge for microbusinesses, especially women-led or women-owned businesses. The Borrower estimates more than half its loans will go to women-owned businesses. The Project will help Mexico to achieve UN Sustainable Development #8 (Decent Work and Economic Growth).
Environment:	The Project has been reviewed against OPIC’s 2017 Environmental and Social Policy Statement (“ESPS”) and has been determined to be categorically eligible. Loans for the purposes of SME on-lending and microfinance are screened as a Category C for the purposes of environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social

	<p>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.</p> <p>To ensure that the Borrower’s investments in microfinance and SME’s 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 include the need for an Environmental and Social Management System (“ESMS”) updated to include revised employment contracts, equal opportunity and non-discrimination policies, and an anonymous method for employees to submit grievances.</p>
Labor/Human Rights:	<p>Based on State Department guidance, OPIC completed the human rights review through the assessment of the Project against OPIC’s ESPS. 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.</p> <p>The Borrower has an overarching Social, Governance, and Environmental Policy (the “Policy”) that guides its ESG investment decisions. The Policy’s objective is to identify and mitigate environmental impact generated by processes, products, or services, promote good practices of safety, recycling, and rational use of natural resources. In so doing, FinReal asserts that it will conduct its activities in compliance with local and national legislation and integrate its ESMS into its internal risk management analysis when evaluating the risks associated with lending to potential borrowers.</p>