



WE GENERATE

Inclusive Prosperity

SUSTAINABILITY REPORT 2021



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Introduction to the report

At Grupo Elektra, transparency value is part of our guiding principles, which builds confidence and strengthens the relationship with each of our stakeholders; In this way, we recognize our impacts on the environment and society. That is why, since 2012, we have reported our performance in Social, Environmental, and Corporate Governance aspects (ESG).

(GRI 2-2, 2-3)

In this report, we inform the results and performance of Grupo Elektra and its subsidiaries to cover the period from January to December 2021 in terms of Environmental, Social, and Corporate Governance aspects. In this document, we express our interest to search for and create value for our customers, employees, shareholders, and other interest groups.

For the preparation of this report we were aligned to the Global Reporting Initiative Standards (GRI) in their last version (updated in October 2021). In this way, we use the Sustainability Accounting Standards Board (SASB) related to the companies that make up the Grupo Elektra: Azteca Servicios Financieros (Azteca Financial Services), Italika and Tiendas Elektra (Elektra Stores).

For the first time, we have developed three exhibits corresponding to the companies that make up the Grupo Elektra, with sector-specific indicators and relevant information for each businesses.

We emphasize that Banco Azteca (Azteca Bank) has developed the first scope on climate change risk management aligned to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The TCFD table of contents can be found at Banco Azteca Annex

The sustainability area of Grupo Salinas, as well as an external verifier, validated the contents of this report.

Aspects of this report:

- ◆ This report fulfills the updated version of the Global Reporting Initiative Standards (GRI). GRI standards is a reference methodology to the communication of extra-financial performance with a multistakeholder approach. We brief on GRI Standards related to material aspects and, furthermore we incorporated the GRI sector supplement for financial services in the Azteca Servicios Financieros Annex.



How to identify the content:

- At the beginning of each section: reference to the contents of the GRI Standards and the metrics of SASB, as well as those sent to the annex by the relevant company.
- Specific indexes within the annexes of the report: GRI, SASB, SDG, UN Global Compact.

- ◆ It incorporates the Sustainability Accounting Standards Board (SASB) Standards for the following sectors: Specialty and Multi-line Distributors and Retailers, E-Commerce, Automotive, Asset Management and Custody Activities, Insurance, Consumer Finance and Commercial Banks. Such methodology responds to the requirements for information of investors on ESG matters that affect the financial stability of the company. These are mainly reflected in the company-specific annexes of this report.

- ◆ We report on our contribution to the Sustainable Development Goals (SDGs), global roadmap proposed by the UN to address major societal challenges.

- ◆ As subscribers to the UN Global Compact, as part of Grupo Salinas, we communicate our progress and ratify our commitment to its 10 Principles.



Relevant figures 2021

Economic performance:

- +80 million** of pesos of revenues in the financial business
- 18% of increase** in revenues in the financial business
- +65 million** of pesos of revenues in the commercial business
- 25% of increase** in revenues in the commercial business

Customer experience:

- 53.5%** index of customer satisfaction

Community:

- +229 MDP** devoted to social investment

Collaborators:

- +65 thousand** collaborators
- 40%** of female representation
- +23 thousand** new hires (38% female)
- +42 MDD** invested in training and skill development
- +34 thousand** collaborators Trained in **human rights**
- 807** registered to the program **Jóvenes Construyendo el Futuro**
- Consolidation of the business **Gender Unit**

Environment:

- +113 MDP** invested in environmental management proceedings
- 14%** less Scope 2 emissions





Letter to the readers

2021 was a year of global economic recovery, which meant challenges in the operation and management of the business. For Grupo Elektra, the objective was to boost transactions and customer service, continuing with the safety and hygiene measures that protect the health of our visitors and our employees.

With the strengthening of our operation, accelerating the technological transformation constitutes an important competitive advantage for the company, we seek to continue generating opportunities for our suppliers, especially those which are local SMEs, generating a return for our investors.

Aligned with our firm purpose of promoting Inclusive Prosperity through the creation of economic, social and environmental value, we continue to contribute to the well-being and progress of millions of families in Mexico, the United States and some countries in Central America.

We are generators of economic value by offering world-class merchandise and inclusive financial services to all our customers through both physical and digital chan-

nels, highlighting the growth of the latter, since we have a complete range of products and services from Grupo Elektra companies, in order to meet the needs of customers in an innovative and easily accessible way.

In addition, the social value we create in Grupo Elektra is evident through our more than 60,000 employees, since one of our priorities is to offer quality employment, with unbiased growth possibilities and in a diverse environment, in order to generate prominent levels of job satisfaction and well-being.

From the company, through Fundación Azteca (Azteca Foundation) we also decisively promote actions to improve the conditions of society, supporting programs such as Plantel Azteca, which provided secondary and high school education of technical excellence to more than 2,908 low-income students with outstanding academic performance, fully funded.

Environmentally, we promote the rational use of natural resources in our value chain, and we use environmentally friendly energy. The company's renewable energy consumption currently represents 35% of the total required,

and it is gradually seeking to increase this proportion. Grupo Elektra's financial business is aware of the global challenges generated by climate change and of the fundamental role it plays in mitigating these effects, which is why in this report we report, for the first time, the actions carried out based on the recommendations of the working group on financial disclosure related to climate change (TCFD).

We are convinced that Grupo Elektra is even more successful when we strive to meet the needs of the communities in which we operate. With this firm conviction, we seek to further boost the dynamism of our activities in the coming years and increasingly contribute to the well-being of millions of families, as well as to the protection of the environment.

We are grateful for the trust of our stakeholders in a year of economic recovery and continued health protection. We are committed to continue working together to further promote our vision of inclusive prosperity, strengthen the well-being of the communities in which we operate, and simultaneously reduce the environmental impact of our value chain.





About US

Thanks to our great trajectory and history in the market, we are a Group that has managed to consolidate as the leading financial services and specialized commerce company in Latin America. Our growth is based on identifying and satisfying the needs of our customers, providing quality products and services that are easy to access.

(GRI 2-1, 2-2, 2-6)

We are part of Grupo Salinas, created by businessman Ricardo B. Salinas, and comprised of companies belonging to various economic sectors. That is why at Grupo Elektra we adhere to the Salinas values, sustaining our commitment to a solid organizational culture and generating trust among our stakeholders.

Our values:



Honesty



Loyalty

BUSINESS SEGMENTS OF GRUPO ELEKTRA	
FINANCIAL	COMMERCIAL
<p>We bring financial services and products, mainly to those underserved by traditional banking. We offer the largest geographic coverage in Mexico.</p> <p>We are also the largest supplier of non-banking short-term loans in the US.</p> <p>The business is currently composed of:</p> <ul style="list-style-type: none"> • Banco Azteca • Seguros Azteca • Afore Azteca • Punto Casa de Bolsa • Purpose Financial • Presta Prenda 	<p>We serve million families in Mexico and Latin America to provide access to quality products and services which meet their needs. We have a broad range of stores and online sale whereby we offer: appliances, furniture, computers, among others.</p> <p>We facilitate mobility by offering motorcycles in affordable conditions.</p> <p>The business is currently composed of:</p> <ul style="list-style-type: none"> • Tiendas Elektra • Salinas y Rocha • Italika



Our commercial and financial businesses complement each other to bring world-class products and services to the dynamic middle class.





Segments and products of Grupo Elektra 2021

COMMERCIAL	
Company	Products and services
	<ul style="list-style-type: none"> •Electronics •Appliances •Furniture •Automotive and hardware •Telephony •Computers •Mattresses
	<ul style="list-style-type: none"> •Entertainment •Money transfers •Extended guarantees •Airtime •E-Commerce
	<ul style="list-style-type: none"> •Motorcycles •Accessories •Service

FINANCIAL	
Company	Products and services
	<p>People:</p> <ul style="list-style-type: none"> •Credits •Cards •Savings account •Sight and term investment •Money orders and transfers •Payments •Currencies •Mi Plata en Bóveda (My Money in Vault) •Correspondents •Card payment acceptance •Digital banking <p>Company:</p> <ul style="list-style-type: none"> •Company Account •Corporate Debit Card •International Inter-bank Transfers •Azteca Corporate Payroll •Payment to Third Parties •Referenced deposits •Card payment acceptance •Enterprise Credit

FINANCIAL	
Company	Products and services
	<ul style="list-style-type: none"> •Life and accident insurance •Medical Insurance •Auto and Motorcycle Insurance
	<ul style="list-style-type: none"> • Retirement fund administration
	<ul style="list-style-type: none"> •Promotion to individuals •Promotion to institutions •Investment Banking: Stock Certificates, Private Equity, and Financial Transactions
	<ul style="list-style-type: none"> •Short-term loans •Long-term loans •Secured credits •Credit Facilities

During 2021, we consolidated the Red Única, which is the structure that integrates the geographic collaborators of Elektra and Banco Azteca stores to serve customers at the points of sale.





United States

Mexico

Honduras

Guatemala

Panama

In 2021, we operated in Mexico, United States, Guatemala, Honduras and Panama, with more than 6 thousand points of contact through our Elektra, Salinas y Rocha stores, Banco Azteca, and Purpose Financial branches.



We are the largest provider of short-term non-bank loans in the United States.





Inclusive Prosperity

Introduction

(GRI 2-22, 2-23, 2-24, 2-29)

At Grupo Elektra we work under the purpose of creating Grupo Salinas' own Inclusive Prosperity, which dictates our values in order to contribute to the development of the communities in which we operate and improve the quality of life of the people, respecting the environment, with profitable, inclusive and commercially successful solutions.

Today, companies have become true institutions and agents of social change, since in addition to generating jobs and wealth, they are an important means of transforming the communities in which they operate.

Due to the enormous influence that they have on society, companies should be recognized as fundamental actors in the creation of Inclusive Prosperity through three aspects:

Economic Value

- ◆ We seek to implement an inclusive development model to bring well-being to the families in the countries where we operate and also to promote inclusion and progress in society.

- ◆ By managing the business and offering world-class goods and services at affordable conditions, together with creation of employment with the best labor practices.

Social Value

- ◆ It means establishing environments conducive to generating innovation and prosperity and thus enhancing capabilities in society.
- ◆ We contribute to the development of communities through the promotion of financial and digital inclusion, financial education, progress for entrepreneurs, as well as the consolidation of links with society.

Environmental Value

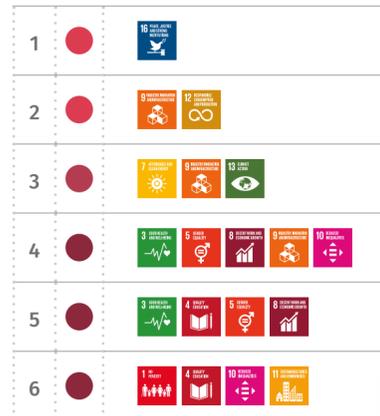
- ◆ Environmental value for Grupo Salinas means mitigating negative environmental impacts in the value chain, promoting and creating ecological awareness among employees, customers and audiences.

- ◆ As part of our reason for being, we seek to mitigate the environmental footprint of our customers, suppliers and Grupo Elektra operations through the implementation of green initiatives, products and credits.





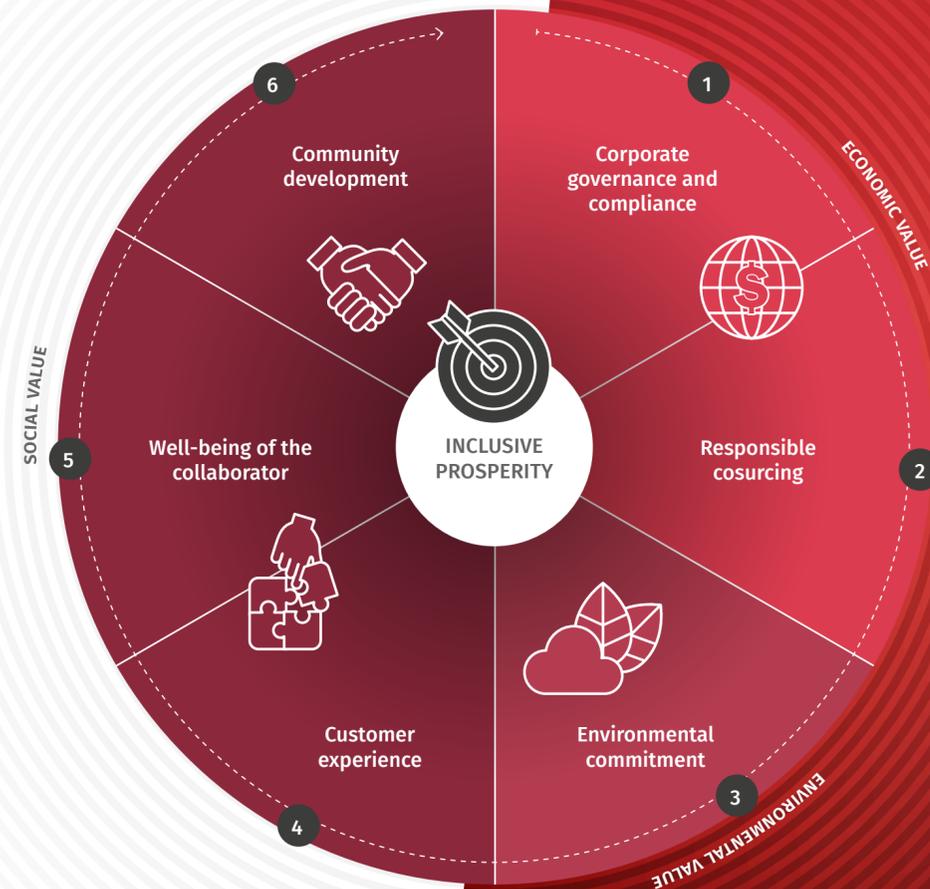
Sustainability Model



Lines of action	
1.1	Soundness of the GC
1.2	Compliance management
1.3	Ethics and transparency
2.1	Industrial sourcing
2.2	Commercial sourcing
3.1	Climate transition in the financial activity
3.2	Efficiency industrial operation
3.3	Mobility: climate change
3.4	Circularity in commercial activity
4.1	Financial inclusion and development
4.2	Financial education and insurance culture
4.3	Mobility: social development
4.4	Road safety
4.5	Accessibility of the customer (commercial)
4.6	Responsible consumption (commercial)
5.1	Diversity and development
5.2	Security, health and well-being
6.1	Social investment and alliances

Stakeholders

- CLIENTS
- COLLABORATORS
- SUPPLIERS
- INVESTORS
- AUTHORITIES
- COMPETITORS
- COMMUNITY



In order to materialize the work route for the creation of Inclusive Prosperity, the “Sustainability Model” was developed, which is based on the analysis of risks and opportunities in the companies’ own operations, in order to obtain the priority issues by sector that have an impact on stakeholders.

Such model is a guide that allows to establish short, medium and long-term objectives, to create and implement initiatives that contribute to the sustainable development agenda to the business in the Environmental, Social and Corporate Governance (ESG) areas.

In addition, we transfer the values of Grupo Salinas to the particularities of Grupo Elektra’s companies through its own sustainability strategy model, which is made up of lines of action that integrate initiatives we are working on and that are implemented thanks to the efforts and involvement of the different teams and companies.

Due to the particularity of each of Grupo Elektra’s companies, we have specific sustainability models for each business, which allows us to align the efforts of each one to achieve sustainable development and inclusive prosperity at the Group level.

For its part, the Social Responsibility Committee of Grupo Elektra is responsible for monitoring and establishing the lines of action to be followed for each of the companies that make up the group. By 2022, the Sustainability Committee will be formalized at Group level, which will restructure the current Social Responsibility Committee and will provide greater support for the achievement of the objectives and KPIs derived from the sustainability strategies.





Commitments

(GRI 2-28)

Sustainable development

To supplement our sustainability strategy and our actions in environmental and social matters, we highlight our commitment as a Group to the United Nations Global Compact, in the implementation of its 10 principles, related to labor practices, human rights, environment and anti-corruption. We continue to develop programs that guarantee respect for human rights, digital and financial inclusion, mobility, access to affordable products, efficient use of resources and the development of our employees, thus contributing to these principles in each of our businesses.

We also remain aligned to the updated Communication on Progress (CoP) requirements under the Early Adopter questionnaire required to 2023.

We also continue with our commitment to the achievement of the Sustainable Development Goals (SDGs), proposed by the United Nations to address the major challenges faced by society. Through our activities in the different companies of the Group, we contribute strategically to those objectives that are relevant to the performance of the businesses:

Elektra Group Companies	Priority SDGs
Tiendas Elektra	1, 8, 10
Italika	11, 12, 13
Banco Azteca	1, 4, 8, 10 and 13

Learn more about in the annex: Contribution to the Sustainable Development Goals.

Also noteworthy is the activity of Fundación Azteca, the cornerstone of Grupo Salinas, through different alliances focused on improving the life conditions of present and future generations, especially through education.

Learn more in: Community chapter.

Human rights

(GRI 2-23, 2-24)

We abide by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

We identify the main risks related to human rights and

work on their prevention, thus implementing our due diligence process, from which we highlight our self-regulation through the guidelines reflected in the Group's Code of Ethics and Conduct and in the Human Rights Policy; applicable to all stakeholders: managers, employees, suppliers, partners, business allies and contractors.

Likewise, we work on the strengthening of organizational culture, and train our employees to value diversity, respect and ethical guidelines.

To guarantee that our suppliers comply with these principles, they are evaluated through the Supplier Circle Certification process, which takes into consideration social criteria and other social aspects (labor matters, work environment, employee training, etc.).

We oppose to any conduct that violates the dignity and quality of life of our employees, and of people related to and/or involved in our activity. Child labor, forced labor, human trafficking, labor harassment, sexual exploitation, and discrimination are strictly prohibited.



Corporate Governance

(GRI 2-9, 2-10, 2-11, 2-17, 2-18, 2-19, 2-20, 103-2)

Our corporate governance is in line with the best international practices, applicable legislation and the organization’s internal guidelines, which allows us to ensure decisions that generate value for all our stakeholders, thus maintaining their trust in the Group.

We guarantee the Group’s performance under guidelines and practices of transparency, ethics and co-responsibility, making our evaluation under the indicators of the Principles and Best Practices of Corporate Governance questionnaire of the Mexican Stock Exchange.

Likewise, we have a Corporate Governance Code, which serves as a regulatory framework for internal decision making, which allows us to develop the principles established in the Corporate Bylaws of Grupo Elektra.

Grupo Elektra’s structure





General Shareholders' Meeting

It represents the interests of our shareholders, being responsible for appointing, ratifying and/or substituting the members of the Board of Directors, and of the Auxiliary Committees, as well as approving the results of the company.

Therefore, it is responsible for approving and, if necessary, modifying the results of the financial report presented by the Board of Directors.

Board of Directors

The Board of Directors of Grupo Elektra is comprised of 10 members with a broad business background, diversity of experience, knowledge and management for the identification, prevention and mitigation of risks.

It should be noted that the selection of directors is based on the principles of equal opportunities of the Group, in addition to evaluating their experience, ability and professional prestige regardless of gender, race, religion, etc.

Main functions of the Board of Directors
Establish the general strategies for the management of Grupo Elektra.
Oversee the management and conduct of Grupo Elektra, taking into account its relevance in the financial, administrative and legal situation of the company, as well as the performance of its directors.
Approve, with the prior opinion of the competent committee, the policies, appointments, operations, guidelines and strategic transactions of the organization.
Present all the legal information to the General Shareholders' Meeting to be held on the occasion of the closing of the corporate fiscal year.
Follow up on the main risks to which the company and its controlled entities are exposed, identified based on the information presented by the committees, the Chief Executive Officer, the Audit Committee, the Risk Committee and the Comprehensive Risk Management Unit (CRMU).
To approve the policies on information and communication with shareholders and the market, as well as with the directors and relevant officers, in compliance with the legal regulations of the company.
To determine the appropriate actions in order to correct the irregularities that are of their knowledge and to implement the corresponding corrective measures.
Establish the terms and conditions to be followed by the Chief Executive Officer in the exercise of his powers of acts of ownership.
To order the Chief Executive Officer to disclose to the public the relevant events of which he/she becomes aware, without prejudice to the obligation of the Chief Executive Officer referred to in Article 44, Section V of the Securities Market Law.
Any others established by the Securities Market Law or provided for in the Company's bylaws.

NAME	ESTATUS	DIRECTOR SINCE	COMMITTEES OF WHICH IT HE/SHE IS PART
Ricardo Benjamín Salinas Pliego	Chairman; Patrimonial Director	1993	
Hugo Salinas Price	Patrimonial Director	1993	
Roberto Servitje Achutegui	Independent Director	2000	Audit, Corporate Practices
Héctor Marcelino Gómez Velasco y Sanromán	Independent Director	2010	Audit
Gonzalo Brockmann García	Independent Director	2010	Audit, Corporate Practices
Luis Jorge Echarte Fernández	Related Director	2003	
Joaquín Arrangoiz Orvañanos	Related Director	2008	
Hugo Fernando Salinas Sada	Related Director	2017	
Guillermo Eduardo Salinas Pliego	Related Director	1993	Corporate Practices
Pedro Padilla Longoria	Related Director	1993	





At the end of 2021, the period covered by this report, the Board is composed of three independent directors, selected for their skills and under a review that certifies the absence of conflicts of interest of any kind. Likewise, it should be noted that all the members are proprietary directors, there are no alternate directors, and the average term of office is 19 years

Decision Making

For the correct decision-making by the Board, each aspect or issue addressed therein is reviewed, clearly and coherently explaining to each of the members, who may have the support of relevant managers, as well as external auditors and experts to strengthen understanding the information received.

All matters brought before the board are subject to a voting process, considering the absolute majority of votes, present or represented.

If applicable, the Special Delegate, substituting the Chief Executive Officer, participates in the Board meetings with voice but no vote, to address key decisions, risk management and monitor the progress of the objectives and goals.

Board meetings are held on a quarterly basis, with 100% attendance by board members during 2021.

Board Evaluation

The Board of Directors is self-assessed by the directors themselves, according to their execution, process led by the Chairman of the Audit and Corporate Practices Committees, as well as the Shareholders’ Meeting. The latter is in charge of presenting a report on the transactions and activities of the Board to the Meeting on an annual basis.

Committees

The Board of Directors is supported by three committees, known as auxiliary bodies, which assist in the proper execution of its functions and meet quarterly:

Audit Committee	
NAME	MEMBER SINCE
Gonzalo Brockmann García - Chairman	2010
Marcelino Gómez Velasco y Sanromán	2010
Roberto Servitje Achutegui	2010
Made up of three independent directors.	

Main functions of the Audit Committee
Assess internal financial control systems.
Assess procedures for financial reporting
Assess the activities and independence of the internal and external auditors
That the mechanisms established for the control of strategic risks are observed.
Assess Grupo Elektra’s internal control policies and systems.
Identify, analyze and assess the transactions carried out between related parties.

The Board is currently undergoing a restructuring process, which will be made public in 2022, with the aim of strengthening the Board, as well as diversifying the participating members to include representatives of the female gender.





Corporate Practices Committee	
NAME	MEMBER SINCE
Gonzalo Brockmann García –Presidente	2010
Roberto Servitje Achutegui	2010
Guillermo Salinas Pliego	2010

Made up of two independent directors and one related.

Main functions of the Corporate Practices Committee:
Know Grupo Elektra’s investment policies
Know the use of assets that make up its net worth
Ratify and review the capital investment budget, as well as monitor its use.
Give their opinion on the performance and compensation of the relevant executives.

Integrity Committee	
NAME	MEMBER SINCE
Javier Arturo Ferrer – Presidente	2020
Alberto Javier Bringas Gómez	2020
Norma Lorena Contreras Cordero	2020

Composed of three related directors.

Main functions of the Integrity Committee
Prepare and review the Grupo Elektra Code of Ethics and Conduct, in order to keep it updated in conjunction with the relevant codes, policies and procedures.
Design, structure, implement, execute and evaluate the Ethics, Integrity and Compliance Program (“EICP” or “Integrity Program”).
Verify that Grupo Elektra’s operations and businesses are conducted in an ethical, complete and transparent manner.
Execute a training program in anti-corruption matters for managers and employees.
Disseminate, control, monitor and audit the EIPC.
Address and resolve matters related to the Group’s Integrity Program, including any violation thereof, as well as investigate them and impose the corresponding sanctions.
Monitor any modification to the legal or regulatory framework that impacts the Group’s Integrity Policy.
Approve modifications and adjustments to the program itself.

Management Team

Grupo Elektra’s management team combines experience and recognition in each of the areas of the business, which are committed to the implementation of strategic guidelines and the fulfillment of objectives and goals.

The appointment of the Chief Executive Officer, as well as the rest of the high-level officials, is carried out by the

NAME	TITLE
Alejandro Valenzuela del Río	CEO of Banco Azteca
Fabrice Jack Deceliere Márquez	CEO of Red Única
Luis Niño de Rivera Lajous	Chairman of the Board of Directors of Banco Azteca
Adriana de la Puente Martínez de Castro	Director of Human Development, Communication and Integration of Grupo Elektra
Manuel González Palomo	Vice President of Systems
James A. Ovenden	CEO of Purpose Financial
Gabriel Alfonso Roqueñí Rello	General Counsel and Secretary not a member of the Board of Directors of Grupo Elektra
Mauro Aguirre Regis	Finance and Administration Director of Grupo Elektra
Alejandro Vargas Durán	Vice president of the Board of Directors "B" of Banco Azteca
Eduardo Benigno Parra Ruiz	CEO of Afore Azteca
Christian J. Carstens Álvarez	CEO of Seguros Azteca and Seguros Azteca Daños
Héctor Ovidio Romero Tovar	CEO of Punto Casa de Bolsa
Luis Fernando González González	CEO of Grupo Elektra
Manuel Gómez Palacio Pin	CEO of Italika
Alberto Tanus Schwarz	Director General de Cobranza, Crédito y Comercio de Grupo Elektra
Ulises Psihas Mondragón	Director General de Sistemas de Pagos
Manuel Delgado Forey	Director de Operaciones de Banco Azteca

Board of Directors, which is in charge of evaluating their performance. Each of the Group’s companies also has a management team and management committees, to attend to decision-making in accordance with the evolution in the strategy of each one of them .

The composition of Grupo Elektra’s management team in 2021 is presented below:

* For the structures of the management team of each of the companies, please refer to the corresponding exhibits. Banco Azteca, Italika, Tiendas Elektra.





Remuneration of directors and management team of the Group

The directors receive remuneration for attending the meetings, approved by the Shareholders' Meeting.

Regarding senior management, their remuneration is established by the Corporate Practices Committee, including the variable component. It is based on their performance and the Group's results, financial stability and the achievement of strategic objectives.

Their contribution to the results in each case also applies to the general management of each of the Group's companies.

Conflict of Interest Prevention

(GRI 2-15, 216)

Grupo Elektra's Code of Ethics includes the definition of conflict of interest and details the ethical handling of cases arising from personal and professional relationships. Under the guidelines that govern the ethical conduct of Grupo Elektra, it is established that decision-making and execution of actions must always seek the greatest benefit for the company, leaving out relationships and personal benefits.

We have the Policy for Transactions with Related Parties, which establishes the restrictions and approvals that must be had at the time of entering into any type of operation with the affiliates. It establishes internal and external controls, as well as sanctions in case of non-compliance.

The Corporate Practices Committee of Grupo Elektra notifies annually through its transactions and activities report whether or not there were waivers for a director, relevant executive or person with power of command to take advantage of business opportunities for himself or in favor of third parties that correspond to the company or legal entities that the company controls or in which it has a significant influence.

The Audit Committee is in charge of supervising related party transactions, evaluating in an independent manner if these are related to the business and if they are carried out under competitive terms, comparing them with those obtained in similar transactions with an unrelated third party.





Ethics and compliance

During all these years, Grupo Elektra has stood out for being a group of dynamic companies with strong growth, emphasizing the creation of value for our investors and promoting the common good.

(GRI 2-23, 2-24, 2-25, 2-26. 205-2, 206-1, 415-1, 406-1, 412-2, 419-1)

Our success and growth are due to the principles and values under which we have been governed at all times: adherence to legality, honesty, integrity, responsibility and transparency, which represent who we are and what we believe in. We generate a strong organizational culture of integrity.

We have a Code of Ethics and Conduct for Grupo Elektra, which is intended to guide the actions and decisions of the company and those who are part of it, as well as those stakeholders who have any kind of relationship with us, such as suppliers, contractors and other business partners. The main topics covered by Grupo Elektra's Code of Ethics and Conduct:

- ◆ Respect for human rights.
- ◆ Fighting corruption and bribery
- ◆ Fighting money laundering.
- ◆ Responsibility for the management of assets and property.

- ◆ Registration of the company's transactions.
- ◆ Respect for the environment.
- ◆ Fair competition.
- ◆ Occupational Health and Safety.
- ◆ Compliance with laws.

Following these guidelines, and taking into account the problem of corruption present in the society in which we operate, we implemented the Ethics, Integrity and Compliance Program (EICP) of Grupo Elektra, which aims to detect, prevent and address any risk of corruption, and integrates the regulatory and organic elements necessary to manage, monitor, control, evaluate and continuously improve our practices, in accordance with the commitment of "Zero Tolerance to Bribery and Corruption".

We also highlight the implementation of policies that have strengthened the management of EICP, among them:

- ◆ Human Rights Policy.
- ◆ Anticorruption and Integrity Policy.
- ◆ Internal Fraud Prevention Policy.
- ◆ Fair Competition.
- ◆ Personal data protection.
- ◆ Relationship with third parties and due diligence.

- ◆ Conflict of Interests
- ◆ Integrity in human resources recruitment

Under these principles, at no time do we support political parties or political campaigns and processes.

It is the obligation and responsibility of each of the Group's employees to be familiar with the Code of Ethics and to act in accordance therewith. Therefore, we can state that the Code is socialized with 100% of the personnel regardless of their position or function.

During 2021 we provided +360 thousand hours of training on the Code of Ethics and related.

Training in ethical issues		
SUBJECT	NUMBER OF EMPLOYEES	NUMBER OF HOURS
Ethical issues and Code of Ethics	61,202	27,541
Fraud and bribery	49,530	49,530
Money Laundering	48,993	48,993
Human Rights	34,938	173,706
Personal Data Protection	61,592	61,592





Whistleblower System

In Grupo Elektra we have a digital mailbox for complaints (Honestel) that is available at all times. In this mailbox we receive reports of all those acts that move us away from our commitment “Zero Tolerance to Bribery and Corruption” and to the best national and international practices in this area. This measure contributes to the strengthening of our culture of integrity, as it continuously self-regulates and corrects behaviors contrary to anti-corruption standards.

(GRI 2-27,205-3, 206-1)
FN-AC-410a.1, FN-CB-510a.2

The roles of the Audit, Gender Unit, Special Investigations and Human Capital areas were strengthened, depending on the type of incidents, so that the Audit, Gender Unit, Special Investigations and Human Capital areas can deal with them as appropriate. Care protocols were created for each of them, and improvements were made to the tools that help to get to know those involved prior to each investigation.

The following channels are available:

- ◆ contactanos@honestel.com.mx
- ◆ www.honestel.com.mx
- ◆ Written communication addressed to the Integrity Committee (peic.integridad@elektra.com.mx)
- ◆ Internal web portals

Complaints received are passed to the compliance director, who is responsible for verifying, analyzing and resolving cases of corruption, who reports to the Integrity Committee, including those detected by the control system and internal audits.

The channel for reporting complaints and compliance inquiries allows our employees, business partners and society in general, to be an integral part of the solution to any problem that may arise in the company. This adds to our culture of open and unreserved communication, such system allows us to:

- ◆ Address the concerns of our employees, suppliers, business partners or anyone interested in helping us

fight corruption.

- ◆ Create an atmosphere of collaboration and visibility of compliance
- ◆ Effectively deal with any type of risk.
- ◆ Prevent conduct that harms the company and society as a whole.

During the year, we received a total of 10,152 complaints, which were analyzed and, where appropriate, the necessary corrective measures and consequences were established.

Likewise, during 2021, we were not sanctioned or fined by any authorities for corruption, unfair competition or monopolistic practices.

COMPLAINTS RECEIVED IN 2021				
ISSUES	TIENDAS ELEKTRA	ITALIKA	BANCO AZTECA	GRUPO ELEKTRA
Sexual Assault	2	47	33	82
Dishonesty	318	539	930	1,787
Theft	49	5	23	77
Conflict of Interest	152	50	304	506
Abuse of power	445	376	1,021	1,842
Work Environment	743	237	1,521	2,501
Non-compliance with standards	596	87	827	1,510
Other issues	300	145	1,402	1,847
Total	2,605	1,486	6,061	10,152





Risk Management

(GRI 2-12, 2-13, 201-2, 205-1)

Comprehensive Management

At Grupo Elektra, we continue to identify and manage risks for each of the companies that make up the Group. In this way, we propose preventive and mitigation measures, which include operational actions and organizational culture specific to the nature of the businesses, as well as those with a transversal impact at the Group level.

Risk governance involves the Board of Directors of each subsidiary and of the Group, who establishes the general guidelines and the risk appetite to achieve the strategic objectives.

Particularly in the financial business, the evaluation and management are especially exhaustive derived from its operations, for which reason the specific Board of Directors of Banco Azteca sets the exposure limits for each type of risk, which it also evaluates to ensure compliance. It guarantees the consistency of the assessment of capital adequacy with the desired risk profile, as well as the levels of capitalization and liquidity, with respect to its objectives and strategic plans.

At a Group level, the senior management evaluates the goals related to risk management in the different areas

(Risks, Information Security, Legal, Operations, etc.), which are part of the performance evaluation of the personnel in charge. The review of the effectiveness and compliance of the risk management system corresponds to internal audit.

CRM Mission:

“To be a strategic partner of the business, supporting it to meet its goals, ensuring and maximizing the profitability of the shareholders’ capital and preserving the investments and savings of our customers, complying with the legal and regulatory framework of Comprehensive Risk Management”

For CRMU’s functional structure, please refer to the BAZ Exhibit.

1st line of defense	2nd line of defense	3rd line of defense
BUSINESS AREA	RESPONSIBLE PARTIES FOR CONTROL AND MANAGEMENT	INTERNAL AUDIT
Implementation of preventive and risk mitigation measures Support in the identification and assessment of risks in each of the business, operational and support activities (especially senior business management)	They are independent from the operation and business areas Responsible for the measurement, monitoring and control of risks They propose response measures They monitor the evolution of risks They monitor compliance with external and internal regulations Promotes the development and application of a risk culture	Executes an independent and objective review on the quality and effectiveness of the internal control system, and the performance of the first and second lines of defense Identify findings of non-compliance, remediation plans and sanctions where appropriate Members of the Internal Audit team do not participate in 1st and 2nd line functions

For its part, Banco Azteca has the Comprehensive Risk Management Unit (CRM), which is key for the identification, measurement, surveillance and control of risks to which the Bank is exposed.





Main risks identified:

Below, we present the main risks for our operation at the Group level. Throughout the report we give an account of how we manage them.

Risks	Description	Reference /s
Cybersecurity	External attacks on the information systems of our companies, as well as on the platforms of operation with customers, including those of banking and electronic commerce.	Customer's experience
Data privacy	Considers the exposure of information systems, including our servers, payment gateways, etc. Likewise, it integrates the risks of bad practices in the management of information by employees, which may lead to information leaks or unethical and responsible behavior; It also involves generating a culture of protection of personal data in the handling of data by the customers themselves to avoid and prevent fraud. In addition, it considers the misuse for abusive sales practices, affecting the customer and that may conflict with the regulations for the defense of consumer interests.	Customer's experience
Climate change	It refers to risks due to impacts of climate change on the continuity of the operation, inventory availability, on the value of assets, among others. For the financial business, it refers to possible risks in the recovery of the portfolio/delinquencies that affect the profitability and permanence of the business.	CC risk management
Corruption	Risk of bribery, fraud, money laundering, among other practices, which violate the honesty and transparency of employees and compromise the company's assets.	Ethics

After exposing the risks by cause of origin, we present the classification by type of impact:

Risks	Description	Detail	References
Financials	It includes the market, credit and liquidity risks of our financial business. ♦ Credit: non-payment of customers, late payments. ♦ Liquidity: shortage of funds to meet our obligations ♦ Market: volatility in the exchange rate; decrease in the value of the loan and investment portfolio due to changes in the variables that determine it (e.g. interest rate).	These risks are especially related to the activity of Banco Azteca. In our subsidiary, we have a robust internal risk assessment model for credit origination. Regarding the calculation of reserves, its model has been proposed in accordance with the IFRS9 standard and is approved by the National Banking and Securities Commission. Risks due to volatility in exchange rates were mitigated through position strategies of derivative financial instruments that hedge the risk open to the exchange rate.	Banco Azteca Exhibit
Operational	Risks that hinder the activity, in technological aspects, human capital, system failures, etc.	Human Capital Management Cybersecurity for the integrity of the systems and information of customers and employees Inventory guarantee through the provisioning strategy and supplier selection. Business continuity plan (BCP)	Employees Customer's experience Suppliers BAZ (BCP) Exhibit
Legal	Changes in the applicable regulation, sanctions for non-compliance with the legislation, revocation of authorizations and/or permits, etc.	Strong culture of compliance. Ethics, Integrity and Compliance Program (EICP): 1) Internal self-regulation (policies, codes) 2) Complaint mechanisms 3) Updating of risk identification and response measures	Ethics
Reputational	Effects on the trust of our stakeholders, the value of the different brands, negative prescription of the Group and/or our companies, etc.	Employee commitment and training and climate measures. Compliance culture and EICP. Close relationship with the different interest groups.	Employees Ethics GRI Annex





Climate Change Risks and Opportunities

(GRI 201-2)

The management and identification of climate change risks is a critical issue that has been incorporated into the Group's business continuity plans. For 2022 we will be finalizing the analysis of climate change risks and opportunities under the recommendations and nomenclature of the *Task Force on Climate Related Financial Disclosure* (TCFD), which will allow us to have heat maps on the evaluation of the commercial and financial portfolios under these risks.

Likewise, we have contingency plans and protocols that are developed under the different geographic realities of extreme natural events such as hurricanes and storms.

Commercial business

The impacts of extreme weather phenomena affect the transactions of Tiendas Elektra and Italika, impacting supply routes and therefore the availability of inventories, as well as the operation of our internal and store logistics.

Regarding the opportunities related to the environment from the commercial business and the growing sensitivity of society in this regard, the following stand out:

- ◆ Request by customers for more energy efficient equipment, which may provide opportunities for differen-

tiation in the catalog. At Tiendas Elektra, we are incorporating the eco-efficient product offer, including our own brand products. The acquisition of these products is also encouraged through specialized loans or loans with features that make the purchase of these products accessible.

- ◆ Preference for more sustainable mobility options, at Italika we have the first models of bicycles, scooters and electric motorcycles of the Voltium line.

As mentioned at the beginning of this section, for Tiendas Elektra we are working on the identification of risks in our commercial portfolio under the TCFD recommendations, which will broaden our reference framework for the management of risks associated with climate change.

Financial business

As a financial institution we believe that at Banco Azteca we may contribute to mitigating and adapting to climate change through the investments we make, and we join the global efforts to achieve the objectives of the Paris Agreement.

At the same time, we continue with the identification of risks and opportunities regarding climate change aligned with the recommendations and nomenclature of the Task Force on Climate Related Financial Disclosure (TCFD) for all business units. These efforts supplement the subscription by Banco Azteca and Afore Azteca, of the Request to Public Issuers Regarding Disclosure of Environmental, Social and Corporate Governance Information, issued by a broad set of institutional investors in Mexico in 2020.

By early 2022 we will have completed our first risk analysis of our portfolio, providing us with heat maps that will help us establish strategies for managing these risks and opportunities.





The climate change risks and opportunities of Banco Azteca, for its different businesses, are expanded upon in the Banco Azteca Exhibit, as well as the heat maps related to the portfolio.

Credit Portfolio

Risks

- ◆ Late payments due to operational discontinuity, project delays, etc., that affect the customers' ability to pay. It includes the incidence of extreme weather events in areas of special exposure.
- ◆ Loss of value of assets financed by investment and legislative trends on energy and high-carbon business models.
- ◆ Effects on the Bank's reputation by financed projects and/or customers that carry out controversial activities and/or may be questioned due to the growing scrutiny and public sensitivity regarding the increase in global temperature.

Opportunities

- ◆ Development in the market of financing options with preferential rates for projects with environmental benefits, which generate a new segment of competition
- ◆ Recovery capacity and/or new credit in industries with high consumption of energy or other resources such as (carbon, water, etc.) due to the transition to a lower carbon economy.

Investment

Risks

- ◆ Portfolio exposure, low risk since most correspond to high liquidity and low risk government instruments

Opportunities

- ◆ Investment market growth and diversification of options, hand in hand with the development of sustainable finance instruments such as impact investments, green products, institutional/ public and corporate bonds associated with environmental and/or social objectives.
- ◆ At Afore Azteca, we are already working on a roadmap to comply with the regulatory requirement in Mexico for the inclusion of ESG criteria in the investment strategy of the Sifores. In 2020 we established the commitments, which will be transferred to specific investment criteria and will be integrated into the current evaluation system.

Operation

Risks

- ◆ Material damage or losses caused to its physical infrastructure and assets due to natural phenomena (Multiple Business Policy).
- ◆ The company has insurance and provision reserves for catastrophic risks, which consist of coverage for earthquakes and / or volcanic eruptions; hurricane and other hydrometeorological risks

Opportunities

- ◆ Cost savings due to the implementation of energy efficiency measures, aimed at mitigating GHG emissions.



Customers

GRI 416-1, 416-2

Value proposal

From the core of our commercial and financial business, we place the customer at the center of our transactions, we are concerned about meeting their needs and thus contribute to the reduction of inequalities in society in general.

We have a highly trained and specialized team to provide the best service to our customers.

That is why in 2021 we formalized the consolidation of Red Única, which is the structure that integrates the geographic employees of Tiendas Elektra and Banco Azteca to serve customers at the points of sale.

Through Red Única, store and branch employees are aligned under the same business strategy, expanding their skills and knowledge, strengthening the identification of customer needs, which allows the promotion of the offer that best suits them.

For each of our businesses, we maintain the best quality of products and services, encourage innovation, and stay at the forefront to maintain our relevance in the market, allowing us to continue as the top of mind of our customers.



We are in Red Única		
We are kind	We are consultants	We are relevant
Why?	Why?	Why?
We connect with our customer to generate a special moment. In Red Única, we are: <ul style="list-style-type: none"> ♦ Educated ♦ Friendly ♦ Sociable ♦ Attentive 	We understand the customer and we provide the best solution to sophisticate their desires. In Red Única, we are: <ul style="list-style-type: none"> ♦ Consultants ♦ Specialists ♦ Proactive ♦ Satisfactory 	We exceed the customer's expectations to build a long-term relationship and create happy moments. In Red Única we are: <ul style="list-style-type: none"> ♦ Emphatic ♦ Enthusiastic ♦ Committed ♦ Thoughtful



The best rated App on iOS and first place in the Google Play finance ranking.

BANCO AZTECA

FS13

VALUE PROPOSAL

We are a Mexican bank that, since our inception, has been committed to promoting financial inclusion. Through our user-friendly products and services, we integrate the population underserved by traditional banking into the formal financial system. We are convinced that it is through bankarization and financial and digital inclusion that we can help generate greater prosperity.

Today we have the largest network of bank branches in Mexico, and we are present in other countries such as Guatemala, Honduras and Panama.

Our commitment compels us to go where no one has gone before. We have always been committed to innovation and technology, which is why we were the first bank to implement biometric identification to protect our customers' assets.

Through a comprehensive scheme of non-banking services, we supplement our financial offer through: Seguros Azteca, Afore Azteca, Presta Prenda and Dinero Express.

Omnichannel strategy:

In addition to our wide network of branches, we promote the use of other contact points that the customer has close by, as an alternative to our branches, in the case of our own ATMs, third parties with whom we have alliances, and correspondents.

Omnichannel strategy results 2021		
	2020	2021
Digital customers	11.9 million	16.1 million
Digital transactions performed (mobile)	1,577 million	2, 843 million
Personal Loan Placement (% app interest)	42%	45%
% Openings of N2 savings accounts (Guardadito Digital)	89%	83%

As part of the Bank's omnichannel strategy, we have digital channels such as digital banking or the mobile app and we promote their use by our customers through digital advisors in our branches and campaigns.

Our mobile application offers a wide range of services and is easy to use; It allows the opening of savings accounts, the payment of services, sending and/or receiving money even in remote places, avoiding the transfer to a branch. Our customers can also make payments with the Banco Azteca App at more than 15 thousand payment points throughout Mexico.

With a presence in more than 800 municipalities, we reach where other financial institutions do not, being the only institution in 193 municipalities.





TIENDAS ELEKTRA

VALUE PROPOSAL:

We are the fastest growing retail company in Mexico and Latin America in recent years. Currently, we have more than 1,300 stores, with presence in 4 countries (Mexico, Guatemala, Honduras and Panama) and a team of more than 10 thousand of collaborators.

Our organizational culture fosters the development of our employees, with a totally renewed value proposition. Elektra Talent is highly results-oriented, with a passion for success and teamwork. Today, we are clear that life gives us happy and unique moments that are marked in our memories and begin when we go to the nearest Elektra.

Every television, living room or motorcycle we sell is a goal accomplished, filling thousands of families with joy. Here at Elektra, our vision is to be the company where everyone wants to work, and you can join a team that drives a great transformation.

Our purpose is to create happy moments by providing the best omnichannel shopping experience to our customers.

Omnichannel strategy:

In terms of e-commerce, we offer the opportunity to purchase online both in our own establishments, with digital kiosks, as well as from homes and anywhere thanks to the online store. All our stores have digital areas, electronic tablets for assisted sales and digital kiosks, in which the customer can consult our catalog and order products, even if they cannot physically find them in the establishment.

Regarding online purchase, we offer the options “ship to store” and “ship to home”, so that the customer can choose if they prefer to pick up the product in store or receive it at home.

We strengthen our strategy with Baz Entregas.



Tiendas Elektra's revenues amounted to 65,530 million pesos.





ITALIKA

VALUE PROPOSAL:

We are a proudly Mexican brand, dedicated to assembling and market motorcycles in Mexico, Guatemala and Honduras. With more than 5 million customers, ITALIKA has arrived to revolutionize the market.

In record time, it became the best-selling brand in the category in Mexico, since, we have more than 60% of the market participation.

Our mission is to provide our customers with innovative, reliable and fun mobility solutions and experiences, to make them more free, productive and efficient, always being their best option.

Omnichannel strategy:

It has commercialization through its own dealers, centers and third-party stores, as well as the Elektra Stores themselves.

In addition, it has online sales, with a solid e-commerce strategy, which includes its own store and third-party platforms; products are marketed on leading platforms.

It should be noted that the customer can select that the product arrives at home or pick it up at a physical delivery

point; Among the options are the Italika Service Centers (CESIT for its acronym in Spanish), which we are setting up for such.

We have developed the first version of the Italika App, Tu Nuevo Copiloto Digital which allows our customers to do the following:

- ◆ A CESIT near you: find the nearest Service Center (CESIT) using a geolocation map.
- ◆ Schedule your next service: know the complete service history, the next services to be performed, and manage the service schedule easily thanks to the access to the service calendar and warranty status.
- ◆ Download technical information: you will always have technical data sheets, user manuals and electrical diagrams at hand.

- ◆ Contacts in case of emergency: create a list of family, friends or institutions, add their numbers with personalized messages, and in case of an eventuality you can send them in a single click.
- ◆ Direct access to ITALIKA World: launches, driving tips, events, maintenance tips, technical tips, and more. All this without leaving the app.



Italika is the number 1 motorcycle brand in Mexico, with more than 60% market share.

Sales reached 17,679 million pesos.





elektra



Banco Azteca





Baz Entregas (Baz Deliveries)

Along with the value proposition of each of the businesses and the omnichannel strategy, the Baz Entregas department, formerly supply chain, has been solidified in 2021, being the main logistics axis of Tiendas Elektra, with the purpose of generating happy moments for our customers.

To achieve our purpose, we promote the delivery of goods where and when our customers want in a fast, safe and

personalized way, reaching where no one else reaches and placing it in the place the customer prefers.

To achieve this mission, it is necessary to have end-to-end control over distribution, from people (drivers and auxiliaries), physical and digital infrastructure (specialized vehicles, mobile applications) and data for

decision making. We have worked to strengthen the logistics strategy and restructure the CEDIS, HUBS and Stores.

To date, we have 100% of our own fleet, which helps us to generate routes and optimize existing ones.



For more details and relevant data on Baz Entregas, please refer to the Tiendas Elektra Exhibit.



We transformed 23% of our stores during the year.

We break paradigms, we transform the lives of Mexicans, and we are a brand of Mexicans for Mexicans.

Thanks to the new structure, we have had a decrease of more than 60% in losses on merchandise shrinkage with respect to 2020.





Quality and Transparency

(GRI 416-1, 416-2, 417-2, 417-1)

At Grupo Elektra, we evaluate all our products and services under the highest quality standards, which guarantee the safety of our customers.

We ensure to provide the customer the information necessary for the customer to make adequate decisions regarding the characteristics of the products and services, rates and payment conditions, after-sales service, etc.

We believe in the need to advance a culture of responsible consumption, with the participation of the company and customers. We are committed to long-term relationships, trust in us and safeguarding the customer's ability to pay.

All this is part of our organizational culture, which we reinforce with internal self-regulation (policies, codes), together with strict adherence to the corresponding legislation in each case and consumer rights.

We remain aligned with the compliance of standards that impact each of the businesses related to the safety of products and services, as well as those that guarantee the informed purchase of customers.

At Banco Azteca we collaborate with the National Commission for the Protection and Defense of Users of Financial Services (*Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros* or CONDUSEF), in safeguarding the rights and interests of our customers. We comply with the law and the regulations of the CONDUSEF and the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores* or CNBV).

As for Tiendas Elektra and Italika, we adhere to national standards (NOM) and collaborate with the Federal Consumer Protection Agency (*Procuraduría Federal del Consumidor* or PROFECO), which allows us to constantly train our employees in sound business practices and official Mexican standards. In addition, we participate in PROFECO's Conciliaexpress program, which facilitates the early resolution of potential complaints.

Complaints and claims 2021	
Tiendas Elektra	<ul style="list-style-type: none"> ◆ a total of 3 complaints for product damage, warranty and exchange or return, of which 2 have been resolved and 1 is still pending. ◆ During 2021, there were no cases of non-compliance related to the information and labeling of products and services.
Banco Azteca	<ul style="list-style-type: none"> ◆ Average User Service Performance Index Rating (IDATU for its acronym in Spanish) 2021, 8.99. ◆ No sanctions have been incurred for anti-competitive practices.
Italika	<ul style="list-style-type: none"> ◆ During the year, there were no complaints or product returns due to defects. ◆ There were no penalties for non-compliance with labeling and / or marketing communication





Cybersecurity

(GRI 418-1)

We have the Information Security Office (DSI for its acronym in Spanish) at a Grupo Salinas level, which is in charge of managing matters related to the protection of personal data and cybersecurity. We supplement the management with the Information Security Policy, which is based on the ISO 27001:2001 Standard; we align the functions of the areas of the Information Security Department aimed at reducing cybersecurity risks and protecting the Institution's data and information against possible theft, disclosure, unauthorized access, modification, loss, interruption or misuse that may occur intentionally or accidentally.

For its part, Banco Azteca, one of the companies with the highest risk of cyber-attack due to its line of business, we have our own Cybersecurity Committee, which determines and evaluates the measures in response to risks and guaranteeing compliance with the standards in force and of the applicable legislation. The management team is led by Grupo Elektra's Chief of Information Security.

We apply the corresponding procedures, which consider situations of loss or failure of services, unauthorized access to systems, malware or violation of security measures; We also analyze the causes of origin that provide data to plan the prevention and corrective measures that lead to it. In the event of an event that affects information security, we respond according to the scale of the risk.

We have a cybersecurity model for Grupo Elektra's digital services that manages and minimizes the risk of loss of

its companies' assets. In 2021, a cybersecurity model was established for ecosystems operated from public and private cloud services.

The DSI makes all employees participate in the identification and management of risks in cybersecurity, through an incident reporting process, which can be carried out in different ways (including Help Desk, email for external complaints and another of its own for complaints internal). Likewise, for the correct functionality of the system and reporting of complaints, it is important to keep employees trained on the subject.

Training on cybersecurity issues		
	Attendees	Hours
Banco Azteca	54,171	32,374
Tiendas Elektra	31,577	18,939
Italika	1,205	122

Regarding the digital channels, the Banco Azteca app has 2 clearing chambers which guarantee the 24/7 operation of the platform, so during 2021 there were no problems in transactions and transfers, having said that, there were no payments related to sanctions or penalties for failures in infrastructure or interruptions in services.

Information Management

418-1, CG-MR-230a.1, FN-CB-230a.2, FN-CF-000.A, FN-CF-230a.3

We remain aligned with the guidelines and legislation applicable in each of the countries where we operate. In Mexico, we follow the Federal Law on Protection of Personal Data Held by Private Parties (Ley Federal de Protección de Datos Personales en Posesión de los Particulares) and its Regulations, in addition to the alliance with the INAI and the renewal of the certification by the NYCE body for a 2 years period.

Additionally, under the Code of Ethics and Conduct we establish our commitment to safeguard and make effective use of customer information, we process personal data with the highest confidentiality standards.

To monitor compliance with the provisions, an internal audit is carried out at least once a year, as well as an audit and certification process by NYCE.

The Personal Data Security Management System (SGSDP by its acronym in Spanish) is the body that supports us in monitoring and managing any risk or case identified in this area and includes the following policies and manuals:

- ◆ Privacy policy and personal data security management system
- ◆ Manual of attention to ARCO rights requests (Access, Rectification, Cancellation and/or Opposition).
- ◆ Exclusion list management manual
- ◆ INAI (National Institute of Transparency, Access to Information and Protection of Personal Data (Instituto

Nacional de Transparencia, Acceso a la Información y Protección de Datos Personales)) requirements attention manual

- ◆ Manual of referrals and transfer of personal data.

The unit responsible for updating, implementing and monitoring the proper functioning and effectiveness of the SGSDP is the Data Department.

We make the privacy notices of each of our companies available to customers and we promote them to know how their data is processed, as well as their rights in this regard.

We address 100% of the requests for ARCO rights from our customers and we have not received sanctions or fines for the violation of the legislation that includes their rights.

Training on Personal Data Protection and ARCO rights issues		
	Attendees	Hours
Banco Azteca	42,683	21,341
Tiendas Elektra	18,901	9,451
Italika	8	4

40% of our customers' information is used for secondary purposes with their authorization.



Customer satisfaction

At Grupo Elektra we seek to establish long-term relationships with our customers, based on trust, service and product quality, as well as on the value proposition of the business to improve their quality of life.

We monitor customer satisfaction through the Net Promoter Score (NPS) which considers the recommendation/preference of customers on a scale of 1 to 10 (minimum to maximum).

Customers are classified into 3 categories:

Detractors (0-6): those who are dissatisfied with the service.

Passive (7-8): satisfied with the service, but not recommending it.

Promoters (9-10): those who recommend and promote the company, its products and services.

This evaluation is carried out quarterly, therefore, each report is analyzed, and the pertinent corrective actions are established. In 2021 the sample was of 186,681 customers.



	NPS 2019	NPS 2020	NPS 2021	%
Grupo Elektra	64.8%	26.4%	53.5%	27.1%

The index reflects the difference between the % of promoters and that of detractors.

* The self-applied surveys consider the following channels:

- Text Messaging
- Voice messages
- Phone Calls
- Web Surveys

Suppliers

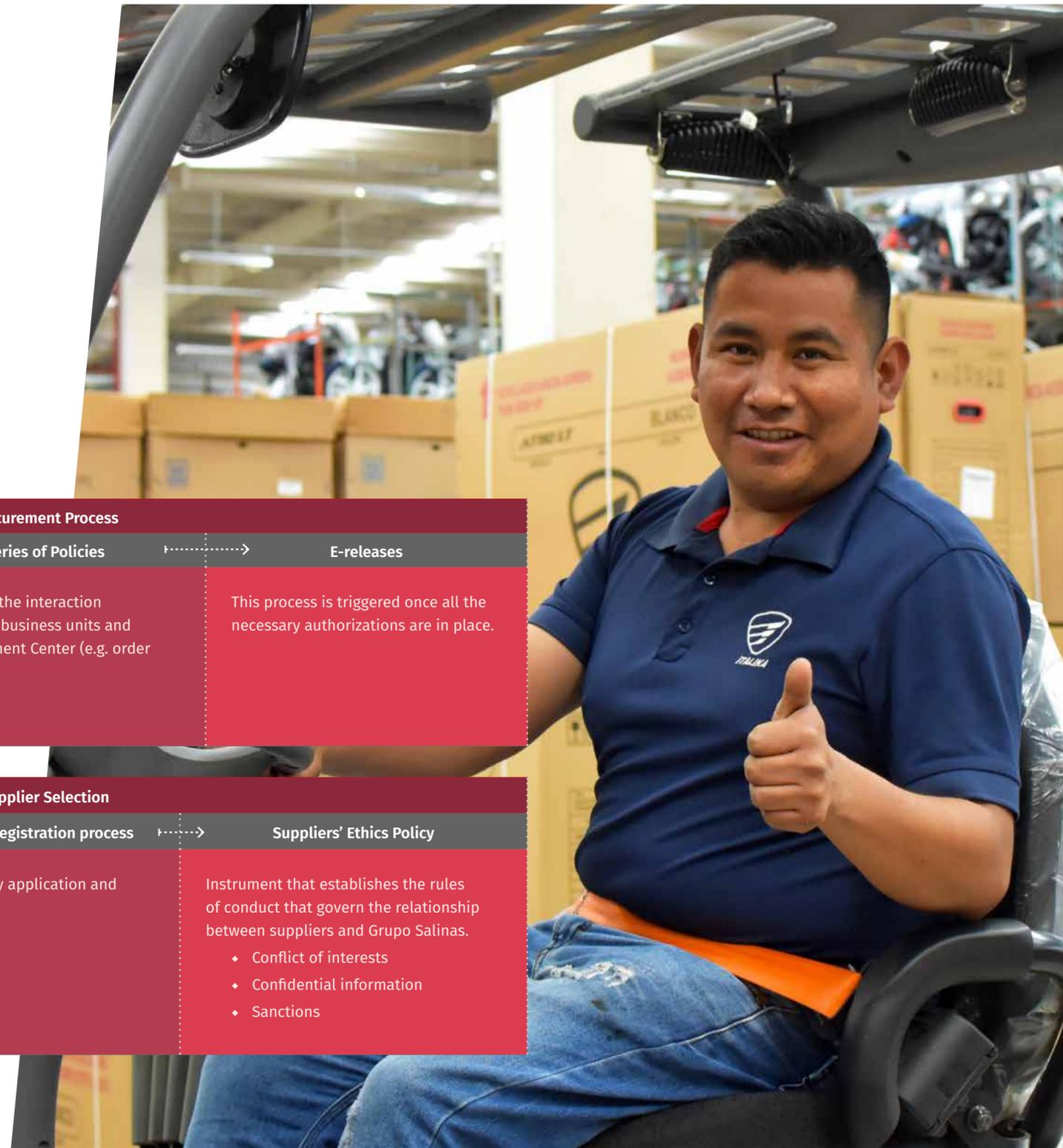
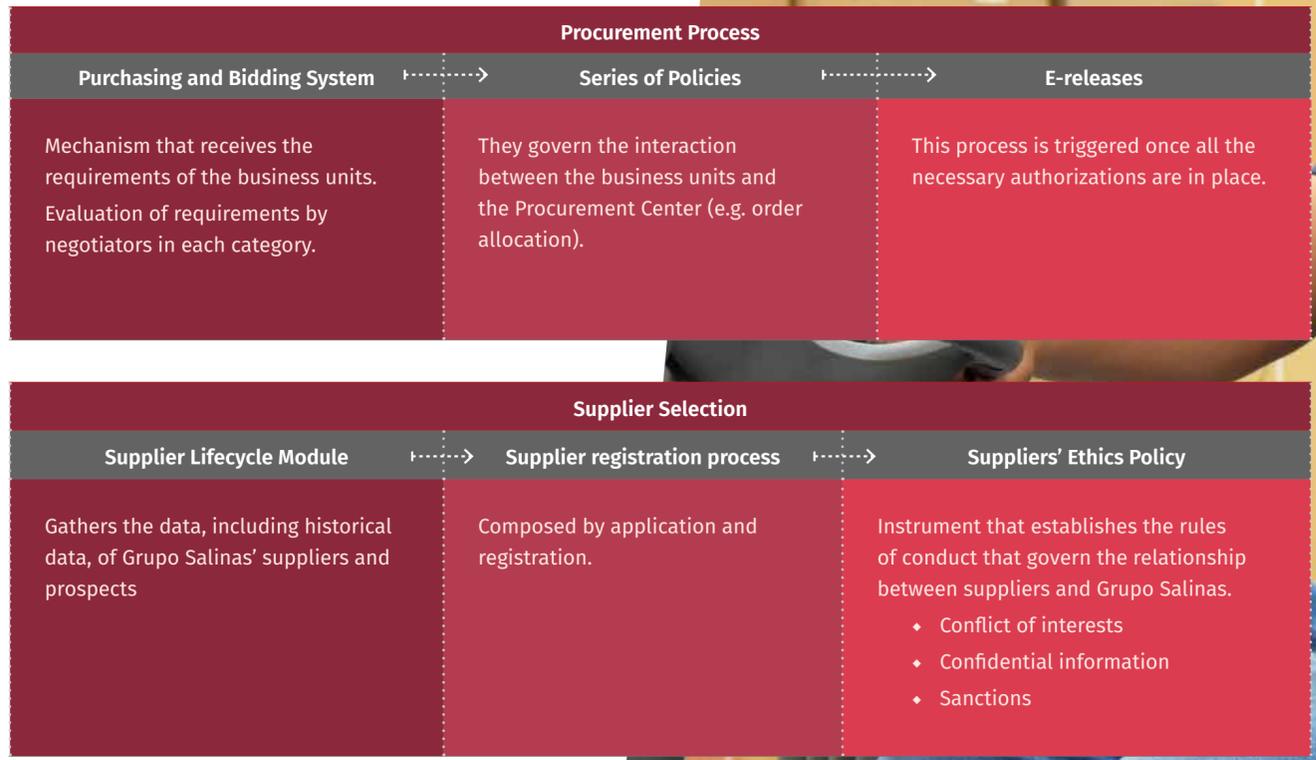
(GRI 2-6, 2-29, 203-2, 204-1, 308-1, 414-1, 414-2)

Management

Aware of the value of our supply chain the satisfactory performance of our operations, we strengthen our relationship with the more than 700 suppliers of the Group as well as with those of our own businesses.

For supplier management at Grupo Elektra level, i.e., those that provide services or products in a cross-cutting manner to the businesses, there is the Procurement Center of Grupo Salinas, a centralized area that sets out the validation criteria for new acquisitions and registration of new suppliers. This ensures compliance with internal and external regulations, the optimization of the supplier catalogue, the search for proposals that contribute to the profitability of the business while creating value for customers and generating long-term relationships with the supply chain.

The Procurement Center works under two related processes, which constitute a series of key mechanisms and tools, and respond to the procurement strategy established by the Group.





Each year, the Procurement Center identifies critical suppliers for Grupo Salinas, located in the top 20 of the orders registered in its portal, according to the amount of invoicing.

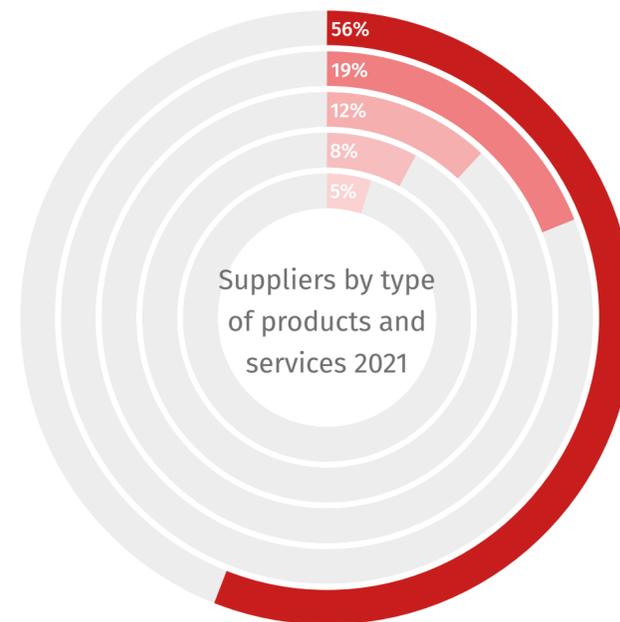
On the other hand, those suppliers that are particular or specific to the business are managed internally by each of the corresponding areas within the companies that make up the Group. Always aligned with the procurement criteria of the Procurement Center and the values dictated by Grupo Salinas.

In the case of Italika's suppliers, management is somewhat differentiated due to the nature of the suppliers of services and spare parts for product assembly. Making the selection thereof exhaustively and with greater risk analysis. For details of suppliers and their selection, please consult the Italika Exhibit.

It is of vital importance that our supply chain is under the legal and regulatory framework, in addition to being aligned with the Supplier Code of Conduct.

The Supplier Ethics Policy supplements the above and reinforces the prevention of conflicts of interest and the safeguarding of the confidential information of each business.

Of Grupo Elektra's total of 725 suppliers, they are divided into the following, by type of product or service:



Marketing
Office and Branch construction
Office Equipment
Technology
General Services

The following is a list of expenses and local suppliers by business:

	BAZ 2021	ITK 2021	EKT 2021
Total (MXN)	\$770,991,174.99	\$143,497,808.71	\$858,934,494.09
% for Local Suppliers	92.48%	99.75%	95.45%
% for Foreign Suppliers	7.52%	0.25%	4.55%



95% of procurement spending went to local suppliers at group level.





Supplier Circle Certification

(GRI 308-1, 308-2, 412-3, 414-1, 414-2)

In particular, the Procurement Center targets suppliers identified as critical. For the Group, these are those with the highest invoicing amounts concerning total purchases, which are subject to the Supplier Circle Certification process, which is the process in charge of identifying critical risks and grouping the most intensive due diligence and monitoring activities in the supplier chain.

The certification evaluates the commitment to integrity and ethics of our suppliers extending the evaluation to social and environmental performance.

In this way, we seek to guarantee responsible purchases, based on ethical, labor, community relations and environmental criteria, establishing a constructive relationship with suppliers that allows us to multiply the Group's positive efforts in the communities in which they are present. It also adds financial aspects, wide-ranging legal compliance, as well as operational and supply capacity.

The assessment for certification includes documentary and on-site analysis. This process allows us to identify possible risks to the human rights of employees and communities, including environmental impacts. To establish mechanisms to receive complaints, the chain of suppliers,

joins the complaints that may arrive through Honestel, our channel available to the public.

During 2021, 336 new suppliers met the environmental and social criteria and were evaluated on the various criteria according to the following breakdown:

We supplement such practice with internal processes that allow us to provide support and feedback, in the event of non-compliance. We provide external consultancy so that they can work on the evaluated criteria, implementing an improvement plan to optimize their performance in environmental, social, economic and ethical matters.

	Supplier evaluation	
	2020	2021
Social Criteria	119	336
Participation in social engagement events	78	86
Donations to social causes	41	86
Environmental Criteria	444	160
Enforcement and control	250	323
Environmental responsibility	194	80





Employees

Labor Demographics

(2-7, 2-30, 401-1, 415-1)

The growth and performance of Grupo Elektra has been thanks to the group of employees that make up our company, making us an important generator of employment in the countries where we operate and the livelihood of thousands of families.

We focus on development, empowering talent always under the principles and values that characterize us, eliminating any bias related to their origin, sex, religion, among others. We are promoters of diversity and inclusion, as we are convinced that a diverse team is a team rich in ideas and efficiency.

Under the restructuring that has been taking place in the different areas of the Group, we are more than convinced that any change is synonymous with improvement and transformation; however, this transformation would not be possible without the commitment and trust that our employees have given us even in times of adversity.

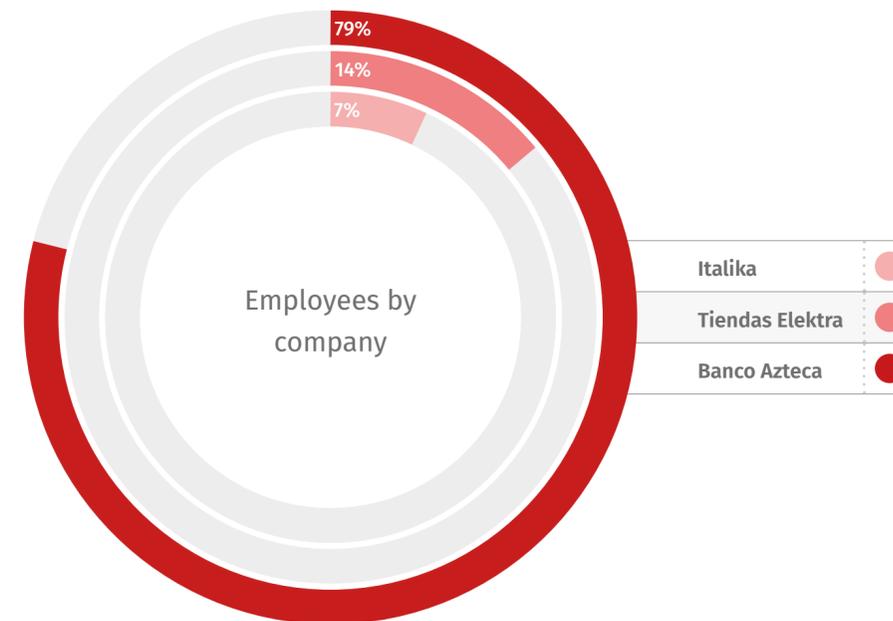
We closed 2021 with a total of 65,839 employees, maintaining our responsibility towards employability by increasing our workforce by 0.6% compared to last year.

We have a 40% representation of women in our total workforce at Group level.

	2020		2021	
	MEN	WOMEN	MEN	WOMEN
Banco Azteca	29,950	20,754	30,220	22,038
Tiendas Elektra	7,346	3,204	6,345	2,563
Italika	2,853	1,191	3,212	1,461
TOTAL	40,149	25,149	39,777	26,062
TOTAL GE	65,298		65,839	

64 employees of Italika are under collective bargaining agreements (unionized)

Due to the integration of Red Única, adjustments have been made to the total headcount reported in 2020 and 2021, within the adjustments the geography staff is now managed by Red Única.





Talent attraction and retention

EMPLOYEES BY TYPE OF CONTRACT				
	PERMANENT		TEMPORARY	
	2020	2021	2020	2021
BANCO AZTECA	50,108	51,812	596	446
TIENDAS ELEKTRA	10,310	8,712	240	196
ITALIKA	4,024	4,658	20	15

In order to remain an attractive company in which people can develop, we offer competitive salaries in the market and a culture aligned with the Group's values that generates trust and loyalty among our employees.

Our hiring process is based on the evaluation of skills and knowledge, eliminating any discriminatory practices in the selection process. We also have succession plans for those positions that require it, recognizing internal talent, because of which we apply for vacancies within the Group based on meritocracy and recognition.

We remain aligned with the Grupo Salinas High Performance Model, which aims to reflect the way of thinking and execution of all the companies that make up Grupo Salinas. It is structured in 6 steps, which we homologate to Grupo Elektra's businesses.

In each of the Group's businesses, attraction and recruitment processes are carried out to complement the Group's model. Due to the nature of each business, specific programs and tools are available to assist in the selection process.

- Step 1: Strategy
- Step 2: Structure
- Step 3: Team
- Step 4: Information System
- Step 5: Compensation and incentives system
- Step 6: Integration and assessment

PROGRAMS/TOOLS BY BUSINESS	
Banco Azteca	<ul style="list-style-type: none"> ◆ Referral program ◆ Psychometric and skills tests
Tiendas Elektra	<ul style="list-style-type: none"> ◆ Interviews by competencies ◆ Talent in motion program, for the development of internal talent ◆ Panel in Corporate for the selection of managerial and executive talent.
Italika	<ul style="list-style-type: none"> ◆ Measurement of the General Honesty Score (GHS) ◆ Organizational Respect Diagnosis (ORD) ◆ Psychometric Evaluation

During 2021 we had a total of **23,638 new hires** at Group level, where 38% of new hires corresponded to women.





To retain talent, we strengthen the organizational culture, where each business generates initiatives to permeate the values, principles and objectives of the business in the workforce.

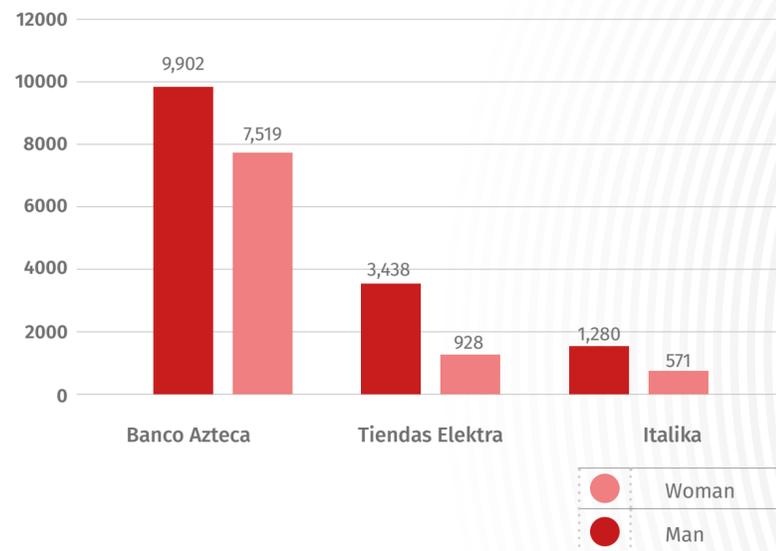
Banco Azteca has a Terminations Committee, which helps to understand the situations in which an employee leaves the organization voluntarily or involuntarily, and allows us to generate strategies that help to reduce annual departures in the company.

On the other hand, Tiendas Elektra bases its culture model on 10 axes, which are known to all employees through a couple of initiatives such as:

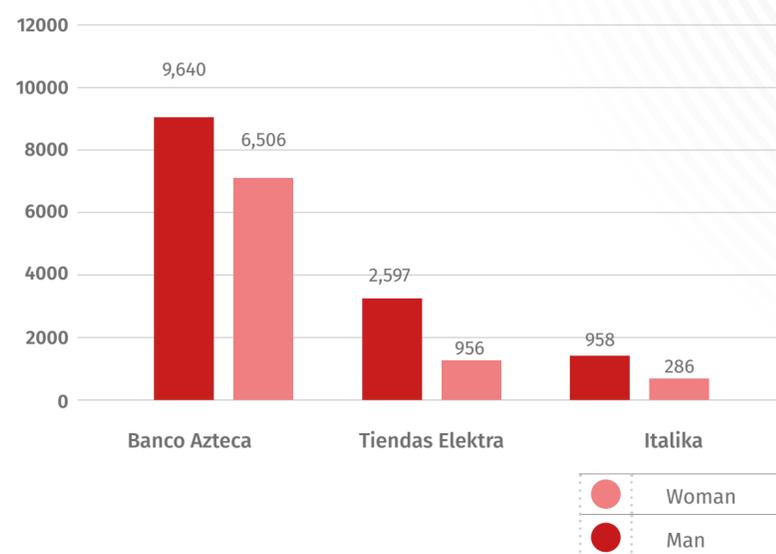
- ♦ *Caravana de cultura* (Culture caravan): it takes place every 6 months and visits the different work centers to promote adherence to the organizational culture.
- ♦ *Promotores de cultura* (Culture promoters): employees responsible for transmitting the culture, who can also identify and address related problems that they detect in the operation.

Finally, at Italika we continue with the promotion and development of our employees, ensuring their well-being and safety in the execution of their activities.

Hires Grupo Elektra 2021



Terminations Grupo Elektra 2021



Grupo Elektra 2021 Turnover				
	Banco Azteca	Tiendas Elektra	Italika	Total
Involuntary Terminations	4,724	1,113	158	5,995
Transfer area	5	3	0	8
Voluntary terminations	11,417	2,437	1,086	14,940
Total	16,146	3,553	1,244	20,943
Turnover rate	31.36%	36.52%	28.54%	31.94%

Notes:

- Voluntary termination: The case where a worker freely and without being subjected to coercion or any threat, decides to terminate his/her employment relationship with the company.
- Involuntary termination: The case which it is the

- company that makes the decision that the employee leaves or changes position in the company.
- Includes voluntary and involuntary termination.
- Turnover is calculated as: Total of voluntary and involuntary terminations/Average of total collaborator at the end of 2020 and 2021





Diversity and equal opportunities

(GRI 401-3, 405-1, 406-1)

We are aware that a diverse team is a team that generates greater value thanks to the integration of ideas, ways of working and skill sets that strengthen the execution of business transactions. For this reason, Grupo Salinas promotes diversity and inclusion in each of its companies.

As part of our values, we try to eradicate all types of discrimination and we encourage our employees to respect the individual rights of each person who is part of the Group, as well as to transmit these values externally to their families and areas of influence.

As an employment generator, we continue our collaboration with Mexico's national program, Jóvenes Construyendo el Futuro (Youth Building the Future), generating opportunities for young talents and professional careers within our companies.

On the other hand, as part of our commitment to gender equity and equality, since 2019 we have voluntarily certified ourselves with the NMX-R-025 Standard on Labor Inclusion and Non-Discrimination, which recognizes workplaces that have practices on these issues to promote the integral development of workers.

We are also part of the United Nations Women Empowerment Principles initiative, which aims to empower women within organizations to develop and take on leadership positions.

As an important milestone in 2021, Grupo Elektra permeated the Gender Unit that works at the Grupo Salinas level, with the main objective of eradicating all types of labor abuse against women in any job.

22% of women occupy the total number of "top" positions, being managerial and senior leadership positions in the organization. We continue to work to promote balance in these positions.



Employees by sex and age (2021):						
	MEN			WOMEN		
	Under 30 years old	Between 30 and 50 years old	Over 50 years old	Under 30 years old	Between 30 and 50 years old	Over 50 years old
Banco Azteca	14,290	14,752	1,178	10,328	11,084	626
Tiendas Elektra	3,370	2,641	334	1,170	1,258	135
Italika	1,479	1,565	168	560	847	54
TOTAL	19,139	18,958	1,680	12,058	13,189	815
%	29.1%	28.8%	2.6%	18.3%	20.0%	1.2%

Employees by function:								
	Banco Azteca		Tiendas Elektra		Italika		Grupo Elektra	
	Men	Women	Men	Women	Men	Women	Men	Women
Top	479	143	101	35	33	5	613	183
Middle	2,721	1,966	240	104	122	49	3,083	2,119
Operational	27,020	19,929	6,004	2,424	3,057	1,407	36,081	23,760

We remain committed to fostering diversity in the workforce as well as equity.

We have not had any case that represents a significant sanction related to issues of discrimination at the Grupo Elektra level.





Our staff includes **81 foreign employees** at Group level, 28% of whom are women.

1.95% employees who speak Indigenous languages (Maya, Nahuatl, Zapoteco, Mixteco y Amuzgo)

164 people with a disability (0.2% of the total)

2,743 LGBT+ (4.1% of total)

A total of **1,370 employees participated** as tutors in the Jóvenes Construyendo el Futuro program at Grupo Elektra.

In 2021, we had **807 young people** enrolled in the program.

Jóvenes Construyendo el Futuro Program

The Jóvenes Construyendo el Futuro program is an opportunity in which Grupo Elektra participates to identify and train young talents to be part of the professional career we offer for each of the Group's companies.

We contribute to the early incorporation of these talents into the labor market, so throughout 2021, 1,005 training spaces were offered with 2128 applications:

- ◆ 2421 applications received
- ◆ 454 active trainees
- ◆ 59 were hired
- ◆ 15 completed 12 months in the program. With an average of more than 6 months in the program, which guarantees that you have passed the 3-month learning curve to be considered for hiring.

They are provided with training and development plans while in the program:

Mandatory courses in order to apply for a vacancy:

- ◆ 5 Grupo Salinas cultural training contents
- ◆ 2 training contents on personal image, CV and job interviews
- ◆ Technical content available according to their training plan
- ◆ 6 hours of agility fundamentals course

Optional courses for Trainees

- ◆ 30 financial habits before 30 with 5-hour training activities and evaluations.
- ◆ Socioemotional Skills Course taught by PNUD - 20 hours
- ◆ Course of 5 digital tools 6 hours

As main objectives for 2022 of the program, we have established the following:

- ◆ Increase of 1,000 training spaces at Elektra during 2022.
- ◆ Hiring of 10% of Trainees during 2022.
- ◆ Coverage of 2000 Trainees in training during 2022.
- ◆ Training of 100% of new tutors in the program during 2022.
- ◆ Training of 100% of trainees in the "Agility Method"



Gender Unit

406-1

In 2019, the Gender Unit was created in Grupo Salinas with the objective of eliminating any type of workplace violence within the organization. In 2021, the Gender Unit was established in each of the businesses that make up the organization, thus beginning to explore the possibility of attending to all Grupo Salinas employees in the area of internal complaints of sexual harassment.

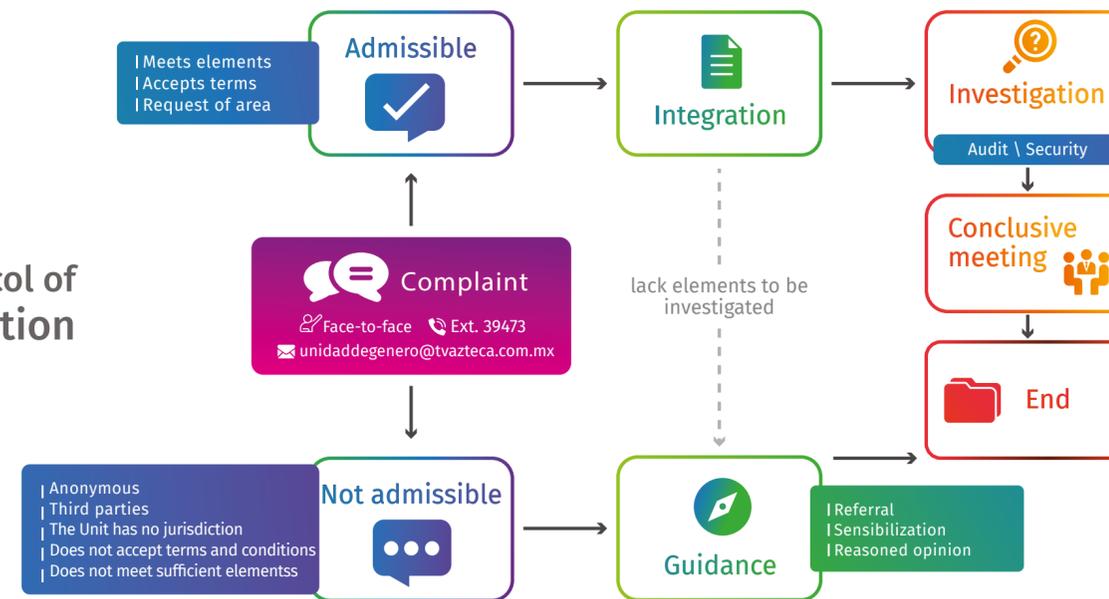
The structure is in line with Grupo Salinas' High Performance Management model.

Among its main functions, the following stand out:

- ◆ Represent the Gender Unit internally and externally, forming alliances with other units and the public and private sectors, civil society organizations and international organizations.
- ◆ To direct the actions of prevention, attention, orientation, communication, dissemination and projects of the Gender Unit.
- ◆ Ensure processes for receiving, accompanying and resolving reported cases of sexual harassment.
- ◆ Promote a culture of identification of sexual harassment for its prevention.
- ◆ To trigger, through specific actions, critical thinking in relation to the inclusion of women.
- ◆ Overseeing the attention days with operative committees.

- ◆ Ensure that the Gender Unit team is complete, with the necessary skills and tools to function well.
- ◆ Select, train, develop, evaluate and provide feedback to the team in charge.

A complaint system is in place to provide people, primarily women, with a safe mechanism to file a complaint related to gender-based workplace violence, and to accompany them through the process from beginning to end. The workplace violence addressed by the protocol is gender-based violence and sexual harassment.



The Unit accompanies you throughout the process

Grupo Salinas' Gender Unit received a total of 97 complaints from applicants who work in Red Única during the first year of attention.

Grupo Salinas' Gender Unit received 20 complaints in total in which the applicant is Banco Azteca. Sexual harassment was the most common in this Business Unit; however, gender violence also arose.

Complaints per type of violence (applicant)

Gender violence	5.2%
Not corresponding to UDG	10.3%
Sexual harassment	84.5%

Complaints by type of violence (applicant)

Gender violence	10%
Not corresponding to UDG	15%
Sexual harassment	75%





Training and Career Development

(GRI 404-1, 404-2, 404-3)

We promote the integral development of our employees, keeping a workforce at the forefront and updated in relevant topics for business performance as well as for their professional and personal development.

We provide training and workshops that strengthen their soft and technical skills throughout the year, through digital channels and technological tools that facilitate access to these courses, without leaving behind the face-to-face modality in those topics that require it.

At Grupo Salinas, we have three training programs that are brought down to the businesses, related to leadership and organizational culture:



During 2021 there were more than 500 thousand attendances

CLASSIFICATION OF TRAINING		
	Attendees**	Hours
Leadership	98,198	315,979
Technical skills	222,913	1,995,656
Organizational culture	124,480	573,742
Induction	63,271	323,553
(PEIC)	124,232	77,418
TOTAL	633,094	3,286,348

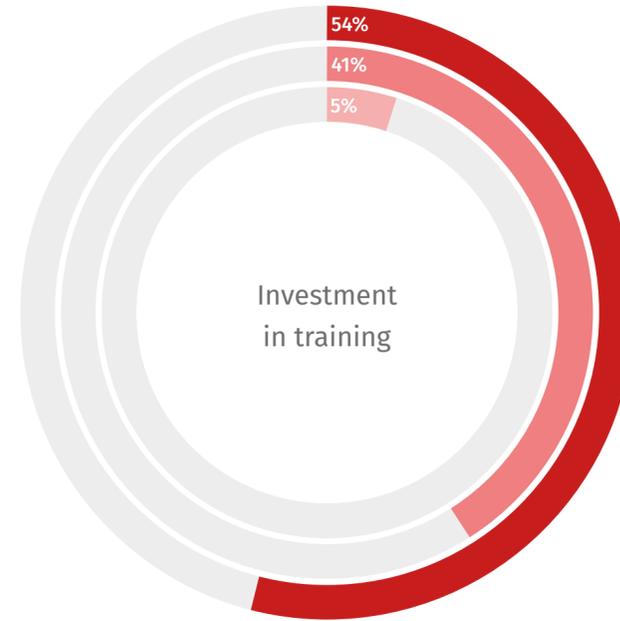
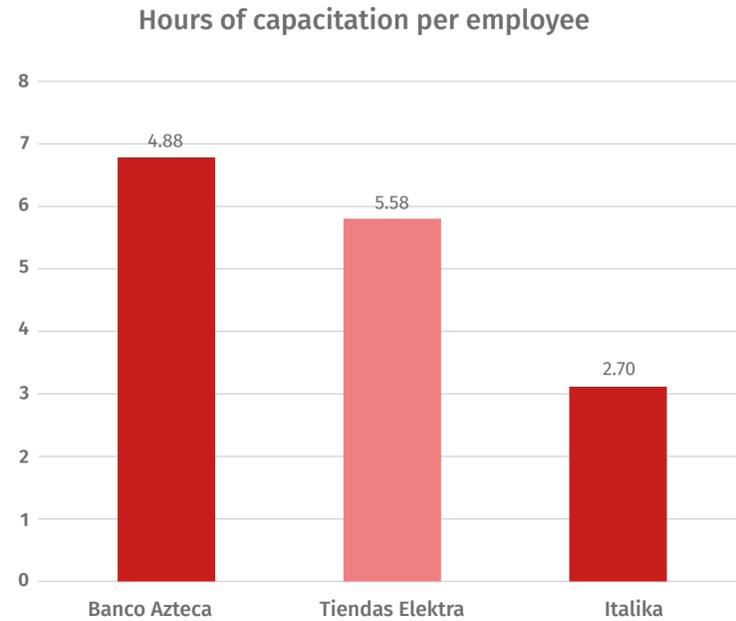
*Ethics, Integrity and Compliance Program (EICP)

GRUPO SALINAS PROGRAMS	
Programs	Description
Leadership Program	Accompany employees in their development of leadership skills. We seek to reduce turnover in the PoS, increase NPS and meet PoS objectives. All operational employees participated 100% online and middle management participated in a face-to-face format.
Academy to create happy moments.	This program provides new employees with an on boarding that will allow them to perform the activities of their position and thus contribute to the achievement of their PoS goals. We seek to reduce turnover, positively impact PoS productivity, increase customer NPS through their shopping experiences. It was developed completely online.
Extraordinary route in sales techniques	Seeks to strengthen the <i>SOMOS Extraordinarios</i> service model through the achievement of an extraordinary service. This allows us to provide an excellent service to maintain and create long-term relationships with our customers, increase the NPS of our employees, and have an impact on the fulfillment of our PoS objectives. It was developed completely online.

BY COMPANY						
	BANCO AZTECA		TIENDAS ELEKTRA		ITALIKA	
	Attendees	Hours	Attendees	Hours	Attendees	Hours
Leadership	41,526	133,711	55,622	175,237	1,050	7,031.40
Technical Skills	97,345	942,215	121,157	1,039,560	4,411	13,880.65
Organizational Culture	53,576	258,652	69,384	312,228	1,520	2,862.28
Induction	26,788	146,672	34,692	173,460	1,791	3,420.50
EICP	95,921	58,442	26,630	17,932	1,681	1,044
TOTAL	315,156	1,539,692	307,485	1,718,417	10,453	28,239

** Attendance differs from all employees on staff, since attendance at the workshop or training is counted, and a collaborator can participate in several training sessions





Administrative

Gender				Grand total
Female	Percentage	Male	Percentage	
24	76%	7	23%	31
126	24%	405	77%	531
150		412		562

Operational

Gender	Total	% of training
Female	51	10%
Male	480	90%
Grand total	531	

We invested a total of **\$42,907,594 MXN** at Grupo Elektra level in training and development



On the other hand, we have the Baz Entregas Logistics School, which is an institution that promotes a standardized operational, administrative and managerial culture that allows us to develop talent in an integral way (professional and personal) to achieve business objectives and create happy moments for our customers with high productivity and care for our personnel.

It will generate graduates specialized in logistics that will lead them to perform an impeccable operation with the established standards.

The benefits for employees are based on a development plan, which will allow them to move up through meritocracy, where their salary will be differentiated.





Performance evaluation

(GRI 404-3)

We remain aligned with Grupo Salinas' evaluation model, which is based on Objectives and Key Results (ORCs for its acronym in Spanish).

Each company is responsible for permeating the reality of its organization with evaluation mechanisms that best suit the reality of the business, thus complementing the Salinas-level model.

PERFORMANCE REVIEWS 2021				
	Tiendas Elektra	Italika	Banco Azteca	Grupo Elektra
Men	15,662	608	12,091	27,753
Women	18,685	205	14,095	32,780
Total workforce	34,347	813	26,186	60,533

Health, safety and wellness

(401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10)

For us, it is a strategic pillar to maintain health and safety within the operations of each of the Group's companies, keeping our collaborators supported in the event of any health and accident contingency that may arise.

At the same time, we look after the well-being of our employees, transmitting the importance of work/family balance and preventive measures to keep in good physical and health condition.

To maintain the safety and health of our employees we have mechanisms, tools and policies which are supervised by the team responsible for each of the companies in terms of compliance and proper management. We promote a culture of prevention based on:

- ◆ Culture development
- ◆ Implementation of protection measures within the processes
- ◆ Delivery of appropriate equipment
- ◆ Review of the conditions of the facilities.

In the area of civil protection, we implemented the Mexican Official Standard NOM-030-STPS-2009, Preventive Oc-

cupational Health and Safety Services - Functions and Activities. We carried out a diagnosis, under the identification of hazards and risk assessment through the What if analysis and a checklist, then we worked on the safety and health at work program as well as the immediate response mechanisms when a serious and imminent risk is detected.

We have procedures, instructions, guidelines and records necessary to comply with the occupational health and safety program, and we monitor progress in the implementation of the health and safety program and record the results.

Finally, we verified that, with the implementation of the occupational health and safety program, the purpose of its application is fulfilled and, if necessary, we make the required adjustments to the diagnosis, the program or the relationship.

For the particularity of Banco Azteca's collection employees, we work together with Italika to promote Road Safety, through joint workshops and training.





1. “Toma 5” (Take 5) Program.

- ◆ **What is it?** Permanent prevention campaign, aimed at checking the condition of motorcycles (ITK’S) and checking Personal Protective Equipment.
- ◆ **What does it consist of?** Dedicate 5 minutes a day before going out to collect and work in the safest possible way, which is based on 3 pillars:
 1. ITK Condition Check (motorcycle)
 2. Weekly leader’s talk tips with managers
 3. Review of personal protective equipment (helmet, skeleton, jacket, gloves, knee pads, shin guards and raincoat)

2. “Métete esto a la Cabeza” (Get this into your head) campaign.

- ◆ **What is it?** Action of communications to build a culture of prevention and awareness to reduce accidents.
- ◆ **What does it consist of?** On a monthly basis, issue preventive tips to develop safe behaviors

3. Italka Gold Course Initiative

- ◆ **What is it?** Activity to reinforce ITK (motorcycle) knowledge and skills
- ◆ **What does it consist of?** Train Management Leaders throughout the country with driving skills, transforming them into Certified trainers capable of disseminating and instructing what they have learned to reduce accidents

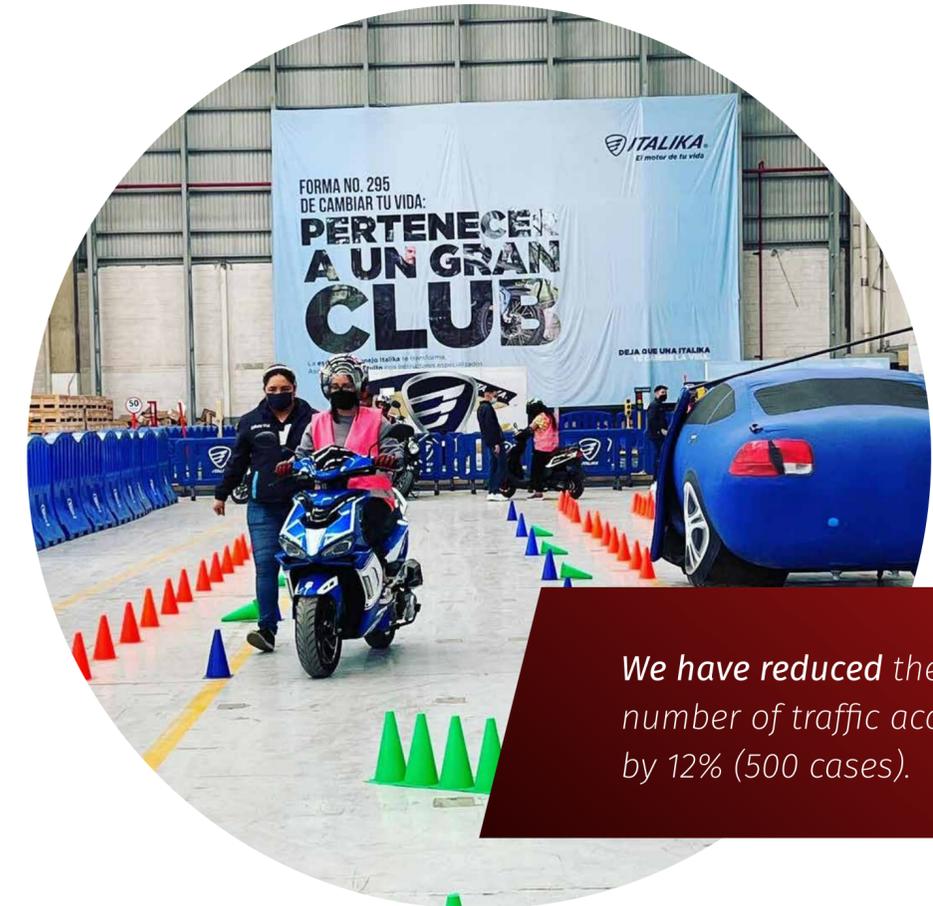
4. “Accident-Free Days” Board.

- ◆ **What is it?** Indicator to know the number of days without accidents and the number of accumulated accidents.

Traffic accidents	% of accidents 2020	% of accidents 2021	% percentage 2021 vs 2020
Minor	96.1%	95.4%	-0.72%
Serious	3.2%	3.7%	15.6%
Very Serious	0.7%	0.5%	-28.5%

At the Elektra Group level, we implemented several initiatives to promote a culture of health throughout the year.

Grupo Elektra
GS Health (Salud GS) is the tool with which we provide free medical, nutritional and psychological care of the highest quality to our employees
Medical Services , in accordance with the law, first contact medical service is available free of charge in the work centers that require it
Health fairs , workshops and prevention campaigns throughout the year to prevent, identify and combat illnesses or diseases that our employees may present



We have reduced the total number of traffic accidents by 12% (500 cases).

	Banco Azteca		Tiendas Elektra		Italka	
	2020	2021	2020	2021	2020	2021
GS Health App	2,116	2,753	8,196	9,336	867	942
Kiloton	250	997	1,553	1,628	203	245
Physical Nutrition Services	1,100	1,124	1,310	1,334	684	699





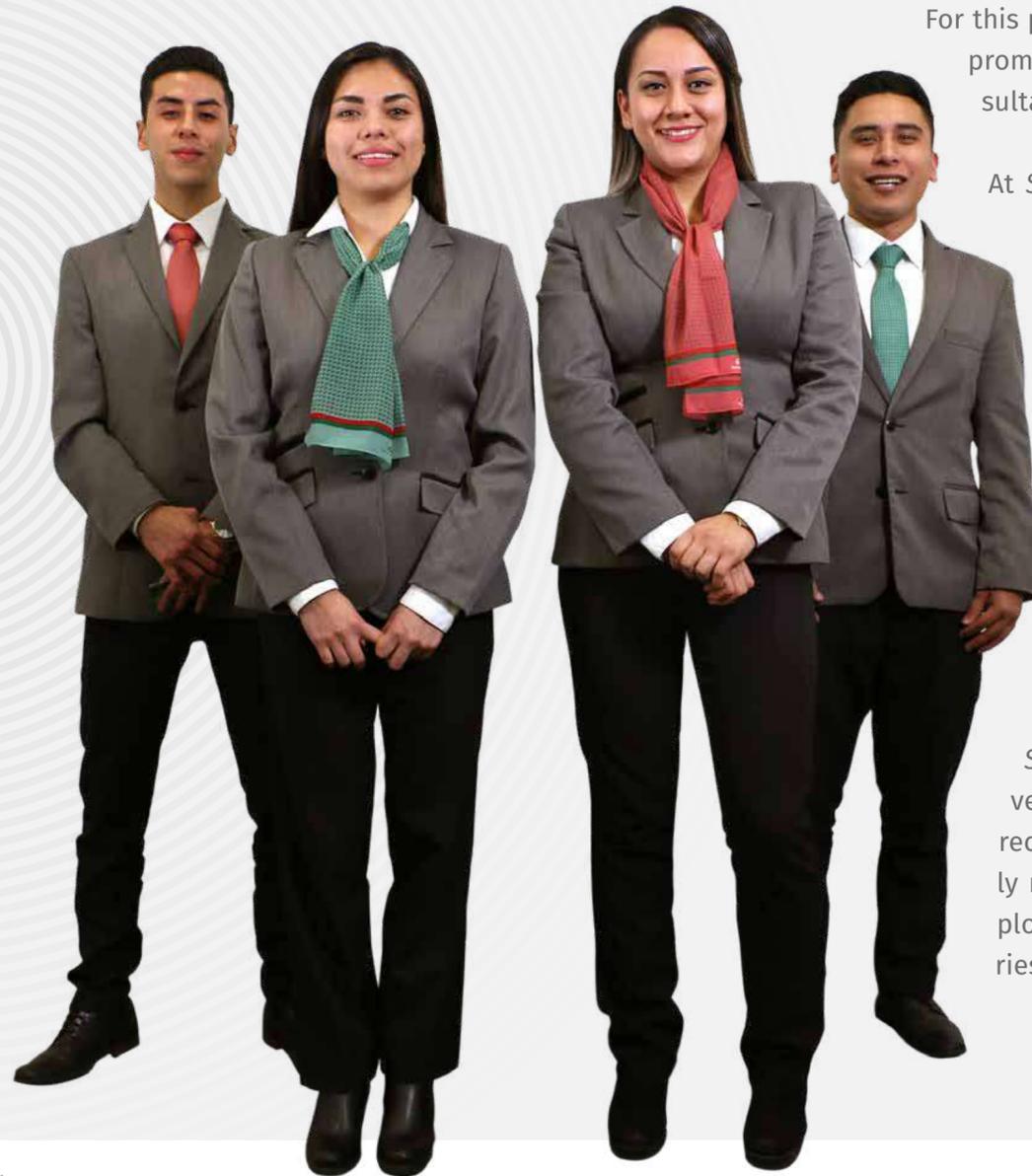
Satisfaction

We maintain an open dialogue with our employees in order to maintain a good working environment and attend to any needs they may have.

For this purpose, we have a series of tools that promote two-way communication and consultation with our entire workforce.

At *Socio Único*, the decision-making process is managed concerning employees. Its objective is to know them and know what motivates them, to identify their personal and professional development, inside and outside the Group. Its management is based on three main tools: are Happy Index, *Jefe con Estrella* (Head with Star) and *Censo Cuéntame más* (Tell me more Census).

Furthermore, we have the Net Promoter Score (NPS), which supplements *Socio Único* and allows knowing the level of predisposition of the employees to recommend in a natural way to their family members to belong to the Group. Employees are classified into three categories (Promoters, Passive and Detractors).



	Participants	Promoters	Passive	Detractors	NPS
2020	50,590	37,480	9,249	3,861	66.5%
2021	59,921	45,271	8,605	6,045	65.5%

HAPPY INDEX 2021		
Gender	Participants	General Score
Women	23,223	8.2
Men	29,071	8.3
Grand Total	52,304	8.3

	NPS 2021
Grupo Elektra	65.5%
Tiendas Elektra	na
Banco Azteca	71.0%
Italika	39.8%

Business Unit	Participants	General Score
Elektra	8,164	8.2
Banco Azteca	43,230	8.3
Italika	82	8.3
Other GEKT*	828	8.3
Grand Total	52,304	8.3





Community

Under the purpose of Inclusive Prosperity, at Grupo Elektra we remain committed to the development of the communities where we are present, focusing on the reduction of inequalities, the promotion of economic development, and the well-being and progress of the population.

From the transactions and the core of each of the companies that make up the Group, we work to maximize the positive impacts on society in general, such as the contribution to financial education, the culture of prevention, road safety and responsible consumption.

Likewise, to address the main problems of each environment, we develop social actions in collaboration with different social organizations.

Financial Education	Road safety	Responsible consumption
<p>At Banco Azteca, we have the “Aprende y Crece” (Learn and Grow) program, which aims to instruct the population on the correct management of personal finances and promote an entrepreneurial culture.</p> <p>It consists of specific activities for our customers and employees, and others that are open to society, even for groups with a greater knowledge gap and access to financial services, such as women.</p> <ul style="list-style-type: none"> • Total Investment (MXN): \$ 19,896,046 • Total of beneficiaries: 52,938 <p><i>To learn more about Financial Education, please refer to the BAZ Exhibit.</i></p>	<p>From Italika we promote the issues of mobility, road safety and defense of public road users in Mexico, supporting different initiatives and alliances.</p> <ul style="list-style-type: none"> • Public events held: 67 • Total beneficiaries: 4,724 <p>At Banco Azteca, our employees use motorcycles in the exercise of their activities (e.g. credit and collection) to guarantee a culture of accident prevention, we implemented policies and campaigns which generate awareness on the issue.</p> <ul style="list-style-type: none"> • GPS installation: 1,300 Italikas • Total training and campaigns: 45 courses • Road Safety certified employees (gold): 1,374 • Accident reduction: 12.4% 	<p>The Tiendas Elektra’s model, supported by credit from Banco Azteca, makes it easier for families to acquire different products that improve their quality of life. We support the reduction of inequalities, with a convenient product offer that meets different needs.</p> <ul style="list-style-type: none"> • During 2021, we granted MXN\$1,783 million in consumer financing for white goods and eco-efficient electronics, helping to reduce customers’ carbon footprint.

Differentials from the business

(FS16) (SASB FN-CB-240a.4)

Our companies perform in accordance with the management of ethical and governance, social and environmental aspects. Additionally, due to the nature of the different businesses, they promote different responsible practices among customers and society.

Initiatives, Donations and Volunteering

Our social action includes financial donations and/or contributions in kind from different companies. It is also worth mentioning the volunteering, which makes us proud for the strong commitment of our employees.



Forum for the transmission of ideas and principles of Grupo Salinas in Latin America, influencing national and international public opinion on the vision of some fundamental human rights, the rule of law, individual and civil liberty, free trade, the fight against poverty, the creation of wealth and the social value of entrepreneurs.

450 Participants in the Essay contest
1,449 Participants in the Youth contest
1,012 Participants in the Cartoon contest
417 Participants in Libres para Cambiar a México (Free to Change Mexico) contest



Its mission is to identify and encourage young people in all states of the country. Promoting the use of local initiatives in the subject of:

- Human Rights
- Rule of law and legality
- Citizen and civic participation

We recognized 265 initiatives in the National Contest of local Initiatives Kybernus Articulation of the Network Kybernus of Gender and Sexual Diversity with 15 members Entrepreneurial network with 30 members
Total investment: \$4,925,040 MXN





Fundación Azteca (Azteca Foundation)

Fundación Azteca is the main social arm of Grupo Salinas, whose mission is to transform Mexico through education in three strategic pillars:

1. **Talented young people** – This cornerstone provides tools and skills to train the leaders of tomorrow. This is composed of training programs seeking to empower talent, promote culture of merits and freedom as guiding principle.
2. **Environmental** – Take care of our environment and raise awareness of our environment is something that is taught and learned, thus, in Fundación Azteca of Grupo Salinas we work in programs who provide awareness and education on the preservation of everything surrounding us.
3. **Society** – Through the generation of capacities, professionalization of the social activity and the multiplication of alliances in Fundación

Azteca of Grupo Salinas we seek to strengthen under civil organizations and social entrepreneurs so that we multiply the benefit and we reach more Mexicans.

During 2021, the Azteca Educational System (*Sistema Educativo Azteca*) was created as the governing body for all of Fundación Azteca's educational programs, which will be in charge of shaping the educational content of all programs, monitoring their implementation and evaluating them.

It will also be responsible for the development of cross-cutting content to promote freedom, entrepreneurship, inclusive prosperity, creativity and innovation in Mexico's communities and our diverse stakeholders.

The Foundation operates under a strict rendering of accounts on the part of the beneficiary organizations to the Foundation and from it to society; generates an annual report of transparency before the Tax Administration System (*Servicio de Administración Tributaria* or SAT) and monthly reports of the donations delivered.



	PROGRAM	DESCRIPTION	RELEVANT INFORMATION
Talented young people	 <p>Azteca Educational Model</p>	<p>The Azteca Educational Model promotes social awareness through curiosity and critical thinking, which allows students to creatively innovate in the solutions and needs of our society.</p> <p>It identifies and enhances talent, through these six components:</p> <ul style="list-style-type: none"> Life skills Digital environments Improvement of academic programs Azteca Educational Community Freedom, innovation and entrepreneurship Personalization of education 	<ul style="list-style-type: none"> 2,784 students enrolled, school year 2021-2022 189 graduate students, July 2021 Opening of 5 new campuses
	 <p>Esperanza Azteca</p>	<p>Its purpose is to transform Mexican youth through music and provide them with the tools to find their passion and develop constructive relationships in healthy and creative environments.</p> <p>In 2020, we set about the task of reinventing this program by focusing on merit and musical youth talent through three components:</p> <ul style="list-style-type: none"> Sinfónica Azteca (Aztec Symphony) Higher Institute of Music Esperanza Azteca (Instituto Superior de Música Esperanza Azteca or ISMEA) Children and Youth Orchestras and Choirs 	<ul style="list-style-type: none"> 117 students enrolled at ISMEA 327 applications received for Sinfónica Azteca, selection of 70 students
Environmental	 <p>LIMPIEMOS MÉXICO</p>	<p>Permanent action and environmental education program that seeks to offer innovative solutions, makes society aware of caring for the planet and the importance of reducing, recycling and reusing waste.</p>	<ul style="list-style-type: none"> 9 cleanup days in 9 states of the country 2,120 volunteers 30 tons of waste <p>Through DIF Puebla, volunteers from Grupo Salinas and the Ojos de la Sierra Civil Organization delivered 500 blankets made from PET, benefiting 12 communities in the state of Puebla. In Jalisco, 200 blankets were delivered to the Wixárika Community, located in the northern highlands of the state.</p>

	PROGRAM	DESCRIPTION	RELEVANT INFORMATION
Environmental	 <p>UN NUEVO BOSQUE 2022</p>	<p>In the year 2000, we undertook a new task: caring for Mexico. Through our New Forest program and in collaboration with the National Forestry Commission (Comisión Nacional Forestal or CONAFOR), we carry out reforestation activities.</p>	<ul style="list-style-type: none"> 16,000 trees planted on 1,123 hectares (1,123 acres) 26 states benefited 4,200 volunteers
	 <p>¡Que viva la selva Lacandona!</p>	<p>It is an open contest founded in 2003, which aims to raise awareness among children and young people about the importance of caring for nature. Through drawings and essays, the contestants express ideas for the conservation of the Lacandon Jungle.</p>	<ul style="list-style-type: none"> More than 650 children and youth have participated since 2003. <p>Due to the pandemic, this program was suspended and for 2022 we have reinvented it by asking participants to produce a creative and innovative environmental project to benefit their community.</p>
	<p>Guardianes ambientales (Environmental Guardians)</p>	<p>It seeks to promote the development of capacities in young people and inspire them to carry out concrete actions and projects in favor of the protection of biodiversity, the environment and recover our future.</p>	<ul style="list-style-type: none"> Training of young people in the conservation of the Perrito Llanero and the Golden Eagle. 11 volunteers from rural communities in SLP 12 workshops given
Society	<p>Social Entrepreneurship</p>	<p>It promotes the development of capacities of civil society organizations, providing them with tools to build economically viable and scalable projects that provide innovative solutions to social problems.</p>	<ul style="list-style-type: none"> 606 civil society organizations impacted Selection of 20 best projects <p>3rd Social Entrepreneurship and Innovation Summit at the Center for Innovation, Entrepreneurship and Business of the Government of the State of Puebla.</p> <ul style="list-style-type: none"> 200 Attendees 80 thousand people at virtual level
	 <p>movimiento azteca</p>	<p>Social co-responsibility media campaign through which Fundación Azteca promotes and supports civil society organizations and projects in order to empower their causes and reach a larger audience.</p>	<p>Benefited organizations:</p> <ul style="list-style-type: none"> Support for 18 forestry enterprises +335 thousand trees planted in 8 states 1,678 chair beds, IMSS Foundation 41 first level ambulances, Red Cross



	PROGRAM	DESCRIPTION	RELEVANT INFORMATION
Society		This program was born in 1995 with the intention of sensitizing society, institutions and companies about the importance of building a supportive community, giving toys to low-income children.	<ul style="list-style-type: none"> ◆ 464 schools and educational centers benefited ◆ Participation of 497 companies and strategic allies
		It is a flagship campaign of Grupo Salinas' Fundación Azteca that seeks to educate and promote a healthy and addiction-free life, with a primary focus on young people.	<ul style="list-style-type: none"> ◆ 11 on-site events ◆ 24 online events ◆ +66 attendees ◆ + 5 million campaign views on networks
	Siempre Contigo (Always With You)	This program was created with the intention of contributing to the communities most affected by the COVID 19 pandemic. As time went on, we decided that we could expand our program to provide support beyond the health contingency. Thus, <i>Siempre Contigo</i> is already a permanent program through which we can be part of improving the lives of those who need it most.	<ul style="list-style-type: none"> ◆ 13,371 items of clothing were delivered to people in vulnerable situations ◆ Rehabilitation of 2 elementary schools in Monterrey



The contributions that we made from Grupo Elektra to Fundación during 2021, are broken down as follows:

	Monetary donations (MXN)	Donations in kind (MXN)
Banco Azteca	\$ 57,009,054	-
Tiendas Elektra	\$76,908,386	-
Italika	\$ 106,478	\$24,852
TOTAL	\$144,023,918	\$24,852

	2020	2021
Number of volunteers	6,115	6,975
Volunteer hours	7,915	13,297

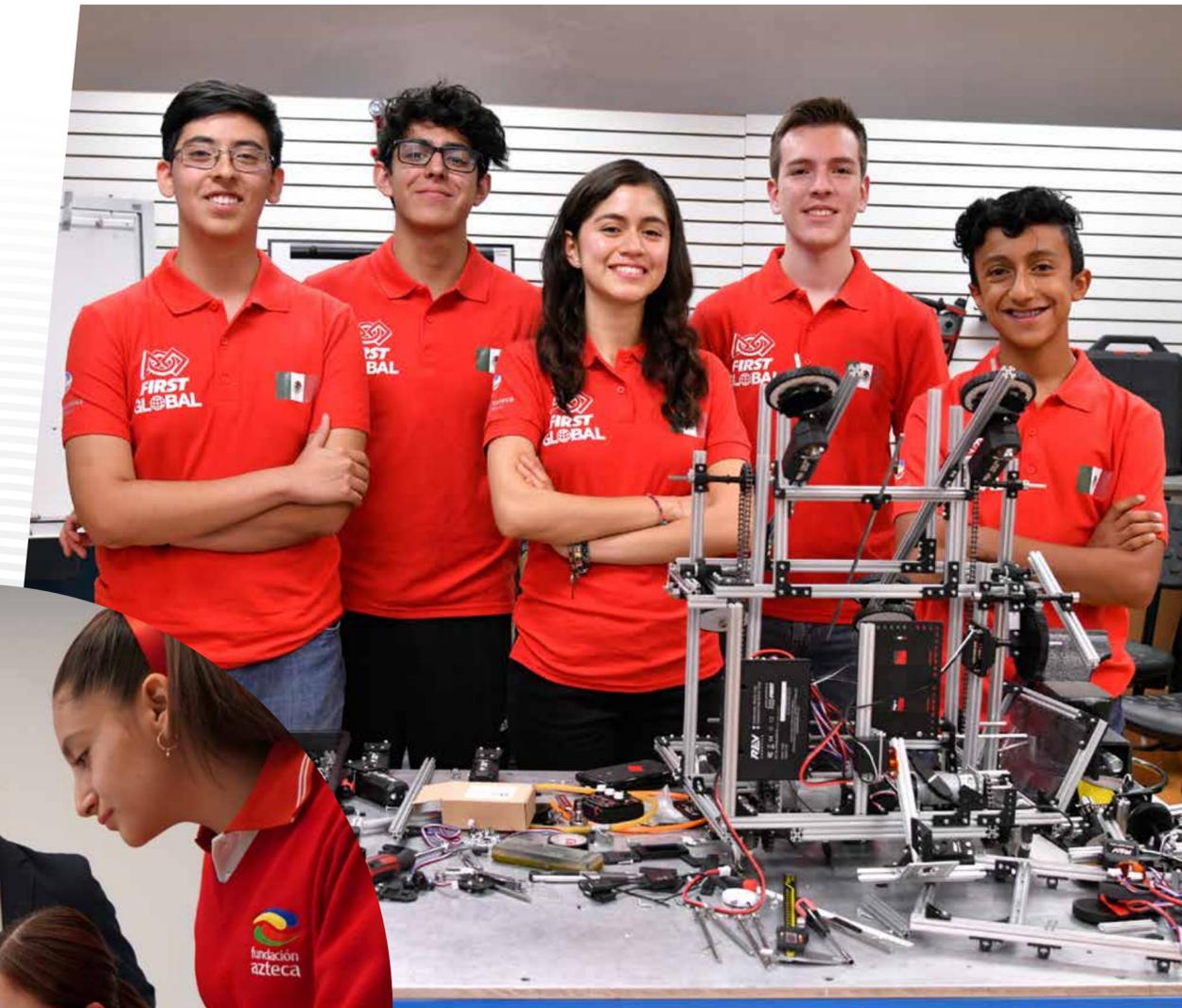
By 2022, a unique joint strategy of social responsibility and participation will be built for Grupo Salinas' companies and Business Units around Fundación Azteca.

For more details on Fundación Azteca's activities, please refer to its annual report.



Philanthropy

	Tiendas Elektra (amount in MXN)	Italika (amount in MXN)	Banco Azteca (amount in MXN)	Total	Percentage
Donations	\$76,908,386.00	\$131,330.00	\$57,009,054.00	\$134,048,770.00	58.43%
Investments in the community	\$ 462,970.00	\$ -	\$ 124,620.00	\$587,590.00	0.26%
Commercial initiatives (sponsorships)	\$ -	\$ 300,000.00	\$94,467,000.00	\$94,767,000.00	41.31%
Total	\$77,371,356.00	\$431,330.00	\$151,600,674.00	\$229,403,360.00	100.00%
Cash contributions	\$76,908,386.00	\$ 406,478.00	\$151,476,054.00	\$228,790,918.00	99.73%
Volunteer time	\$ 462,970.00	\$ -	\$ 124,620.00	\$587,590.00	0.26%
Donations in kind	\$ -	\$24,852.00	\$ -	\$24,852.00	0.01%
Total	\$77,371,356.00	\$431,330.00	\$151,600,674.00	\$229,403,360.00	100.00%
General management expenses	\$462,970.00	0	\$124,620.00	\$587,590.00	0%







Economic performance

Financial and operating indicators

During 2021 we continue to live with the aftermath of the pandemic, and the political and social framework in Mexico and the countries where we are present have represented significant challenges that we have been able to overcome without impacting the operation of our activities.

(GRI 201-1)

At the end of 2021, we continued with the financial strength that characterizes the group. The efficiency in our management and the trajectory that we have strengthened in digital transition has been key, along with the trust of our customers and the commitment of the collaborators.





MAIN FINANCIAL FIGURES (Millions of pesos)					
	2021	Δ21-20	2020	2019	2018
Consolidated income	146,018	21%	120,507	115,173	101,858
Costs	69,178	16%	59,749	47,219	40,646
Gross profit	76,840	26%	60,759	67,954	61,212
General expenses	54,825	8%	50,946	48,700	41,638
Operating profit	13,668	200%	2,057	12,271	18,475
EBITDA	22,015	124%	9,812	19,253	18,150
EBITDA Margin (%)	15	7%	8	16	18
Net Profit	12,943	200%	-1,914	16,151	18,396
Profits per share	56.91	200%	-8	71	65
Number of shares outstanding (millions)	227	0%	227	228	228
Total assets	423,694	14%	370,724	348,106	277,389
Total liabilities	318,239	15%	277,079	250,309	192,817
Stockholder's equity	105,454	14%	93,645	97,797	84,572
CAPEX	7,262	23%	5,906	8,816	7,453
Cash Flow	14,753	200%	3,906	10,437	10,697

Note: Cash Flow equals EBITDA - CAPEX

Evolution of income

We present below the detail of the income:

INCOME BY SECTOR					
	2021	Δ21-20	2020	2019	2018
Financial	80,489	18%	68,253	71,958	65,441
Commercial	65,530	25%	52,254	43,215	38,479
INCOME BY GEOGRAPHY					
	2021	Δ21-20	2020	2019	2018
Mexico	128,484	25%	103,128	94,950	80,618
Central and South America	9,711	15%	8,418	7,884	10,956
North America	7,824	-13%	8,961	12,338	12,346

For detailed operating and financial data on the businesses, please visit Banco Azteca, Tiendas Elektra and Italika Annexes.



Economic value generated and distributed

(GRI 201-1, 201-4)

We seek to create value in a comprehensive manner for all of our stakeholders, through sound operational and financial management, distributing the financial income generated.

We reserve a part of the resources as Economic Value Retained (EVR) to continue growing, undertaking the necessary investments.

ECONOMIC VALUE GENERATED AND DISTRIBUTED (MM MXN)					
	2021	Δ21-20	2020	2019	2018
Economic value generated (EVG)	146,018	21%	120,507	115,173	103,876
Economic value distributed (EVD)	124,003	12%	110,695	95,919	85,811
Economic value retained (EVR)	22,015	124%	9,812	19,254	18,065

Notes:

EVG equals income

EVD corresponds to the sum of costs and general expenses

EVR is the difference between the previous concepts; equals EBITDA.

The absence of government aid to Grupo Elektra and/or its subsidiaries should be noted.

Tax responsibility

(GRI 207-1, 207-2, 207-3)

At Grupo Elektra we are responsible in the exercise of our tax commitments, in the different countries in which we operate, in accordance with its legislation.

We generate value in each territory through the businesses, which translates into employment opportunities, supplier development and income for the different public administrations, which contribute to the development and well-being of the population.

The financial transaction between Group companies contemplates to a transfer pricing structure using the arm's length principle. We are also committed not to use tax structures that avoid taxes and/or to transfer the value generated to jurisdictions with less tax burden.

For further details on Banco Azteca's Tax Principles, please refer to the corresponding annex.







Environment

Environmental Management

For the correct environmental management of Grupo Elektra, we remain aligned with the standards that the Energy and Environment area at Grupo Salinas level dictates for all the companies that make up the group, being the area responsible for articulating the measures to mitigate the environmental impacts of the different companies, including the necessary investment in technology and innovation.

Furthermore, we have the Environmental Policy at the Salinas Group level, which sets forth the guidelines regarding the preservation and protection of the environment that both the Group and its different business units undertake to implement within their operations. At Grupo Elektra level, we supplement our policy of Climate Change which is extensive to our businesses and our stakeholders.

All the companies which are part of Grupo Salinas have the Energy Management System (SIGEN for its acronym in Spanish). Through it, we record and monitor consumption, spending, and variations in both parameters, even at the store level. It also allows us to identify opportunities for improvement in processes, facilities, equipment, etc



The renewable energy consumption at Grupo Elektra represents 35%





We remain aligned with current environmental regulations. By having our compliance plan related to water, operating licenses, illuminated signs, civil protection, firefighters and waste collection, we in turn have an impact on GHG emissions and climate change.

Grupo Elektra's lines of action:

- ◆ Commitment with the circular economy. At Italika, from the product design stage and selection of materials and suppliers; at Tiendas Elektra, in the packaging operation for storage and logistics.
- ◆ Energy efficiency in operations, applicable in the three companies, with special emphasis on Tiendas Elektra and Banco Azteca, due to the wide network of stores/branches.
- ◆ Reduction of impacts by the consumer. At Italika, design of more efficient models in the use of fuel, first electric and bicycle model. At Tiendas Elektra, an offer of eco-efficient products, including their own brand. In Banco, development of credits with environmental criteria.
- ◆ Support for climate action, own and of the value chain. Throughout the Group from energy efficiency. At Banco Azteca, with the development of a credit and investment portfolio that is less responsible for lower Greenhouse Gas (GHG) emissions.

- ◆ Promotion of a culture of respect for the environment, among our employees and actively involving customers and our strategic partners..

- ◆ We analyze our operations to identify and propose the necessary measures to optimize the consumption of energy, paper, water and manage waste with a focus on reuse and/or recycling.

Through the Supplier Circle Certification, a third party external to us assesses compliance with environmental legislation and practices in our supply chain. In the case of Italika, there is also an evaluation of the suppliers in Asia that generate the components of our motorcycles, not only in terms of quality, but also in labor and environmental aspects.

We invested \$428,828,773 pesos in the year in the different environmental management processes and initiatives.





Energy

(GRI: 2-4, 302-1, 302-3, 302-4)

We have guidelines for efficient energy consumption, to maximize its use. This includes the selection of efficient equipment internally verified with the Group's own seal and also externally certified by ANCE (Association for Standardization and Certification of the Electricity Sector).

Grupo Elektra - Fuel Consumption				
	2019	2020	2021	Δ21-20
Gasoline (lts)	7,761,382	6,321,967	8,302,524	31%
Diesel	29,118	36,865	108,460	194%
LP Gas (lts)	131,939	144,568	518,418	259%
Total (Gj)	62,368	219,116	343,824	57%

Grupo Elektra - Electricity Consumption				
	2019	2020	2021	Δ21-20
Network (GWh)	184.5	159.2	166.9	5%
Renewable energy contracts (GWh)	54.6	86.1	84.1	-2%
Total (GWh)	239.1	245.3	251	2%
Total (Gj)	860,760	883,080	903,481	2%

Note: Due to the changes and unification of processes that we have had within Grupo Elektra, we have made variations in the calculations to obtain the measurement of electric energy, modifying the data previously reported in previous reports.

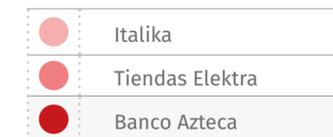
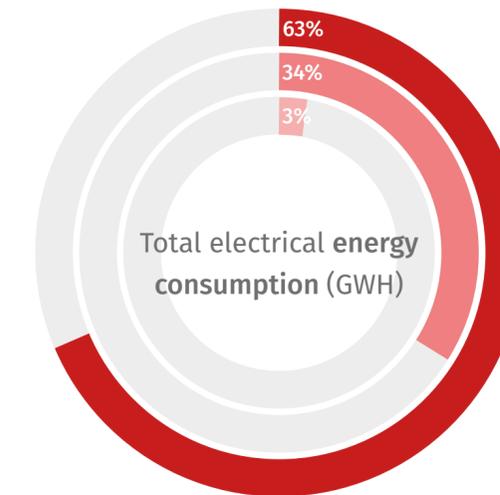
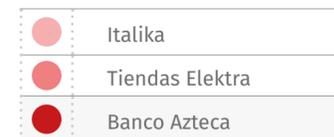
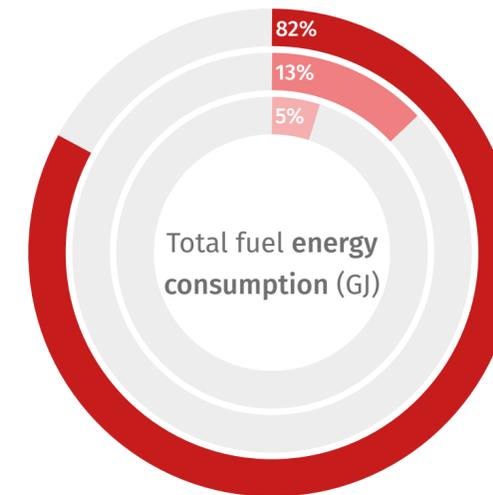
The increase in gasoline use comes from Banco Azteca due to an increase in OCC, branches and due to the increase in "collection routes" The increase in diesel consumption came mainly from Italika due the expansion of its new plant in Lerma and from Tiendas Elektra due to the increase in delivery/freight routes.

Tiendas Elektra reported a 42% decrease in gasoline use, but increased its use of LP gas by 640% due to a new concept for corporate use

Italika increased the use of LPG in emergency and mobility plants due to its operation of a new plant in Lerma and

the expansion of production associated with new motorcycle brands

Banco Azteca increased the use of gasoline in its credit and collection fleet and the number of kilometers driven.



Energy intensity per employee = 2,743.9 kWh/employee





TOTAL ENERGY CONSUMPTION (GWh)			
	Target 2021	Result 2021	Target 2022
Tiendas Elektra	NR	45,620	46,000
Italika	NR	18,384	19,000
Banco Azteca	NR	279,820	280,000
Grupo Elektra	NR	343,824	345,000

TOTAL ENERGY CONSUMPTION (Gj)			
	Target 2021	Result 2021	Target 2022
Tiendas Elektra	170	157	170
Italika	9	8	9
Banco Azteca	90	86	90
Grupo Elektra	269	251	269

The increase in the use of fuels and electric energy has translated into greater productivity and operational expansion of the Group, such as portfolio recovery, plant operations, territorial expansion, among others.

Among the main initiatives and achievements during 2021, for energy reduction we highlight:

- ◆ The reduction of 11 GWh in electricity consumption (equivalent to 5,000 tco2e), which is equivalent to a 25% saving in energy use in more than 1,200 points of sale.
- ◆ Training to more than 253 regional/territorial offices of Red Única on energy efficiency and programming of lighting and air conditioning equipment.

One of the challenges for 2022 and the coming years will be to increase the supply of electricity from renewable sources through wind, geothermal, solar, etc., as well as the search for and agreements with the wholesale electricity market.

We are currently seeking to obtain the Leed certification for our branches (starting with the Malinalco branch in Mexico City), as well as 14000 ISO certifications.

Emissions

(GRI 305-1, 305-2, 305-3, 305-4, 305-5)

We are committed to reducing our contribution to climate change, working on the intensity of Greenhouse Gas (GHG) emissions, relative to the volume of activity. To do this, we are making progress in energy efficiency measures and the use of renewable energies.

We annually calculate our direct emissions (Scope 1), resulting from the use of fuels and the output of refrigerant gases from the climate equipment, and the indirect ones associated with the generation of the electricity we consume (Scope 2).



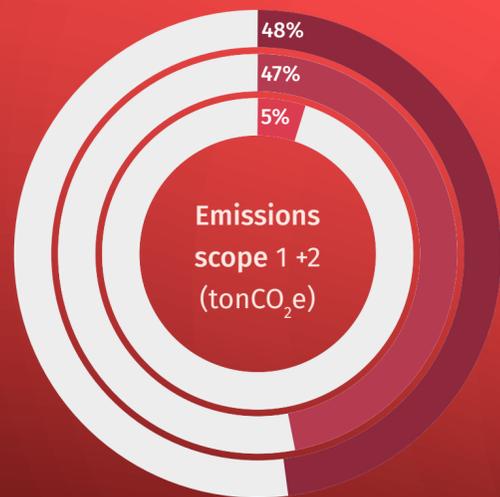


Grupo Elektra - GHG Emissions (tonCO ₂ e)					
	2018	2019	2020	2021	Δ21-20
Scope 1	22,391	21,968	18,024	24,665	37%
Scope 2	85,179	94,412	80,894	70,924	-12%
Scope 1+2	107,570	116,380	98,918	95,589	-3%

Emissions intensity per employee
= 1.45 tonCO₂eq/employee

Note: Due to the changes and unification of processes that we have had within Grupo Elektra, we have made variations in the calculations to obtain the CO₂ emissions, modifying the data previously reported in previous reports.
CO₂, CH₄ and N₂O gases are included in this calculation.

The operations of Tiendas Elektra and Banco Azteca are the ones that reflect the greatest number of issuances due to their size, coverage and operations.



- Italka
- Tiendas Elektra
- Banco Azteca

EMISSIONS SCOPE 1 +2 (tonCO ₂ e)					
	Target 2020	Result 2020	Target 2021	Result 2021	Target 2022
Tiendas Elektra	95,800	52,777	75,000	45,159	55,000
Italka	4,500	5,449	6,000	4,658	6,000
Banco Azteca	24,000	40,693	22,000	45,772	54,000
Grupo Elektra	124,300	98,918	103,000	95,589	115,000

SCOPE 3 (TonCO ₂ eq)	2019	2020	2021
Business flights Banco Azteca	1,716	413	271

Water

(GRI 303-1, 303-2, 303-3, 303-5)

Our activities are not particularly demanding of water, but we are committed to efficient use as part of our environmental management and culture.

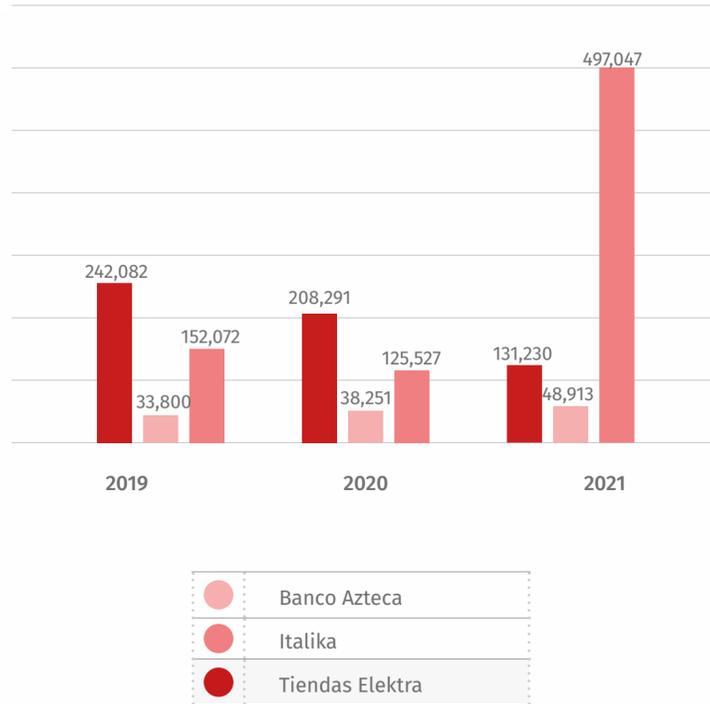
We have an internal water use policy in Grupo Salinas, which aims to promote the saving and efficient use of water resources, considering the guidelines established in the National Water Law (*Ley de Aguas Nacionales*).

Water consumption (m ³) 2019-2021				
	2019	2020	2021	Δ21-20
Tiendas Elektra	242,082	208,291	131,230	-37%
Italka y Ensamblika	33,800	38,251	48,913	28%
Banco Azteca	152,072	125,527	497,047	296%
GROUP TOTAL	427,954	372,039	677,190	82%





Water consumption (m³)



In previous years, usage assumptions had been used concerning the number of employees, number of customers, number of visits to the restroom and buckets used for cleaning, so the change and increase in water consumption expressed for businesses and especially Banco Azteca, has been given in the way of estimating consumption at the national level of each company.

From 2021 onwards, estimates are based on consumption data measured in branches and extrapolated to geography. The consumption of 3 branches in Mexico City was measured, taking readings directly from the meters, which yielded an average of 29 liters per person (including cleaning water and customers), which was multiplied by the number of employees in each company and assuming 365 days of use.

Breakdown of water collection 2021 (m³)			
	Municipal supply	Rainwater collection	Treated water
Tiendas Elektra	131,230	0	0
Italika and Ensamblika	48,913	0	2,600
Banco Azteca	497,047	30	0
Group Total	677,190	330	2,600

Notes:

- Rainwater collection is carried out in two corporate offices: Montes Urales and TGS.
- The treated water comes from the TGS treatment plant. Data provided by maintenance..

In 2021, a first internal census was conducted in branches through Zeus to learn about water consumption habits, number of personnel and hydraulic installations, which served to detect which branches could be measured accurately at a later date.

Water targets (m³) 2021			
	Target 2021	Result 2021	TARGET 2022
Tiendas Elektra	232,000	131,230	135,000
Italika and Ensamblika	39,500	48,913	50,000
Banco Azteca	188,000	497,047	500,000
Total Grupo	459,500	677,190	685,000

By 2022, a training strategy is being designed to obtain bi-monthly readings from each of these branches nationwide, which could yield more than 1,000 independent readings, providing greater control over consumption monitoring.





Waste

(GRI 306-1, 306-2, 306-3, 306-4, 306-5)

At Tiendas Elektra and Italika, waste management is significant, especially those with origin in product packaging. They also have an indirect impact by those that are generated during the phase of use by the customer, for which they work to offer quality and durable products, in each of the exhibits by business, waste details of each one is shown.

Elektra Group waste (tons) 2019-21				
	2019	2020	2021	Δ21-20
RECYCLING	7,378	9,098	9,586	5%
HAZARDOUS	11	5.1	4	20%
URBAN SOLIDS	6,016	5,719	7,196	26%
TOTAL	14,923	14,822	16,786	13%

We seek to recycle the maximum amount of materials, which is achieved through primary separation at the source of generation and efficient coordination with recycling suppliers nationwide. During 2021, the percentage of waste sent for recycling increased considerably.

Within the recycling initiatives we highlight:

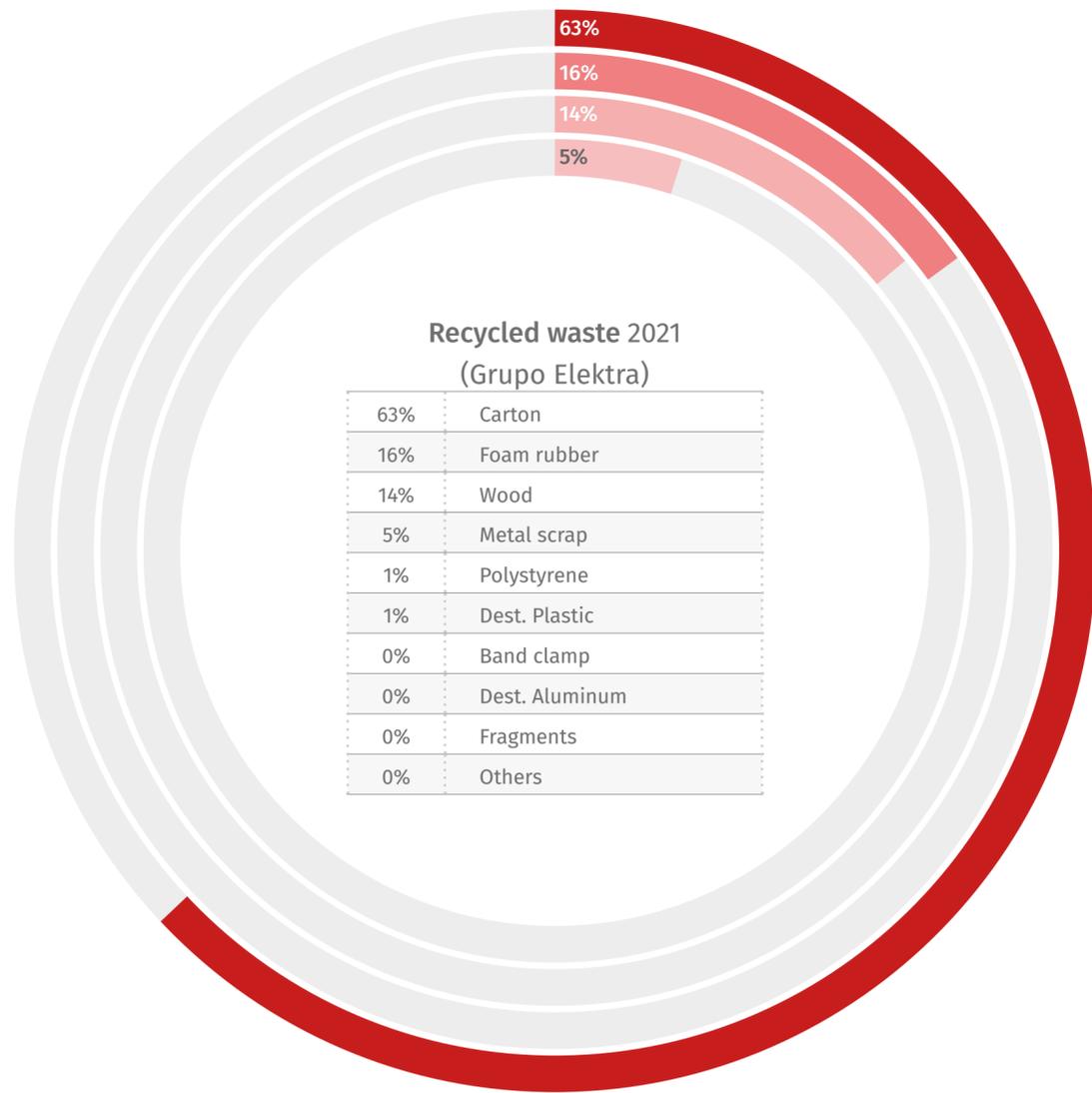
- ◆ The collaboration of PROAMBI for the recycling of electronic devices in corporations, with which we were able to collect close to 2.5 tons of electronic devices,

recycling 53% of them, obtaining the following products back into the productive chain: 34 kg aluminum, 112 kg copper, 826 kg plastic, 339 kg iron, 31 kg glass.

- ◆ Recycling of 80 liters of burned oil from corporate eating facilities.
- ◆ Collection of 6,600 liters of used oil from CESIT ITK nationwide, which were delivered to certified suppliers for recycling.
- ◆ Collection of 22,300 corporate batteries, equivalent to 435 kg, which were sent for recycling.
- ◆ A contract was drawn up with EcoAzteca for the recycling of waste electrical and electronic equipment, which complies with nom-019-AMBT-2018.
- ◆ In the corporate sector, an EYMA room was created to invite bids from suppliers that manage waste in an integrated manner in the corporate sector.

Waste destination 2021 (%)				
	Tiendas Elektra	Italika and Ensamblika	Banco Azteca	Grupo Elektra
Waste	99%	6%	99%	43%
Recycling	1%	94%	1%	57%





Note: Other refers to waste: aluminum, HDPE, mixed file, caple, newspaper, dest plastic, batteries.

WASTE TARGETS (tons)			
	TARGET 2021	RESULT 2021	TARGET 2022
Tiendas Elektra	2,600	2,272	2,600
Italika	10,400	10,224	10,400
Banco Azteca	3,300	4,290	4,500
Group total	16,300	16,786	17,500

- ◆ Banco Azteca waste is expected to increase by 2022, due to the addition of hazardous waste (which was not present in 2021) and the increase in number of branches.
- ◆ At Tiendas Elektra, store openings begin to have their own waste recycling, which decreases the percentage of waste going to landfill.

◆ At Italika, most of the waste is recyclable and comes from Ensamblika. The possibility of monitoring the recycling of hazardous waste (lubricating oil) in ITK agencies through cross-communication via Zeus and directly with suppliers at the national level is being considered.



For the use of materials, it is important to mention that, due to its nature, it has a greater impact on Italika's operations, so the details can be seen in its respective annex.



Annex I: **ESG management** details

Relationship with Stakeholders

Grupo Elektra's operations are the result of the relationship with the different stakeholders, for whom we strive to create a value proposition through the appropriate management of their expectations and interests, thus achieving loyalty and trust towards our company.

(GRI 2-29) We choose to maintain constant communication and open dialogue with all our stakeholders, always seeking to ensure that relations are guided by the values and principles that characterize us, as well as those established in the company's Code of Ethics and Conduct and the applicable legislation.





ELEKTRA GROUP CHANNELS AND MAIN STAKEHOLDERS			
Stakeholders (SH)	Value Proposal	Channels	Relevant topics by SH
Investors	We provide security in their investment, promoting the constant growth of the business. We also promote transparency in the company's decision making and financial results.	<ul style="list-style-type: none"> ◆ Financial reports. ◆ Sustainability Report. ◆ Corporate presentations and relevant events. ◆ Shareholders' Meeting. ◆ Shareholder information website. ◆ Contact Point: Relationship contact with investors by e-mail and videoconferences. 	<ul style="list-style-type: none"> ◆ Corporate governance structure and operation. ◆ Diversity and equal opportunities. ◆ Labor environment and employees' commitment. ◆ Climate change risks and opportunities. ◆ Ethics and compliance culture.
Suppliers	<p>We base our relationships on the criteria of trust and transparency of processes.</p> <p>We seek to generate a win-win model by guaranteeing the acquisition of products and services with high quality standards and developing the supply chain to meet the same standards.</p> <p>Also evaluating socio-environmental criteria that provide a benefit to society in general.</p>	<ul style="list-style-type: none"> ◆ Online surveys to identify their perception on the company. ◆ Performance evaluations. ◆ Platform for attracting potential suppliers. ◆ Central Purchasing and Service Area. ◆ Suppliers Portal. 	<ul style="list-style-type: none"> ◆ Procurement conditions. ◆ Development of new products and services. ◆ Technological Changes. ◆ Company stability.
Employees	<p>We build trusting relationships with our employees, providing opportunities for growth and professional development. In addition to looking after their health, safety and well-being, which will increase their commitment to the company.</p> <p>We also seek to be agents that generate employment and economic development in the countries where we operate.</p>	<ul style="list-style-type: none"> ◆ Grupo Elektra Institutional Portal. ◆ Help Desk ◆ Satisfaction and Work Environment surveys. ◆ Online support, through the corporate portal. ◆ Online and in person training. ◆ Complaint channel: HONESTEL. ◆ 24/7 communication channels: IDEAS and Tell Us. ◆ Zeus App ◆ Ricardo Salinas' social networks and Blog. 	<ul style="list-style-type: none"> ◆ Customer's experience ◆ Work environment ◆ Work conditions ◆ Ethics and Anti-corruption

ELEKTRA GROUP CHANNELS AND MAIN STAKEHOLDERS			
Stakeholders (SH)	Value Proposal	Channels	Relevant topics by SH
Customers	We promote the wellbeing of millions of families, providing them with easy access to innovative, high-quality products and services, which translates into an optimum level of customer satisfaction and trust.	<ul style="list-style-type: none"> ◆ Advertising campaigns. ◆ Social media and press releases. ◆ Satisfaction surveys. ◆ Contact Center: Attention and suggestions channel. ◆ Privacy notices, within websites. ◆ Physical Customer Service Centers. ◆ Interdisciplinary group for immediate attention to complaints, PROFECO's Conciliaexpress program. ◆ ChatBot "Olivia" for Banco Azteca ◆ App Mobile Azteca ◆ Telephone hotlines. ◆ ATMs. 	<ul style="list-style-type: none"> ◆ Product and service innovations. ◆ Customer's experience. ◆ Processes and technology digitalization. ◆ Logistics (Stores). ◆ Financial inclusion.
Community	We contribute to the development of communities through the promotion of inclusion, financial education, progress for entrepreneurs, as well as the consolidation of links with the civil society. We significantly contribute to the reduction of poverty and inequality, as well as to the promotion of economic development, well-being and progress of the population towards inclusive prosperity.	<ul style="list-style-type: none"> ◆ Women's Line. ◆ Series in interactive cinema-debate format with financial content. ◆ In person workshops. ◆ Video tips. ◆ Corporate volunteering initiatives. ◆ Fundación Azteca. 	<ul style="list-style-type: none"> ◆ Financial Education and Inclusion. ◆ Road safety.
Authorities and Competition	We comply with applicable local legislation in each of the countries where we operate. Safeguarding the rights of our customers and stakeholders.	<ul style="list-style-type: none"> ◆ Presence in Industry Committees and Meetings ◆ Reports to regulatory authorities. ◆ Standards and Best Practices Committee. 	<ul style="list-style-type: none"> ◆ Legal Compliance. ◆ Ethics and Anti-corruption ◆ Social impact of operations.





Materiality assessment

(GRI 2-30, 3-1, 3-2, 3-3)

Based on the results of our materiality analysis, we have identified the critical environmental, social and corporate governance issues for the different businesses that make up Grupo Elektra, considering the perspective of our stakeholders and the company's strategic vision.

We incorporated how the company is responding to the impact of the health situation resulting from COVID-19 on customer expectations, employee priorities, and trends for other stakeholders, as well as on our own operational management and business development.

We conducted the exercise through a 4 stage process: identification, prioritization, validation and review, the main activities of which are outlined below:

Below, we present the materiality matrix, where the topics are visualized in three categories:

REVIEW	IDENTIFICATION	PRIORITIZATION
<p>Analysis of the material topics determined in the previous years.</p> <p>Identification of the set of potentially relevant issues, based on documentary reviews and a frame of reference for similar companies.</p> <p>Preparation of the list of potentially relevant issues, with bibliography referring to:</p> <p>Industry priorities: references of investment criteria in the industry.</p> <p>Activity context: trends in business management, risks, and opportunities.</p> <p>Analysis of documents in response to the COVID-19 and post-pandemic context, both general and industry-specific.</p> <p>Pre-existing inquiries: Work atmosphere survey, satisfaction survey (NPS), interview with Human Capital.</p>	<p>Preparation of a list of potentially relevant issues, based on the analysis of:</p> <p>Prioritization of stakeholders: prepared through the implementation of surveys to employees and suppliers. For customers: online survey and interviews with those responsible for client relations in the different companies (in the case of Banco Azteca, the priorities for clients indicated by the business directors.</p> <p>Company's strategic priority: interviews with senior management of Italika and Tiendas Elektra, and surveys with senior management of Banco Azteca.</p>	<p>Construction of the matrix and validation of relevant issues.</p> <p>Elaboration of materiality matrix.</p> <p>Determination of the set of material issues.</p> <p>Validation session with Grupo Elektra.</p>

- ◆ **Material issues:** those that are particularly critical at the present time, either for the stakeholders, the company/companies, or both. They serve as a basis for our sustainability model, and they determine the contents of this report.
- ◆ **Emerging issues:** those to which we will pay attention because they may become material in the short term, derived from a significant change in the context and/or in our operation.
- ◆ **Non-material issues:** those of low significance, which do not require any special action on our part.





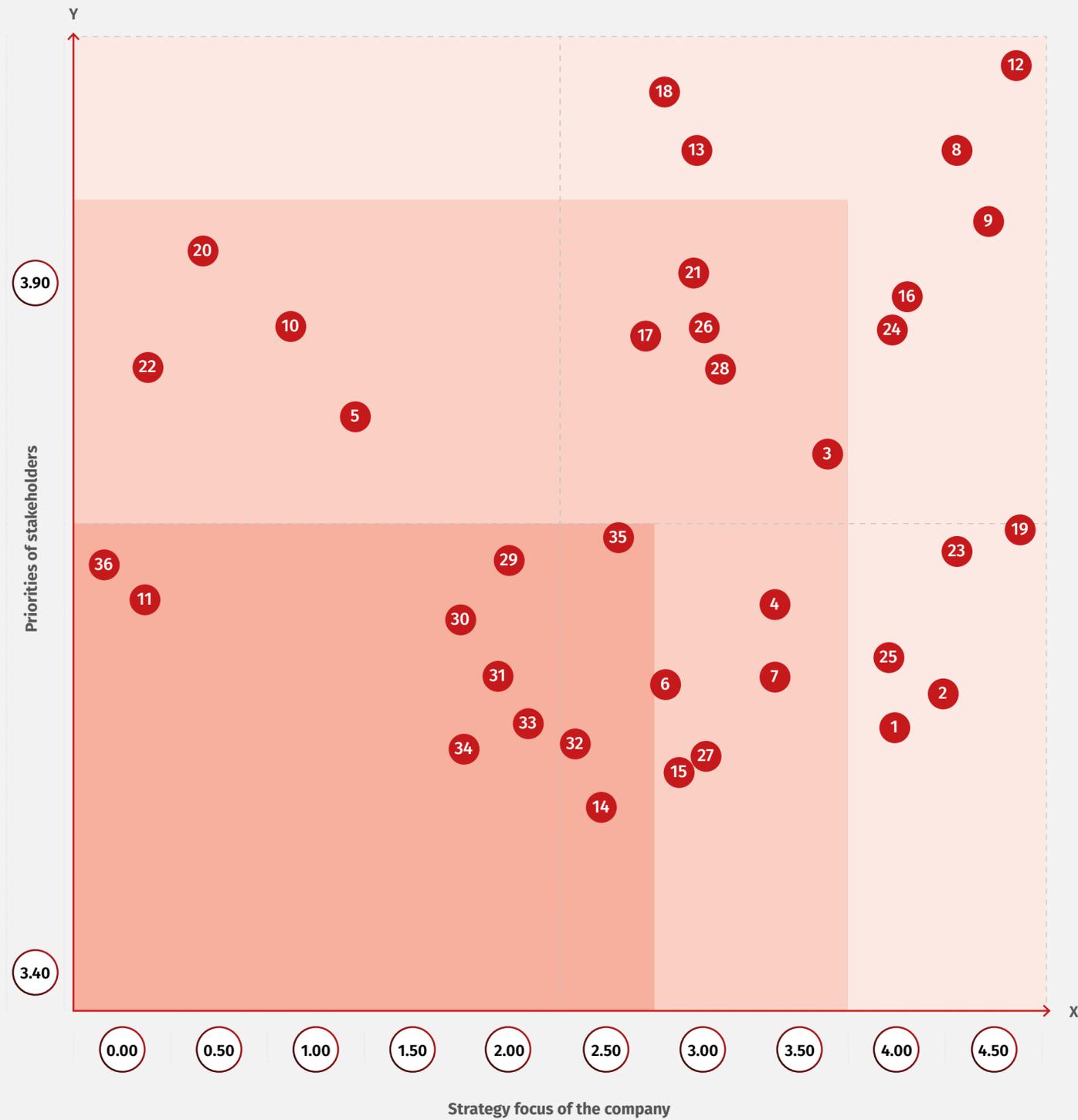
Materiality matrix

Grupo Elektra

●	Material subjects
●	Potential material subjects in the short-term
●	Other potentially relevant subjects

●	1	Training and development of opportunities
●	2	Talent attraction and retention
●	3	Work environment
●	4	Diversity and equality of opportunities
●	5	Health and security of the collaborator
●	6	Responsible suply chain
●	7	Automation and efficiency of operating procedures
●	8	Business competitiveness
●	9	Digitation of processes
●	10	logistics efficiency
●	11	Responsible packaging
●	12	Customer experience
●	13	Innovation of products and services
●	14	ASG investment (environmental, social and governance)
●	15	Alliance with strategic partners
●	16	Omnichannels and accesibility to services and products
●	17	Product transparency
●	18	Customer privacy

●	19	Resiliency and adaptability of the business model
●	20	Health and security of the customer
●	21	Cybersecurity
●	22	Ater-sales services
●	23	Regulatory compliance
●	24	Ethics and anticorruption
●	25	Corporate governance
●	26	Financial stability
●	27	Relationship with authorities
●	28	Brand management and ASG communication
●	29	Energy efficiency and renewable energies
●	30	Water management
●	31	Waste management and material efficiency
●	32	Resiliency to climate change
●	33	Decrease of GHG emissions
●	34	Socio-economic development of communities
●	35	Financial inclusion and education
●	36	Road culture and safety





Human Rights Due Diligence Process

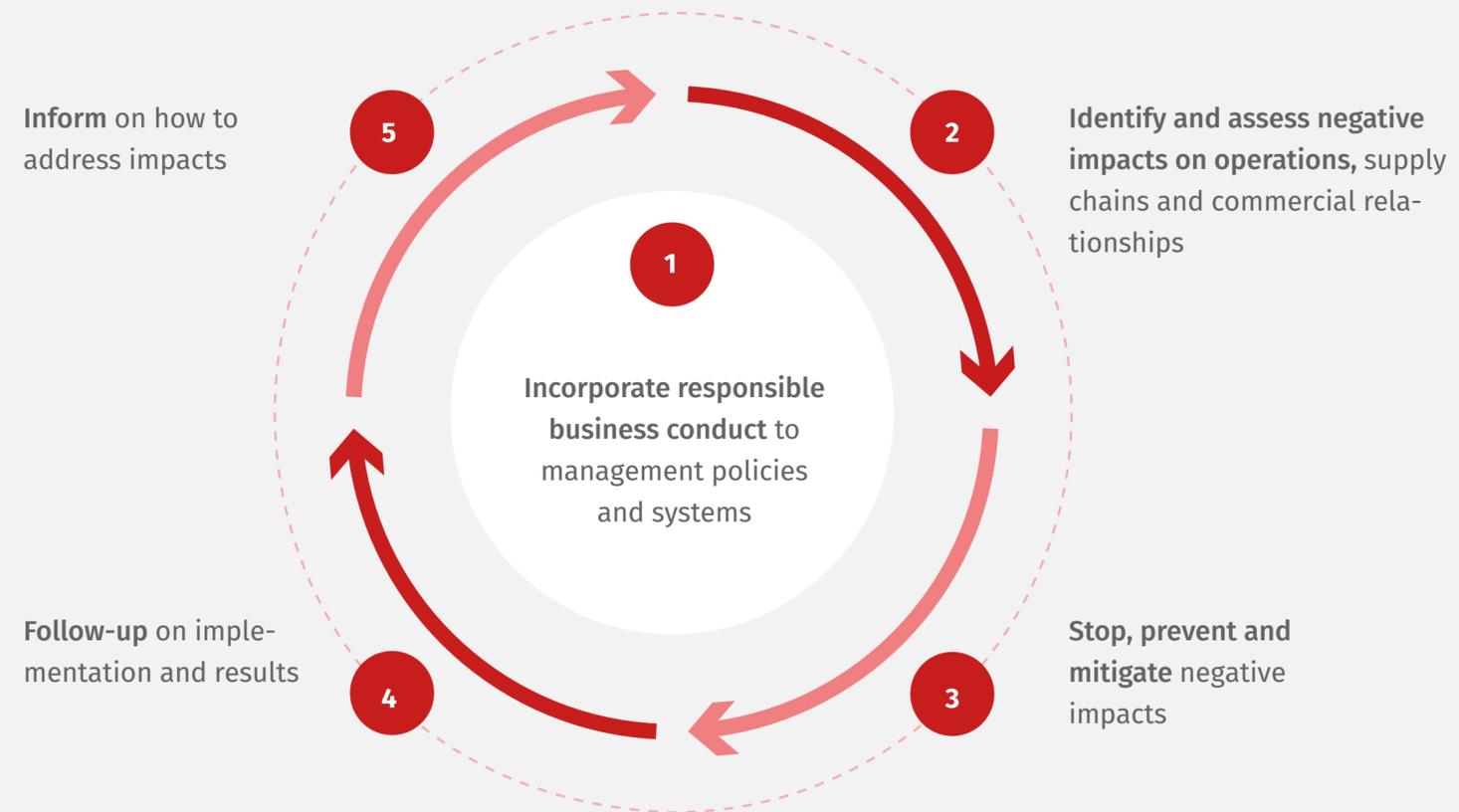
(GRI 2-23, 2-24, 2-25, 412-1, 412-3)

At Grupo Elektra we are committed to respecting the human rights of all people involved in the development of the Group's activities. We focus on permanently strengthening a culture of respect for human rights in order to avoid practices that violate the dignity and quality of life of the people involved in our operations, such as child labor, forced labor, human trafficking, labor harassment, sexual exploitation and any form of discrimination, as established in current national and international legislation.

We reject any attitude motivated by prejudice based on race, religion, ethnic origin, gender, age, socioeconomic status, marital status, sexual orientation, political or nationality inclinations, health, physical disability or any other form of discrimination.

We adhere to the UN Guiding Principles on Business and Human Rights and continuously implement a due diligence roadmap, based on the recommendations of the Organization for Economic Co-operation and Development (OECD).

Below, we present our progress in identifying risks, establishing response measures, and monitoring results.



Likewise, we have lowered this exercise on an individual basis for each of the Group's businesses. For the materiality exercises for each of the businesses, please refer to their respective exhibits.



DUE DILIGENCE PROCESS		
PROCESS	PERFORMANCE	DETAIL
1. Incorporate responsible business conduct into management policies and systems.	<p>We seek to permanently strengthen a culture of respect for human rights through compliance with the following codes and policies:</p> <ul style="list-style-type: none"> • Human Rights Policy at Grupo Elektra. • Code of Ethics and Conduct of Grupo Elektra. • Inclusion and non-discrimination policy • Integrity policy in human resources recruitment. <p>We extend the guidelines of the Code of Ethics and Conduct to our value chain.</p> <p>We are certified in compliance with NMX-R-025-SCFI- 2015, on Labor Equality and Non-Discrimination.</p> <p>We have an Integrity Committee, composed of three executives appointed by the Shareholders' Meeting, to support the General Management in complying with the Code of Ethics and Conduct and the Ethics, Integrity and Compliance Program.</p>	<p>Ethics and Compliance (p.16)</p> <p>Employees (Diversity and equal opportunities) (p.37)</p>
2. Identify and assess negative impacts on operations, supply chains, and business relationships.	<p>We identify any non-compliance with the Code of Ethics and the Human Rights Policy through the Honestel reporting platform, the Tell Us channel, in writing to the Integrity Committee, as well as with the Grupo Salinas Gender Unit.</p> <p>Our Integrity Committee, in accordance with the procedures established by the Whistleblower System, monitors, investigates, addresses and, where appropriate, imposes sanctions for violations of the Code of Ethics and Conduct.</p> <p>We also evaluate legal, financial and socio-environmental aspects through Procurement Center and the Supplier Circle program, which, together with Honestel, allows us to identify possible Human Rights risks within the supply chain.</p> <p>We include suppliers and business partners in the Annual Integrity Questionnaire.</p>	<p>Suppliers (p.37)</p>
3. Halt, prevent and/ or mitigate negative impacts.	<p>Our main Human Rights risks include:</p> <p>Risks to the health and well-being of our employees and strategic partners, especially in the context of Covid-19 pandemic.</p> <p>Risks to the life and integrity of our employees and in the value chain, in which we highlight the mitigation measures against these risks</p>	<p>Ethics and compliance (p.16)</p>

DUE DILIGENCE PROCESS		
PROCESS	PERFORMANCE	DETAIL
4. Follow up on the implementation of the results.	<p>We monitor the implementation of the different initiatives that address risks through the Grupo Salinas Social Responsibility Committee, which is responsible for following up on these initiatives throughout the year in the Grupo Elektra companies and the sustainability strategies of each one of them.</p> <p>The areas correlated by company (example human capital, audit, legal, marketing, etc.) are involved.</p>	<p>Ethics and compliance (Whistleblower System) (p.17)</p>
5. Report on how impacts are addressed.	<p>We are committed to reporting risks and impacts each year in our Sustainability Report.</p> <p>On the other hand, we keep our investors and other stakeholders informed through various communication channels.</p>	<p>Introduction to the report</p> <p>Annex I: ESG management detail (Relationship with Stakeholders) (p.61)</p>
6. Collaborate on the repair of the impact, when appropriate.	<p>Our preventive management, through our own policies and codes, as well as different initiatives that comprise our operation and the value chain, have allowed us not to have incurred in significant cases of human rights violations (cases of discrimination, violation of privacy of information, corruption -that may result in human rights violations).</p>	<p>Ethics and compliance (p.16)</p> <p>Suppliers (p.37)</p>





Contribution to the Sustainable Development Goals (SDGs)

At Grupo Elektra, through our business and operating model, developed with a focus on sustainability and value creation, we want to contribute to solving the great challenges that are present in today's society, which is why we seek to maximize our contribution to the Sustainable Development Goals (SDGs), established by the UN.

We focus particularly on those SDGs (as well as their corresponding targets) that are closely linked to business operations and our impacts, both positive and negative, which are reflected in the sustainability models.

Below we highlight our contribution at Group level, which is also reported throughout this report.

Contribution to the Sustainable Development Goals (SDGs)					
SDG	SDG Target	Material issue	Contribution	Indicators	Page No.
	1.3, 1.4	Customer's experience	<p>We offer microcredits in an easy and accessible way, depending on the customer's needs.</p> <p>At Tiendas Elektra we offer a variety of affordable and quality products.</p> <p>On the other hand, Italika commercializes its products in 80% of the Mexican market.</p>	<p>We continue to promote digital bankarization among the most vulnerable segments of the population, increasing from 11.9 million customers in 2020 to 16.1 million in 2021.</p> <p>More than 114 million pesos in credits through My Business Azteca (Mi negocio Azteca) and Entrepreneur Azteca (Empresario Azteca).</p>	<p>p.26</p> <p>p.23</p> <p>p.24</p> <p>Banco Azteca Annex</p>
	3.5, 3.6, 3.8	<p>Culture and road safety. Responsible chain supply.</p> <p>Customer Health and Safety</p>	<p>We promote road safety culture to our customers and society in general, as well as to our employees through programs such as "Métete esto en la cabeza".</p> <p>We updated the Supplier Circle assessment, adding the requirement regarding information on how the supplier has implemented NOM-035-STPS of the Ministry of Labor to prevent psychosocial risk factors in employees.</p>	<p>This year we reduced by 12% the number of traffic accidents involving our collection team.</p> <p>3,157 employees received nutrition services</p>	<p>p.13</p> <p>p.43</p>
	4.4, 4.7	<p>Training & development.</p> <p>Talent attraction and retention.</p> <p>Prevention and road safety culture.</p> <p>Work environment.</p> <p>Health and safety of the Customer.</p> <p>Talent attraction and retention.</p> <p>Financial education and inclusion.</p> <p>Customer Health and Safety.</p>	<p>We have training and development programs for the Group's employees.</p> <p>We foster a work culture that reinforces teamwork, the quality of life of our employees and their well-being.</p> <p>Banco Azteca's "Aprende y Crece" financial education program.</p>	<p>We invested close to \$42,907,594 MXN in training at group level.</p> <p>500 thousand employees trained</p> <p>More than 3 million hours of training</p>	<p>p.41</p> <p>p.40</p>
	5.1, 5.5	Customer's experience	<p>Banco Azteca offers products and services that contribute to financial inclusion and gender equity.</p> <p>We promote gender equity within the Group.</p> <p>We promote respect and equal opportunities.</p>	<p>22% of women in the Group occupy managerial positions</p>	<p>p.37</p>
	7.2	Energy efficiency	<p>We seek the best technology for environmental efficiency and promote a culture of savings.</p> <p>From Italika we offer products with innovative technology that helps the development of equipment that works with electric energy.</p>	<p>We reduced electricity consumption by 11 GWh (equivalent to 5,000 tco₂e).</p>	<p>p.56</p> <p>Italika Annex</p>





SDGs	SDG Target	Material issue	Contribution	Indicators	Page No.
	8.3, 8.5, 8.8, 8.10	Training and development. Talent attraction and retention. Business Competitiveness. Resilience and adaptability of the business model. Work environment. Responsible chain supply.	Jóvenes Construyendo el Futuro Program at Grupo Salinas level. We have leadership programs to keep leaders motivated and in turn offer development and growth within the Group. We develop and train suppliers that require support to strengthen the criteria to be part of the Supplier Circle.	807 young people enrolled in the program during 2021 59 young people hired 98 thousand employees trained in leadership. 1,071 suppliers evaluated	p.38 p.40
	9.1, 9.3	Business Competitiveness. Processes digitalization. Product and service innovations. Talent attraction and retention. Resilience and adaptability of the business model. Omnichannel and accessibility to services and products. Cybersecurity. Automation and efficiency of operational processes. Logistics efficiency.	We continue to reinforce our omnichannel strategy by implementing and investing in innovative technologies and digitizing processes.	We have increased the usability of Banco Azteca's digital app (2,843 million transactions)	p.23 p.26
	10.2, 10.3, 10.4	Customer experience. Omnichannel and accessibility to services and products. Financial education and inclusion.	We have wide accessibility to the Group's products and services, reaching distant locations.	As for Banco Azteca, we have branches in 801 municipalities, and we are the only banking option in 139 of them. At Tiendas Elektra we are already 1,300 points of sale that offer products with accessible purchase options.	p.23 p.24
	11.2, 11.6	Product and service innovations. Reduction of GHG emissions (greenhouse gases)	On the part of Italika we have developed and launched the VOLTIUM line of electric motorcycles, with this, we will continue to develop the necessary ecosystem to promote the use of this equipment. Investment in green projects: development of renewable energies, energy efficiency. At Tiendas Elektra, together with Banco Azteca, we grant preferential credits for the purchase of eco-efficient products. At Group level, we measure, manage and generate initiatives to mitigate our CO ₂ emissions.	Sales of \$6,992,578 MXN in the Voltium line of motorcycles We reduced from 413 to 271 tons of CO ₂ produced by business travel in the company.	Italika Annex p.67



SDGs	SDG Target	Material issue	Contribution	Indicators	Page No.
	12.2, 12.6, 12.7, 12.8	Customer experience. Product and service innovations. Logistics efficiency. Responsible chain supply. Product transparency. After-sales services.	We develop digital products and services with easy access and coverage. At Tiendas Elektra, we have a digital store, as well as in-store kiosks that make the customer's experience more pleasant and efficient. All our products and services comply with labeling standards.	For Tiendas Elektra, we closed with a total of 20 delivery centers that facilitate the final reception of our customers. No sanctions for marketing or labeling issues in 2021	Tiendas Elektra Annex p.28
	13.1, 13.2, 13.3	ESG (environmental, social and governance) brand management and communication. Reduction of GHG (greenhouse gas) emissions.	We conduct internal campaigns for the protection of the environment. We contribute to create awareness of energy consumption in our VOLTIUM electric motorcycles consumers.	We invested a little more than 113 million pesos in environmental management	P.54 For more information on VOLTIUM motorcycles, Italika Annex
	16.5, 16.6, 16.7, 16.10	Customer Privacy Regulatory compliance Corporate governance. Cybersecurity. Ethics and Anti-corruption Product transparency.	We encourage compliance with the Code of Ethics among all our employees and extend it to other stakeholders. We have a solid information protection process.	100% of employees are socialized with the Group's Code of Ethics. 51,434 hours of training in cybersecurity 86,953 employees trained in cybersecurity in the Group.	p.16 p.29



GRI 2: General Contents January 1 to December 31, 2021			
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	Restatements of information	2-4	35,86,103
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Activities and workers	Activities, value chain and other business relationships	2-6	12,120
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Governance	Governance structure and composition	2-9	19
	Nomination and selection of the highest governance body	2-10	12
	Chair of the highest governance body	2-11	12
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	Delegation of responsibility for managing impacts	2-13	18
	Conflicts of interest	2-15	16
	Communication of critical concerns	2-16	16
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	Mechanisms for seeking advice and raising concerns	2-26	17
	Compliance with laws and regulations	2-27	18
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Contents by material topic from January 1 to December 31, 2021

Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets	
Training and development	GRI 404: Training and education 2016	401-1	Average hours of training per year per employee	41		Principle 6	4.3, 4.4, 4.5, 5.1,	
		401-2	Programs for upgrading employee skills and transition assistance programs	41			8.2, 8.5, 10.3"	
		401-3	Percentage of employees receiving regular performance and career development reviews	41		Principle 6	8.2, 8.5	
Talent attraction and retention talent	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	86		Principle 6	5.1, 8.5, 10.3	
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	43			5.1, 8.5, 8.6,10.3	
		401-3	Parental leave	38			3.2, 5.4, 8.5	
Business competitiveness	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	53,55				
		201-2	Financial implications and other risks and opportunities due to climate change	19		Principle 7	8.1, 8.2, 9.1, 9.4,	
		201-3	Defined benefit plan obligations and other retirement plans		We have advisory programs and retirement plans for employees who are about to retire.			9.5"
		201-4	Financial assistance received from government	55				13.1
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	81				
		203-2	Significant indirect economic impacts	32				
Digitization of processes	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			9.1,9.4	
Customer experience	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	23,29			1.2,1.4,8.1,	
		416-2	"Incidents of non-compliance concerning the health and safety impacts of products and services"	23,29			8.3,8.5	
Product and service innovation	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30				
Customer privacy	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30				





Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets
Resilience and adaptability of the business business model	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	53,55			
		201-2	Financial implications and other risks and opportunities due to climate change	19		Principle 7	
		201-3	Defined benefit plan obligations and other retirement plans	We have advisory programs and retirement plans for employees who are about to retire.			
		201-4	Financial assistance received from government	55			
Regulatory compliance	GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	17			16.3
Corporate Governance	GRI 415: Public Policy 2016	415-1	Political contributions	17,35			
Omnichannel and accessibility to services and products	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	23,29			
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	23,29			
	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			
Ethics and anti-corruption	GRI 205 Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	19		Principle 10	16.5
		205-2	Communication and training about anti-corruption policies and procedures	17		Principle 10	16.5
		205-3	Confirmed incidents of corruption and actions taken	18		Principle 10	16.5
	GRI 206 Unfair competition 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	17,18			16.3
	GRI 412: Human rights assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	69		Principle 1	
		412-2	Employee training on human rights policies or procedures	17		Principle 1	
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	34,69		Principle 2	
GRI 415: Public Policy 2016	415-1	Political contributions	17,35			16.5	





WE GENERATE

Inclusive Prosperity

SUSTAINABILITY REPORT 2021





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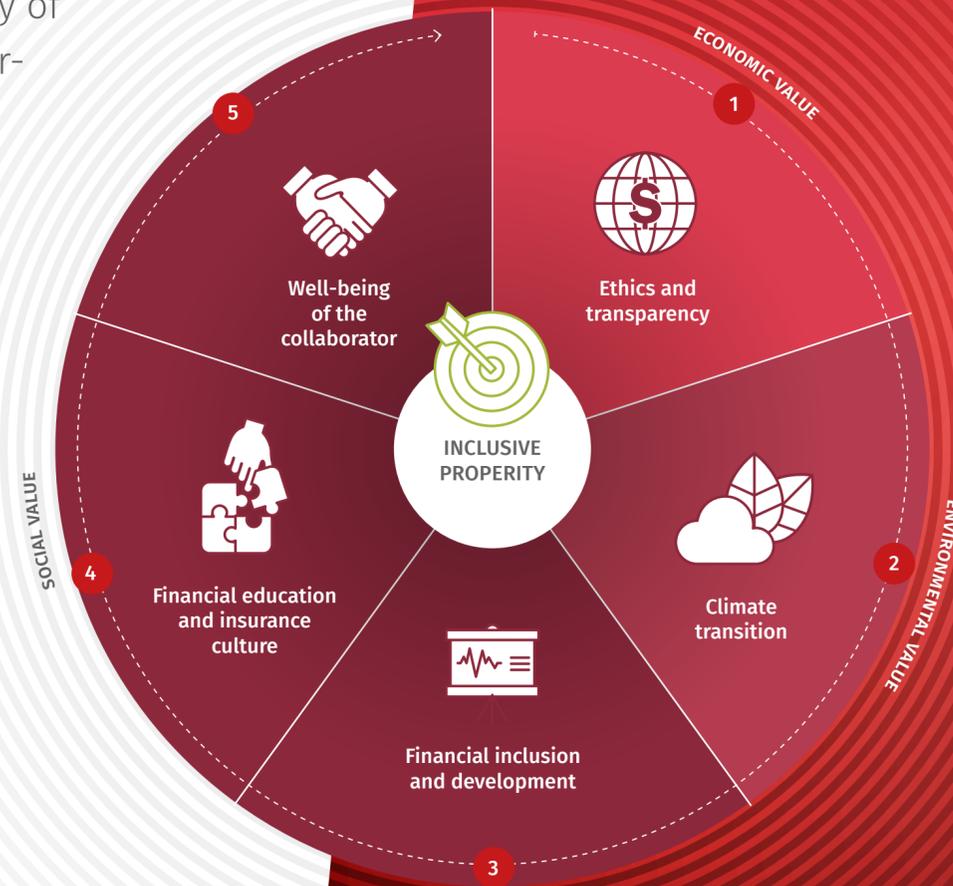


Introduction

It is a company that brings to homes a wide variety of world-class products and services, with ease of service, extended hours, with a wide variety of purchasing channels to allow everyone to have access to the products, at affordable prices and with the ease of payments through various credit options. It currently operates throughout the Mexican Republic with more than one thousand points of contact.

We are committed to working towards sustainability through the Sustainable Development Goals of the United Nations 2030 Agenda. The priority SDGs for Italika are: 1. End Poverty, 8. Decent Work and Economic Growth and 10. Reduction of Inequalities.

Our strategy is comprised of 5 focuses and 12 lines of action:



1		CLIENTS COLLABORATORS SUPPLIERS INVESTORS AUTHORITIES COMPETITORS COMMUNITY
2		
3		
4		
5		

Lines of action	
1.1	Supplier assessment
1.2	local development
2.1	Energy efficiency
2.2	Low logistics in emissions
2.3	Packing managemnet
3.1	Omnichannels
3.2	Accessible infrastructure
3.3	Information management
4.1	Marketing and product information
4.2	Eco-awareness of the customer
5.1	Diversity and development
5.2	Security, health and well-being





Relevant figures 2021



Operating and financial data:

- + 65 billion pesos in revenues
- 1300 stores
- 1,080 m² coverage sales floor in Mexico
- 4 countries

Customer experience:

- 23% of stores were redesigned
- 47.6% of general satisfaction

logistic efficiency:

- 100% of the fleet is own
- 2.8% of trucks are electric
- +2 billion pesos in investments aimed at improving our operation
- 60% of savings in shrinkage
- 9 CEDIS
- 5 HUBS
- 20 Delivery centers

Collaborators:

- +8 thousand collaborators
- 8.2 as grade of satisfaction of work environment

Environment:

- + 300 million pesos invested in energy efficiency
- 9.9 tons of recycled waste
- 14% decrease of GHG emissions of Scope 1 and 2





Corporate structure

2-9

We are part of Grupo Salinas' business units. We are a retail company dedicated to providing products for Mexican families to improve their quality of life.

We are accountable to the group's corporate governance structure, as well as to our Board of Directors and management. The following is the structure of our company at the end of 2021:



In addition, we have different committees that supervise and manage key business processes:

Membership Committee	Home Committee	Mobility Committee	Connectivity Committee
Management team in charge of managing risks and opportunities of Grupo Elektra's businesses as well as human capital.	Team in charge of identifying the main areas of opportunity in our appliances.	Team in charge of identifying the main areas of opportunity in our products for private and commercial transportation (motorcycles, bicycles, etc.)	Team in charge of improving the digital shopping experience of our customers.

Financial and operating indicators

203-1; CG-MR-000.A; CG-MR-000.B; CG-EC-000.A

In the last two years, one of the most impacted sectors has been retail, where there have been drastic changes in consumer habits and preferences. This has led the sector to meet new demands, especially in terms of customer experience and sustainability.

In that sense, at Tiendas Elektra we are attentive to these new trends in order to maintain an attractive offer for all our customers.

1,080 m² as an average sales floor in Mexico

	2019	2020	2021	VAR 21-20
Number of stores	1,142	1,143	1,159	1.4%
Number of stores in Central America	172	108	106	-1.8%
Distribution centers	15	13	20	54%
Value of e-commerce sales	2,250	3,292	2,291	-34%
Sales value	43,222	52,254	65,530	25%





We maintain infrastructure investments as a priority. This year, we embarked on a process of reinventing the spaces in our stores to change their design to a much friendlier concept, in line with design trends in the sector. In addition, we opened 22 new branches in strategic locations with a much larger surface area. In this way, the product offering will be much more varied.



Investments made 2021	
Category	Amount (MXN)
Store restructuring	1,358.4 MDP
Facilities maintenance	461.70 MDP
Energy efficiency	315.79 MDP
Total	2,136 MDP

Customer's experience

416-1; 416-2; 417-1; 417-2; 417-3
CG-EC-220a.2

We pay special attention to the expectations and needs of our customers. We monitor on an annual basis the Net Promoter Score (NPS), which considers consumer satisfaction.

	NPS 2019		NPS 2020		NPS 2021	
	Representative Sample	NPS%	Representative Sample	NPS%	Representative Sample	NPS%
Tiendas Elektra	NA	NA	36,234	23.9%	30,909	47.6%

*We recorded sales of 2,291 million pesos
We offer close to 582,406 products online*

- ◆ Detractors (0-6): those dissatisfied with the service.
- ◆ Passive (7-8): satisfied with the service, but do not recommend it.
- ◆ Promoters (9-10): those who recommend and promote the company, its products and services.

still a gap in terms of digitalization of our customers, an area in which we will continue to work, hand in hand with other innovations in the group.

On the other hand, we continue to improve our customer service channels, including digital channels. We highlight the Market Place platform where we offer both our own products and those of third parties.

Regarding the transparency and communication of our products, as well as different items, we inform about the specifications, prevention and safe handling that each of the suppliers point out to us.

All possible product complaints are reviewed directly with the supplier or manufacturer.

In this way, we facilitate access to our products to any family with internet access; however, due to the sector we are targeting, this represents a challenge as there is

[Visit our official website Elektra.mx](#)
[Visit the official Market Place website](#)





The constant monitoring of our customers' perception has allowed us to identify areas of opportunity in the business and implement strategies to improve the experience we provide.

We also have an after-sales service, to attend to customer queries and incidents, as well as to apply the supplier's guarantee (in those products that have it).

At the end of 2021, we made bitcoin official as a form of payment, thus becoming the first retail store in Latin America to accept a digital currency for the first time, taking an unprecedented step in the sector.

Logistics efficiency

In this regard, 2021 was a particularly important year for improvements in terms of product sourcing, distribution and delivery logistics. We know that it is not enough to have an inventory in optimal conditions, but also to have the infrastructure that allows us to facilitate the delivery of items practically anywhere they are required.

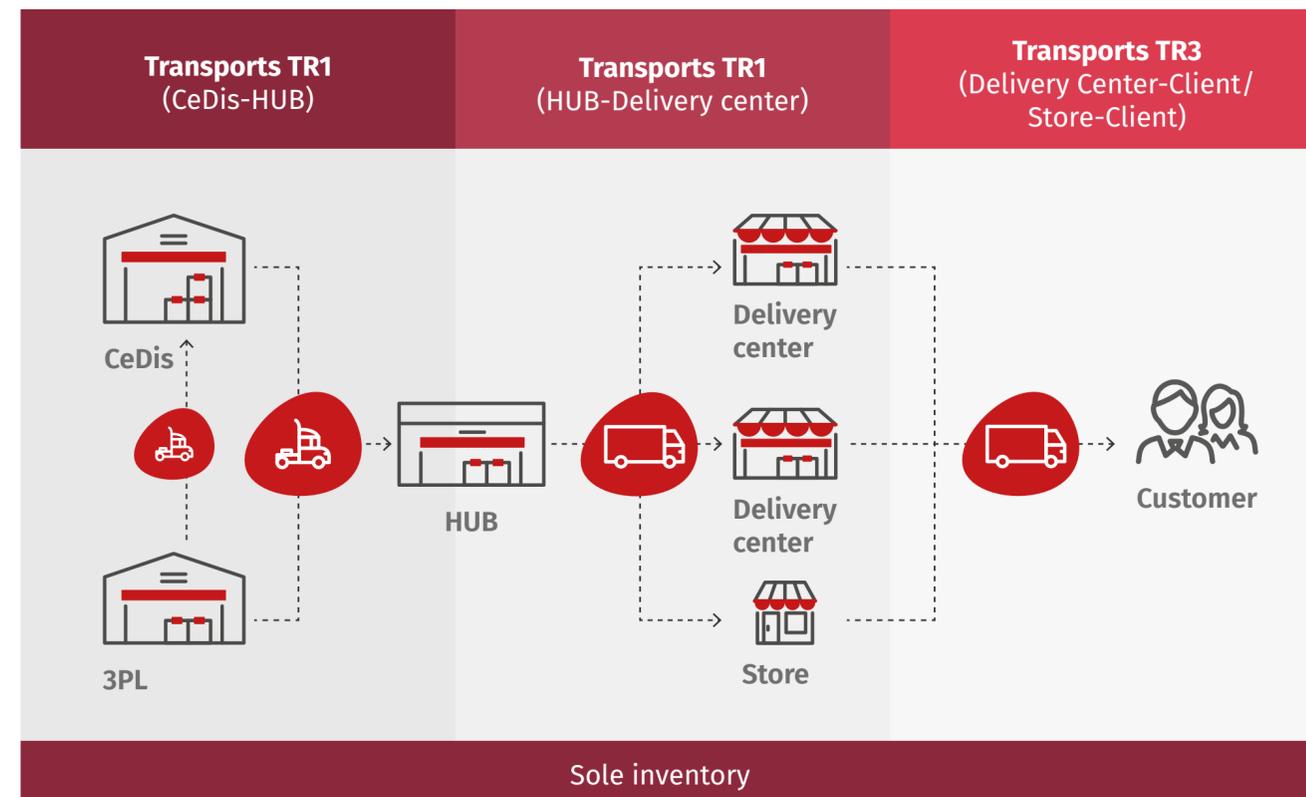
To achieve this, we implemented some changes, including a name change from *Red de Suministro* (Supplier Network) to *Baz Entregas* (Baz Deliveries), a new direction focused on strengthening the logistics distribution process. With this, processes were optimized from the Distribution Centers (CEDIS) to the opening of Hubs, which allowed a more local distribution of shipments

and improved the accessibility of shipments to the delivery points.

- ◆ **CEDIS:** Distribution Center is a space destined to the storage of merchandise, as well as to the shipment of the same as it is demanded by the customers.
- ◆ **HUBS:** This is a logistics area close to our customers (branches and end customers) designed to receive goods and distribute them expeditiously to branches and end customers.

	2021
CEDIS	9
HUBS	5
Delivery centers	20

2.8% of the trucks we use are electric





◆ **DELIVERY CENTERS:** It is a physical space that can be located in a branch or outside of it, and its main activity is to receive, prepare and ship orders for distribution through the last mile to our end customers.

Likewise, we paid attention to the needs within the CEDIS and Hubs, investing in key points such as storage and distribution of goods, as well as in forklift equipment.

At the same time, we are committed to sustainable transportation. Thanks to the efforts of an external sponsor, we were able to raise 3 million pesos for the purchase of electric trucks and the infrastructure required for this purpose, such as driver training, maintenance, recovery, etc. To date, we have eight units out of a fleet of 300 and we are currently testing them for cost-benefit analysis and autonomy in order to scale the project in the coming years.

Likewise, we optimize the management of the hiring of our driving personnel, improving the filters of trust. We also stopped contracting third parties for last-mile transportation, so we are committed to training and creating the necessary conditions to ensure that products arrive intact. These changes had immediate results as we went from 48 million pesos in shrinkage losses to 19 million pesos in 2021.

All this structure is accompanied by the adaptability of employees and constant training, so we have the Logistics School which promotes a standardized operational, administrative and managerial culture, which develops talent in a comprehensive manner (professional and personal) to achieve business objectives. For outstanding results, please refer to the Contributors section of the Grupo Elektra Report.



By the end of 2022, we will have **28 HUBs and 110 Delivery Centers**, 77% of the total number of stores transformed.

60% savings in shrinkage at the Last Mile thanks to our staff training efforts



Supplier chain

204-1; 308-1; 308-2; 414-1; 414-2

Due to the nature of our business, we manage the acquisition of suppliers from the Supply area, always considering guaranteeing the availability of the product in each of our stores. Likewise, all of our suppliers are aligned with the Code of Conduct for this stakeholder group, which is derived from Grupo Salinas.



The following is a breakdown of supplier spending by percentage of local suppliers for the year in which this report is presented.

	2021
% of Local Suppliers	95.45%
% of procurement budget from local suppliers (out of total budget)	4.55%

Breakdown by supplier category 2021		
	Number of suppliers	Expenditure breakdown (%)
General Services	186	82.8%
Technology	43	7.12%
Marketing	9	0.12%
Office Equipment	46	7.5%
Construction of offices and branches	23	2.4%
	123	100%

ESG ISSUES	2021
Social Criteria	336
Participation in social engagement events	86
Donations to social causes	86
Environmental Criteria	160
Enforcement and control	323
Social Responsibility	80

\$858,934,494 as total procurement value

Supported by the Supplier Circle, we conduct audits on ESG aspects to ensure that they are complying with good ethical, social and environmental practices.

One of the objectives for 2022 is to reduce direct store inventory and rely on the available CEDIS and Hubs, so that they always meet the needs of the stores according to their location and that of the customers.



Employees

Staff

2-7; 401-1; CG-EC-330a.1; CG-EC-330a.2; CG-MR-310a.2

In line with the vision of the companies that are part of Grupo Elektra and Grupo Salinas, we encourage the professional and personal development of the people who work with us. In addition to promoting equal opportunities from a gender perspective.



Workforce by type of contract 2021			
Women		Men	
Fixed	Temporary	Fixed	Temporary
2,519	44	6,193	152

Breakdown of the workforce by gender and age					
Less than 30 years old		30 to 50 years old		Over 50 years old	
Men	Women	Men	Women	Men	Women
74.3%	25.7%	67.8%	32.2%	71.3%	28.7%
3,370	1,170	2,641	1,258	334	135

Admissions in 2021 by age range			
	Less than 30 years old	30 to 50 years old	more than 50
Men	2,243	1,137	58
Women	615	299	14
Total	2,858	1,436	72

Percentage of unionized employees 2021
0%

Terminations in 2021 by age range			
	Less than 30 years old	30 to 50 years old	more than 50
Men	1,593	944	60
Women	556	375	25
Total	2,149	1,319	85

Tiendas Elektra Turnover 2021	
	Total
Involuntary Terminations	1,113
Transfer area	3
Voluntary terminations	2,437
Total	3,553
Turnover rate	36.52%

*8,908 employees by the end of 2021
97.7% of them with fixed contracts*

As with our customers, we conduct work climate evaluations to measure the level of employee satisfaction.

	Participation	Promoters	Passive	Detractors	NPS
2018	5,397	3,604	1,243	550	56.6%
2019	7,407	5,215	1,554	638	61.8%
2020	NA	NA	NA	NA	NA
2021	NA	NA	NA	NA	NA



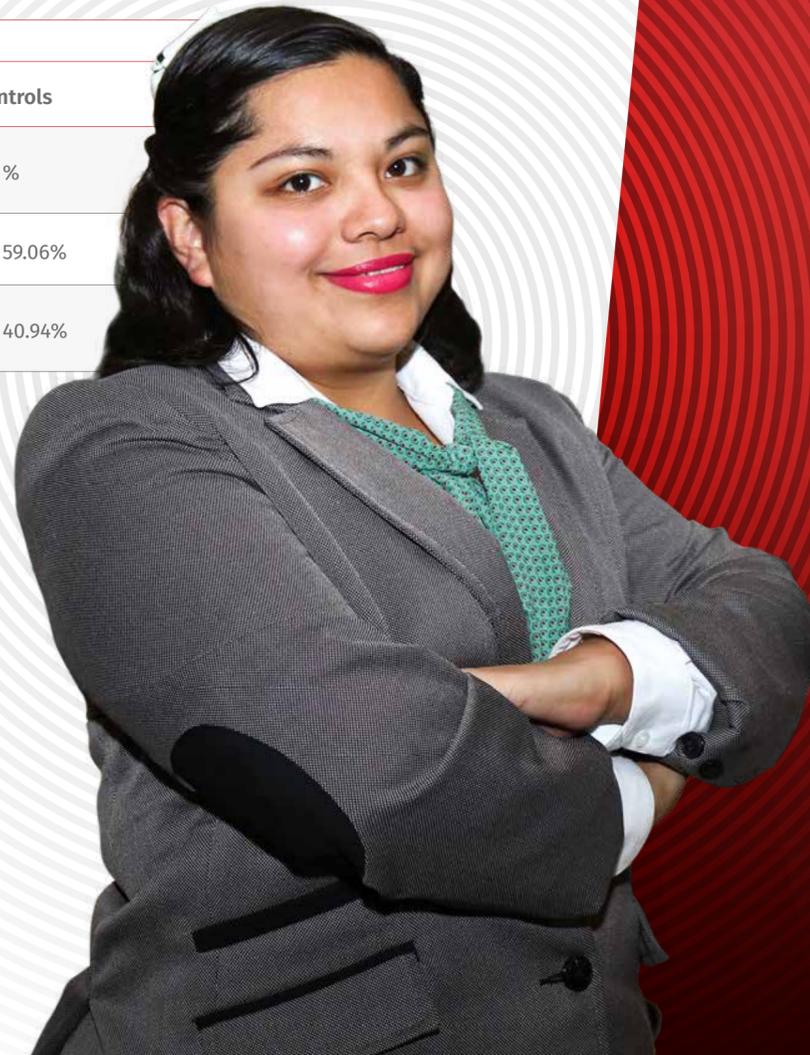


Diversity and equal opportunities

405-1; CG-EC-330a.3; CG-MR-330a.1

Like the different Grupo Salinas business units, we encourage the development of female personnel in our staff. In addition, this year we have the support of the Gender Unit to promote the topic in each of our areas.

	Diversity in the workforce					
	Operational controls		Medium Controls		High controls	
	Number	%	Number	%	Number	%
Men	6,004	71.24%	240	69.77%	101	59.06%
Women	2,424	28.76%	104	30.23%	70	40.94%



Philanthropy

Corporate citizenship and philanthropy contributions by Tiendas Elektra 2021 (MXN)		
Donations	76,908,386	99.40%
Investments in the community	462,970	.60%
Commercial initiatives (sponsorships)	0	0%
Total	77,371,356	100%





Environment

We continue to move forward in line with our commitments at Grupo Elektra. We know that our environmental impact is localized both in the waste and emissions we generate. That is why we continue to invest and innovate our processes in order to have a better management.

Waste

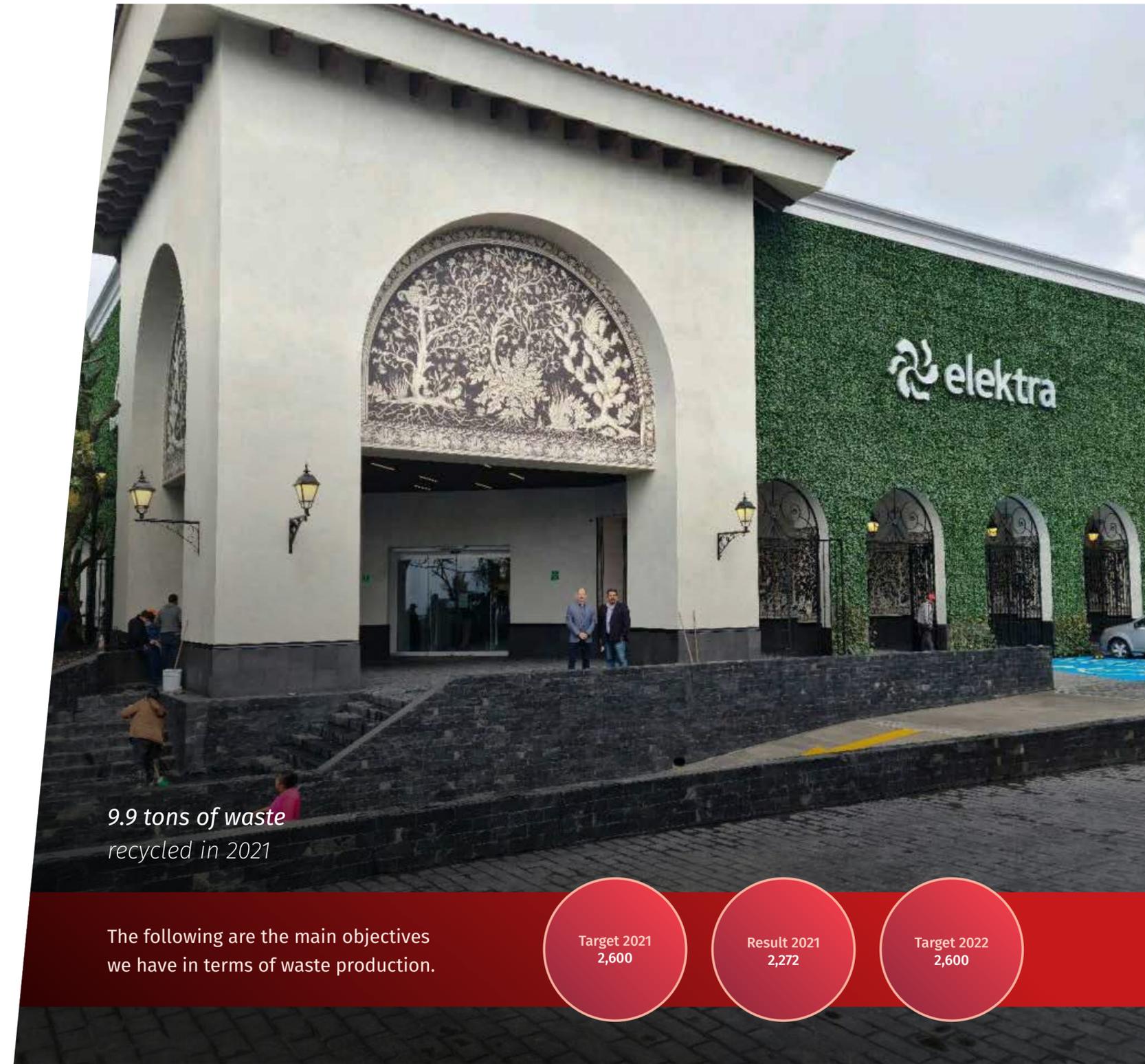
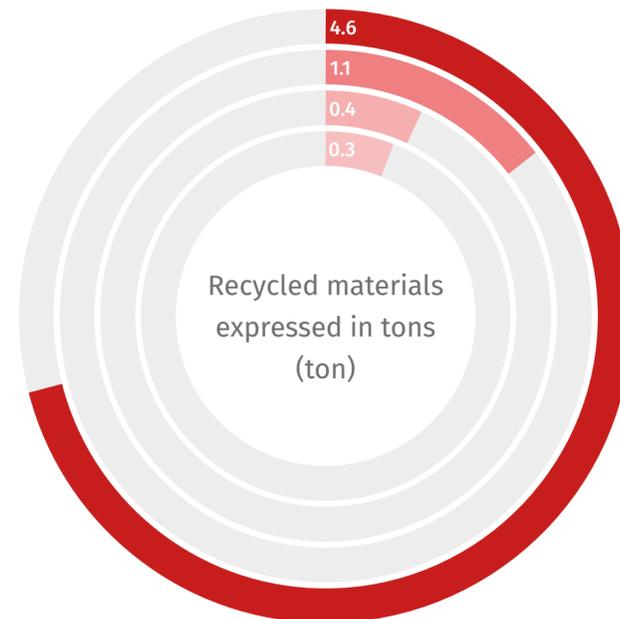
306-1; 306-2; 306-3; 306-4; 306-5

We strive to manage the waste produced at our operation centers and in the last mile when products are delivered to the customer. We are working with key stakeholders (suppliers) to create the necessary infrastructure to enable us to better manage the waste we produce so that it does not go to disposal sites.

Waste destination 2021	
Disposal Sites	99%
Recycling	1%

Amount of waste generated (Tons) 2019-21				
	2019	2020	2021	Δ21-20
RECYCLING	26	19	10	-49%
HAZARDOUS	3	1	0	-100%
URBAN SOLIDS	2,277	2,086	2,262	-8%
TOTAL	2,306	2,106	2,272	-8%

Aluminum	PET
Mixed archive	Carton



9.9 tons of waste recycled in 2021

The following are the main objectives we have in terms of waste production.





Energy and emissions

302-1; 302-4; 305-1; 305-2; 305-5; SASB CG-EC-130a.1
CG-MR-130a

This year, we made improvements in logistics processes, which encourages us to continue with the objective that in the coming years, mobile sources will reduce fuel consumption and thus reduce greenhouse gas emissions.

In addition, we will continue to make progress in the installation of solar panels in our stores, which will reduce the consumption of fossil fuel electricity.

Fuel Consumption				
	2019	2020	2021	Δ21-20
Gasoline (lts)	1,978,483	1,169,385	679,474	-42%
Diesel	27,602	33,993	47,244	39%
LP Gas (lts)	49,356	61,910	458,067	640%
Total (Gj)	79,146	48,119	45,620	-5%

TOTAL ENERGY CONSUMPTION (GWh)		
Target 2021	Result 2021	Target 2022
170	156.93	170

TOTAL ENERGY CONSUMPTION (Gj)		
Target 2021	Result 2021	Target 2022
NR	45,620	46,000

GHG emissions (tonCO ₂ e)				
	2019	2020	2021	Δ21-20
Scope 1	5,698	3,501	3,168	-9.5%
Scope 2	61,183	49,276	41,991	-15%
Scope 1+2	66,880	52,777	45,159	-14%

TARGETS EMISSIONS SCOPE 1 +2 (tonCO ₂ e)				
Target 2020	Result 2020	Target 2021	Result 2021	Target 2022
95,800	52,777	75,000	45,159	55,000

Electrical Consumption				
	2019	2020	2021	Δ21-20
Network (GWh)	121.1	98	99	1%
Renewable energy contracts (GWh)	33.3	58	59	2%
Total (GWh)	154.4	156	158	1%
Total (Gj)	555,991	561,398	564,948	-0.17%

Water

Below we present data on water consumption during 2021:

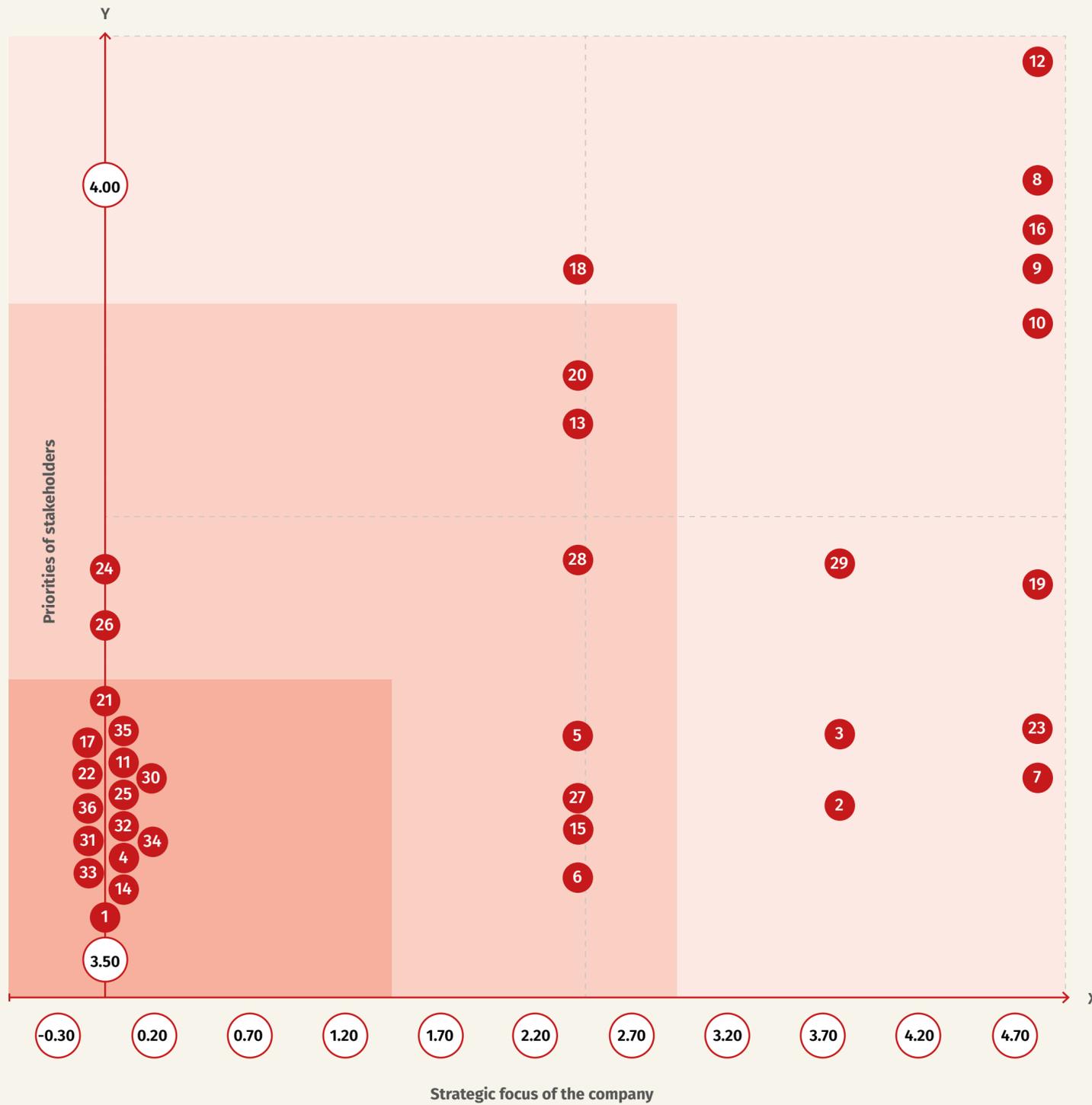
Water withdrawal (m ³) 2019-2021				
	2019	2020	2021	Δ21-20
Tiendas Elektra	242,082	208,291	131,230	37%

Breakdown of water collection

	Municipal supply
Tiendas Elektra	131,230

Water consumption (m ³) 2021			
	Target 2021	Result 2021	Target 2022
Tiendas Elektra	232,000	131,230	135,000





Materiality matrix

Tiendas Elektra

	Material topics
	Potential material topics in the short-term
	Other topics potentially relevant

	1	Training and development of opportunities
	2	Talent attraction and retention
	3	Work environment
	4	Diversity and equal opportunities
	5	Health and security of the collaborator
	6	Responsible supply chain
	7	Automation and efficiency of operating processes
	8	Business competitiveness
	9	Digitation of processes
	10	logistic efficiency
	11	Responsible packaging
	12	Customer experience
	13	Product and services innovation
	14	ASG investment (environmental, social and governance)
	15	Alliance with strategic partners
	16	Omnichannels and accesibility to services and products
	17	Product transparency
	18	Customer privacy

	19	Resiliency and adaptability of the business model
	20	Customer health and safety
	21	Cybersecurity
	22	After-sales services
	23	Regulatory compliance
	24	Ethics and anticorruption
	25	Corporate governance
	26	Financial stability
	27	Relationship with authorities
	28	Brand management and ASG communication
	29	Energy efficiency and renewable energies
	30	Water management
	31	Waste management and material efficiency
	32	Resiliency to climate change
	33	Decrease of GHG emissions
	34	Socio-economic development of communities
	35	Financial inclusion and education
	36	Road culture and security





Contents by material topic from January 1 to December 31, 2021

Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets
Talent attraction and retention	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	86		Principle 6	4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	43			8.2, 8.5
Business competitiveness	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	55		Principle 7	8.1, 8.2, 9.1, 9.4, 9.5
		201-2	Financial implications and other risks and opportunities due to climate change	21			13.1
		201-3	Defined benefit plan obligations and other retirement plans	We have advisory programs and retirement plans for employees who are about to retire.			
		201-4	Financial assistance received from government	55			
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	81			9.1,9.4
		203-2	Significant indirect economic impacts	32			1.2,1.4,8.1,8.3,8.5
Process digitization	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			
Customer experience	GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	82			12.8
		417-2	Incidents of non-compliance concerning product and service information and labeling	82			16.3
		417-3	Incidents of non-compliance concerning marketing communications	82			16.3
Customer privacy	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			16.3, 16.10
Business model resiliency and adaptability	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	55			8.1, 8.2, 9.1, 9.4, 9.5
		201-2	Financial implications and other risks and opportunities due to climate change	21		Principio 7	13.1
		201-3	Defined benefit plan obligations and other retirement plans	We have advisory programs and retirement plans for employees who are about to retire.			
		201-4	Financial assistance received from government	55			
Regulatory compliance	GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	17			16.3
Omnichannels	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			16.3, 16.10





Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets
Working environment	GRI 405 Diversity and Equal Opportunity opportunities 2016	405-1	Diversity of governance bodies and employees	38.87		Principle 6	5.1, 5.5, 8.5
Logistics efficiency	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	88		Principles 7, 8	3.9,12.4,12.5
		306-2	Management of significant waste-related impacts	88		Principles 7, 8	3.9, 6.3, 11.6, 12.4, 12.5
		306-3	Waste generated	88		Principles 7, 8	3.9,12.4,12.5
		306-4	Waste diverted from disposal	88		Principles 7, 8	"3.9,11.6,12.4,12.5 "
		306-5	Waste directed to disposal	88		Principles 7, 8	3.9,11.6,12.4,12.5
Automation and efficiency of operational processes	GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	88		Principles 7, 8	3.9,12.4,12.5
Energy efficiency	GRI 302: Energy 2016	302-1	Energy consumption within the organization	89		Principles 7, 8	7.2, 7.3, 8.4, 12.2, 13.1
		302-2	Energy consumption outside of the organization	89		Principle 8	7.2, 7.3, 8.4, 12.2
		302-3	Energy intensity	89		Principle 8	7.3, 8.4, 12.2, 13.1
		302-4	Reduction of energy consumption	89		Principles 8, 9	7.3, 8.4, 12.2, 13.1
		302-5	Reductions in energy requirements of products and services	89		Principle 8	7.3,8.4,12.2, 13.1





E-COMMERCE STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
ACTIVITY METRIC					
Activity metric	CG-EC-000.A	Entity-defined measure of user activity	Number	We report the value of our online sales	81
Activity metric	CG-EC-000.B	Data processing capacity, percentage outsourced	Variable	The entire information processing activity is carried out by Grupo Elektra (Tiendas Elektra) teams.	
Activity metric	CG-EC-000.C	Number of shipments	Number	Not available	
ACCOUNTING METRIC					
Hardware Infrastructure, Energy & Water Management	CG-EC-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)		89
	CG-EC-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m ³), Percentage (%)	The water catchment is presented for all theTiendas Elektra centers. The water catchment ratio corresponding to areas with water stress is not available.	61
	CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	N/A	Not available	
Data Privacy & Advertising Standards	CG-EC-220a.1	Number of users whose information is used for secondary purposes	Number	At Grupo Elektra level, 40% of our customers' information is used for secondary purposes, with their authorization.	30
	CG-EC-220a.2	Description of policies and practices relating to behavioral advertising and user privacy	N/A		82
Data Security	CG-EC-230a.1	Description of approach to identifying and addressing data security risks	N/A		30
	CG-EC-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Number, Percentage (%)	At the end of 2021, there were no cases of personal data breaches.	
Employee Recruitment, Inclusion & Performance	CG-EC-330a.1	Employee engagement as a percentage	Percentage (%)		86
	CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	Ratio		86
	CG-EC-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Percentage (%)		87
	CG-EC-330a.4	Percentage of technical employees who are H-1B visa holders	Percentage (%)	Not available	
Product Packaging & Distribution	CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments	Metric tons (t) CO ₂ -e"	Not available	
	CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	N/A		





MULTILINE AND SPECIALTY RETAILERS & DISTRIBUTORS STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
ACTIVITY METRICS					
Activity metric	CG-MR-000.A	Number of: (1) retail locations and (2) distribution centers	Number		81
Activity metric	CG-MR-000.B	Total area of: (1) retail space and (2) distribution centers	Square meters (m ²)		81
ACCOUNTING METRICS					
Energy Management in Retail & Distribution	CG-MR-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)		89
Data Security	CG-MR-230a.1	Description of approach to identifying and addressing data security risks	N/A		30
	CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Number, Percentage (%)	The absence of data breaches is reported; the rest of the requested information is not available.	30
Labor Practices	CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by regio	Reporting currency, Percentage (%)	All our employees earn above the minimum wage	
	CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Ratio		86
	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Reporting currency	Not available	
Workforce Diversity & Inclusion	CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Porcentaje (%)		87
	CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Reporting currency	Not available	
Product Sourcing, Packaging & Marketing	CG-MR-410a.1	Revenue from products third-party certified to environmental and/or social sustainability standards	Reporting currency	Not available	
	CG-MR-410a.2	Description of processes to assess and manage risks and/or hazards associated with chemicals in products	N/A	Not available	
	CG-MR-410a.3	Description of strategies to reduce the environmental impact of packaging	N/A	We are developing strategies that allow us to reduce the amount of packaging waste we produce, from the commercial relationship with our suppliers, warehousing, to the final delivery to the customer.	





WE GENERATE

Inclusive Prosperity

SUSTAINABILITY REPORT 2021





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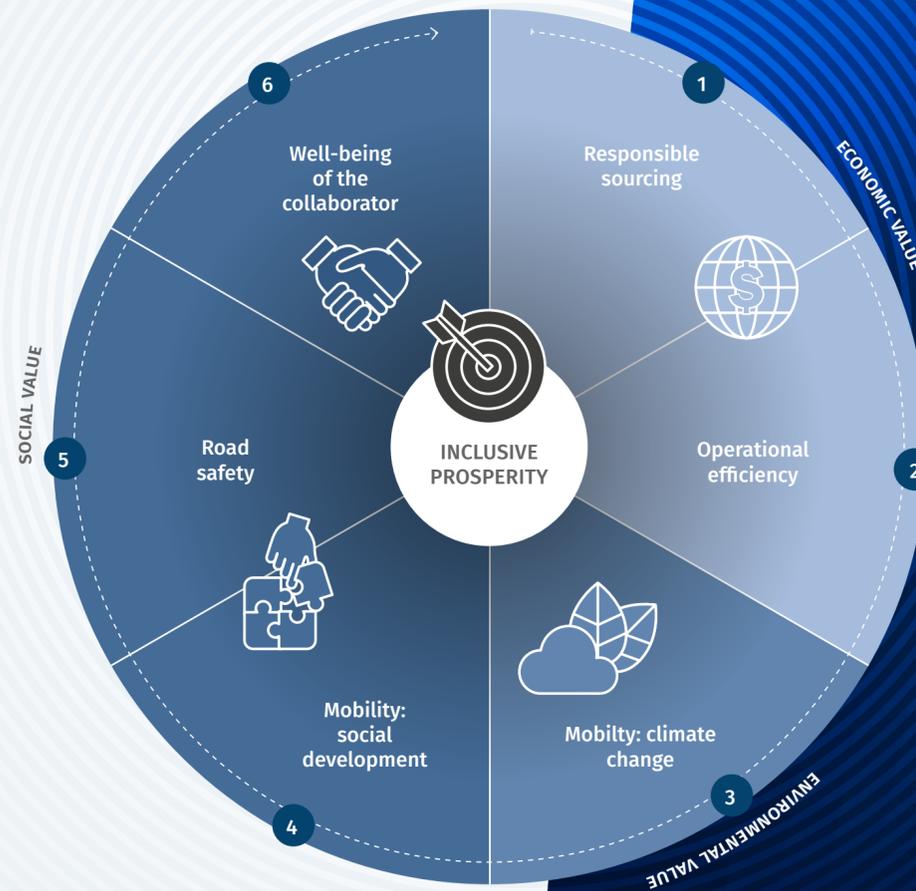
Introduction

We are Italka, a company that provides access to a private transportation to the majority of the Mexican population, facilitating the performance of their daily activities in a comfortable and reliable way.

Likewise, we have state-of-the-art logistics systems that allow us to guarantee the delivery of spare parts within 72 hours throughout the Mexican Republic. Our service network is in Mexico and Latin America, with a schedule that allows us to guarantee maintenance and spare parts availability to our customers.

We are committed to working towards sustainability through the Sustainable Development Goals of the United Nations 2030 Agenda. The SDGs that are a priority for us are: 12. Responsible production and consumption, 11. Sustainable cities and communities and 13. Climate action.

Our strategy is comprised of 6 focuses and 10 lines of action:



- CLIENTS
- COLLABORATORS
- SUPPLIERS
- INVESTORS
- AUTHORITIES
- COMPETITORS
- COMMUNITY

Lines of action	
1.1	Supplier assessment
1.2	local development
2.1	Energy use
2.2	Waste management
3.1	Innovation to eco products
4.1	Product accessibility
5.1	Product quality and maintenance
5.2	Responsible management
6.1	Diversity and development
6.2	Security, health and well-being



Relevant figures 2021

Operating and financial data:

- +760 thousand assembled motorcycles
- +900 mil thousand sold motorcycles
- +21% of increase in sales with respect to 2020
- +220 billion pesos invested in innovation
- 1 assembly plant **Ensamblika**

Customer experience:

- 955 service centers
- 4,100 points of contact

Suppliers:

- 100% of 1st level suppliers assessed
- 61.7% of suppliers are local

Collaborators:

- 4,673 collaborators
- 31.2% are women
- 1.3% unionized
- 1st place in the manufacturing industry in inclusion and diversity by Aqualas
- Certification of the Mexican Standard NMX-R-025-SCFI-2015 in labor equality and non-discrimination.

Environment:

- 313 Voltium electric motorcycles sold
- 85% of recovery in waste of batteries
- 45% of waste recovery of oils
- 15% of decrease of GHG emissions of Scope 1+2 with respect to 2020

Road safety:

- 77 women were trained in road safety and motorcycle driving.
- 12% less road accidents for collection staff of Banco Azteca
- 1 alliance with the State Public Security Commission (Comisión Estatal de Seguridad Pública (CES)) of Morelos for training of food deliverers in the state.





Corporate structure

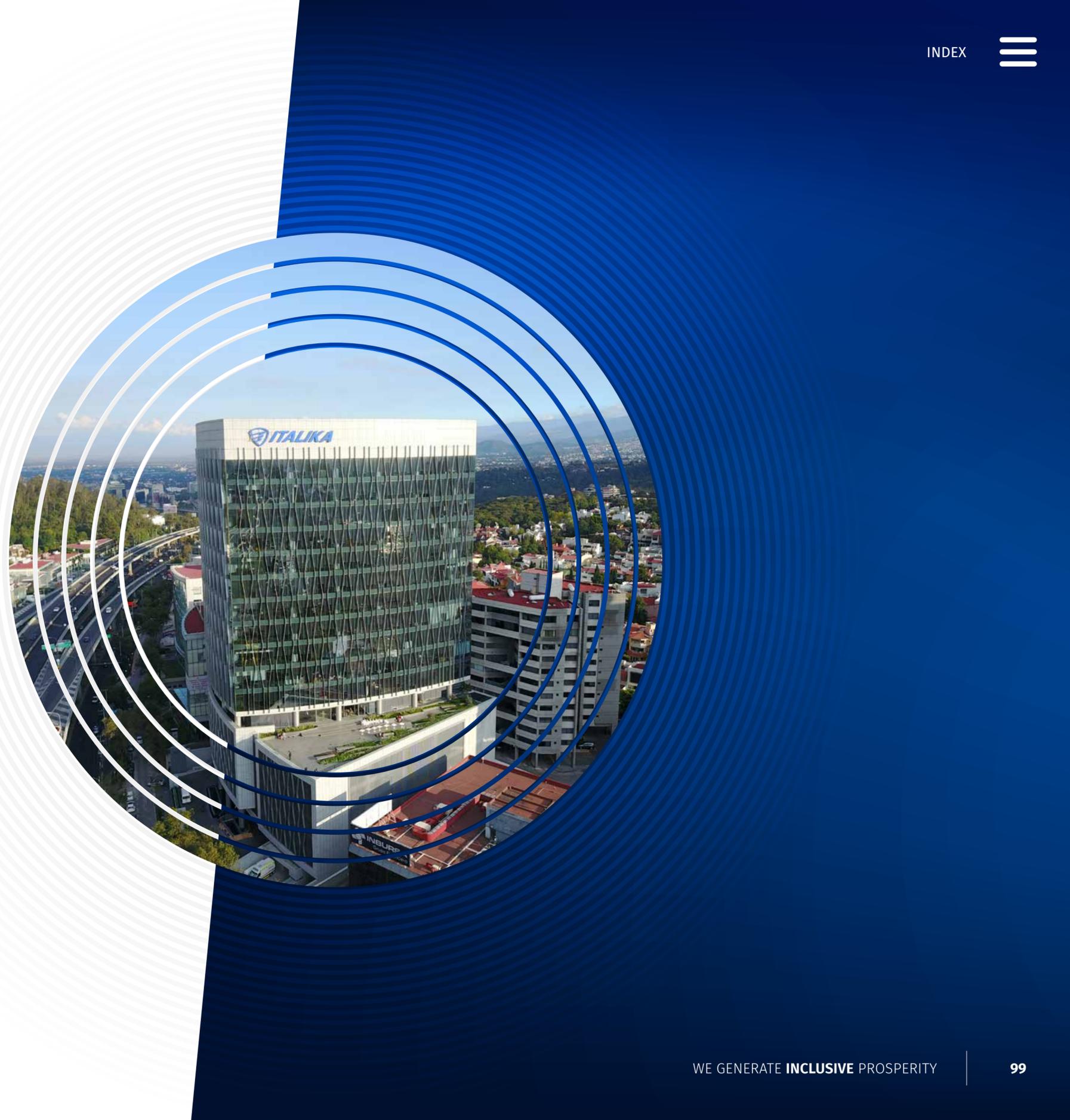
2-9

We are part of Grupo Salinas' business units. We are a company dedicated to providing mobility solutions, specialized in the commercial motorcycle market.

We are accountable to the group's corporate governance structure, as well as to our Board of Directors and management. The following is the structure of our company at the end of 2021:



This year, we highlight the consolidation of the Mobility Department, an area aimed at strengthening the ecosystem of our market, creating added value for our customers through the development of services and products that supplement the experience with our motorcycles.





Financial and operating information

203-1; TR-AU-000.A; TR-AU-000.B

In recent years, motorcycle consumption in Mexico has grown steadily. According to MotorCycles Data (McD), the sector recorded an increase in demand in 2020, presenting an economic increase of 23.2%.



At present, we have a market presence of over 60% compared to competitors, most of them foreign. In turn, we have consolidated a broad service network throughout the country, reaching 955 Authorized Service Centers (more than 200 in Central America), 4,100 points of contact and an estimated annual production of 760,000 motorcycles.

In addition to the recent partnership agreement to distribute Hero Motor in Mexico, we will continue to provide and create an ecosystem where our customers have access to better products and services.

	2019	2020	2021	VAR 21-20
Assembled motorcycles	760,740	720,000	766,568	6.47%
Motorcycles sold	828,374	800,000	938,672	17.33%
Sales (million pesos)	16,520	18,800	22,832	21%
Italika Service Centers (CSIT) - Mexico	840	877	955	8.8%
Italika Service Centers (CSIT) -Latin America	170	198	200	1%
Assembly plants	1	1	1	NA

Investments made in 2021	
Category	Amount (MXN)
Technology	186,598,862
Construction, remodeling and office/plant maintenance	220,687,735
Other concepts	31,892,648

We are constantly investing to diversify our offering, while at the same time developing innovative technologies and ecosystems that enhance the customer experience and drive the use of new forms of mobility.





Customer experience

416-1; 416-2; 417-1; 417-2; 417-3; TR-AU-250a.2; TR-AU-250a.3

We pay special attention to our customers' expectations and needs. We monitor on an annual basis the Net Promoter Score (NPS), which considers consumer satisfaction. We categorize customers along three main dimensions:

- ◆ **Detractors (0-6):** those who are dissatisfied with the service.
- ◆ **Passive (7-8):** satisfied with the service, but do not recommend it.
- ◆ **Promoters (9-10):** those who recommend and promote the company, its products and services.

	NPS 2020	NPS 2021
Italika	44.5%	35.4%

On the other hand, we are improving our service channels. In 2022, we plan to launch the first digital App called ITALIKA+, where customers will be able to access different service options and schedule maintenance appointments, as well as emergency calls. In addition, it is intended to create a social community within it, where users will be able to

communicate and organize events of coexistence, experiences, etc. This App will be available for iOS and Android.

We maintain an after-sales service supported by Italika Service Centers, where customers can receive advice on the use and maintenance of their motorcycles. At the same time, we have a blog on our official website where we continuously publish informative content.

Regarding the transparency and communication of our motorcycles, as well as different items, we inform about the specifications, prevention and safe handling of each one of them, including batteries and oils, which could represent a greater risk to the consumer.



955 Authorized Service Centers
4,100 contact points

[Visit our official website Italika.mx](https://www.italika.mx)

We make available user manuals, in-store and labeled information material with relevant maintenance and usage content on our official website.

Thanks to these efforts, we have not received any complaints and/or denunciations regarding the transparency of our products.



Supplier chain

204-1; 308-1; 308-2; 414-1; 414-2

Due to the nature of our business, we manage the acquisition of suppliers with our own methodology, always considering guaranteeing safety, as well as the quality of the spare parts and parts for a correct assembly. Likewise, all of our suppliers are aligned with the Code of Conduct for this stakeholder group, which is derived from Grupo Salinas.

The following is a breakdown of supplier spending by percentage of local suppliers for the year in which this report is presented.

	2019	2020	2021
% of Local Suppliers	21.43%	52.24%	61.76%
% of procurement budget from local suppliers (out of total budget)	29.46%	28.26%	31.55%

ITK 2021		
	Number of suppliers	Expenditure breakdown (%)
General Services	67	83.23%
Technology	19	10.51%
Marketing	12	1.50%
Office Equipment	16	4.44%
Construction of offices and branches	9	0.27%
	123	100%

Type of supplier	Total suppliers evaluated in the last 3 years	Percentage of suppliers	Purpose
1st level suppliers	74	100.0%	Maintain the first-tier supplier portfolio and increase it by more than 5%. Target Year: 2023
Critical suppliers that are not 1st tier	5	100.0%	Develop critical suppliers so that they cease to be critical. Target Year: 2023

We support with timely reviews and visits to our suppliers, whom we audit in terms of component quality, durability and performance, to mention a few points.

We conduct these evaluations every six months, where we identify those suppliers that are considered high risk due to their financial performance, quality of raw materials, logistics, government regulations, social, environmental and force majeure issues, among others.





Collaborators

Workforce

2-7; 401-1; 407-1; TR-AU-310a.1

In line with the vision of the companies that are part of Grupo Elektra and Grupo Salinas, we encourage the professional and personal development of the people who work with us. In addition to promoting equal opportunities from a gender perspective.



Admissions in 2021 by age range				
	Less than 30 years old	30 to 50 years old	more than 50	Grand total
Men	897	369	14	1,280
Women	304	258	9	571
Total	1,201	627	23	1,851

Terminations in 2021 by age range				
	Less than 30 years old	30 to 50 years old	more than 50	Grand total
Men	578	359	21	958
Women	145	135	6	286
Total	723	494	27	1,244

Workforce by type of contract 2021			
Women		Men	
Fixed	Temporary	Fixed	Temporary
1,454	7	3,204	8

Breakdown of the workforce by gender and age						
Less than 30 years old		30 to 50 years old		Over 50 years old		Grand total
Men	Women	Men	Women	Men	Women	
32%	12%	33%	18%	4%	1%	100%
1,479	560	1,565	847	168	54	4,673

4,673 employees by the end of 2021

100% of them with fixed contracts





Italika Turnover 2021	
	Total
Involuntary Terminations	158
Transfer area	0
Voluntary terminations	1,086
Total	1,244
Turnover rate	28.54%

Percentage of unionized employees 2021
1.3%

Turnover Index by gender 2021		
	Men	Women
Induced	5.00%	0.83%
Volunteer	15.50%	5.30%

Seniority of employees					
	3 to 6 months	6 to 12 months	12 months to 2 years	2 to 4 years	4 or more years
Men	180	449	237	509	1,119
Women	97	233	153	276	454

In turn, we promote ethical practices in order to avoid and reduce cases of corruption, harassment or any attitude/ action that goes against our corporate values.



Diversity and equal opportunities

405-1

As with the different Grupo Salinas business units, this year we have the support of the Gender Unit to promote the topic in each of our areas; however, we have previously carried out programs and actions to empower our female personnel.

	Diversity in the workforce					
	Operational controls		Medium Controls		Executives	
	Number	%	Number	%	Number	%
Men	3,057	95%	122	4	33	1
Women	1,407	96%	49	3	5	0



At Italika we have carried out different activities, including courses and trainings, as well as self-defense workshops.

Similarly, we participated in the campaign “Tools are not only for men”, with a dynamic based on giving away stereotypical objects so that people would realize the consequences of doing so.

	Diversity in management positions			
	1st line of command		2nd line of command	
	Men	Women	Men	Women
	11	3	96	34
	79%	21%	74%	26%

Of the 80 sessions that were given, we had a record of 28 employees who attended.

We will continue to cooperate and increase our efforts to ensure equal opportunities in our company.

2019 year in which we obtained the **Certification of the Mexican Standard NMX-R-025-SCFI-2015** in Labor Equality and Non-Discrimination.

1st place in the manufacturing industry in the PAR Rankings for inclusion, equity and diversity in the workplace



Environment

TR-AU-410a.2

We continue to make progress in our environmental performance and the impacts we generate from our operations. At the same time, we are exploring the possibilities and development of mobility solutions based on clean energy. One example is the *Voltium* models.

To date, we have sold close to 313 electric motorcycles, providing customers with a more environmentally friendly option. We will continue to work to develop an ecosystem that favors the demand for sustainable transportation.



	2021
Voltium Motorcycles sold	313
Sales (million pesos)	6,992,578

Materials

301-1; TR-AU-440a.1

Due to the nature of our operations, we report the use and disposal of materials which are composed of components for assembly and foam rubber for their protection. At the same time, we are promoting the purchase of materials that come from reuse and recycling processes.

Materials used Italika 20-21			
	2020	2021	Unit of measurement
Assembly components	5,472	310,432,698	Parts
Plastic for plastering	0.5	0.6	Tons
Wooden pallets	1,106	1,341.5	Tons
Metal pallets	385	514	Tons
Strap	81	14.7	Tons
Polystyrene	149	130	Tons
Foam Rubber	1,440	1,482.1	Tons





Waste

306-3; 306-4; TR-AU-440b.1

We increased the percentage of recycled waste by six percent; while we recorded an increase of three percent for waste considered hazardous.

ITALIKA AND ENSAMBLIKA (tons) 2019-21				
	2019	2020	2021	Δ21-20
RECYCLING	7,339	9,061	9,573	6%
HAZARDOUS	1,525	4	4	3%
URBAN SOLIDS	410	376	647	72%
TOTAL	9,279	9,441	10,224	8%

Hazardous waste	Recovery percentage 2021	Kg
Batteries	85%	1,700.00
Oil/paint liquids	45%	790.00
Oil/paint solids	65%	1,123.00

● Carton	● Metal scrap	● Dest. Aluminum
● Foam rubber	● Polystyrene	● Fragments
● Wood	● Band clamp	● Others



Target 2021
10,400

Result 2021
10,224

Target 2021
10,400

This year, we began counting hazardous waste for recycling from the agencies.

The following are our main objectives we have in terms of waste production.





Water

At Italika we continue our commitment to the care and preservation of water resources. Data for the year 2021 are presented below for the consumption thereof.

Water collection (m³) 2019-2021			
2019	2020	2021	Δ21-20
33,800	38,251	51,813	28%

Breakdown of water collection 2021 (m³)		
Municipal supply	Rainwater collection	Treated water
48,913	300	2,600

Water consumption (m³) 2021		
Target 2021	Result 2021	TARGET 2022
39,500	51,813	50,000

Energy and emissions

302-1; 302-4; 305-1; 305-2; 305-5

Due to the opening of the new production plant located in the municipality of Lerma, in Toluca, and the expansion of new motorcycle brands, we recorded an increase in diesel consumption; however, we decreased the total percentage of fuel consumption.

Fuel Consumption				
	2019	2020	2021	Δ21-20
Gasoline (lts)	476,381	603,917	355,874	-41%
Diesel	1,516	2,872	61,216	2031%
LP Gas (lts)	82,583	82,658	60,351	-27%
Total (Gj)	21,581	26,547	18,384	-31%

Electrical Consumption				
	2019	2020	2021	Δ21-20
Network (GWh)	6.3	7.2	7.9	10%
Renewable energy contracts (GWh)	0.1	0.1	0.1	0%
Total (GWh)	6.4	7.3	8	10%
Total (Gj)	23,036	26,467	29,005	10%

TOTAL ENERGY CONSUMPTION (Gj)		
Target 2021	Result 2021	Target 2022
NR	18,384	19,000

TOTAL ENERGY CONSUMPTION (GWh)		
Target 2021	Result 2021	Target 2022
9	8	9

Even with the progressive return to operations and results registered until 2019, together with the increase in the product line and the opening of new production plants, we were able to reduce our Scope 1 and 2 greenhouse gas emissions compared to last year.

GHG emissions (tonCO ₂ e)				
	2019	2020	2021	Δ21-20
Scope 1	1,534	1,892	1,316	-30%
Scope 2	3,182	3,557	3,342	-6%
Scope 1+2	4,715	5,449	4,658	-15%

TARGETS EMISSIONS SCOPE 1 +2 (tonCO ₂ e)				
Target 2020	Result 2020	Target 2021	Result 2021	Target 2022
4,500	5,449	6,000	4,658	6,000





Commitment to society

Road safety

416-1; 416-2

Aware of our social responsibility, we act through different initiatives, including driving courses and awareness-raising days.

We provide Banco Azteca with motorcycles for the collection personnel's activities. In this way, we implemented four main campaigns to prevent and provide the necessary knowledge in the event of an accident:

Thanks to these efforts, we achieved an overall accident reduction of 12.4%



"Take 5" Program.		"Get this into your head" campaign.	
What is it?	What does it consist of?	What is it?	What does it consist of?
It is a permanent prevention campaign, aimed at checking the condition of motorcycles (ITK'S) and checking Personal Protective Equipment.	Sensitization in three main pillars: <ul style="list-style-type: none"> ♦ ITK Condition Check (motorcycle) ♦ Weekly leader's talk tips with managers ♦ Review of personal protective equipment (helmet, skeleton, jacket, gloves, knee pads, shin guards and raincoat) 	This is an internal communication strategy aimed at generating a culture of prevention and awareness to reduce accidents.	On a monthly basis, issue preventive tips to develop safe behaviors

Italika Gold Course		"Accident-Free Days" Board	
What is it?	What does it consist of?	What is it?	What does it consist of?
They are a series of activities to reinforce knowledge and driving skills.	Train Management Leaders throughout the country with driving skills, transforming them into Certified trainers capable of disseminating and instructing what they have learned to reduce accidents.	It is an indicator tool to know the number of days without accidents and the number of accumulated accidents.	In this case, the leader of each management is responsible for updating the accumulated days without accidents on a daily basis, in order to keep track.





For more information on quantitative data related to accidents and road safety at Banco Azteca, please refer to Grupo Elektra's 2021 Sustainability Report.

- ◆ Motorcycle driver
- ◆ Use of safety equipment when riding bicycles and motorcycles
- ◆ Internship at Miniciudad Italika

On the other hand, in May, on the occasion of the United Nations' Global Road Safety Week, we conducted training and communication campaigns throughout the different service centers in the country.

At the same time, we provide free maintenance service during the same week in which we carry out this campaign.

The following are some of the topics that we delved into:

- ◆ What is driver education?
- ◆ Traffic signs
- ◆ How to cross the street?

Finally, in August, in alliance with the Morelos State Public Safety Commission (CES), we conducted prevention sessions aimed at people who work in digital platforms for the delivery of food and several items.

Philanthropy

Corporate citizenship and philanthropy contributions by Banco Azteca 2021 (MXN)		
Donations	\$131,330	30.44%
Investments in the community	0	0%
Commercial initiatives (sponsorships)	\$300,000	69.56%
Total	\$431,330	100%
Cash contributions	\$406,478	94.23%
Volunteer time	0	0 %
Donations in kind	\$24,852	5.77%
Total	\$431,330	100%

Empowerment of women

We continually promote gender equality in the communities. In 2016 we started the ITALIKA RACING and ITALIKA WOMENS INTERNATIONAL CUP project, a platform that aims to boost sport motorcycling and encourage the development of new talents, helping in the transition to professionalism in motorcycle competitions.

The ITALIKA WOMENS INTERNATIONAL CUP aims to open a space for women to perform professionally within the speed motorcycling. The fourth edition of the ITALIKA Women's International Cup, the only International Women's One-Make Cup in the history of motorcycle racing, in which the fastest female riders on the planet participate.

In addition to the courses and training we provide so that more women can use motorcycles as a means of transportation, and even for work. In October, we held a series of courses aimed at a female sector, where, in addition to teaching them how to use the equipment, we shared techniques and knowledge to understand their needs and respond to possible eventualities.

In addition, we promote the presence of women in our service and spare parts centers through the Women Leaders program. During 2021, we made different capsules where we captured the story of each of these women who told us about their experiences.

For the first time in 2021, this championship had an impact at the Latam level, in which the Mexican Astrid Madrigal was the winner

A total of 77 women were trained in road safety and motorcycle riding

[View one of the Women Leader capsules](#)





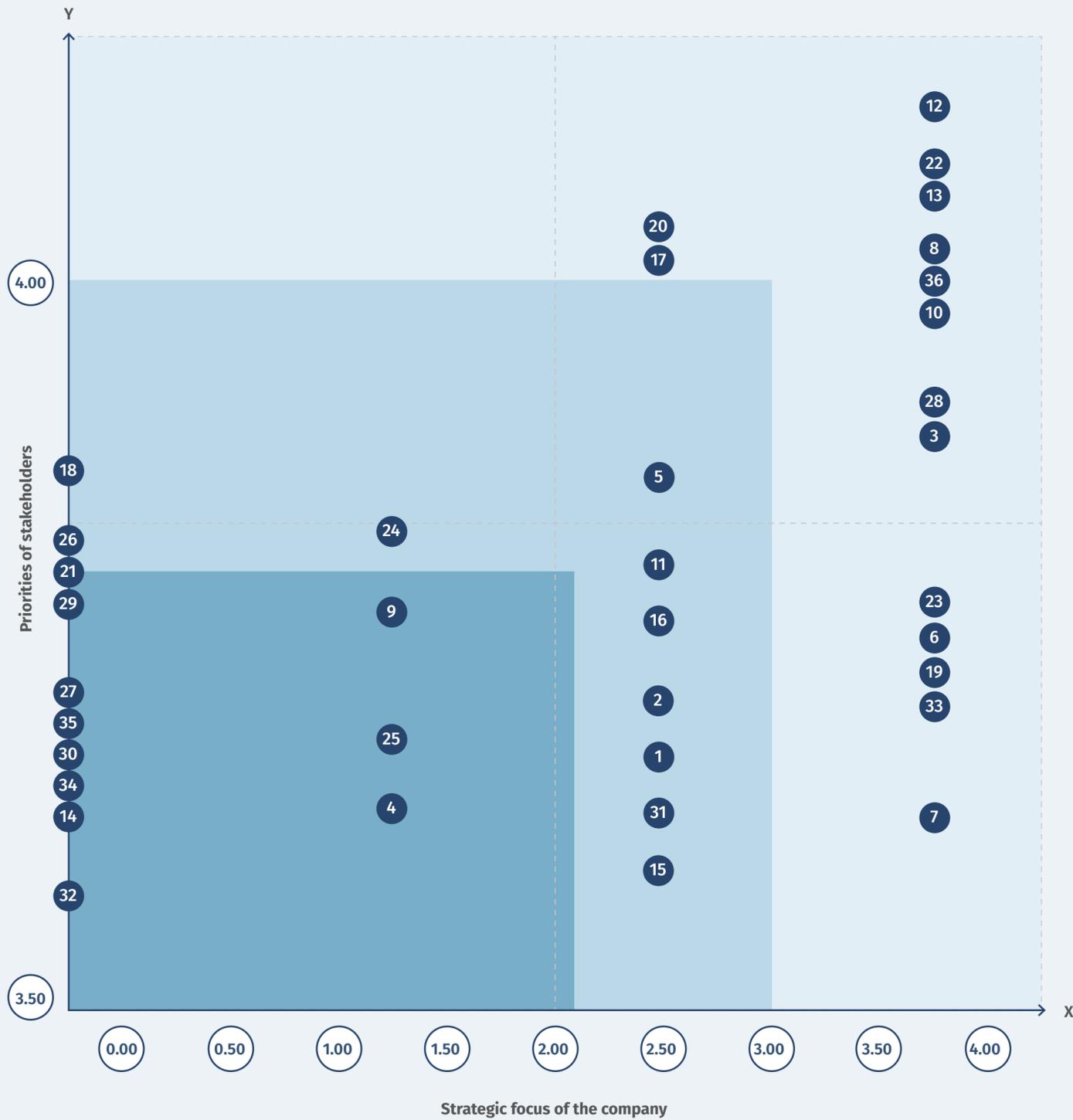
Materiality matrix

Italika

Light blue circle	Material subjects
Medium blue circle	Potential material subjects in the short-term
Dark blue circle	Potential material subjects in the short-term

Light blue circle	1	Training and development of opportunities
Light blue circle	2	Talent attraction and retention
Medium blue circle	3	Work environment
Medium blue circle	4	Diversity and equal opportunities
Medium blue circle	5	Health and security of the collaborator
Medium blue circle	6	Responsible supply chain
Medium blue circle	7	Automation and efficiency of operating processes
Light blue circle	8	Business competitiveness
Light blue circle	9	Digitation of processes
Medium blue circle	10	Logistic efficiency
Dark blue circle	11	Responsible packaging
Light blue circle	12	Customer experience
Light blue circle	13	Product and services innovation
Dark blue circle	14	ASG investment (environmental, social and governance)
Medium blue circle	15	Alliance with strategic partners
Light blue circle	16	Omnichannels and accesibility to services and products
Medium blue circle	17	Product transparency
Light blue circle	18	Customer privacy

Light blue circle	19	Resiliency and adaptability of the business model
Dark blue circle	20	Customer health and safety
Medium blue circle	21	Cybersecurity
Medium blue circle	22	After-sales services
Light blue circle	23	Regulatory compliance
Light blue circle	24	Ethics and anticorruption
Light blue circle	25	Corporate governance
Medium blue circle	26	Financial stability
Medium blue circle	27	Relationship with authorities
Dark blue circle	28	Brand management and ASG communication
Dark blue circle	29	Energy efficiency and renewable energies
Dark blue circle	30	Water management
Dark blue circle	31	Waste management and material efficiency
Dark blue circle	32	Resiliency to climate change
Dark blue circle	33	Decrease of GHG emissions
Dark blue circle	34	Socio-economic development of communities
Dark blue circle	35	Financial inclusion and education
Dark blue circle	36	Road culture and security





Contents by material topic from January 1 to December 31, 2021

Material topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets
Talent attraction and retention talent	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	35,103		Principle 6	"4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3"
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	43			8.2, 8.5
Business competitiveness	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	53		Principle 7	8.1, 8.2, 9.1, 9.4, 9.5
		201-2	Financial implications and other risks and opportunities due to climate change	21,22			13.1
		201-3	Defined benefit plan obligations and other retirement plans	"Programs of advise to collaborators nearing retirement and retirement plans "			
		201-4	Financial assistance received from government	55			
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	100			9.1,9.4
		203-2	Significant indirect economic impacts	102			1.2,1.4,8.1,8.3,8.5
Regulatory compliance	GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic fields	17			16.3
	GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations		At the end of 2021, we did not receive any type of sanction or complaint as a result of our operation and waste generation.		
Client experience	GRI 416 Customer Health and Safety 2016	416-1	Health and safety impact assessment of product or service categories	101, 109			All product testing and validation protocols are documented and integrated into an ISO 9001:2015 compliant system and under continuous monitoring by the supplier manufacturer.
		416-2	Non-compliance cases related to health and safety impacts of product and service categories	101, 109			We did not receive non-compliance cases related to motorcycle/item safety.
Product and service innovation	GRI 416 Customer Health and Safety 2016	416-1	Health and safety impact assessment of product or service categories	101, 109			All product testing and validation protocols are documented and integrated into an ISO 9001:2015 compliance system and under continuous supervision of the supplier manufacturer.
		416-2	Non-compliance cases related to health and safety impacts of product and service categories	101, 109			We did not receive non-compliance cases related to motorcycle/item safety.
Resilience and adaptability of the business model	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	53		Principle 7	8.1, 8.2, 9.1, 9.4, 9.5
		201-2	Financial implications and other risks and opportunities due to climate change	21,22			13.1
			Defined benefit plan obligations and other retirement plans	We have advisory programs and retirement plans for employees who are about to retire.			
		201-4	Financial assistance received from government	55			
Product transparency	GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	101			12.8
			Incidents of non-compliance concerning product and service information and labeling	101			16.3
		417-3	information and labeling	101			16.3





Culture and road safety	GRI 416 Customer Health and Safety 2016	416-1	Health and safety impact assessment of product or service categories	101,109	All product testing and validation protocols are documented and integrated into an ISO 9001:2015 compliant system and under continuous monitoring by the supplier manufacturer.		
		416-2	Non-compliance cases related to health and safety impacts of product and service categories	101,109	We did not receive non-compliance cases related to motorcycle/item safety.		
Responsible supply chain	GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	102			8.3
	GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	102			
		308-2	Negative environmental impacts in the supply chain and actions taken	102			
	GRI 414: Evaluación social de los proveedores 2016	414-1	New suppliers that were screened using social criteria	102			5.2, 8.8, 16.1
414-2		Negative social impacts in the supply chain and actions taken	102			5.2, 8.8, 16.1	
Customer health and safety	GRI 416 Customer Health and Safety 2016	416-1	Health and safety impact assessment of product or service categories	101,109	All product testing and validation protocols are documented and integrated into an ISO 9001:2015 compliant system and under continuous monitoring by the supplier manufacturer.		16.3
		416-2	Non-compliance cases related to health and safety impacts of product and service categories	101,109	We did not receive non-compliance cases related to motorcycle/item safety.		
Services post-sale	GRI 416 Customer Health and Safety 2016	416-1	Health and safety impact assessment of product or service categories	101,109	All product testing and validation protocols are documented and integrated into an ISO 9001:2015 compliant system and under continuous monitoring by the supplier manufacturer.		16.3
		416-2	Non-compliance cases related to health and safety impacts of product and service categories	101,109	We did not receive non-compliance cases related to motorcycle/item safety.		
Brand management and ESG communication (environmental, social and governance)	GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	101			12.8
		417-2	Incidents of non-compliance concerning product and service	101			16.3
		417-3	Information and labeling	101			16.3
Reduction of GHG emissions (greenhouse gases)	GRI 302: Energy 2016	305-1	Energy consumption within the organization	108		Principles 8	13.1, 14.3, 15.2
		305-2	Energy consumption outside of the organization	108		Principles 8, 9	13.1, 14.3, 15.2
		305-5	Reductions in energy requirements of products and services	108			
Working environment	GRI 405 Diversidad e igualdad de oportunidades 2016	405-1	Diversity of governance bodies and employees	105		Principle 6	5.1, 5.5, 8.5
Logistics efficiency	GRI 305: Emisiones 2016	305-1	Direct (Scope 1) GHG emissions	pag. 12 (ITK Annex)		"	
Automation and efficiency of operational processes	GRI 306: Waste 2020	306-3	Waste generated	107		Principles 7, 8	3.9,12.4,12.5
		306-4	Waste diverted from disposal	107		Principles 7, 8	3.9,11.6,12.4,12.5
		306-5	Waste directed to disposal	107		Principles 7, 8	3.9,11.6,12.4,12.5



AUTOMOBILE STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
ACTIVITY METRIC					
Activity metric	TR-AU-000.A	Number of vehicles manufactured	Number		100
Activity metric	TR-AU-000.B	Number of vehicles sold	Number		100
ACCOUNTING METRIC					
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	Percentage (%)	Not available	
	TR-AU-250a.2	Number of safety-related defect complaints, percentage investigated	Number, Percentage (%)		101
	TR-AU-250a.3	Number of vehicles recalled	Number	At the end of 2021, no series of motorcycles required a recall for any reason.	101
Labor Practices	TR-AU-310a.1	Percentage of active workforce covered under collective bargaining agreements	Percentage (%)		103
	TR-AU-310a.2	(1) Number of work stoppages and (2) total days idle	Number, days	Not available	
Fuel Economy & Use-phase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy, by region	Mpg, L/km, gCO ₂ /km, km/L	Not available	
	TR-AU-410a.2	Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles, and (3) plug-in hybrid vehicles sold	Number		106
	TR-AU-410a.3	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	N/A	We continue to develop comprehensive strategies that allow us to improve the accessibility of Voltium models to our customers, thus generating the necessary ecosystem to guarantee the use of these sustainable mobility solutions.	
Materials Sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	N/A		106
Materials Efficiency & Recycling	TR-AU-440b.1	Total amount of waste from manufacturing, percentage recycled	Metric tons (t), Percentage (%)		107
		Weight of end-of-life material recovered, percentage recycled	Metric tons (t), Percentage (%)	Not available	
	TR-AU-440b.3	Average recyclability of vehicles sold	Percentage (%) by salesweighted metric tons (t)	Not available	





WE GENERATE

Inclusive Prosperity

SUSTAINABILITY REPORT 2021





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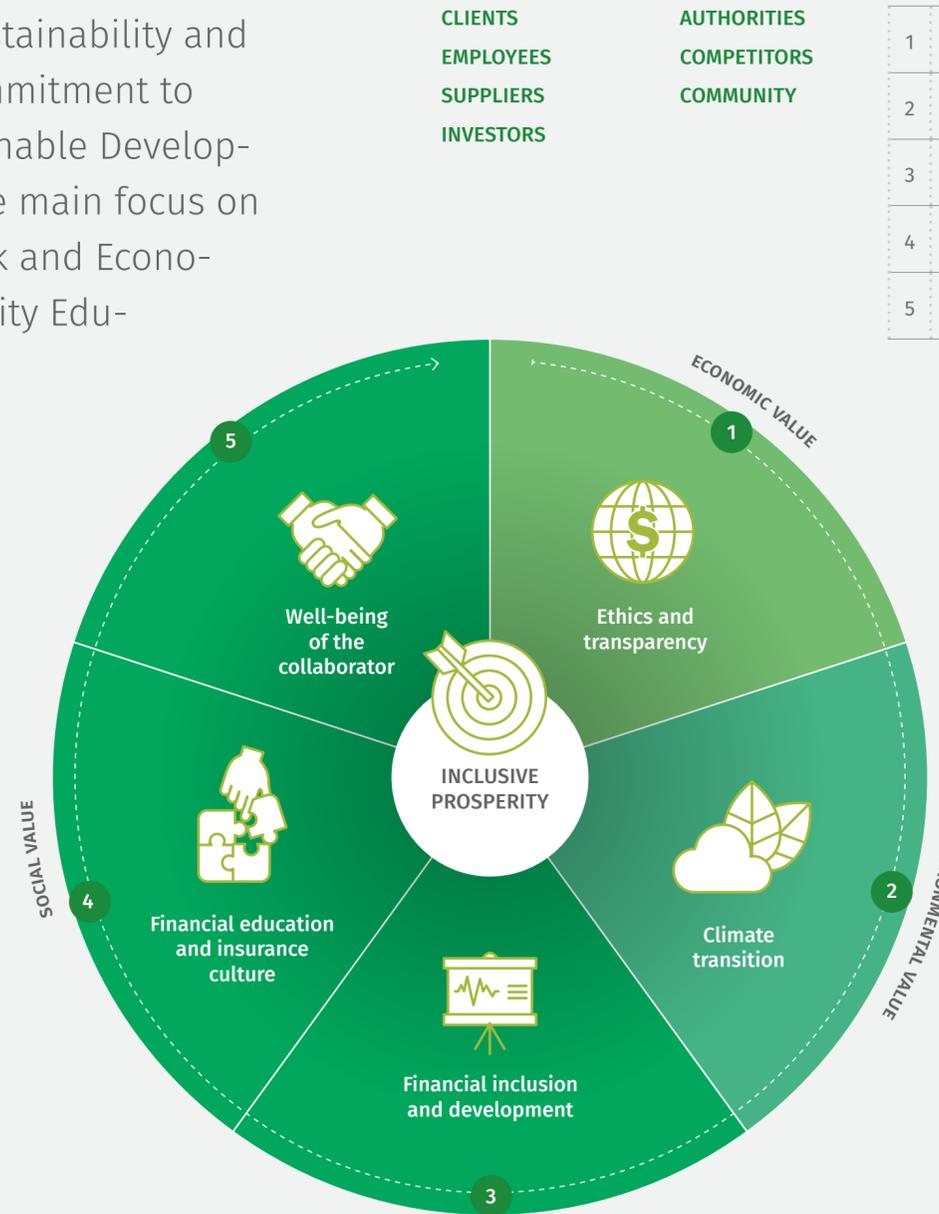
Introduction

In our institution, we believe that the road to sustainability and the search for a better future requires a firm commitment to work for Mexico as well as to promote the Sustainable Development Goals (SDGs) of the United Nations with the main focus on the following SDGs: 1. End Poverty, 8. Decent Work and Economic Growth, 10. Reduction of Inequalities, 4. Quality Education and 13. Climate Action



Our ambition is to be a relevant player in sustainability in Mexico and in the countries where we have a presence, contributing to prosperity by promoting responsible financial inclusion for our customers, incorporating sustainability in everything we do.

Our strategy is comprised of 5 focuses and 11 lines of action:



1	
2	
3	
4	
5	

Lines of action	
1.1	Anticorruption and MLP policies
1.2	Information security
2.1	Portfolio emissions
2.2	Green financing
3.1	Inclusive products and services
3.2	Technology for the customer
3.3	Support to entrepreneurship and business development (smes)
4.1	Financial education
4.2	Insurance culture
5.1	Diversity and development
5.2	Security, health and well-being

At Banco Azteca, as part of Grupo Salinas, we are firmly committed to creating economic, social and environmental value, which is why in April 2021 we ratified our adherence to the United Nations Global Compact.

We foster development and well-being at all levels of society, generating sustainable and sustainable value by offering accessible financial services to millions of families, while promoting equality, inclusion and respect for human rights.

Relevant figures 2021

Operating and financial data:

+30 million customers
2,590 points of contact
1,974 branches in Mexico

Customer experience:

+16 million digital customers
45% of participation for the placement of loans in the digital app
801 municipalities in which we have presence and **139** where we are the sole banking option

Collaborators:

+52 thousand collaborators
+54 thousand collaborators trained in Cybersecurity
+42 thousand collaborators trained in personal data protection
-12% of decrease of road accidents for our collection staff

Environment:

-46% of decrease of emissions of Scope 3 for business trips
35% of energy used comes from **renewable sources**
1st mapping of environmental risks based on TCFD in the corporate and commercial portfolio

Financial inclusion:

+3.3 billion pesos in credits for the development of SMEs
+67 billion pesos as deposit balance for our inclusive projects
We are the No. 1 Bank in Personal Loans granted
+60 million people benefited with the program “learn and Grow” (Aprende y Crece).
1 award Aequales to the Account We are aimed at enhancing financial inclusion in women

Sustainable finance::

6% of the portfolio obtained sustainable financing
+3 billion pesos of credit aimed at projects for the generation of sustainable energy
2% of exposure of the portfolio in sustainable investments of equity AFORE
3% of exposure of the portfolio in sustainable investments of private debt AFORE

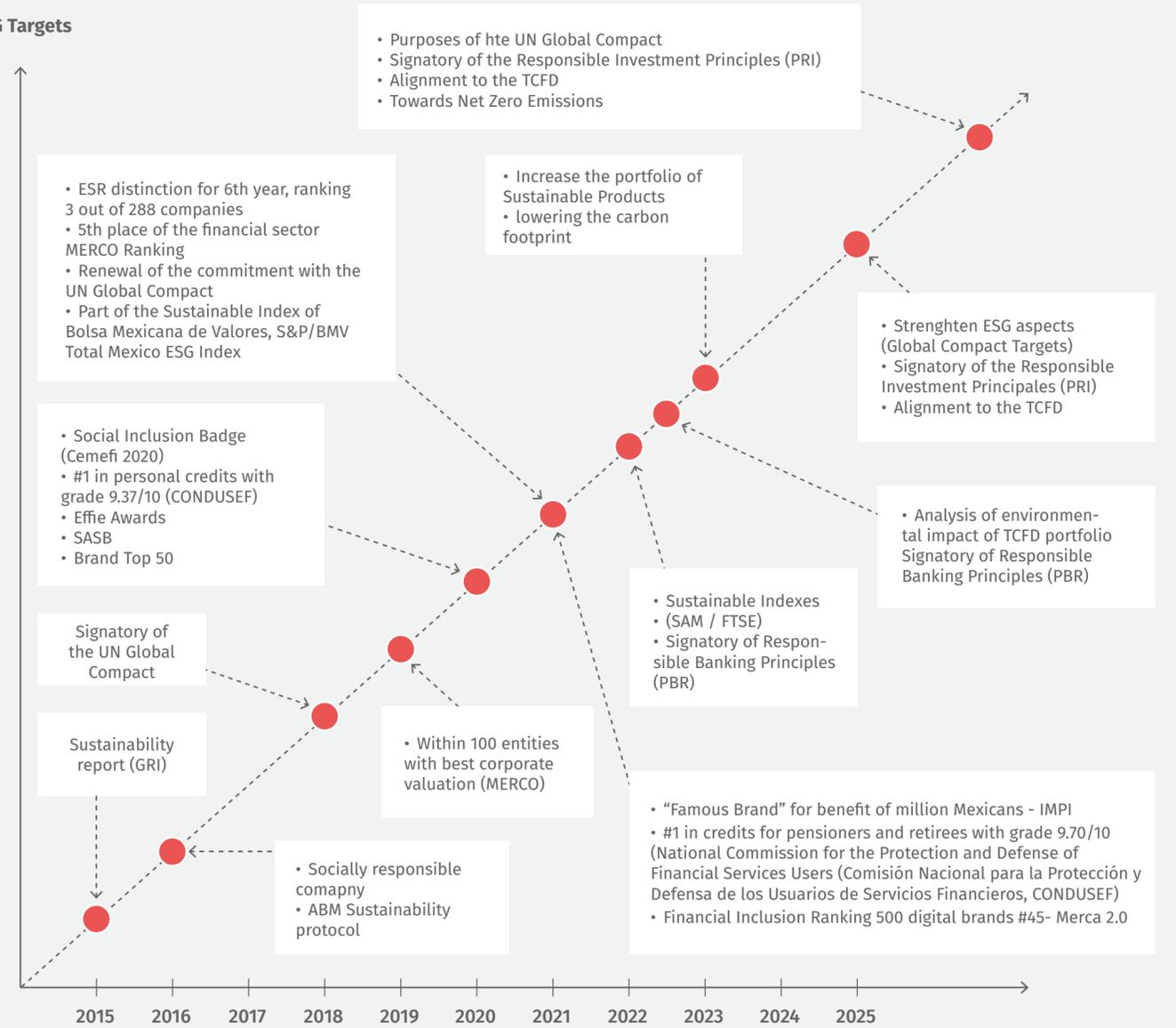




Target	Project	Project/ Performance	Target 2025
	Sustainable and inclusive financing	We integrate more than 30 million customers of population underserved by traditional banking to the formal financial system, through 1,974 branches in 801 municipalities, out of which in 139 we are the only financial institution. Digital financial inclusion is how we can generate greater Inclusive Prosperity and be a transforming agent in the communities in which we operate. Our app integrates a unique offer of digital services and tools, with the support, capacities and value proposal of Grupo Salinas. We have 16 million digital customers. In 2021, 6 out of each 10 Personal Loans as well as 4 out of 10 monetary transactions.	60% of monetary transactions in the app
	Financial Education Program: learn and Grow (Aprende y Crece)	Learn and Grow, our financial and business education program, whereby we provide this type of training to people and small businesses, including especially to disadvantaged social groups. The main purpose of this program is to show the way to appropriately manage personal finances. With learn and Grow we have benefited more than 60 million people in Mexico and Latin America.	Digital literacy of all customers
	Environmental commitment	Currently, 35% of the energy we consume in Banco Azteca comes from renewable sources, 100% of the branches are in the program of energy efficiency and several branches already have own generation of energy through the installation of solar panels. We conduct the analysis of environmental risk of our portfolio according to the recommendations of the TCFD in 2021. Green/sustainable financing in 2021 was 3% of the total portfolio.	Operate with 50% of clean energies and increase our portfolio of green products
	Diversity and equal opportunities	We are the largest employer of the financial sector in Mexico, we employ 17% of the total employees of full-service banks in Mexico. Women hold 23% of senior management positions and 42% of leadership positions. On March 8th, in the framework of the International Women's Day, Banco Azteca and Afore Azteca adhered to the "Commitment with EqualPay" supported by the Bolsa Institucional de Valores (BIVA).	Continue to be an important source of employment in the Mexican financial sector, respecting equal opportunities
	Responsible financial inclusion	Our inclusive credit products: green mobility, financing of large-scale projects, credits to entrepreneurs and business owners (My Business Azteca, Entrepreneur Azteca). Total of portfolio of inclusive credit products: 6.6 million pesos. Deposit products: Guardadito, Guardadito Digital, Banco Azteca Vas, Guardadito Kids, Business Debit, SOMOS Account, Advance payment. Total of the portfolio of inclusive debit products: 69.9 million pesos.	Develop a loyalty strategy and responsible retention, supplementing our inclusive and responsible offer

Our roadmap:

ESG Targets





Corporate governance

(GRI 2-9, 2-10)

Azteca Servicios Financieros (ASF) has its own governance structure, integrated into that of Grupo Elektra (indicated in the Group’s sustainability report).



The Board of Directors serves as the highest decision-making body. Directors are selected in accordance with the provisions of the corporate bylaws. It is worth highlighting their commitment, having the council met on time at the scheduled quarterly meetings, with 100% attendance.

Appointment of directors, performance evaluation. Audit Committee

Independent directors, as well as the alternates, are selected for their experience, capability and professional prestige, also considering that due to their characteristics they can perform their functions free of conflicts of interest and without being subject to personal, patrimonial or economic interests.

The directors are one year in office; however, they can be ratified, and they will not be able to leave the position until their successor assumes it.

Also, the Ordinary Shareholders’ Meeting sets their remuneration.

The performance of the Board of Directors is self-assessed by the directors themselves, in a process led by the Chairman of the Audit and Corporate Practices Committee, as well as the Shareholders’ Meeting.

It is supported by committees, detailed below:

At Grupo Elektra level, we have the Audit Committee that reviews our financial reporting procedures and internal financial control systems, as well as the activities and independence of the independent auditors and the activities of the internal audit staff, evaluates policies and internal control systems of the Company, is aware of the operations carried out between related parties, among other matters.

Risk Committee

It is the advisory body whose purpose is to assist the Board of Directors in monitoring that the Institution’s operations performance abides by the limits, objectives, policies and procedures for comprehensive risk management approved by the Board of Directors.

With the active participation of Banco Azteca’s Comprehensive Risk Management Unit (CRMU), the committee supports risk assessment for the development of new products or services previously approved by the committee.

This committee meets at least monthly.





Reinsurance Committee

Body whose purpose is to assist the Board of Directors in the design, operation, monitoring and evaluation of policies and strategies regarding Reinsurance and other mechanisms for transferring risks and responsibilities, as well as Financial Reinsurance. This committee meets at least quarterly.

Investment Committee

At Banco Azteca we have an investment committee that identifies, quantifies, measures and monitors its financial risks, among others, through a Risk Management Area that periodically reports to the Board of Directors and analyzes the Institution's risk regarding prices, credit, counterparty and liquidity.

On the other hand, Seguros Azteca has its own committee at the subsidiary level, responsible for ensuring that the Institution's assets and investments are permanently maintained, in accordance with the provisions of the investment policy approved by the Board of Directors and by the applicable legal and regulatory provisions. This committee is also responsible for selecting the assets and investments that will be acquired by the insurance subsidiary. This body reports directly to the Board of Directors and meets at least monthly.

Communications and Control Committee.

We have established the communication and control committee as a consultative body to support the Board of Directors, responsible for monitoring the Institution's adherence to the internal regulations defined by the Board of Directors regarding the Prevention of Money Laundering and Terrorist Financing, as well as compliance with applicable legal and administrative provisions. This committee meets at least monthly.





Financial and operating information

(GRI 2-6, FS6, FS13)
(SASB FN-CF-000.A, SASB FN-
AC-000.B, FN-CB-230a.2)

We present the main results by
financial business below.

BANCO AZTECA - OPERATING AND FINANCIAL INDICATORS ¹

	2021	Δ21-20	2020
Bank			
Number of customers- Mexico (millions)	30	50%	20
Number of customers - Latin America (millions)	.57		1.5
Contact points - Mexico	2,590	-2%	2,648
Branches - Mexico	1,974	5%	1,880
Own ATMS (Mexico)	1,951	25%	1,921
Banco Azteca Interest Revenues (millions)	61,371	15%	53,425
Number of employees	52,258	3%	50,704
Late payments index	4.7%		4.7%
Latin America			
Income generated (MM MXN)	4.8	37%	3.8
Number of customers (millions)	.57	-38%	1.5
Deposit- Mexico			
Traditional deposit amount (millions)	183,721	7%	172,049
Credit - Mexico			
Personal credit portfolio balance (MM MXN)	74,496	21%	61,570
Trade credit portfolio balance (MM MXN)	44,505	16%	36,766
Digital banking			
Number of transactions (millions)	2,843	80%	1,577

	2021	Δ21-20	2020
Institutional and government banking			
Number of checking and savings accounts (number)	976	62%	600
Checking and savings account balances	4,600	64%	2,800
Number of customers served	4,650		ND
Number of corporate cards	45,814	63%	28,000
AFORE			
Number of managed accounts (millions)	16.26	11%	14.6
Number of affiliates (millions)	7.4	21%	6.1
Number of assigned workers (millions)	8.8	2%	8.6
Managed Assets (MM MXN)	209,334	30%	161,340
Partial Retirements for Unemployment or Marriage (millions)	3,980	34%	2,970
INSURANCE			
Issued Premium (MM MXN)	6,827	-6%	7,229
Number of policies (millions)	6.2	9%	5.7
BROKERAGE FIRM			
Investment portfolio (average, millions)	96.6	402%	24

1.-In 2020 the results in Peru are no longer included since the subsidiary in that country was sold during the year and is no longer consolidated in the annual financial results.





Indicator	Deposit
Market share by product or service	Weighted: 5.5% market share Breakdown by product: Vista Products: 6.7% Term Products: 2.5%

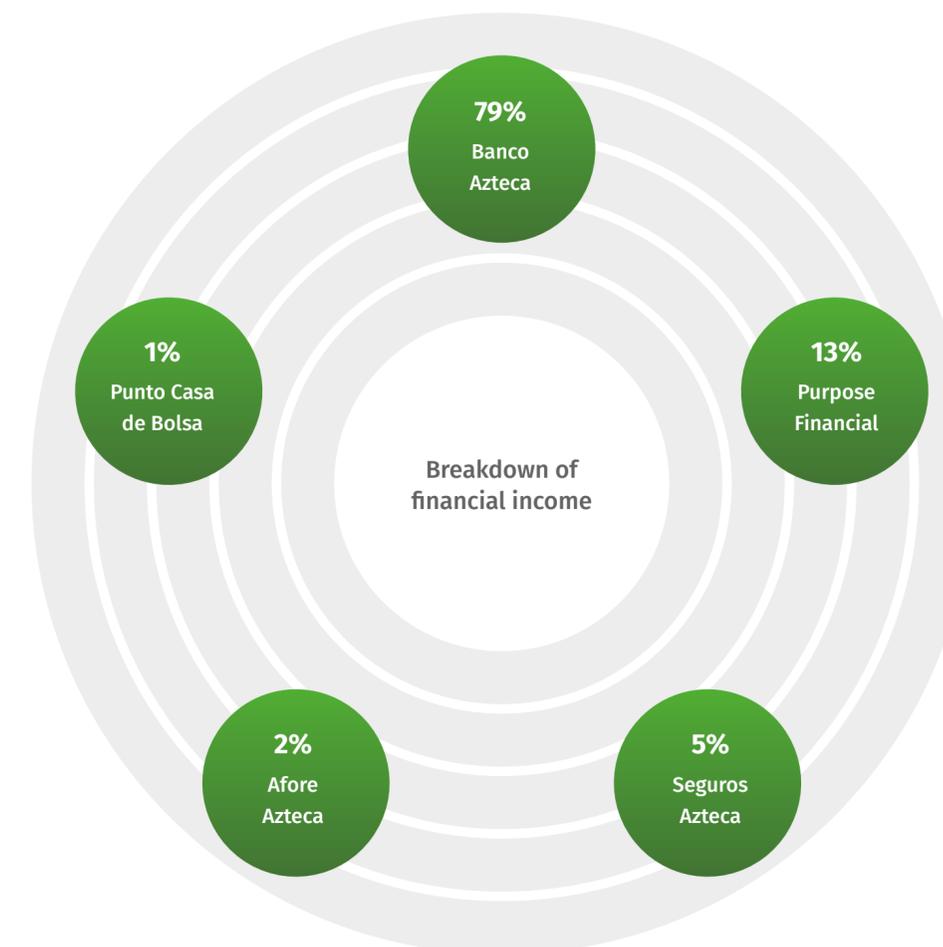
Indicator	Afore Azteca
Market share by product or service	Increase from 3.4% in 2020 to 4% in 2021 the market share of people affiliated to an afore in Mexico Market share in terms of number of customers increased from 12% in 2020 to 14% in 2021.
Monetary income generated (M USD)	1,632

Indicator	Corporate banking	Product payroll individual
Market share by product or service	1.2% market share in terms of credit portfolio to business customers	24% market share Portability, 3% market share in payroll accounts 3% share in the payroll accounts market

Presence 2021	
Number of municipalities	801
Number of municipalities where they are the only financial institution	139
Number of countries where they are present	4

Indicator	Seguros Azteca and Seguros Azteca Daños
Market share by product or service	1.71% participación en el mercado en términos de primas emitidas
Monetary income generated	6,827
Number of customers served	6,286,478

Indicator	Crédito
Market share by product or service	26.5% share in the personal loans market 7.7% share in consumer credit





Tax responsibility

(GRI 207-1, 207-2, 207-3)

At Banco Azteca, we have Tax Principles, structured around the following axes:

- ◆ Transparency in the development and calculation of tax obligations
- ◆ Integrity in the application and interpretation of the laws, regulations and provisions for the fulfillment of tax obligations. Due compliance with the legislation in all the countries where we operate.
- ◆ Commitment not to transfer the value generated to low-tax jurisdictions, nor to use tax structures for the purpose of avoiding taxes.
- ◆ Observance of the guidelines regarding transfer prices in all intercompany transactions.
- ◆ Commitment not to interact with entities in “tax havens”, as well as not to use tax structures without commercial substance.
- ◆ Cooperation with the various tax authorities in connection with reviews and clarifications requested.

Governance

- ◆ The Tax Committee, made up of senior managers, establishes the strategy and reports progress in its compliance to the General Management.
- ◆ The Tax Department establishes the standards and internal control mechanisms to comply with the current tax regulations.
- ◆ The Internal Audit Area, through the reviews and tests carried out by the External Auditor², identifies cases of non-compliance, which are dealt with by the Banco Azteca Board of Directors.

This management applies to our taxation. Similarly, when developing financial products we are clear about the tax conditions they entail, so that customers make proper use thereof.

2.- The results of the tax principles are audited by an external firm, its procedure is based on the issuance of its opinion in accordance with the International Auditing Standards (IAS), in which the independent auditor has the responsibility of complying with the Auditing Standards. Audit for the review of Financial Statements and the Code of Ethics issued by the Mexican Institute of Public Accountants, and the application of articles 32A of the Fiscal Code of the Federation and 58 sections I, IV and V of its regulations.

Banco Azteca, S.A. Multiple Banking Institution Report on commercial, financial and tax information		
Item	2020	2021
Interest income	53,426	61,371
Interest expenses	2,911	4,145
Net trading income	2,044	2,237
Other income	512	1,221
Declared tax rate (income statement) and cash tax rate (cash flow statement)	30%	30%
Operating result	(7,966)	2,169
Reported taxes	2,355	504
Cash taxes paid	(37)	(1,217)





Ethics and corruption

(GRI 205-1 , 205-3, 415-1) FN-AC-510a.1, FN-CF-230a.1

Both at Banco Azteca and Grupo Elektra as a whole, we maintain the absence of corruption incidents thanks to the culture of integrity and control systems.



We participate in the activity of trade unions and sector associations, with contributions as a partner for the development of their activities; in no case do we make contributions to political parties, as we already mentioned in the report. These guidelines apply to both Grupo Elektra and Banco Azteca, the rest of its subsidiaries and businesses.

We detail below our contributions to unions and associations consolidated at bank-level and business segments:

	Lobbying, representation of interests					
	2016 Amount	2017 Amount	2018 Amount	2019 Amount	2020 Amount	2021 Amount
Lobbying, representation of interests or similar	MXN \$12,100,000.00	MXN \$12,300,000.00	MXN \$12,600,000.00	MXN \$14,515,900	MXN \$14,174,432.98	MXN \$19,364,542.28
Local, regional or national political campaigns/candidates/political organizations	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00
Trade associations or tax exemption groups	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00
Others	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00	MXN \$0.00
Total	MXN \$12,100,000.00	MXN \$12,300,000.00	MXN \$12,600,000.00	MXN \$14,515,900	MXN \$14,174,432.98	MXN \$39,499,306
Income percentage	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%

Also, both at Banco Azteca and Grupo Elektra as a whole, we have not been sanctioned for anti-competitive practices.





Conflicts of Interest

Since 1995, we have had a committee in charge of supervising transactions with related parties providing an independent review to determine whether these operations are related to our business, and if they are carried out on terms at least as favorable to us as the terms that could be obtained in that moment for a comparable transaction or for a series of similar transactions with an independent third party (arm's length).

This Committee has been made up of three independent directors. We also have a Related Party Transactions Policy approved by the Board of Directors. This Policy establishes restrictions and approvals that must be obtained before entering into transactions with affiliates and it provides for internal, external controls and sanctions in the event of noncompliance.

In addition to the supervision of the Committee, the Bank has a Committee (Transfer Pricing Committee) that Banco Azteca may enter into with any of the members of the group, or with legal entities that carry out business activities with which they maintain business links.

Money Laundering

We keep our employees trained in these topics to avoid any type of situation related to Money Laundering or related.

There are no public legal cases related to ML/FT prevention filed against the organization or employees during the period.

Total number and percentage of governance body members trained in ML/FT.			
	2019	2020	2021
Total number	47	46	46
Banco Azteca	6	5	5
Punto Casa de Bolsa	3	3	3
Intra Mexicana	10	10	10
Nueva Elektra del Milenio	10	10	10
Afore Azteca	6	6	6
Seguros Azteca	6	6	6
Seguros Azteca Daños	6	6	6
Percentage	100%	100%	100%

Total number and percentage of employees that have received ML/FT training broken down by employee category and region.			
Work Category	Total number	Percentage	Region
Directors	628	100%	Geography: 136 Corporate: 492
Managers	4078	100%	Geography: 2,652 Corporate: 1,426
Heads	50	100%	Geography: 18 Corporate: 32
Coordinators	102	100%	Geography: 13 Corporate: 89
Branch and administrative employees	45906	100%	Geography: 43,428 Corporate: 2,478



Risk management

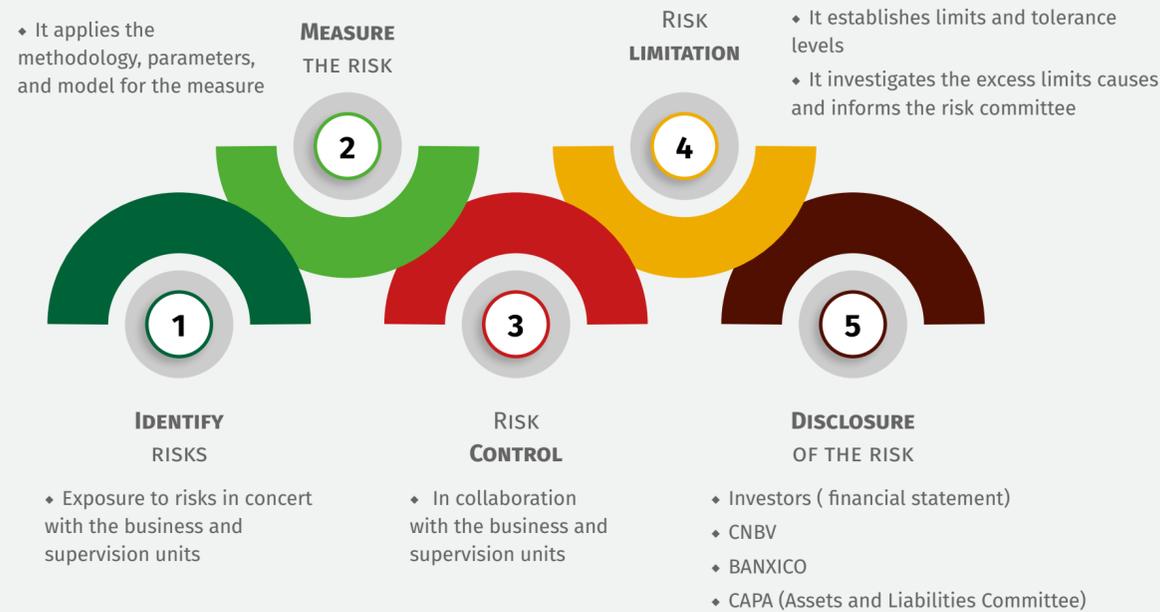
(FS2)

Due to the nature of Banco Azteca’s transactions and the associated risks, we have a Comprehensive Risk Management Unit (CRMU).

To strengthen the CRMU, there is a Risk Committee that meets on a monthly basis, which main objective is risk management, by monitoring transactions that in turn adjust to the global limits of risk exposure. that have been approved by the Board of Directors.

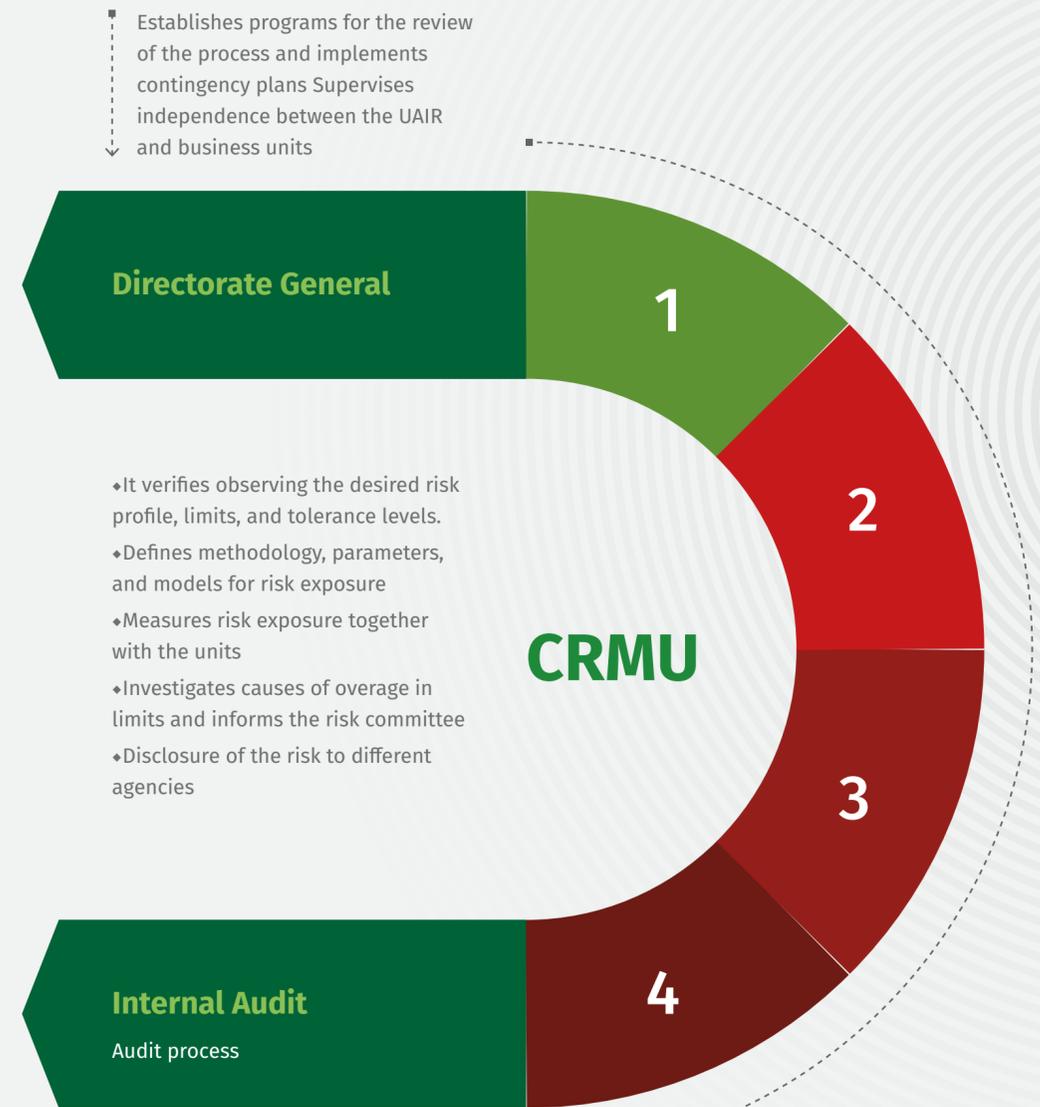
For the design of new products and services, risk assessment is also key, so we carry out the evaluation prior to its approval by the Risk Committee, and includes the development of a list with the different risks to which the new product would be exposed, as well as other types of risk that may arise because of the operation of such products. In particular, the risk management structure is detailed in Banco Azteca’s ESG information annex, including efforts to strengthen the culture of prevention.

CRMU functions



Áreas que se involucran en la UAIR

- 1. Business Unit**
 - 1st line of defense: conducts risk control.
 - Apply the methodology, parameters, and model
 - Determine the exposure to risk according to the CRMU methodology
 - Notify the excess in limits to CRMU
- 2. Administration and Monitoring Units**
 - Receive and give information to the CRMU
 - Receive information on limits and indicators
- 3. Risk committee**
 - Approves methodologies, models, and procedures
 - Proposes to the Council the limits, objectives, guidelines and policies.
 - Authorize excesses or request limit adjustments
- 4. Board of Directors**
 - Approve limits and tolerance levels





Risk	Description
Credit Risk	Potential loss due to non-payment caused by changes in the capacity or intention of the counterparty or financial instruments issuer to fulfill its contractual obligations. This loss can mean the default known as default or “non-payment.” Present risk in: Financial Instruments, Commercial and Mortgage Portfolio and Consumer Portfolio.
Market risk	It is the potential loss due to changes in risk factors that affect the valuation or the expected results of asset and liability transactions or contingent liability, such as interest rates, exchange rates, price indices, among others.
Liquidity risk	It is the potential loss due to the impossibility or difficulty of renewing liabilities or contracting others under normal conditions for the institution, due to the anticipated or forced sale of assets at unusual discounts to meet its obligations, or due to the fact that a position cannot be timely disposed of, acquired or covered by establishing an equivalent contrary position.
Operational Risk	To identify Operational Risks, the person in charge of each Business Unit, as an Expert, determines the key processes necessary to meet strategic objectives. Regarding the selected processes, risk factors that threaten the fulfillment of process objectives and the Business Line are identified, as well as the control measures that have been established for this purpose. Having in place cybersecurity, data protection and anti-fraud practices.

In order to mitigate these possible risks, we have established a set of processes and controls aligned with the Bank’s objectives, as well as the applicable current legislation at Banco Azteca.

- ◆ Policies and procedures manuals
- ◆ Internal control measures
- ◆ Operational risk measures and controls
 - ◆ Preventive measures
 - ◆ Controls
- ◆ Transparency regarding objectives and results of risk management
- ◆ Functional structure of the Comprehensive Risk Management Unit (CRMU)
- ◆ Risk Committee

Business continuity plan

The business Continuity Plan of Banco Azteca aims at guaranteeing the persistence of operations when a risk occurs. It is a strategic guide based on four main guidelines: Management with critical areas, Prevention, Timely reaction and Regular updating.

Among the objectives of the Business Continuity Plan are the determination of critical processes for business continuity in case of operational contingencies; estimation of the quantitative and qualitative impacts that the or-

ganization could suffer as a result of the occurrence of some interruption event; assessment of critical process recovery priority, target times (RTO) and related information loss tolerance (RPO); as well as defining the minimum requirements for contingency operations.

The Plan is made up of 4 stages:

1. Business Impact Analysis (BIA) Execution, Development of continuity recovery alternatives and Implementation of continuity recovery alternatives.
2. Identification and training of key personnel and parties involved.
3. Effectiveness tests in continuity recovery strategy.
4. Final documentation of Business Continuity Management (BCM).

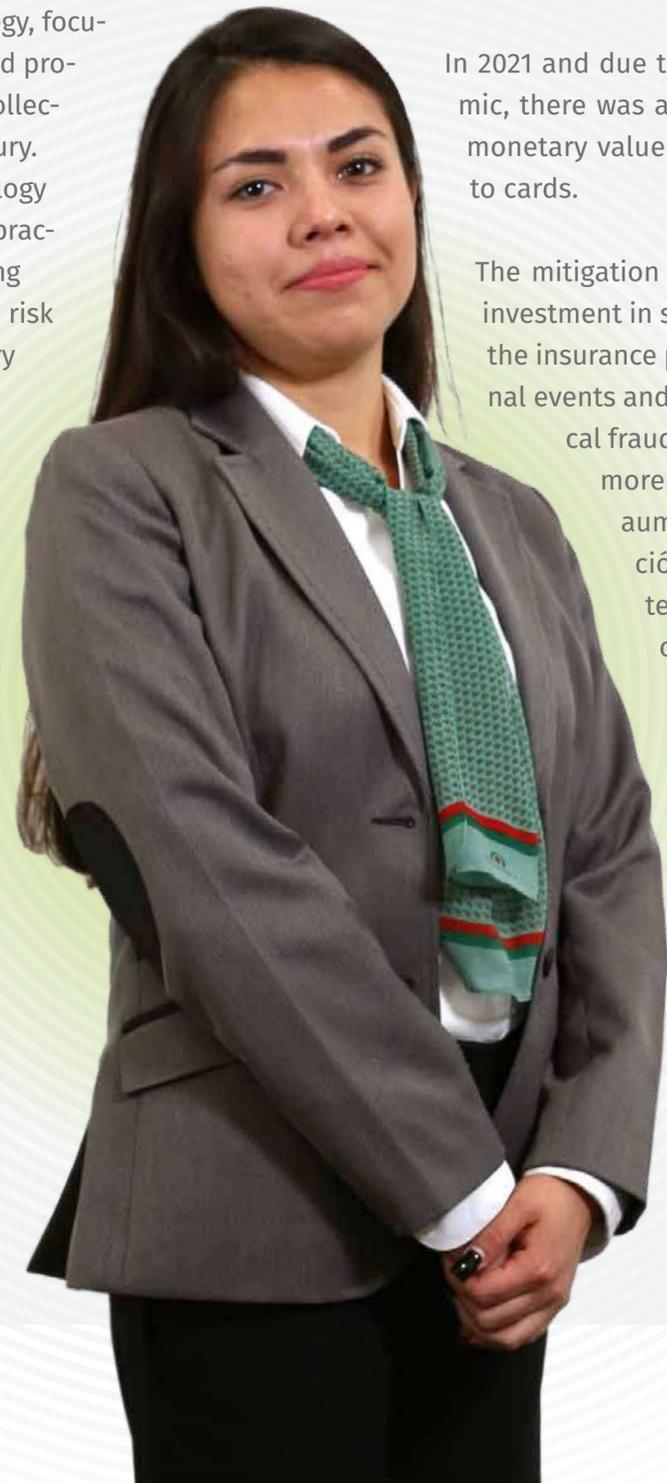
This plan as well as the methodology used for the BIA calculation complies with regulatory requirements and adheres to continuity standards.





In 2021, the Business Continuity Department applied a new comprehensive strategy, focused on identifying critical end-to-end processes for the Deposit, Credit and Collection Business lines, as well as Treasury. In which it is considered a methodology that covers the standards and best practices of Business Continuity, including effectiveness tests, continuity plans, risk analysis, maintenance and regulatory issues.

Considering that all branches have already updated their Internal Civil Protection Program, 80% already comply with the application of protocols.



Fraud

In 2021 and due to the context of the pandemic, there was an increase close 12% of the monetary value of losses for frauds related to cards.

The mitigation of this risk represented the investment in staff training, the payment of the insurance policy to cover related external events and the purchase of technological fraud prevention tools, allocating more than \$289,814,589MXN, un aumento del 120% en comparación a 2020, in addition execute the following actions in the operation:

1. Preventive

- ◆ Review and redesign secure commerce strategies for customer authentication.
- ◆ New strategy for issuing clarifications.
- ◆ Establishment of transactional limits in operations.
- ◆ Updating of software versions in ATMs.
- ◆ Review of fraud prevention monitoring processes.
- ◆ Operational risk indicators according to the number of transactions, fraudulent amounts and counterfeit bills.
- ◆ The institution's Technological Risks inventory was surveyed.

2. Corrective

- ◆ Camera controls for checking ATM manipulation.
- ◆ Implementation of a new platform for the prevention of fraud from the issuer in real time.
- ◆ Customer abuse controls in clarifications.
- ◆ Updating of the operational reconciliation process.
- ◆ End-to-end ATM monitoring model update.
- ◆ Improvements in Technological Risk Indicators.



Climate change risks (TCFD)

Climate change and the population's response to these events present financial risks and opportunities for financial institutions and companies, for risk identification we use the nomenclature developed by The Task Force on Climate-related Financial Disclosures(TCFD).

Climate change risks for Banco Azteca may represent a risk to financial stability if not effectively managed or if the size of the climate-related losses materially increases.

Physical risks: they arise from the physical effects of the increasingly severe and frequent extreme phenomena related to climate and weather, such as droughts, floods or hurricanes; and from the longer-term progressive changes of extreme events such as temperature increases and changes in rainfall. These phenomena can cause direct damage to assets and infrastructure, alter supply chains, the supply of raw materials, thus reducing the value of assets, decreasing companies' income and profitability. The foregoing undoubtedly affects banks and other credit institutions by causing an income decrease.

Transition risks: they arise from the adjustment process towards a carbon neutral economy and are driven by changes in policies, regulation, technology or market behavior. Policy changes could take the form of carbon restrictions, carbon pricing, or higher energy efficiency standards. These changes could affect the financial sec-

tor, translating into a rapid depreciation of a wide range of asset values or by the drop in sales of carbon-intensive industries.

In 2022, for the first time, we conducted our risk analysis of climate change with respect to commercial and corporate portfolios of the bank.

We work in the development of methodologies that allow the institution to follow-up on our targets on climate change, as well as reports that allow to communicate these efforts to the public.

The methodology consists of 4 stages:

1.1 Risk identification

We identify the main climate risks for the corporate and consumption portfolios, but it was necessary to identify the types of risks associated with climate change, which are grouped in two categories:

Transition risks

Corporate portfolio:

The transition risks selected, considered relevant for our portfolio are the following:

- ◆ Direct cost of emissions: Costs of emissions of the operation of the company.

- ◆ Indirect cost of emissions: Costs of emissions related to suppliers of the supply chain of the company
- ◆ CAPEX low in carbon: Investment of the company in capital to compete in the market.
- ◆ Revenues: Revenue derived from demand of market

Consumption portfolio:

Similar to the corporate portfolio, we select 3 out of 4 of the before mentioned transition risks (CAPEX low in carbon was eliminated) and analyzed at product level.

- ◆ Mobility
- ◆ Consumption goods
- ◆ Cash loans without destination.

Physical risks

Corporate portfolio, Consumption portfolio:

For both portfolios we used the following methodology:

- ◆ Selection of Thinkhazard!1 risks attributable to climate change. 10 types of physical changes are considered, out of which we selected 6 attributable to climate change:

- ◆ **Risks attributable to climate change:** Metropolitan flooding (considers the growth of rivers and urban flooding)2, coastal flooding hurricanes, water shortage, extreme heat and forest fires.

- ◆ **Risks not attributable to climate change:** earthquakes, landslides, tsunami and volcanoes.

◆ Using the data of ThinkHazard! we classified each geographic zone (municipalities of the Mexican Republic) according to the level of sensitivity to each physical risk.

◆ Then, grouped by quintiles we classified municipalities in accordance with the ranking in 5 risk levels. Finally, we regrouped the information at state level considering the number of municipalities in each risk level and generating a weighted score per state.

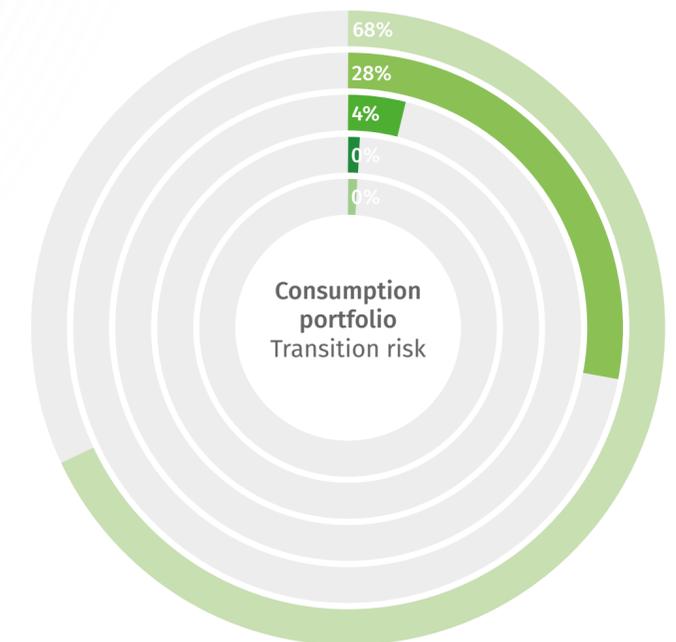
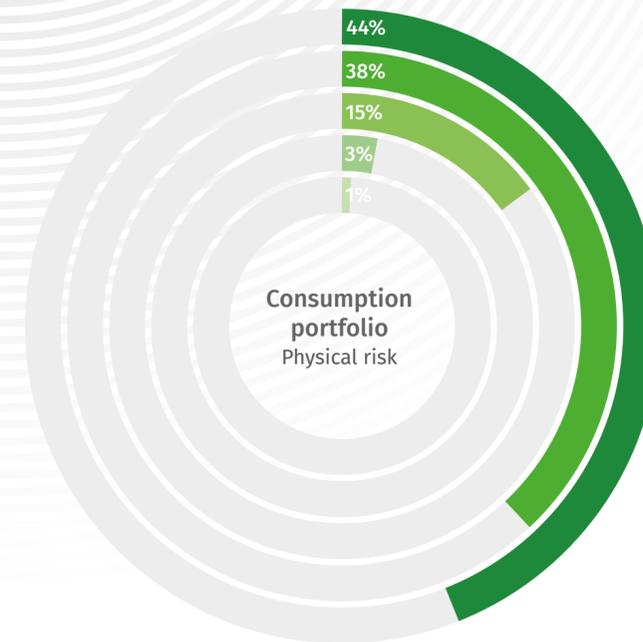
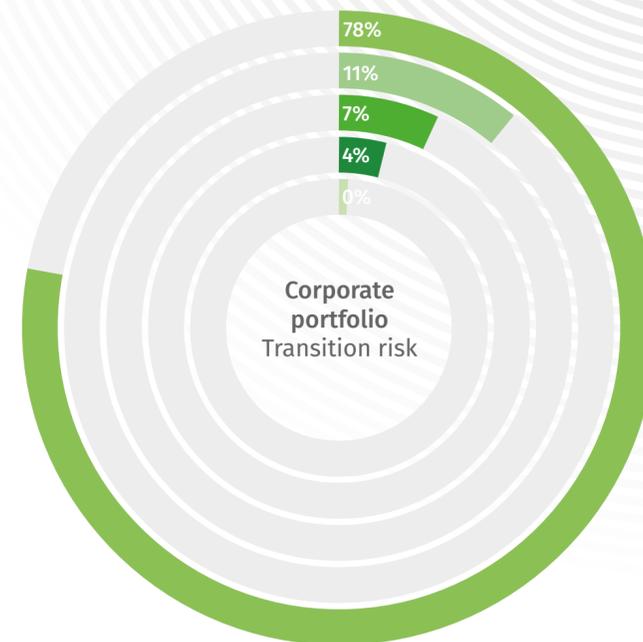
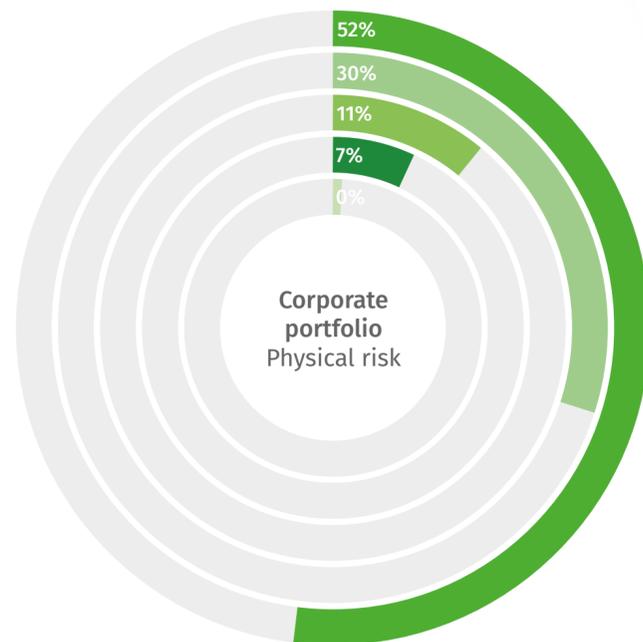
1. Is the tool to use for a regional estimate to generate risk scores for key physical risk hazards
 2. The Thinkhazard methodology! presents urban flooding and river rise as separate risks. In our methodology we group them as urban flooding as they are similar risks.





Global results:

Percentage of portfolios affected by climate risk





1.2 Heat maps

Corporate portfolio

Based on the transition risks and physical risks that could potentially impact our customers, we conducted a preliminary analysis using a heat map that identifies the approximate sensitivity to climate change of each of our customers.

The following industries stood out with a medium-high risk: raw materials, cement construction and metal extraction activities.

We then used these sectors as a portfolio sample in order to increase the granularity of our analysis by stressing the financial statements of companies in these industries.

Consumer portfolio

For the consumer portfolio, the same base methodology is applied as for the corporate portfolio. The heat map analysis of the consumer portfolio established that the main differentiator is segmentation by product. The 3 main product categories considered are: cash (loans for no particular purpose), other consumer products (white goods and technology) and mobility (Italika motorcycles).

It can be identified that the greatest sensitivity to transitional risk is found in the Mobility products in the south-east region of the country.

This is due to the projected impacts on carbon price and greenhouse gas reduction in the transportation sector according to the General Law on Climate Change (*Ley General de Cambio Climático*) (2012)

1.3 Selection of climate scenarios

For scenario selection, we analyzed a series of climate scenarios for stress testing. After evaluating advantages and disadvantages of each, we decided to use the NGFS3 scenarios, which considers three dimensions (Orderly, Disorderly Hot House) selecting one climate scenario for each dimension:

◆ Below 2°C (Orderly)

It is assumed that climate policies are introduced early and optimal carbon prices are introduced immediately after 2020. The result is that both physical risk and transition risk are relatively moderate.

◆ Delayed Transition (Disorderly)

Climate policies are assumed to be introduced in a delayed manner across countries and sectors. Current policies continue until 2030, causing transition risks to be large.

◆ Current Policies (Hot House)

It is assumed that current policies continue and global efforts are insufficient to combat global warming resulting in severe physical risk with irreversible impacts.

Each scenario considers different trajectories for a number of variables, such as economic growth, CO₂ emissions, carbon prices, among others.

Stress tests

Stress tests were performed on a representative sample of our corporate portfolio, selecting counterparties in industries identified with higher transition and physical risk using a company-level model, which projects financial statements of the companies under the different scenarios selected.

Using such financial projections, multiple financial indicators were calculated with which credit ratings were obtained for each company over time and under each of the climate scenarios.



3. Network for Greening the Financial System





2022-2023 Climate Change Objectives

Scenario analysis for the entire corporate portfolio

During the next phase of our climate change efforts, we will complete the stressing of all portfolio companies, with a particular focus on the financial services sector. The analysis needs to be expanded by identifying the counterparties of these companies to whom they provide financing and incorporating this into the transition risk estimates.

Impact on decision making

We will incorporate climate issues into our business model as a key factor in decision making, aligned with carbon emission reduction targets by industry. It is necessary to review and adjust current governance bodies to facilitate the adoption of climateresponsible measures, and to define a set of quantifiable targets that we can track (KPI's).

Climate data strategy

We will concentrate our efforts on having a holistic view of data for measuring climate risk and impact, developing the necessary infrastructure aligned with our strategy and that allows us to have data that responds to current needs.





Sustainable finances

FS1, FS14

Banco Azteca integrates more than 30 million customers into the formal financial system, most of whom are part of the population neglected by traditional banking through easy-to-use products and services, offered digitally and in 1,974 branches in 801 municipalities, of which, in 139, we are the only financial institution.

At Banco Azteca we are convinced that our digital strategy is how we can help generate greater financial inclusion. Banco Azteca has more than 16 million digital customers, positioning us as the largest Digital Bank in the country, being the digital companion and financial vehicle in the personal and professional lives of our customers, integrating in one place a unique range of services and digital tools, with the support, capabilities and value proposition of Grupo Salinas.

We offer innovative services such as: facial recognition as an authentication method for our customers, making digitalization more secure, proximity shipping, payments and collections with QR in businesses, large chains and affiliates, among others.

By means the Banco Azteca app can perform:

- ◆ 5 out of 10 Personal Loans are placed in the App
- ◆ 7 out of 10 Payroll Loans on the App
- ◆ 1 out of every 5 credit payments are received in the App
- ◆ 4 out of 10 monetary transactions are carried out on the App2q
- ◆ For the third consecutive year, customers recognize us as the best channel of contact with Banco Azteca.
- ◆ The best rated App on iOS and first place in the Google Play finance ranking.

During 2021, 4.2 million customers were enrolled in the digital channel, 2,843,765,637 total transactions and 365,780,907 monetary transactions were made.

By being a Bank for all and encouraging financial inclusion, in 2021, Banco Azteca gave more than 764 thousand

new customers, with little or no credit history, access to first-time financing.

In one year we help the bankarization of 764 thousand costumers, which represent close to te half of the bank's new credit portfolio.

We have the following strategic lines in responsible banking:

Deposit and credit products	
Inclusive Bank deposit	<i>Guardadito</i> is a savings account with which customers can have their money whenever they need it. No commissions for account management, nor minimum balances.
Inclusive credit	Easy and accessible solutions and credit granting: ◆ Credits to entrepreneurs and microbusiness owners: ◆ <i>Mi negocio Azteca</i> (My Azteca Business) ◆ <i>Empresario Azteca</i> (Azteca Entrepreneur)
Environmental criteria credit	Investment in green projects: development of renewable energies, energy efficiency. Consumer credit for products with energy efficiency standards. Green mobility: consumer credit for the purchase of bicycles and/or electric motorcycles (Voltium, by Italika).
Technology for access to financial services	Banco Azteca's digital strategy, through online banking and the mobile app.

Inclusive Bank deposit (SASB FN-CB-000.A)

PRODUCT	NUMBER OF ACCOUNTS 2021	FUNDING BALANCE 2021
Guardadito. savings account with which customers can have access to their money whenever they need it, with no account management fees or minimum balances.	13,802,984	\$58,995 million of pesos
Guardadito Digital. Savings account with which customers can have their money whenever they need it. No commissions for account management, nor minimum balances.	5,035,923	\$729 million of pesos
Banco Azteca Vas. In order to be the first bank for young people and to help start their banking experience, in alliance with VISA, Banco Azteca launched a bank deposit account for money at sight, aimed at young people between 18 and 25 years old, that assigns as means of provision a Visa Debit Card, in which young people will have access to a debit product and a credit product, allowing them to manage their savings account and start their credit history.	191,196	\$193 million of pesos
Guardadito Kids. It is the savings account for children with which the little ones can learn to save, manage and have money when they need it.	200,706	\$318 million of pesos
Prepaid accounts	20,709	\$3 million of pesos
Business debt. It is an on-demand cash account with interest, in national currency for individuals, which allows proper business management in the easiest, most efficient and safe way.	241,241	\$6,009 million of pesos
Somos account (Cuenta Somos). This is a debit account with different benefits, such as: medical check-ups (Papanicolaou, mastectomy and blood chemistry, among others). In addition, it has telephone assistance with medical specialists.	122,836	\$818 million of pesos
Total	19,615,595	\$67,064 million of pesos





Financial Inclusion with a Gender Perspective: “Somos” account

In line with our commitment to financial inclusion and gender equality, we launched “Somos”, a savings account designed especially for women, which provides exclusive benefits and tools for female customers who wish to acquire the product:

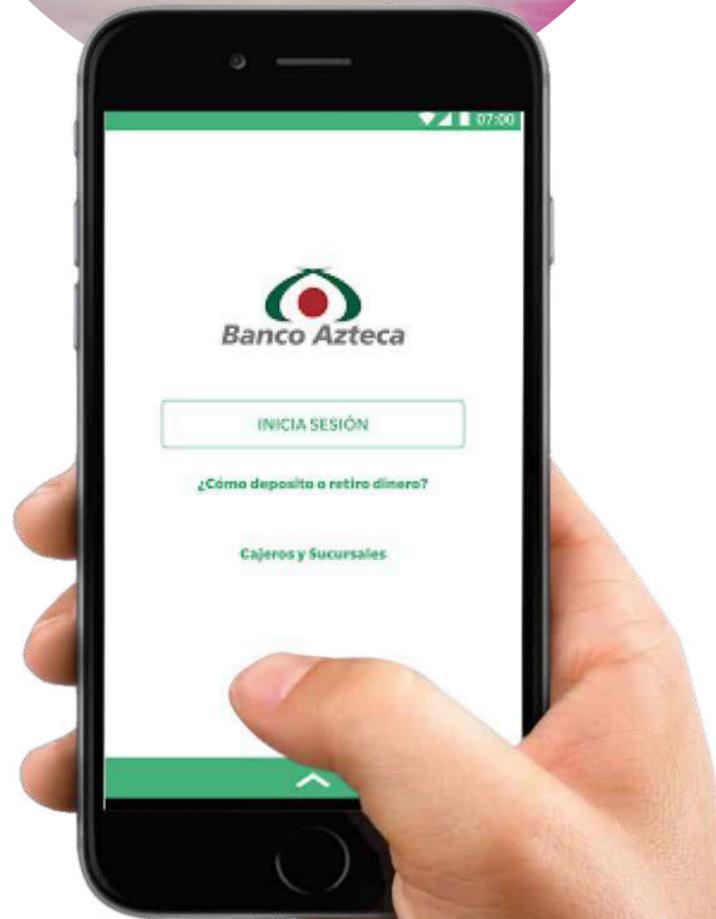
- ◆ Check-ups with medical specialists.
- ◆ Attendance and workshops.

Product Winner of the PAR LATAM 2021 Ranking, for gender equity in the organization, awarded by Aequales.

Inclusive credit

In 2020, Banco Azteca ratified its commitment to inclusive prosperity, allocating \$46,017 million pesos to personal loans, which helped to address the effects of the COVID 19 pandemic and the economic crisis (26.55% of the credit portfolio 2021).

While the financial system reduced its personal loan portfolio by 0.44%, Banco Azteca increased its placement by 11.5% without neglecting the containment of the bank’s delinquency level through the allocation of responsible credits. Concerning the delinquency rate, the general trend of the market in the last year is downward, as an example BAZ closed 2021 with 4.7%.



Environmental criteria credit

(FS8) (SASB FN-CB-410a.2)

In order to help mobilize capital to curb climate change and boost business at Banco Azteca, we specifically allocated 3.5 million pesos to green credits, distributed as follows:

Inclusive Credits	Financing Amount in 2021
<p>My business Azteca. Program launched to reactivate the economy in the face of the COVID-19 pandemic and it seeks to be an ally with the private sector and provide a financial solution of encouragement, development and growth of business.</p> <p>Other credits to entrepreneurs and owners of microbusiness who wish to invest or grow their business. As of the closing of 2021.</p> <p>Entrepreneur Azteca benefited. Product of traditional credit with finances investment and working capital needs of small and medium-size companies.</p>	3.1 million of pesos
Sustainable financing	Financing amount 2021
<p>Financing for large-scale projects. Investment in green projects that allow renewable energies to be an alternative source of energy, less polluting in the world, promoting energy efficiency by providing financing for solar, wind and geothermal parks</p>	\$3.4 MDP
<p>Green mobility. Financing at zero emission mobility options, via credit in Tiendas Elektra for the purchase of bicycles, motorcycles and electric scooters from Italika (Voltium line).</p>	\$107 MDP
Total	3.5 MDP

◆ This year we did not include consumer credit for eco-efficient products as we are working on a new methodology.

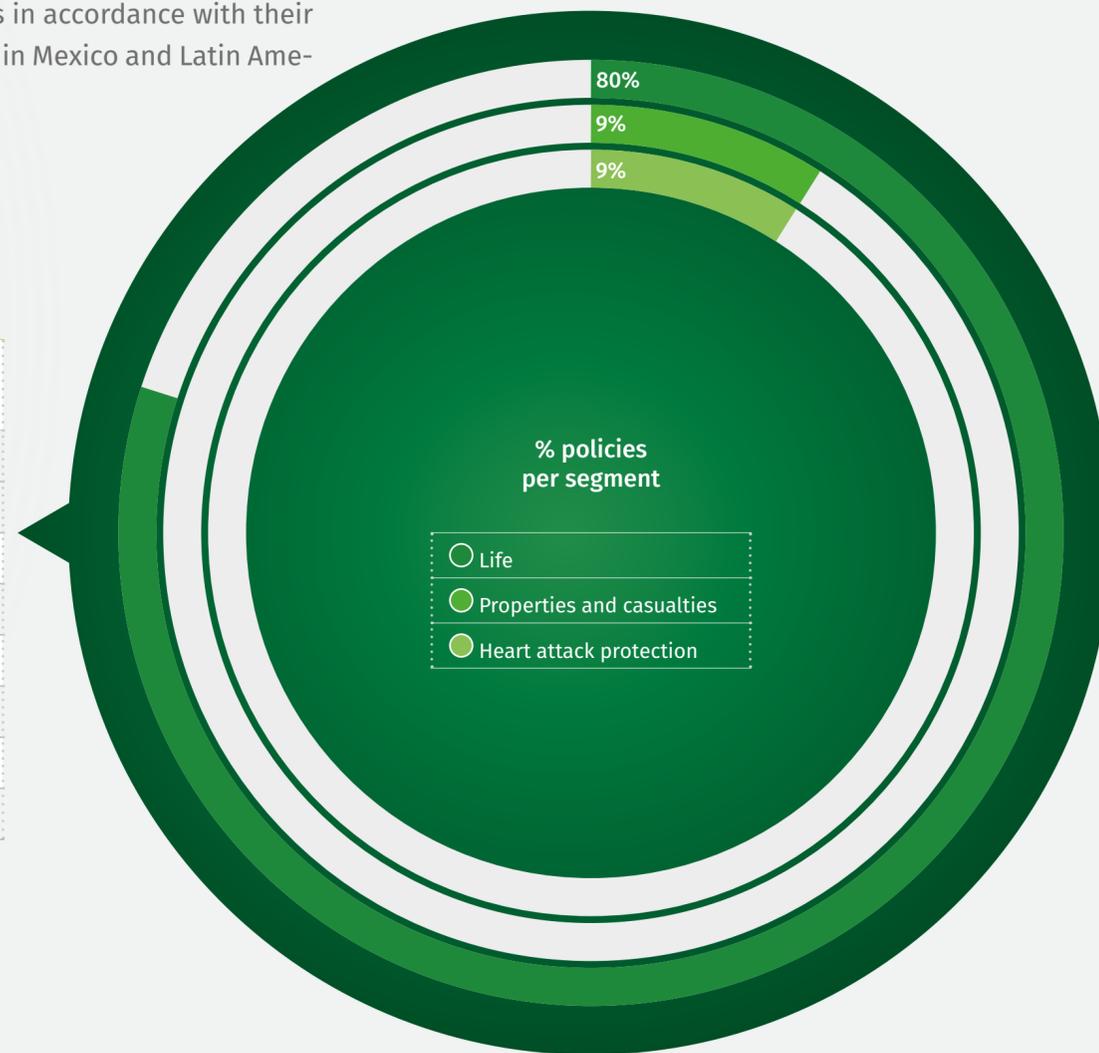




Sustainable insurance: social and environmental dimension

(FS7) (SASB FN-IN-000.A) (SASB FN-IN-410a.2) FN-IN-410b.2
Currently, at Seguros Azteca we offer solutions that provide effective protection to costumers to protect their well-being and assets in accordance with their needs, at affordable prices in Mexico and Latin America.

SEGUROS AZTECA - NUMBER OF CURRENT POLICIES BY SEGMENT 2021	
Property and casualties	587,069
Life	5,062,952
COVID-19 Protection	16,429
Women's Protection	28,336
Heart attack protection	25,161
Medical Plan 8 + COVID 19	47,187
Fraud	566,479
Various risks	52



Among the products of special social contribution, the following stand out:

Product
COVID-19 protection: In 2020, Seguros Azteca incorporated coverage related to the disease in its Tranquility and Medical Plan 8 products, allowing it to make a policy with coverage accessible in the event of hospitalization or death.
Women's Protection: Economic protection for the first diagnosis of breast or cervical cancer. Support for psychological consultations at home.
Heart attack protection: Economic protection for the first occurrence of myocardial infarction. Ambulance dispatch and telephone medical consultations
Medical Plan 8 + COVID 19: Financial protection for the first diagnosis of any of the covered conditions ³

3.- Covered diseases: cerebrovascular, cervical and prostate cancer, chronic renal failure, pneumonia, pneumonia, acute appendicitis, total loss of sight and myocardial infarction.

Seguros Azteca brings well-being and progress to families, through more than 91 thousand indemnities per year for 2,688 million pesos. This amount immediately resolves the economic commitments caused by the loss, illness or accident of the family pillar, for that in the face of an unfavorable eventuality, families do not stress economically or suffer the loss of any of their assets.

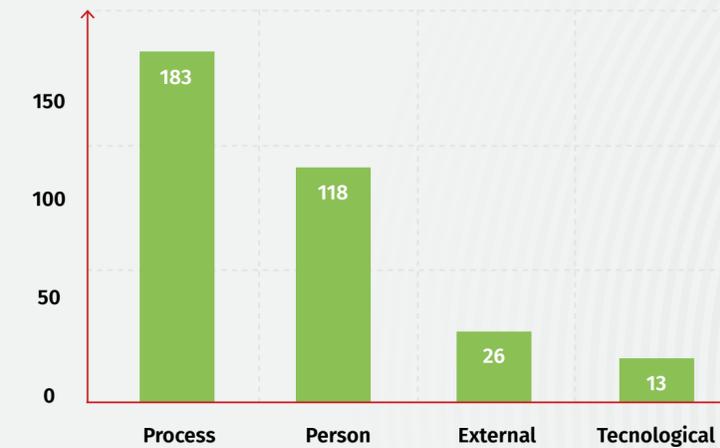
Risk methodologies

Seguros Azteca has adopted elements of the best international practices for its Operational Risk Management Model, including Technological Risk, these are best adjusted in its operation, like:

- ◆ COSO (Internal Control)
- ◆ ERM (Enterprise Risk Management)
- ◆ SOLVENCY II
- ◆ COBIT (Control Objectives for Information and related Technology)



Cases of technological failure in Insurance
Number of cases Root cause



Root cause	Description
External	It arises from failures of an external agent to the insurance company.
Person	Associated with human errors committed during the performance of a process, task or activity.
Process	Failure in the execution of an established process.
Tecnological	Failure in the systems (software, hardware, telecommunications, etc.)



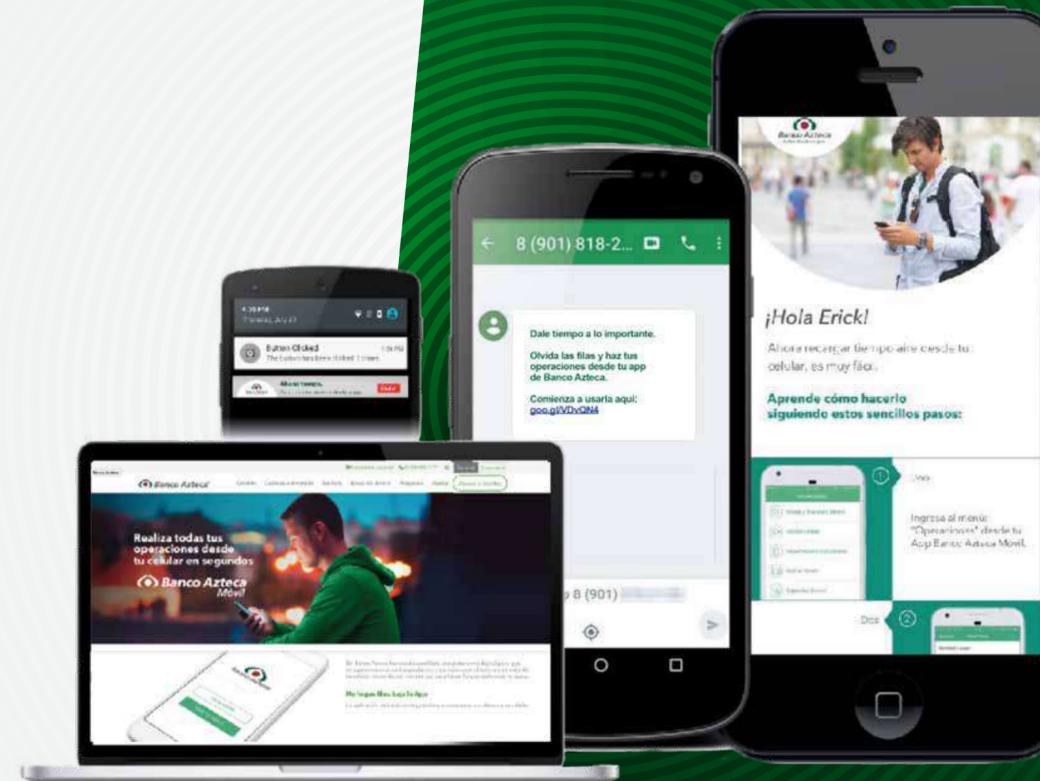
Responsible investments in the Afore portfolio

(SASB FN-AC-410a.2)

At Afore Azteca we contribute to the consolidation of a sustainable Mexican retirement savings system, with the signing of the Investor Declaration to achieve a more efficient process and create sustainable portfolios, through AMAFORE (October 2020).

We have a responsible investment policy, and we create ESG questionnaires to send to the issuers in which it is intended to invest, and we develop investment capabilities in Mutual Funds to offer active international equity strategies.

Responsible investments in the Afore portfolio (2021)		
Responsible investments by asset class	% of portfolio exposure	Average maturity
Equities	2.27%	N/A
Private Debt	2.86%	5.6 years



Social commitment

Labor demographics and diversity

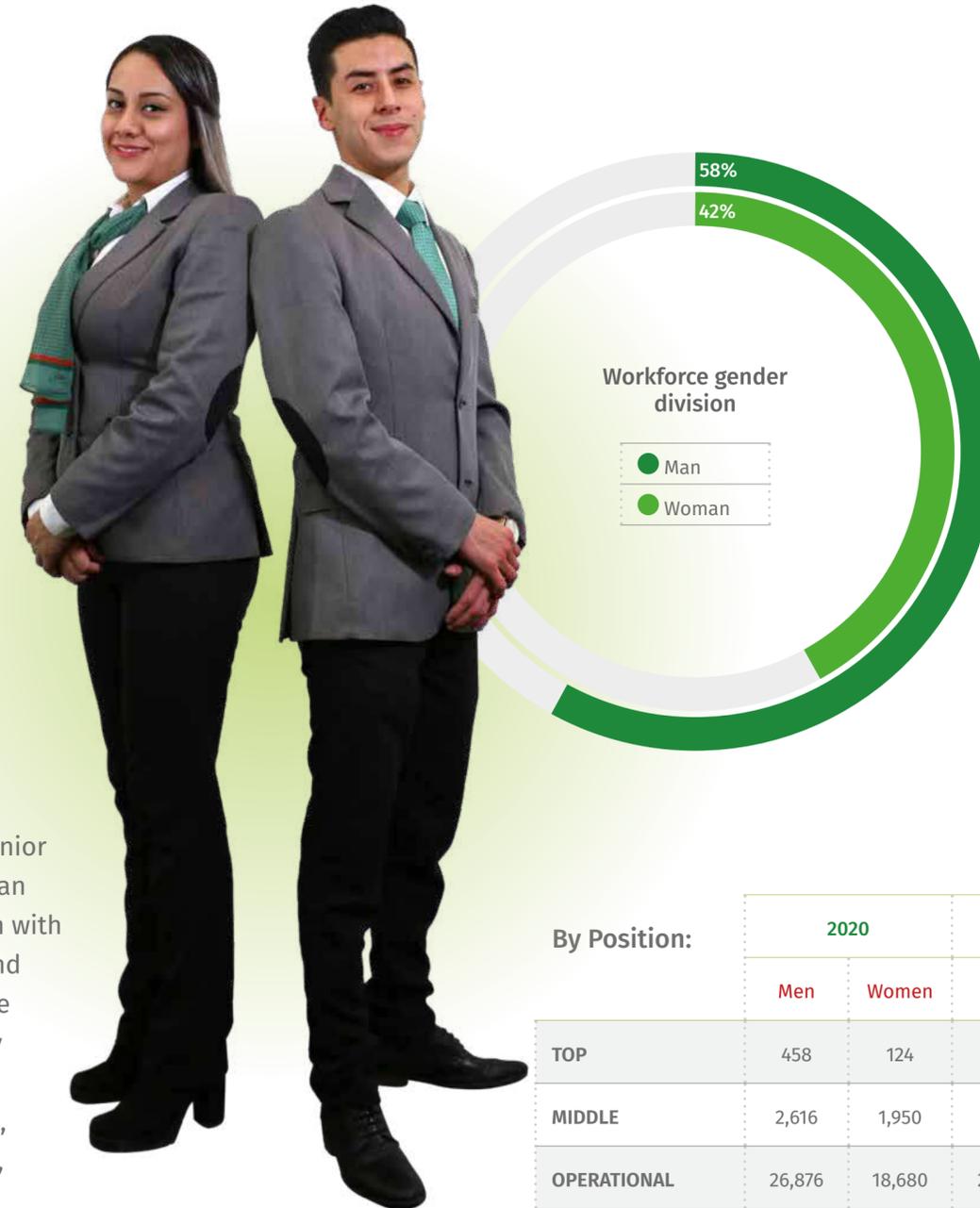
(GRI 405-1, 405-2) FN-AC-330a.1

The following is a breakdown of our Mexico and LAM headcount.

Banco total gender and type of contract					
	Men	Men	Women	Women	Grand total
Year	Permanent	Temporary	Permanent	Temporary	Total
2020	29,679	271	20,429	325	50,704
2021	30,000	220	21,812	226	52,258

	2020		2021	
	Men	Women	Men	Women
Between 30 and 50 years old	15,514	11,129	14,752	11,084
Over 50 years old	1,242	653	1,178	626
Under 30 years old	13,194	8,972	14,290	10,328
TOTAL	50,704		52,258	

There are currently 143 women in senior management positions and more than 1,900 in leadership positions women with Science, Technology, Engineering and Mathematics (STEM) functions, in the central offices of Banco Azteca. They are present in corporate areas of Systems, Technology Infrastructures, Information Technologies, Statistics, Risk Analysis, etc.



By Position:	2020		2021	
	Men	Women	Men	Women
TOP	458	124	479	143
MIDDLE	2,616	1,950	2,721	1,966
OPERATIONAL	26,876	18,680	27,020	19,929



At Banco Azteca, we also have international talent, which enriches our decision making, closing 2021 with 42 foreign collaborators, 13 of which are women.

As an inclusive place, we also facilitate the professional performance of other groups, avoiding discriminatory practices. They are part of our collaborating teams with disabilities, to whom we deliver the necessary working conditions depending on the case.

On the other hand, we seek that employees belonging to the LGBT+ community can express themselves without barriers or fear.

As part of our efforts in equal opportunities and non-discrimination, we work to safeguard the absence of salary differences by gender for the same position, seniority and other variables that mark remuneration.

Salary differences between men and women in the same position are derived from financial metrics linked to each business unit.

Turnover, **commitment and career** development

(GRI 401-1)

In 2021, Banco Azteca incorporated 17,421 employees, 43% of which were women.

Turnover index

Banco Azteca Turnover 2021	
	Total
Involuntary Terminations	4,724
Transfer area	5
Voluntary terminations	11,417
Total	16,146
Turnover rate	31.36%

We also emphasize that Afore Azteca made a commitment to labor equality before the Institutional Stock Exchange, in which AFORE AZTECA is committed to having recruitment processes free of bias and with salary compensation based on performance.



Community engagement

Financial Education

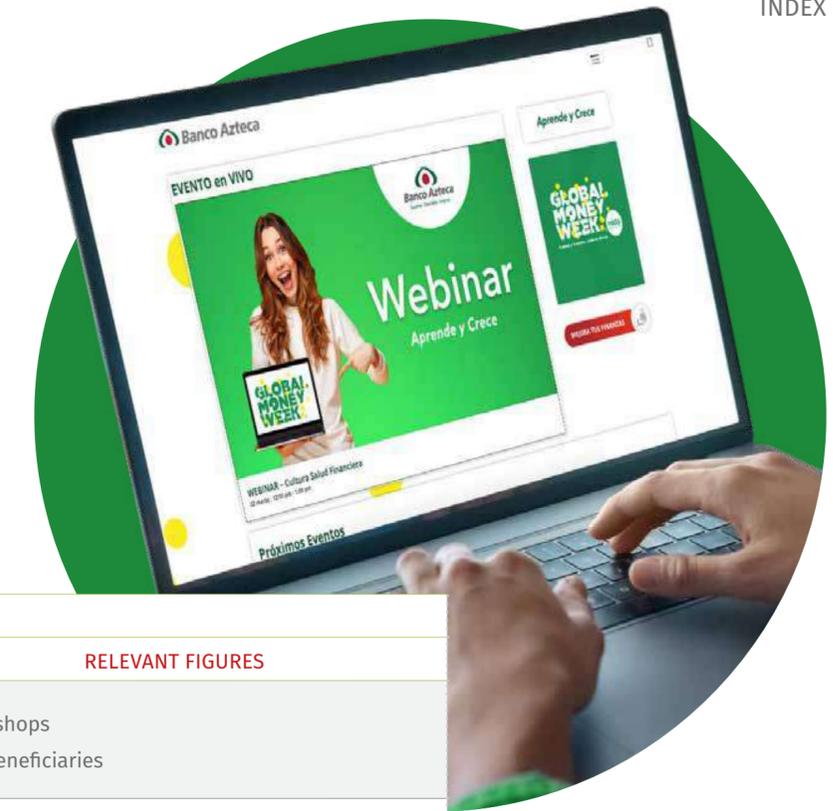
(FS16) (SASB FN-CB-240a.4)

At Banco Azteca, we have the “Aprende y Crece” program, which aims to instruct the population on the correct management of personal finances and promote an entrepreneurial culture. This program has been positioned as a key element in the achievement of business objectives in order to reinforce the digital inclusion of our more than 16 million digital customers.

During 2021, 118 educational interventions were implemented, an increase of 97% compared to 2020. Webinars, on-line activations, storytelling, Improshow, plays and stand-up were held. These impacted a total of 27,258 people in Mexico, the United States, Canada, Honduras, Guatemala and Panama.

Implementation of the aprendeycrecelive.com site for the various virtual events held during the year:

In 2021, we invested more than \$19 million pesos in 2021, increasing the scope and therefore the number of beneficiaries with respect to the previous year.



APRENDE Y CRECE (LEARN AND GROW)		
BENEFICIARIES	WORKSHOPS	RELEVANT FIGURES
Society in general	Face-to-face and virtual workshops Financial E-learning Diploma Educational campaigns on branch screens	50 Workshops 14,089 beneficiaries
Women	In person workshops	250 women impacted
Children and youth	Financial education at an early age Online course for scholarship recipients of <i>Jóvenes Construyendo el Futuro</i> of Grupo Salinas	64 workshops 25,591 beneficiaries
Entrepreneurs	Entrepreneurship and business workshops: Where are businesses going in the new digital era, Reinventing your business and, Boosting finance with ICT, etc.	46 virtual entrepreneurship and business workshops 6,748 beneficiaries
BAZ Employees	Education campaigns in corporate, digital magazine and Zeus application	4 workshops 223 beneficiaries
BAZ Customers	School for Banco Azteca customers - Financial Education Workshops	6,037 customers trained

Banco Azteca is part of the two financial institutions rated with 5 stars in the Financial Entities Bureau of the CONDUSEF, in terms of financial education.

Due to the growth in demand for online educational interventions, we achieved the involvement of coaches in Latin America, allowing interaction between Guatemala, Honduras, Mexico and Panama, thus covering the 2021 agenda of the Financial Education Program.

The main challenge for 2022, in addition to keeping our content at the forefront, will be to accompany the deve-

lopment of financial habits of the attendees who participate in our educational interventions, through an Integral Measurement and Evaluation Project aligned with the change of financial behavior of people in the short, medium and long term, after having participated in one of our educational interventions.



We work hand in hand with different allies in each country:

Country	Allies
México	CONDUSEF Instituto Mexiquense del Emprendedor, Jóvenes Construyendo el Futuro, UPAX, Grupo Salinas, Guardia Nacional, Universities: TESCI, UTSV, UTAGS, UNAM Fac. de Economía, UPCH, UABC, UDG, UTM, CONDUSEF, CONSAR, ABM, SRE, Instituto de los Mexicanos en el Exterior, CONALEP, Instituto Mexiquense del Emprendedor, BANXICO
Guatemala	Fundación Azteca CAMIPYME NEGU OVERGENIUS
Honduras	Comisión Nacional de Bancos y Seguros Aliadas Universidad Nacional Autónoma de Honduras PROLEMPA
Panamá	Superintendencia de Bancos de Panamá Centro de Innovación Desarrollo Tecnológico y Emprendimiento (CIDETE)

Philanthropy

Corporate citizenship and philanthropy contributions by Banco Azteca 2021 (MXN)		
Donations	\$57,009,054	37.61%
Investments in the community	\$124,620	0.08%
Commercial initiatives (sponsorships)	\$94,467,000	62.31%
Total	\$151,600,674	100%
Contribuciones en efectivo	\$57,009,054	99.92%
Tiempo de voluntariado	\$124,620	0.08%
Donaciones en especie	0	0
Total	\$151,600,674	100%





Environmental commitment

Today, 35% of the energy we use at Banco Azteca comes from renewable sources, 100% of the branches enter the energy efficiency program (air conditioners and efficient lighting) and several branches already have their own power generation through the installation of solar panels.

Also, since 2015 we have been calculating the carbon footprint and monitoring the emissions intensity per employee.

Environmental information coverage*	
Energy	Actual coverage = 100%, considering the energy of 1,633 RPUs from branches and 1,299 RPUs from stores (that host a branch), adding up to a total of 2,932 RPUs.
Emissions	The denominator used for the calculation was 25,000 t of CO ₂ equivalent, established as the minimum limit for the reported companies.
Water	Actual coverage = 14% (data from corporate readings). Estimated coverage = 86% (with calculations of water consumption in Geography).
Waste	Actual coverage = 37% (data measured in corporate facilities). Estimated coverage = 63% (with calculations of waste generation per person in Geography).



Energy

(GRI 302-1, 302-3, 302-4)

ENERGY CONSUMPTION								
Indicator for Banco Azteca	Unit of measurement	Result 2017	Result 2018	Result 2019	Result 2020	Result 2021	Target at the end of 2021	Target 2022
Total non-renewable energy consumption	GWh	43	51	59	57	60	90	90
Total renewable energy consumption (biomass, solar, wind) purchased or generated for self-consumption.	GWh	27	22	22	29	25	26.1	25
Total cost of energy consumption	Pesos mexicanos (MXN)	190,190,348	198,496,647	224,245,584	224,810,439	228,414,324	Depending on existing rates	
Data coverage (as a denominator percentage)	Porcentaje de los ingresos totales	0.0045	0.0033	0.0033	0.0042	0.0033	Cost among profits	

In 2020, the intensity of energy consumption at Banco Azteca was 1,530 kWh/employee.

TOTAL ENERGY CONSUMPTION (GWh)			
	Target 2021	Result 2021	Target 2022
Banco Azteca	90	85	90

TOTAL ENERGY CONSUMPTION (Gj)			
	Target 2021	Result 2021	Target 2022
Banco Azteca	NR	279,820	280,000





GHG emissions

(GRI 305-1, 305-2, 305-3, 305-4, 305-5)

	AZTECA BANK (TonCO ₂ eq)				
	2017	2018	2019	2020	2021
SCOPE 1	15,582	19,256	14,736	12,632	20,181
Data coverage*	0.62	0.77	0.59	0.51	0.81
SCOPE 2	24,911	26,918	30,048	28,061	25,592
Data coverage	1.00	1.08	1.20	1.12	1.02
TOTAL (Scope 1+2)	40,494	46,174	44,784	40,693	45,772

The denominator used for the calculation was 25,000 t of CO₂ equivalent, established as the minimum limit for the reported companies.

	SCOPE 1 +2 (tonCO ₂ e) emissions				
	Target 2020	Result 2020	Target 2021	Result 2021	Target 2022
Banco Azteca	45,000	40,693	22,000	45,772	54,000

	BANCO AZTECA (TonCO ₂ eq)					
	2017	2018	2019	2020	2021	TARGET AT THE CLOSE OF 2021
SCOPE 3	-	-	1,716	413	271	350

*The average of 0.109 kg of CO₂ was taken for each km traveled by plane. The conversion factor is based on calculations presented in section 8 (Table 33) of 2018 GOVERNMENT GHG CONVERSION FACTORS FOR COMPANY REPORTING. Methodology paper for emission factors: final report

The intensity of GHG emissions in Banco Azteca in 2021, adding Scopes 1 and 2, was:

♦ 875.8 kgCO₂e/employee





Water

(GRI 303-5)

WATER CONSUMPTION						
Indicator for Banco Azteca	Unit of measurement	Result 2017	Result 2018	Result 2019	Result 2020	Result 2020
Total water consumption	Millions of cubic meters	0.2	0.3	0.15	0.12	0.49
Data coverage (as a denominator percentage)	Percentage of: Banco Azteca's revenues (80,489,000,000 pesos)	0.0006	0.0009	0.0004	0.0002	0.0007

Waste

(GRI 306-3, 306-4, 306-5)

WASTE						
Indicator for Banco Azteca	Unit of measurement	Result 2017	Result 2018	Result 2019	Result 2020	Result 2021
A) Total waste generated	Tons	3,516	3,323	3,335	3,275	4,290
B) Total waste used/ recycled/ sold	Tons	7	15	14	17	3.3
Total waste disposed of (A-B)	Tons	3,509	3,308	3,321	3,258	4,287
Data coverage (as a denominator percentage)	Percentage of Banco Azteca's expenses for waste collection/ management (2.6 million pesos vs. 68,253 million pesos revenues).	0.00005	0.00005	0.00004	0.00006	0.00006

Waste generation (tons)



Banco Azteca did not remove hazardous waste in 2021.

Recyclable waste decreased because they no longer generate as much waste cardboard in corporate offices or mixed files.





Materiality matrix

Banco Azteca

	Material topics
	Potential material topics in the short-term
	Other topics potentially relevant

	1	Training and development of opportunities
	2	Talent attraction and retention
	3	Work environment
	4	Diversity and equal opportunities
	5	Health and security of the collaborator
	6	Responsible supply chain
	7	Automation and efficiency of operating processes
	8	Business competitiveness
	9	Digitation of processes
	10	Logistic efficiency
	11	Responsible packaging
	12	Customer experience
	13	Product and services innovation
	14	ASG investment (environmental, social and governance)
	15	Alliance with strategic partners
	16	Omnichannels and accesibility to services and products
	17	Product transparency
	18	Customer privacy

	19	Business model resiliency and adaptability
	20	Customer health and safety
	21	Cybersecurity
	22	After-sales services
	23	Regulatory compliance
	24	Ethics and anticorruption
	25	Corporate governance
	26	Financial stability
	27	Relationship with authorities
	28	Brand management and ASG communication
	29	Energy efficiency and renewable energies
	30	Water management
	31	Waste management and material efficiency
	32	Resiliency to climate change
	33	Decrease of GHG emissions
	34	Socio-economic development of communities
	35	Financial inclusion and education



SDGs correlation

Banco Azteca





Contents by material topic from January 1 to December 31, 2021

Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets	
Talent attraction and retention talent	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	86,140				
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	43				
	GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	41				
	GRI 405 Diversity and Equal Opportunities 2016	405-1	Diversity of governance bodies and employees	38,139			Principle 6	5.1, 5.5, 8.5
		405-2	Ratio of basic salary and remuneration of women to men	139	Salary gap ratio Executive Management 44% (2019), 13% (2020), 22.58% (2021) Functional Management 46% (2019), 36% (2020), 31.30% (2021) Area management 9% (2019), 9% (2020), 23.39% (2021)	Principle 6	5.1, 5.5, 8.5	
Business competitiveness	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	53,54			8.1, 8.2, 9.1, 9.4, 9.5	
		201-2	Financial implications and other risks and opportunities due to climate change	19,21		Principle 7	13.1	
		201-3	Defined benefit plan obligations and other retirement plans		We have advisory programs and retirement plans for employees who are about to retire.			
		201-4	Financial assistance received from government	55				
	GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported					9.1,9.4
		203-2	Significant indirect economic impacts	32				1.2,1.4,8.1,8.3,8.5
Client experience	GRI Sectorial	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ arge) and by sector.	122,123				
Process digitization	GRI 302 Energy 2016	302-1	Energy consumption within the organization	144		Principles 7, 8	7.2, 7.3, 8.4, 12.2, 13.1	
		302-3	Energy intensity	144		Principle 8	7.3, 8.4, 12.2, 13.1	
		302-4	Reduction of energy consumption	144		Principles 8, 9	7.3, 8.4, 12.2, 13.1	
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	61			Principles 7, 8	12.4	
	303-2	Management of water discharge-related impacts	61			Principles 7, 8		
	303-3	Water withdrawal	61			Principles 7, 8		





Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	13.1, 14.3, 15.2
Process digitization	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	145		Principles 7, 8	3.9, 12.4, 13.1, 14.3, 15.2
		305-2	Energy indirect (Scope 2) GHG emissions	145		Principles 7, 8	3.9, 12.4, 13.1, 14.3, 15.2
		305-3	Other indirect (Scope 3) GHG emissions	145		Principles 7, 8	3.9, 12.4, 13.1, 14.3, 15.2
			GHG emissions intensity	145		Principle 8	"13.1, 14.3, 15.2
		305-5	Reduction of GHG emissions	145			13.1, 14.3, 15.2
Environmental management	GRI 306: Waste 2020	306-3	Waste generated	146		Principles 7, 8	3.9,12.4,12.5
		306-4	Waste diverted from disposal	146		Principles 7, 8	3.9,11.6,12.4,12.5
		306-5	Waste directed to disposal	146		Principles 7, 8	3.9,11.6,12.4,12.5
Product and service innovation	GRI Sectorial	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	136			9.3, 11.2,
		FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	135		12.2,13.1,14.3,15.2	9.3, 11.2, 12.2,13.1,14.3,15.2
Cybersecurity	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			16.3, 16.10
Client privacy	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30			16.3, 16.10
Resilience and adaptability of the business model	GRI Sectorial	FS1	Policies with specific environmental and social components applied to business lines	134		Principle 7	
		FS2	Procedures for assessing and screening environmental and social risks in business lines.	127		Principle 7	
Regulatory compliance	GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	17			16.3
Governance	GRI 415: Public Policy 2016	415-1	Political contributions	125			16.5
Omnichannel and accessibility to services and products	GRI Sectorial	FS13	Access points in low-populated or economically disadvantaged areas by type.	24, 122			1.4, 8.10, 10.2
Ethics and anti-corruption	GRI 205 Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	125		Principle 10	16.5
		205-2	Communication and training about anti-corruption policies and procedures	17		Principle 10	16.5
		205-3	Confirmed incidents of corruption and actions taken	125		Principle 10	16.5
	GRI 206 Unfair competition 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	17,18			



Material Topic	GRI	GRI Indicator	Indicator content	Page / answer	Omission/Comment	Global Compact Principles	SDGs & Targets
Ethics and anti-corruption	GRI 412: Human rights assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	69		Principle 1	
		412-2	Employee training on human rights policies or procedures	17		Principle 1	
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	34,69		Principle 2	
	GRI 415: Public Policy 2016	415-1	Political contributions	17,35,125			16.5
Financial inclusion and education	GRI Sectorial	FS13	Access points in low-populated or economically disadvantaged areas by type.	24, 122			1.4, 8.10, 10.2
		FS14	Initiatives to improve access to financial services for disadvantaged people	134			1.4, 8.10, 10.2
		FS16	Initiatives to enhance financial literacy by type of beneficiary	141			
Product transparency	GRI 417: Marketing y etiquetado	417-1	Requirements for product and service information and labeling	29			12.8
		417-2	Incidents of non-compliance concerning product and service information and labeling	At the end of 2021, we had no cases of noncompliance.			16.3
		417-3	Incidents of non-compliance concerning marketing communications	29			16.3
	GRI Sectorial	FS15	Policies for the fair design and sale of financial products and services.	We collaborate with CONDUSEF, as well as the regulatory provisions of the National Banking and Securities Commission (CNBV), which we integrate into our processes for the design of financial products.			10.5



COMMERCIAL BANKS STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
ACTIVITY METRICS					
Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Number, Reporting, Currency	There were no related cases during 2021.	134
Activity Metrics	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Number, Reporting, Currency		122
Accounting Metrics					
Data Security	FN-CB-230a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Number, Percentage (%)		
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	N/A		30
Financial Inclusion & Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development.	Number, Reporting currency	Not available	
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development.	Number, Reporting currency	Not available	
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers.	Number	Banco Azteca offers the Guardadito savings account product with no account management fees or minimum balances, we currently have more than 13 million accounts.	
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers.	Number		47,141
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry.	Reporting currency		122
	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis.	N/A		135



COMMERCIAL BANKS STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
Business Ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Reporting currency	We had no cases associated with corruption or similar practices, nor economic losses resulting from them.	125
	FN-CB-510a.2	Description of whistleblower policies and procedures.	N/A		18
Systemic Risk Management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category.	Basis points (bps)	Banco Azteca is not considered a financial institution of systemic importance, in the G-SIB classification. According to information from the CNBV, in Mexico there are six multiple banking institutions of local systemic importance, classified into four grades. Banco Azteca is not within this group, however, due to regulatory issues, the Institution complies with the established calculations that are aligned with the minimum requirements of Basel. For further information, please refer to: https://cutt.ly/eLWHFdx	
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	N/A		





CONSUMER FINANCE STANDARD 2018						
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S	
ACTIVITY METRIC						
Activity Metrics	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account.	Number		122	
Activity Metrics	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts	Number		122	
ACCOUNTING METRICS						
Customer Privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes.	Number	At Grupo Elektra level, 40% of our customers' information is used for secondary purposes, with their authorization.	30	
	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy.	Reporting currency	During 2021, there were no related cases or monetary losses.		
Data Security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected.	Number, Percentage (%)	The absence of data breaches is reported; the rest of the requested information is not available.	30, 125	
	FN-CF-230a.2	Card-related fraud losses from (1) card-notpresent fraud and (2) card-present and other fraud.	Reporting currency	Not available		
	FN-CF-230a.3	Description of approach to identifying and addressing data security risks.	N/A		30	
Selling Practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sol.	Percentage (%)	At Banco Azteca, we have compensation schemes with an 80/20 (fixed/variable) approach, aligned to the productivity and financial goals of the business in branch positions. Eighty-one percent of our workforce is in this scheme.		
	FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660.	Percentage (%)	The credit approval rates for applicants with FICO scores are as follows FICO scores are: FICO <660 59.84%. FICO >=660 40.16%		
	FN-CF-270a.3	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660.	Reporting currency, Percentage (%), Months, Number, Reporting currency		Banco Azteca, seeking inclusion and democratization of financial services, offers savings products with no account management fees or minimum balances.	
	FN-CF-270a.4	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB.	Number, Percentage (%)			
	FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of product.	Reporting currency			





INSURANCE STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
ACTIVITY METRIC					
Activity Metric	FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance.	Number		136
ACCOUNTING METRICS					
Transparent Information & Fair Advice for Customers	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customer.	Reporting currency	During 2021, there were no related cases or monetary losses.	
	FN-IN-270a.2	Complaints-to-claims ratio.	Ratio	Not available	
	FN-IN-270a.3	Customer retention rate.	Ratio	Not available	
	FN-IN-270a.4	Description of approach to informing customers about products.	N/A	All the products in our portfolio have a descriptive fact sheet available, which includes terms and conditions, requirements and the Total Annual Gain (TAG) indicator, as well as the contact information for complaints and suggestions.	
Incorporation of Environmental, Social, and Governance Factors in Investment Management.	FN-IN-410a.1	Total invested assets, by industry and asset class.	Reporting currency	Not available	
	FN-IN-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies.	N/A		136
Policies designed to encourage responsible behavior	FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology.	Reporting currency	Not available	
	FN-IN-410b.2	Discussion of products and/or product features that incentivize health, safety, and/or environmentally responsible actions and/or behaviors.	N/A		136
Environmental Risk Exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	Reporting currency	Not available	
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance).	Reporting currency	Not available	
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy.	N/A	For the premium conditions, the loss ratio is considered, which may include incidents due to climatic phenomena; however, they are not yet evaluated expressly but together with the rest of the loss variables.	
Systemic Risk Management	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to noncentrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives.	Reporting currency	Not available	
	FN-IN-550a.2	Total fair value of securities lending collateral assets.	Reporting currency	Not available	
	FN-IN-550a.3	Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities.	N/A	Not available	





CONSUMER FINANCE STANDARD 2018					
SASB TOPIC	CODE	DESCRIPTION	UNIT OF MEASURE	OMISSIONS AND/OR MODIFICATIONS	PAGE/S
ACTIVITY METRIC					
Activity Metrics	FN-AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM	Reporting currency	Not available	
Activity Metrics	FN-AC-000.B	Total assets under custody and supervision	Reporting currency		122
ACCOUNTING METRICS					
Transparent Information & Fair Advice for Customers	FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.	Percentage (%)	Not available	
	FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customer.	Reporting currency	During 2021, there were no related cases or monetary losses.	
	FN-AC-270a.3	Description of approach to informing customers about products and services.	N/A	All the products in our portfolio have a descriptive fact sheet available, which includes terms and conditions, requirements and the Total Annual Gain (TAG) indicator, as well as the contact information for complaints and suggestions.	
Employee Diversity & Inclusion	FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employee.	Percentage (%)		139
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	Reporting currency		138
	FN-AC-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	N/A		138
	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	N/A	Not available	
Business ethics	FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulation.	Reporting currency	During 2021, there were no related cases or monetary losses.	
	FN-AC-510a.2	Description of whistleblower policies and procedures.	N/A		18





Recommendations	Recommended report	Code	Page/s	Additional information
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	GOB-A	120	At Grupo Elektra level, there is an Audit Committee that evaluates the internal control policies and systems in each of the businesses, including Banco Azteca. Within the internal policy and control systems, the climate-related management system is being developed. We are still in the process of identifying risks and opportunities to later stabilize actions and monitoring strategies for Banco Azteca. Likewise, the Risk Committee is in charge of monitoring that the institution adjusts to the comprehensive risk management previously approved by the Board of Directors. The Investment Committee is properly a Board committee. It is in charge of defining the investment strategy on a monthly basis, and will ultimately supervise the application of ESG criteria in investment by the different segments of the Bank, once the analysis of risks and opportunities has been approved with the climate action plan.
	b) Describe the role of management in assessing and managing climate-related risks and opportunities.	GOB-B	127	In relation to risks, both operational and financial, they are worked at each business unit, hand in hand with UAIR and the Risk Committee. For the design of new products and services, risk assessment is key, which is why we carry out the assessment prior to its approval by the Risk Committee, this includes the development of a list with the different risks to which the new product would be exposed as well as other types of risk that may arise from the operation of such products. There is also Banco Azteca's Business Continuity Plan, which seeks to guarantee the persistence of operations when a risk materializes. It is a strategic guide based on four main guidelines: 1) Administration with critical areas, 2) Prevention, 3) Timely reaction and 4) Constant updating.
Strategy	a) Describe the climate-related risks and opportunities identified by the organization in the short, medium and long term.	EST-A	130	Climate change risks for Banco Azteca may represent a financial stability risk if not managed properly or if the size of weather-related losses increases materially. Within the Appendix of Banco Azteca we present the risk analysis for the portfolio.
	b) Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	EST-B	130	At the beginning of 2022, we began with the analysis of risks and opportunities of Climate Change, using the TCFD nomenclature with respect to the bank's commercial and corporate portfolios.
	c) Describe the resilience of the organization's strategy, taking into account the different scenarios related to climate, such as a scenario with 2°C or less.	EST-C	-	We do not yet have scenario analysis.
Risk management	a) Describe the organization's processes for identifying and assessing climate-related risks.	GDR-A	130	We identify climate change risks based on: 1) the nature of the assessed portfolios, consumer and corporate, 2) the regional context. For its categorization, we consider the classification proposed by TCFD with transition and physical risks.
	b) Describe the organization's processes for managing climate-related risks.	GDR-B	133	The complete proposal of measures will be proposed in 2023 until this risk analysis is carried out. We present the 2022 - 2023 goals in this report.
	c) Describe how processes to identify, assess and manage climate-related risks are integrated into the organization's overall risk management.	GDR -C	-	Work is still under way to incorporate Climate Change risk management into the Bank's risk management system, in order to have in a single system the management of all the risks that impact the organization.
Metrics and goals	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management process.	MYO-A	-	We are still in the development of strategies and therefore performance indicators that indicate the progress in the management of these risks.
	b) Disclose Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas (GHG) emissions and their related risks	MYO-B	145	We communicate our Scope 1, 2 and 3 emissions. We still do not have the identification of risks for each of them.
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	MYO-C	133, 145	The complete proposal of measures will be proposed in 2023 until this risk analysis is carried out. We present the 2022 - 2023 objectives in this report. We have annual goals to reduce emissions.



Carta de verificación del Informe de Sustentabilidad 2021 “Generamos prosperidad incluyente”

Al Consejo de Administración de Grupo Elektra y subsidiarias:

Sean notificados que Redes Sociales en línea Timberlan realizó una verificación de información no financiera limitada e independiente de una muestra de contenidos de los Estándares GRI y Estándares SASB, detallados en página posterior a la carta.

Responsabilidades, criterio y alcance:

El alcance de nuestra verificación abarcó los resultados de las operaciones de las Tiendas Elektra; correspondiente al 1° de enero al 31 de diciembre de 2021.

Nuestro objetivo es expresar opiniones imparciales y objetivas con relación a la fiabilidad, trazabilidad y veracidad de los contenidos expuestos en el “Informe de Sustentabilidad 2021” de Tiendas Elektra. Esta verificación consideró los Estándares GRI en su más reciente versión con la opción de conformidad, los Estándares de SASB en su versión 2018 y la Norma Internacional sobre Trabajos de Aseguramiento (ISAE) 3000.

Las actividades realizadas durante el proceso de verificación fueron: Validación de información de presentada en informes anteriores, revisión del cumplimiento metodológico de estándares GRI y SASB, análisis de data cuantitativa y cualitativa mediante evidencia visual, documental y pública.

Los contenidos expuestos en el “Informe de Sustentabilidad 2021, así como la preparación de la información para la elaboración de este, son responsabilidad de Tiendas Elektra, lo que incluye, de manera enunciativa mas no limitativa, la selección de temas materiales, Contenidos GRI e indicadores SASB, además de proporcionar evidencia documental veraz para realizar la verificación de la muestra de indicadores de la muestra seleccionada.

Con base en la información proporcionada y a los procedimientos realizados a lo largo del proceso de verificación, se concluye que no se encontraron indicios que nos haga concluir que las evidencias proporcionadas de la muestra de indicadores no son fiables.

Se entrega por separado un reporte interno de recomendaciones, exclusivas para Tiendas Elektra que contiene las áreas de oportunidad detectadas para un futuro reporte.

Alma Paulina Garduño Arellano
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Junio 24, 2022

Declaración de independencia y competencia de Redes Sociales en Línea Timberlan

Los colaboradores de Redes Sociales en Línea Timberland cuentan con el nivel de competencia necesario para verificar el cumplimiento de estándares utilizados en la elaboración de Informes de Sustentabilidad, por lo que pueden emitir una opinión profesional de los reportes de información no financiera, cumpliendo los principios de independencia, integridad, objetividad, competencia y diligencia profesional, confidencialidad y comportamiento profesional. En ningún caso nuestra declaratoria de verificación puede entenderse como un informe de auditoría por lo que no se asume responsabilidad alguna sobre los sistemas y procesos de gestión y control interno de los que se obtiene la información. Esta Carta de Verificación se emite el 24 de junio de 2022 y es válida siempre que no se efectúen modificaciones posteriores y sustanciales al Informe de Sustentabilidad 2021 “Generamos prosperidad incluyente” de Tiendas Elektra.



Muestra de contenidos a Verificar

Contenido GRI		Alcance	SASB CG-MR: MULTILINE AND SPECIALTY RETAILERS& DISTRIBUTORS CG-EC: E-Commerce		Alcance
Contenidos generales					
GRI 2-6	Actividades, cadena de valor y otras relaciones comerciales	Tiendas Elektra			
GRI 2-9	Estructura y composición de gobernanza	Grupo Elektra			
GRI 2-10	Nominación y selección del máximo órgano de gobierno	Grupo Elektra			
GRI 2-12	Rol del máximo órgano de gobierno en la supervisión de la gestión de impactos	Grupo Elektra			
GRI 2-18	Evaluación del desempeño del máximo órgano de gobierno	Grupo Elektra			
GRI 2-26	Mecanismos para buscar asesoramiento y plantear inquietudes	Grupo Elektra			
GRI 2-29	Enfoque para la participación de las partes interesadas	Grupo Elektra			
GRI 3-1	Proceso para determinar temas materiales	Tiendas Elektra			
GRI 3-2	Lista de temas materiales	Tiendas Elektra			
Gobernanza					
201-1	Valor económico directo generado y distribuido	Grupo Elektra			
205-1	Operaciones evaluadas para riesgos relacionados con la corrupción	Tiendas Elektra			
205-3	Casos de corrupción confirmados y medidas tomadas	Tiendas Elektra			
206-1	Acciones jurídicas relacionadas con la competencia desleal y las prácticas monopólicas y contra la libre competencia	Tiendas Elektra			
Medio ambiente					
302-1	Consumo energético dentro de la organización	Tiendas Elektra	CG-MR-130a.1 CG-EC-130a.1	(1) Energía total consumida, (2) porcentaje de electricidad de la red, (3) porcentaje de renovables (1) Energía total consumida, (2) porcentaje de electricidad de la red, (3) porcentaje de renovables	Tiendas Elektra
302-3	Intensidad energética	Tiendas Elektra			
305-1	Emisiones directas de GEI (alcance 1)	Tiendas Elektra			
305-2	Emisiones indirectas de GEI al generar energía (alcance 2)	Tiendas Elektra			
305-3	Otras emisiones indirectas de GEI (alcance 3)	Tiendas Elektra			
305-4	Intensidad de las emisiones de GEI	Tiendas Elektra			
306-3	Residuos generados	Tiendas Elektra			
306-4	Residuos desviados de la disposición final (reutilización, reciclaje)	Tiendas Elektra			
Social					
401-1	Nuevas contrataciones de empleados y rotación de personal	Tiendas Elektra	CG-MR-310a.2 CG-EC-330a.2	(1) Tasa de rotación voluntaria y (2) involuntaria para los empleados de las tiendas (1) Tasa de rotación voluntaria y (2) involuntaria para todos los empleados	Tiendas Elektra
404-1	Media de horas de formación al año por empleado	Tiendas Elektra			
404-3	Porcentaje de empleados que reciben evaluaciones periódicas del desempeño y desarrollo profesional	Tiendas Elektra			
405-1	Diversidad en órganos de gobierno y empleados	Tiendas Elektra	CG-MR-330a.1 CG-EC-330a.3	Porcentaje de representación de género y grupo racial/étnico representación para (1) la dirección y (2) todos los otros empleados Porcentaje de representación de género y grupo racial/étnico representación de (1) la dirección, (2) el personal personal técnico, y (3) todos los demás empleados	Tiendas Elektra
406-1	Casos de discriminación	Tiendas Elektra			
412-1	Operaciones sometidas a revisiones o evaluaciones de impacto sobre los derechos humanos	Tiendas Elektra			
417-2	Casos de incumplimiento relacionados con la información y el etiquetado de productos y servicios	Tiendas Elektra			
417-3	Casos de incumplimiento relacionados con comunicaciones de marketing	Tiendas Elektra			
418-1	Reclamaciones fundamentadas relativas a violaciones de la privacidad del cliente y pérdida de datos del cliente	Tiendas Elektra	CG-MR-230a.2 CG-EC-230a.2	(1) Número de violaciones de datos, (2) porcentaje que implican información personal identificable (PII), (3) número de clientes afectados (1) Número de violaciones de datos, (2) porcentaje que implican información personal identificable (PII), (3) número de usuarios afectados	Tiendas Elektra





Carta de verificación del Informe de Sustentabilidad 2021 de Banco Azteca “Generamos prosperidad incluyente”

Al Consejo de Administración de Banco Azteca:

Les notificamos que Redes Sociales en línea Timberlan realizó una verificación de información no financiera limitada e independiente de una muestra de contenidos de los Estándares GRI y Estándares SASB, detallados en la página posterior de la presente carta.

Responsabilidades, criterio y alcance:

El alcance de nuestra verificación abarcó los resultados de las operaciones de Banco Azteca; correspondiente al 1° de enero al 31 de diciembre de 2021.

Nuestro objetivo es emitir opiniones imparciales y objetivas con relación a la fiabilidad, trazabilidad y veracidad de los contenidos publicados en el “Informe de Sustentabilidad 2021” de Banco Azteca. Esta verificación consideró los Estándares GRI en su más reciente versión con la opción de conformidad, los Estándares de SASB 2018 y la Norma Internacional sobre Trabajos de Aseguramiento (ISAE) 3000.

Las actividades realizadas durante el proceso de verificación fueron: Validación de información presentada en informes anteriores, revisión del cumplimiento metodológico de estándares GRI y SASB, análisis de datos cuantitativa y cualitativa mediante evidencia visual, documental y pública.

Los contenidos comunicados en el “Informe de Sustentabilidad 2021”, así como la preparación de la información para la elaboración de este, son responsabilidad de Banco Azteca, lo que implica de manera enunciativa más no limitativa: la selección de temas materiales y el reporte de los contenidos GRI 2021 e indicadores SASB 2018, además de proporcionar evidencia documental veraz para realizar la verificación de la muestra seleccionada.

Con base en la información expuesta en el informe y a los procesos realizados durante la verificación se concluye que no se encontraron factores que nos hagan dudar que las evidencias de la muestra seleccionada no sean fiables.

Por separado se entrega un reporte interno de recomendaciones, exclusivas para Banco Azteca que contiene las áreas de oportunidad detectadas para un futuro reporte.

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Junio 24, 2022

Declaración de independencia y competencia de Redes Sociales en Línea Timberlan

Los colaboradores de Redes Sociales en Línea Timberland cuentan con el nivel de competencia necesario para verificar el cumplimiento de estándares utilizados en la elaboración de Informes de Sustentabilidad, por lo que pueden emitir una opinión profesional de los reportes de información no financiera, cumpliendo los principios de independencia, integridad, objetividad, competencia y diligencia profesional, confidencialidad y comportamiento profesional. En ningún caso nuestra declaratoria de verificación puede entenderse como un informe de auditoría por lo que no se asume responsabilidad alguna sobre los sistemas y procesos de gestión y control interno de los que se obtiene la información. Esta Carta de Verificación se emite el 24 de junio de 2022 y es válida siempre que no se efectúen modificaciones posteriores y sustanciales al Informe de Sustentabilidad 2021 de Banco Azteca.



Muestra de contenidos a Verificar

Contenido GRI		Alcance	AC: ASSET MANAGEMENT & CUSTODY ACTIVITIES CB: Comercial Banks IN: Insurance CF: Consumer Finance		Alcance
Contenidos generales					
GRI 2-6	Actividades, cadena de valor y otras relaciones comerciales	Banco Azteca			
GRI 2-9	Estructura y composición de gobernanza	Grupo Elektra			
GRI 2-10	Nominación y selección del máximo órgano de gobierno	Grupo Elektra			
GRI 2-12	Rol del máximo órgano de gobierno en la supervisión de la gestión de impactos	Grupo Elektra			
GRI 2-18	Evaluación del desempeño del máximo órgano de gobierno	Grupo Elektra			
GRI 2-26	Mecanismos para buscar asesoramiento y plantear inquietudes	Grupo Elektra			
GRI 2-29	Enfoque para la participación de las partes interesadas	Grupo Elektra			
GRI 3-1	Proceso para determinar temas materiales	Banco Azteca			
GRI 3-2	Lista de temas materiales	Banco Azteca			
Gobernanza					
201-1	Valor económico directo generado y distribuido	Grupo Elektra			
201-2	Implicaciones financieras, y otros riesgos y oportunidades relacionados con el cambio climático	Banco Azteca	FN-IN-450a.2	Importe total de las pérdidas monetarias atribuibles a los pagos de seguros (indemnizaciones) de (1) catástrofes naturales modelizadas y (2) catástrofes naturales no modelizadas, por tipo de evento y segmento geográfico (antes y después del reaseguro)	Banco Azteca
205-1	Operaciones evaluadas para riesgos relacionados con la corrupción	Banco Azteca			
205-3	Casos de corrupción confirmados y medidas tomadas	Banco Azteca			
206-1	Acciones jurídicas relacionadas con la competencia desleal y las prácticas monopólicas y contra la libre competencia	Banco Azteca	FN-AC-510a.1 FN-CB-510a.1	Importe total de las pérdidas monetarias como resultado de los procedimientos judiciales relacionados con el fraude, uso de información privilegiada, antimonopolio, competencia desleal, manipulación del mercado, mala praxis u otras leyes o reglamentos relacionados de la industria. Importe total de las pérdidas monetarias como resultado de los procedimientos judiciales relacionados con el fraude, uso de información privilegiada, antimonopolio, competencia desleal, manipulación del mercado, mala praxis u otras leyes o reglamentos relacionados de la industria financiera	Banco Azteca
Medio ambiente					
302-1	Consumo energético dentro de la organización	Banco Azteca			
302-3	Intensidad energética	Banco Azteca			
303-5	Consumo de agua	Banco Azteca			
305-1	Emisiones directas de GEI (alcance 1)	Banco Azteca			
305-2	Emisiones indirectas de GEI al generar energía (alcance 2)	Banco Azteca			
305-3	Otras emisiones indirectas de GEI (alcance 3)	Banco Azteca			
305-4	Intensidad de las emisiones de GEI	Banco Azteca			
306-3	Residuos generados	Banco Azteca			
306-4	Residuos desviados de la disposición final (reutilización, reciclaje)	Banco Azteca			
Social					
401-1	Nuevas contrataciones de empleados y rotación de personal	Banco Azteca			
404-1	Media de horas de formación al año por empleado	Banco Azteca			
404-3	Porcentaje de empleados que reciben evaluaciones periódicas del desempeño y desarrollo profesional	Banco Azteca			
405-1	Diversidad en órganos de gobierno y empleados	Banco Azteca	FN-AC-330a.1	Porcentaje de representación de géneros y grupos raciales/étnicos en (1) la dirección ejecutiva, (2) la dirección no ejecutiva, (3) los profesionales y (4) todos los demás empleados	Banco Azteca
406-1	Casos de discriminación	Banco Azteca			
417-2	Casos de incumplimiento relacionados con la información y el etiquetado de productos y servicios	Banco Azteca	FN-AC-270a.1 FN-IN-270a.1	(1) Número y (2) porcentaje de empleados cubiertos con un historial de investigaciones relacionadas con inversiones, reclamaciones del consumidor, litigios civiles privados u otros procedimientos regulatorios Importe total de las pérdidas monetarias como resultado de los procedimientos judiciales relacionados con el marketing y la comunicación de información relacionadas con productos de seguros a clientes nuevos y antiguos	Banco Azteca
417-3	Casos de incumplimiento relacionados con comunicaciones de marketing	Banco Azteca	FN-CF-270a.5	Importe total de las pérdidas monetarias como resultado de los procedimientos judiciales relacionados con la venta y el mantenimiento de los productos	
418-1	Reclamaciones fundamentadas relativas a violaciones de la privacidad del cliente y pérdida de datos del cliente	Banco Azteca	FN-CF-230a.1 FN-CB-230a.1	(1) Número de filtraciones de datos, (2) porcentaje que implica información de identificación personal (PII), (3) número de titulares de cuentas afectados (1) Número de filtraciones de datos, (2) porcentaje que implica información de identificación personal (PII), (3) número	Banco Azteca
FS7	Beneficios obtenidos de los productos de inclusión; también las dimensiones (valor de crédito entregado, número de clientes)	Banco Azteca	FN-CB-240a.1 FN-CB-240a.3	(1) número y (2) cuantía de los préstamos pendientes cualificados para programas diseñados para promocionar las pequeñas empresas y el desarrollo de la comunidad Número de cuentas corrientes minoristas sin coste proporcionadas a clientes previamente no bancarizados o infrabancarizados	Banco Azteca
FS8	Beneficios obtenidos de los productos con enfoque ambiental; también las dimensiones (valor de crédito entregado, número de clientes)	Banco Azteca	FN-IN-410b.2	Importe total de las pérdidas monetarias como resultado de los procedimientos judiciales relacionados con el marketing y la comunicación de información relacionadas con productos de seguros a clientes nuevos y antiguos	Banco Azteca



For more details about this report or the issues related to sustainability at Grupo Elektra, please contact:

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