



SUSTAINABILITY



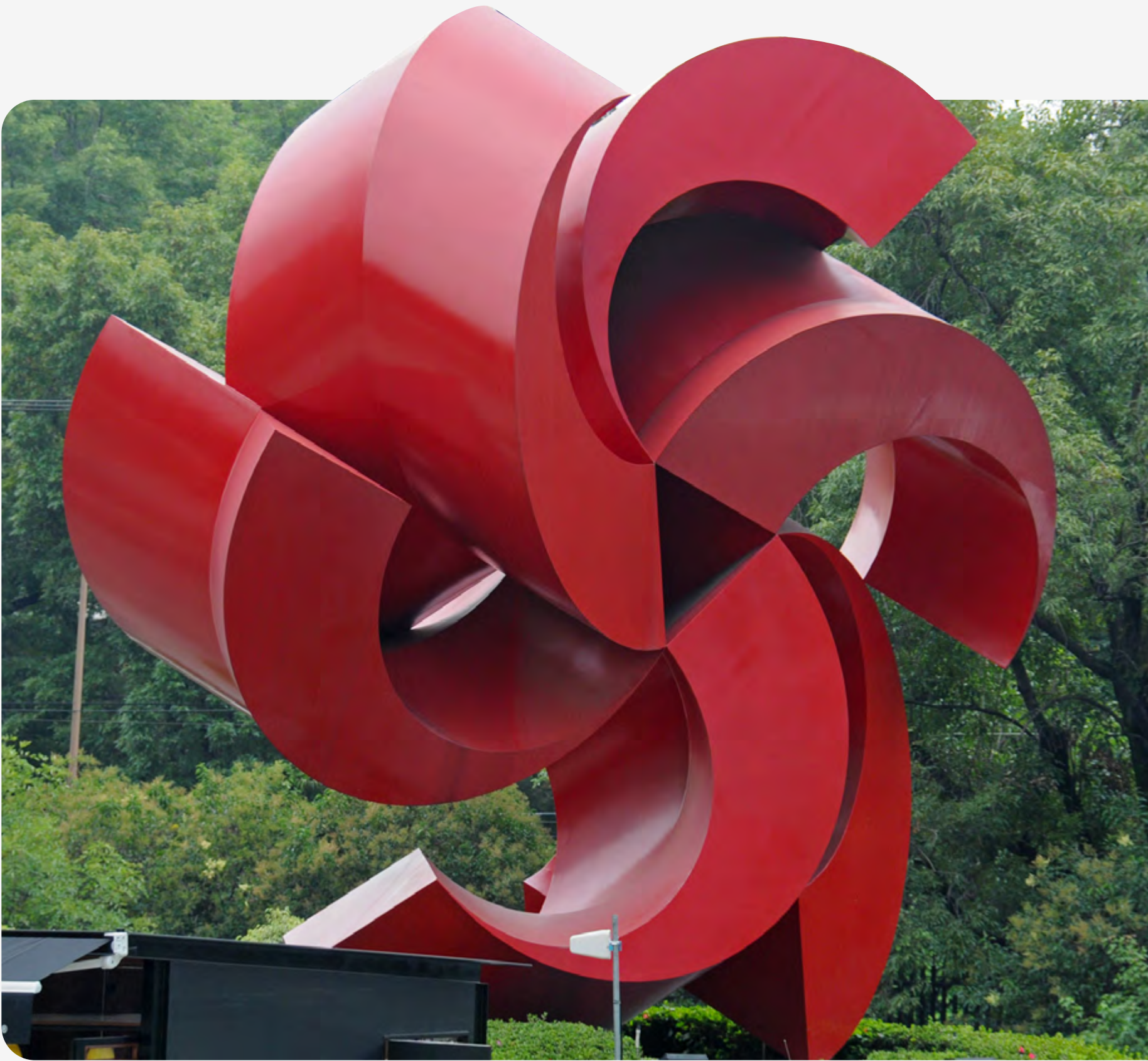
grupo elektra

2023 SUSTAINABILITY REPORT



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WE ARE GRUPO ELEKTRA

- › 2023 Milestones
- › Message to readers
- › About us

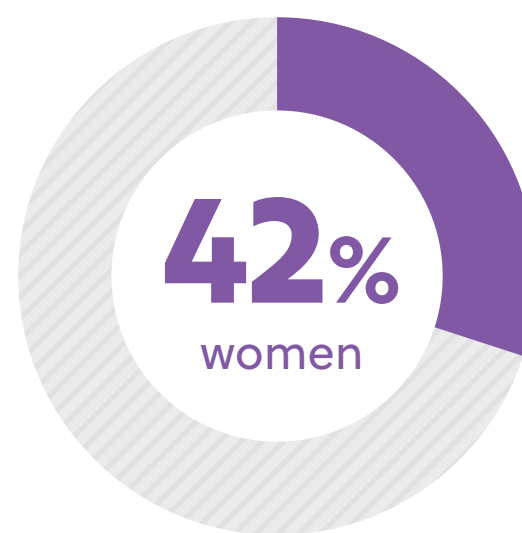
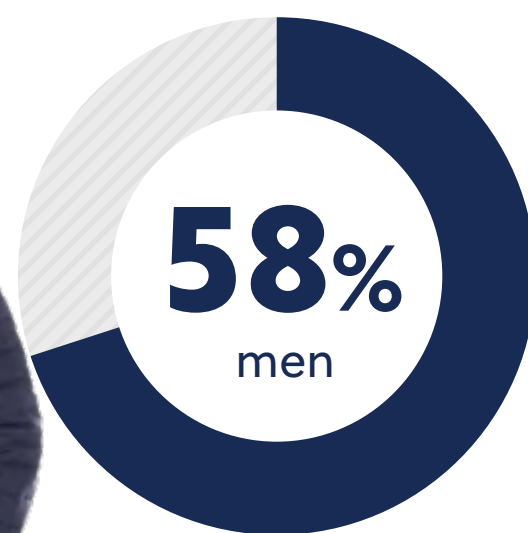


SUSTAINABILITY
GRUPO ELEKTRA 2023



2023 MILESTONES

+60,000
employees



2 women

independent members, who account for 50% of the independent members of Grupo Elektra's Board of Directors



19.4 h

of training on average
vwper employee

64.7% NPS

(Net Promoter Score at the close)
of 2023



In December 2023, we issued **MXN2.5 billion** in sustainability-linked bonds, linked to obtaining EDGE certification for 205 contact points between 2023 and 2029



Consumption of

82 GWh

of energy from renewable sources,
equivalent to 124,589 GJ



12,796

volunteers and **32,892 hours**
of volunteer time

MXN \$2,066,866

in cash donations through the "Hoy por ti" initiative to support people whose homes were **lost or damaged in hurricane Otis in Guerrero**



\$15,664.5

million pesos in supplier payments in 2023;
91.9% were local



Tiendas Elektra

Solar panel systems installed in 4 stores, with a capacity of 155.4 kWp

Excellence in Design for Greater Efficiencies (EDGE) certification of the **first 5 Tiendas Elektra** contact points that include a Banco Azteca branch



Italika

610 road safety courses given by Italika in 2023; 16,382 customers served

1,759 employees trained in occupational health and safety; 62% men and 38% women

6% reduction in the number of accidents from 2022 and **45% from 2019**



Banco Azteca

Banco Azteca, Afore Azteca, Seguros Azteca and Seguros Azteca Daños all signed CONDUSEF's **Protocol on Service to the Elderly**

100% of our Banco Azteca branches have an **energy efficiency program and use renewable energy**

Second pilot exercise to measure **financed greenhouse gas (GHG)** emissions in the bank's loan portfolio, using the Partnership for Carbon Accounting (PCAF) methodology

Banco Azteca formally adopted the guidelines of the **Task Force on Climate-Related Financial Disclosures (TCFD)**



Message to readers

GRI 2-22

We are pleased to present Grupo Elektra's 2023 **Sustainability Report**, another example of our ongoing commitment to inclusive prosperity and its reflection throughout our business.

→ We are committed to the well-being of our stakeholders and to creating comprehensive value in economic, social and environmental aspects. We make sustainability an essential pillar of our corporate strategy.

We are a significant **force in the economy**, providing jobs for more than 70,000 employees. We also offer customers a variety of solutions for accessing world-class merchandise, improving their personal finances and businesses and providing them the tools they need for work and mobility.

We promote diversity and inclusion among our employees, enhancing our capacity for innovation and resilience. We help improve quality of life in the communities where we operate by offering high-quality products and services, improving the customer experience, and participating in programs that lead to better conditions for all of society.

We are aware that our operations have an impact on the environment, so we focus on initiatives to mitigate it and make more efficient use of resources.

2023 was a good year for Grupo Elektra, as we walk together to ward sustainability. Convinced of the importance of moving toward a more resilient economy, we issued an MXN2.5 billion sustainability-linked bond, tied to our pledge to obtain EDGE certification for 205 branches where Tiendas Elektra and Banco Azteca converge, between 2023 and 2029. At the end of the year, we had already certified five contact points, meeting the goal established for the first phase.

Also last year, Banco Azteca formally adopted the guidelines of the Taskforce on Climate-related Financial Disclosures (TCFD), which will support us in managing our exposure to climate risk through our loan portfolio, adapting effectively to the effects of climate change, and becoming more competitive.

We continue to promote a road safety culture in our operations as part of Italika's value proposition to customers, positioning our initiative as a benchmark in Mexico's automotive industry.

We invite you to learn about the actions we took in 2023 and to continue walking with us toward inclusive prosperity in all communities where we operate.



GRUPO



ABOUT US **Grupo Elektra**, S.A.B. de C.V., is a provider of financial and specialized retail services. We are currently the leader in Latin America and the largest provider of short-term non-bank loans in the United States. We are listed on the Mexican Stock Exchange under the ticker symbol (BMV:ELEKTRA*), and on the Madrid Stock Exchange (Latibex: XEKT). **GRI 2-1, 2-6**

[Learn more about our history here](#)



SUSTAINABILITY





OUR BUSINESSES

GRI 2-1, 2-6

Business Segments

Grupo Elektra has two business units: **RETAIL**, through which we provide access to products and services in physical and online stores, and **FINANCIAL**, with which we offer financial services to underserved sectors of the population.



RETAIL BUSINESS

We support access to affordable, high-quality products and services for customers at the base of the pyramid, through Tiendas Elektra, Salinas y Rocha, Elektra Motos and e-commerce.



Tiendas Elektra

<https://www.elektra.mx/>

SASB CG-MR-000.A

This specialty retailing business offers online products and a wide range of affordable high- quality merchandise and services at affordable prices.

Elektra and Salinas y Rocha

Tiendas Elektra are focused on income segments classified as "C" and "D+" in Latin America, and Salinas y Rocha on the "C+" and "C" segments in Mexico.

Products and services:

Electronics, small and large kitchen and household appliances, furniture, motorcycles, cell phones, computers, entertainment, airtime, and others, as well as wire money transfer services.

[Learn more in the Tiendas Elektra annex](#)

1,258

contact points
in Mexico

120

contact points in Guatemala,
Honduras and Panama



Italika

<https://www.italika.mx/>

A 100% Mexican motorcycle brand—currently positioned as the number one in Mexico—that offers Mexican people an affordable means of transportation to facilitate their day-to-day personal and job activities.

The company operates two businesses: **Mobility**, which serves all Elektra channels supermarkets and distributors as well as online channels and **Industrias Italika**, which assembles motorcycles in Mexico.

We offer a differentiated value proposition and currently serve the fleet market through services such as special adaptations, DOT (certified helmets), extended warranties, GPS tracking and management services.

In 2023, we will open **38 new** tiendas Elektra Motos , with new formats and multi-brand sales, such as Italika, Hero, Benelli, Kymco and Suzuki.

[Learn more in the Italika annex](#)



→ We have an assembly plant in Mexico State, with a production capacity of more than 800,000 motorcycles per year. We have a service network of more than 1,000 motorcycle maintenance centers to guarantee the availability of spare parts for users.



FINANCIAL BUSINESS

Grupo Elektra's financial business is comprised of Banco Azteca (Mexico, Guatemala, Honduras and Panama), Purpose Financial (United States), Afore Azteca, Seguros Azteca and Punto Casa de Bolsa.



Banco Azteca

<https://www.bancoazteca.com.mx/>

With more than 20 years of experience and more than 30 million accounts, Banco Azteca is a Mexican bank that since its creation has been working for financial inclusion. We offer products and services for segments of the population that are underserved by other financial institutions, and we also have an international presence in Guatemala, Honduras and Panama

→ We signed the ABM's Common Bank Declaration on the development of green and sustainable finance. We are members of the Taskforce on Climate-related Financial Disclosures (TCFD).

Products and services:

Individuals: credit, personal loans, credit cards and savings options, investments, remittances and transfers, utility payments, foreign exchange, buying and selling silver ounces, correspondent banking, among others.

Companies: Business accounts, international transfers, Azteca payroll, third-party payments, referenced deposits and corporate credit.

[Learn more in Banco Azteca annex](#)

1,919

contact points
in Mexico

143

contact points
in Guatemala

75

contact points
in Honduras

15

contact points
in Panama



Purpose Financial

<https://www.havepurpose.com/>

Products and services:

Leading short-term non-bank financial company offering collateralized loans, installment loans and online loans to customers in the United States whose needs have not been met by traditional banking institutions.



Seguros Azteca

<https://www.segurosazteca.com.mx>

SASB FN-IN-000.A

Products and services:

We offer accessible and reliable insurance with guarantee of fast claim payout, to protect the health and property of segments of the population underserved by the traditional insurance industry, through accessible products that they can acquire in our Tiendas Elektra and business partners and which provide them with the protection they need. We offer digital customer service so that customers can access the service easily and quickly.

The protection we offer covers:

- Women's protection
- Migrant protection
- Covid-19

Goals and value proposition

Reliable backing. Our solidity allows us to provide economic backing in the face of any risk that companies and families may experience.

Committed to Mexico. We are convinced that protecting Mexico will bring prosperity to all of us (companies, government and families).

Proximity to the customer. We study the conditions facing Mexican companies and people on a daily basis, to create solutions that suit their needs.

Inclusive protection. Our insurance policies are: accessible (from \$1 a day), simple (to acquire and use) and reliable (with guaranteed fast payment).

Learn more in the sustainable performance annex.

[Learn more in the sustainable performance annex](#)



Afore Azteca

<https://aforeazteca.com.mx/>

Products and services:

Afore Azteca helps Mexican workers set aside funds for a dignified retirement, at affordable prices, and with a focus on improving their life after work.

In 2023, we created web and smartphone Afore access, where customers can make registrations, transfers, withdrawals, data changes, account statement requests, balance summaries and voluntary contributions.

[Learn more in the sustainable performance annex.](#)



Punto Casa de Bolsa

<https://www.puntocasadebolsa.mx/>

SASB FN-IB-000.A

Serves individual and corporate customers by providing strategic advice and solutions including capital raising, risk management and trade finance to businesses, institutions and governments.

Products and services:

- **Investment banking:** large and mid-sized companies seeking securities-market financing.
- **Wealth Management:** individual and corporate customers with a portfolio value over one million pesos.
- **Institutional customers:** Afores, insurance companies, mutual funds, trusts, and others.
- **Others:** services focused on a brokerage firm's target audience (individuals and corporations).

[Learn more in the Sustainable Performance](#)

[annex](#)



SUSTAINABLE VALUE

- › Sustainability model
- › Materiality





Driving sustainable value

GRI 2-23, 2-24, 2-25

Grupo Elektra works to create value and bring well-being to millions of families based on an inclusive business vision that provides opportunities to internal and external stakeholders, and preserves the environment.

We have numerous programs through which we act as an agent of change in building economic, social and environmental value, because we not only create jobs and wealth, but we also contribute to the transformation of the communities where we operate.

In 2023, these efforts included:

› Sustainability-linked bond

In December 2023, Grupo Elektra issued MXN2.5 billion in sustainability-linked bonds, whose coupon is dependent on our obtaining EDGE certification for 205 contact points between 2023 and 2029. To achieve this certification, we intend to reduce the negative environmental impact of our operations through thermal insulation materials at contact points, LED lighting, energy-saving air conditioners, programmable thermostats, water consumption moderation systems, reduction of materials used to build our properties, and waste separation.

[Learn more in the Sustainable Performance Annex](#)

› EDGE Certification

In pursuit of the target set for the sustainability-linked bond described above, we achieved EDGE certification of five Elektra Store contact points that included a Banco Azteca branch. This certification—which stands for Excellence in Design for Greater Efficiencies—is an initiative of the International Finance Corporation (IFC) and requires a minimum 20% reduction in the use of energy, water and embodied carbon in building materials compared to a standard local branch.

[Learn more in the Sustainable Performance Annex](#)



› Environmental risk measurement and management strategy (TCFD)

Banco Azteca makes ESG risk assessment an integral part of our strategy, culture and day-to-day operations. We have a Responsible Investment Policy that mandates the incorporation of ESG risk factors into investment decision-making processes in order to make profitable and sustainable investments in the long term that simultaneously generate environmental and social impact.

We are also in the process of developing a Responsible Lending Policy, which incorporates environmental and social risk management into the business decision-making process of our Commercial Banking, prioritizing climate, environmental and social risks, as well as the calculation of financed emissions.

All of this will be incorporated into the Environmental and Social Risk Management System (SARAS), under a comprehensive management framework methodology that includes policies, procedures, tools and training strategy for our employees. Risk tracking is reported to the Risk Committee every six months.

[Learn more in the Banco Azteca Annex](#)



› Partnership for Carbon Accounting Financials (PCAF)

Grupo Elektra believes in the importance of collective action for mitigating the impact of climate change on society and the environment. That is why Banco Azteca had pledged to disclose climate-related information through annual reports on its GHG scope 1, 2 and 3 (business travel) emissions, strengthening accountability and creating tools for decision making that are part of our active engagement in the fight against climate change.

In addition, in keeping with our commitment to the environment, in 2022 Banco Azteca conducted its first analysis of financed emissions, using the methodology suggested by the Partnership for Carbon Accounting Financials (PCAF), an international organization of financial institutions working to develop and implement a harmonized approach to assessment and disclosure of GHG emissions associated with loans and investments.

[Learn more in the Banco Azteca Annex.](#)



› Gender Unit

We created a Gender Unit in 2019, and since 2021 it has been serving all Grupo Salinas businesses. Its purpose is to ensure that everyone working in this group has a safe, violence-free workspace, especially for priority attention groups, by assisting, guiding, channeling and counseling people as required by their specific circumstances.

In 2023, Convention 190 on violence and harassment, by the International Labor Organization (ILO), came into force, a milestone for labor rights in Mexico because it mandates the incorporation of eliminating violence and sexual harassment into the corporate responsibility agenda. In this way, Grupo Salinas has once again positioned itself as a benchmark in the Mexican private sector and with international organizations such as the ILO.

[Learn more about the Gender Unit here.](#)

› Energy Management System (SIGEN)

SIGEN is a Grupo Salinas tool that stores all the information regarding the electricity consumption of its member companies.



› United Nations Global Compact

Since 2018, Grupo Salinas has been a signing member of the United Nations Global Compact, signaling our commitment to inclusive prosperity through the creation of economic, social and environmental value.

We support the Ten Principles of the Global Compact, which cover best practices in the areas of human rights, labor standards, environment and anti-corruption in the operations of the companies that make up Grupo Salinas, including those of Grupo Elektra. Our purpose is to have a positive impact and help resolve some of the main problems that afflict the planet and society, which are currently on the international agenda.

[Learn more about Grupo Salinas' commitment to the Global Compact](#)

› Photovoltaic project

As part of our energy efficiency project, in 2021 we started up a pilot project at four branches, by which we avoided the release of 955 metric tonnes of CO₂e. Building on this pilot project, we plan to gradually incorporate more branches into this system.

We have four branches with solar cell systems installed, with a capacity of 155.4 kWp.



SUSTAINABILITY MODEL

GRI 2-22

Grupo Elektra wants to be sure that our operations have a positive impact on sustainability, which is why each of our businesses has its own Sustainability Model, designed according to its operations. The models are organized along three strategic pillars, aligned with our philosophy of inclusive prosperity: social value, economic value and environmental value. Through these, we define the action lines and/or commitments and targets in order to be consistently work toward the Sustainable Development Goals in all communities where we operate.





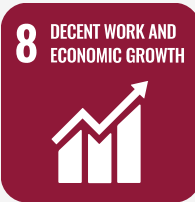
ACTION LINES

Commitment to economic competitiveness

We are committed to integrity and transparency in all operations, ensuring that our processes and practices are in full compliance with relevant laws and regulations, and with our own high ethical standards.



Logistical efficiency



Process digitalization

Stakeholder engagement

Since our inception, we have been working for financial inclusion and access to affordable products, which we have achieved by bringing financial services to people underserved by other banking institutions. We also strive at all times to bring well-being to the communities in which we operate, through projects that contribute to health, education and access to basic services, and through employee advancement and quality of life.



Omnichannel and product and service accessibility



Innovation

Commitment to the environment

Through various actions, we seek to minimize the environmental impact of our operations, adopting sustainable practices to preserve the environment, care for natural resources, and mitigate climate change for present and future generations.

We have aligned the pillars of our sustainability model with the Sustainable Development Goals, in order to make our contribution to these goals known and to be able to instill our commitment to sustainability throughout the company.



Business model resilience and adaptability

SUSTAINABILITY MODEL

ACTION LINES

Commitment to economic competitiveness



Stakeholder engagement



Commitment to the environment





› Dual materiality

GRI 3-1, 3-2

In 2023, we updated our materiality study to identify the relevant material aspects to be considered in our strategy, as well as in the Sustainability Model for Grupo Elektra and each of the businesses, along with the topics to be reported in the 2023 Sustainability Report. This is the first time we conducted this dual materiality exercise. For reference purposes, we first conducted a comparative study of maturity of our peers in the retail, mobility and financial sectors, as well as the risk found in by the requirements established by sector and social benchmarks – both binding and voluntary - in economic, social, environmental and governance (ESG) matters.

We also reviewed the public information of ten relevant companies, four in the financial industry, three in the retail industry and three in the automotive industry, along with the indicators and requirements of eight industry benchmark-setters and the review of public information, indicators and requirements of eight social benchmark-setters, in order to determine the level of maturity of Grupo Elektra in its industry.

ESG metrics from the S&P Corporate Sustainability Assessment (CSA) global evaluation were also considered for this study, which allows us to compare Grupo Elektra's performance against other companies, both in the industries analyzed and in other lines of business.

Another consideration for the analysis were the 13 material topics identified by SASB for financial, asset management and custody activities, commercial banking, consumer finance and insurance, consumer goods, e-commerce, specialty and multi-line distributors and retailers, and transportation and automotive industries, in addition to the applicable GRI sector indicators.

This study centered around the concept of dual materiality, made up of the following elements:

Financial materiality	Impact materiality (Environmental, Social and Human Rights)
Based on the guidelines of the Sustainability Accounting Standards Board (SASB). Refers to the identification of issues that have a financial impact on the company, i.e., that influence investment or lending decisions, based on assessments of the financial results and the value of the company. In other words, issues which may cause or may give rise to risks or opportunities that affect future cash flows and, therefore, the value of the company in the short, medium and long term.	Based on the guidelines established by the Global Reporting Initiative (GRI). Refers to the identification of issues that reflect the most significant impacts, actual or potential, on the economy, environment and people, including human rights, in the short, medium or long term. These are those impacts caused directly by the company or which may exist in its value chain.

» Stakeholder engagement

GRI 2-29

The material topics we defined were then vetted by stakeholders, who assigned a level of importance to each of them. To do this, we prioritized them based on the AA1000 Sustainability Assurance Standard, which defines a series of requirements and best practices for high quality stakeholder engagement and commitment, which allowed us to:

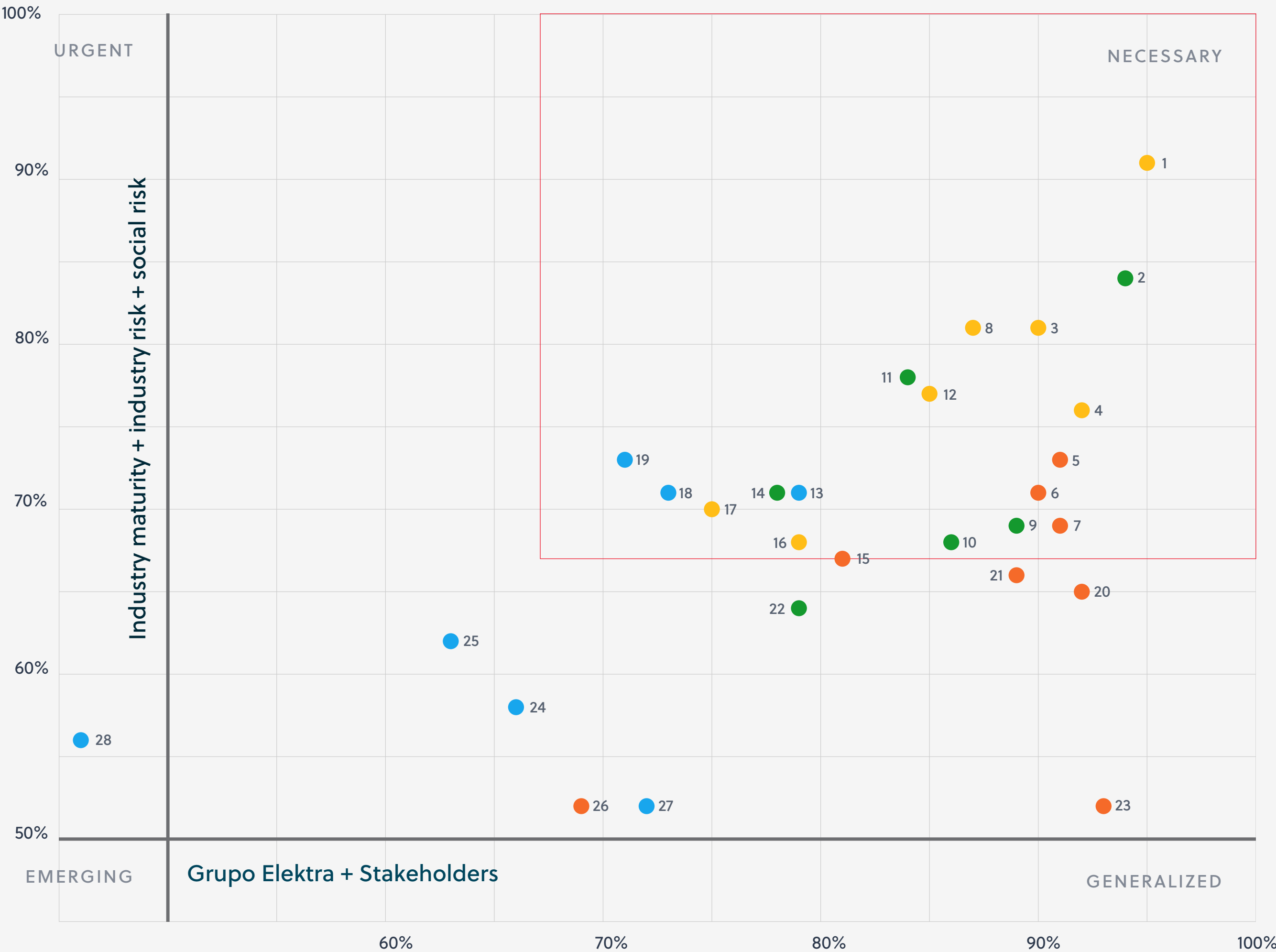
- Define priority groups - those that have the greatest influence on the company or are significantly impacted by it.
- Identify the frequency with which we should communicate with each stakeholder group.

1 Money-laundering/fraud prevention	16 Cybersecurity
2 Brand management	17 Corporate governance
3 Ethics and integrity	18 Climate change
4 Corporate social responsibility (CSR) / Sustainability / ESG	19 Environmental policy/environmental management system
5 Human rights	20 Supplier standards
6 Health and safety	21 Social impact
7 Human capital development	22 Operation
8 Risk management	23 Financial inclusion
9 Customer relationship management	24 Waste management
10 Product and service development	25 Water stewardship
11 Financial topics	26 Talent attraction
12 Corruption, bribery and transparency	27 Materials
13 Energy eco-efficiency	28 Biodiversity
14 Operating efficiency	
15 Diversity and equality	

Materiality matrix

The material aspects of Grupo Elektra are shown below:

● Economic ● Environmental ● Social ● Governance


















Dimension	2023 Material topic	2021 Topic
Economic	Brand management*	N/M
	Financial issues	✓
	Operational efficiency	✓
	Product and service development / product responsibility	✓
	Customer relationship management*	✓
Environmental	Environmental policies / environmental management system	N/A
	Energy eco-efficiency*	N/M
	Climate change and other atmospheric emissions*	N/M
Social	Human capital development	✓
	Occupational health and safety	N/M
	Diversity and equal opportunity	N/M
	Human rights	N/A
Governance	Corporate social responsibility (CSR) / Sustainability / ESG Management*	N/M
	Corporate governance	✓
	Risk management	N/A
	Cybersecurity	N/M
	Ethics and Integrity	✓
	Corruption, bribery and transparency	✓
	Money laundering / fraud prevention*	N/A

✓ NM: Topic not material in 2021. NA Not applicable (not included in the 2021 analysis). * High-impact topics, meaning those that were most valued by stakeholders and to which the company pays the most attention. Financial inclusion and supplier standards were added to the listed topics.
















Correlation of material topics with the Sustainable Development Goals

We then correlated each of the resulting material topics with the SDGs, in order to identify the areas of the 2030 Agenda to which Grupo Elektra contributes through its actions.

	2023 material topic	Description
Economic dimension	Brand management*  	The search for a recognizable and unique positioning in the minds of customers, based on responsible communication and advertising, consistent with the company's values and compliant with applicable legislation and voluntary codes.
	Financial issues    	The set of indicators that allows for an understanding of the company's financial situation and performance, as well as the most important factors in investment decisions.
	Operational efficiency 	The company's ability to optimize its processes and offer high-quality goods or services in the shortest possible time and at the lowest possible cost.
	Product and service development / product responsibility  	Design of innovative products and services based on high quality standards, under environmental, social and technological criteria, ensuring an understanding of the customers' needs.
	Customer Relationship Management*     	The strategy of focusing on the customer, in order to guarantee a unique experience based on their satisfaction and well-being when using the company's products and services. It includes protection of the customer's data privacy and the responsible management of their information, in accordance with applicable laws.
Environmental	Environmental policies / environmental management system 	The guidelines and commitments that lead the company towards regulatory compliance, mitigating the negative impact of its operations and capitalizing on opportunities for environmental improvement.










Environmental dimension

Social dimension

2023 material topic	Description
Energy eco-efficiency* 	The set of practices to optimize energy consumption, promoting responsible consumption and the reduction of emissions derived from operations, ensuring the comfort and productivity of the properties' occupants.
Climate change and other atmospheric emissions* 	One of today's most pressing global issues. It is defined as the modification of temperature and other climate variables. For the purposes of the materiality study, it considers emission monitoring and mitigation practices, as well as the formulation of a clear strategy against climate change.
Human capital development  	Programs to develop employee skills and competencies to ensure they do their jobs as required and can advance themselves within the company, in long-term career planning and transparent performance evaluation processes.
Occupational health and safety  	The guidelines and practices that guarantee the physical, mental, social and emotional well-being and integrity of employees, including measures to avoid occupational risks, unsafe conditions and incidents.
Diversity and equal opportunity  	The set of best practices for ensuring equality in access to employment opportunities, treatment and advancement, regardless of race, gender, age, ethnicity, education, religion, sexual orientation, ideology, or physical or mental condition.
Human rights   	The fundamental rights and freedoms that recognize and protect the dignity of all human beings. Businesses should consider each and every one of the human rights on which they may have potential impacts and implement practices to promote responsible behavior, with special focus on the risks that affect these rights.
Supplier standards*    	The guidelines established by the organization to ensure compliance, sustainable management and resilience of the supply chain.

Social D.

Governance

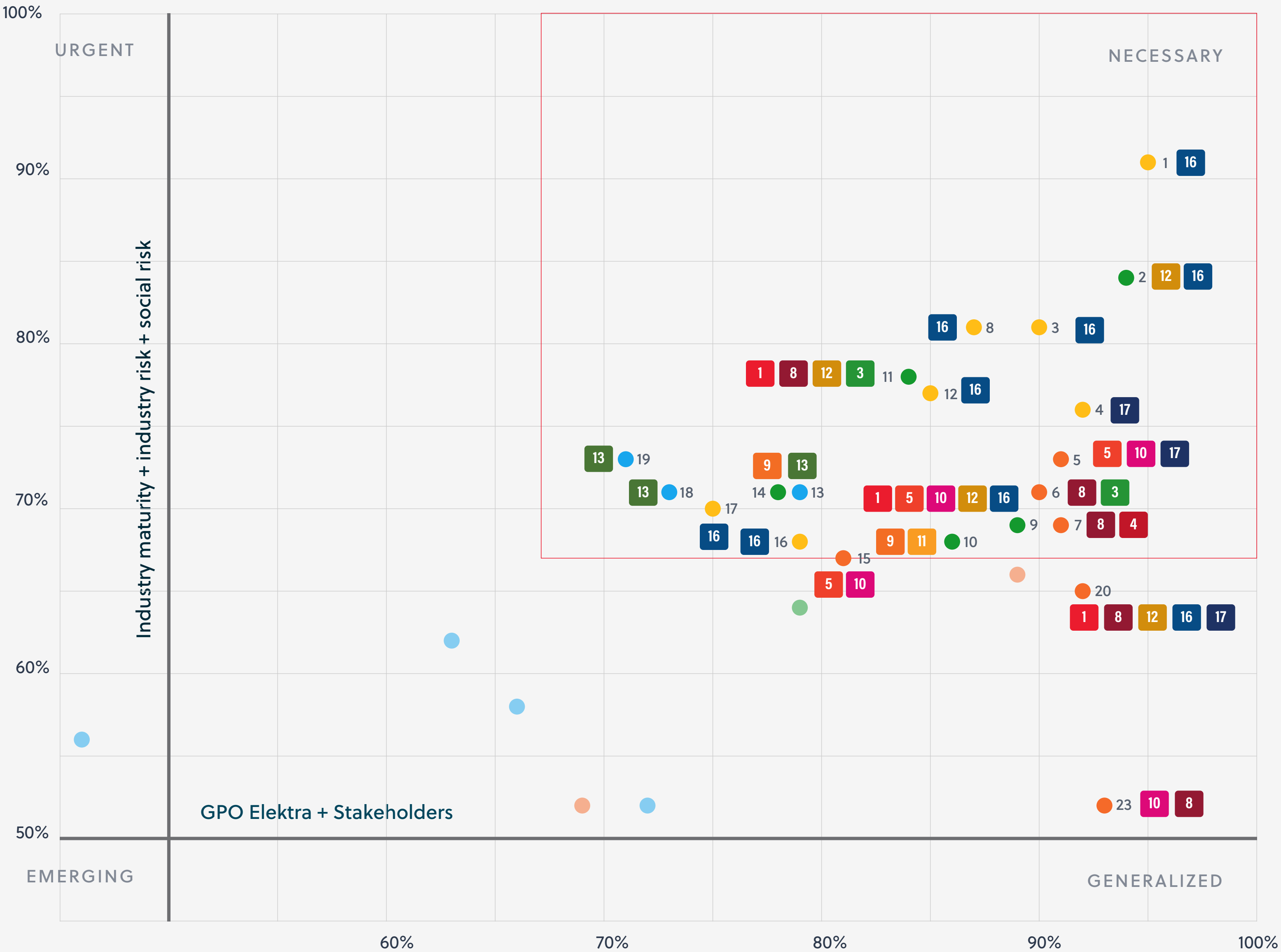
2023 material topic	Description
Financial inclusion*  	Availability and accessibility of financial services for all individuals and households, especially those who have traditionally been excluded from formal financial services.
Corporate Social Responsibility (CSR) / Sustainability / ESG Management* 	The set of processes and tools to plan and execute the establishment of sustainable policies, ESG criteria, targets to measure annual progress towards the goals set and the implementation of best practices in sustainability.
Corporate Governance 	The framework of rules, principles and procedures that determine the structure and operation of the company's governance bodies and lead it towards incorporation of the ESG strategy.
Risk management 	The process for identifying, assessing, controlling, responding to and mitigating risk factors that could threaten the company's operational continuity or assets.
Cybersecurity 	The set of procedures, tools and practices to protect systems and digital and critical information, in order to ensure the company's operational continuity, compliance with regulations and the trust of stakeholders, especially customers.
Ethics and Integrity 	The set of principles and values that incorporate the organizational culture and guide the company's conduct in its interaction with stakeholders: employees, investors, authorities, customers, community, among others.
Corruption, bribery and transparency 	These are the measures and instruments established by the company to address acts of corruption and bribery, in addition to promoting transparency and regulatory compliance.
Money laundering / fraud prevention* 	The set of measures that allow the company to strengthen its internal control, know the customer and identify vulnerable activities, in order to avoid participating in transactions with resources of illicit origin.

*High impact issues

Matrix of material topic correlation with SDG

1. Money-laundering/fraud prevention
2. Brand management
3. Ethics and integrity
4. Corporate social responsibility (CSR) / Sustainability / ESG
5. Human rights
6. Health and safety
7. Human capital development
8. Risk management
9. Customer relationship management
10. Product and service development
11. Financial topics
12. Corruption, bribery and transparency
13. Operating eco-efficiency
14. Operating efficiency
15. Diversity and equality
16. Cybersecurity
17. Corporate governance
18. Climate change
19. Environmental policy/environmental management system
20. Supplier standards
23. Financial inclusion

• Economic • Enviromental • Social • Governance





INCLUSIVE BUSINESS

- › Hurricane Otis
- › Customer experience
- › Economic performance





Inclusive business

HURRICANE OTIS

In October 2023, the city of Acapulco, Guerrero was hit by one of the strongest meteorological phenomena in Mexican history: Hurricane Otis. The disaster had far-reaching economic, social and environmental consequences. Grupo Elektra joined forces through its various businesses and their employees to support the people of the area, through various initiatives and donations.

Grupo Salinas's "We Are Family" program extended support to employees affected by Hurricane Otis through the following actions:

- We supported and assisted **2,200 employees** and their families.
- We donated **MXN6 million** in food supplies during the emergency.
- We conducted a headcount of **888 homes** to allocate economic support.

Within the work of Fundación Azteca, we set up a collection center at TV Azteca's facilities for victims of Hurricane Otis, from October 30 to November 1. We collected 60 metric tons of food, personal hygiene and cleaning products, which were sent to the Mexican Red Cross in 800 labeled boxes..



→ **MXN 2,066,866**
in cash donated through the
"Hoy por ti" initiative.



› Grupo Elektra

Grupo Elektra mobilized resources and efforts to respond effectively to the emergency and support employees, customers and the general public. We identified which of our people were located at the hurricane's "ground zero" and took swift action to protect them.

"We found ourselves with no electricity, cut off, facing food and fuel shortages, **but we never felt alone**".

The central teams of Elektra Network Operations--Maintenance, Security, Physical Protection, Telecommunications, Technical Support, C4, Legal, and Business Continuity--met in an emergency joint chat to inform everyone involved of the activities and to determine the extent of the impact.

The Red Única Elektra department activated its "war room" with part of the management team to create business recovery strategies.

The Business Continuity team participated initially in the War Room by providing a crisis checklist, containing the areas involved, a contact and the activities assigned to it, in order to obtain results in an organized manner and reinforce follow-up; in this forum, a progress report was made for each session, to identify each of the points of sale affected and the status of their recovery.

Support for employees:



› Grupo Elektra

- To locate employees who were cut off from communication in the disaster zone, the Well-being Area prepared a headcount of personnel and made telephone calls to locate them and determine their situation. To reinforce the search for 940 contacts from which no response came, the Business Continuity area sent out SMS messages and flash messages by which they could respond and tell us about their status. This yielded 83 positive contacts informing us of physical injury or damage to property.
- Application and availability of support and benefits for employees:
- Four weeks' guaranteed salary for employees in a crisis situation.
- Advance of 60% of Christmas bonus.
- Automatic release of payroll.
- Extension of the funeral assistance benefit for employees' family members, free of charge.

The Grupo Elektra Network, in conjunction with Legal and Audit, implemented strategies to report armed robberies of our branches, filing reports with the Public Prosecutor's Office and compiling necessary evidence of the physical damage suffered due to the theft of merchandise, money and valuables, valuable furniture and equipment, etc.

› Tiendas Elektra

- We applied strategies to recover property in the affected branches and to ensure employee safety.
- We provided support to Regional and Zone Directors for repairing and rebuilding damaged homes, so that they could focus on their work.

› Italika

- 30% of Ensamblika's personnel donated their Tiendas Neto Christmas grocery card to victims of the hurricane.

› Banco Azteca

Through official social networks and external media, we publicized the benefits Banco Azteca was providing to the families of those affected.

"I was a victim of Hurricane Otis. I lost my belongings and my home, but I'm happy and content to be part of Grupo Salinas. I hope Mr. Ricardo Salinas can see my message, thank you for never leaving us alone here in Acapulco, we can feel the help we receive as employees of Banco Azteca. Thank you for the basic food supplies and for the support that your entire team has provided. It is an honor to be part of this beautiful Group".

Octavio Hernandez / Financial Services Advisor

› Afore Azteca

To support employees affected by the hurricane, we continued paying their salary until they were able to return to work.



Customer support:



› Grupo Elektra

- We mobilized adjusters to head for the affected areas to document in record time the losses and damages to our branches, points of sale and third party stores where we had a presence.
- On October 30, we began rebuilding our contact points in an effort headed by our Construction and Maintenance teams who were tasked with repairing and putting into operation the 25 locations that were damaged.

› Tiendas Elektra

As soon as possible after the hurricane ended, we began the work of resuming branch operations. On October 30, we reopened the MEGA Coyuca de Benítez store, and we were the first chain with a national presence to resume operations in just 17 days. On November 15, we reopened the last store and fully resumed operations, making us a benchmark for team resilience and commitment to society.

› Banco Azteca

The Business Continuity area issued reports as requested by the CNBV and the ABM regarding the affected branches and the manner in which operations were gradually restored.

On October 30, we became the first financial institution to resume operations after the hurricane.

Through official social networks and external media, we publicized the services we provided to customers following the disaster, such as:

- Money transfers, balance inquiries and withdrawals with cards from other banks at no charge.
- Gift voucher of MXN150 for money transfers from the United States.
- Extension of Somos Account benefits to all customers (medical care and psychological counseling).

For two months, we gave all Banco Azteca deposit product customers access to medical, legal and psychological counseling (by telephone and online) free of charge, and we opened a communication channel to help them with any need they might have during the emergency. This assistance was channeled through our business partner Iké, which supports us in extending this type of benefit to our customers.

"I answered the call from our leaders to clean up the branch so we could reopen as soon as possible..."

› Seguros Azteca

During Hurricane Otis, Seguros Azteca enabled an option within the Interactive Voice Response (IVR) system for assisting policyholders more quickly and for receiving the required documentation to support the claim so they could get paid more quickly.

› Afore Azteca

Some customers were unable to access their retirement savings during the emergency, so we supported them by keeping channels open for their AFORE procedures through digital means and through other branch offices and contacts.

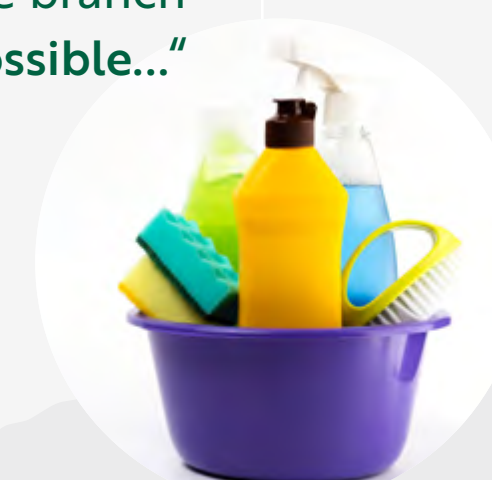
› Punto Casa de Bolsa

The brokerage firm carried out several collection campaigns in its offices, and raised substantial amounts of donations—cash and in-kind—for the hurricane's victims.

"...I am grateful because my job was waiting for me, the leaders and the company were willing to help me return to work."

With my elektravales vouchers, I bought appliances, and with the cash I bought materials to gradually rebuild my house".

Gema Izabeth Marquéz Mendoza / Universal Cashier





OUR REASON FOR BEING

Products Inclusive

GRI FS13, FS14

Grupo Elektra was created to meet the needs of the communities where we operate and help better their quality of life. The businesses that make up the group seek to be agents of change, promoting development and well-being at all levels of society.

GRI FS13

We have 205 access points in locations with populations of less than 10,000 inhabitants, according to the 2020 INEGI Population Census, and 380 access points in municipalities with extreme or moderate poverty indexes, according to CONEVAL's 2020 Measurement of Poverty in Mexico's Municipalities.

We also promote the inclusive prosperity of various groups whose contribution to the economy is crucial for progress, for example women. According to the Financial Inclusion Database of the National Banking and Securities Commission (CNBV), at the close of September 2023, women held 64,307,489 bank accounts and 31,371,760 loans, 1.42% and 0.95% higher than men, respectively. This is one reason we want to empower them financially and support their financial freedom through inclusion in the financial system.

"I first heard about the "Aprende y Crece" program on television. Before taking the program, I had some debt and now, I'm saving much more."

I've participated in the financial education program for customers and what I like most is that it's available online; because of that and all the benefits it has, I highly recommend it."

María Guadalupe Gómez Morán
71 years old / Pensioner

[Learn more in the Banco Azteca Annex.](#)

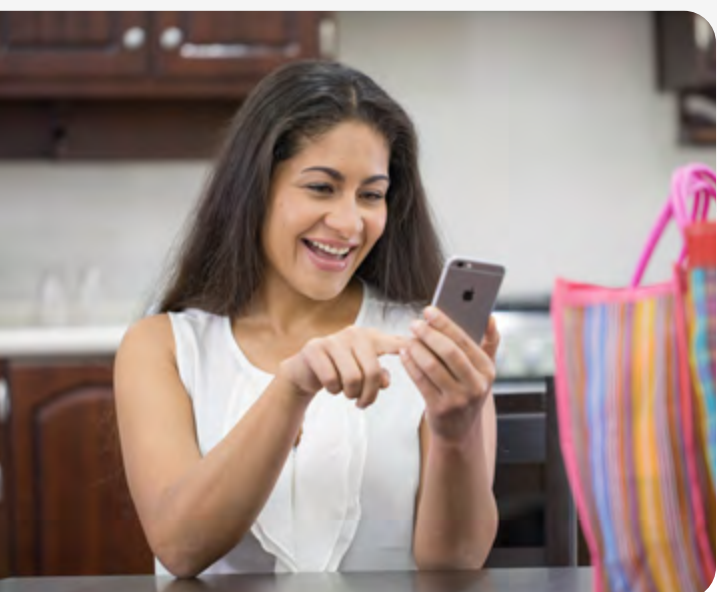
According to INEGI, 1.7 million new Mexican business were created between 2019 and 2023, and 19% of business owners are women.

INEGI's National Occupation and Employment Survey (ENOE) shows that in the last quarter of 2023, 46.5% of the economically active population (EAP) were women, 2.9% of them were employers and 22.9% were self-employed. These data show that entrepreneurs, and especially women, play a fundamental role in the Mexican economy. That is why we want to provide them with access to work tools for creating and growing their businesses, facilitating their mobility and their access to high-quality goods at affordable prices, so they can work for a better quality of life for themselves and their families.

› Financial Education: Aprende y Crece

Banco Azteca was born with the vocation of including all those people who have been excluded from the traditional financial system, which is why we make financial inclusion a priority.

With this in mind, in 2014 we created the "Aprende y Crece" Financial and Business Education Program, which teaches customers and the general public about the proper management of personal finances and fosters an entrepreneurial culture.



"I opened my Somos account more than a year and a half ago. I wanted to have a savings account, and my daughter said it would not only help

me save money but came with other benefits that interested me, like medical visits and tests, which I recently took advantage of.

The Somos account **motivates me to keep on saving**, to keep my money safe, and it to take care of my health. I have more peace of mind knowing that I have the care of specialists and protection at all times; and it's free, so I can use that money for other needs.

Although I don't go the bank often, because I do most of my banking on the app easily, securely and quickly, the personal service I've have received has been very good.

I highly recommend the Somos account. **It's a great opportunity to save and take care of myself, because as they say, we're what's most important."**

Guadalupe Ticante Gómez
51 years old / Housewife

[Learn more in the Banco Azteca Annex](#)

› Inclusive deposit: Somos Account

This is a high-value product whose goal is to improve quality of life for women. It offers various benefits, such as access to:

- Annual medical check-ups, including mammograms, Pap tests, 27-element blood chemistry and blood biometry.
- Doctor's visits with specialists such as gynecologists, ophthalmologists and pediatricians.
- Medical, legal and psychological counseling.
- Promotions and discounts.
- Financial Education Workshops.

› Build your own business

We promote inclusive prosperity by bringing affordable products to thousands of families, and by offering small business owners an extended range of specialized products on the [elektra.mx](#) platform to support self-employment, and also to grow their businesses with Elektra loans.

[Learn more in the Tiendas Elektra Annex](#)

› Road Safety

In addition to offering a work tool and mobility options at affordable prices, Italika is firmly committed to road safety. Healthy coexistence in our cities is a vital concern, which means mutual respect among pedestrians, cyclists, motorcyclists, motorists and public transportation users. Only then can we freely and safely enjoy our right to mobility. With this in mind, Italika has various activities that foster a more widespread awareness of road safety culture.

[Learn more in the Italika Annex](#)

› Baz Entregas

SASB CG-EC-410a.1

We offer logistics services supported by a network of Distribution Centers (CeDis), logistics hubs, automated warehouses and delivery centers strategically located throughout Mexico, and a newly upgraded transportation fleet operated by trained personnel.

Baz Entregas' strategy addresses various areas, such as:

- Responding to the e-commerce boom
- Reducing costs
- Guaranteeing a superior shopping experience
- Bringing our customers the best product offerings at affordable prices
- Reducing our carbon footprint
- Using resources of all types and our infrastructure efficiently.

[Learn more in the Tiendas Elektra Annex](#)



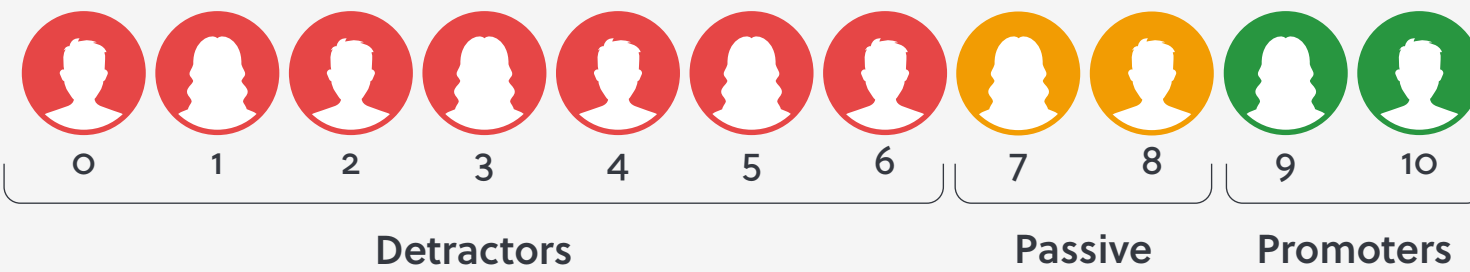
Customer Experience

At Grupo Elektra we aim to provide the best customer experience, which is why we have tools, protocols and procedures in place to guarantee their satisfaction and loyalty. We have teams responsible for various activities:

- **Transformation** of customer service at the point of sale.
- **Incorporating** digital technology to the physical customer experience.
- **Construction** of an orderly model of customer communications, to make them feel close and cared for.
- **Customer service** and customer's-voice model to analyze customer satisfaction indicators.

› Net Promoter Score (NPS)

We pay close attention to this indicator, because it gives us an idea of what customers are thinking. We conduct quarterly surveys, asking customers, on a scale of 1 to 10, how willing they are to recommend the products and services of each of the businesses that make up Grupo Elektra. The scale is calculated as follows:

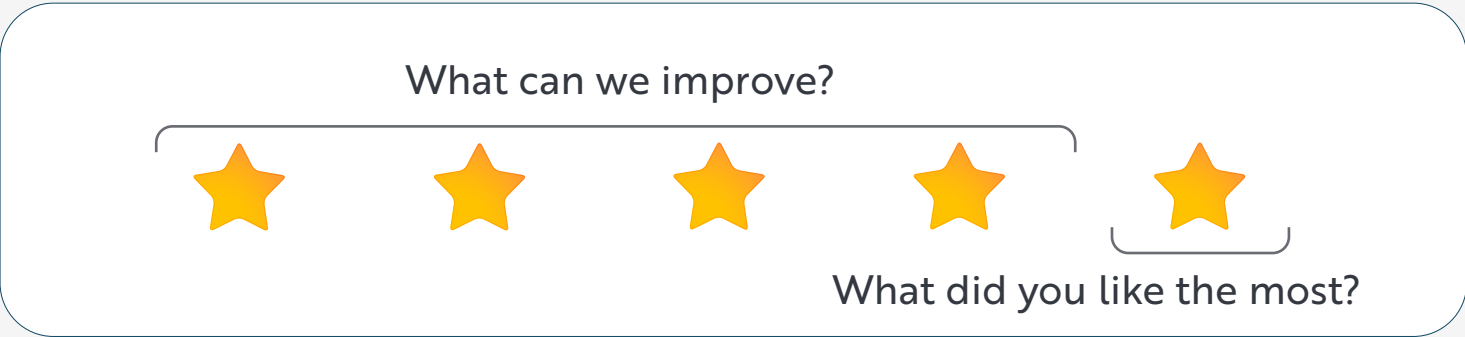


$$\text{NPS} = \frac{\% \text{ Promoters}}{(9 \text{ y } 10)} - \frac{\% \text{ Detractors}}{(0 \text{ a } 6)}$$

NPS of 64.7% at the end of 2023

› Service Stars

This program was designed to evaluate how satisfied customers are with their interaction with a Grupo Elektra agent, on a scale of 1 to 5. In 2022, this program began with a single survey to evaluate seven types of advisors; in 2023, we consolidated our Service Stars program and began evaluating eight types of advisors with customized questions by type of position and type of transaction. The scale is organized as follows:



This program is particularly important because it is comprehensive: in addition to learning our customers' opinion, it gives us information on how our employees in the field are performing based on volumetrics, allowing us to make recognition or incentive decisions.



Relationship portfolio managers may make two types of visit to customers whose loans or credits are not immediately approved. The first visit is to confirm the information provided, and once verified, the applicant is notified of the availability of the product. At the end of this first visit, the applicant receives a Service Stars survey via WhatsApp.

The second visit can take place when the customer is late in their payments, as a collection reminder. At the end of that visit, the customer receives another Service Stars survey via the same channel.



30.06% growth of the WhatsApp channel for sending Service Star surveys and personalized questions to the Business Units.

We have an excellence chart, which we use as a basis to grant incentives to advisors and managers who show outstanding performance, which is awarded to them in a quarterly bonus called Network Excellence.



Complaint processes:

Grupo Elektra has several channels for fielding complaints from customers:

- Línea Azteca Call Center
- Social media
- SMS
- Emails
- App
- Service Stars

Additionally, and depending on the nature of the incident, we have two processes for addressing customer requests:

- Complaints related to the retail business, concerning qualitative issues of the service, such as attention, guarantees, deliveries, among other aspects.
- Inquiries from customers in the financial business concerning monetary transactions, which are regulated by CONDUSEF. In such interactions, the customer may be entitled to a refund.
- Our goal is to address complaints and clarifications within a maximum of 24 hours and identify the root cause of the claims, in order to take the necessary mitigation actions to avoid the recurrence of incidents.

[Learn more about our process for channeling customer inquiries.](#)

GRI 417-1, 417-3

→ There were no cases of non-compliance related to marketing communications or product information.



Innovation and omnichannel experience

At Grupo Elektra we are committed to innovation and a customer-centric strategy, so that we can guarantee the best experience.

We provide solutions to our customers that allow them to:

- Shop from any device—smartphone, tablet, computer, telephone—or directly at an Tiendas Elektra.
- Use any payment method, online and offline, including Banco Azteca credit.
- Shop at the stores' digital zone, which includes tablets for assisted sales and computer kiosks.
- Access an extended catalog and products from other merchants through the Marketplace expansion.
- Take delivery of their products free of charge at home or in our stores.



→ There were no monetary losses as a result of legal proceedings related to customer privacy during the year.

→ There were no leaks, theft or loss of customer data in 2023

Customer Privacy

GRI 3-3, 418-1

SASB CG-EC-220A.1, CG-EC-220A.2, CGEC-230A.1,

CG-EC-230A.2, CG-MR-230a.1, CG-MR-230A.2,

FN-CF-220A.2, FN-CF-230A.1, FN-CB-230a.1, FN-CB-230a.2, FN-CF-230A.3,

FN-IN-270A.1, FN-AC-270A.2

We know how important it is to protect the privacy of our customers' information. We have technical, organizational and legal measures in place for protecting their data and make sure we use it responsibly.

We manage customer data privacy as required by the Federal Law for the Protection of Personal Data Held by Private Parties, and according to the principles of transparency, legality, consent, quality, purpose, proportionality and responsibility.

We take the steps necessary to protect the privacy of customer data:

- We obtain customers' express consent before collecting or using their personal data.
- We inform customers of the purpose for which their personal data is collected.
- Use personal data only for that stated purpose.
- We take the necessary information security and cybersecurity measures to protect personal data against unauthorized access, misuse or disclosure.
- We allow customers to access rectify, cancel oppose their treatment of their personal data (ARCO rights).

We have a comprehensive privacy notice that informs customers about their data privacy rights. It is available on the bank's website, in branches and on the bank's mobile application.

We also have a Personal Data Department, responsible for ensuring the protection of customers' personal data, which is available to answer questions or respond to requests related to data privacy.

Continuous improvement

In 2023, in our quest for customer service innovation and excellence, we continued to strengthen our operating network and structure, optimizing our resource management and ensuring a sustainable impact over time. We opened 60 new contact points and remodeled another 45.

See new openings and remodeling details in the Sustainable Performance Annex

SUPPLY CHAIN

GRI 2-6, 3-3, 204-1, 205-1, 308-1, 308-2, 407-1, 408-1, 409-1, 414-1, 414-2

Because we are determined to be agents of positive change, Grupo Elektra has a very real responsibility to transmit our principles and commitment to sustainability to all links in the value chain, especially to suppliers. If we can inspire them to take action, we can enhance the positive impacts and mitigate the negative impacts of our business relationships on society and the environment.

The supply chain area is in charge of establishing criteria for new acquisitions and registration of new suppliers. This department also distributes the guidelines of the Code of Ethics and Conduct to suppliers and promotes Supplier Circle Certification.

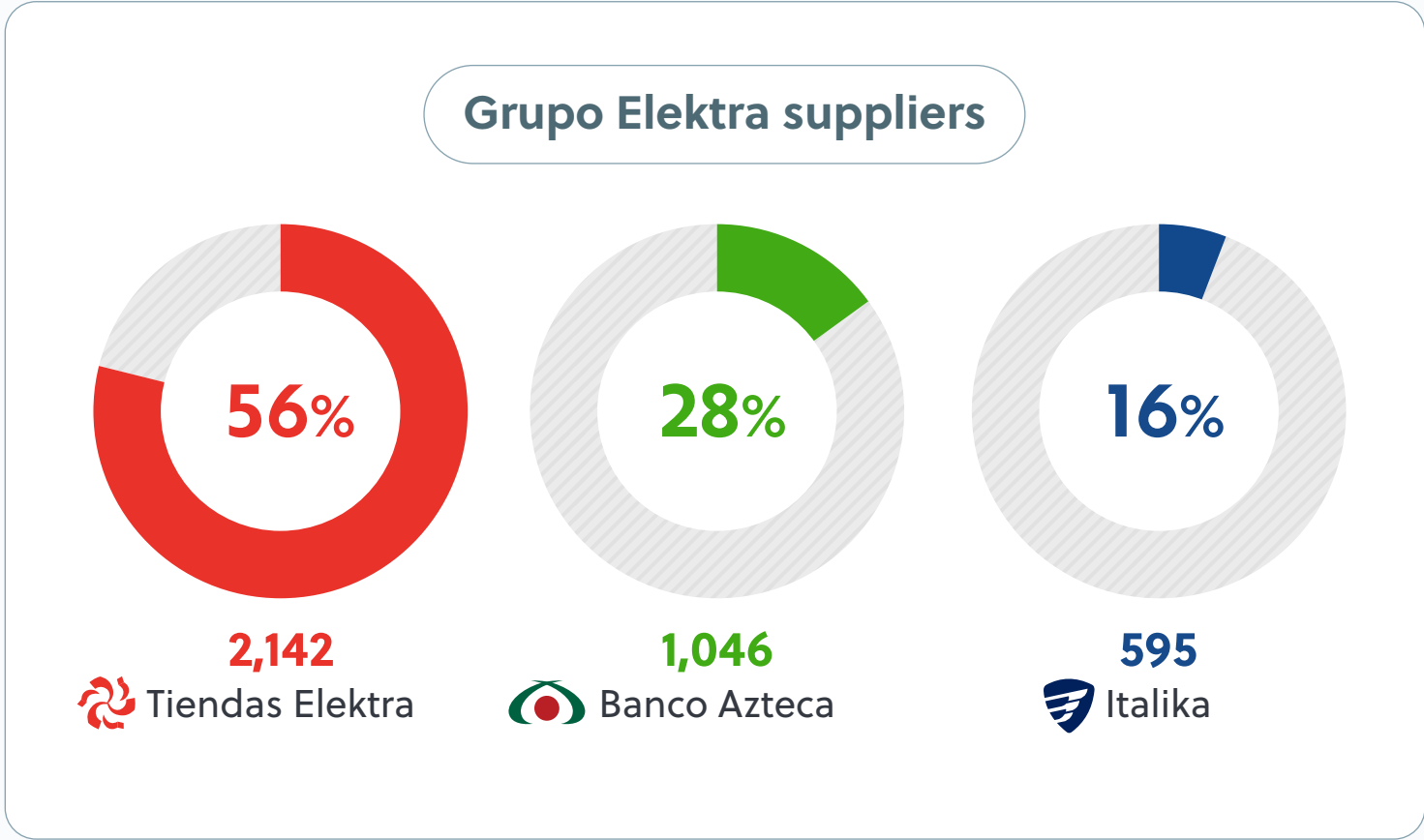
This area bases its actions on the **7 steps of strategic sourcing**:



Creating the category	Analysis of the supply market	Developing the strategy	Evaluating suppliers	Negotiation	Implementation	Reporting and tracking
Define the scope of supply and identify strategic partners. Identify opportunities to reduce procurement costs, improve efficiency and monitor compliance..	Understand the strengths and weaknesses of supplier markets..	Understand the levers that can be used to capture value, considering market complexity and category impact.	Analyze and select the best options in the market, in accordance with business needs.	Agree on the terms under which the procurement and supply of goods and services will be carried out.	Carry out the final selection of the supplier and obtain the necessary authorizations to execute the contract and proceed with the incorporation of the participating suppliers.	Measure supplier performance and monitor it on an on-going basis.

Supplier selection

We guarantee the optimal control and tracking of suppliers and can identify those that are critical in each category to ensure an efficient decision-making process.

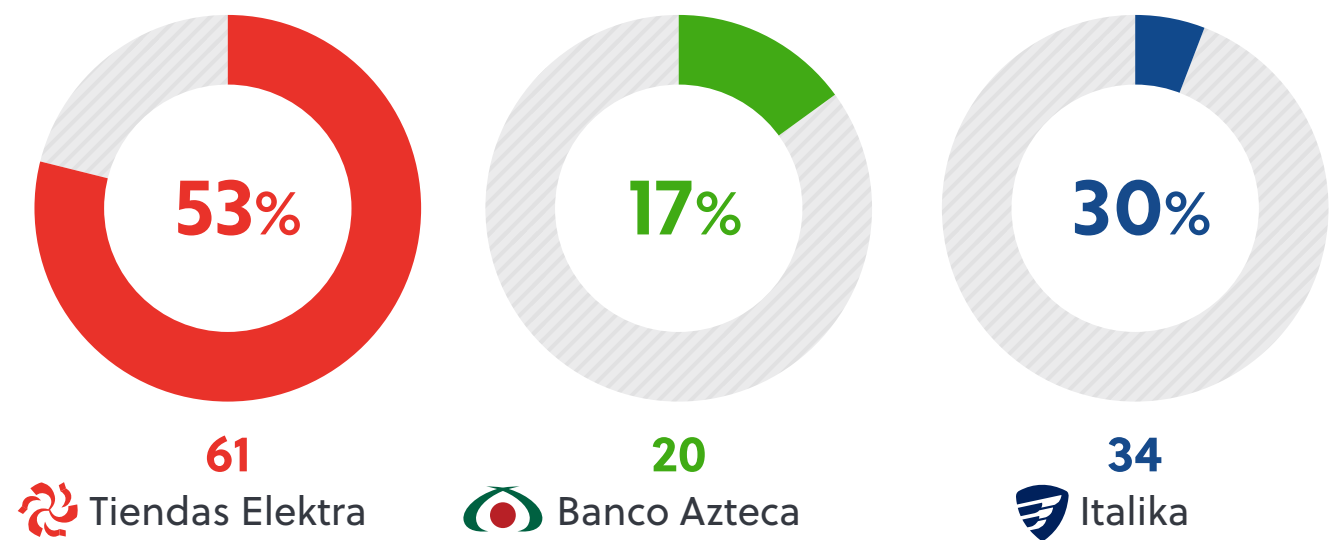


\$15,664.5
million pesos spent in supplier payments
in 2023; 91.9% to local suppliers.

3,783 active Grupo Elektra suppliers;
97.1% are local



New suppliers to Grupo Elektra



We have a supplier performance evaluation process for the comprehensive identification of areas needing improvement, so we can keep our suppliers up to standard and active on our sourcing lists.

This evaluation is carried out each quarter and consists of seven modules, one qualitative (type of supplier) and six quantitative (delivery of goods and services, quality, administrative management, supplier service level, added value and reliability).

The results of this evaluation are communicated to the suppliers themselves, emphasizing the points detected as opportunities for improvement and the corresponding action plan.

115 new suppliers to
Grupo Elektra in 2023

Supplier Certification

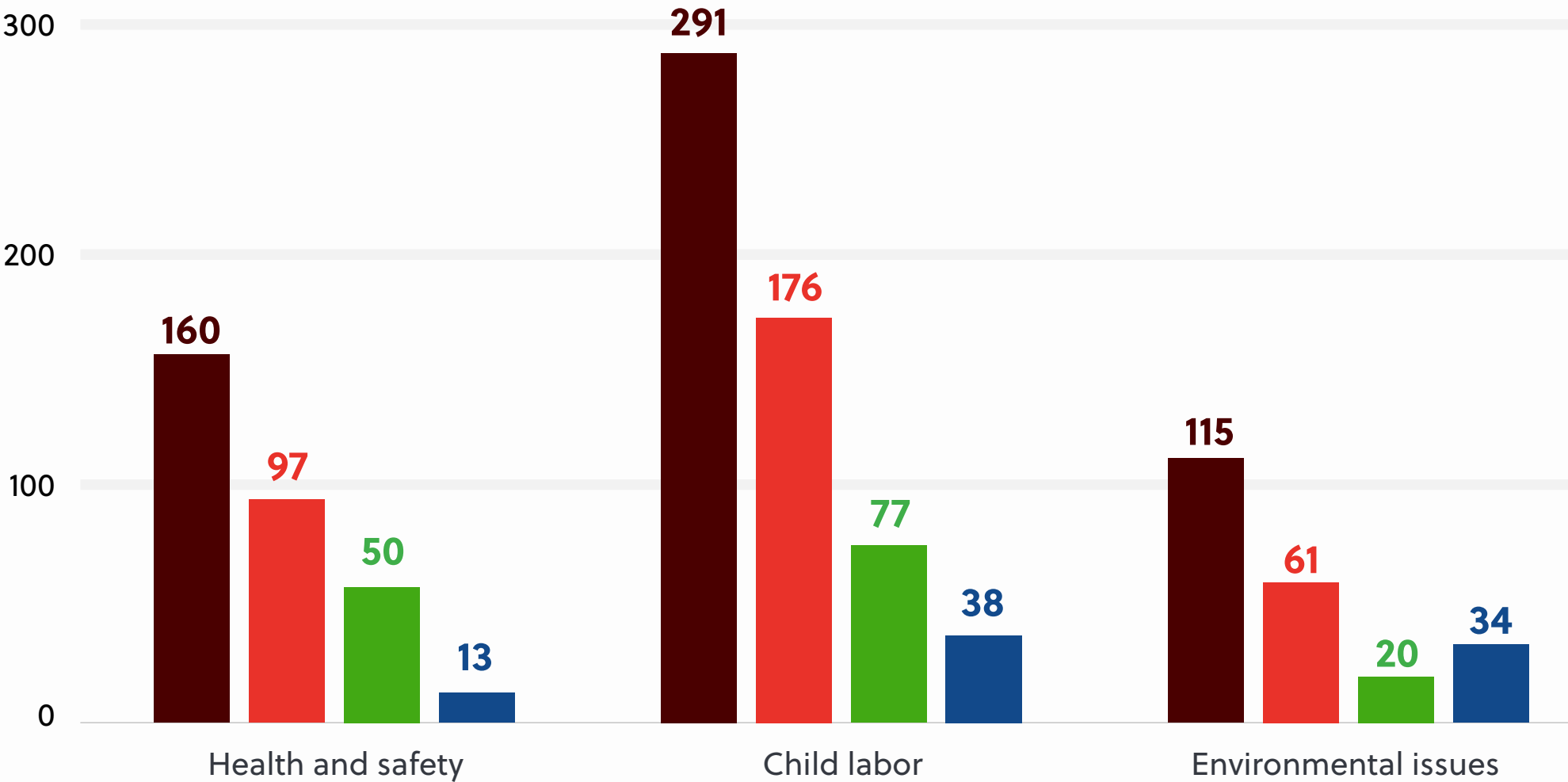
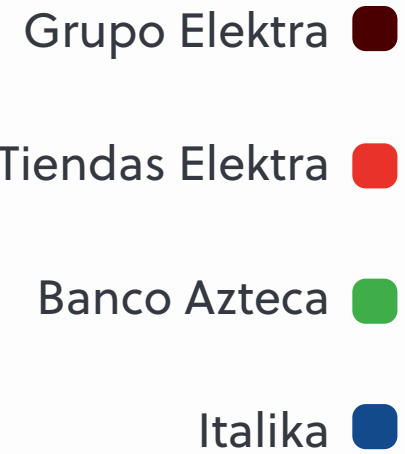
The Grupo Salinas Supply Center (CSS) has a supplier certification called Supplier Circle, whose objective is to analyze and validate the legal, fiscal, financial and operational aspects of the products and services offered by suppliers. The certification is carried out every year by an independent third party.

With this evaluation, we develop and improve supply chain management through feedback from customers and business partners, identifying areas of opportunity for the companies, determining their degree of reliability and helping companies to increase service levels.

Suppliers are evaluated according to the type of industry and the amount or level of risk they represent for the company, based on three models: essential, basic and comprehensive. Only suppliers certified in the comprehensive model are asked to respond to the sustainability questionnaire.

The goal for 2024 is to certify 100% of CSS suppliers, representing 80% of spending, with at least 50% of certifiable suppliers out of the total.

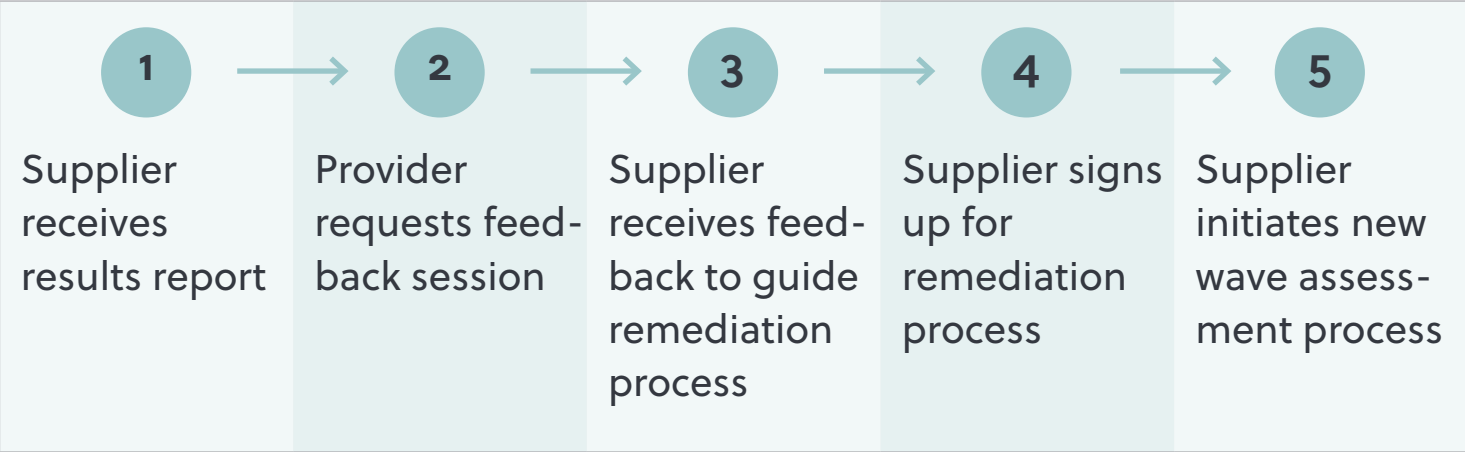
Number of
suppliers evaluated





Remediation process

We also have a remediation process, which involves the comprehensive or partial evaluation of a supplier that has not yet undergone any evaluations, has undergone the evaluations but has not achieved certification, or passed the evaluation but wants to increase its score.



This process must be requested within 90 days of receipt of the results report.

In 2023, 25 suppliers were found to be non-remediable. One of them in particular was classified as high risk in regulatory terms, having neither an internal complaint system nor training programs in safety and hygiene processes, civil protection, nor comprehensive risk management; high risk in terms of services, because it did not supervise the specified activities during the provision of the service or product; and critical risk in terms of federal labor law guidelines regulating the employment of workers who are below legal age, which may result in sanctions by the corresponding authorities.



ECONOMIC PERFORMANCE

GRI 3-3, 201-1, 201-4

Grupo Elektra's business strategy boosts sales and profitability and leverages on the resilience of its business model, generating solid financial results that allow us to build long-term value and comply promptly with our commitments to each of our stakeholders. Grupo Elektra does not receive any financial benefit from the government.

Financial indicators

Figures in millions of pesos

Indicator	2023	2022	2021	2020	% chge. 2023 vs. 2022
Consolidated revenues	184,151	164,691	146,018	120,508	12%
Costs	94,472	79,441	69,178	59,749	19%
Gross income	89,679	85,249	76,840	60,759	5%
General expenses	68,317	67,110	54,825	50,946	2%
Operating income	9,288	7,976	13,668	2,057	16%
EBITDA	21,361	18,139	22,015	9,812	18%
EBITDA margin (%)	12%	11%	15%	8%	1%
Net income	5,993	(7,353)	12,944	(1,914)	182%
Earnings per share	27.1	(33.2)	56.9	(8)	182%
Shares outstanding (millions)	221	222	227	227	(0%)
Total assets	444,223	424,909	423,694	370,724	5%
Total liabilities	353,170	334,456	318,239	227,079	6%
Shareholders' equity	91,053	90,453	105,454	93,645	1%
CAPEX	5,463	12,961	7,262	5,906	(58%)
Cash flow	15,898	5,179	14,753	3,906	207%

Note: Figures in millions of pesos. / Cash flow is the difference between EBITDA and Capex.

Trend in revenues

› Revenues by business

Business	2023	2022	2021	2020	% chge. 2023 vs. 2022
Financial	111,292	94,291	80,489	68,253	18%
Retail	72,858	70,400	65,530	52,254	3%
Note: Figures in millions of pesos.					

› Revenues by geography

Geography	2023	2022	2021	2020	% variación 2023 vs 2022
Mexico	164,394	144,027	128,484	103,128	14%
Central America	10,828	10,691	9,711	8,418	1%
North America	8,929	9,972	7,824	8,961	(10%)
Nota: Note: Figures in millions of pesos.					

Economic value	2023	2022	2021	2020	% chge. 2023 vs. 2022
Economic value generated (EVG) ¹	184,151	164,691	146,018	120,508	12%
Economic value distributed (EVD) ²	162,789	146,551	124,003	110,695	11%
Economic value retained (EVR) ³	21,361	18,139	22,015	9,812	18%
1EVG = revenues. 2EVD = sum of costs and general expenses. 3EVR = EVG minus EVD; equivalent to EBITDA.					

Taxes

GRI 207-1, 207-2, 207-3, 207-4

As part of our culture and as a business practice, Grupo Elektra duly assumes responsibility for keeping up with its fiscal and tax obligations. We file and pay taxes promptly in accordance with federal, local and social security tax laws applicable to all locations where we are presenta.

To properly manage our tax affairs, the financial business works according to the following principles:

- Transparent development and calculation of tax obligations.
- No transfer of value generated to low-tax jurisdictions; no use of tax structures designed to evade taxes.
- Honest application and interpretation of laws, regulations and provisions on tax obligations and full compliance with the law in all countries where we operate.
- Compliance with transfer pricing guidelines in all intercompany transactions.
- Pledge not to do business with entities located in tax havens and not to use tax structures without commercial substance.
- Cooperation with tax authorities in any requested review or inquiry.

We have a Tax Department that is in charge of applying the tax strategy, represented by a Vice President for Tax Matters who reports to the company's CEO. The Tax Department shares regulatory information with the strategic and operating areas through technical opinions, tax studies, technical notes and regulatory instructions.

The goal of this department is to fulfill the institution's vision and policies, to perform tax calculations with transparency in accordance with our legal obligations, and to abide at all times by tax laws, regulations and provisions.

Each year we engage a law firm to review and formally approve our tax strategy, updating or modifying it to ensure that it is efficient and aligned with our financial goals and the tax regulations in effect in each region or country where we are present. The firm we engage must have at least one Certified Public Accountant (CPA) on staff.

At the end of each tax year, a report is issued, which is reviewed by the firm and submitted by the CPA to the Tax Administration Service (SAT in spanish) along with a detailed report of compliance with our tax obligations.

If the tax authorities have any observations or request further information or audits, our practice is to facilitate their review and respond to their inquiries promptly and expeditiously.



SUSTAINABILITY AXES

- › Sustainability-linked bond
- › Responsible business
- › Social Impact
- › Enviromental commitment

SUSTAINABILITY AXES

GRI 2-23, 2-24, 2-25

Grupo Elektra is convinced that it must be an agent of positive change. We provide jobs and well-being to thousands of employees and we boost local economies by offering innovative products and solutions that encourage entrepreneurship, financial inclusion, access to affordable, high-quality merchandise and work tools, improving quality of life for the communities in which we operate, ensuring the responsible use of resources and caring for the environment.

We know that inclusive prosperity is possible only if we generate value from three perspectives:

- **Economic value.** We are an engine of opportunity for our employees and the communities where we operate.
- **Social value.** We promote diversity and inclusion both inside and outside the organization, through talent selection, hiring and development processes that ensure equal opportunities, and initiatives aimed at strengthening the social fabric of the communities where we operate.
- **Environmental value.** We are committed to caring for the environment, which is why we take action to mitigate the negative impacts of the organization's operations on the environment. We have a responsibility to convey this culture to all our stakeholders.



Sustainability-linked bond

As part of our commitment to sustainability and the incorporation of environmental, social and governance (ESG) criteria into our business strategy, at Grupo Elektra we recognize the important role that sustainability plays in the transition to a low-carbon economy.



Toward this end, in December 2023, we issued MXN2.5 billion in sustainability-linked bond, tied to the certification of 205 contact points of under the EDGE standard between 2023 and 2029.

The issuance is significant to Grupo Elektra and to Mexico as a whole, because it signals a serious commitment to the creation of economic, social and environmental value, as it will allow for the creation of inclusive, safe and sustainable spaces.

The contact points to be certified total a surface area of 307,000 m², equivalent to 16.8% of the 1,220 Tiendas Elektra that include Banco Azteca branches that the company had in Mexico at the end of 2022.

[Learn more in the Sustainable Performance annex](#)



Responsible business

› Corporate Governance

GRI 2-9, 2-10, 2-11, 2-12, 2-17, 3-3

Grupo Elektra has built a robust corporate governance system that guarantees transparency, accountability, and protection of the interests of all stakeholders (employees, shareholders, customers, suppliers and the community), and ensures that decisions are made ethically and with integrity at all levels of the organization, which translates into better long-term financial performance and a solid market reputation.

› Board of Directors

The Board of Directors is the highest body of governance in our company. It has ten members, four of whom are independent (40%); that is, they are neither employees nor affiliated with the majority shareholders. This proportion is well above the 25% established by the Securities Market Act.

All of the board members are regular members, and were elected and ratified at an ordinary stockholders' meeting held on April 17, 2023, to serve for one-year terms.

Our board members were selected on the basis of their extensive experience, ability and professional prestige, and without regard to their gender, race, religion, etc., with the assurance that they can perform their duties without conflicts of interest.

To reinforce the principle of diversity, since 2022, we have had two independent female board members, representing 50% of the independent members.

Board meetings are held at least quarterly. By 2023, average attendance by board members was 99%. To ensure the impartiality of these meetings, we have a special delegate who stands in for the chief executive officer, without voting rights. This delegate handles key decisions, risk management and monitoring the progress of goals.

Board members' performance is monitored through a self-evaluation led by the chairpersons of the Audit and Corporate Practices Committees, in conjunction with the Shareholders' Meeting, who present a report on the results on an annual basis.



The functions of the Board of Directors are:

- To establish the general strategies for the management of the company.
- To oversee company management, taking into account its relevance to the company's financial, administrative and legal situation, as well as the performance of its directors.
- To approve, having obtained the opinion of the competent committee, the policies, appointments, operations, guidelines and strategic transactions of the organization.
- To present legally required information to the General Shareholders' Meeting at the close of each fiscal year.
- To track the main risks to which the Company and its controlled entities are exposed, which have been identified based on the information presented by the Chief Executive Officer, the Audit Committee, the Risk Committee and other committees, as well as the Comprehensive Risk Management Unit (UAIR).
- To approve policies for information and communication with shareholders and the market, as well as with the board members and relevant executives, in compliance with the company's legal regulations.
- To decide on actions to be taken to remediate any irregularities of which it is aware and any other corrective measures necessary.
- To establish the terms and conditions on which the Chief Executive Officer will exert control over the organization
- To order the Chief Executive Officer to disclose material events, notwithstanding the obligation of the Chief Executive Officer referred to in Article 44, Section V of the Securities Market Act..

Board of Directors

- **Ricardo Salinas Pliego**
Chairman • Equity Board Member
1993
- **Guillermo Eduardo Salinas Pliego**
Related Board Member / 1993
Contributes solid administrative, financial and retail experience.
- **Hugo Fernando Salinas Sada**
Related Board Member / 2017
Provides extensive knowledge in the marketing of consumer goods.
- **Pedro Padilla Longoria**
Related Board Member / 1993
Contributes extensive experience in financial strategy and operations.
- **Luis Jorge Echarte Fernández**
Related Board Member / 2003
Contributes extensive knowledge of international operations.
- **Joaquín Arrangoiz Orvañanos**
Related Board Member / 2008
Contributes solid experience in sales and new business.
- **Alma Rosa García Puig**
Independent board member / 2022
Contributes relevant knowledge of retail strategies, operations, and social initiatives.
- **Aurora García de León Peñúñuri**
Independent board member / 2022
Suma amplia experiencia en administración, mercadotecnia, e iniciativas ambientales.
- **Sergio Gutiérrez Muguerza**
Consejero Independiente / 2022
Contributes extensive experience in general management and strategic planning.
- **Jorge Rodrigo Bellot Castro**
Independent board member / 2022
Contributes solid knowledge of the insurance industry and risk forecasting.

[Learn more about board members here](#)

› Committees

GRI 2-13

The Board of Directors is supported by **three committees**:

1. Audit Committee

Responsible for reviewing and advising the board on compliance with financial reporting and internal financial control systems, as well as the activities and independence of the independent auditors and the activities of the internal audit staff, the company's internal control policies and systems, and other matters.

Functions:

- Review financial reporting procedures and systems of internal financial control.
- Review the activities and independence of the independent auditors.
- Review the activities of internal audit staff
- Evaluate the quality and integrity of Grupo Elektra's internal control policies and systems.
- Be informed of transactions with related parties, among others

As of April 29, 2022, this committee consists of three independent board members:

Sergio Gutiérrez Muguerza	Committee member and chairman (independent)
Jorge Rodrigo Bellot Castro	Independent
María Aurora García de León Peñúñuri	Independent

2. Corporate Practices Committee

This committee is responsible for staying abreast of the company's investment policies and the use of the property that makes up its equity; the approval of capital expenditures and supervision of their use, giving its opinion regarding the performance of key executives, defining policies on the management of transactions with related parties, and evaluating significant transactions, among others.

Functions:

- Stay informed of the investment policies of Grupo Elektra.
- Be aware of how the use of the assets that make up Grupo Elektra's equity are used.
- Approve the capital investment budget.
- Supervise the use of the approved capital investment budget.
- Provide opinions on the performance of key executives, among others.

Since April 2022, this committee has been made up of two independent board members and one related board member:

Sergio Gutiérrez Muguerza	Independent board member Chairman of the Committee and Financial Advisor
Alma Rosa García Puig	Independent board member
Guillermo Salinas Pliego	Related Board Member

3. Integrity Committee

Responsible for designing, structuring, implementing, executing and evaluating the Ethics, Integrity and Compliance Program ("Integrity Program"); verifying that Grupo Elektra's operations and business are carried out in an ethical, incorporation and transparent manner; and, in general, for addressing and resolving any matter related to the company's Integrity Program, including any violation thereof and imposing the corresponding sanctions.

This committee includes the Grupo Elektra Anti-Corruption Compliance Director, whose duties include overseeing the creation of due execution of internal policies on compliance with all types of anti-corruption regulation, in the interests of good corporate practices

Functions:

- Design, structure, implement, execute and evaluate the Integrity Program.
- Verify that Grupo Elektra's operations and business are carried out in an ethical, integral and transparent manner.
- Carry out an anti-corruption training program for managers and employees.
- Address and resolve matters related to the Grupo Elektra Integrity Program, including any violation thereof, and to impose the corresponding sanctions, among others.

The committee has three members, appointed by the Shareholders' Meeting, and is supported by a Compliance Director in the execution and application of anti-corruption policies.

Javier Arturo Ferrer Báez	Chairman
Norma Lorena Contreras Cordero	Secretary
Alberto Javier Bringas Gómez	Member

[Learn more about the Corporate Governance of each of our companies in the corresponding Annex.](#)

› Management Team

Our management team has extensive experience in various areas of the business. Its leadership and ability to make strategic decisions with a long-term vision have enabled the company to meet its goals and objectives, fostering an environment of partnership and support, where the diversity of ideas is valued and the professional advancement of each member is encouraged.

The Board of Directors selects the Chief Executive Officer and evaluates his or her performance, as well as that of other senior officers.

[See a list of the management team here](#)



› Compensation Policies

GRI 2-19, 2-20

Our board members receive compensation for attending meetings. The level of this compensation is approved by the Shareholders' Meeting.

The Corporate Practices decides on compensation for the company's management team (including the variable component), which is contingent upon the company's performance and results, the improvement in its financial stability and the extent to which it conforms to strategic goals.

The total amount of compensation for executives and board members established by Grupo Elektra for the 2023 calendar year was approximately MXN4.12 billion, which was determined in accordance with the services rendered, the company's achievements from its normal operations, and the various events carried out during the year to improve its financial structure.

› Risk management

GRI FS1, FS2, FS9

Grupo Elektra has procedures and tools to identify, evaluate, monitor and mitigate the risks to which the organization is exposed and which may affect its operations and evolution.

1. Manuals and policies
2. Internal control measures
3. Operational risk measures and controls
4. Transparency in our risk management goals and results.
5. Robustly structured Comprehensive Risk Management Unit.
6. Risk Committee
7. Identification and evaluation of controls to mitigate operational risks, in conjunction with those responsible for the business units.

Main Risks:

- **New regulations or legislative reforms** that may adversely affect our business, financial and operating results.
- **Market competition:** resulting from globalization, technological advances, and fragmentation of chain stores in the retail sector, as well as competition from specialty stores, national and international e-commerce websites.
- **General risks:** economic downturns; increased financial and industry regulation; geopolitical disputes and barriers; corporate and individual debt default and inability to make payments; volatility in derivative markets; exchange rates; and the value and liquidity of Banco Azteca's investment securities portfolio.
- **The Board of Directors** establishes general guidelines and monitors risks, supported by the internal audit area and the Audit Committee, which oversee compliance with the Risk Management System, and compliance with the goals, policies and procedures for comprehensive risk management.



We have a **three-lines-of-defense model** for appropriately managing risk:

1st line of defense

Business Area

- Implementation of preventive and risk mitigation measures.
- Support identification and evaluation of risks in each of the business, operational and support activities.

2nd line of defense

Areas responsible for control and management

- Independent of the company's operational areas; responsible for risk measurement, monitoring and control.
- Responsible for proposing risk response measures and monitoring risks as they evolve.
- Keep track of compliance with external regulations and promote risk development and implementation.

3rd line of defense

Internal Audit area

- In charge of reviewing 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 if necessary.

› **Risks related to Grupo Elektra**

The risk factors to which Grupo Elektra is exposed may have a significant impact on the development and evolution of the Group and/or the businesses that comprise it. These include the following:

- Risks arising from new laws or legislative reforms, which could adversely affect the Group's businesses, prospects, operating results and financial condition.
- Risk arising from competition, due to market fragmentation and intense competition in each of the product categories offered by the Group, derived from globalization and constant technological advance.
- Supply chain disruptions or increases in the prices of inputs or supply costs, which could adversely affect our results, since we depend on our suppliers for timely and efficient delivery of merchandise.
- Limits on Mexico's foreign trade, which could affect our business as we import a significant percentage of our inputs and merchandise.
- Future governmental restrictions affecting interest rates and bank rates on liquidity and profitability, as any changes in Mexican laws applicable to Banco Azteca, including the imposition of credit approval requirements, could have an adverse effect on Grupo



Elektra's financial condition and operating results.

- Any deterioration in our subsidiaries could affect our business, for example, in our ability to obtain advertising similar to that which we have through TV Azteca.
- Regulatory changes that entail further restrictions on our money transfer business, which could have an unfavorable impact on our business, financial condition or operating results.
- Situations specific to the countries in which we operate, such as currency fluctuations and exchange controls, rising interest rates, higher inflation, social instability, changes in legal and tax frameworks, as well as changes in consumption patterns and preferences in the countries in which we operate, which could have a material adverse effect on our business, operating results or financial condition.

[Lean more in the 2023 Annual Report](#)

› Retail business risks

These risks focus may threaten the proper distribution of products to our stores by Grupo Elektra's distribution centers in Mexico and two other countries, on which the success of our business depends.

These distribution and receiving systems could be affected by one or more of the following factors:

- 1 Upgrades, expansion and new openings of distribution centers.
2. Operational disruptions or inability on the part of the Group to improve or update the information technology infrastructure, or management information systems, particularly the supply chain management software system.
3. Disruptions in the delivery processes.
4. Natural disasters and weather events that could affect supply, inventory reception and distribution processes.

[Learn more about the risks to which the company is exposed here](#)





› Banco Azteca

General comprehensive financial risk management process

GRI FS9

Banco Azteca adopts a conservative risk profile as a basic premise. We manage our balance sheet and operations prudently to ensure the best use of our assets and investment of resources.

Our business model centers around banking intermediation through consumer loans and a funding strategy based on traditional deposits.

The criteria, policies and procedures adopted by Banco Azteca in the area of risk management are based on institutional guidelines and applicable regulations, as well as on national and international best practices.

To efficiently conduct the comprehensive risk management process, Banco Azteca has defined the following goals:

- Develop and foster a comprehensive risk management culture by establishing guidelines for the efficient application of prudential policies and procedures.
- Establish a clear organizational structure under which the Comprehensive Risk Management Policies and Procedures Manual is correctly distributed and applied.
- Follow solid comprehensive risk management practices consistent with the prudential criteria established by the national authorities



and with international recommendations.

- Have the necessary elements for the identification, measurement, monitoring, limitation, control, information and disclosure of the different types of quantifiable and non-quantifiable risks from a comprehensive perspective, consistent with the institutional mission and with the business strategy established by the Board of Directors.
- Cooperate in the regulatory audits referred to in Articles 76 and 77 of the General Provisions applicable to Credit Institutions, as well as the annual audit requested by Annex 1-D for the Alternative Standard Method for the calculation of capital requirement for operational risk.
- Have the necessary technological support for operating and gener-

ating reports on the different types of risk--credit, market, liquidity and operational--as well as for calculating reserves, through the internal and standard model, covering the storage, processing and exploitation of data that ensures high-quality information.

To support the structure of the database and the various risk systems, we have the following infrastructure:

- Application servers and high availability services.
- High availability reporting server.
- Productive servers and databases for the capital model.
- Scheduled backup solution of the databases for the different systems, including the capital model

[Learn more about the company's risks here](#)



› UAIR

As a regulated financial institution, Banco Azteca is required by law to have a Comprehensive Risk Management Unit (UAIR by its initials in Spanish), completely independent from the business areas, and a Risk Committee formed in accordance with current regulations, where the risks to which we are exposed are monitored (in session) at least once a month. This Risk Committee reports directly to the Board of Directors.

Functions of the UAIR

1. **Identify risk.** Assess risk exposure in conjunction with the business units.
2. **Measure risk.** Apply measurement methodology, parameters and models
3. **Control risk.** In conjunction with the business and supervisory units
4. **Limit risks.** Set limits and tolerance levels; investigate causes of excess over limits and report to the Risk Committee.

UAIR areas of collaboration

- **In fraud prevention:** Analyzes the results of the indicators for the mitigation of internal and external fraud.
- **In legal matters:** Keeps track of current labor lawsuits, criminal complaints, civil lawsuits and fines with CONDUSEF.

Comprehensive Risk Management Committee

Assigned by the Board of Directors and working together with the UAIR, the members of this committee manage the risks to which the institution is exposed, ensuring that transactions are conducted in accordance with comprehensive risk management goals, policies and procedures, as well as the previously-approved overall risk exposure limits.

The Committee meets at least once a month, and all meetings and resolutions are duly recorded in minutes which are signed by each and every one of the attendee.

Its functions include the following:

- Ensuring the adequacy of information storage, processing and management systems.
- Disseminate and implement action plans for contingencies in which unforeseen circumstances or force majeure prevent the institution from complying with applicable risk exposure limits and risk tolerance levels.
- Establish training and updating programs for Comprehensive Risk Management Unit staff, and for all those involved in operations involving risk for the institution.
- Establish procedures to ensure an adequate flow, quality and timeliness of information between the business units and the Comprehensive Risk Management Unit, so that the latter has the necessary elements to carry out its function.

- Approve the methodology and procedures to identify, measure, monitor, limit, control, report and disclose the various types of risk to which the institution is exposed, as well as any modifications thereto, and the models, parameters and scenarios used to assess, measure and control the risks proposed by the Comprehensive Risk Management Unit, which must be compatible with the institution's technology.

Operational risks / fiduciary risk

These refer to those losses that may arise from improper management or advice on our customers' investment assets, or failure to consider sustainability risks that materialize, to the detriment of the client, beyond what is normally inherent to the financial risk of their investment.

ESG risks

GRI 206-1, FS6, FS9 SASB FN-CB-510A.1

ESG risk refers to environmental, social and governance matters; they constitute risks or opportunities that may have an impact on an entity.

- **Credit risk:** deterioration of solvency in the investment portfolio as a result of any ESG event that, should it occur, could have an actual or potential material adverse effect on the value of the investment.
- **Operational risk / fiduciary risk:** losses that may arise from improper management or advice on our customers' investment assets, or failure to consider sustainability risks that materialize, to the detriment of the client, beyond what is normally inherent to the financial risk of their investment.
- **Reputational risk:** due to failure to pursue ESG initiatives or poor incorporation of these into the business.

[Learn about other ESG risks in the TCFD section of this report](#)



› Ethics and Anti-Corruption

GRI 3-3, 2-24, 2-27, 205-2, 205-3, 206-1

Grupo Elektra is guided by the ethical standards and values of Grupo Salinas: integrity, responsibility, legality, honesty, commitment and transparency. We have standards governing behavior by and towards all our stakeholders.

We urge all of our employees, business partners, suppliers, customers and distributors to act in accordance with these same values and principles. We also maintain a zero-tolerance stance on bribery and corruption, and a strategy of combating corrupt practices head-on, through a compliance program based on our integrity policies.

Our priorities are:

- Strengthening transparency
- Accountability
- Combating corruption

[Learn more in the Sustainable Performance annex](#)

Code of Ethics

GRI 2-27

Our Code of Ethics and Conduct services as a guide for all the people who work at Grupo Elektra, as well as our suppliers, contractors, agents and business partners.

It is the obligation of all employees, as well as the members of the Board of Directors, to be familiar with and respect the guidelines of the Code, for which we provide training. In 2023, the topics covered



→ In 2022, there were no significant fines or non-monetary sanctions for non-compliance with regulations.

by the training were: the Ethics, Integrity and Compliance Program; the Banco Azteca Code of Ethics and Conduct; and culture, values and behavior.

The Code of Ethics and Conduct covers topics such as integrity, corruption and bribery, conflicts of interest, legality and transparency, discrimination, confidentiality of information, human and labor rights, anti-competitive practices and prevention of money laundering, among others.

In 2023, Banco Azteca updated the documents that support its standard model for aligning the interests of its employees with those of its customers, such as the Code of Ethics and Conduct and the Anti-Corruption and Integrity Policy.

[Learn more about the Code of Ethics here](#)

Anticorruption

Ethics, Integrity and Compliance Program

All of us at Grupo Elektra we know that to fight corruption we must work together to build an anti-corruption culture within the company. All executives and stakeholders are required to sign a pledge of zero tolerance for bribery and corruption.

We have developed an Ethics, Integrity and Compliance Program (EICP) to detect, prevent and address any risk of corruption. All Grupo Elektra employees must incorporate the tenets of this program into their jobs.

The program meets the requirements of national and international laws and best practices, and contains directives and action lines that are defined in the following policies: Human Rights, Anti-Corruption and Integrity, Internal Fraud Prevention, Free Competition and Protection of Personal Data, Relations with Outside Parties, Due Diligence and Conflicts of Interest.

For further guidance on EIPC, complaints or reports, please send an email to peic.integridad@elektra.com.mx or call (52) 55 1720 7000.

[Learn more about Grupo Elektra's Ethics, Integrity and Compliance Program here](#)

Money Laundering Prevention

GRI 205-1, 205-2, 205-3

At Grupo Elektra, we are firmly committed to complying with the laws and regulations on prevention of money laundering and the financing of terrorism in each of the countries where we operate. This commitment includes a Money-Laundering Prevention Policy, which is part of the EICP and the Grupo Elektra Code of Ethics.

This policy prohibits all employees, suppliers, agents, intermediaries and any other stakeholders involved in the company's operations from:

- Acting in any way that may constitute the crime of money laundering.
- Engaging in any action that may facilitate money laundering in any of its stages.

To ensure this, we have a Global Unit for the Prevention of Illicit Finances.

Banco Azteca also has a Money Laundering and Terrorist Financing Prevention Policy, which covers issues such as facilitation payments, fraud, extortion, money laundering and any other illicit act.

The Money Laundering Prevention (MLP) area is in charge of evaluating all operations through alert scenarios generated in the system according to established parameters. It keeps track of the total number of alerts for each of the entities and companies of Azteca Servicios Financieros.

Whistleblower system

GRI 2-16, 2-26 SASB FN-CB-510A.2, FN-AC-510a.2

We have several communication channels and whistleblower systems through which our employees can anonymously report departures from the Code of Ethics and Conduct, improper behavior at work, and other issues:

- We have policies, procedures and processes in place to prevent and mitigate any irregular conduct.
- In addition, we maintain annual training and update programs on both standards and regulations and on operational matters.
- All employees have an obligation to report any type of irregularity



→ In 2023, 100% of the alerts generated in the MLP system, which are generated in connection with transactions by any of these entities, were reviewed.

→ There were no confirmed cases of corruption in 2023.

→ 100% of the members of the Integrity Committee were informed about MLP/TF policies and procedures.

- of which they become aware. This can be done anonymously
- Whistleblowers are protected against any type of retaliation, intimidation and/or reprisal.
 - Complaints are investigated impartially.

The existing reporting mechanisms are:

- Mail
- Smartphone app
- Letter to the Director of Compliance (Integrity Committee)
- "Cuéntanos" Anonymous communication channel

Honestel is the main means of filing anonymous reports. Through it, employees, suppliers, business partners or anyone interested in combating corruption, can report actions that have affected their physical and/or emotional integrity, with the assurance that the complaint will remain confidential and anonymous, and that there will be no retaliation or discrimination.

Substantiate cases of irregular conduct are sanctioned with disciplinary measures and, if necessary, a report is made to the corresponding civil and/or criminal authorities.

The applicable sanctions for non-compliance are:

- Reprimand
- Administrative actions
- Termination of the contractual or labor relationship
- Any other sanction in the Sanctions Catalog, as determined by the Integrity Committee

Sanctions for corruption are imposed by the Integrity Committee and executed by the superior of the sanctioned party or by the Human Resources area.

To learn more about of the complaints, see the Cuéntanos section and the sustainable performance annex



→ **5,925 cases** received through "Cuéntanos" and **6,299** through Honestel



Fraud

Banco Azteca shields customers from possible fraud by installing state-of-the-art technological controls and tools and incorporating fraud prevention strategies through the protection of the Customer Journey, ensuring the traceability of customers in Onboarding, Login, during the session, transactions, and account maintenance.

At each stage, we incorporate process and systems controls that mitigate risks, using facial recognition tools and customers' behavioral biometrics in the use of electronic devices, among others.

In 2022, we adopted a new methodology for measuring unrecognized charges, which facilitates detection of fraud related to cards, card-not-present transactions and other types of fraud.

We have also made great strides in fraud awareness through our "Stay Alert" anti-fraud campaign, where we communicate messages and tips that empower customers through social networks, email, SMS and OTP messages, anti-fraud messages on screens and high-risk flows in the Banco Azteca App, in Branches, TV spots, and creation of an anti-fraud portal on the Banco Azteca website.

"Stay Alert" campaign results:

- › 7.5 million customers reached through push notification in Digital Banking
- › 21 million customers reached in fixed / pop up messages within Digital Banking
- › 500,000 customers reached with pop-up videos
- › 10 million customers reached by email
- › 36 million customers reached via social media
- › 3 anti-fraud spots released over a nine-week period on TV Azteca broadcast TV Channels 1 and 7
- › 12 million customers reached through onscreen messages in Banco Azteca branches

GRI 206-1, 417-2

SASB FN-CB-510A.1

→ During 2023 there were no losses from legal proceedings related to laws on fraud, insider trading, antitrust, unfair competition, market manipulation, malpractice or other related laws or regulations of the financial sector, under the concept of business ethics.



Conflicts of interest

GRI 2-15

To identify possible conflicts of interest at Banco Azteca, we have a committee that oversees transactions with related parties and provide an independent review of whether such transactions are carried out on the same terms as with any unrelated party. The Transfer Prices Committee must sign off on any transaction between Banco Azteca and member of the business group or with business partners engaged in retail activities.

We also have a Related-party Transaction Policy, which was approved by the Board of Directors and sets restrictions and requirements for approval of any transaction with our affiliates.

Human Rights

GRI 2-23, 2-24, 2-25, 406-1

Grupo Elektra is committed to honoring the values of respect, integrity, service and excellence. We firmly believe in the equality of all individuals and the recognition of their inherent rights. Therefore, we consider respect for human rights as a cornerstone for cultivating and strengthening trust with all our stakeholders. This is a guiding principle in the Grupo Salinas Human Rights Policy and our Code of Ethics and Conduct.

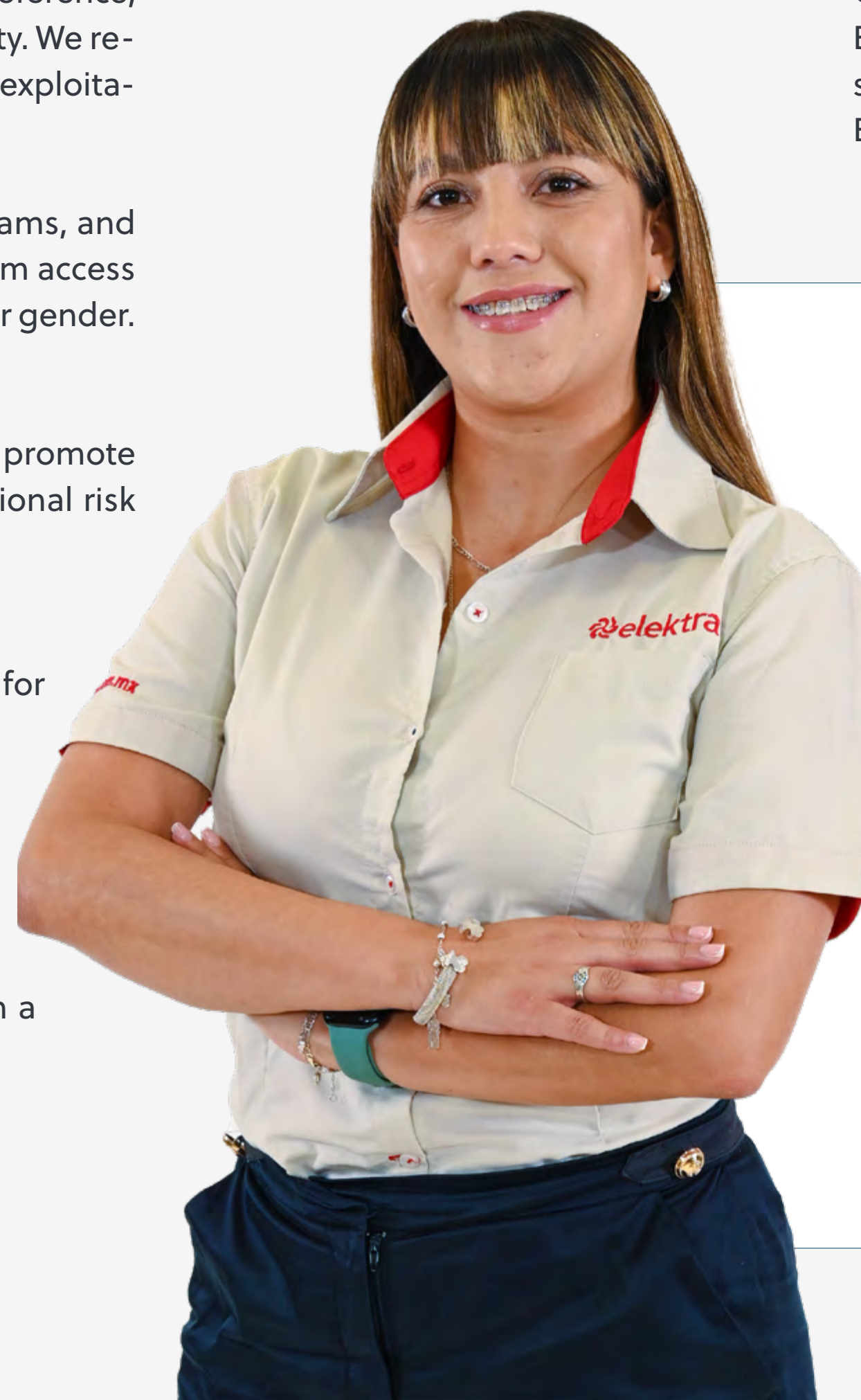
In all our operations and business units, as well as in our hiring policy, we prohibit discrimination based on race, religion, ethnic origin, gender, age, socioeconomic status, marital status, sexual preference, political inclinations, nationality, health, or physical disability. We reject child labor and forced labor, human trafficking, sexual exploitation and sexual harassment in all its forms.

We also have internal gender equality and diversity programs, and we treat all employees with the same respect and give them access to the same resources and opportunities regardless of their gender. We also firmly reject violence against women.

We endeavor to protect the health of our employees and promote safe practices in all activities carried out through occupational risk prevention and control measures.

All of this is sustained by the following fundamentals:

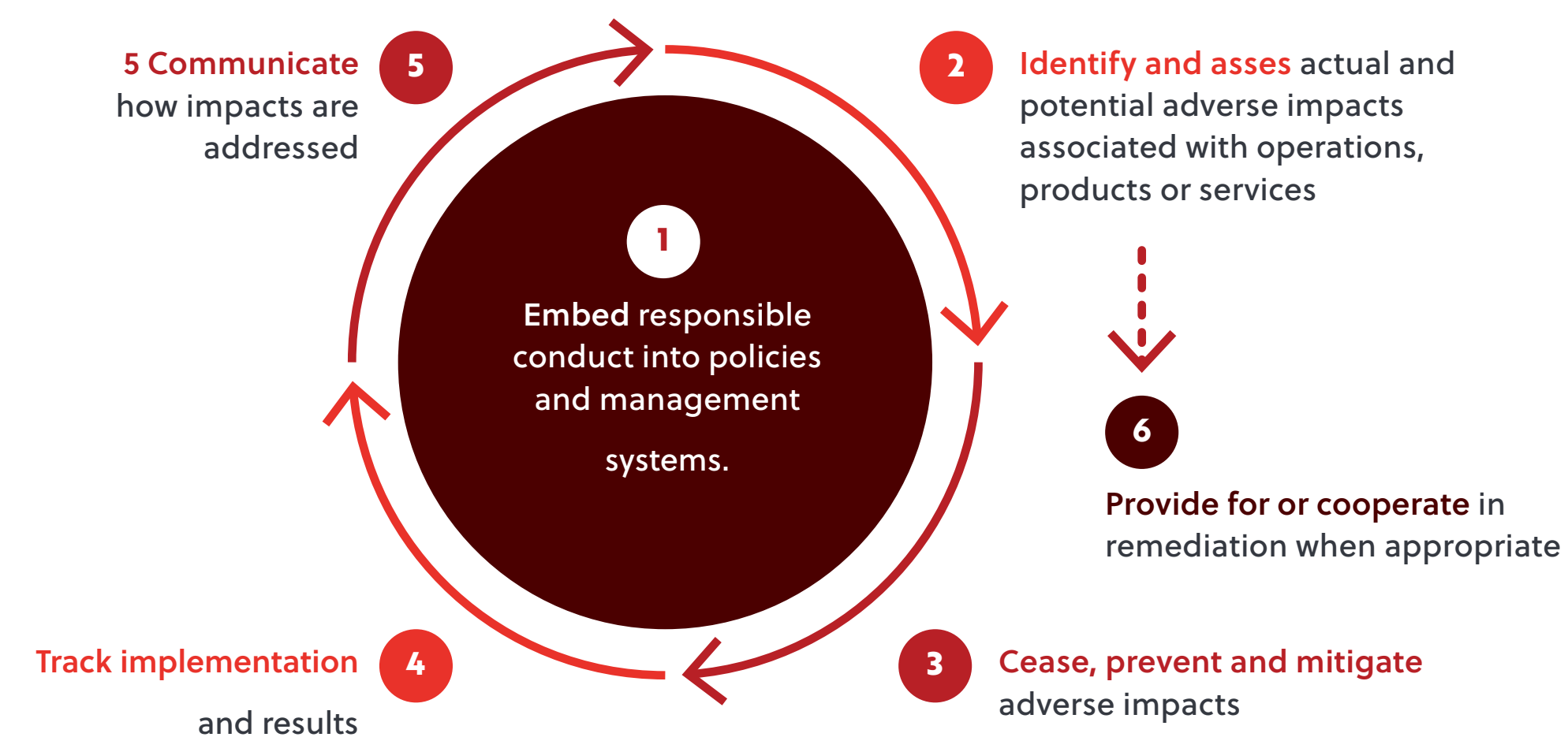
1. Promote and instill a culture of awareness and respect for Human Rights among our stakeholders.
2. Maintain appropriate anonymous communication channels in order to be able to address attend, with the due protocol, all the requests and complaints on this issue.
3. Evaluate the risks of our operations and establish due diligence processes.
4. Report progress and goals related to human rights in a transparent manner to all levels of the organization.



Human Rights Due Diligence Process

Grupo Elektra's human rights due diligence process is based on the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct, and we also follow the OECD Guidelines for Multinational Enterprises. The process is as follows:

Human Rights Due Diligence Process and support measures



Source: OECD Due Diligence Guidance for Responsible Business Conduct



1. Embed responsible business conduct into policies and management systems

- Grupo Elektra Code of Ethics and Conduct
- Grupo Elektra Human Rights Policy
- Inclusion and Non-Discrimination Policy
- Policy on Integrity in Human Resource Hiring
- Communication of the Code of Ethics and Conduct to the Supply Chain
- Certification NMX-R-025- SCFI-2015, in the area of Labor Equality and Non-Discrimination
- Integrity Committee

Information on our actions in this report:

- Ethics and anti-corruption
- Corporate Governance
- Talent attraction and retention
- Diversity and equality

2. Identify and assess actual and potential adverse impacts associated with operations, products or services

- Identification of non-compliance with the Code of Ethics, through:
 - Honestel whistleblower's platform
 - "Cuéntanos" Channel
 - Written notice to the Integrity Committee
 - Grupo Salinas Gender Unit

- Monitoring, investigation and sanctions for violations of the Code of Ethics and Values by the Integrity Committee.
- Evaluation of legal, financial and socio-environmental aspects by the Purchasing Center and the Supplier Circle Program, which together with Honestel allows us to identify Human Rights risks.
- Annual Integrity Questionnaire, where we include suppliers and business partners.

Information on our actions in this report:

- Ethics and anti-corruption
- Responsible supply chain

3. Cease, prevent and mitigate adverse impacts

The main human resource risks include:

- Risks to the health and well-being of our employees and strategic partners
- Risks to the life and safety of our employees and in the value chain

Information on our actions in this report:

- Risk management

4. Follow up on the implementation of the results

- Monitoring the implementation of the various initiatives that address risks through the Grupo Salinas Social Responsibility Committee.

Information on our actions in this report:

- Risk management
- Honestel Whistleblower System



5. Report on how impacts are addressed

- Through our Sustainability Report to all stakeholders
- To investors and other groups, through various communication channels

6. Partner in impact remediation where appropriate

- We have not incurred in Human Rights impacts.

Information about our actions in this report:

- Risk management
- Ethics and anti-corruption

› Gender Unit

GRI 2-16,2-26

This is the body through which we express our commitment to Human Rights, as its purpose is to foster inclusive prosperity by creating safe spaces for all employees, where combating gender violence and sexual harassment is a priority.

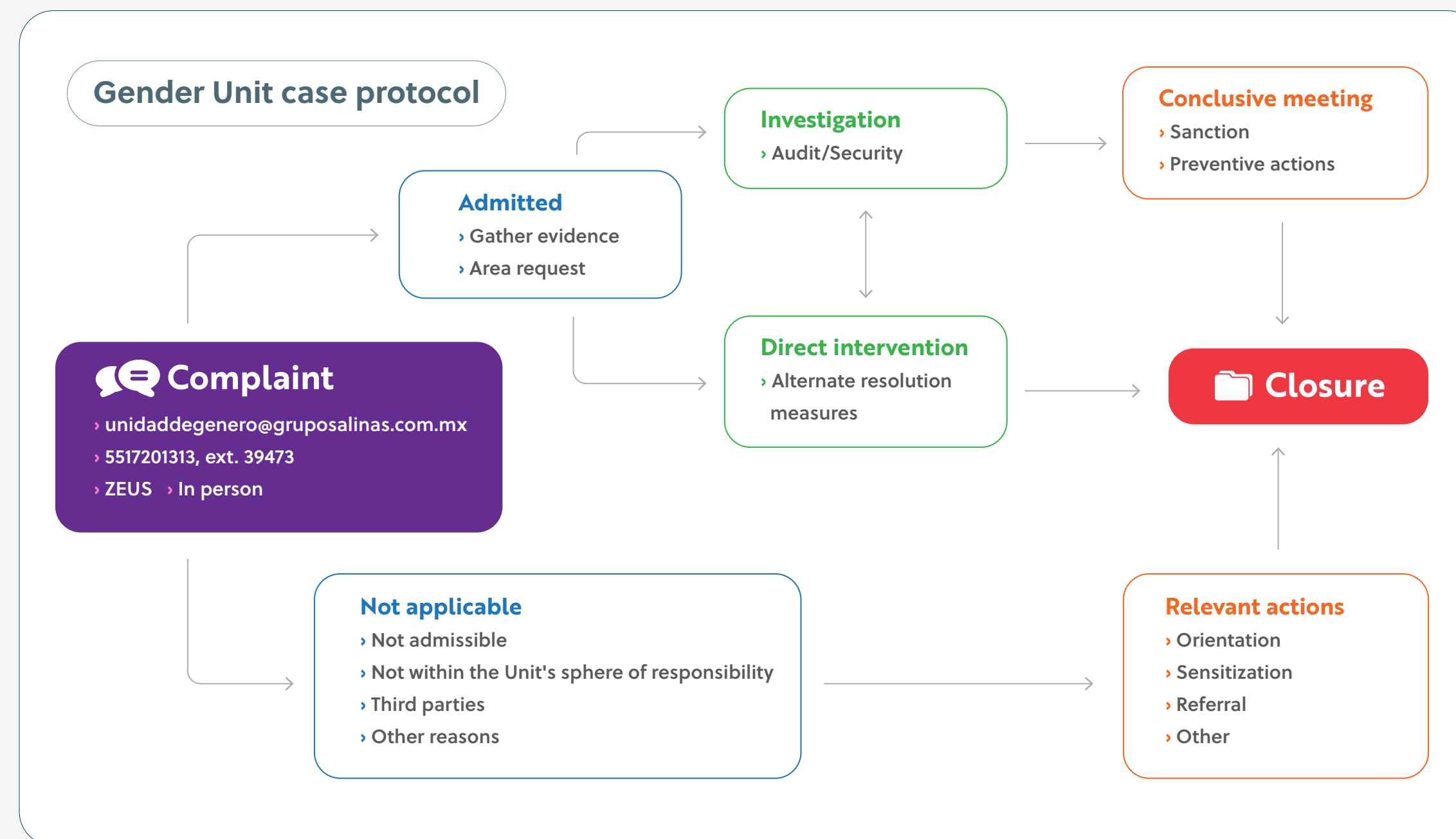
Of the complaints received from affected persons, 292 were admitted, equivalent to 54.5% of the total; 94.5% of them were for sexual harassment and 5.5% for gender-based violence.

Among the actions taken for optimal attention to these complaints were:

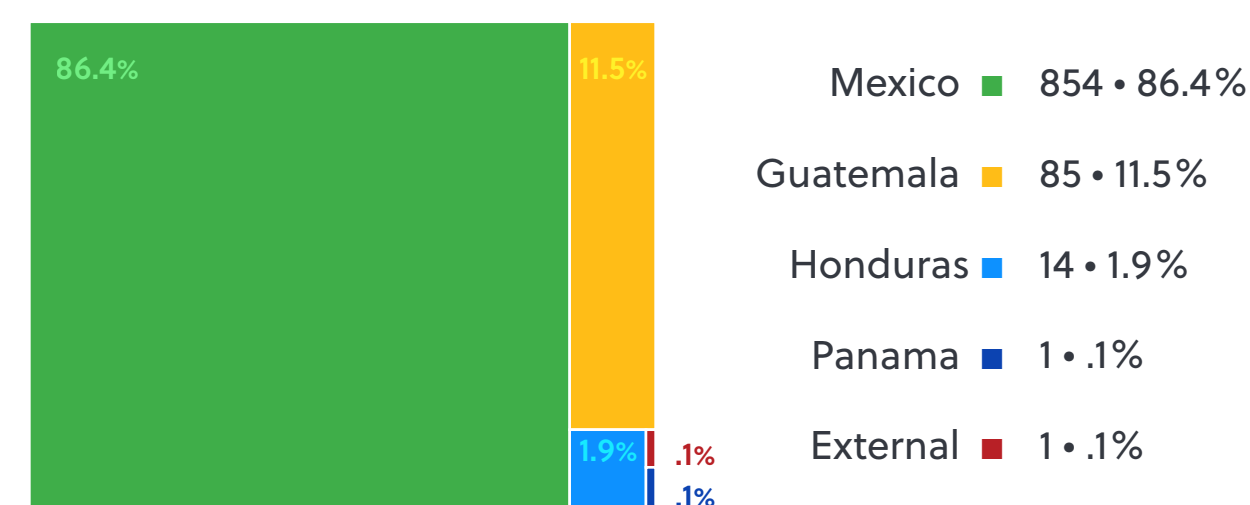
- Investigation
- Resolution by the Gender Unit
- Early closure

The results of the investigations yielded 108 substantiated complaints. On average, 57 days elapse from the time a sexual harassment complaint is received and the attention process is closed, that is, until the operation applies the corresponding sanctions, which is 21% better than the 2022 result. The Gender Unit's process for addressing a case lasts an average of 48 days, from receipt of the complaint to the conclusive meeting.

Prevention is one of the most essential pillars in the Gender Unit, so we launched several awareness campaigns on sexual harassment, racism, gender violence, in order to positively influence the behavior of employees and generate a healthy work environment.



Complaints to the Gender Unit by country



→ **742 matters handled in 2023; 72.2% complaints from affected persons and 27.8% complaints from the area.**

→ **244 awareness-raising sessions in 2023; 6,788 impacts.**

*45.5% of the complaints from affected persons were not admitted. The actions taken in the event of non-compliance were: informative response, orientation, referral to other channels—Honestel, Honestel Conciliator, operations and audit—awareness raising, emotional support and specialized counseling.



› Cybersecurity

GRI 3-3

At Grupo Elektra and Banco Azteca, personal data protection and cybersecurity are one of our main priorities. Our Data Security Office is in charge of reducing cybersecurity risks and protecting the company's data and information from potential theft, unauthorized access, modification or loss, interruption and misuse, whether intentional or accidental.

At Banco Azteca we identify and address data security risks comprehensively. This approach is based on a solid information security policy, a robust risk management framework, a wide range of information security and cybersecurity controls, and a commitment to continuous improvement.

Banco Azteca has a comprehensive Information Security and Cybersecurity Policy, based on ISO 27001 standard. This policy is aligned with international standards and is constantly updated to reflect best practices and changes in the threat landscape.

In terms of content, Banco Azteca's Information Security and Cybersecurity Policy covers the following topics:

- **Information Security Governance:** Defines the structure, roles and responsibilities for information security management in the bank.
- **Risk management:** Establishes a process for identifying, assessing and mitigating cybersecurity risks.
- **Security controls:** implements technical and administrative security measures to protect the bank's information assets.
- **Awareness and training:** Promotes a culture of security among the bank's employees through awareness and training programs.



→ The Data Security (DSI in spanish) Office works to reduce cybersecurity risks and protect the company's data and information against potential theft, unauthorized access, modification or loss, disruption and misuse, whether intentional or accidental.

- **Incident response:** Defines a response plan for information security incidents.
- **Audits and reviews:** Establishes a process for conducting regular information security audits and reviews.
- **Application security:** Defines information security requirements for application development and implementation.
- **Network security:** Protects the bank's network infrastructure against unauthorized access, intrusions and attacks.
- **Data security:** Protects the confidentiality, integrity and availability of the bank's data.
- **Email security:** Protects the bank's email against spam, phishing and other threats.

We use ISO 31000 standard as a framework for cybersecurity risk management. It provides guidelines and principles for systematically and proactively identifying, assessing and addressing risks. We also conduct regular risk assessments to identify and evaluate data security risks.

We have a wide range of information security and cybersecurity controls in place to protect customers' data.



Our information security incident response plan defines corrective actions in the event of a data breach. It includes the following steps:

1. Incident identification and containment:

The scope and cause of the data breach is identified and the necessary measures are taken to contain the incident, such as: blocking unauthorized access to systems, isolating affected equipment and notifying all participants in the incident management process, among others.

2. Risk assessment:

The risk of the data breach is assessed and its potential impact is determined.

Corrective actions are prioritized and measures are taken to minimize damage.

3. Notification to customers:

If customers' personal data is compromised, they are immediately notified of the data breach and assisted with the steps necessary to protect their personal information and prevent fraud.

4. Changes to processes and operations:

Processes are reviewed and updated to ensure compliance with security and data protection standards.

Changes are made to operations to prevent similar incidents in the future.

5. Reevaluation of business partners:

Business partners and their security standards are reevaluated to ensure that Banco Azteca's security and data protection standards continue to be met.

6. Training update:

Data security and protection best practice training and coaching is kept up to date.

7. Technology improvement:

Detection and data protection capacities are upgraded and improved by incorporation of latest-generation technologies.



→ Banco Azteca is continuously improving its information security and cybersecurity program. It conducts regular tests and drills to ensure that the incident response plan is effective.

To identify vulnerabilities in our information systems and avoid a data security risk, we have adopted a proactive, layered approach.

This approach is based on the following pillars:

1. Risk management framework:

- Cyber risk model: based on international best practices such as ISO 27001, ISO31000 and NIST.
- Cybersecurity controls: installed on servers, databases, networks and applications.
- Ongoing assessments: Identification of vulnerabilities, internal and external threat monitoring, along with employee awareness campaigns.
- Data loss prevention technologies: To protect confidential information.
- Logical access model: Based on the principle of least privilege for the organization's services.

2. Continuous vulnerability scans:

- Ongoing program: Performed by qualified specialists.
- High-level security tools: Aligned with international standards.
- Risk level assessment: Classification of vulnerabilities.
- Presentation of results: To those responsible for the assets, indicating their impact and recommendations for mitigation.

3. Specific cybersecurity models:

- Digital services: Designed with specific controls and security architectures.
- Public and private cloud: Implementation and management of cybersecurity architectures.
- Security monitoring: Early warning of cybersecurity threats.

4. Training and human resources:

- Enhancement of specialists' technological capabilities through high-level courses.
- Incorporation of new personnel: With complementary capabilities.
- Efficient management model: Ongoing specialized training.

5. Information protection:

- Encryption mechanisms: To guarantee the integrity of the information.

6. Access management:

- Logical access management model and platforms: Based on least privilege, immediate access revocations and secure management of privileged access.

Employees and communities

› Employees

Our employees are very important to us, because it is only with their commitment and dedication that we can fulfill our value proposition to advance towards inclusive prosperity. We are committed to being an employer brand: we want to provide the conditions necessary for the growth, development and comprehensive well-being of our employees, motivating them to give their best and generate pride in belonging to the Group. We seek to offer job satisfaction and thus achieve greater productivity to meet individual and organizational goals.

› Talent attraction and retention

GRI 401-1

We seek out people with the required skills so that we can fill positions efficiently, while abiding by the principles of diversity, inclusion and non-discrimination. We offer social benefits and attractive and competitive compensation, and we support their advancement within the company through a career plan that gives them a good reason to stay with Grupo Elektra.

We have various mechanisms and instruments to ensure optimal talent management, from at the recruitment stage to ensuring their retention over time:

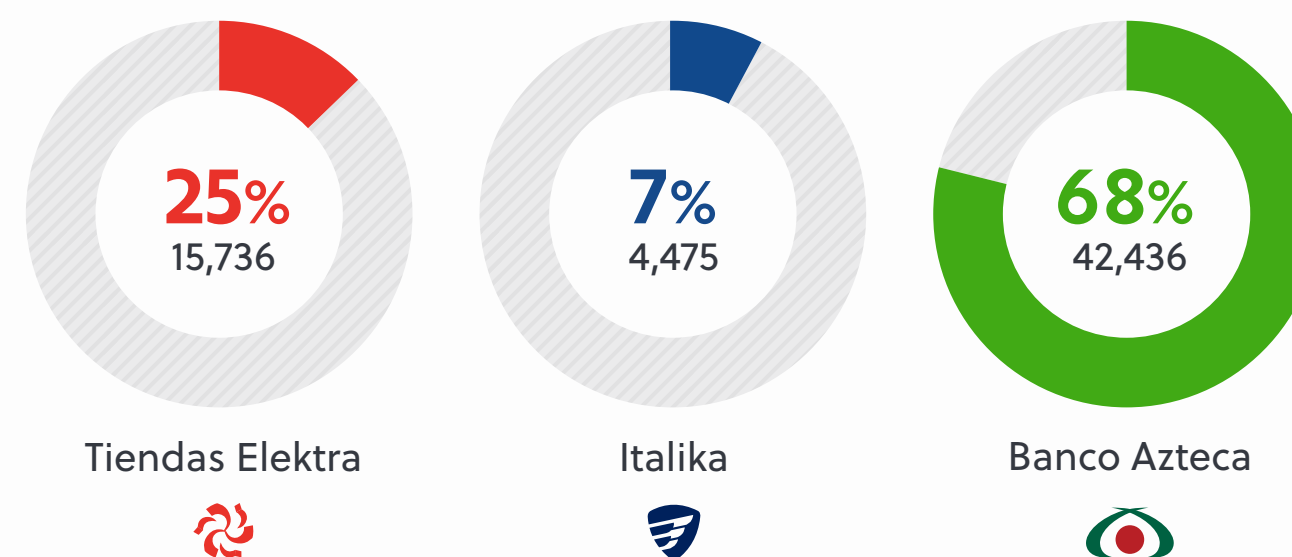
- Talent Attraction Manual
- Hiring Room candidate management platform
- Posting of vacancies on LinkedIn and virtual job boards.
- Guidelines on promotion of internal talent
- Inclusion and Non-Discrimination Policy
- Vacancy Posting Policy

[Learn more in the sustainable performance annex](#)

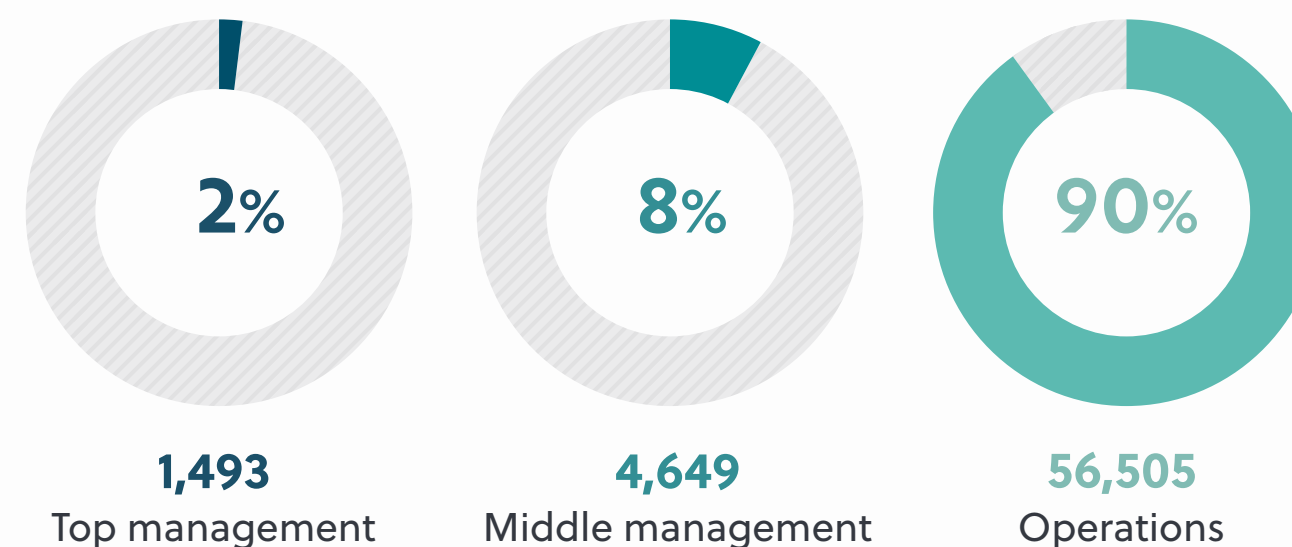
› Workforce

GRI 2-7, 405-1

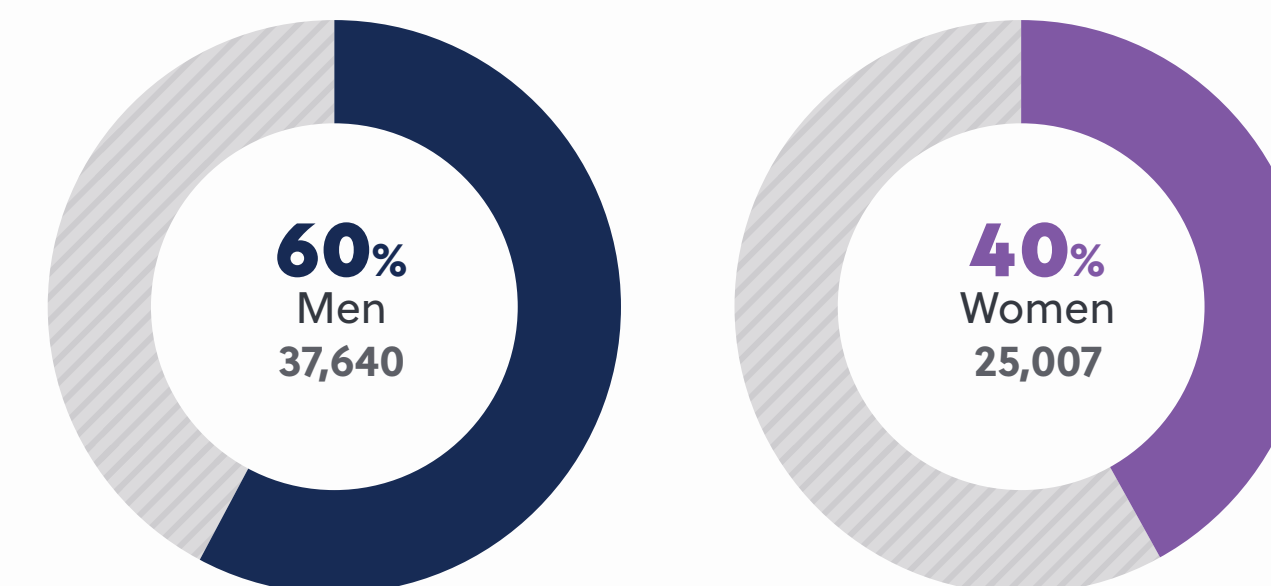
Breakdown of workforce by business



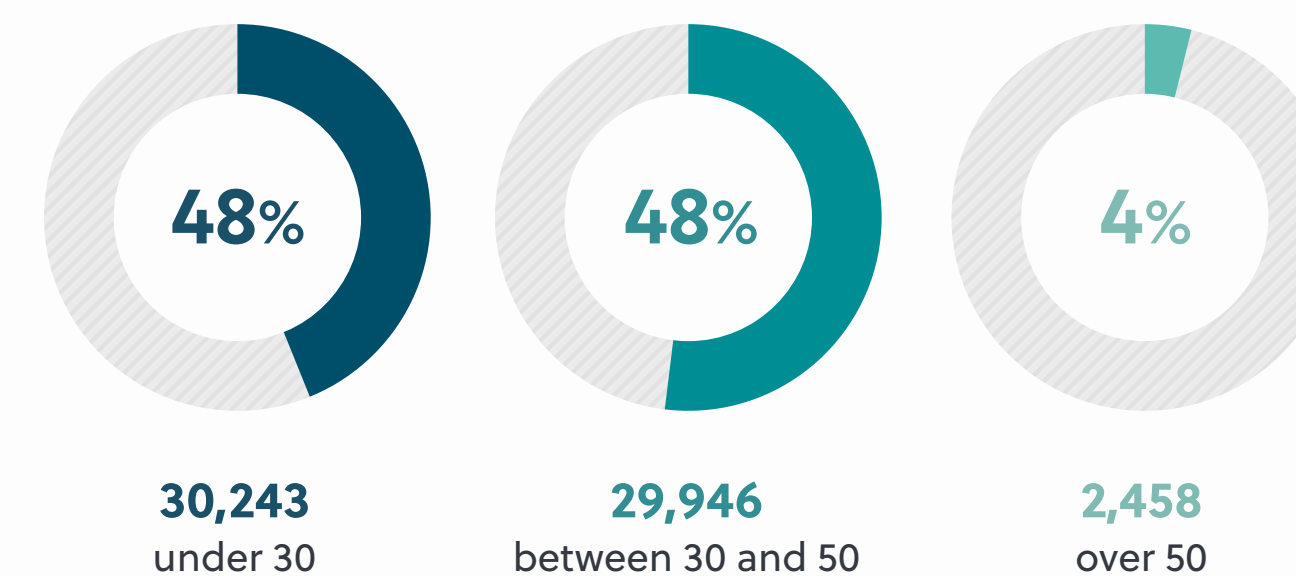
Breakdown of workforce by job category



Breakdown of workforce by gender



Breakdown of workforce by age group



→ 17,192 new hires in 2023

→ Turnover rate of 35.52%

→ 5.78% of employees are union members



› Diversity and equal opportunity

GRI 3-3

We are convinced that, if we want to achieve inclusive prosperity, ensuring equal opportunities is essential. We promote our employees strictly based on meritocracy, which means that beyond covering a gender quota, we advance employees who meet the necessary competencies to occupy a position and thus exceed their goals.

[Learn more in the Sustainability performance annex](#)

› Talent development

GRI 404-1, 404-2 SASB FN-AC-270a.3, FN-IN-270a.4

At Grupo Elektra, we want our employees to grow alongside the company. By helping them develop their skills, we support their progress, both professionally and personally, giving them a stronger sense of commitment and satisfaction to ensure their permanence and making Grupo Elektra the best company to work for.

55,269
employees trained
in 2023*

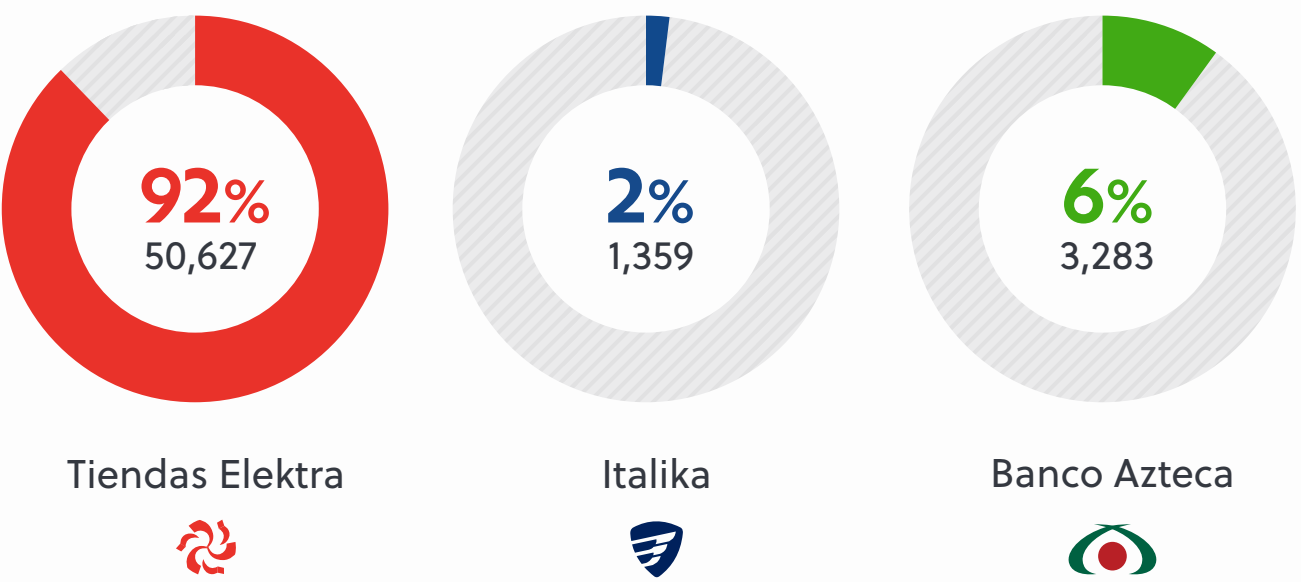
19.4 h
hours of training on average
per employee.

› Training

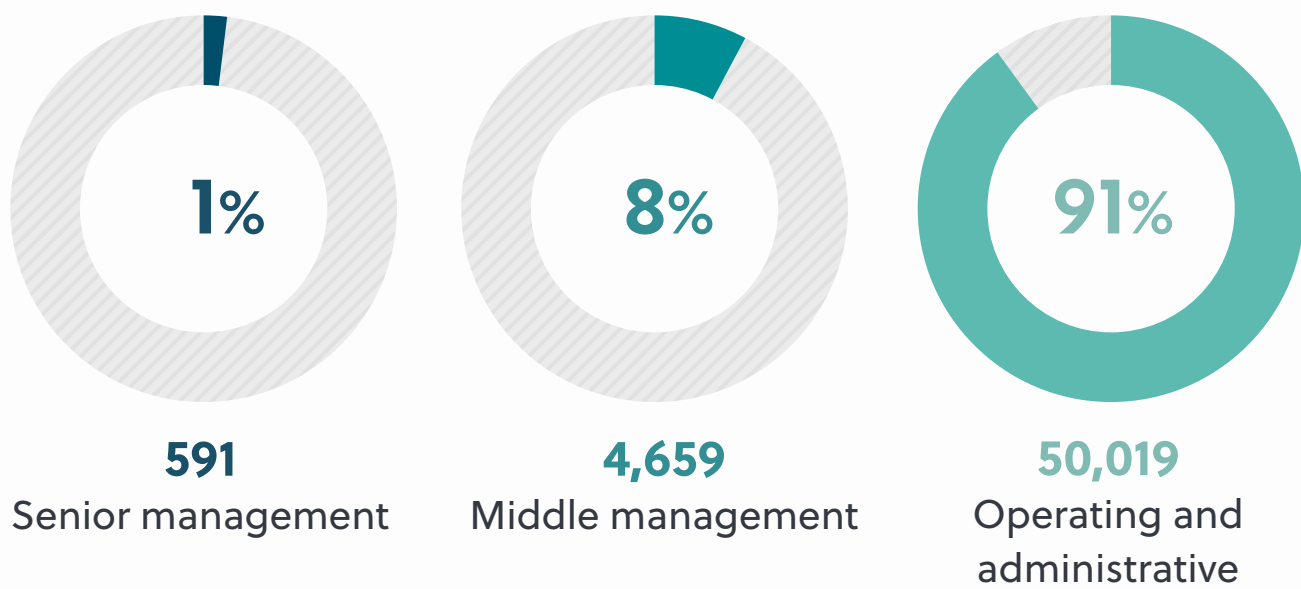
GRI FS4

In 2023, we provided training in various aspects: technical, regulatory, institutional, ethical, hard and soft skills.

Participants in training by business unit



Participants in training by job category



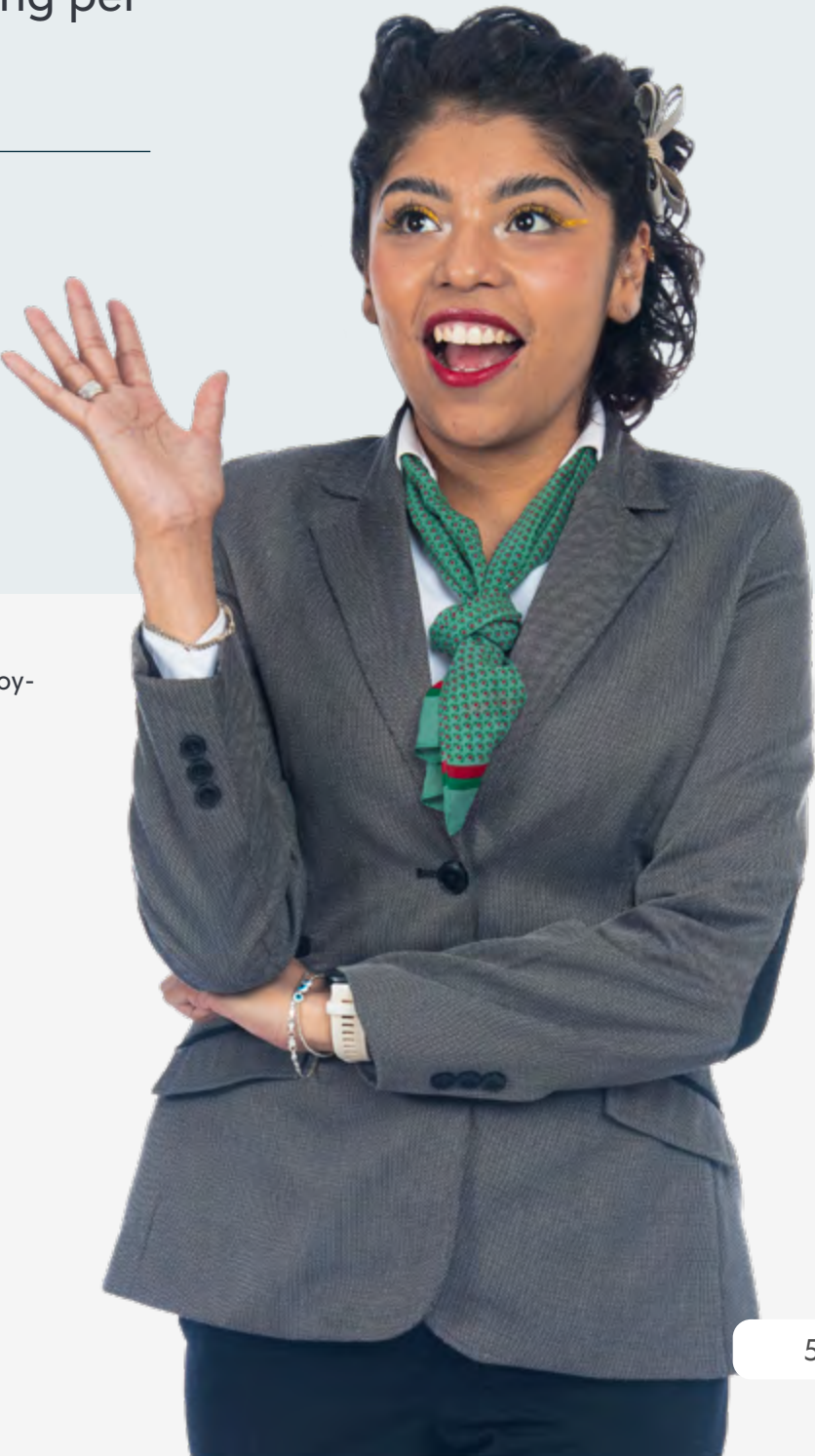
In addition to an array of training programs, we provide facilities for employees to pursue postgraduate studies toward their professional goals. In 2023, 1,482 employees pursued Master's degree studies.

[See the breakdown here](#)

214,311
employees trained in **governance issues**;
* **2.4 hours** of training per employee.

829
executives trained
in 2023

* Employee participations in training sessions.
*The figure may not coincide with the total number of employees due to the fact that new employees are not considered.





› Performance evaluation

GRI 404-3,FS4

We regularly evaluate the performance of our employees by setting and tracking performance against goals, so that each of them can identify their strengths and areas of opportunity, take advantage of them and continue growing within the organization.

The performance evaluation is based on a six-step High Performance Management Model which reflects our philosophy, allowing us to manage the goals and functions of the areas in a standardized manner and make sure jobs are done efficiently. These six steps are:



Evaluation is a continuous process, accompanied by feedback and conversations between a mentor/supervisor and employee. It is divided into three basic stages:

- 1. Goal-setting:** from January to February, employees and their mentors/supervisors meet and set individual goals based on priorities and business strategy, so that the employee knows what they must achieve during the year.
- 2. Semi-annual review:** from July to August, where mentor/supervisor and employee meet to discuss progress against goals and both of them express commitments and actions to meet them by the end of the year.
- 3. Annual evaluation:** from January through the third week of February, where employee and mentor/supervisor meet again and reflect on successes, failures and development points, in addition the mentor/supervisor assigns an evaluation to the two management elements (individual goals and behaviors).

Composition of the performance evaluation

- **60% individual goals:** these are the most important actions or projects performed by the employees at the level of their individual contribution; they are related to the business strategy.
- **40% institutional behaviors:** actions that show evidence of the values we need to drive results. This evaluation helps us to align individual conduct with the organization's strategy and strengthen our culture. What's important not just what is achieved, but how.

The program also covers compliance with principles/guidelines regarding code of ethics, cybersecurity, data privacy, and others.

Grupo Elektra Job category	Number of employees who have received regular performance evaluations		Percentage of employees who have received regular performance evaluations (%)	
	Women	Men	Women	Men
Senior management	422	1,071	92%	95%
Middle management	1,464	3,285	99%	99%
Total by gender	1,886	4,356	99%	99%

› Communication Channels

GRI 2-25

In order to be present for and attentive to our employees, we have various channels to hear their opinions, ideas, expectations and concerns. These are important in creating an optimal work environment built on a close relationship with our people.



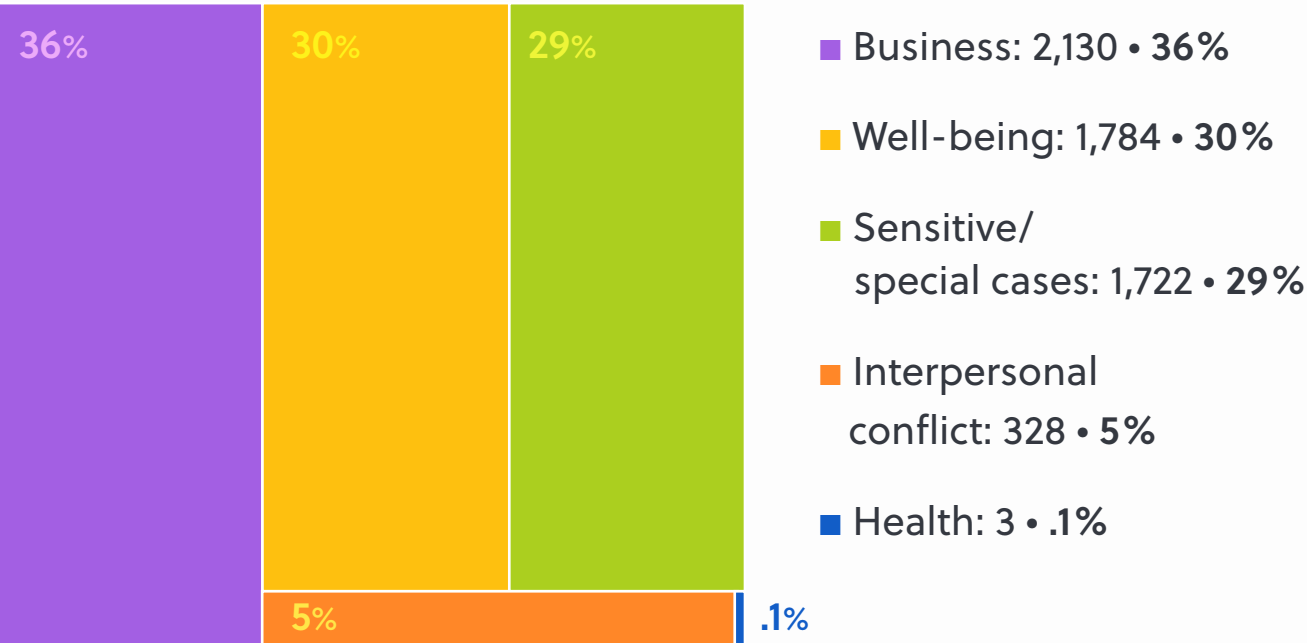
Ideas

This channel encourages ingenuity and innovation among our employees, as it gives them the opportunity to express ideas and propose solutions to improve our products and services, helping make our day-to-day processes more efficient.

Cuéntanos

This is an anonymous internal communication channel through which employees are supported and accompanied at all times, where they can voice their questions and concerns, both personal and work-related, and receive guidance and follow-up through a team specializing in emotional attention and support.

Breakdown of cases addressed by type



Occupational health and safety

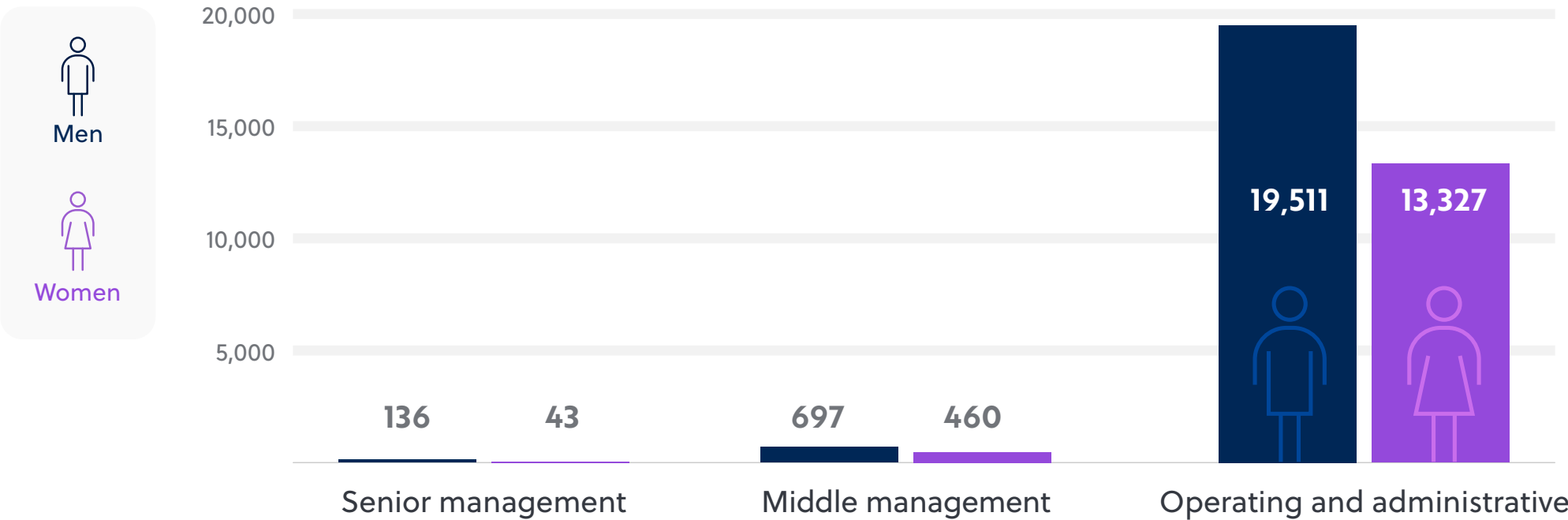
GRI 3-3, 403-5, 403-7

The range of training we offer includes mandatory annual training in occupational health and safety:

- Civil Protection Training Program, for all Grupo Salinas employees
- COVID-19 course, in two formats: one for Grupo Salinas employees and the other for those responsible for work centers or team trainers.

The courses take place during working hours and we guarantee their effectiveness by means of communiqués and notices from those responsible for bringing the learning programs to each of the business units.

Occupational health and safety training by gender and job category



Employee satisfaction and commitment

At Grupo Elektra we provide satisfactory working conditions for our employees, because we know that happy employees have a greater sense of pride in belonging and are more productive, which means a better customer experience, a higher rate of talent retention, and the achievement of individual and organizational goals.

We use the Net Promoter Score (NPS) indicator to assess the degree of satisfaction and loyalty employees have towards the company and the areas where they work.

34,174

employees trained in health and safety by 2023; 60% men and 40% women.

68,348

hours of health and safety training; 2 hours on average per employee.

+1,300 ideas received from employees from all of our Business Units

100% of the proposals were addressed and monitored

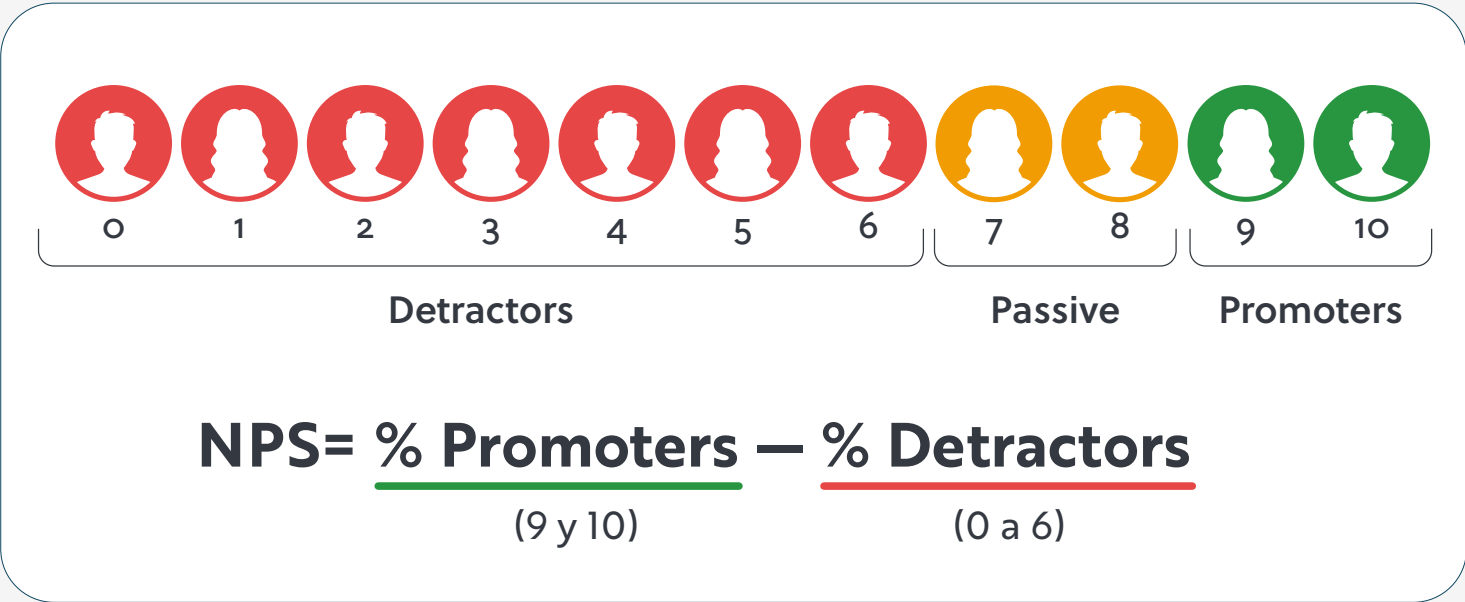
+5,900 concerns and questions resolved during the year



Employees are classified into three categories:

- Promoters. Those who score us 9 or 10.
- Passive. Those who score us 7 or 8.
- Detractors. Those who score us from 0 to 6.

We calculate a percentage of each category per company and the NPS is calculated by subtracting the number of detractors from the number of promoters. We conduct this survey each quarter using the Zeus platform.



The results in 2023 were:

- A stable response rate of more than 85 points.
- Optimized the time to obtain results
- More areas were involved to achieve goals.

For a detailed breakdown of the NPS by gender, see the Data Summary section.

237,442 employees participating

74.8%, employee satisfaction rating



Well-being

GRI 3-3, 401-2

We want to forge close bonds with our employees and provide them the best working environment in order to support their development and earn their satisfaction. We have initiatives in all six spheres of the lives of our people both inside and outside the organization.

These include:

WE ARE FAMILY

<p>› Lengua materna</p> <p>We promote the linguistic and cultural diversity that we have in Grupo Elektra. We invite our employees to preserve their native language.</p>	<p>+1,200</p> <p>employees who speak indigenous languages.</p>
<p>› Monstruitos de 10.</p> <p>We recognize the excellence of employees' children who study earn a straight-A average on their report card.</p>	<p>+2,000</p> <p>children recognized</p>
<p>› Hoy por ti.</p> <p>We support employees in special circumstances, raising funds to help them recover their health.</p>	<p>+ \$200,000</p> <p>raised in 2023</p>



› **Disaster victims.**

We support employees who are affected by natural disasters. In 2023 we extended a hand to those affected by hurricane Otis .

To learn more, see the “Hurricane Otis” section of this report.

MXN13 million
pesos paid out
—
1,000
employees supporte



› **Promotions and discounts.**

We create partnerships with merchants and other institutions who offer their products and services on special conditions for our employees.

430
active agreements

WE WANT YOU HEALTHY

› **Health fairs.**

We hold these events twice a year for corporate employees at ten locations and once a year in twelve states for employees in the field. The services we make available to them are: vaccinations, glucose tests, ophthalmology, mammograms, discounts, and clinical tests.

12,500
employees benefited
in corporate offices
and in the field.



› **Health days.**

Events in which we provide information on specific illnesses and apply vaccines.

+25,000
employees
benefited



› **Nutrition.**

We promote the adoption of healthy life-styles, including improved eating habits, so we expanded our network of nutritionists to positively impact more people.

+17,000
nutrition consultations and
personalized diets in corpo-
rate offices and in the field
through the GS Health app

› **Breastfeeding.**

We support and assist nursing mothers by providing comfortable, healthy and acces-sible spaces for them.

› **GS Health.**

A tool that facilitates employees' access to medical, psychological and nutritional care.

35,000
employees
benefited

› **Employee cafeterias.**

We help our people eat healthy by offering them balanced and high quality menus.

+1 million
meals served

WE BROADEN YOUR HORIZONS

› **Member Library.**

We upgraded our library to make more titles and loans available.

22,000
titles loaned out



› **CEA Podcast.**

We launched the Círculo Editorial Azteca podcast, two seasons per year.

10,000

plays of stories
on Spotify.

WE RECOGNIZE YOUR TALENTT

› **GS Innovation Contest.**

We sent out a challenge to transform the experiences of customers and employees.

+800

projects received,

14

Grupo Salinas business
units

40

participating mentors.

› **GS Women.**

At Grupo Salinas we have a chapter that promotes and recognizes female talent. In 2023 we held a leadership diploma course, the renovation of the microsite for women, a mentoring program and six workshops with "Learn and Grow" to strengthen independence and financial freedom.

› **Operators' Committee.**

Together with our operators, we developed actions to promote business continuity plans and programs and identify areas of opportunity for all business units.

Supported

+11,000

employees in the field



CELEBRATIONS

› **Pride in my country.**

A contest to commemorate the anniversary of Mexico's Independence Day, encouraging employees to express why they are proud of their country by sending in a photo that reflects their love for Mexico.

1,600

participants and

3,100

photographs received

SPORTS

› **Members' Cup.**

A company-wide soccer tournament.

+2,000

employees participated in
280 teams

› **Banking Games.**

Banco Azteca participated in this competition to compete against other Mexican banks.

640

employees participated in
7,100 training sessions

› **Internal tournaments.**

Our corporate employees compete in tournaments in various disciplines, such as basketball, bowling, soccer and bocce ball.

+2,000

employees
participated



Communities and social impact

GRI 3-3, 203-1, 203-2, 413-1

SOCIOECONOMIC DEVELOPMENT

At Grupo Elektra, our determination to be an agent of positive change and our firm commitment to society, leads us to participate in social outreach activities that promote the well-being and advancement of all people. To broaden our impact, we have created synergies with various social and governmental organizations, developing programs to support education, health, environment and culture for the communities near our operations.

› Youth Building the Future (Jóvenes Construyendo el Futuro)

This is a federal program that encourages skill-building at the community level. We were the first to respond to the nationwide call for proposals, with a pledge to provide 12,000 training spaces during the six-year administration.

Through this program, trainees join the working world for the first time through Grupo Elektra, boosting employability, attracting talent, and designing a training plan that allows trainees to advance in both soft and technical skills. This assists them in absorbing our organizational culture and helps position Grupo Salinas as an em-

→ We were the first to respond to the nationwide call for proposals, with a pledge to provide 12,000 training spaces during the six-year administration.

→ From 2019 to the close of 2023, 14,830 applications have been received and 5,354 young people have been trained.



ployer brand.

The Youth Building the future program has also lowered the cost of human resources at Grupo Elektra, for example, in hiring, since there are positions now held by the former trainees for which it the formal process of posting the vacancy and selecting from a field of candidates was not necessary: as a result of the training they received, these young people had the necessary skills to fill the vacancies.

Trainees and interns receive an average of 12.75 hours of training from tutors. Interns work in administrative, customer service, legal, design, training, communication, talent attraction, organizational development, systems, data analysis and marketing jobs.

We intend to strengthen this program by increasing the retention rate, the percentage of trainees hired, and the score obtained in the performance evaluation. We also want to enhance the sense of pride and belonging to our organization and to develop trainees' soft and technical skills.

[Learn more in Sustainable Performance Annex](#)

- 1,357 tutors at Grupo Elektra
- 2,035.5 hours of training for tutors; 1.5 hours on average per employee.
- 199 program beneficiaries in 2023
- 505 success stories since the beginning of the program.
- 46.25% of success stories in the retail industry were at Tiendas Elektra
- 9.03% of success stories in the automotive industry were at Italika



DONATIONS AND SPONSORSHIPS

GRI 3-3, 415-1

We have a Donations and Sponsorships Policy, an instrument that strictly prohibits donations or sponsorships to organizations or projects destined to candidates, organizations or political parties, union or religious organizations.

Another of our principles to ensure a positive social impact is to avoid making donations or sponsorships to organizations that do not comply with our values and business ethics.

In order to offer transparency to our stakeholders and to follow up on the results of each donation or sponsorship, we make sure to record every transaction.

The breakdown of volunteer contributions and sponsorships is as follows:

	2022		2023	
	Monetary donations	In-kind donations	Monetary donations	In-kind donations
Grupo Elektra	206,947,280	58,861	180,097,500	42,177

Grupo Elektra	2022	2023
Number of volunteers	9,660	12,796
Hours volunteered	24,831	32,892

We want to amplify our social impact, which is why we have the GS Volunteering program, in which our employees join forces with Fundación Azteca.



Activities carried out and topics addressed in 2023			
49 in health and inclusion	28 in women	21 education	18 pets
11 community	9 environment	4 food	2 culture
→ +5,000 volunteers participating in 140 events in 22 Mexican states.		160 blood donors	
		9,700 kg of bottle caps donated	
		40 hair braids donated	

See details of donations and sponsorships in the Sustainable Performance appendix.



Fundación Azteca

Fundación Azteca is the main social arm of Grupo Salinas, and its goal is to transform the lives of thousands of people in the communities where our companies operate by generating value based on three strategic pillars:

- **Youth.** We provide the tools and skills necessary to form the leaders of tomorrow. This pillar includes educational programs that identify and empower talent, and promote a culture of merit, with freedom as a guiding principle.
- **Society.** We support the work of civil organizations and social entrepreneurs so that together we can enhance their benefits and amplify their impact.
- **Environmental and animal protection.** We work in awareness and education programs on environmental preservation.

In 2023, we renewed our ISO-37001:2016 Anti-Bribery Management System certification a third time. This benchmark standard helps organizations fight corruption by establishing a culture of integrity, transparency and compliance.





In 2023, we reached an enrollment of 7,289 students in 21 Azteca campuses.

Opening of 2 new campuses in Guatemala



+3,400 children and young people benefited from the Esperanza Azteca Symphony Orchestras and Choirs program.



YOUTH

› Azteca Campuses

In 1997, we founded the first Azteca Campus in Mexico City. Building on the institution's success, we developed the Azteca Educational Model, which has been introduced into public schools in partnership with state governments. Under it, students receive personalized education to identify and enhance their strengths and develop their social and emotional skills.

Students benefited through scholarship programs

School level	2022	2023
High school	2,813	4,637
Preparatory	1,575	2,652
Total	4,388	7,289

Robotics

In our Azteca Campus program, we promote robotics through classes in this subject, and we also have an alliance with For Inspiration and Recognition of Science and Technology (FIRST) to organize national and international robotics competitions.

Indicators	2022	2023
Persons benefited (Mexico City)	67	72
High school students	40	33
Preparatory school students	27	39
Persons benefited (state)	347	384
High school students	260	271
Preparatory school students	87	113

Esperanza Azteca

We identify and promote musical talent among young people, providing them with comprehensive training that allows them to transform their communities.

In 2023 we organized 22 orchestras in 13 Mexican states. We benefited 3,442 children and young people with the program, who performed more than 100 concerts.

Indicators	2022	2023
Undergraduate students	139	77
Remedial students	51	35
Teachers	23	38



SOCIETY

› Movimiento Azteca (MOVA)

We invite citizens to take action and support causes with national impact, to benefit Mexico. In 2023, we organized our 118th MOVA campaign, which supported IMSS Foundation for the acquisition of sleeper chairs.

IMSS Foundation	2022	2023
Number of chair-beds	1,679	1,680
Amount raised (MXN)	\$7,051,800	\$7,056,000

ENVIRONMENTAL AND ANIMAL PROTECTION

› Huellatón

We carried out the first Huellatón event and, together with Pedigree brand pet food, we donated 143 metric tons of food for dogs and cats, equivalent to 3 months of food for 40 animal shelters in Mexico City, Mexico State, Hidalgo, Puebla and Morelos.

→ +140 metric tons of pet food donated.



→ We raised MXN7,056,000, enough to fund 1,680 sleeper chairs.



› Environmental Entrepreneurship and Innovation Summit

In 2023, we organized the fourth Environmental Entrepreneurship and Innovation Summit, bringing together leaders and experts from the public and private sectors, who provide education and training to young entrepreneurs and civil organizations in the areas of social entrepreneurship, innovation, creativity and sustainability.

→ 421 attendees and +200,000 people reached through the online transmission of the event.

› Sustainable Tourism

We put out a call for entries, with 300 entrepreneurs responding, twelve of which were selected to proceed to the next step a process of capacity-building in sustainable tourism and market readiness. The three best projects took part in the 2023 Entrepreneurship and Social Innovation Summit and, with the support of Aeromexico and Grupo Elektra, traveled to the International Tourism Fair in Madrid.

→ +300 participating entrepreneurial projects; 12 selected and 3 awarded.

› Let's Clean Up Mexico (Limpiemos México)

GRI 304-3

Fundación Azteca's flagship program consists of cleanup campaigns in which volunteers participate to pick up trash and litter in certain areas. We have a permanent campaign in the Desierto de los Leones area of Mexico City, where in addition to the cleanup days, we provide training and environmental education courses.

Program results

Indicators	2022	2023
Number of brigades	6	6
Number of volunteers	4,690	3,501
Waste collected (kg)	98,618	36,052
Tires (number)	2,000	303
Solid waste (kg)	96,618	31,622
Trees planted	22,455	11,535

› Un Nuevo Bosque

GRI 304-3

We educated kids and young people about the importance of caring for our forests and helping to preserve and reforest them.

→ 3,482 participating volunteers
who planted +11,000 trees
in 7 reforestation days

→ 6 days in which 3,501
volunteers participated;
515 from Grupo Salinas.

→ +36 metric tons of waste
collected.



Environmental commitment

Environmental management

In 2023, we invested +MXN20 million in our branches to install energy- and water-efficient equipment.

Energy

GRI 3-3, 302-1, 302-3, 302-4, 302-5

We have two strategies to minimize the impact of emissions from our use of energy sources:

1. Electromechanical equipment that has been catalogued and approved by the Energy and Environment area. A document called the Energy Seal was drawn up, identifying equipment that has been evaluated and approved with certification under ROHS, AHRI and NOM. This document is organized into the following areas:
 - **Lighting.** Establishes criteria and guidelines for lighting systems in properties owned by Tiendas Elektra, Banco Azteca and Italika, under the following standards:
 - NOM-001-SEDE-2012 for Electrical Installations.
 - NOM 025-STPS-2008 Lighting Conditions in work centers.
 - **Air conditioning.** States the basic considerations for the design of air conditioning at Tiendas Elektra, Banco Azteca and Italika sites. It sets the following specific goals:
 - Temperature control (24°C).
 - Humidity control (50%).
 - Movement of air distribution in a given space.
 - Energy saving.

We also drafted an Energy Policy, which gathers together all these technical elements for employees' information, to support efficient energy management of our branches and corporate offices.

2. We supply renewable energy (wind and geothermal) to Tiendas Elektra branches. Additionally, we have four pilot solar cell systems, with which we will generate 218 MWh of the total consumption of the branches in 2023, avoiding the emission of 955 tCO₂e.

2023 initiatives

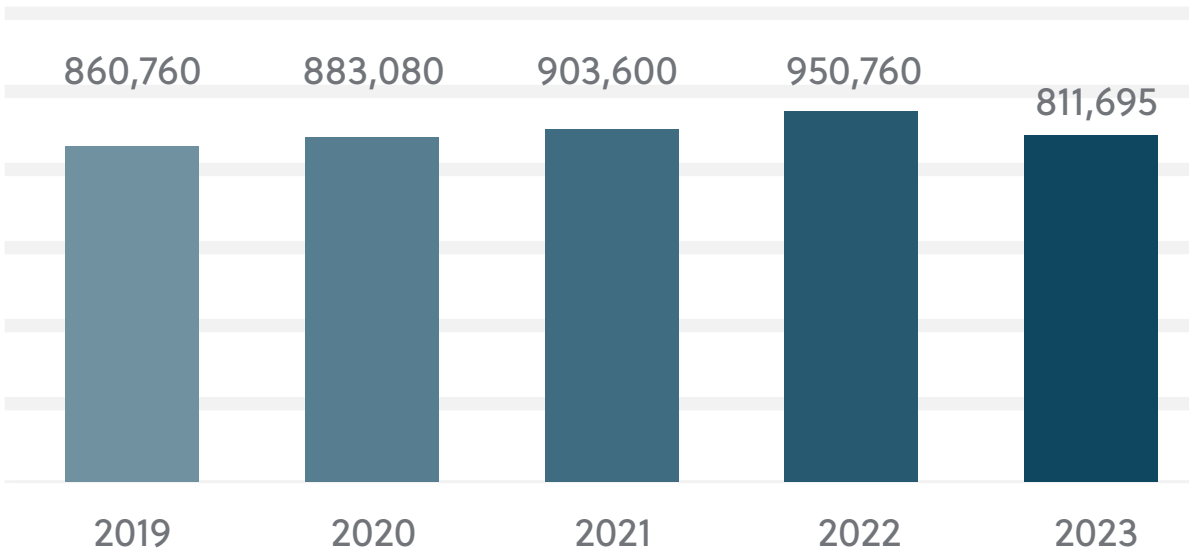
- Implementation of policies for the efficient use of energy, water and waste, as well as on the use of equipment, in branches.
- Catalog of efficient equipment (LED lighting, inverter air conditioners and low-consuming bathroom fixtures) in branches.

→ Consumption of 82 GWh of energy from renewable sources, equivalent to 124,589 GJ.

→ Energy intensity of 26.53 GJ/employee.*

* Energy intensity was calculated considering an energy consumption of 1,428,368 GJ and 53,846 employees.

Electricity consumption Grupo Elektra (GJ)



Note. The standards, methodologies and tools used for the calculation were the General Law on Climate Change, the Regulation of the General Law on Climate Change regarding the National Emissions Registry, centralized collection receipts from CFE (non-renewable), collection receipts from Grupo Dragón (renewable).

Energy source	GJ
Gasoline	611,868
LP Gas	4,803
Diesel	2
Renewable sources	124,589
Electricity	687,106
Total	1,428,368

Notes:

- The quantities of fuels and energy sources considered in the calculation were:
 - › Fuel used in mobile sources: 10,783,016 liters of gasoline.
 - › Fuel used in stationary sources: 183,989 liters of LP gas and 45 liters of diesel.
 - › Energy from renewable sources: 63 GWh from wind energy and 19 GWh from other renewable energy sources.
 - › Energy from non-renewable sources: 191 GWh of electricity.
- The standards, methodologies and tools used for the calculation were: SAP fuel expense accounting accounts, CFE centralized collection receipts, Grupo Dragón collection receipts (monetary values are taken and converted to liters of fuel, units of measurement).
- The source of the conversion factors used was the International System of Units for energy, using the calorific value and converting to Joules.

› Emissions

GRI 2-4, 3-3, 305-1, 305-2, 305-3, 305-4

Given the nature of the activities carried out by Tiendas Elektra, Banco Azteca and Italika, their emissions are linked to energy consumption, so introducing the Energy Seal and having a formal Energy Policy are key to ensuring the most efficient technology in corporate and branch offices, as well as in proper maintenance and energy use.

The activities carried out by Tiendas Elektra, Banco Azteca and Italika by nature generate only emissions linked to electricity consumption; therefore, the implementation of the Energy Seal and the Energy Policy are key to having efficient technology in corporate and branch offices, as well as the correct maintenance and use of energy.

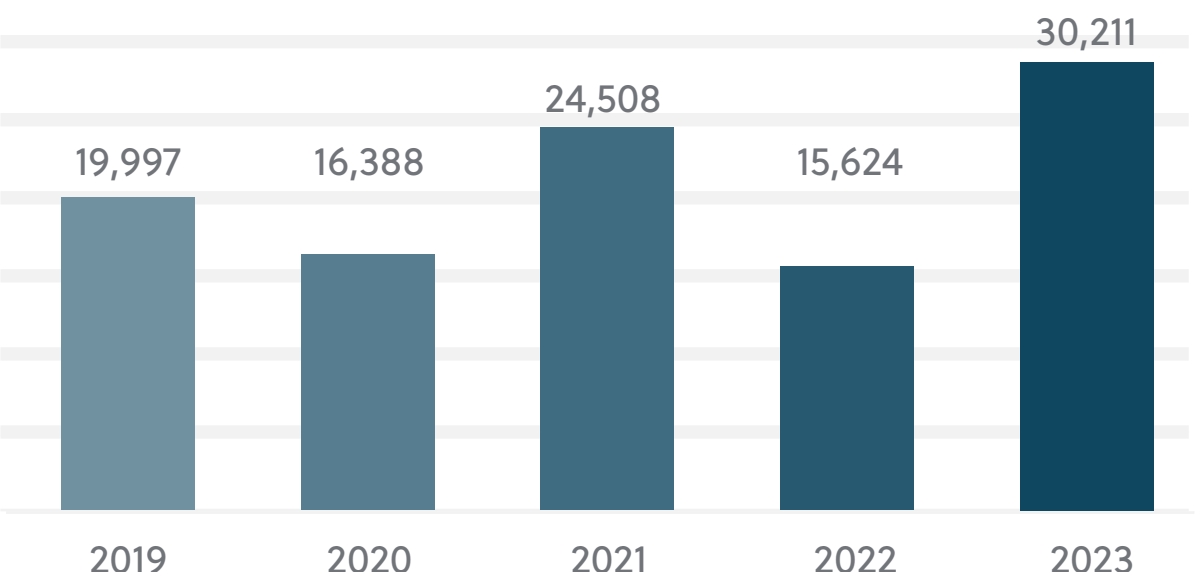
2023 Initiatives

- We keep track of the emissions generated by energy consumption, to monitor our branches and pinpoint areas for improvement.

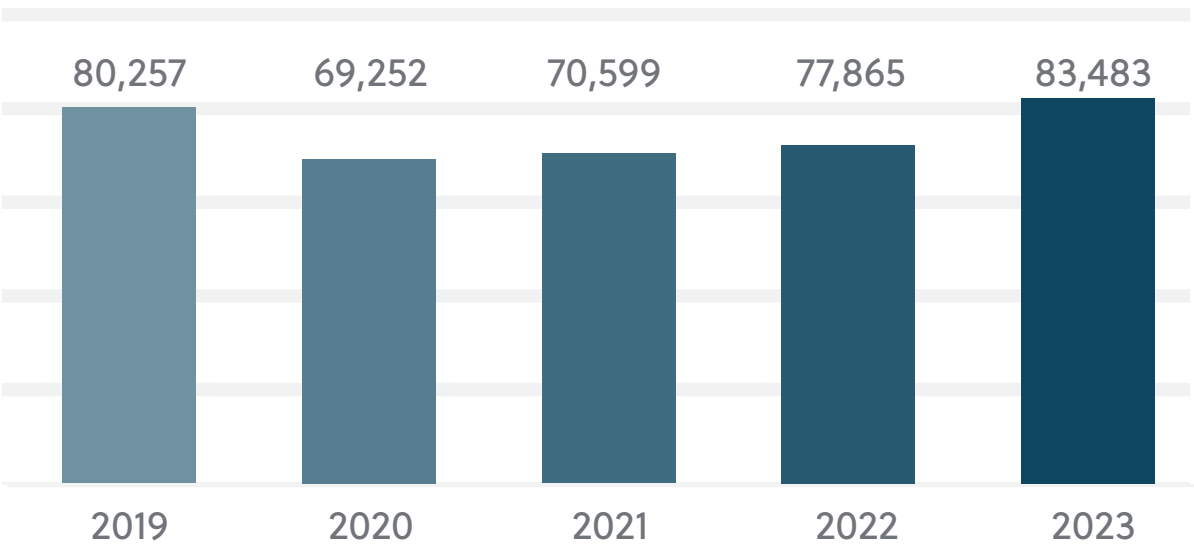
Notes:

- The gases included in the calculation are: CO₂, CH₄, and N₂O.
- The conversion factors used were the calorific value of each fuel, the emission factor of each fuel for mobile sources and energy production, as well as the global warming potential.
- The sources and standards for the calculation were the General Law on Climate Change and its Regulation on RENE, and the "Agreement to establishes the technical particularities and formulas for the application of methodologies for the calculation of emissions of greenhouse gases or compounds," published in the Official Gazette of the Federation on September 3, 2015.
- As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

Scope 2 emissions Grupo Elektra (metric tonnes of tCO₂e)



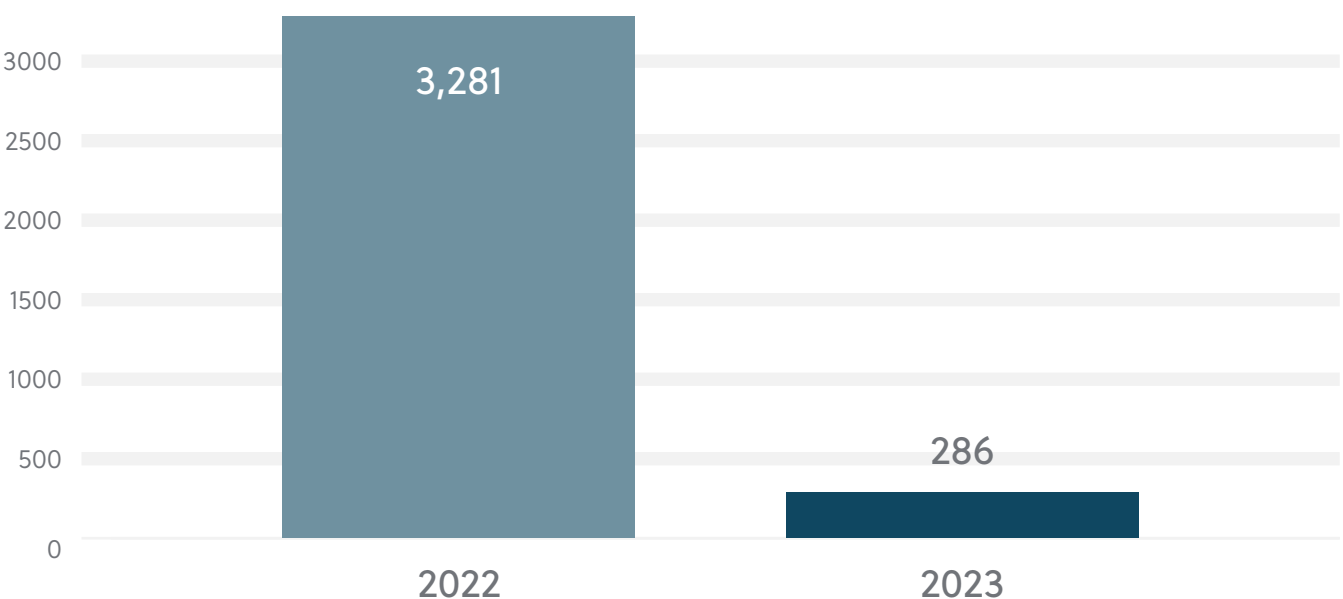
Scope 2 emissions Grupo Elektra (metric tonnes of tCO₂e)



Notes:

- The calculation considers only CO₂.
- The conversion factors used were: 0.494 for 2020; 0.423 for 2021, 0.435 for 2022 and 0.438 for 2023.
- The source used for the calculation was the Annual Emission Factor of the National Electric System.
- As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

Scope 3 emissions Grupo Elektra Tiendas Elektra, Italika y Banco Azteca (metric tonnes of tCO₂e)



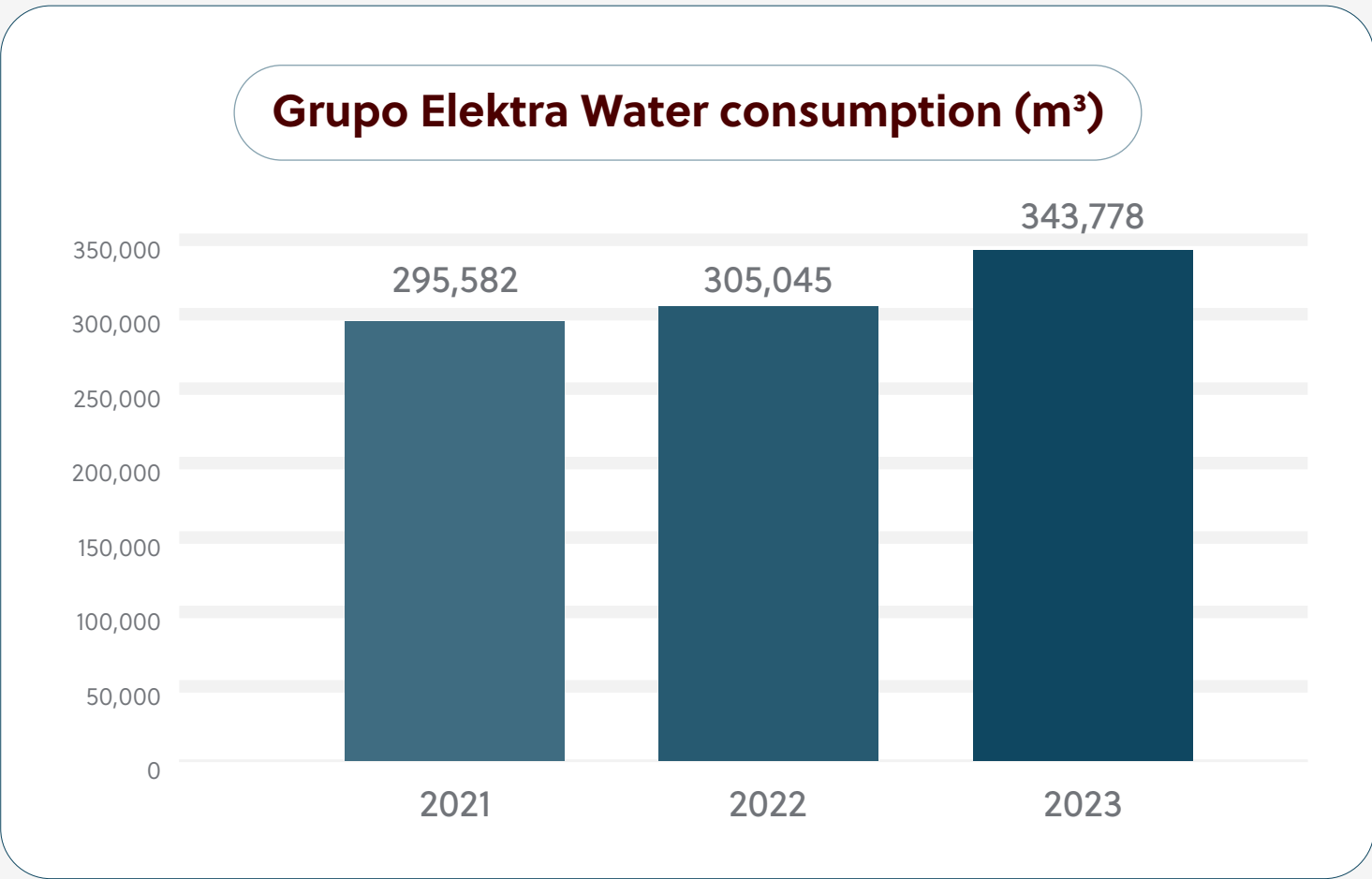
Notes:

- Scope 3 emissions consider category 6, business travel.
- The decrease in Scope 3 emissions is due to an efficiency strategy in flight logistics and consideration of only the June-December 2023 period.

› Water

2023 initiatives

- To optimize water management, we developed a Water Consumption Policy for our corporate offices.
- To reduce water consumption at Tiendas Elektra, Banco Azteca branches, Italika facilities and our corporate offices, we have efficient bathroom fixtures, such as bathroom faucets, urinals and toilets, with a consumption of 3.7 liters, 1 liter per flush and 3.8 liters per flush, respectively.



› Waste

Grupo Elektra's corporate offices manage their waste comprehensively. Our Solid Waste Management Policy and Regulation on Monetizable Waste provide instructions on how to properly separate, dispose, store and collect waste.

2023 Initiatives

- We introduced a log to keep track of each of the collections of recoverable waste from each corporate unit and the amount of waste generated, along with the corresponding manifests for each waste.

In 2023 we generated a total of 33,776 kg of recoverable waste, such as PET, cardboard, aluminum, among others, which were appropriately channeled to uses such as recycling.

[See the details of the environmental indicators in the Sustainable Performance appendix.](#)

10,002,992 kg
of recoverable waste
generated in 2023*

*The timeframe considered corresponds to March-December 2023 for three work centers: Corporativo La Luna, Torre GS and Torres Esmeralda. This includes recoverable waste for Ensamblika, corresponding to the 2023 period.

Waste	2023 Result (kg)
Aluminum	16,363
Cardboard	6,687,528
Mixed	1,300
PET	2,358
Plastic wrapping	105
Wood	1,092,940
Scrap metal	671,650
Plastic	13,475
Cable	540
Foam rubber	1,317,970
Styrofoam	100,469
Strapping	98,294
Total	10,002,992

Note. The data presented includes 19,683 kg of waste generated by three Grupo Elektra offices and 9,983,309 kg of waste generated by Ensamblika.



OUR BUSINESSES

- › Tiendas Elektra
- › Italika
- › Banco Azteca



Our businesses

› Grupo Elektra

GRI: 2-1, 2-6

→ Grupo Elektra, S.A.B. de C.V., is a limited-responsibility, variable-capital company incorporated under the laws of México. It was founded in the 1950s as a manufacturer of radio transmitters, and later began to operate as a retailer when it opened its first Elektra store.

Today it is a specialty retailer and financial services firm that leads its industry in Central America, where it serves the middle, lower middle and lower-income segments of the market. It is also the largest non-bank provider of short-term loans in the US through its subsidiary Purpose Financial, Inc., which serves middle-class customers in that country.

As of December 31, 2023, it operated 6,174 points of contact through its Elektra and Salinas y Rocha stores and Banco Azteca and Purpose Financial branches in the United States. There were 5,331 of these contact points in four Latin American countries: Mexico, Guatemala, Honduras and Panama, and 843 Purpose Financial branches in the United States.

We have **118 years** of market presence with Salinas y Rocha and **74 years** with Tiendas Elektra.



Tiendas Elektra

GRI 2-1

Tiendas Elektra is a brand dedicated to the sale of various products and services, offering a superior experience to shoppers in stores and other retail channels. The variety of channels we provide customers gives them access to a wide range of products and services and ensures that at the end of their visit they are satisfied with every purchase. We believe that the success of Tiendas Elektra lies in their exceptional customer service, high quality products at competitive prices and availability of different payment facilities, along with their pursuit of continuous improvement.

We currently operate 1,225 contact points throughout the Mexican Republic, striving in each one of them to create a unique shopping experience.



Business lines

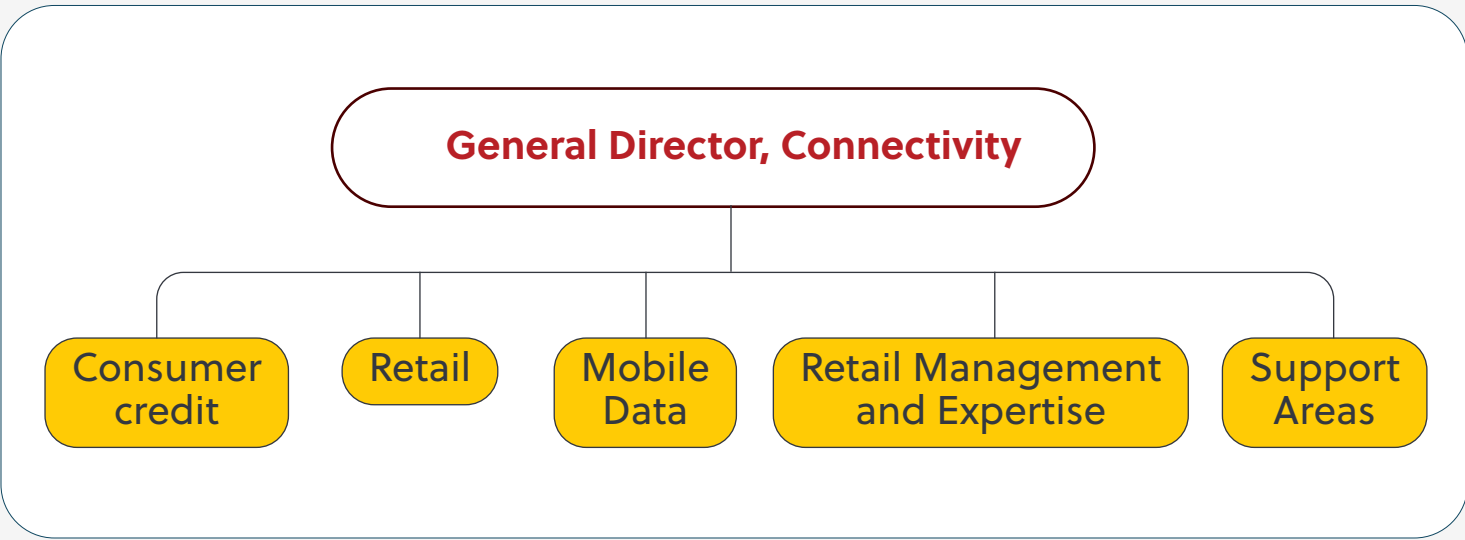
› Connectivity

This business line was created with the aim of connecting Mexican families through a wide range of mobile devices. We offer customers comprehensive solutions that encompass everything from credit for purchasing the devices to sale of the products themselves and the supporting data plans.

Main Connectivity Goals

- To benefit from the data generated starting with the purchase of airtime.
- To create comprehensive solutions for the purchase of our products.
- To develop new business partners
- To improve the omnichannel experience to provide the best purchasing option to each customer.
- To get to know our customers better and offer them personalized solutions.

Connectivity Department Structure



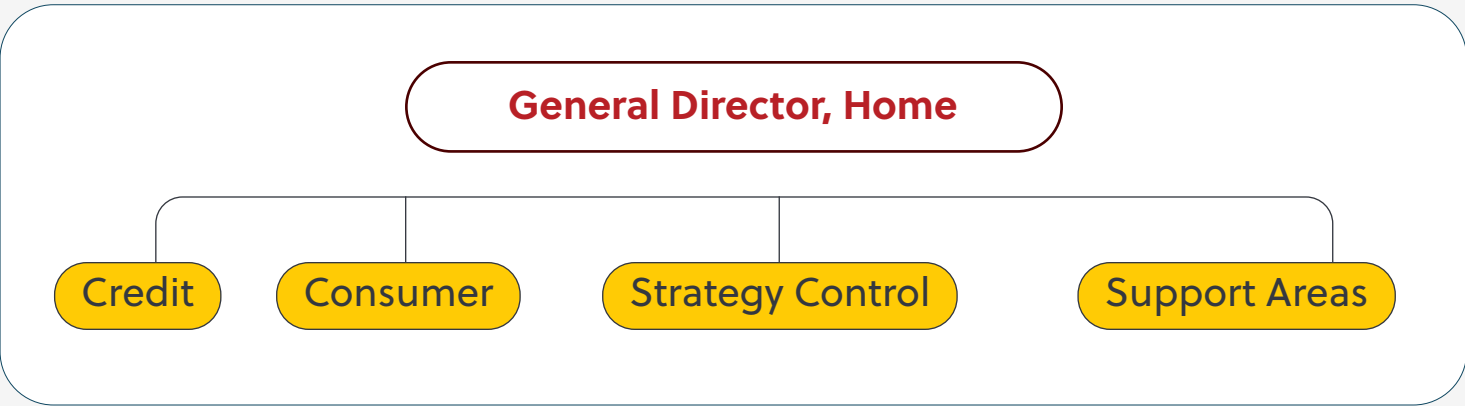
› Home

The purpose of this division is to make the dreams of Mexican families a reality, giving them responsible access to credit and allowing them to acquire products for renovating and improving their homes with quality technology aligned to their specific needs.

The division's main goals:

1. To offer a value proposition focused on the customer and their evolution through the "Customer Factory" model focused on four main lines of action: attraction, evaluation, recognition and retention.
2. To offer comprehensive value to the customer in the purchase process.
3. To be our customer's first choice for creating their home.

Home Department Structure



Mobility

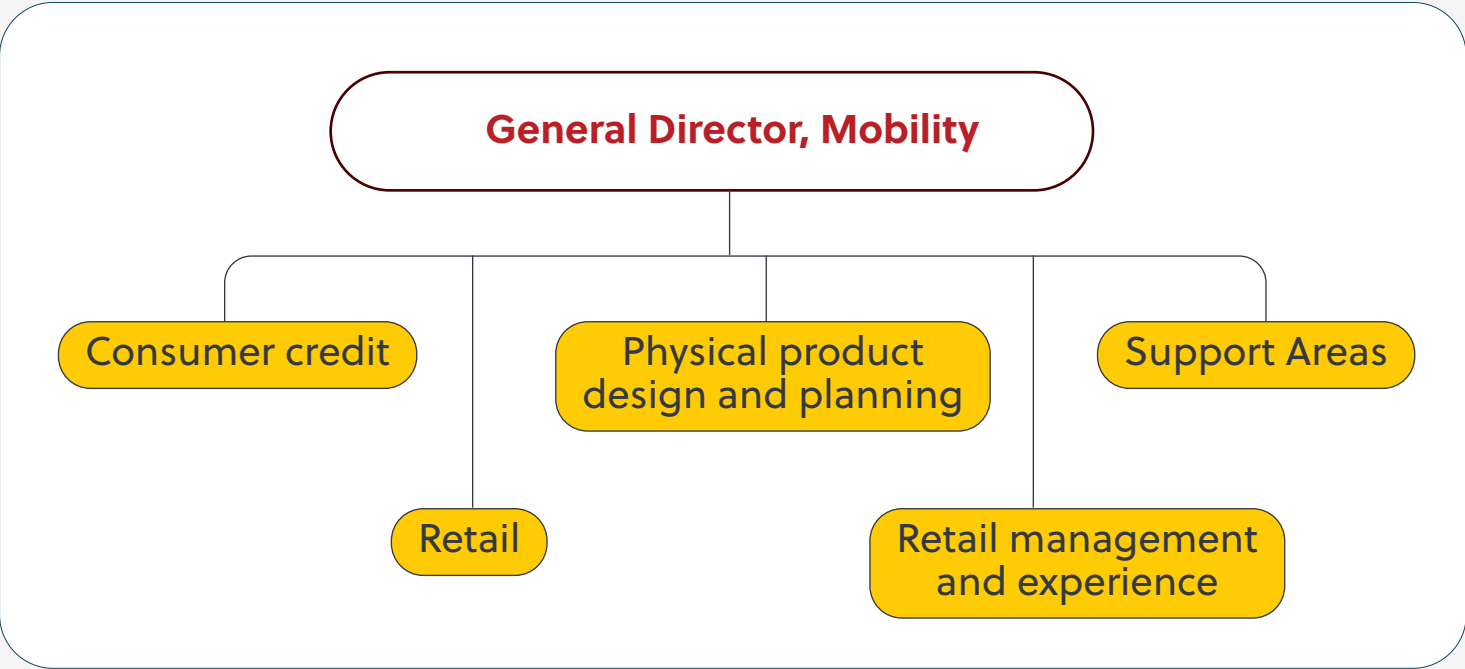
Offers the best experiences in mobility solutions through credit or cash, according to customers' needs.

Main goals of the Mobility department:

1. Empower credit for customers to acquire our services
2. Promote the omnichannel strategy.
3. Improve Italika products
4. Boost supply chain development.

We make and sell motorcycles that provide safe, efficient and sustainable transportation for families and businesses, with a complete range of choices for the end user, including Italika, Hero, Benelli, Kymco and Suzuki. We also offer our customers the possibility of buying on credit.

Mobility Department Structure



38
new stores



E-COMMERCE

+27%
in total sales
vs previous year

+138%
in Marketplace merchandise
sales vs 2022

227,762 shipments
y 277,102 store pick-ups.



› E-commerce

SASB CG-EC-000.C

Tiendas Elektra also has a digital platform where customers can purchase private-label merchandise, other makers' products through Marketplace, financial services, and even travel, from anywhere. The services we offer from our e-commerce platform are:

- Sale of private-label merchandise (1P)
- Sale of Marketplace merchandise (3P)
- Financial services (personal and consumer loans)
- Travel
- Insurance
- Home delivery
- In-store delivery
- Online payment with various payment methods
- Order tracking
- After-sales

MARKETPLACE

+164%
in total sales
VS 2022

+147%
in sales vía Elektra
loan vs 2022

373,559
transactions in 2023



We have two main channels:

- Assisted sales channel. This channel is available at Tiendas Elektra Network where customers can be assisted by a sales advisor in making their purchase; this channel is operated through a tool where the advisor can see the complete catalog available for the customer, who can then complete purchase using any payment method
- Self-service sales channel. Private-label merchandise and Marketplace products are available for sale through the e-commerce Web, Elektra App, Italika.mx, One Click (sale through the Banco Azteca application), Super App and Call Center "Outbound strategy".

[Learn more in the Sustainable Performance appendix.](#)

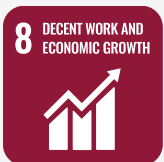
Marketplace

Provides customers access to a wide range of outside brand products through the Elektra.mx platform. It offers 18 product categories, 8 of which are new and 10 are complementary.

ACTION LINES

Commitment to intergity

We are committed to the development of communities and employees, to having a positive social impact and to preserving the safety and health of our employees, fostering diversity and inclusion while developing and retaining talent and providing high-quality service to our customers.



Process digitalization

Omnichannel and accessibility to services and products.

Commitment to people

We are committed to business continuity and the highest standards of corporate governance, business ethics, regulatory compliance and data privacy, in order to build and retain the trust of our stakeholders.



Logistics efficiency

Brand management and ESG communication

Responsible supply chain

Commitment to the planet

We are committed to minimizing the environmental impact of our operations through sustainable practices in our operations, including responsible use of energy and water, reduction of waste and emissions, and promotion of a sustainable supply chain.



Automation and efficiency of operational processes

Business model resilience and adaptability

GRI 3-3

We offer a wide range of mobility, telephony, home, electronics and computing product and accessories, through which we continually strengthen our business resilience and adaptability. Because we know the marketplace is constantly changing, we work to anticipate and respond effectively to customers' evolving needs and preferences. To achieve this, we invest in advanced technology, which enables us to streamline internal processes, optimize inventory management and enhance the customer experience through e-commerce platforms.

Our focus on resilience and adaptability allows us to thrive and remain at the forefront of the industry.

Risk Management

At Tiendas Elektra, we have a process for identifying, evaluating and monitoring risks to which the business may be exposed based on its operations, industry, location and other situations adverse to the organization.



SUSTAINABILITY MODEL

In December 2018, seeking to support inclusive prosperity, we joined the United Nations Global Compact, and took as a reference its ten principles on Human Rights, Labor Standards and Anti-Corruption. With this we demonstrate our firm commitment fostering a culture of corporate social responsibility.

ACTION LINES

Commitment to integrity



Commitment to people



Commitment to the planet



MATERIALITY

In 2023, we updated our materiality study to identify those aspects that remain material to our company and our stakeholders, which should be included in the Tiendas Elektra Sustainability Model, and which will be reported in this document.

Materiality matrix

GRI 3-1, 3-2

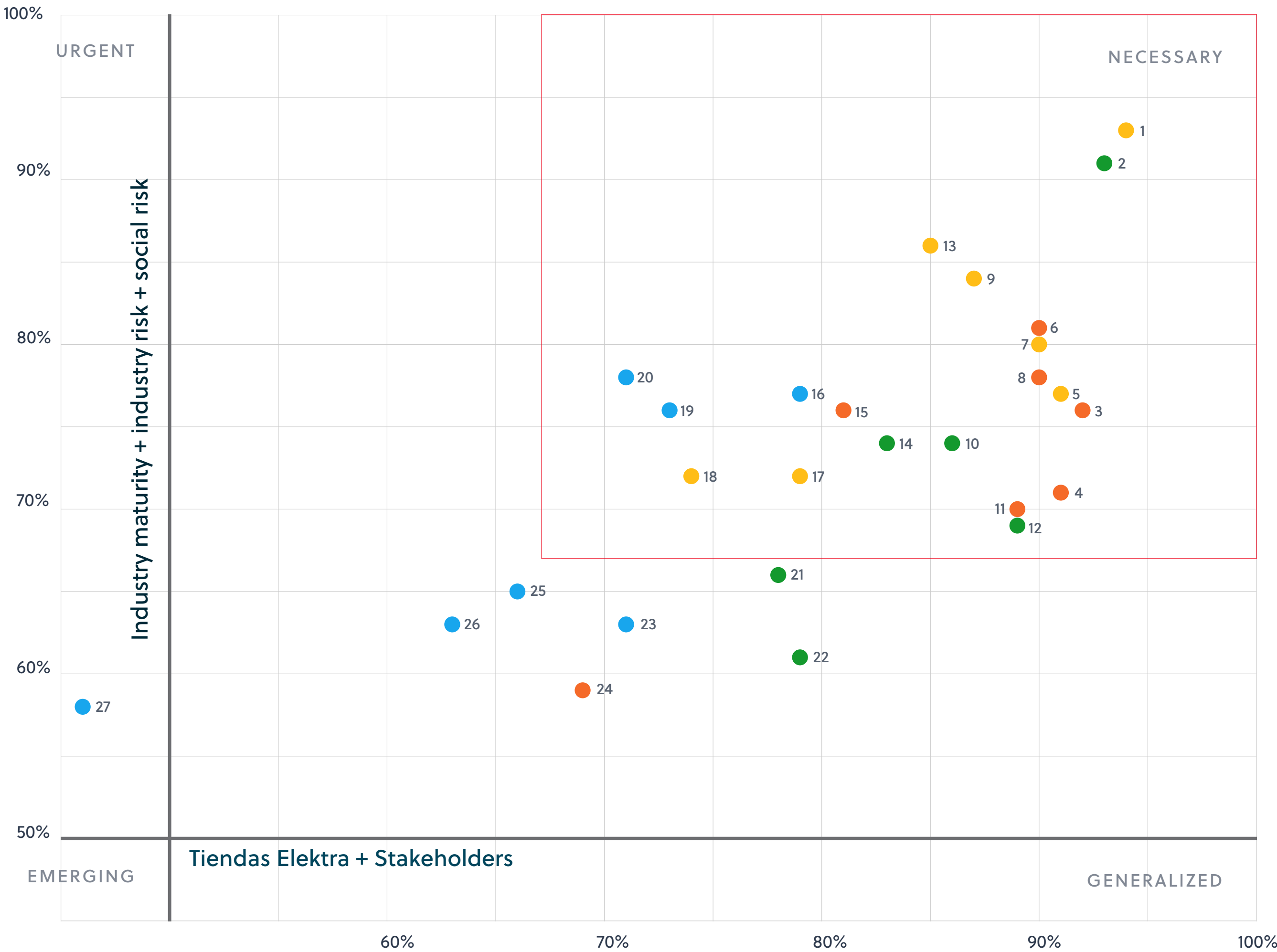
The material aspects of Tiendas Elektra are shown below:

1 Money-laundering/fraud prevention	13 Corruption, bribery and transparency
2 Brand management	14 Financial topics
3 Supplier standards	15 Diversity and equality
4 Human capital development	16 Energy eco-efficiency
5 Corporate social responsibility (CSR) / Sustainability / ESG	17 Cybersecurity
6 Human rights	18 Corporate governance
7 Ethics and integrity	19 Climate change
8 Health and Safety	20 Environmental policies/environmental management system
9 Risk management	21 Operating efficiency
10 Product and service development	22 Operation
11 Social impact	23 Materials
12 Customer relationship management	

Materiality matrix

The material aspects of Tiendas Elektra are shown below:

Economic Environmental Social Governance



















Dimension	2023 Material topic	Tema 2021
Economic	Brand management*	N/M
	Financial issues	✓
	Product and service development / product responsibility	N/M
	Customer relationship management*	✓
Environmental	Environmental policies / environmental management system	N/A
	Energy eco-efficiency*	N/M
	Climate change and other atmospheric emissions*	N/M
Social	Human capital development	N/M
	Occupational health and safety	✓
	Diversity and equal opportunity	N/M
	Human rights	N/A
	Social impact	N/M
	Supplier standards*	N/M
Governance	Corporate social responsibility (CSR) / Sustainability / ESG Management*	N/M
	Corporate governance	N/M
	Risk management	N/A
	Cybersecurity	N/M
	Ethics and Integrity	N/M
	Corruption, bribery and transparency	N/M
	Money laundering / fraud prevention*	N/A

✓ Material topic in both 2023 and 2021. NM: Topic not material in 2021. NA Not applicable (not included in the 2021 analysis). * High-impact topics, meaning those that were most valued by stakeholders and to which the company pays the most attention.

Correlation of material topics with the Sustainable Development Goals

















We then correlated each of the resulting material topics with the SDGs, in order to identify the areas of the 2030 Agenda to which Tiendas Elektra contributes through its actions.








	2023 material topic	Description
Economic dimension	Brand management*  	The search for a recognizable and unique positioning in the minds of customers, based on responsible communication and advertising, consistent with the company's values and compliant with applicable legislation and voluntary codes.
	Financial issues    	The set of indicators that allows for an understanding of the company's financial situation and performance, as well as the most important factors in investment decisions.
	Product and service development / product responsibility   	Design of innovative products and services based on high quality standards, under environmental, social and technological criteria, ensuring an understanding of the customers' needs.
	Customer Relationship Manage-     	The strategy of focusing on the customer, in order to guarantee a unique experience based on their satisfaction and well-being when using the company's products and services. It includes protection of the customer's data privacy and the responsible management of their information, in accordance with applicable laws.
Environmental dimension	Environmental policies / environmental management system 	The guidelines and commitments that lead the company towards regulatory compliance, mitigating the negative impact of its operations and capitalizing on opportunities for environmental improvement.
	Energy eco-efficiency* 	The set of practices to optimize energy consumption, promoting responsible consumption and the reduction of emissions derived from operations, ensuring the comfort and productivity of the properties' occupants.

Environmental d.

Social dimension

Governance

2023 material topic	Description
<div>Climate change and other atmospheric emissions*</div> <div></div>	One of today's most pressing global issues. It is defined as the modification of temperature and other climate variables. For the purposes of the materiality study, it considers emission monitoring and mitigation practices, as well as the formulation of a clear strategy against climate change.
<div>Human capital development</div> <div></div>	Programs to develop employee skills and competencies to ensure they do their jobs as required and can advance themselves within the company, in long-term career planning and transparent performance evaluation processes.
<div>Occupational health and safety</div> <div></div>	The guidelines and practices that guarantee the physical, mental, social and emotional well-being and integrity of employees, including measures to avoid occupational risks, unsafe conditions and incidents.
<div>Diversity and equal opportunity</div> <div></div>	The set of best practices for ensuring equality in access to employment opportunities, treatment and advancement, regardless of race, gender, age, ethnicity, education, religion, sexual orientation, ideology, or physical or mental condition.
<div>Human rights</div> <div></div>	The fundamental rights and freedoms that recognize and protect the dignity of all human beings. Businesses should consider each and every one of the human rights on which they may have potential impacts and implement practices to promote responsible behavior, with special focus on the risks that affect these rights.
<div>Social impact</div> <div></div>	Refers to measures taken by the company to address the needs and expectations of communities where it is present, magnifying positive impacts and mitigating negative ones.
<div>Supplier standards*</div> <div></div>	The guidelines established by the organization to ensure compliance, sustainable management and resilience of the supply chain.

2023 material topic	Description
<div>Corporate Social Responsibility (CSR) / Sustainability / ESG Management*</div> <div></div>	The set of processes and tools to plan and execute the establishment of sustainable policies, ESG criteria, targets to measure annual progress towards the goals set and the implementation of best practices in sustainability.
<div>Corporate Governance</div> <div></div>	The framework of rules, principles and procedures that determine the structure and operation of the company's governance bodies and lead it towards incorporation of the ESG strategy.
<div>Risk management</div> <div></div>	The process for identifying, assessing, controlling, responding to and mitigating risk factors that could threaten the company's operational continuity or assets.
<div>Cybersecurity</div> <div></div>	The set of procedures, tools and practices to protect systems and digital and critical information, in order to ensure the company's operational continuity, compliance with regulations and the trust of stakeholders, especially customers.
<div>Ethics and Integrity</div> <div></div>	The set of principles and values that incorporate the organizational culture and guide the company's conduct in its interaction with stakeholders: employees, investors, authorities, customers, community, among others.
<div>Corruption, bribery and transparency</div> <div></div>	These are the measures and instruments established by the company to address acts of corruption and bribery, in addition to promoting transparency and regulatory compliance.
<div>Money laundering / fraud prevention*</div> <div></div>	The set of measures that allow the company to strengthen its internal control, know its customers and identify vulnerable activities, in order to avoid participating in transactions with resources of illicit origin.

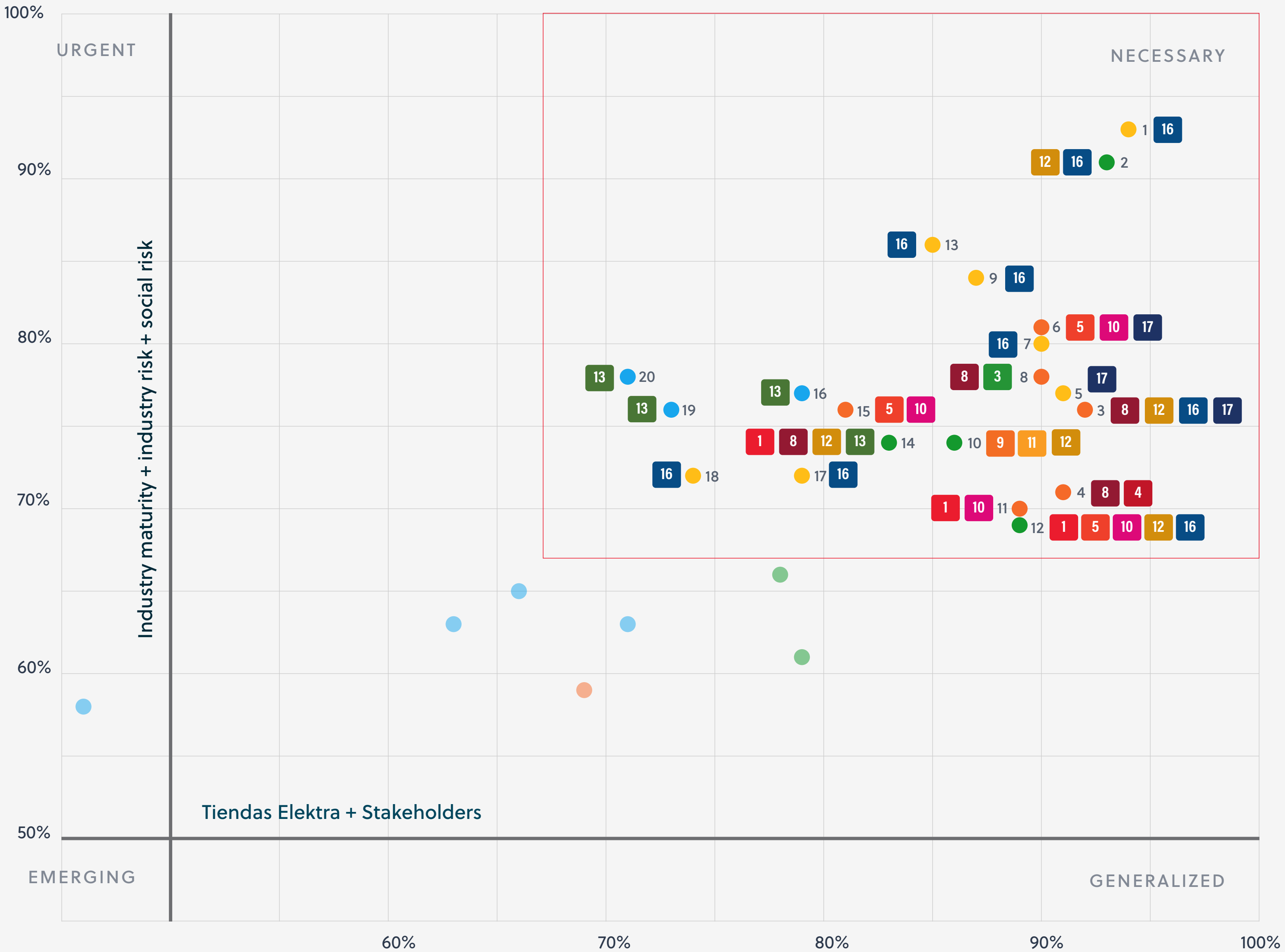
*High impact topics

Matrix of material topic correlation with SDG

- Money-laundering/fraud prevention
- Brand management
- Supplier standards
- Human capital development
- Corporate social responsibility (CSR) / Sustainability / ESG
- Human rights
- Ethics and integrity
- Health and Safety
- Risk management
- Product and service development
- Social impact
- Customer relationship management
- Corruption, bribery and transparency
- Financial topics
- Diversity and equality
- Energy eco-efficiency
- Cybersecurity
- Corporate governance
- Climate change
- Environmental policies/environmental management system

● Economic ● Environmental ● Social ● Governance

SDG:



Our value proposition

› Customer experience

GRI 3-3

Our mission is to guarantee a great shopping experience by developing protocols and tools that build satisfaction and loyalty. We want to form deeper connections with them, forge long-term relationships by understanding their needs, and serve them through an omnichannel experience, always increasing the number of people we serve.

We base our customer service on the "we are extraordinary" model, which guides employees through the steps to provide extraordinary service. We also monitor our Net Promoter Score (NPS) each quarter through a survey, via message and calls. This evaluates customer satisfaction and preference in order to understand whether our customers' expectations are being met and to identify opportunities for improvement.

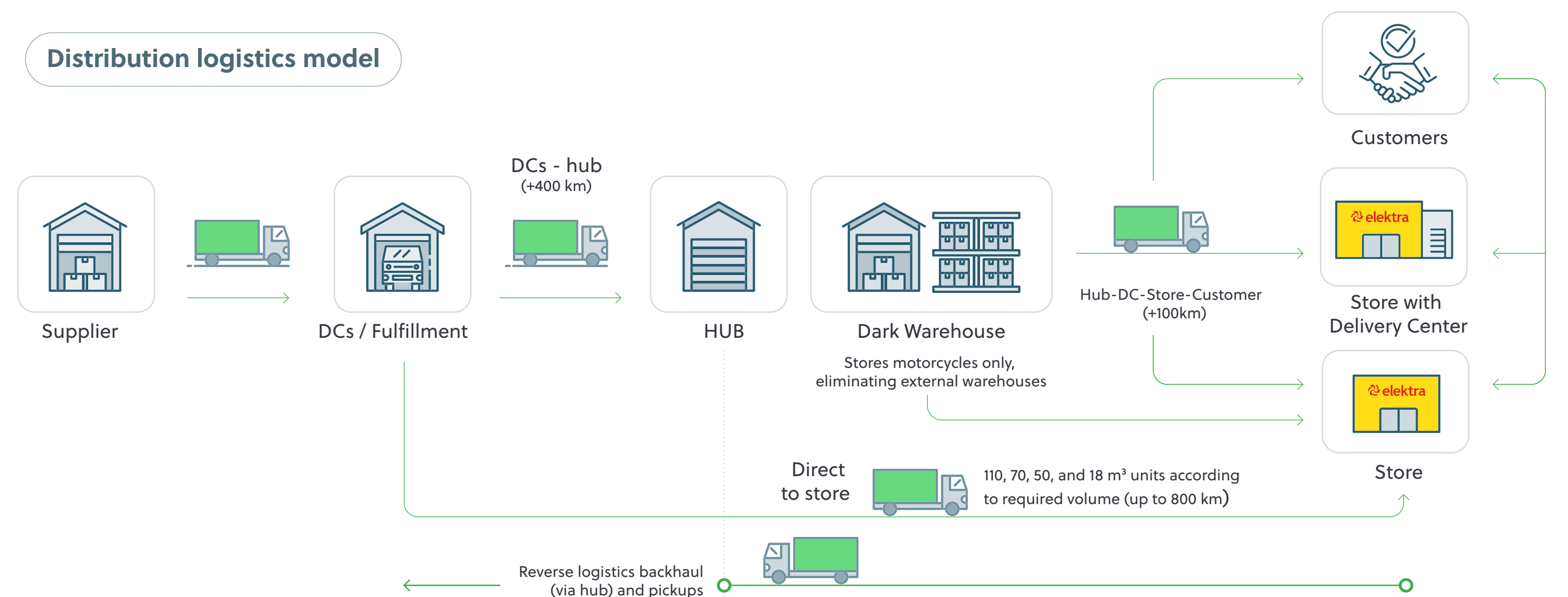
[For more information about customer experience, click here](#)

› Customer Privacy

GRI 3-3, 418-1

At Tiendas Elektra, we keep our employees informed of the processes for protecting customer data and make sure they follow them. In the digital channel, all employees sign a set of terms and conditions, clause 11 of which refers to the conveyance of personal data, in keeping with article 35 of Mexico's Federal Law on Protection of Personal Data Held by Private Parties.

Distribution logistics model



› Continuous Improvement

SASB CG-MR-000.B

The rapidly intensifying pace of changes in our market require us to continuously improve our processes in order to remain resilient and therefore more competitive, which is supported by a solid customer-centric strategy.

We exploit all the areas of opportunity that arise from this context, in an effort to adapt closely to the preferences and individual needs of each customer. One example is our entry into e-commerce, through a platform that offers shoppers solutions for making online purchases easily, quickly and safely, with an extended catalog of the products they need.

Our strategic focus on omnichannel operations guarantees the best shopping experience for customers in all available channels: physical stores, where they can also use kiosks and digital zones or make tablet-assisted purchases; or online, using the mobile application or website with ship-to-store or ship-to-home purchase options.

With the growing strength of our e-commerce platform, in 2023 we launched the digital Elektra App, reaching 1.5 million downloads and accounting for 25% of digital sales.

We also expanded our product catalog from 89,000 to 148,000 SKUs, which enhances the omnichannel ecosystem and gives customers access to more options to improve their families' quality of life.



257,141 m²
of warehouse space

1,464
employees



In the Tiendas Elektra Marketplace, we have an evaluation process for the services we offer that focuses on meeting the delivery time the seller (third party) promises for its products, the level of order fulfillment and the number of cancellations.

Responsible supply network

Our commitment to sustainability goes beyond our organizational boundaries. We have created a responsible supply network with Baz Entregas, sharing our principles and values through responsible measures and processes.

► Baz Entregas

Its aim is to create an efficient and profitable logistics network to increase customer satisfaction, based on three key elements:

- Guaranteeing correct supply to points of sale, with the lowest investment in inventory.
- Making on-time deliveries to our customers at the lowest possible cost with a competitive value proposition.
- Recouping logistics costs through third-party logistics revenues.

In 2023, as part of our overall business resilience strategy, Baz Entregas focused on finalizing construction of new capacity by transforming the logistics network:

1. We created new physical capacity

- 10 omnichannel distribution centers (DCs)
- 36 logistics centers (hubs)
- 24 automated warehouses (dark warehouses)
- 87 delivery centers

2. Renewed 100% of our fleet

Enabled sections from DCs → hub → store (last mile), reverse logistics and backhaul

- 742 units monitored in real time
- 72,616 m³ weekly capacity
- 719 operators and 619 auxiliaries

3. Automated procurement processes and introduced geo-located single inventory to reduce inventory levels

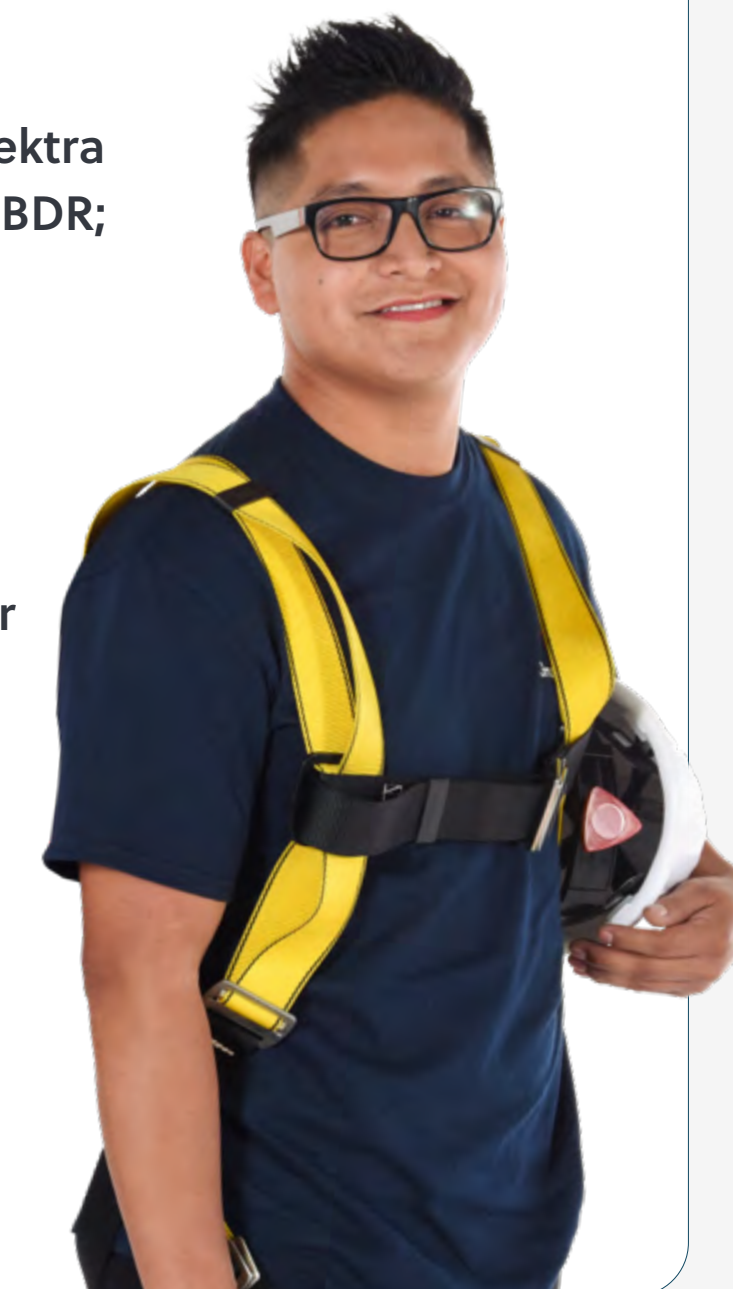
Collaborative planning process (commercial - supply - supplier) focused on improving the delivery fulfillment rate.

The results of this network include:

- 2,235 points of sale served
- 1,945 own channels: 1,222 Elektra stores, Salinas y Rocha and BDR; 683 Presta Prenda and DAZ; 40 Elektra motos
- 290 independent channels: motorcycle distributors
- 660,000 home deliveries, with company- and supplier-owned vehicles.

Every week on average:

- We ship 72,616 m³
- We travel 670,000 km
- We visit stores 3 times
- We deliver between 6,000 and 9,000 orders to homes.



In the context of continuous improvement and the pursuit of customer satisfaction, Marketplace and Omnichannel Logistics are working on a joint project to build capacity to reserve and allocate inventory in real time at logistics points, enable DCs to handle waybills, adjust the frequency and promise of delivery to the store and home and assist customers throughout the purchase, delivery and after-sale process (in real time).

→ The new network allows us to supply our points of sale and end customers more efficiently.

› Employees

15,736 Tiendas Elektra employees in the workforce

Talent attraction and retention

GRI 401-1

We make it a priority to have satisfied employees throughout our operation, working safely and balancing their personal life with their work. For this reason, we promote an environment of diversity and equal opportunities where our employees have the tools and motivation to give the best of themselves.

[Learn more in the Sustainable Performance appendix](#)

Talent development

GRI 3-3, 401-1, 401-2

The Grupo Elektra Network has a Comprehensive Operational Model (MIO) to standardize, provide tools and strengthen the work of Team Leader Trainers. In 2023 we trained and certified:

- 3 divisional leaders
- 21 territorial leaders
- 20 directors of our retail formats
- 179 regional leaders
- +500 leading point-of-sale managers

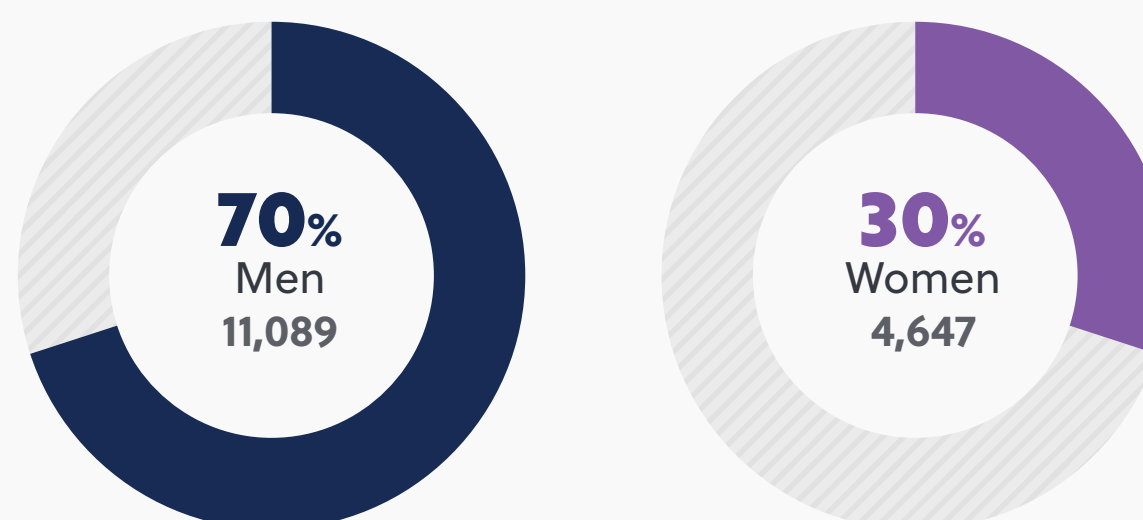
We participate in the women leaders team, a Grupo Salinas initiative that promotes female empowerment and development through regular talks. A significant number of those attending are part of the Grupo Elektra Network.

→ **1,838 new hires in 2023**
→ **Turnover rate of 48.18%**

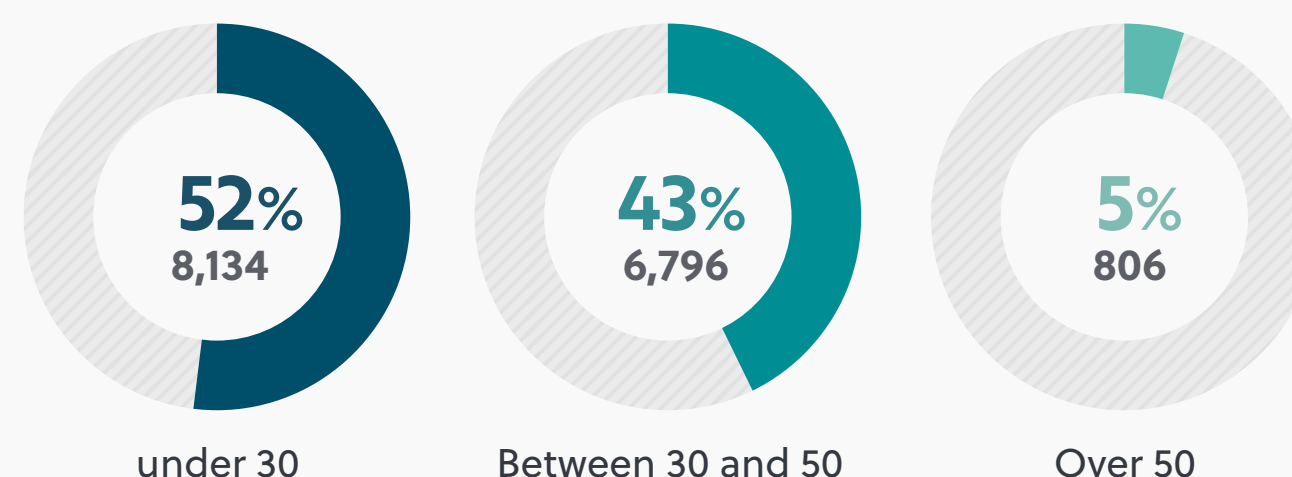
Workforce

GRI 2-7 SASB CG-EC-330a.3

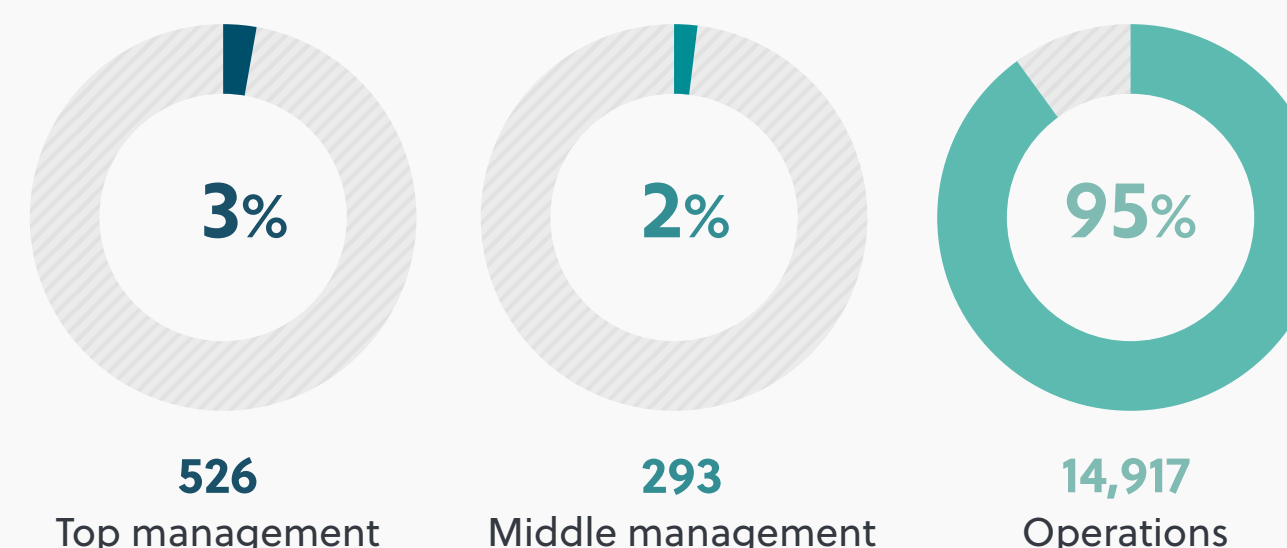
Breakdown of workforce by gender



Breakdown of workforce by age group



Breakdown of workforce by job category



→ Nearly 1,800 promotions to leadership positions in 2023; 49% were women

→ More than 95% of vacancies were filled by internal talent

→ 852 employees of the logistics network trained in 2023



In addition, in order to encourage employees to achieve their professional goals, we have created synergies with various educational institutions, among them:

- Universidad del Valle de México (UVM), with which we have an alliance for employees to earn bachelor's degree certificates, sales certifications, leadership training and continuing education.
- The Instituto Tecnológico de Estudios Superiores de Monterrey (ITESM), Centro de Formación y Perfeccionamiento Directivo (ICAMI), IPADE Business School and EGADE Business School, institutions with which we have developed continuing education and executive development programs.

The leadership programs develop skills that are consistent with the leader archetype, based on three skillsets: intrapersonal, company and with work teams. In 2023, 21 online and 3 face-to-face contents were launched.



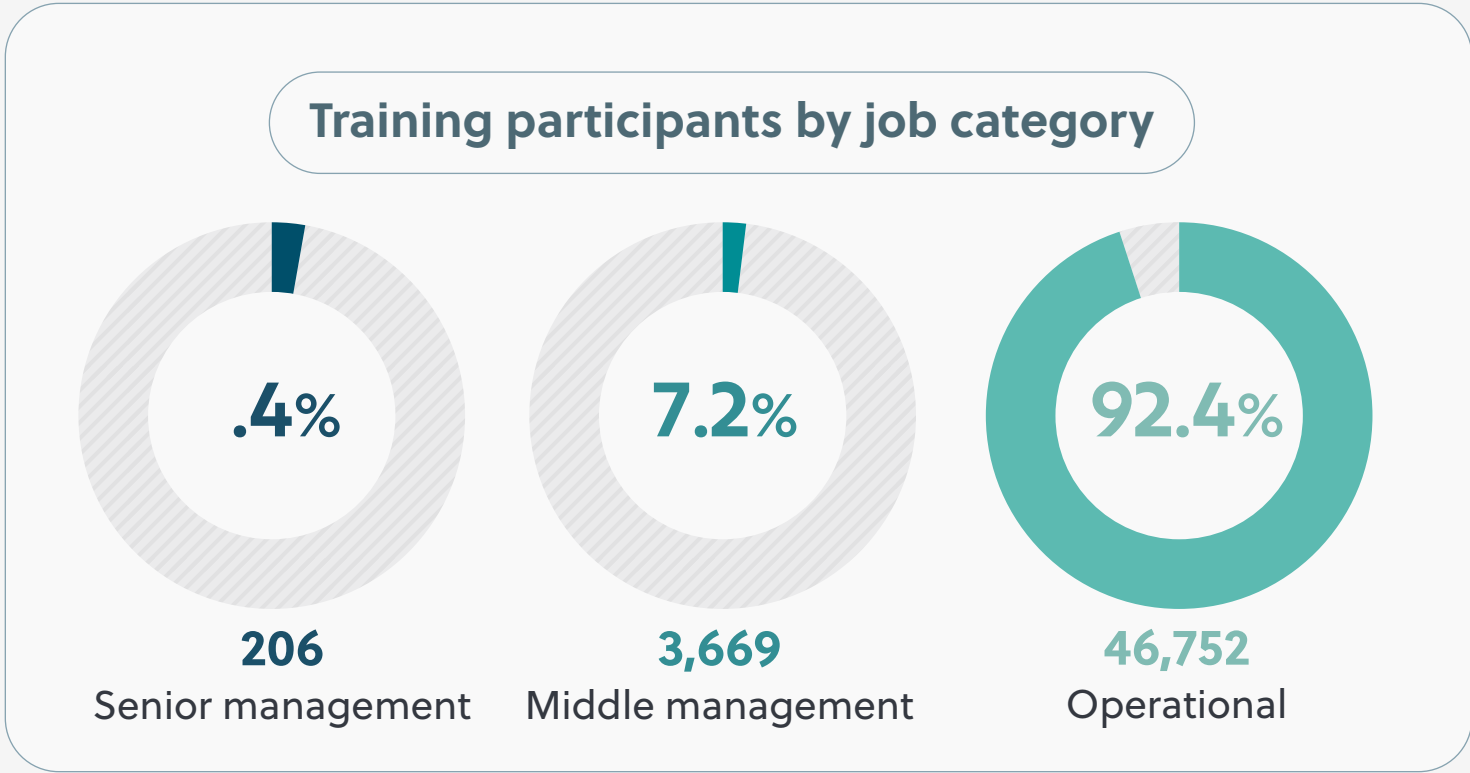
Training

GRI 3-3, 404-2, 403-5

In 2023 we gave several specific courses to employees in the logistics network, including:

- GS and Baz Entregas onboarding / logistics cluster.
- Proper product handling / label symbols / operational signage
- Safety and hygiene measures in the warehouse / risks and accidents at work.
- Regulations Manual of policies and procedures / Code of Ethics-Self-management / disposition
- Results oriented
- Instructor training
- Coach training course
- Evaluation as trainer
- Delivery of subjects of the curriculum map
- Explanation of the functions of a coach instructor

[Find out more in the Sustainable Performance annex](#)



→ 852 employees of the logistics network trained in 2023

Occupational safety and health

GRI 403-5

To ensure the safety of employees in the logistics network, we publish policies, processes and procedures on the intranet that address issues such as cargo handling within the DCs and end-to-end procedures, while reinforcing knowledge of safety issues through various training courses.

Communities

Through the Grupo Elektra Network, we participate in the social actions of Grupo Salinas and Fundación Azteca. For example:

- Our executives mentor Azteca Campus students.
- More than 6,000 employees were active in corporate volunteering in 2023.
- Participation of the Grupo Elektra / Corporate Network in the Juguetón toy drive, donating 1,601 toys.
- Support on various issues through the Operators' Committees in different states, such as education, economic support or gender equality.

The communities we serve are also the communities where we live, so we have a responsibility to make a positive mark on society. We ask our employees to tell us about social causes and institutions in their communities so that we can consider supporting them through Fundación Azteca.

We carried out other social actions last year, among them:

- Donation of 190 kg of pet food to the "Unidos por una misma pasión" dog shelter, benefiting more than 120 puppies.
- Donation of more than 400 items of clothing for the victims of the earthquake in Turkey.
- Delivery of 40 "Leles" dolls to vulnerable girls from Casa Hogar Mercedes.



- Delivery of 200 digital thermometers to health institutions, including FUCAM, APEC and INPER.
- School supply drive to support the FUNFAI home for children, in which 333 people participated.
- In partnership with the IMSS Foundation, 15 handmade breast prostheses were made for women who have undergone mastectomies.
- Donation of perishable goods to 21 women's Shelters nationwide, with the help of 611 people.
- Donation of cleaning supplies and teaching material for 21 institutions for people with disabilities, with support from 420 employees.
- Donation of a blackboard for the Paco Children's Home.
- Purchase of 550 handmade soaps as a donation for the FUCAM Association, dedicated to providing medical care to women with breast cancer.
- Collection of bottlecaps to donate them to Banco de Tapitas

[Find out more in the Sustainable Performance annex](#)



→ Consumption of 57 GWh of energy from renewable sources, equivalent to 34,799 GJ

→ Energy intensity of 115.47 GJ/employee*

* Energy intensity was calculated assuming energy consumption of 800,768 GJ and 6,935 employees

Environmental commitment

› Energy

GRI 3-3, 302-1, 302-3, 302-4, 302-5

SASB CG-EC-130A.1, CG-MR-130A.1, CG-EC-410A.1, CG-EC-410A.2

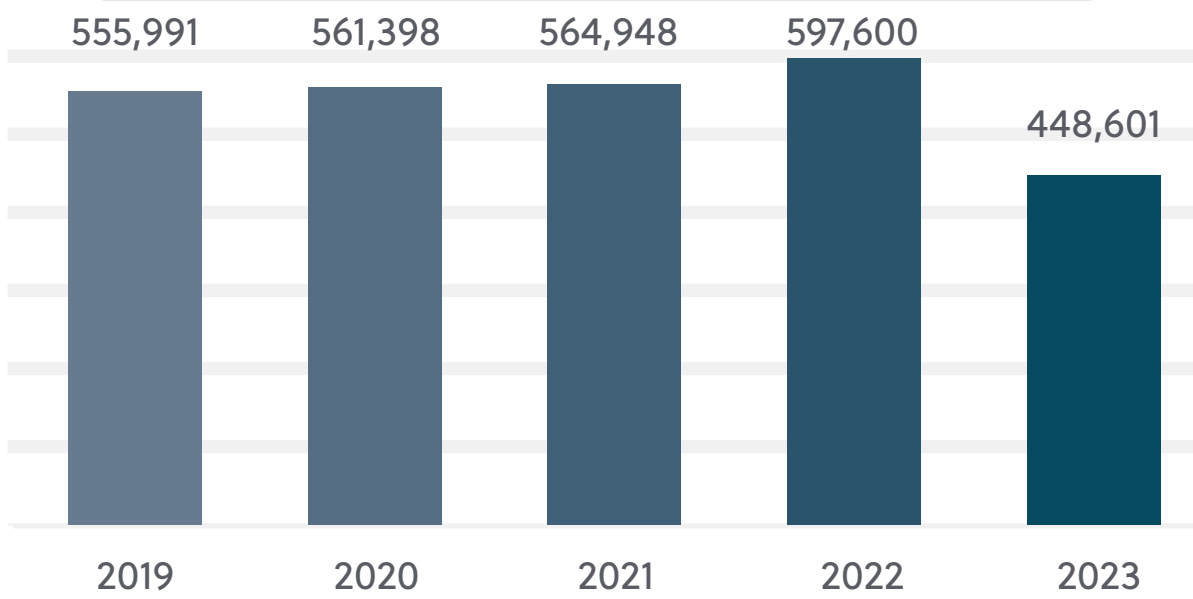
In 2023, the fuel and energy consumption of Tiendas Elektra increased because the expansion of new stores. But with the installation of efficient lighting and air conditioning systems, we achieved energy savings and avoided an exponential rise in consumption.

Of the total energy consumption (172 GWh), 57 GWh were renewable energy, or 33% of the total.

2023 initiatives

- Use of electric vehicles at Baz Entregas, so that in each new installation we consider the electrical capacity for optimal charging.
- Standardization of 100% of new facilities with LED lighting, to reduce electricity consumption and provide adequate lighting and greater efficiency than warehouses with only traditional lighting.
- Use of natural lighting at DCs, renting warehouses with natural lighting covering at least 5% of the roof surface, which helps reduce electrical consumption.
- Scheduled shutdown of all lighting in warehouse bays, and segmented lighting systems for partially turning lights on and off.
- Installation of air recirculation, which improves the well-being of employees and avoids electricity consumption.
- Forklifts powered by lithium batteries, which not only use less electricity by avoid producing hazardous waste.

Tiendas Elektra Electricity consumption (GJ)



Note. The standards, methodologies and tools used for the calculation were the General Law on Climate Change, the Regulation of the General Law on Climate Change regarding the National Emissions Registry, centralized collection receipts from CFE (non-renewable), collection receipts from Grupo Dragón (renewable).

Energy source	GJ
Gasoline	347,733
LP Gas	4,432
Diesel	2
Renewable sources	34,799
Electricity	413,802
Total	800,768

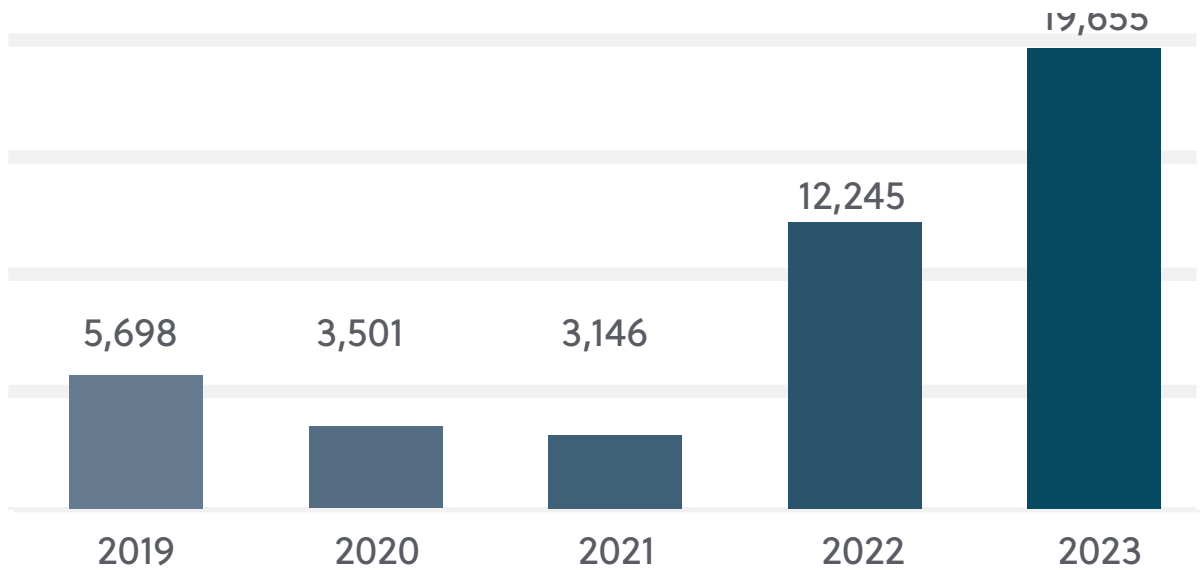
Notes:

- The quantities of fuels and energy sources considered in the calculation were:
 - › Fuel used in mobile sources: 10,247,491 liters of gasoline.
 - › Fuel used in stationary sources: 169,782 liters of LP gas and 45 liters of diesel.
 - › Energy from renewable sources: 47 GWh from wind energy and 10 GWh from other renewable energy sources.
 - › Energy from non-renewable sources: 115 GWh of electricity.
- The standards, methodologies and tools used for the calculation were: SAP fuel expense accounting accounts, CFE centralized collection receipts, Grupo Dragón collection receipts (monetary values are taken and converted to liters of fuel, units of measurement).
- The source of the conversion factors used was the International System of Units for energy, using the calorific value and converting to Joules.

› Emissions

GRI 2-4, 3-3, 305-1, 305-2, 305-3, 305-4

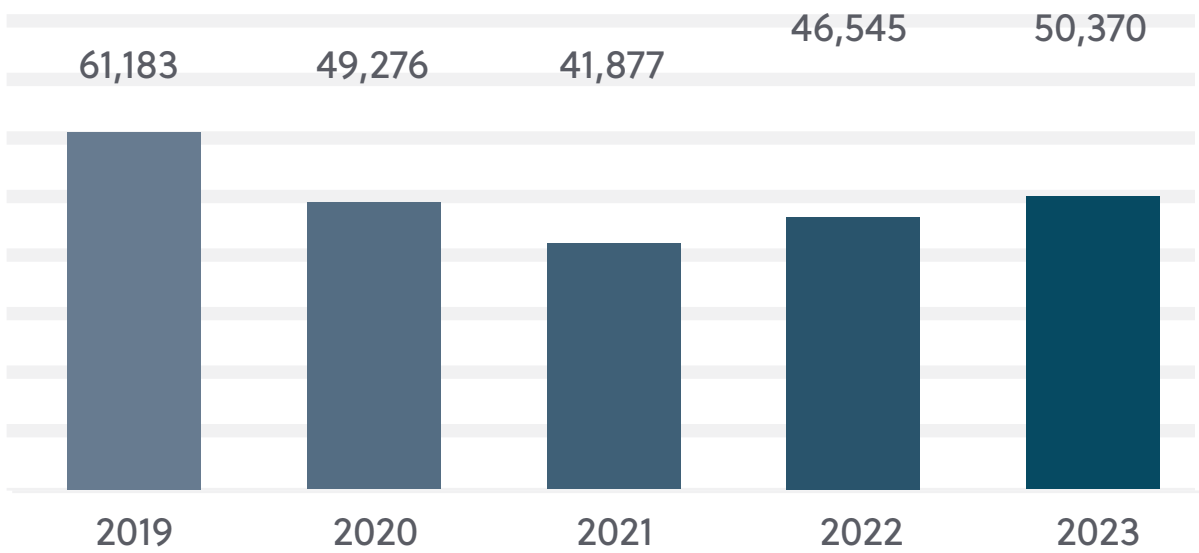
Tiendas Elektra Scope 1 emissions (metric tonnes of CO₂e)



Notes:

- The gases included in the calculation are: CO₂, CH₄, and N₂O.
- The conversion factors used were the calorific value of each fuel, the emission factor of each fuel for mobile sources and energy production, as well as the global warming potential.
- The sources and standards for the calculation were the General Law on Climate Change and its Regulation on RENE, and the “Agreement to establishes the technical particularities and formulas for the application of methodologies for the calculation of emissions of greenhouse gases or compounds,” published in the Official Gazette of the Federation on September 3, 2015.
- As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

Tiendas Elektra Scope 2 emissions (metric tonnes of CO₂e)

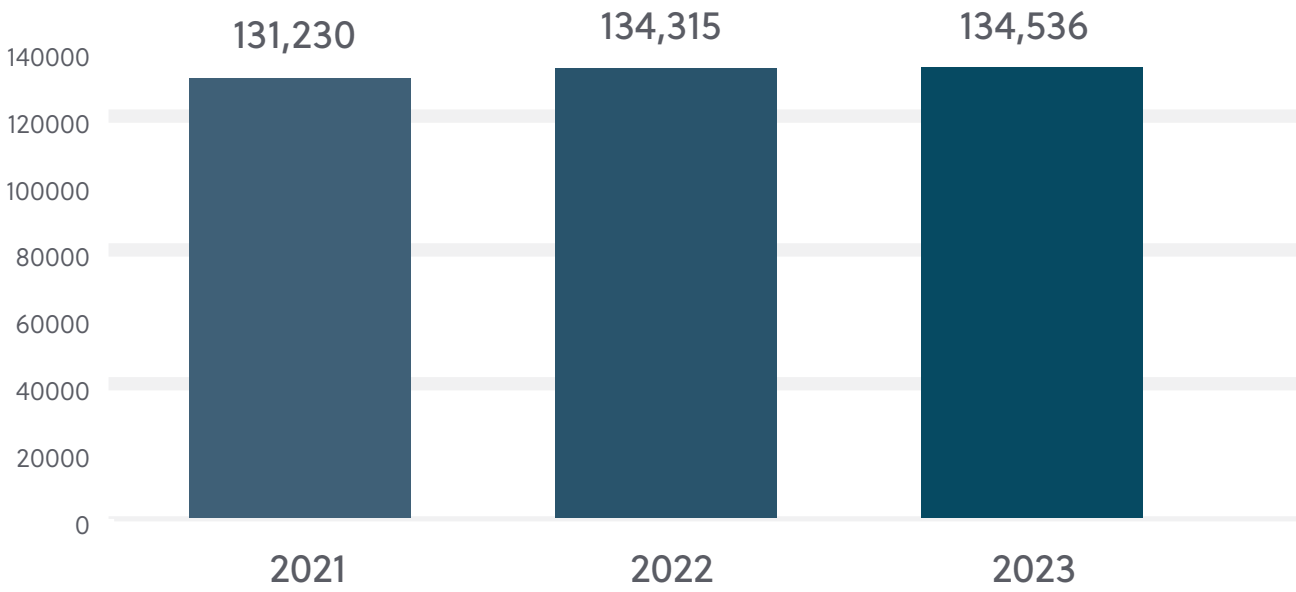


Notes:

- The calculation considers only CO₂.
- The conversion factors used were: 0.494 for 2020; 0.423 for 2021, 0.435 for 2022 and 0.438 for 2023.
- The source used for the calculation was the Annual Emission Factor of the National Electric System.
- As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

[Learn more in the Sustainable Performance annex](#)

Tiendas Elektra Water consumption (m³)



› Waste

2023 Initiatives

- We have paperless initiatives that focus on digital documentation and reduced use of paper, which include:
 - Avoidance of printed receipts.
 - Digitalization of employment contracts.
- Collection of more than 9 metric tons of plastic bottle caps to donate to Banco de Tapitas, an organization that raises funds to help children with cancer.



Italika

GRI 2-1, 2-6

Italika is a motorcycle brand that provides innovative, reliable and fun mobility solutions and experiences, to help people be freer, more productive and efficient so we can always be the top choice.

Italika has made a name for itself as a 100% Mexican brand that offers high-quality products and technical support and is the leader in its industry sector. We also have presence in Guatemala, Honduras and Panama.

Italika's success comes from its capacity to give people access to mobility that transforms lives.



› Ensamblika

SASB TR-AU-000.A, TR-AU-000.B

This is the assembly plant for our motorcycles, which we distribute through the sales channels of Tiendas Elektra, supermarkets stores and through e-commerce; we also offer placement services for Italika, Hero and Benelli brand motorcycles.

Ensamblika has five priority issues and, in each of them, we have established key performance indicators (KPIs), which are:

- **Safety.** We seek to reduce the number of lost-time accidents and the recordable incident rate (TRIR).
- **Quality.** We ensure first-time quality (FTQ) and monitor the number of warranties served.
- **Deliverables.** Our goal is to meet the production schedule based on a focus on overall equipment efficiency.
- **Cost.** We track the manufacturing cost per unit.
- **People.** We guarantee the comprehensive well-being of our employees and thus reduce turnover and absenteeism.

808,100

motorcycles manufactured in 2023





› Italika Distributors

With our Italika distributors, we have the full range of motorcycles for sale, which can be purchased on credit or cash. We have specialized personnel that give follow-up and attention to our customers so that they can make an informed purchase.

→ 60 concessioned distributors

› Italika Spare Parts

To guarantee keep our motorcycles running at peak efficiency, we provide after-sales service to customers for all the Italika spare parts they need, with quality service.

→ 30 Elektra Motos spare parts stores

› Italika Service Centers (ISC)

Each of our service centers is staffed by certified professionals who help customers maintain their Italikas in the best conditions to guarantee their durability and efficiency.

→ 990 ISC; 83 new openings in 2023



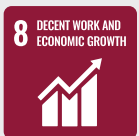
SUSTAINABILITY MODEL

Our sustainability model is designed to ensure that our operations are sustainable and in line with industry best practices.

It is based on three commitments and the Group's three strategic lines of action, which guide our operations.

ACTION LINES

Commitment
to integrity



Commitment
to people



Commitment
to the planet



ACTION LINES

Commitment to competitiveness

We are committed to integrity and transparency in all our operations, ensuring that our processes and practices are in full compliance with relevant laws and regulations, under the highest ethical standards.



- Brand management and ESG communication
- Responsible supply chain
- Logistics efficiency
- Operational process automation and efficiency

Commitment to stakeholders

We are committed to the development of communities and partners, promoting a positive social impact, the health and safety of our employees, diversity and inclusion, talent development and retention, and providing quality service to our customers.



- Product and service innovation
- After-sales service

Commitment to the planet

We are committed to minimizing our environmental impact through the implementation of sustainable practices in our operations, including the responsible use of energy and water, the reduction of waste and emissions, and the promotion of a responsible supply chain.



- Business model resilience and adaptability
- Product transparency

MATERIALITY

In 2023, we updated our materiality study to identify those aspects that should be included in the strategy and Italika Sustainability Model, and which will be reported in this document.

Materiality matrix

GRI 3-1, 3-2

The material aspects of Italika are shown below:

1 Brand management	15 Human capital development
2 Money-laundering/fraud prevention	16 Customer relationship management
3 Ethics and integrity	17 Social impact
4 Supplier standards	18 Operating efficiency
5 Human rights	19 Energy eco-efficiency
6 Corporate social responsibility (CSR) / Sustainability / ESG	20 Operation
7 Health and safety	21 Cybersecurity
8 Risk management	22 Climate change
9 Corruption, bribery and transparency	23 Materials
10 Product and service development	24 Waste management
11 Financial topics	25 Talent attraction
12 Diversity and equality	26 Water stewardship
13 Corporate governance	27 Biodiversity
14 Environmental policies/environmental management system	

Materiality matrix

The material aspects of Italika are shown below:

Economic Environmental Social Governance



Dimension	2023 Material topic	2021 Topic
Economic	Brand management*	N/M
	Financial issues	✓
	Product and service development / product responsibility	✓
Environmental	Environmental policies / environmental management system	N/A
Social	Occupational health and safety	N/M
	Diversity and equal opportunity	N/M
	Human rights*	N/A
	Supplier standards*	N/M
Governance	Corporate social responsibility (CSR) / Sustainability / ESG Management*	✓
	Corporate governance	N/M
	Risk management	N/A
	Ethics and Integrity*	N/M
	Corruption, bribery and transparency	N/M
	Money laundering / fraud prevention*	N/A

✓ Material topic in both 2023 and 2021. NM: Topic not material in 2021. NA Not applicable (not included in the 2021 analysis). * High-impact topics, meaning those that were most valued by stakeholders and to which the company pays the most attention. To these we have added customer relationship management, energy eco-efficiency, climate change and atmospheric emissions, and human capital development.

Correlation of material topics with the Sustainable Development Goals

We then correlated each of the resulting material topics with the SDGs, in order to identify the areas of the 2030 Agenda to which Italika contributes through its actions.

	2023 material topic	Description
Economic dimension	Brand management*	The search for a recognizable and unique positioning in the minds of customers, based on responsible communication and advertising, consistent with the company's values and compliant with applicable legislation and voluntary codes.
	Financial topics	The set of indicators that allows for an understanding of the company's financial situation and performance, as well as the most important factors in investment decisions.
	Product and service development / product responsibility	Design of innovative products and services based on high quality standards, under environmental, social and technological criteria, ensuring an understanding of the customers' needs.
	Customer Relationship Management*	The strategy of focusing on the customer, in order to guarantee a unique experience based on their satisfaction and well-being when using the company's products and services. It includes protection of the customer's data privacy and the responsible management of their information, in accordance with applicable laws.
Environmental dimension	Environmental policies / environmental management system	The guidelines and commitments that lead the company towards regulatory compliance, mitigating the negative impact of its operations and capitalizing on opportunities for environmental improvement.
	Energy eco-efficiency*	The set of practices to optimize energy consumption, promoting responsible consumption and the reduction of emissions derived from operations, ensuring the comfort and productivity of the properties' occupants.

Environmental d.

2023 material topic

Description

Climate change and atmospheric emissions*



One of today's most pressing global issues. It is defined as the modification of temperature and other climate variables. For the purposes of the materiality study, it considers emission monitoring and mitigation practices, as well as the formulation of a clear strategy against climate change.

Human capital development*



Programs to develop employee skills and competencies to ensure they do their jobs as required and can advance themselves within the company, in long-term career planning and transparent performance evaluation processes.

Occupational health and safety



The guidelines and practices that guarantee the physical, mental, social and emotional well-being and integrity of employees, including measures to avoid occupational risks, unsafe conditions and incidents.

Diversity and equal opportunity



The set of best practices for ensuring equality in access to employment opportunities, treatment and advancement, regardless of race, gender, age, ethnicity, education, religion, sexual orientation, ideology, or physical or mental condition.

Human rights*



The fundamental rights and freedoms that recognize and protect the dignity of all human beings. Businesses should consider each and every one of the human rights on which they may have potential impacts and implement practices to promote responsible behavior, with special focus on the risks that affect these rights.

Supplier standards*



The guidelines established by the organization to ensure compliance, sustainable management and resilience of the supply chain.

Corporate Social Responsibility (CSR) / Sustainability / ESG Management*



The set of processes and tools to plan and execute the establishment of sustainable policies, ESG criteria, targets to measure annual progress towards the goals set and the implementation of best practices in sustainability.

Social d.

Governance

Governance

2023 material topic

Description

Corporate Governance



The framework of rules, principles and procedures that determine the structure and operation of the company's governance bodies and lead it towards incorporation of the ESG strategy.

Risk management



The process for identifying, assessing, controlling, responding to and mitigating risk factors that could threaten the company's operational continuity or assets.

Ethics and Integrity*



The set of principles and values that incorporate the organizational culture and guide the company's conduct in its interaction with stakeholders: employees, investors, authorities, customers, community, among others.

Corruption, bribery and transparency



These are the measures and instruments established by the company to address acts of corruption and bribery, in addition to promoting transparency and regulatory compliance.

Money laundering / fraud prevention*



The set of measures that allow the company to strengthen its internal control, know its customers and identify vulnerable activities, in order to avoid participating in transactions with resources of illicit origin.

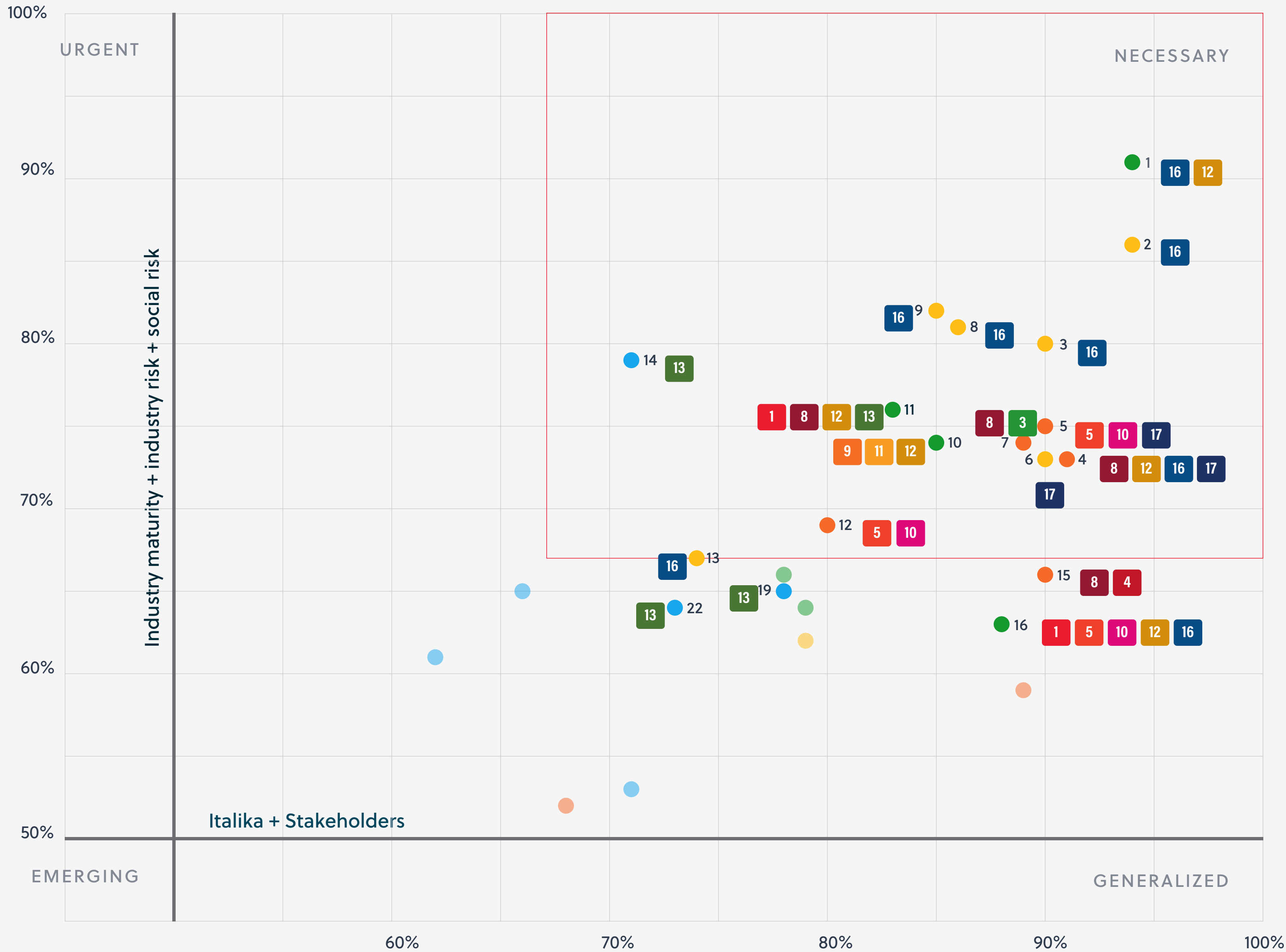
*Temas de alto impacto.

Matrix of material topic correlation with SDG

- Brand management
- Money-laundering/fraud prevention
- Ethics and integrity
- Supplier standards
- Human rights
- Corporate social responsibility (CSR) / Sustainability / ESG
- Health and safety
- Risk management
- Corruption, bribery and transparency
- Product and service development
- Financial topics
- Diversity and equality
- Corporate governance
- Environmental policies/environmental management system
- Human capital development
- Customer relationship management
- Energy eco-efficiency
- Climate changes

● Economic ● Environmental ● Social ● Governance

SDG:





Our reason for being

Customer Experience

At Italika, our strategy is customer-centric: we guarantee the best value proposition with prompt, assertive, standardized service.

An important part of this is our after-sales service culture, which ensures satisfactory experiences in every interaction, through a network of certified service centers, with quality standards and competitive prices. This helps build long-term relationships with customers, business partners and the brand.

To further improve our customers' experience, we assist them with a simple and agile process to complete their vehicle registration and pay the necessary fee, right where they purchase their new motorcycle, at license plate modules located in Tiendas Elektra, our own agencies, and supermarkets.

› Brand value

GRI 417-1

Our product labeling plays an essential role in distinguishing them in the market and building customers' trust. Our motorcycles are labeled with technical data and physical capacities of the unit. They are also made to conform to standard NOM-082-ECOL-1994, which establishes the maximum permissible noise emission limits for new motorcycles and motorized trikes at the plant and how they are measured.

→ 61 license plate modules in eight Mexican states.

→ 97,285 registrations processed, +36% vs. 2022

→ 6 modules set up for A1/A2 license processing in Mexico City.



Furthermore, 100% of the spare part labels must meet NOM-050-SCFI-2004, Commercial Information - General Product Labeling standard, which requires:

- Name or generic denomination of the product.
- Name, company name or corporate name and fiscal address, including zip code, city or state of the manufacturer or responsible for the manufacture of domestic products or of the importer.
- Country of origin of the product.
- Risk warnings in the form of legends, graphics or precautionary symbols in the case of hazardous products.
- Instructions for use or maintenance if required, if an instruction or operation manual is attached.

Additionally, and depending on the product specification, they must also comply with other standards such as:

- **Electrical:** NOM-024-SCFI-2013
 - Electrical nominal characteristics
 - Warranty policy
- **Textile:** NOM-020-SCFI-1997, NOM-004-SCFI-2006
 - Generic or specific definition of materials
 - Size, content and instructions for conservation and care
- **Rubber inner tubes:** NOM-121-SCFI-2004
 - NOM logo
 - Type of rubber



› Customer Health and Safety

GRI 416-1, 417-1 SASB TR-AU-250a.1, TR-AU-250a.2

At Italika, we guarantee the safety and health of our customers through regulatory compliance and product quality assurance. We monitor indicators ranging from the selection of materials, processes and motorcycles to after-sales service. We use the first time quality (FTQ) metric to determine the percentage of compliant versus non-compliant products, as well as the percentage of warranty claims, which provide an overview of the proportion of product incidents.

→ **FTQ score of 97.3%; +4.4% vs. 2022**

→ **0.13% warranty claims from customers; -31.6% vs 2022**

In order to ascertain the functionality, quality and efficiency of new Italika models, we have teams of test riders, who wear DOT or ECE certified helmets in accordance with NOM-206-SCFI/SSA2-2018, as well as appropriate safety equipment, such as jacket with protection, knee pads and gloves, in keeping with the strictest traffic regulations.

To ensure compliance with the standards and regulations in the spare parts, we perform various checks in conjunction with the Quality Area:

- Motorcycle part assembly
- Performance and durability test
 - Installation in vehicle (10-20 km traveled)
 - Laboratory tests
- Laboratory hardness testing
 - In the country of origin
 - In Mexico

Additionally, we conduct operational assessments at our Italika Service Centers (ISC) to identify improvement points, make some processes more efficient and optimize the customer's experience. In 2023, these included:

- Operational assessments of warranties in 924 ISC with 13,860 warranties. In this evaluation, 44% of the ISC scored between 90 and 100 points.
- Operational assessment of battery warranties in 765 ISC with 6,530 battery warranties; 81% of those evaluated showed no deviation in the process.
- Operational assessment of fleets in 280 ISC, where 92% of the ISC were found to conform to the process standard.

The opportunities for improvement identified were the need to correct the documentation of the operations requested by Italika/HERO, ensure accuracy in recording operations, consistency between photographic evidence to request the warranty and the physical battery in safekeeping, and completion of regulatory processes for the presentation of warranty receipts.



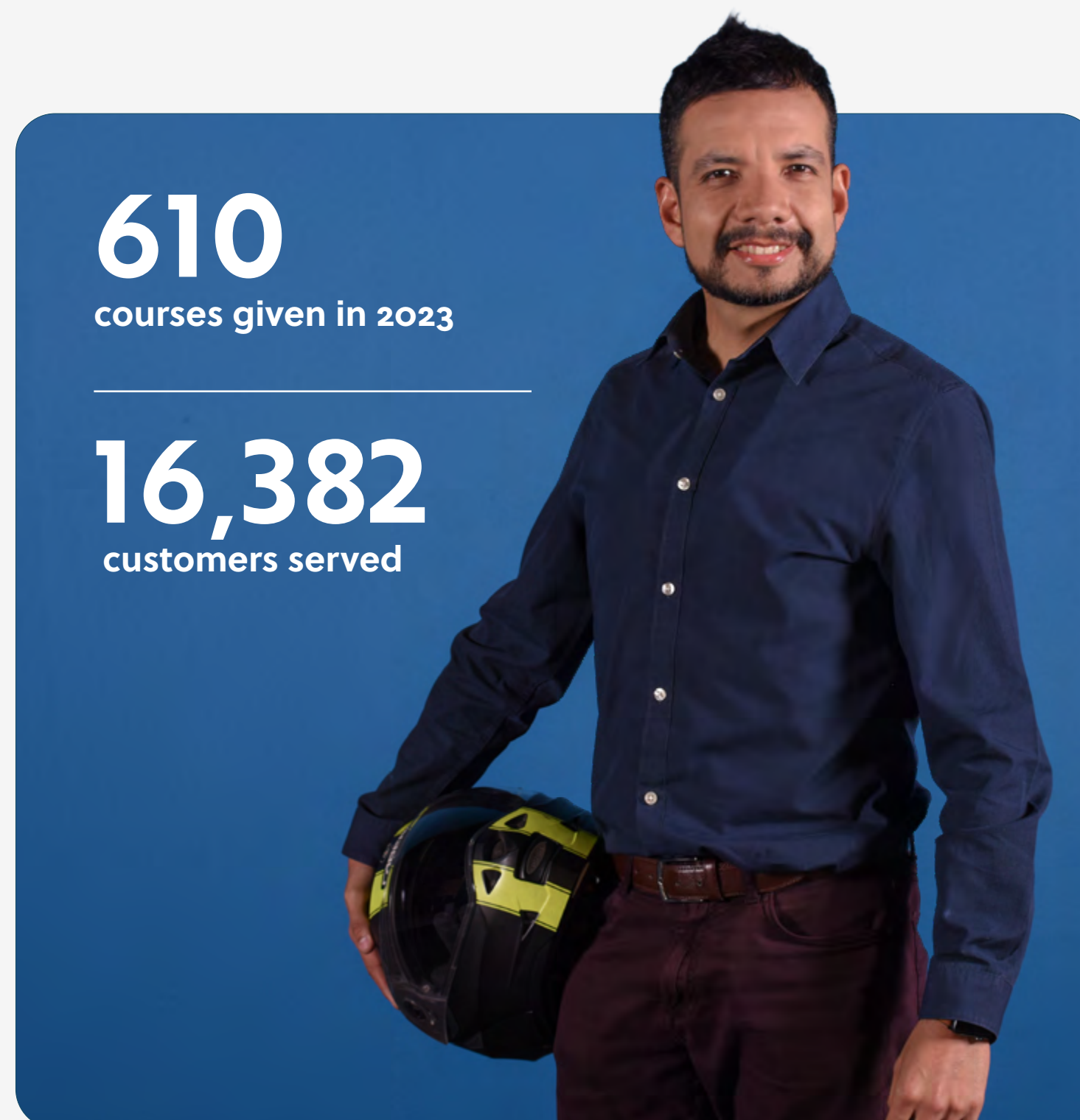
Road safety

At Italika, protecting our customers is our priority. We want to provide them with solutions and the experience of safe, reliable and enjoyable mobility. We feel responsible for creating and transmitting a culture of road safety among our customers and the general public.

We seek to provide our stakeholders with the basic notions for riding a motorcycle in safe conditions, which is why we have a Road Culture track and three mobile units that travel around the country giving courses on the correct use of motorcycles on public roads. Our training offer includes the following courses:

- Road safety for children
- Introduction to motorcycling
- Driving course (Basic, Intermediate, City)
- Driving certification (instructor training)
- Certification in competency standard EC1331 "Driving a motorcycle vehicle for use on the road, basic level" endorsed by the National Competency System of the National Council for Standardization and Certification of Labor Competencies (CONOC-ER), which is required to apply for an A1 or A2 motorcycle license in Mexico City.

In addition, we partnered with the authorities at all three levels of government to establish the best strategies for the safe circulation of two-wheeled vehicles on our country's roads and highways.



In 2023, we participated in the analysis and discussion of a National Mobility and Road Safety Strategy that recognize motorcyclists as vulnerable road users.

We also promote the use of certified helmets, which reduce the likelihood of severe head injury in the event of an accident.

› Continuous Improvement

SASB TR-AU-410a.2, TR-AU-440a.1

At Italika we work to deliver value to the customer with increasing efficiency. We have a comprehensive strategy that encompasses the use of robots and artificial intelligence, data and analytics, improving our performance at all stages of the process, keeping us at the forefront of our industry through digital transformation, supporting organizational goals, mitigating risks and generating savings.

Our state-of-art robotics setup places an AI-driven "brain" at the center of our operations, to monitor metrics and processes, analyze and consolidate information, draw up forecasts, data model comparisons and automated reports, and support strategic decision making.

At Ensamblika we created a Machine Learning project to monitor indicators such as the performance of our operators, assistance and warranty service. This tool involves a virtual supervisor a functionality that helps prevent of accidents by sending a prompt alert when it detects risk.

→ Our Data Intelligence Department was included on Forbes' Mexico's Digital Transformation Geniuses list for 2023.



We also have protocols in place for managing a number of risks to the safety and health of our human capital and customers, and allow us to meet our organizational goals in a timely manner. Among the measures for managing the risks associated with our operations are the use of safety equipment, measurements, compliance with certain regulations—such as the safety diamond, a symbol that identifies the type of risk presented by a chemical substance—and having the necessary permits for the handling of critical materials such as batteries, fuels and LP gas.

At Ensamblika we have various programs to ensure the efficiency and availability of materials for the operation of our production lines, and to guarantee deliveries. These include:

- First in-first out (FIFO) container reception program.
- Warehouse allocation by quantity per economic lot.
- Stocking production lines by location, based on the Kanban method for tracking and employees' completion and performance tasks.
- Replenishing the production line every hour.

With these actions, we achieved 98% accuracy in cyclical inventories and in two general inventories in the materials warehouses.

→ **97.9% equipment availability;**
+0.9% vs 2022

We introduced some product improvement initiatives including:

- Product disassembly to ensure traceability of mass production units against our validated samples.
- Knowledge of component, system and subsystem level functionality and durability with internal testing (Road test) and external testing, when necessary, by independent labs.
- Continuous development of new internal testing equipment, to accelerate tests and make fault detection times more efficient.

Among the devices developed are:

- Rain chamber
- Vibration bench
- Vibration table
- Dynamic bench
- Analysis of motorcycle components in accordance with national and international standards.
- Additional check protocols at the component level such as batteries, oil, cameras, motorcycle spokes, among others.
- Preventive and corrective inspections during services using established formats to create inspection standards.

Confirmation of the technical information of each model through processes and formats..

As part of the continuous improvement of our product offering, we began assembly tests of electric motorcycles in the development area. We were still able to sell 250 electric motorcycles in 2023.

In addition, we have a battery-swapping initiative through Citio, which reduces the initial cost of an electric vehicle by almost half. Separating ownership of the vehicle and the battery also helps us to resolve the main drawbacks associated with electric vehicles: charging time and range.

The battery exchange network is intended to serve different types of vehicles and, in this way, cover all types of mobility needs.

Using electric motorcycles under a battery exchange scheme not only makes the use of the vehicle more affordable, but it is also a sustainable and environmentally friendly transportation option. 10,921 battery exchanges in our battery sharing modules, which meant that our customers traveled 382,335 kilometers in Voltium electric motorcycles, avoiding the emission of 38,000 kg of CO₂ into the atmosphere.



→ **10,921 battery exchanges in our battery sharing modules, which meant that our customers traveled 382,335 kilometers in Voltium electric motorcycles, avoiding the emission of 38,000 kg of CO₂ into the atmosphere.**

Supply chain

GRI 2-6, 204-1, 308-1, 308-2, 414-1, 414-2

Italika has a supplier management process that covers every aspect from material requisitions, purchase, import, and customs clearance to the facilities, inventory management, handling of finished product and delivery to warehouses.

Risk management in the supply chain is essential for ensuring Italika's operational continuity, so besides maintaining a close relationship and constant communication with suppliers, we sign confidentiality



→ 60 active suppliers by the end of 2023; 48% of them local.

→ 4% of supplier payments went to local suppliers.



agreements and general contracts and ensure documentation and on-site evaluations of suppliers. Based on the results we can create action and/or contingency plans as needed.

To mitigate ESG risks in the supply chain, we follow best sustainability practices, among them:

- We encourage suppliers to adopt standards and certifications, such as ISO 14001:2015.
- We encourage them to participate in Fundación Azteca programs.
- We ask new shipping companies and carriers to comply with sustainability standards, both for Chinese and domestic suppliers.
- We expanded our supplier portfolio to optimize handling of recoverable waste.
- We improved raw material packaging to reduce the volume of waste.
- We constantly analyze maritime and land transportation routes to optimize them, reduce transfer times and use less fuel.

Employees

Talent attraction and retention

GRI 401-1

Our employees are the fundamental pillar for the development of our operations, which is why we promote a safe and inclusive work environment and professional development to attract and retain them in the company.

[Learn more in the Sustainable Performance appendix.](#)

Human capital management

SASB TR-AU-310a.1

Italika is intent on generating and implementing strategies to empower internal talent, reduce turnover and incapacitating accidents and imbed model of culture and leadership.

Workforce

GRI 2-7, 2-30

We promote an inclusive culture to ensure a diverse workforce in terms of age, gender, nationality, profile and others, fostering a respectful work environment.

Training

GRI 404-2

In 2023 we designed a technical training plan, whose goals were:

- Update and perfect knowledge and skills.
- Prevent work risks (safety).
- Increase productivity.
- Prepare to fill vacancies and/or newly created positions.

The training plan included training in operation and processes, safety, legal compliance, institutional training (Italika Culture), continuous improvement and innovation.

We also developed and gave a high-performance certification course to Italika Service Center staff, certifying 1,200 employees.

[Learn more in the Sustainable Performance appendix.](#)

→ 81% of employees are unionized

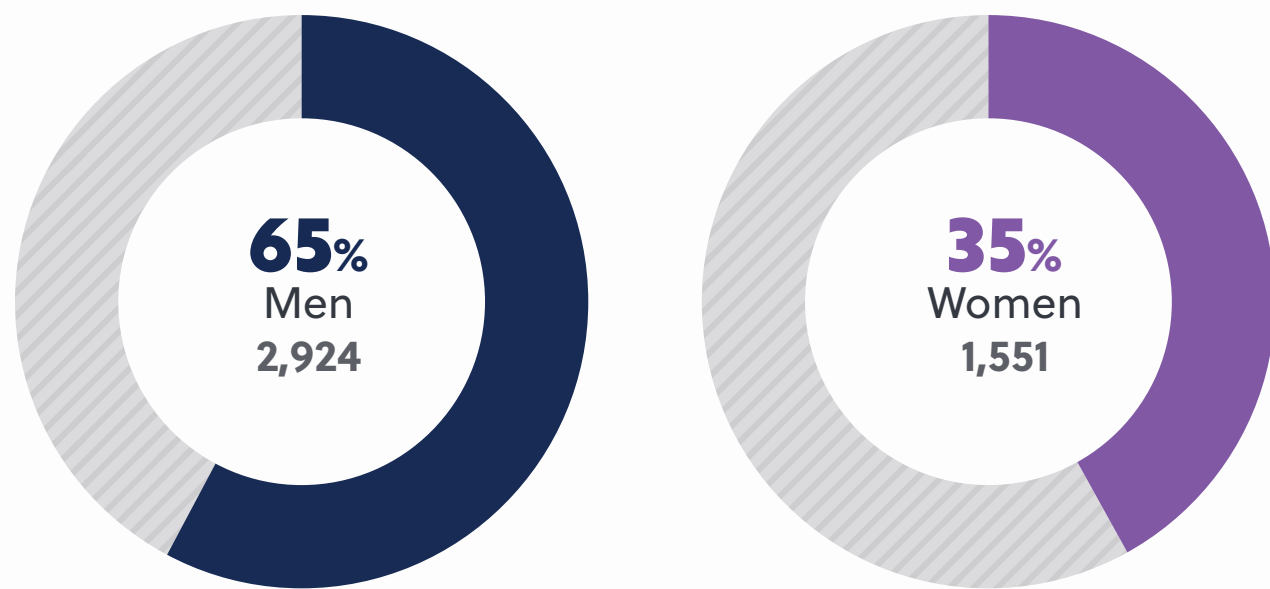
→ Turnover rate of 35.47%.

→ 1,975 new hires in 2023

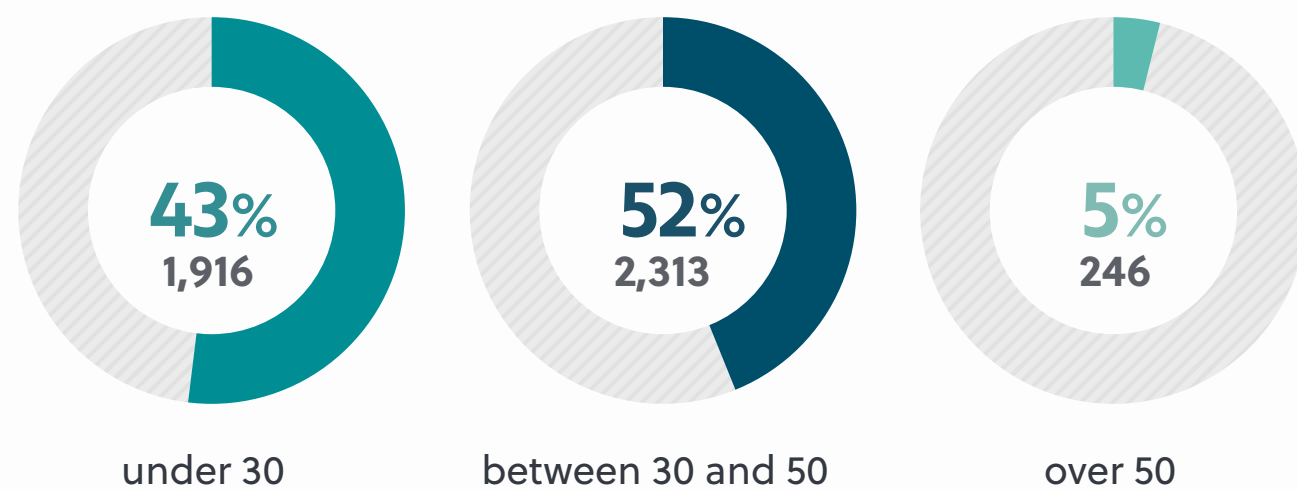
→ 4,475 Italika employees in the workforce.



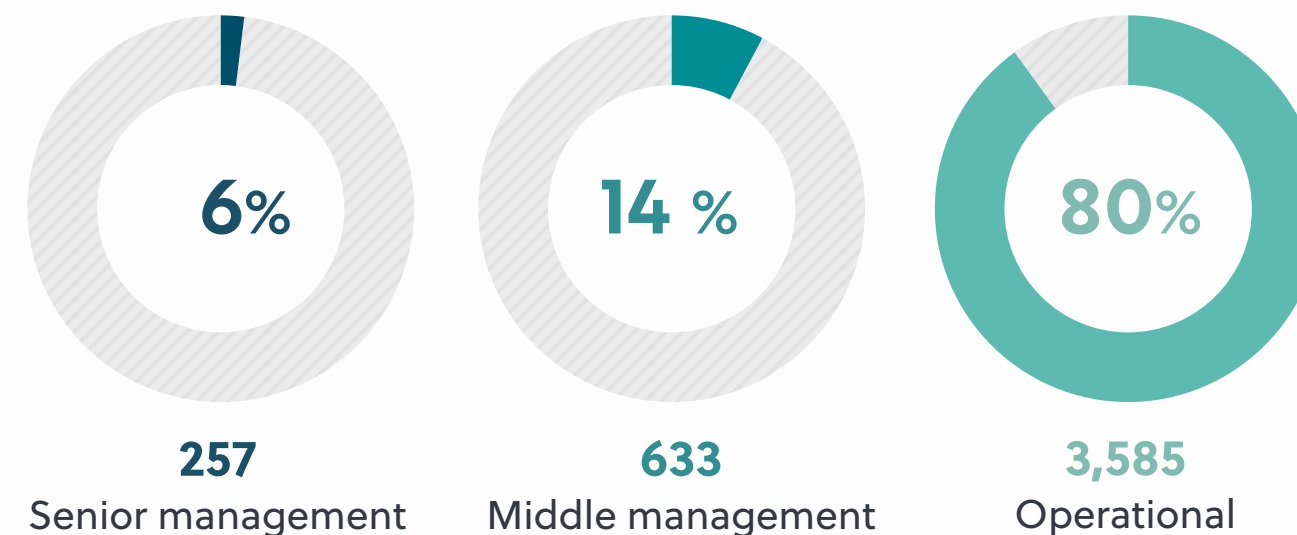
Breakdown of workforce by gender



Breakdown of workforce by age group



Breakdown of workforce by job category



Occupational Health and Safety

GRI 2-8, 3-3, 403-1, 403-7, 403-8

At Italika, we have an area specializing in environment, health and safety, the staff of which receives continuous training on the subject. We also have an occupational health and safety management system that covers all employees,* in keeping with legal requirements of the Ministry of Labor, the Ministry of the Environment, the SSA and IMSS, based on ISO 45001:2018 and ISO 14001:2015 standards, which is internally audited every year.

This system protects employee health and safety through medical attention in both shifts, medical checkups at entry, annual medical checkups, health campaigns (prostate antigen, visual health, breast cancer screening), or anti-doping and alcohol testing.

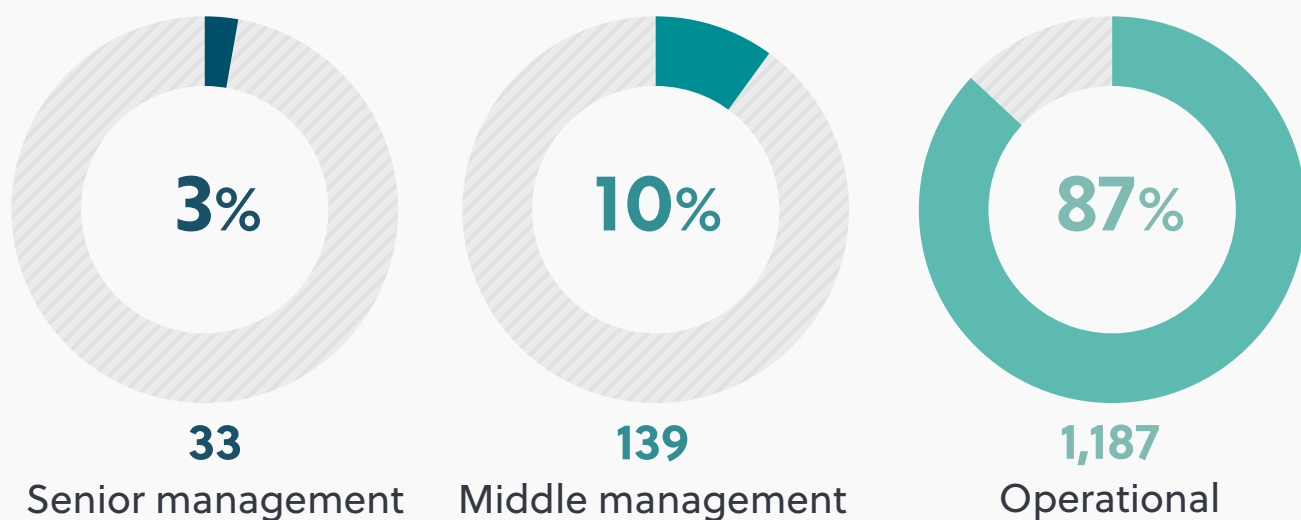
Occupational safety

GRI 3-3, 3-2, 403-4, 403-5

To ensure our operations remain safe, we conduct evaluations every year and after every incident in our various operations to identify and minimize risks; we also offer 5-minute talks, staff training focused on the applicable regulations, emergency brigades, and macro drills and active breaks at the beginning of each shift.

We have a solid structure to minimize occupational risks, made up of four groups at each workplace, in which both unionized and administrative employees are represented:

Training participants by job category



- An Environment, Safety and Hygiene Committee, which makes monthly tours of the facilities to identify risk conditions and report them.
- Safety Leaders, who are in charge of making daily tours to detect unsafe conditions and acts, as well as following up on the implementation of actions.
- Brigade members, who provide support to the leaders in tours and attention to any emergency situation.
- Staff in charge of conducting weekly tours, providing facilities to implement safety strategies and raising awareness among personnel.

*The system covers 100% of the personnel working in the facilities of the industrial buildings managed by Italika, both directly and indirectly (152 employees who provide cleaning, canteen, security and valet parking services). The locations covered by the system are: Toluca 2000 Industrial Park, Lerma Industrial Park and Doña Rosa Industrial Park.



Other actions we take to detect potential risks at our facilities:

- Work permits for high-risk activities.
- Accident investigation to identify causes and follow up.
- STOP cards* in workplaces, which are used to identify unsafe acts or conditions.
- Safety tours to detect unsafe acts and unsafe conditions and reports of these, in order to mitigate them.
- Accident trend tracking.

Based on our identification of risks, we instituted several protocols such as: triggering of safety alerts per event or accident, accident investigation through the 8Ds methodology, and follow-up on actions derived from accidents, through which we determine corrective solutions.

We guarantee the quality and effectiveness of our occupational risk identification and evaluation processes by monitoring the trend in accidents and incidents compared to previous years. We conduct risk analyses with a multidisciplinary team which are validated by the area managers, in order to set annual goals and develop measures to reduce the accident rate.

We may remove an employee from his or her job if their activities would put their integrity and that of their coworkers at risk, such as our internal work regulations and the incident and accident investigation procedure, which defines which operations should be evaluated and, if necessary, restricts any activity that puts employee health at risk.

There are also specific issues addressed in the collective bargaining agreements, such as accident reporting, unsafe behavior, the right to personal protective equipment, and the right to have and use tools, machinery, and loading equipment in good condition.

* A tool that encourages employee to take an active part in preventing accidents and complying with regulations, fostering an overall culture of safety. It consists of a series of cards, which are collected by the safety leaders from an employee when risky activities or inadequate use of personal protective equipment are identified, with the purpose of investigating the matter together with the employee and identifying areas of opportunity.



→1,759 employees trained in occupational health and safety; 62% men and 38% women.

→3,757 hours of occupational health and safety training; 2 hours of training on average per employee.

Incident and/or accident reporting process

1. The affected employee reports the injury to the command and/or person in charge of the area.
2. The person in charge of the area notifies and sends the affected employee to the medical service.
3. The employee is treated at the medical service and the accident is classified according to its seriousness.
4. The employee follows medical instructions and remains in contact with the physician.
5. The employee must make a detailed description of the accident, in order for the company to investigate it and avoid a recurrence.

In 2023, there were 3 disabling accidents at Ensamblika, 44% fewer than in the previous year.

We provide mandatory weekly health and safety training to employees in operational and administrative positions. We evaluate the effectiveness of this type of training based on the reduction of accidents, incidents and unsafe conditions in our operations.

[Learn more in Sustainable Annex](#)

Occupational health

GRI 3-3, 403-3, 403-6

We offer employees the highest quality health services, in synergy with specialized health institutions, such as IMSS and ISEM.

Preventive health programs are voluntary and communicated internally through digital and physical media. One of these is our annual Health and Safety Fair, where employees have access to various services, such as:

- Agreements with specialized laboratories
- Vaccination campaigns or campaigns (influenza, tetanus)
- Electrocardiograms
- Pap smears
- Visual health
- Chiropractors
- Acupuncture
- Facial Spa
- Blood pressure test
- Vital sign check
- Nutrition
- Mental health
- Family planning campaigns
- Oral health

Only health professionals have access to the results of the studies, which are shared with each employee individually and, when necessary, forwarded to specialists for the corresponding follow-up.

Employee road safety



At Italika, we encourage our employees to take motorcycle driving courses and we share safety tips with them through our internal communication channels.

As our product is also a work tool for Banco Azteca's Credit and Collection staff, we have a comprehensive and cross-cutting strategy in the area of road safety, which consists of specific training to mitigate the risks associated with their activities and avoid incidents. Road safety culture training offer includes:

- Certification for Collections Leaders as Motorcycle Driving Instructors (instructor training).
- Course on tune, to raise awareness among Regional and Strategic Managers.
- Driving certification for Metropolitan Zone Managers.

We also conducted on-site supervision of our Credit and Collections Managers, which including audits to identify areas for improvement. 982 collection agents trained in 2023

We are confident that the courses we give on road safety are effective, because as we monitor the accident rate, with 2019 as the baseline year.

6% reduction
in the number of accidents vs. 2022

45% reduction
in the number of accidents vs. 2019

[Learn more in the Sustainable Performance annex](#)

As another part of our road safety strategy, we serviced our Credit and Collections fleets to keep them in peak efficiency and safety condition. In 2023, we provided the following fleet services:

- 136,388 repairs
- 2,777 claims
- 50,451 maintenance services
- 21,785 warranties



982 collection agents
trained in 2023

In the area of maintenance services, we changed substituted supplies, such as oil, with others that require less frequent changes, in order to generate less waste of lubricants and thus help reduce of pollution and our carbon footprint.

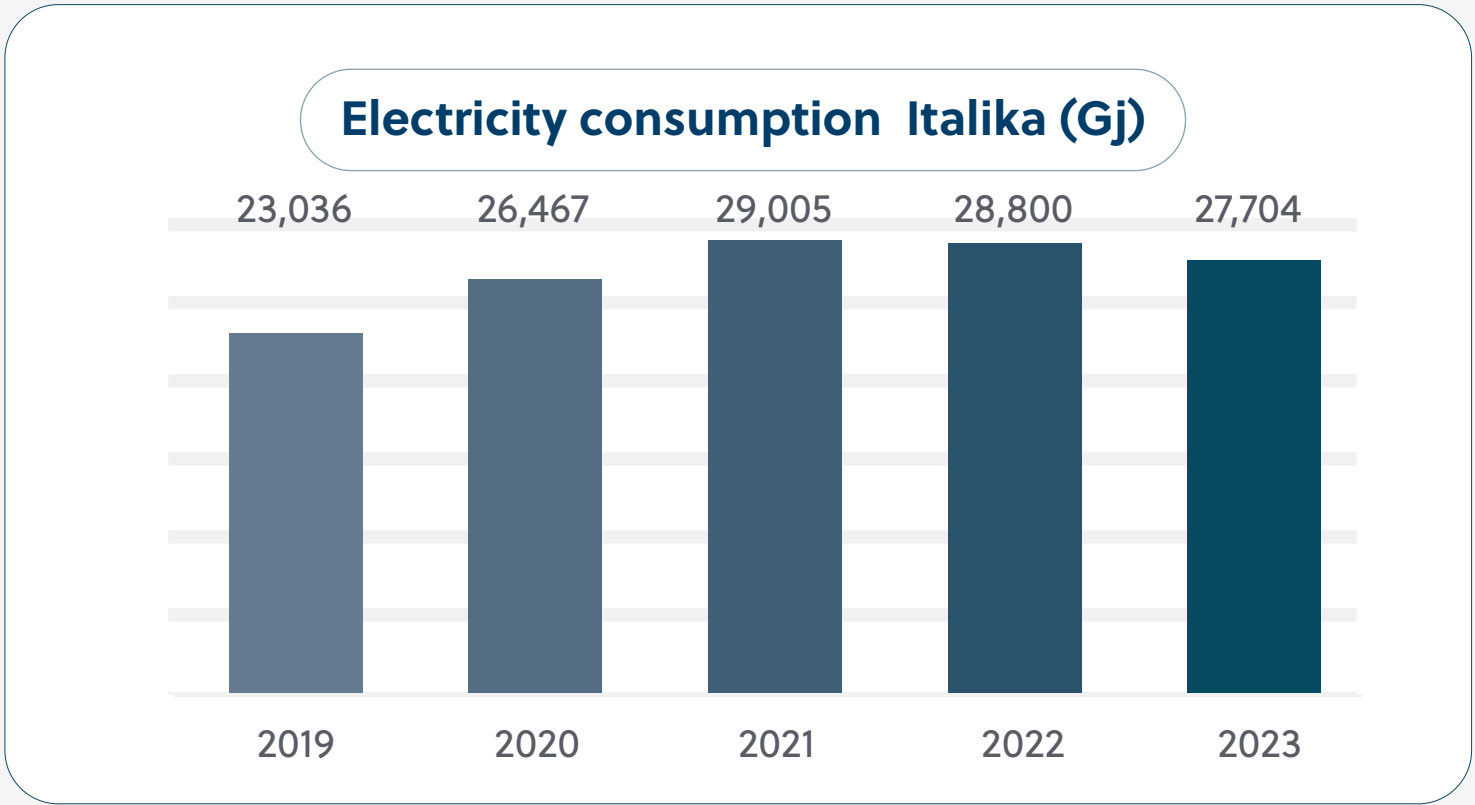
Environmental commitment

Italika is conscious of the impact of our organization on the environment, so we regularly monitor market trends, risks and opportunities, especially those that have to do with the environment, to adapt and mitigate the impacts generated in our production of motorcycles.

› Energy

GRI 3-3, 302-1, 302-2, 302-3, 302-4, 302-5
SASB TR-AU-410A.1

In 2023, fuel and energy consumption declined thanks to the installation of efficient lighting fixtures and air conditioners, which saved energy and prevented an exponential rise in consumption. Out of the total energy consumption (7.7 GWh), 0.1 GWh was renewable, or 1%.



Note. The standards, methodologies and tools used for the calculation were the General Law on Climate Change, the Regulation of the General Law on Climate Change regarding the National Emissions Registry, centralized collection receipts from CFE (non-renewable), collection receipts from Grupo Dragón (renewable).

Energy source	GJ
Gasoline	17,925
LP Gas	371
Renewable sources	362
Electricity	27,342
Total	46,000

Notes:

- The quantities of fuels and energy sources considered in the calculation were:
 - › Fuel used in mobile sources: 528,255 liters of gasoline.
 - › Fuel used in stationary sources: 14,207 liters of LP gas.
 - › Energy from renewable sources: 0.03 GWh from wind energy and 0.07 GWh from other renewable energy sources.
 - › Energy from non-renewable sources: 7.6 GWh of electricity.
- The standards, methodologies and tools used for the calculation were: SAP fuel expense accounting accounts, CFE centralized collection receipts, Grupo Dragón collection receipts (monetary values are taken and converted to liters of fuel, units of measurement).
- The source of the conversion factors used was the International System of Units for energy, using the calorific value and converting to Joules.

2023 initiatives at Ensamblika

- Constant analysis of maritime and land transportation routes for optimization and reduction of travel times, in order to use less fuel.
 - Major maintenance of substations, in order to avoid electrical leaks and high energy consumption.
 - Improved lighting based on the relocation of lamps.

Weighted average fuel consumption per motorcycle is equivalent to 35 km/liter.

→ Energy intensity of 10.28 GJ/employee*

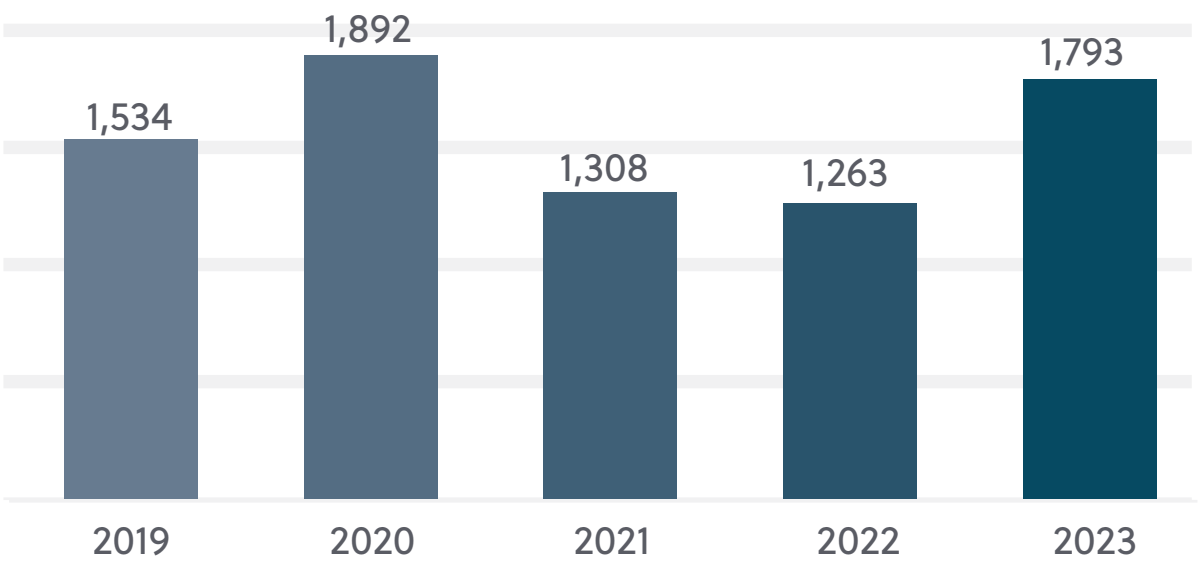
* Energy intensity was calculated assuming energy consumption of 45,666 GJ and 4,475 employees.



› Emissions

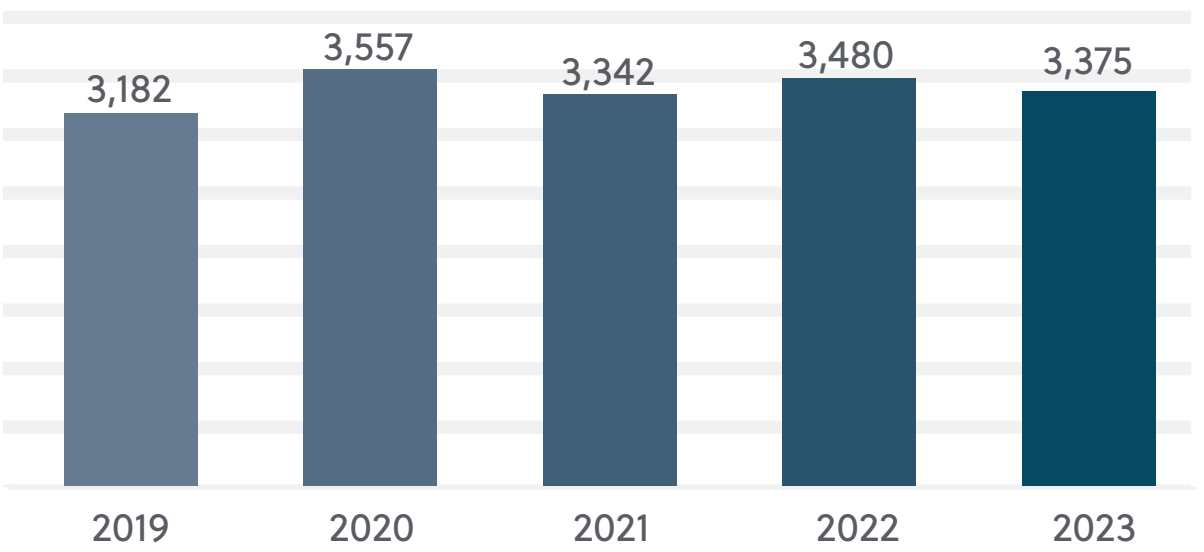
GRI 2-4, 3-3, 305-1, 305-2, 305-3, 305-4

Scope 1 emissions Italika (metric tonnes of CO₂e)



- The gases included in the calculation are: CO₂, CH₄ y N₂O
- The conversion factors used were the calorific value of each fuel, the emission factor of each fuel for mobile sources and energy production, as well as the global warming potential.
- The sources and standards for the calculation were the General Law on Climate Change and its Regulation on RENE, and the "Agreement to establish the technical particularities and formulas for the application of methodologies for the calculation of emissions of greenhouse gases or compounds," published in the Official Gazette of the Federation on September 3, 2015.
- As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

Scope 2 emissions Italika (metric tonnes of CO₂e)

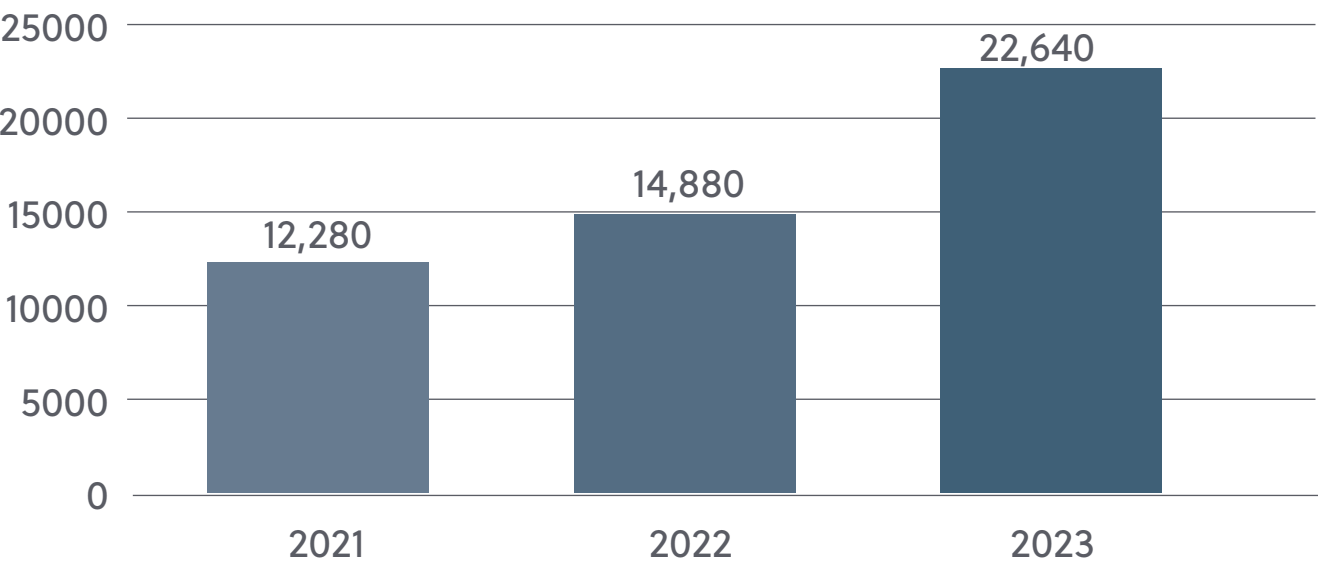


- The calculation considers only CO₂.
- The conversion factors used were: 0.494 for 2020; 0.423 for 2021, 0.435 for 2022 and 0.438 for 2023.
- The source used for the calculation was the Annual Emission Factor of the National Electric System.
- As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

2023 initiatives at Ensamblika:

- Upgrade of 38 53-foot tractor-trailer trucks to more fuel-efficient models used to deliver motorcycles to customers.
- Compliance with NOM-085-SEMARNAT specifications in motorcycle test cabins.

Italika Water consumption (m³)



› Waste

GRI 301-2, 301-3

SASB TR-AU-440B.1

2023 initiatives at Ensamblika:

At Ensamblika, we are firmly committed to the circular economy: from the moment the commercial relationship with our suppliers is established, we require that the materials to be used and the packaging in which they are transported meet waste reduction standards, continuing with the production and packaging for shipment of the already assembled units to our customers.

In 2023, we will continue our policies on reduction of packaging waste, reducing the use of cardboard, plastic for packaging, styrofoam and wood and encouraging the use of materials such as steel and more durable plastics, which allow us to protect our product without generating waste. It should be noted that we have reuse programs, so that, through agreements, wood, styrofoam and plastic waste are sent to recycling plants. Other actions included:

- Incorporation of processes to make the management of recoverable waste more efficient, for its correct disposal and recycling.
- Improved packaging of raw materials to reduce the volume of waste.
 - Preparing and equipping a hazardous waste room.
 - Collection plan for special handling waste.
 - Regularization of collection permits with suppliers (cardboard, plastic and metal).
 - Improvement and documentation of hazardous waste management, which is carried out by an authorized company for final disposal.
 - Development of eco-friendly returnable packaging.

2023 Italika Service Center initiatives

- As part of the requirements for opening an ISC, the owner of each center must register with SEMARNAT as a micro waste generator and set up oil and battery collection agreements.
- Sent hazardous waste for recycling: 1,491,639 liters of oil in 2023.

[Learn more in the Sustainable Performance annex](#)

→ 17,780 metric tons of waste generated in 2023

→ 9,983,309 kg of recoverable waste generated

→ We recycle 2% of our annual production waste.



Banco Azteca

GRI 2-1

→ In 2023 we proudly celebrate 21 years of being part of Mexico's history. Since we began operations, we have been committed to one basic principle: inclusive prosperity.

To fulfill our purpose, we align our strategy with the highest environmental, social, and corporate governance criteria. We address the social aspect by promoting financial inclusion. During these two decades of operation, we have worked tirelessly to break down barriers and offer financial opportunities to communities that were previously underserved by traditional banking.

We want to build a more equitable and prosperous future for our customers through accessible, reliable and easy-to-use financial products and services, including credit, savings, payment methods, financial literacy and other instruments that improve people's well-being.

We want all individuals and communities to have equal access to physical and digital financial services, regardless of their income level, gender, ethnicity, geographic location or employment status.

We are also present in Guatemala, Honduras and Panama, which allows us to contribute to the financial development of more Latin American families.



In terms of environmental criteria, we focus on reducing the possible negative impacts of our business and operations on the environment, through energy efficiency programs in place at 100% of our branches, by using energy from renewable sources, and through projects to reduce paper use and waste.

We offer finance large-scale green projects, such as solar, wind and geothermal farms, which generate renewable energy as an alternative and less polluting source.

In addition, we analyze and manage the risks and opportunities derived from climate change and estimate the greenhouse gas emissions that we finance through our corporate portfolio.

As regards corporate governance, we have robust policies, solid internal regulations and an organizational culture aligned with our values, so we can guarantee comprehensive performance with transparency and accountability, in keeping with national regulations and the leading international standards.

We are grateful for the trust of our customers, the support of our employees and the backing of our communities. We intend to remain a benchmark for inclusion and an engine for positive change in the financial sector.



SUSTAINABILITY MODEL

At Banco Azteca, our mission is to generate inclusive prosperity on three pillars:

- **Economic:** offering innovative financial services that strengthen the quality of life of millions of families and generate equal opportunities for quality employment.
- **Social:** fostering environments that enable and enhance society's capabilities and improve its conditions, protecting and respecting community rights, customs and traditions.
- **Environmental:** mitigating the negative impact of our operations on the environment, promoting innovation and raising awareness among employees, customers, suppliers and audiences.

Based on this mission we established our sustainability model, which is composed of 5 focus areas and 11 lines of action where we seek to promote development and well-being at all levels of society, in order to generate sustainable value for:

1.1	Anti-corruption practices and MLP	3.3	Entrepreneurship and business development support (SMEs)
1.2	Data security	4.1	Financial literacy
2.1	Portfolio emissions	4.2	Insurance culture
2.2	Green financing	5.1	Diversity and development
3.1	Inclusive products and services	5.2	Safety, health and wellbeing
3.2	Technology for customers		

We remain committed to the United Nations Sustainable Development Goals, for which we design initiatives and projects that promote sustainable economic and social development through our financial services and investment decision-making.



MATERIALITY

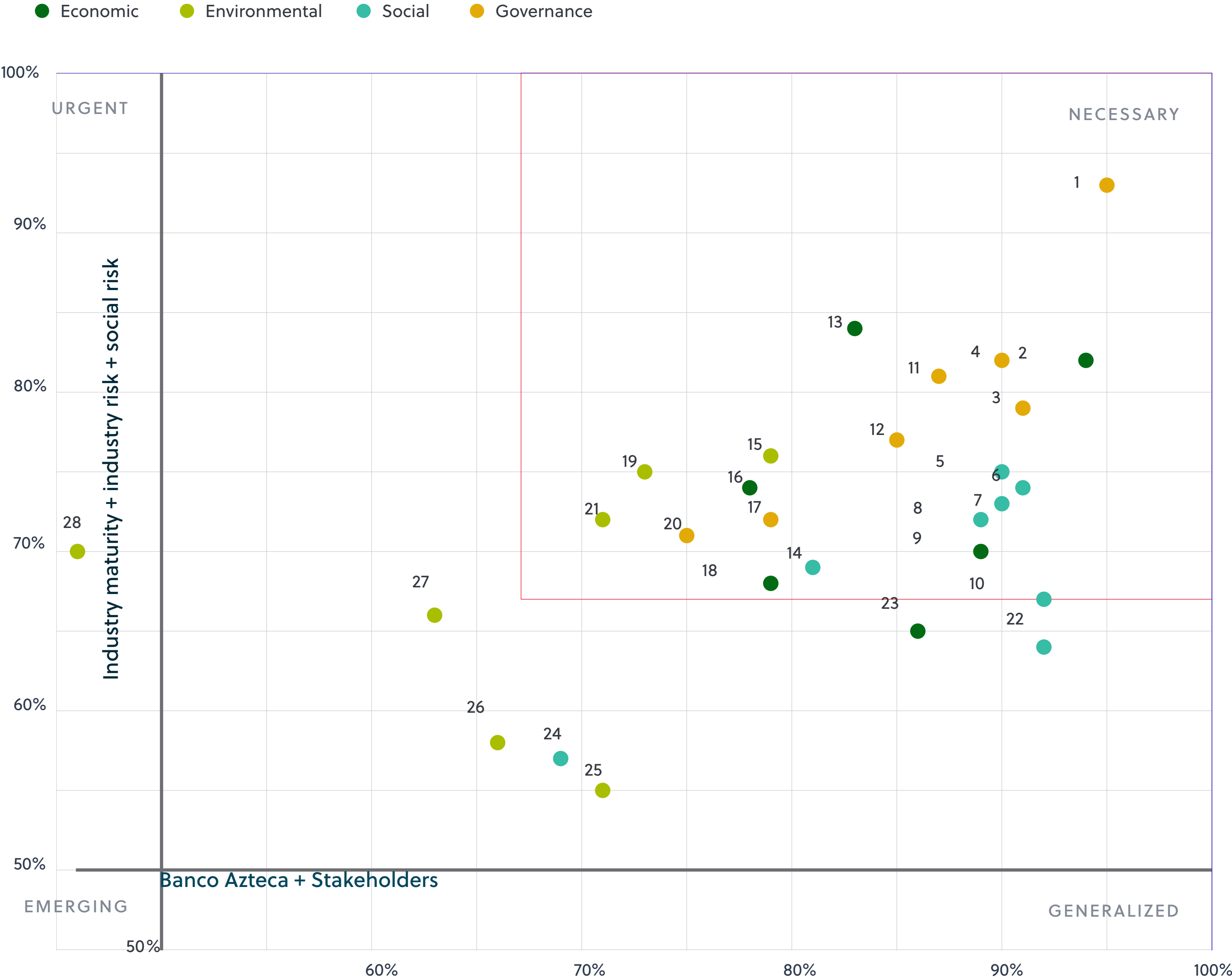
In 2023, we updated our materiality study to identify those aspects that remain material to our company and our stakeholders, to include them in Banco Azteca's Sustainability Model, and which will be reported in this document.

Materiality matrix

GRI 3-1, 3-2

Banco Azteca's material aspects are shown below:

1 Money-laundering/ fraud prevention	14 Diversity and equality
2 Brand management	15 Energy eco-efficiency
3 Corporate social responsibility (CSR) / Sustainability / ESG	16 Operating efficiency
4 Ethics and integrity	17 Cybersecurity
5 Human rights	18 Operation
6 Human capital development	19 Climate change
7 Health and safety	20 Corporate governance
8 Social impact	21 Environmental policy/environmental management system
9 Customer relationship management	22 Supplier standards
10 Financial inclusion	23 Product and service development
11 Risk management	24 Talent attraction
12 Corruption, bribery and transparency	25 Materials
13 Financial topics	26 Waste management
	27 Water stewardship
	28 Biodiversity


















Dimension	2023 Material topic	2021 Topic
Economic	Brand management*	N/M
	Financial issues	✓
	Operations	N/A
	Operating efficiency	N/M
	Customer relationship management*	✓
Environmental	Environmental policies / environmental management system	N/A
	Energy eco-efficiency*	N/M
	Climate change and other atmospheric emissions*	N/M
Social	Human capital development	N/M
	Occupational health and safety	N/M
	Diversity and equal opportunity	✓
	Human rights	N/A
	Social impact	N/M
	Financial inclusion*	✓
Governance	Corporate social responsibility (CSR) / Sustainability / ESG Management*	N/M
	Corporate governance	✓
	Risk management	N/A
	Cybersecurity	✓
	Ethics and Integrity	✓
	Corruption, bribery and transparency	✓
	Money laundering / fraud prevention*	N/A

✓ Material topic in both 2023 and 2021. NM: Topic not material in 2021. NA Not applicable (not included in the 2021 analysis). * High-impact topics, meaning those that were most valued by stakeholders and to which the company pays the most attention. Supplier standards were added to the listed topics.

Correlation of material topics with the Sustainable Development Goals

We then correlated each of the resulting material topics with the SDGs, in order to identify the areas of the 2030 Agenda to which Banco Azteca contributes through its actions.

2023 material topic	Description
<div>Brand management*</div> <div></div>	The search for a recognizable and unique positioning in the minds of customers, based on responsible communication and advertising, consistent with the company's values and compliant with applicable legislation and voluntary codes.
<div>Financial issues</div> <div></div>	The set of indicators that allows for an understanding of the company's financial situation and performance, as well as the most important factors in investment decisions.
<div>Operations</div> <div></div>	The number of branches, location of operations, KPIs of the company's operating performance, and measures to mitigate negative impacts and magnify the positive ones
<div>Operational efficiency</div> <div></div>	The company's ability to optimize its processes and offer high-quality goods or services in the shortest possible time and at the lowest possible cost.
<div>Customer Relationship Management*</div> <div></div>	The strategy of focusing on the customer, in order to guarantee a unique experience based on their satisfaction and well-being when using the company's products and services. It includes protection of the customer's data privacy and the responsible management of their information, in accordance with applicable laws.
<div>Environmental policies / environmental management system</div> <div></div>	The guidelines and commitments that lead the company towards regulatory compliance, mitigating the negative impact of its operations and capitalizing on opportunities for environmental improvement.



Environmental Dimension

2023 material topic

Description

Energy eco-efficiency*



The set of practices to optimize energy consumption, promoting responsible consumption and the reduction of emissions derived from operations, ensuring the comfort and productivity of the properties' occupants.

Climate change and other atmospheric emissions*



One of today's most pressing global issues. It is defined as the modification of temperature and other climate variables. For the purposes of the materiality study, it considers emission monitoring and mitigation practices, as well as the formulation of a clear strategy against climate change.

Human capital development



Programs to develop employee skills and competencies to ensure they do their jobs as required and can advance themselves within the company, in long-term career planning and transparent performance evaluation processes.

Occupational health and safety



The guidelines and practices that guarantee the physical, mental, social and emotional well-being and safety of employees, including measures to avoid occupational risks, unsafe conditions and incidents.

Diversity and equal opportunity



The best practices for ensuring equality in access to employment opportunities, treatment and advancement, regardless of race, gender, age, ethnicity, education, religion, sexual orientation, ideology, or physical or mental condition.

Human rights



The fundamental rights and freedoms that recognize and protect the dignity of all human beings. Businesses should consider each and every one of the human rights on which they may have potential impacts and implement practices to promote responsible behavior, with special focus on the risks that affect these rights.

Social impact



Refers to measures taken by the company to address the needs and expectations of communities where it is present, magnifying positive impacts and mitigating negative ones.

Social Dimension

2023 material topic

Description

Supplier standards*



The guidelines established by the organization to ensure compliance, sustainable management and resilience of the supply chain.

Financial Inclusion*



Availability and accessibility of financial services for all individuals and households, especially those who have traditionally been excluded from formal financial services.

Corporate Social Responsibility (CSR) / Sustainability / ESG Management*



The set of processes and tools to plan and execute the establishment of sustainable policies, ESG criteria, targets to measure annual progress towards the goals set and the implementation of best practices in sustainability.

Corporate Governance



The framework of rules, principles and procedures that determine the structure and operation of the company's governance bodies and lead it towards incorporation of the ESG strategy.

Risk management



The process for identifying, assessing, controlling, responding to and mitigating risk factors that could threaten the company's operational continuity or assets.

Cybersecurity



The set of procedures, tools and practices to protect systems and digital and critical information, in order to ensure the company's operational continuity, compliance with regulations and the trust of stakeholders, especially customers.

Ethics and Integrity



The set of principles and values that incorporate the organizational culture and guide the company's conduct in its interaction with stakeholders: employees, investors, authorities, customers, community, among others.

Corruption, bribery and transparency



The measures and instruments established by the company to address acts of corruption and bribery, in addition to promoting transparency and regulatory compliance.

Money laundering / fraud prevention*



The set of measures that allow the company to strengthen its internal control, know the customer and identify vulnerable activities, in order to avoid participating in transactions with resources of illicit origin.

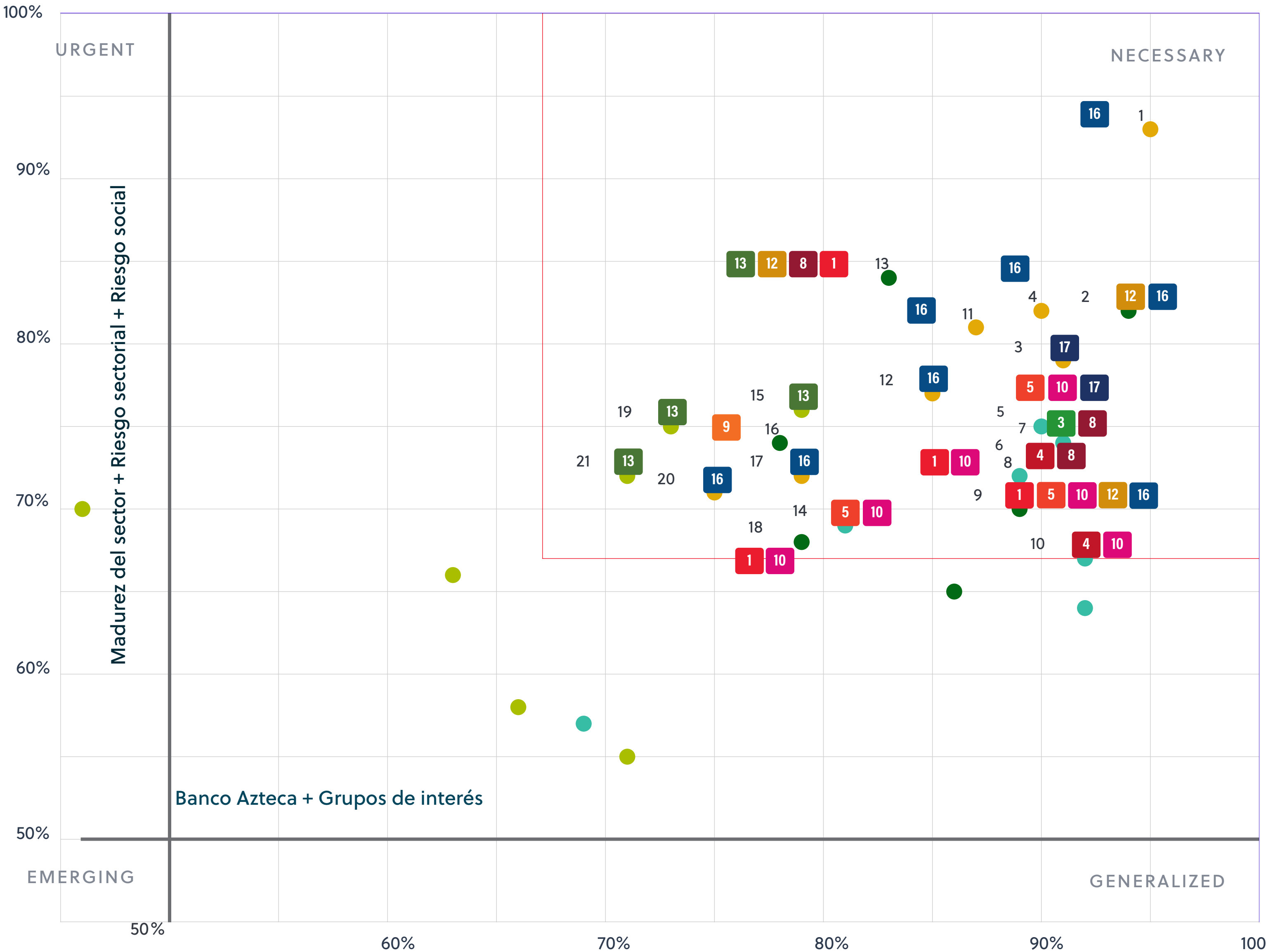
Governance Dimension

*Temas de alto impacto.

Matrix of material topic correlation with SDG

1	Money-laundering/ fraud prevention	12	Corruption, bribery and transparency
2	Brand management	13	Financial topics
3	Corporate social responsibility (CSR) / Sustainability / ESG	14	Diversity and equality
4	Ethics and integrity	15	Energy eco-efficiency
5	Human rights	16	Operating efficiency
6	Human capital development	17	Cybersecurity
7	Health and safety	18	Operation
8	Social impact	19	Climate change
9	Customer relationship management	20	Corporate governance
10	Financial inclusion	21	Environmental policy/environmental management system
11	Risk management		

● Economic ● Environmental ● Social ● Governance





PRODUCTS AND SERVICES

Our reason for being

GRI FS15

We are continuously striving to offer products and services that responsibly drive the financial inclusion of families and strengthen sustainable development, while caring for the environment.

Inclusive Products:

- Deposits
- Credit
- Payment methods

Responsible products:

- Digital Banking
- Investment

Other products:

- Corporate Banking
- Sustainable finance (environmental and social).



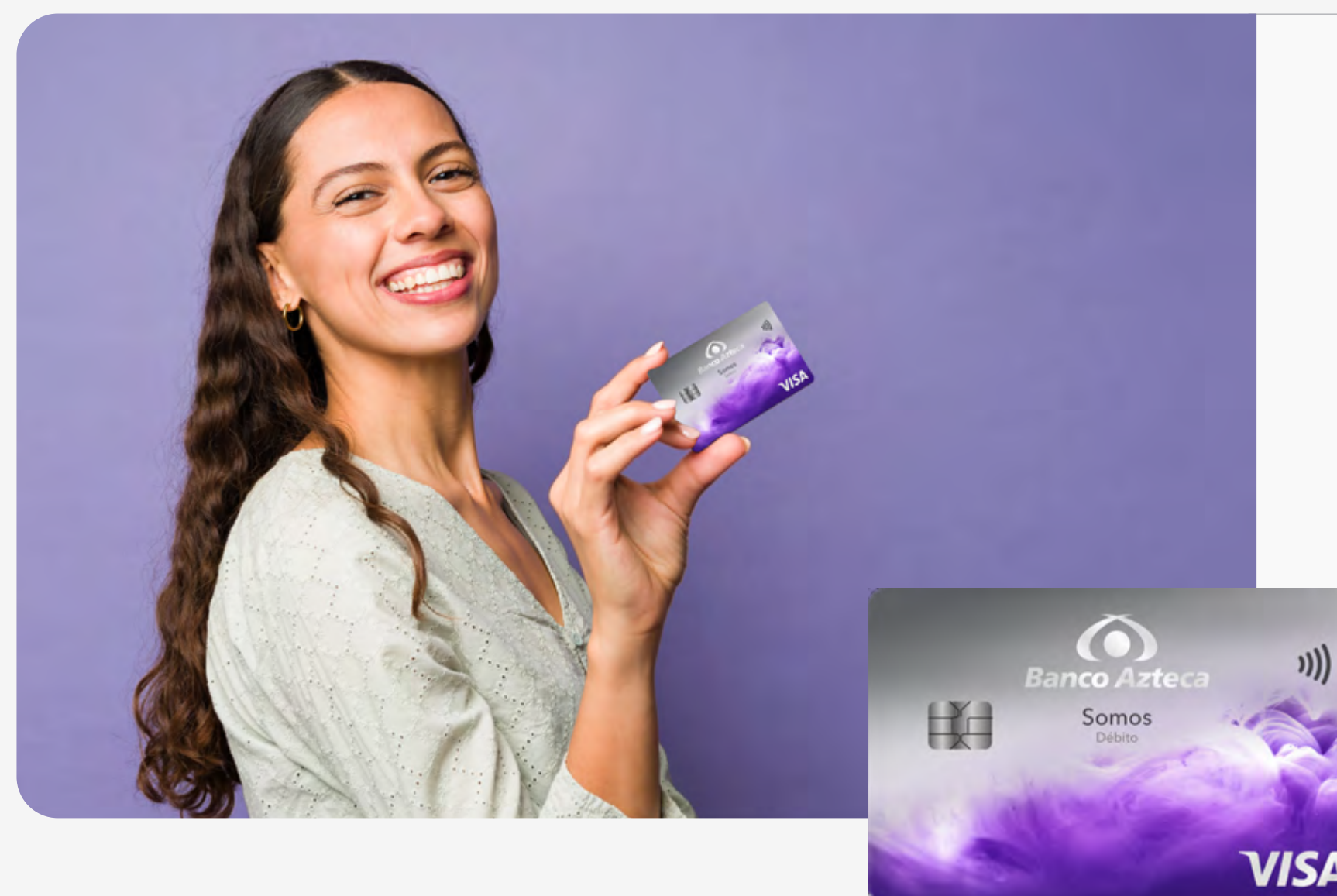
Inclusive Products:

GRI FS1, FS7, FS14

Deposits

FN-CB-240A.3

By offering inclusive and accessible financial solutions, we play a very important role in promoting financial literacy and the economic



Promoting financial inclusion through deposits products at Banco Azteca is a fundamental step towards building a more equitable and prosperous economic environment for all.

54% of our deposit customers are women.

autonomy of our customers, thus strengthening the social fabric and contributing to the sustainable development of the communities where we operate.

In addition to being financial instruments for customers to deposit their funds, Banco Azteca's deposit products are also key tools for promoting financial inclusion.

Our deposit products not only benefit our direct customers, but also have a positive impact on the national economy by promoting banking penetration and active participation in the financial system.

We seek to be a trusted ally on the road to financial stability and growing equity for our customers. We work hand in hand with the research areas (qualitative, quantitative and anthropological) to identify our customers' main needs and incorporate value propositions that are consistent with Banco Azteca's commitment to inclusive prosperity.

In line with this mission, on December 18, 2023, we launched our Guardadito Amigo product, aimed at the migrant segment, appealing to three customer profiles: migrants in transit, refugees and emigrants.

› Products that promote financial inclusion

<p>› Guardadito and Guardadito Digital: Goal: To attract resources by promoting financial inclusion. “Guardadito, the account that earns continuous promotions.”</p>	<p>Number of accounts in 2023 24.9 million</p> <p>—</p> <p>Balance of deposits in 2023: MXN53.36 billion</p>
<p>› Guardadito Kids Goal: Your First Account. Commission-free account for children, helping them to learn how to save and use their money when they need it.</p>	<p>Number of accounts in 2023 250,665</p> <p>—</p> <p>Balance of deposits: MXN343 million</p>
<p>› Guardadito Amigo Migrante Goal: Promote financial inclusion in the migrant segment. Offers low commissions and medical, legal and psychological counseling to support migrants and their families.</p>	<p>Number of accounts in 2023, the year the product was launched: 1,171</p> <p>—</p> <p>Balance of deposits: MXN\$1 million</p>

Learn more in the Sustainable Performance appendix.



Through our Guardadito, Mi Débito and Nómina savings accounts, our customers can access their money whenever they need it, with no account management fees or minimum balances. In this way, we promote the financial inclusion of vulnerable sectors.

→ **25,125,142 customers benefited**

<p>› My Debit Card Goal: To accompany young people in their first banking experience. Bank demand deposit account, aimed at young people between 18 and 29 years old, with a physical and/or digital Visa Debit Card, for withdrawals (debit product) combined with the benefits of a savings account.</p>	<p>Number of accounts in 2023 509,376</p> <p>—</p> <p>Balance of deposits: MXN265 million</p> <p>Number of customers in 2023 504,841</p>
<p>› Payroll Goal: Receive your Payroll Payment. Account with no opening, account management or minimum balance fees. Manage your money totally free with the digital tools in the Banco Azteca App.</p>	<p>Number of accounts in 2023 2.2 million</p> <p>—</p> <p>Balance of deposits in 2023: MXN7.48 billion</p>
<p>› Business Debit Card Goal: Support the development of businesses and alternating job-training programs (PFAEs) Manage your business from the app, with access to savings tools such as piggy banks, envelopes, vaquitas, and so on, in addition to accepting payments at preferential costs.</p>	<p>Number of accounts in 2023 221,264</p> <p>—</p> <p>Balance of deposits in 2023: MXN6.12 billion</p>



“I already had a **Guardadito account at Banco Azteca**, but two and a half years ago the branch advisor recommended another account for the balance I had and offered me the **Somos Banco Azteca debit card**. He told me that it is an account designed for women and about all the benefits; I was interested and did not hesitate to open it. I can also use the app for transactions, transfers and more.

This account has helped me a lot, because it makes it easier for me to manage my money and as a plus, if I feel bad, I request a medical consultation and I can get the right kind of care. I’ve also gotten a checkup two years in a row, along with medical advice and psychological care.

The attention I have received has been excellent. The advisors have always been willing to help me with any questions I have.

I love my Somos Account! So much so that I have already recommended it to several friends who have opened their accounts.”

Ana García Sánchez
40 years old / Housewife

› **Somos**

Goal: Improve women's quality of life. Gives women access to services such as annual medical check-ups, face-to-face consultations with medical, legal and psychological specialists, and various promotions.

Number of accounts
in 2023

400,394

—

Balance of deposits
in 2023:

MXN3.22 billion

› **Azteca Debit**

Goal: The recommended account for seniors. Offers exclusive promotions and preferential attention.

Number of accounts in 2023

344,530

—

Balance of deposits in 2023:

MXN7.77 billion

[Learn more in the Sustainable Performance appendix](#)

› **Lending**

We want to make our customers’ lives better by giving them financing options that meet their needs, with competitive rates, payment flexibility, and financial advice, while promoting the responsible use of credit.

Total portfolio:

MXN 169.56 billion

Inclusive credit

25% of our new customers come to us with no or little credit history. But thanks to Banco Azteca, they are able to obtain their first loan, enabling them to improve their quality of life. This reaffirms our commitment to financial inclusion.

- **Personal loans or cash.** We grant simple loans in local currency, aimed at meeting the liquidity needs of our customers.
- **Consumer credit:**
 - **Home:** To finance appliances, mattresses, furniture and entertainment equipment, aligned with to specific needs that help improve the quality of life of our customers and their families.
- **Mobility.** We provide solutions for acquiring motorcycles and their accessories, bicycles and automotive supplies, on credit and in cash, according to our customers' payment capacities. Many of our customers use these products as a work tool, which makes it easier for them to earn an income.
 - **Connectivity.** A wide range of mobile devices that allow Mexican families to stay connected and access digital banking services and products, which is a key to generating financial inclusion.

[Learn more in the Sustainable Performance appendix](#)

Lines of credit

- **TAZ Card.** Accepted in thousands of establishments and ATMs. Usability with physical, digital or QR cards.
- **Gold Credit Card.** Revolving credit card, accepted at thousands of establishments and ATMs, with no annual payment or usage fee, with monthly payments. Usability with physical and digital card.
- **Payroll Loans.** For individuals who receive their paycheck deposits at Banco Azteca, with amounts from \$1,000 to \$150,000 pesos, depending on their payment capacity. These loans are intended to meet their liquidity needs.



› Digital banking

We are the largest digital bank in the country, which has been key to our efforts to encourage financial inclusion.

We want this tool to be the digital companion that makes customers' lives easier by enabling them to do their banking without the need to visit a branch. This also has the benefit of reducing greenhouse gas emissions.

From the convenience of their smartphones, our customers can apply for a loan or credit card, make payments and transfers, receive money transfers from other countries, among other services, 24/7, with no waiting on line.

[Learn more in the Sustainable Performance appendix](#)

› Investment

Committed to generating the greatest value for our customers, we develop investment strategies to make their money grow through attractive returns.

Inversión Azteca

Goal: Access to attractive fixed and variable interest rates, with immediate availability of the money. Returns are tax-exempt up to a certain amount.

Plazo Azteca

Goal: To promote long-term savings. Attractive fixed interest rates, an accessible opening amount and is no fees or commissions.

Number of customers served in 2023

22.6 million

—
More than
5 billion
transactions are made annually through the bank's app.

Inversión Azteca Creciente

Goal: Ideal product for new investors. The longer you keep your investment, the more interest you earn; no penalties for early withdrawals or additional deposits, debit card at no cost and returns are tax-exempt up to a certain amount.

Other products:

› Business banking

SASB FN-CB-000.B

We want to take a growing share of corporate and government banking business and provide financial services tailored to our customers' needs.

We focus on meeting the financial needs of our corporate customers through a variety of products and services designed specifically to meet their requirements. As an added value we also offer online banking, guaranteeing swift and secure transactions 365 days a year.

We provide tailor-made solutions that adapt to the unique demands of small and mid-sized companies, ensuring they have access to solid and strategic financial tools to meet their business goals.

› Payroll

Timely, easy, fast and secure payments to employees and pensioners.

Number of customers served in 2023

753,000

—
Number of checking and savings accounts (Payroll individual)

2,012,477

Deposits

Accounts for cash management, investment and payroll dispersion.

[Learn more here](#)

Number of customers served in 2023

8,181

—
Number of checking and savings accounts in 2023

13,248

› Crédito

FN-CB-240a.1 FN-CB-240a.2 GRI FS6

Banco Azteca offers credit to resolve customers' short or long-term financing needs, according to their needs and in keeping with the applicable regulations and risk analysis.

[Learn more here](#)

Number of customers served in 2023

56

—
Number of loans and credits

97

Sustainable finance (environmental and social)

GRI FS1, FS2, FS3 SASB FN-IN-410a.2

We facilitate investment in large-scale projects that focus on renewables as an alternative, less polluting source of energy in the world. We support energy efficiency by financing solar, wind and geothermal farms. We also finance road improvement and roadbuilding projects.

[Conoce más aquí](#)

Total amount of sustainable finance in 2023:
MXN7.22 billion

65% in road improvement and roadbuilding projects.

35% in renewable energy projects.



Operational strategy

FINANCIAL EDUCATION

GRI FS16 SASB FN-CB-240a.4

Aprende y Crece

As part of our commitment to financial inclusion, we are keenly interested in educating people about the proper use and understanding of the products and services we offer. In 2014, we created “Aprende y crece” (Learn and Grow) a financial and business education program that provides useful, practical and easy-to-understand information for customers and the general public on personal finances and entrepreneurial culture.

Today's technological evolution is crucial to this program because it has given rise to cutting-edge teaching models that contribute to development and give people tools for making better financial decisions in an innovative way, with the support of information and communication technologies.

→ As part of the added value we offer, all our customers have free access to our financial education courses.

We know how important it is to build financial education among the most vulnerable segments of the population, to bring positive and lasting change.

Mindful of the risks older adults face from financial fraud, our “Aprende y Crece” program includes educational materials and specialized workshops that teach them how to protect their assets, optimize the use of digital banking, boost their pension income, answer questions about their retirement and explore entrepreneurial options.

Another group to which we pay special attention is women, as they are often at risk of abuse and economic violence. At Banco Azteca we understand that financial empowerment is the key to transforming their lives, which is why our financial education program, aimed primarily at employees and Somos account customers, provides educational materials and specialized workshops to strengthen their skills and provide them with the knowledge they need to make informed financial decisions and build a more solid future.

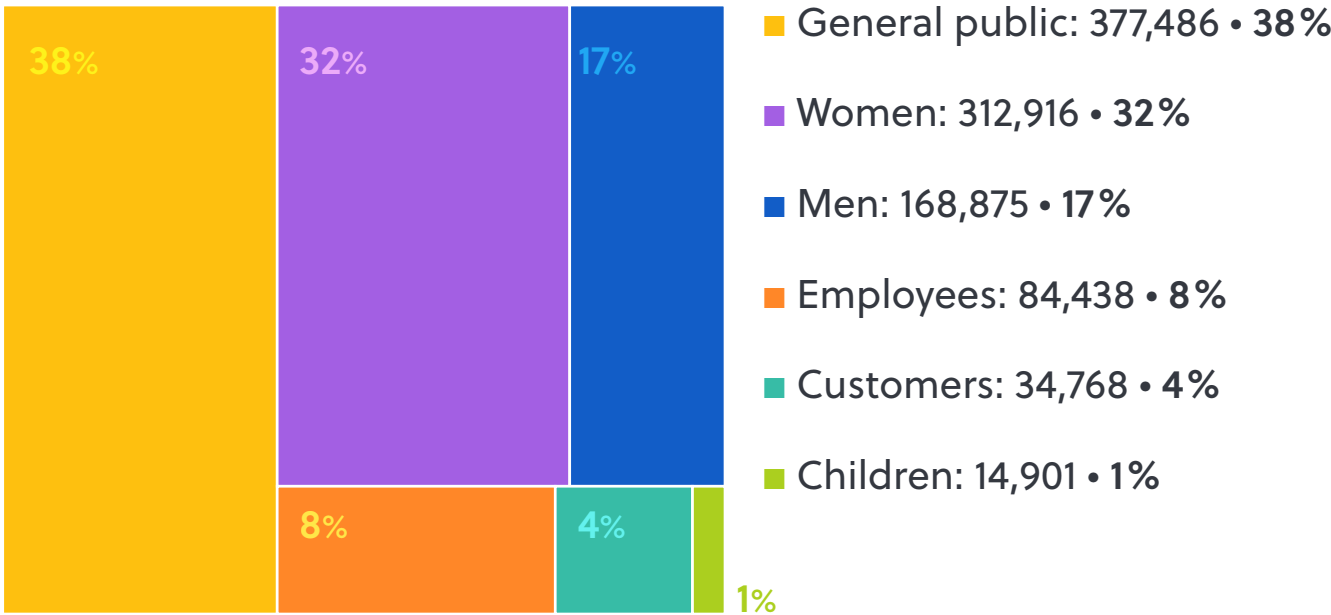


In addition, we have different initiatives in Mexico aimed for specific groups:

Financial Education and Business Certificate	<p>Aimed at the general public, this program builds financial skills and promotes the correct use of financial products and services, helping people reach their financial goals at various stages of their lives.</p> <p>The course counts for academic credit, with content reviewed by the Economics Department of Mexico's national university (UNAM). It lasts 120 hours and has more than 700 educational resources, such as animated infographics, videos, podcasts, exercises and evaluations, among others. It is made up of eight modules covering topics like savings, credit, insurance, investment, retirement savings, entrepreneurship, business development and digital financial tools.</p>	37,000 beneficiaries
National Financial Education Week	Aimed at children, young people and adults, and carried out in partnership with the National Commission for the Defense of Financial Services Users (CONDUSEF) and the Mexican Bankers' Association (ABM).	26,744 beneficiaries
Comprehensive Financial Education Week for Mexicans abroad	A government initiative aimed at Mexicans living in other countries as well as returning communities, to offer them financial programs, services and tools for planning and administration.	44,119 beneficiaries

Traveling Van	A financial education vehicle that visits various universities nationwide, where young people learn through technological-financial experiences.	Visits to 13 universities
YouTube channel	Capsules and videos for the general public on personal finance and business.	367,856 visits
"Aprende y Crece" website	The most robust financial education platform in Latin America. It is aimed at the general public and offers specialized content for various groups, as well as multiple interactions through social networks.	990,961 beneficiaries
Financial education for customers	There is a section on the "Aprende y Crece" website, especially for Banco Azteca customers. It offers different educational resources to improve their personal finances.	1,050 beneficiaries
GS women	A space with a gender perspective aimed at women employees of Grupo Salinas. It includes six face-to-face workshops and webinars on budgeting, savings, credit, investment, retirement (safety and AFORE) and entrepreneurship.	5,578 women beneficiaries
Educational interventions	In 2023, we gave 172 financial literacy workshops.	496,692 beneficiaries 63% women 37% men

Beneficiaries of "Aprende y Crece" in 2023



MXN\$21,293,640 invested in "Aprende y Crece" in Mexico.

1,556,975 total beneficiaries of financial literacy workshops, programs and initiatives in Mexico.

129,905,049 direct impacts with content distributed in social and other media in Mexico.



Figures for Latin America

› Guatemala

9 webinars
2 stands at Global Money Week
13,394 website users
Total: 22,195 beneficiaries

› Honduras

21 webinars
39,537 website users
Total: 41,193 beneficiaries

› Panamá

7 webinars
6,950 website users
Total: 7,636 beneficiaries

MXN9,427,805 invested in
"Aprende y Crece."

71,024 total beneficiaries
of financial education initiatives
in Latin America.

40,367,633 direct impacts with
the content disseminated in social
networks and other media.



Through these and other actions, we have succeeded in instilling a financial culture among our customers and general public, as they think about their future, manage their financial stress, and build or grow their business. We have given them the tools they need to prepare a family budget, save and plan their expenses; we have educated them about the prudent use of credit in line with their payment capacity, to understand the consequences of over-indebtedness, late payments, and non-payment; to know more about good payment culture and how credit research bureaus work. All of this gives them a better understanding of their finances and the use of financial products and services, improving their quality of life and contributing to the development of their communities.

→ **36,496,227 children, young people, women, entrepreneurs, businesspeople, senior citizens, employees, users of financial services and customers of Banco Azteca** have benefited directly from the "Aprende y Crece" Program since 2014.

"I learned about the 'Aprende y Crece' Program through an acquaintance. I've taken courses on retirement plans and women's empowerment.

Before that, I had no control over my savings and didn't know how to properly manage my credit cards. The financial education program marked a turning point for me, because now my husband and I have retirement savings plans that fit our lifestyle and I've been able to pay down my debts.

What I liked most about the program is the information it provides and how it is presented, as well as the language it uses, simple and easy to understand.

Of course I would recommend the program to other people! Financial education is very important and sometimes it's hard to come by; thank you, Banco Azteca, for bringing us this type of information."

Diana Meyali Aguayo Chávez
28 years old / Accountant

Value for our customers

CUSTOMER EXPERIENCE

SASB FN-IN-270a.2, FN-IN-270a.3

› Service to the Elderly Badge

On April 19, 2023, Banco Azteca, Afore Azteca, Seguros Azteca and Seguros Azteca Daños, signed CONDUSEF’s Protocol for Attention and Service to the Elderly, which sets forth “ten commandments” regarding actions and specific, measurable and achievable goals, as well as the quality of management that must be maintained in all contact, whether it is face-to-face or phone, with our users, prioritizing respect for the human rights and dignity of the elderly. This earned us the Service to the Elderly Badge, effective for two years (2023-2024).


For more information about the Badge, here:
<https://www.bancoazteca.com.mx/educacion-financiera/tus-finanzas/finanzas-personales/adultos-mayores/decalogo-atencion-adultos-mayores.html>

We carried out a number of actions toward the protocol in 2023 which will be verified throughout 2024 and reviewed each quarter by CONDUSEF:

- Anti-Fraud Campaigns
- Call Center
- Financial Education
- Financial Inclusion
- Employee training plan
- Handrails in branches where required
- Pedestrian access ramps

The following table shows CONDUSEF’s current User Service Performance Rating for Banco Azteca, where the Service Badge is one of the criteria the regular uses to evaluate financial institutions, earning the institution an additional 0.5 rating out of a total possible score of 0 to 10 points.



Institutions	Commitment to Service for the Elderly	CLAIMS FILED Details at: The Financial Institution CONDUSEF			Financial education program
		Total claims	Claim rate (per 10,000 contracts) (quarterly)	User service performance score (Quarterly) Rating 0-10	Synergy with CONDUSEF
Industry total	4	3,754,359	35.8	8.83	
Banco Azteca		734,869	37.5	9.52	✓

Data taken from CONDUSEF's website as of the end of 2023.



› Responding to inquiries

In recent years, Banco Azteca has reengineered its customer service process and now allows customers to make their inquiries through the app, which could previously be done only through Línea Azteca or directly at the branch. By facilitating the inquiry process for customers, the number of interactions increased exponentially, which in turn required us to take steps to continue providing rapid customer service. We decided to optimize our response processes by incorporating chatbots and automatic improvements to detect the source of customer requests online and be more efficient.

The increase in the number of inquiries is tied to the increase in Banco Azteca's transactional and portfolio volume.

We also want to shield our customers from fraud, so we improved our fraud-prevention monitoring capabilities from 38% to 99% of alerts.

3.6 million
inquiries received as of the end of 2023.

Reduced service times from
12.4 days in 2019 to 1.8 days in 2023.

We digitalized **66%**
of our services.

Nearly **70% of incoming** inquiries
received through the app.

3% loss of customers in
inquiries vs. the industry **average of 9%,**
a result that we are working to improve

80% of inquiries are handled within seconds
or minutes of receipt, using technology
and automation.

55% of inquiries were handled in
less than 24 hours.

Customer Health and Security

Ensuring the health and safety of our customers is one of our priorities. We are committed to excellence and responsibility, and we want to contribute to the general welfare of society.

We invest in the protection and well-being of our customers, not just out of our sense of obligation but to guarantees the long-term success of our company. Innovation and technology are crucial in this effort, and we were one of the first banks to introduce biometric identification to protect our customers.

Data security and cybersecurity

We take a comprehensive approach to identifying and addressing risks to data security. This approach is based on a solid data security policy, a robust cybersecurity risk management framework, a wide range of data security and cybersecurity controls, and a commitment to continuous improvement:

- 1. Data security Policy.** Based on ISO 27001, an international standard recognized for its systematic approach to data security management.
- 2.Cybersecurity risk management.** At Banco Azteca we use ISO 31000 as a framework for cybersecurity risk management; this standard provides guidelines and principles for systematically and proactively identifying, assessing and addressing risks. The bank conducts regular risk assessments to identify and evaluate risks to data security.

3.Security controls. At Banco Azteca we have a wide range of data security and cybersecurity controls in place to protect customer data.

4.Continuous improvement. At Banco Azteca we are committed to the continuous improvement of our data security program, for which we conduct regular tests and drills to ensure that our security controls are effective.

In addition, we have a data security incident response plan that sets forth the corrective actions to be taken in the event of a data breach. We also conduct regular tests and drills to ensure the effectiveness of our response plan.

The incident response plan includes the following steps:

- 1. Incident identification and containment:**
The scope and cause of the data breach are identified.
Actions are taken to contain the incident, such as stopping unauthorized access to systems, isolating affected equipment, and notifying all participants in the incident management process, among others.
- 2. Risk assessment:**
 - The risk of the data breach is assessed and its potential impact is determined.
 - Corrective actions are prioritized and measures are taken to minimize damage.

- 3. Customer notification:**
 - If customers' personal data is compromised, they are notified immediately about the data breach.
 - They are helped to take measures to protect their personal information and prevent fraud.
- 4. Changes to processes and operations:**
 - Processes are reviewed and updated to ensure that security and data protection standards are met.
 - Changes are made to operations to prevent similar incidents in the future.
- 5. Reassessment of business partners:**
 - Business partners and their security standards are reevaluated to ensure that Banco Azteca's security and data protection standards are met.
- 6. Training update:**
 - •Training and coaching of employees on security and data protection best practices is updated.
 -
- 7. Technology improvement:**
 - •State-of-the-art technologies are upgraded or incorporated to improve detection and data protection capabilities.
 - Learn more in the Sustainable Performance Appendix.



Fraud Prevention

In 2023, fraud attempts surged with the emergence of new trends like social engineering, phishing, home visits and app downloads, where fraudsters impersonate bank employees by deceiving customers with supposed purchases, remote banking connections and gifts for good performance. The criminals capture the customer's attention by alerting them about unrecognized banking connection charges in another city or state and then begin to use social engineering tactics, which consists of requesting confidential password information, card number, verification code, token value, etc.; they might ask the victim to download an application through a link they send them, with the supposed purpose of helping them to protect their money and, with this, they take control of their device. Once the fraudsters obtain the access credentials or take control of the device, they abscond with the customer's resources.

At Banco Azteca, we are known for our robust customer fraud protection measures, including an entire ecosystem of anti-fraud processes, systems, technological tools, talent and strategies. We have incorporated fraud prevention strategies by shielding the entire customer journey, with a focus on traceability of customers at each stage—onboarding, login, session, transactions, and account maintenance—including facial recognition and behavioral biometrics of customers when using electronic devices.

We have also made great strides in fraud awareness through our “Stay Alert” anti-fraud campaign, where we communicate messages and tips that empower customers through social networks, email, SMS and OTP messages, anti-fraud messages on screens and high-risk flows in the Banco Azteca App, in Branches, TV spots, and creation of an anti-fraud portal on the Banco Azteca website.

[Learn more in the Sustainable Performance Appendix.](#)



› Collections

Our collection strategy involves offering customers a variety of possibilities and flexible payment options to settle their debt.

- **Restructuring.** Total refinancing of the debt, granting the customer a weekly payment, according to their current payment capacity.
- **Regularization.** By temporarily increasing the customer's payment, we offer them an installment plan to follow until their account is up to date.
- **Settlement.** Allows the customer to pay the total amount due in a single payment or in installments.

All three of these options allow the customer to pay off delinquent and ordinary interest accrued.

We have two collection route strategies:

1. **Relational.** Those customers who did not pay in the first weeks are offered incentives to pay and are given incentives to pay through the app.
2. **Legal.** After the 14th week, the customer is considered delinquent and enters the past-due portfolio, for which the manager's route strategy is face-to-face and the collection is done through telephone (call center) and face-to-face collection agents.



By the end of 2023 }
we had a staff of:

8,433

Portfolio Managers.

2,400

Delinquent Portfolio
Managers

These agents are not directly employed by the company, but we provide them with strategies, guidelines, manuals, policies, etc. to do the job correctly. We also provide them with training and variable compensation based on goals achieved, equipment (motorcycle, PAX mobile, gasoline, physical protection, and other tools).

We also have an optimized route for collection managers, which saves on fuel, among other advantages.



Corporate Governance

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-16, 2-18, 3-3

Banco Azteca has a robust corporate governance system that fully meets market and regulatory requirements and standards. Our Corporate Governance Policy establishes the guidelines to ensure this compliance at the national and international level.

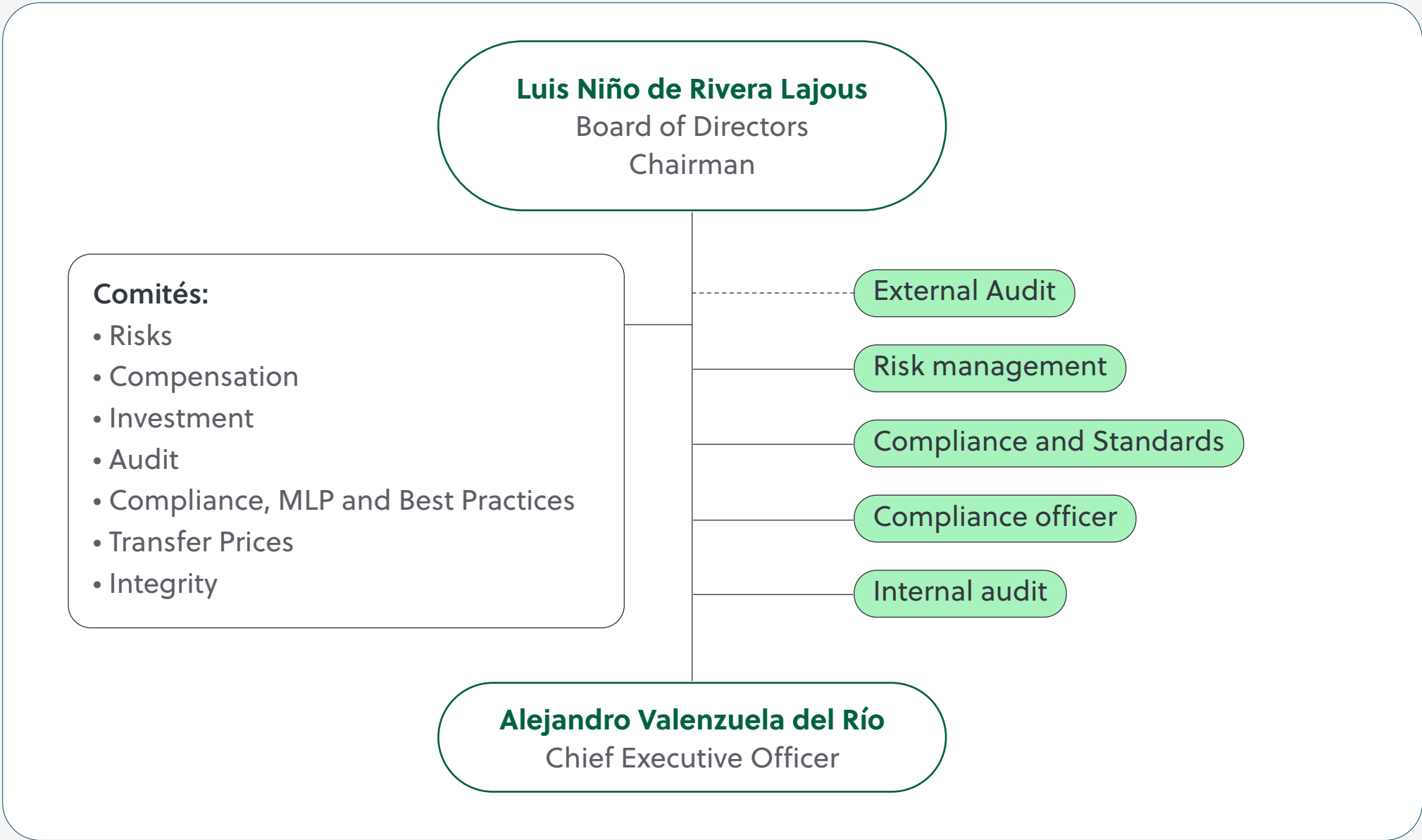
The Board of Directors has eleven members, three of them independent, as required under the Credit Institutions Law, which states that 25% of board members must be independent. For each related board member, a related alternate is appointed, and for each independent member, an independent alternate member.

The Chairman of the Board is elected by the General Shareholders' Meeting from among the board members, appointed by the Ordinary General Stockholders' Meeting, who will remain in office for one year and may not leave their position until there is a substitute; they may also be ratified for subsequent terms. All members must possess technical qualifications, honorability and a satisfactory credit history, as well as broad knowledge and experience in financial, legal or administrative matters.

The Board meets four times a year, with an average attendance of 100% in 2023. The minimum attendance requirement is 80%.

The Audit and Corporate Practices Committee, as well as the Stockholders' Meeting, are responsible for the regular evaluation of the Board of Directors' performance.

- The main functions of the Board are:
- 1. To approve the goals of the Internal Control System and the guidelines for its implementation.
 - 2. To regulate transactions with suppliers and subsidiaries.
 - 3. To supervise the Bank's technological infrastructure.
 - 4. To lead due diligence of Banco Azteca and its operations.





Committees

GRI 2-13 205-2, FS12

The Board of Directors is supported by the following committees:

Risk Committee

Oversees the policies, mechanisms and procedures for defining the institutional risk appetite. Identifies, measures, monitors and reports on the quantifiable risks faced by the Institution in its operations, whether on or off the balance sheet.

Audit Committee

Reviews, ensures and evaluates financial and accounting information, as well as best banking practices. It also serves as liaison with external auditors and financial evaluators.

Compensation Committee

Decides on adjustments to the goals, policies and procedures of the Compensation System, which regulates the compensation of Banco Azteca's employees. Implements and maintains the proper functioning of the Compensation System.

Investment Committee

Establishes the selection criteria, methodologies and analytical techniques to be used in the fund selection process as well as for the use of the specific vehicles representing each asset class and the inclusion or merger of new assets.

Regulatory, MLP and Best Practices Committee

Monitors the performance and activities of the Compliance Office with respect to the prevention of money laundering and terrorist financing. Oversees the minimum measures and procedures to prevent and detect acts, omissions or operations that could favor, provide aid, assistance or cooperation of any kind for the commission of a crime.

Integrity Committee

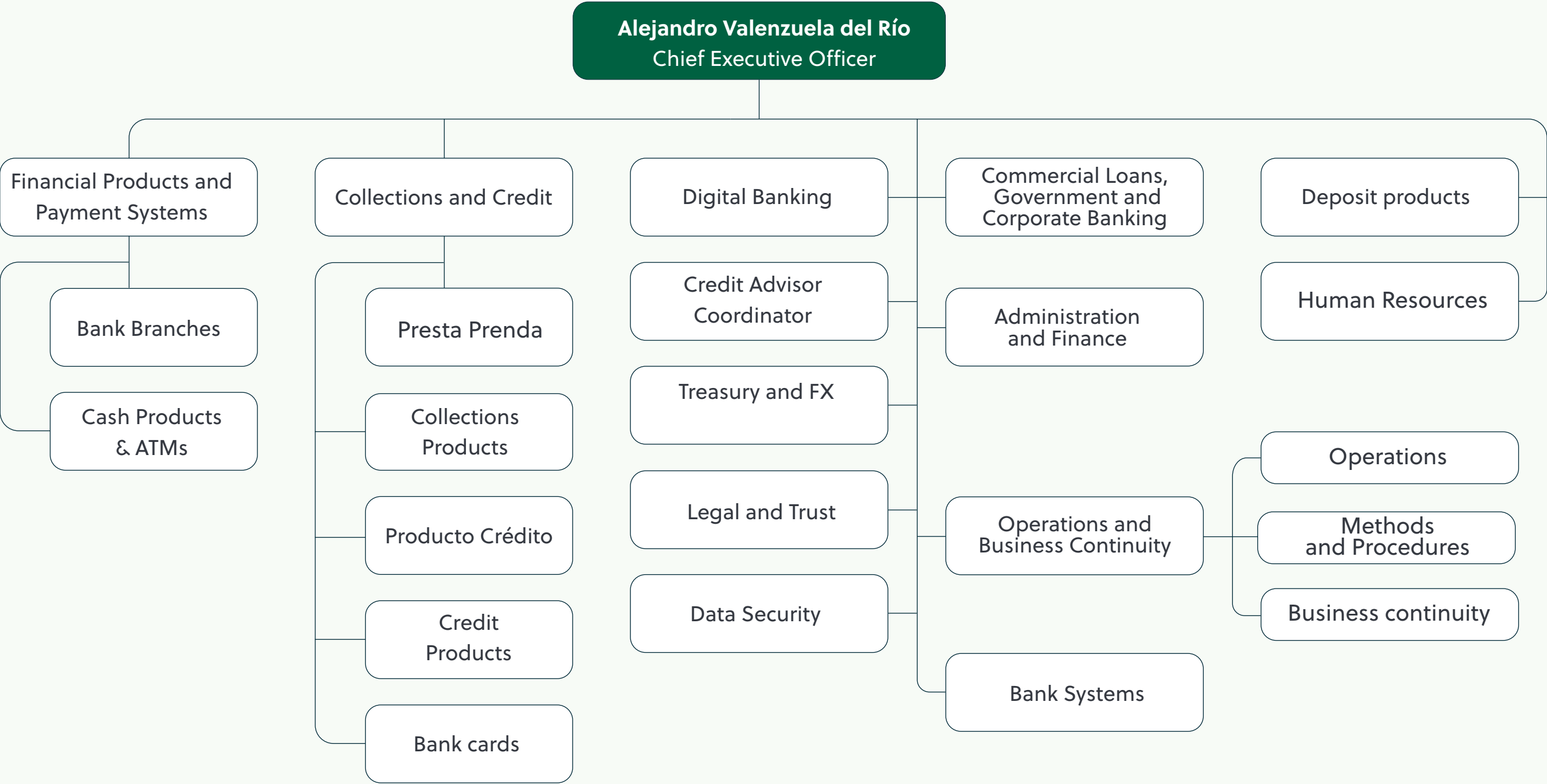
Support for the design, structure, implementation, execution, and maintenance of the Integrity, Ethics and Compliance Program (IECP).

Transfer Prices Committee

Regulates the price agreed upon by related or associated companies to transfer, among themselves, goods, services or rights.

→ **100% of board members were informed about MLP/TF policies and procedures.**

Business Areas, Support Areas and Staff*



Compensation System

GRI 2-19, 2-20

Banco Azteca's Compensation System applies to the compensation paid to the Chairman of the Board, Chief Executive Officer of the Institution and the officers that head the business and operating areas. It considers the risk exposure assumed by the institution itself, the administrative, control and business units, and the individuals subject to the compensation system, which could result in an adjustment to the compensation system.

1. Ordinary Compensation

This is the set of salaries, benefits and other fixed compensation to which employees or personnel holding any position, mandate or commission or any other legal title granted to them are entitled in return for the performance of their duties. Salaries are paid in cash and ordinary compensation does not vary depending on the performance of these employees or personnel.

Since ordinary compensation does not vary according to the Bank's financial or operating results, it is not subject to changes that increase the institution's risk profile.

2. Extraordinary Compensation

This is the compensation paid to employees or personnel holding any position, mandate or commission or any other legal title granted to them for the performance of their operations. It is paid in cash, based on individual performance.

*As of December 31, 2023



Business continuity plan

Banco Azteca has a Business Continuity Plan in accordance with the General Provisions Applicable to Credit Institutions and the principles of the Business Continuity Management System (BCMS), a model based on ISO standards and International Best Practices. The Plan establishes the requirements and elements necessary to restore critical processes, and its goal is to guarantee that operations can continue if a risk materializes.



This plan is governed by the Business Continuity Management System, involving primarily the following elements:

- BIA Methodology, Business Impact Analysis (BIA) and Risk Analysis (RA).
- Policies and Procedures for the activation, containment and restoration of Business Continuity Plans.
- Structure and Responsibilities of the participants involved in the Business Continuity Plan.
- Training and Awareness Campaigns.
- Effectiveness Tests and Recovery Strategies.

We also have a Disaster Recovery Plan (DRP) to guarantee the continuity of operations.

In the event of a total loss of the main computer center, the Disaster Recovery Plan (DRP) is activated, triggering a series of measures that allow us to respond immediately and perform recovery activities after the recognition of any unplanned interruption of IT services that affect the continuity of operations of critical business processes.

In 2023, there was no operational contingency that triggered the full activation of the Business Continuity Plan, although through Business Impact Analysis (BIA) and the maintenance plans, we perform effectiveness tests on a regular basis to make sure the Plan itself is fully operational.

Sustainable finances

We understand that our economic and social impact is closely tied to our environmental impact. For this reason, we take comprehensive action to transition toward a sustainable financial system and mitigate climate change.

Some of the progress we have made in this regard has been:

2021	2022	2023
We conducted a first climate risk analysis with respect to the bank's consumer and corporate portfolios.	We signed the Common Declaration of banks in favor of the development of green and sustainable finance of the Mexican Banking Association.	<p>We officially adopted the TCFD guidelines for analyzing and reporting our risks and opportunities related to climate change.</p> <p>We estimated greenhouse gas emissions financed by our corporate loan portfolio using the PCAF methodology.</p> <p>We presented two six-month Climate Risk reports to the Risk Committee.</p>



Climate risk analysis (TCFD)

GRI 3-3, 201-2, 416-1 FS5

FN-IN-410a.2

› Governance

In conjunction with the Comprehensive Risk Management Unit (UAIR), Banco Azteca management developed a climate change strategy, including formation of a Climate Change Working Group, which also involves the Corporate Credit area, which is in charge of analyzing climate-related risks and opportunities, as well as implementing the strategy and reporting progress to the Risk Committee and to our external stakeholders.

Additionally, we are in the process of developing a Responsible Lending Policy, which incorporates environmental and social risk management into decision-making in the Corporate Banking business, prioritizing climate, environmental and social risks, as well as the calculation of financed emissions.

All of this will be incorporated into our Environmental and Social Risk Management System, a methodology that establishes a comprehensive management framework that includes policies, procedures, tools and training strategy for our employees.

Progress is reported to the Risk Committee every six months.



› Climate, Environmental and Social Risks

In March 2022, we completed our first analysis of Climate and Environmental Risks based on the Task Force on Climate Related Financial Disclosure (TCFD) standard, which was established by the Financial Stability Board (FSB) in 2015 with the goal of providing the financial industry with an operational framework to take into account the effects of climate change on companies' operations.

The initial analysis covered the Corporate Loan portfolio and the Consumer Loan portfolio. Heat Maps were drawn up to pinpoint the areas of greatest exposure / relative climate risk, taking into account both physical and transition risks.

- **Physical Risks:** The possible impact of events climate-related events (flooding, hurricanes, water shortages, extreme heat and forest fires).
- **Transition Risks:** The impact of the shift to a low-carbon economy in response to climate change (legal and policy risks, technology risks, market risks, reputational risks).

In February 2023, the Risk Committee was presented with the design of a dashboard for monitoring climate risks in credit portfolios and heat maps as stress scenarios for the most high-risk industries.

All of this is intended to manage the climate risk exposure of Banco Azteca's portfolio dynamically, and to identify and optimize business, operational, commercial and financing opportunities. The first complete climate and environmental risk analysis exercise was performed on the corporate and consumer loan portfolios and physical branches of the institution, based on the TCFD.

For the Corporate portfolio, these risks were considered at the industry level; for the Consumer portfolio the risk was analyzed product by product.

Using "ThinkHazard", the World Bank's tool for Disaster Reduction and Recovery, for the identification of acute and chronic physical risks (caused by natural disasters and by long-term changes in weather patterns, respectively); each municipality in the Mexican Republic was assigned a value, from very high to very low according to the level of frequency and severity of climate-related, non-climate-related and social risks. This tool allows us to prepare the required dashboard and heat map. The concentration of bank branches that could be affected by each of these risk levels was also identified.

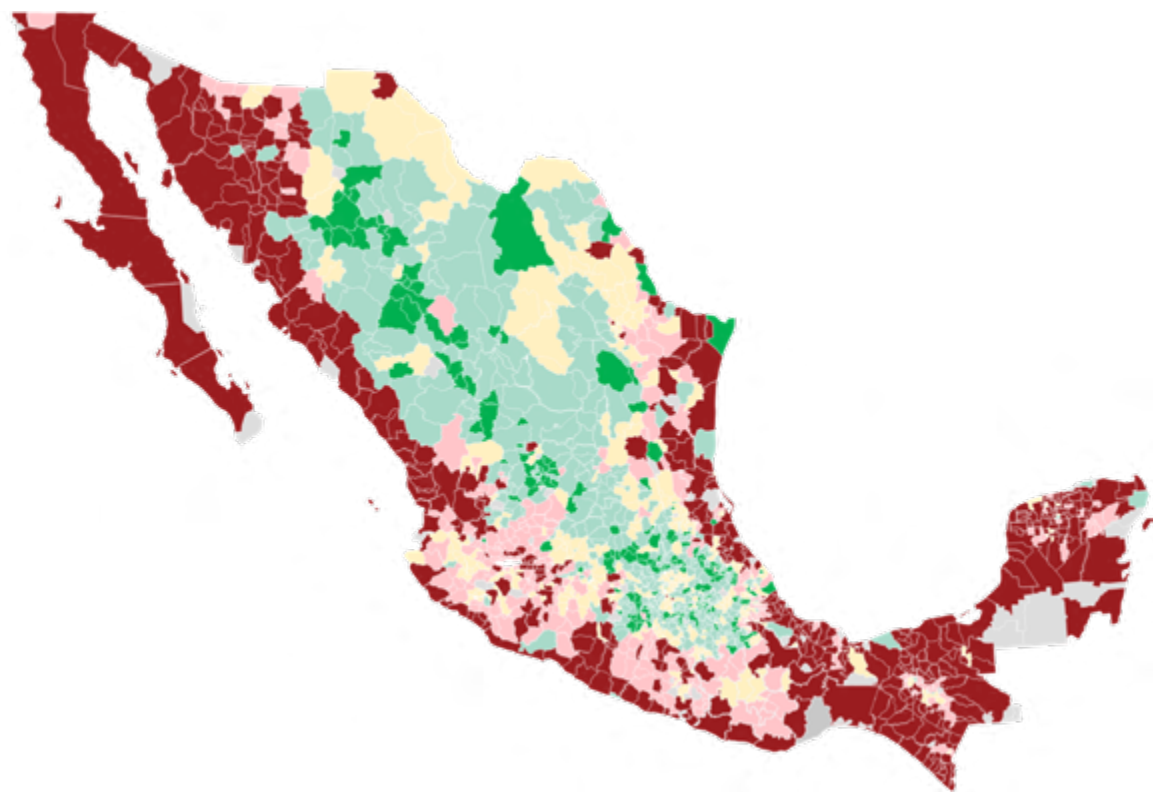


1. Los riesgos físicos agudos hacen referencia a aquellos que están impulsados por eventos, incluido el aumento de la gravedad de los fenómenos meteorológicos extremos, como ciclones, huracanes, olas de calor o frío, o inundaciones.

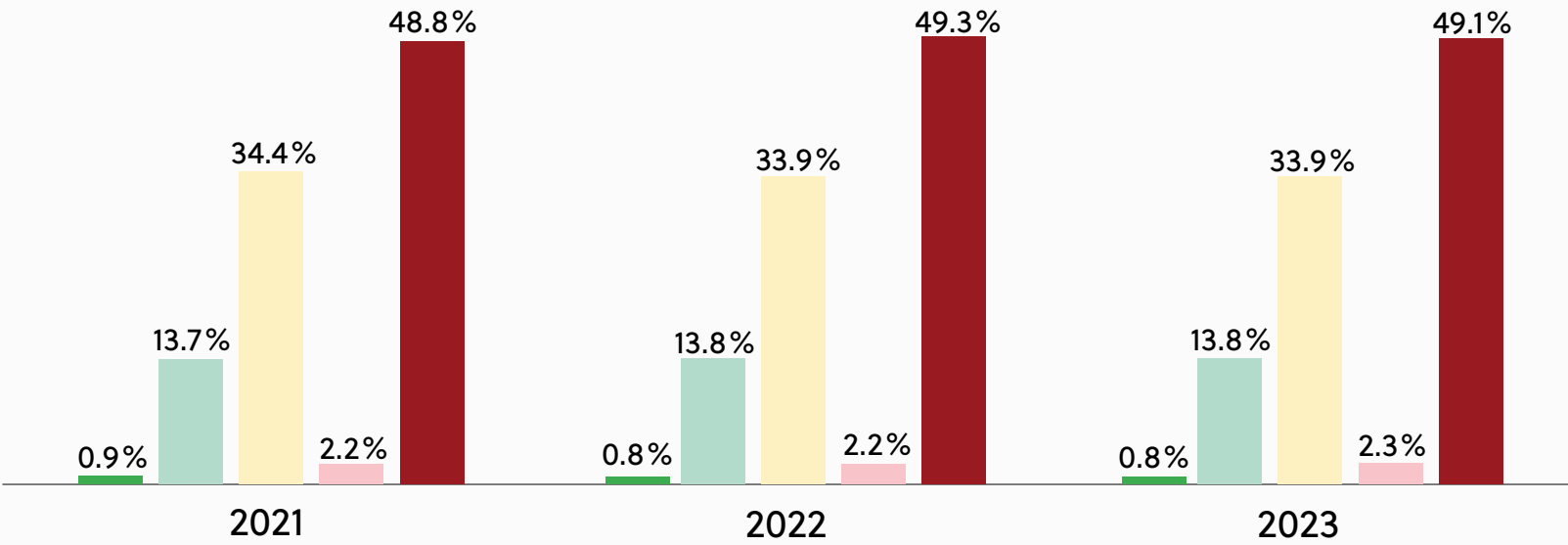


Physical Climate Risk

- Physical risks with the greatest impact: coastal flooding, forest fires and extreme heat.
- The municipalities with Low and Very Low Physical Risk are located within the mountain ranges in Mexico.
- 69% of the municipalities in the Southeastern territory have a Very High Physical Risk. 19% of the municipalities have a High Physical Risk.
- Coastal municipalities tend to have a High or Very High Physical Risk.

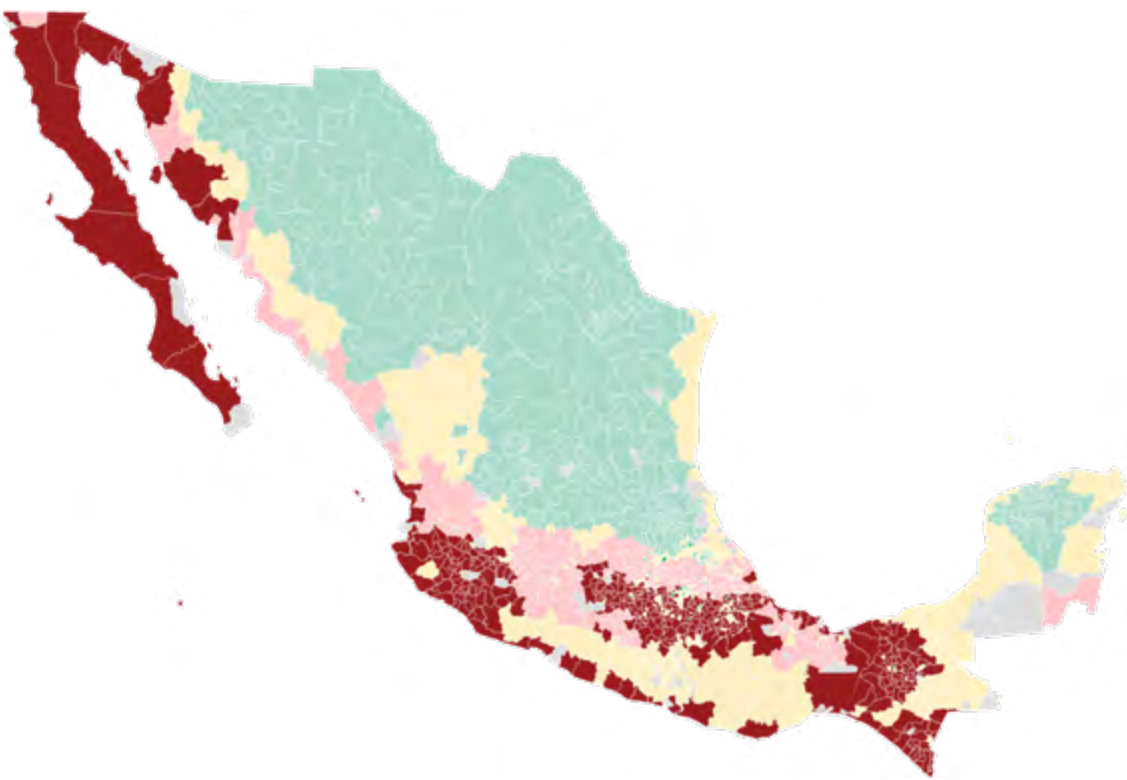


Concentration of branches by level of physical climate risk

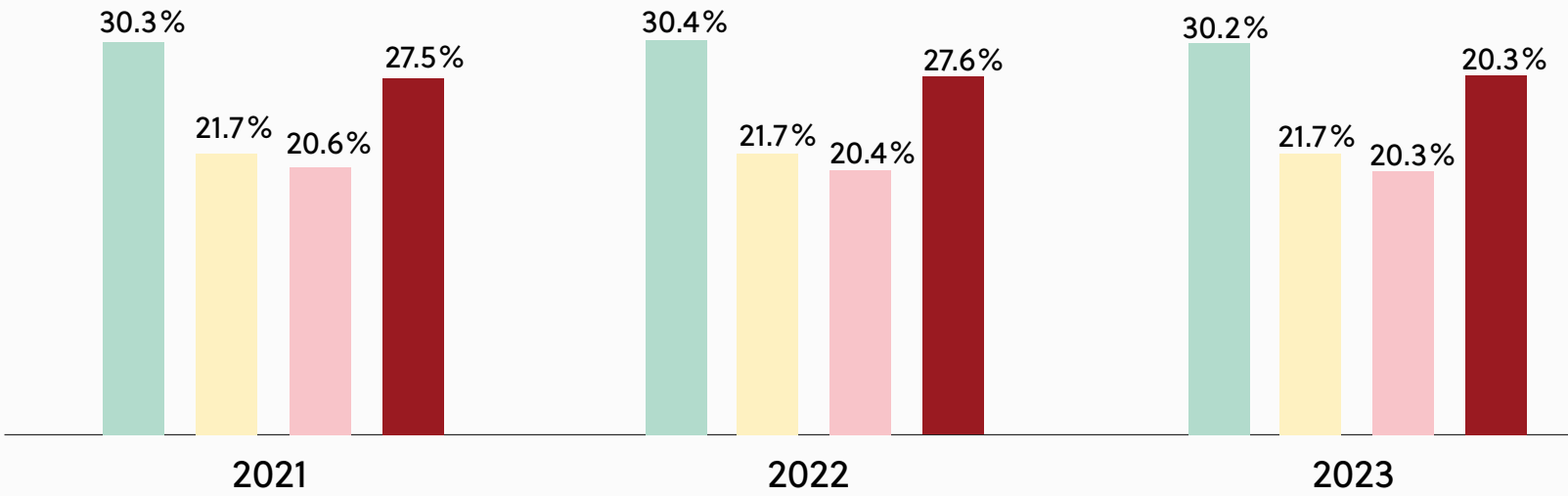


Non-climate-related natural risks

- Non-climate-related environmental risks with the greatest impact: Volcanic eruption (locations in the north of the country are classified as Low Physical Risk due to their geographic location).
- The Mexico City metropolitan region has a Very High Physical Risk due to volcanoes (Popocatepetl and Pico de Orizaba), as well as strong earthquakes.
- Coastal municipalities have a Very High Physical Risk of tsunami and earthquake due to the location of tectonic plates.



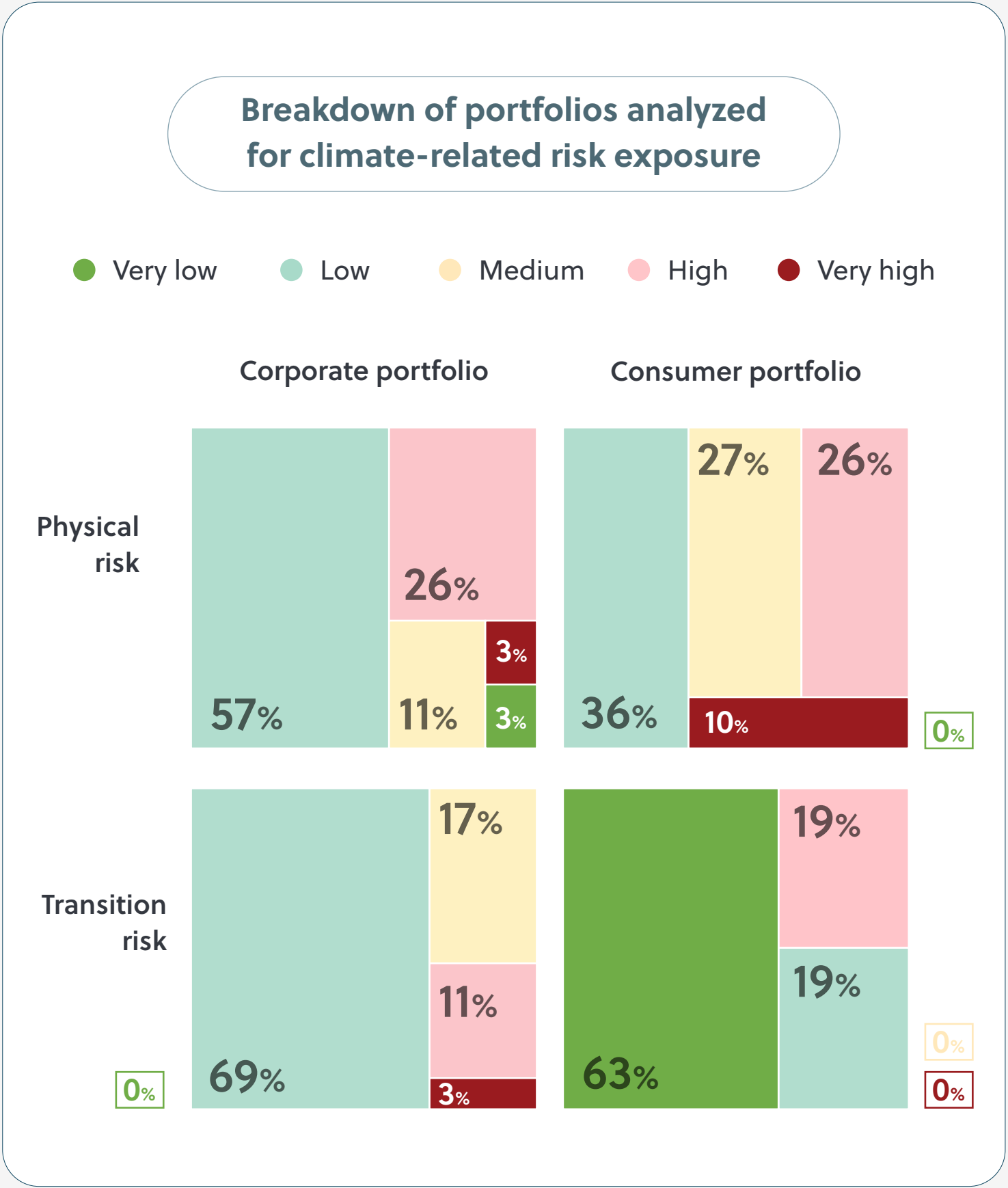
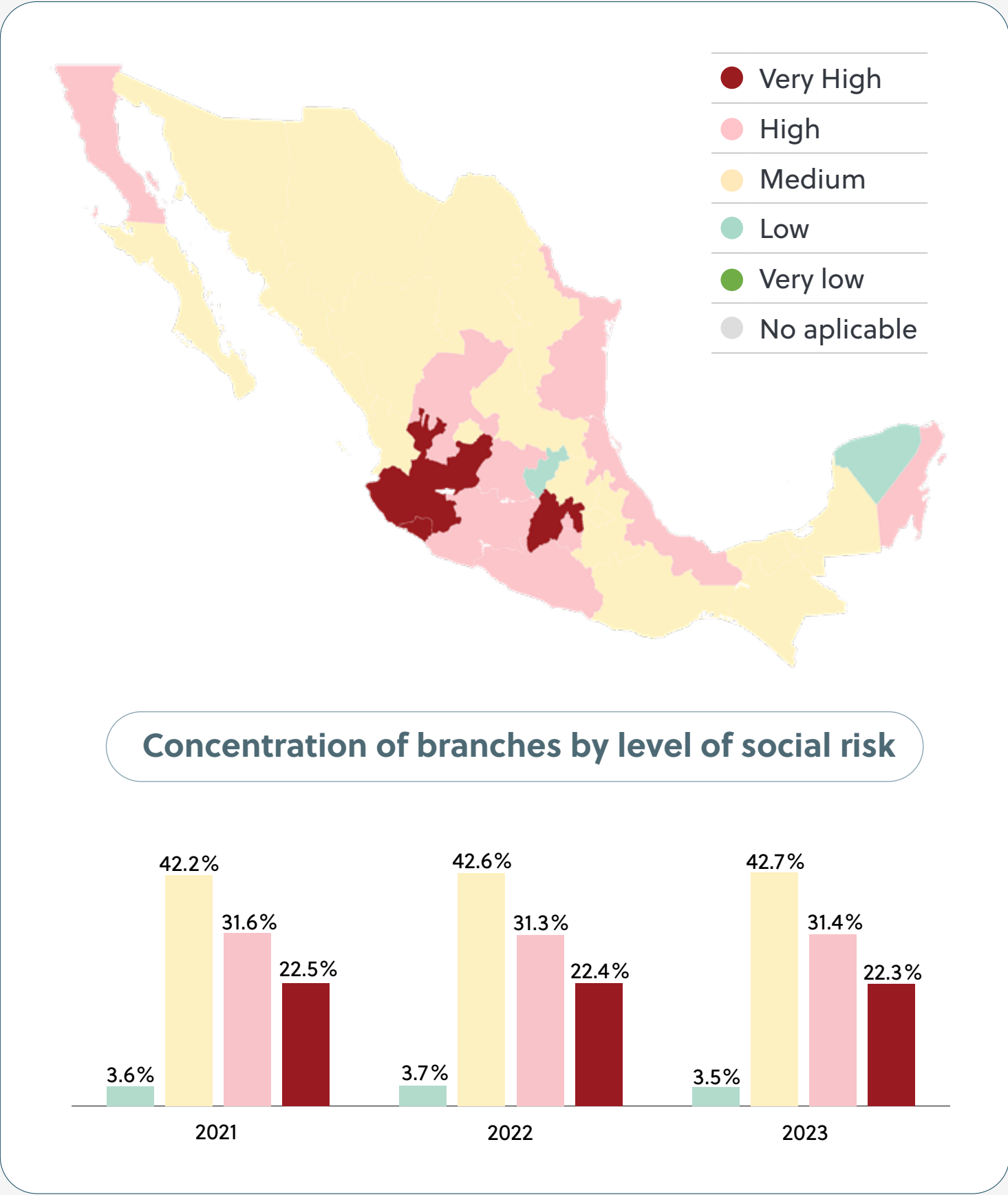
Concentration of branches by level of non-climate-related natural risk



● Very low ● Low ● Medium ● High ● Very High ● No applicable

Social Risk

- Risks considered: Crime, migration, vandalism.
- The States of Querétaro and Yucatán are the safest, i.e. Very Low Social Risk.
- The States of Colima, State of Mexico and Jalisco have Very High Social Risk, due to high rates of crime and vandalism.



Heat map interpretation

Heat map of physical and transition risks in our corporate portfolio: The Heat Map analysis tool identifies 3 sectors at high risk—cement or concrete manufacturing, real estate, commercial and petrochemicals—accounting for 17% of the corporate portfolio at the close of 2023.

Heat map of the consumer portfolio
In the consumer portfolio, central Mexico, together with the Gulf and northeast regions, concentrate 63% of the portfolio with a risk level between Medium and Low, unchanged from 2022. The highest exposure from portfolio concentration at the territorial level is found in the Mexico City, Bajío, South Metro and North Metro regions with 36%, with a physical risk level of Low and a transition risk level of medium. Although the Southeast territory is classified as Very High for physical risk and Medium for transition risk, it is also the territory with the lowest portfolio concentration (10%).

Heat map of deposit accounts
62% of the deposit account portfolio is located in Low and Medium physical risk areas, meaning it is concentrated in areas that do not show a high exposure to climate change. The highest concentration of deposits portfolio at a territorial level is located in the Mexico City, Bajío, South Metro and North Metro areas with 55%, with a Low level of physical and transition risk.

Stress testing of the corporate loan portfolio

Additionally, we used a tool based on the framework developed by the Network for Greening the Financial System (NGFS), which calculates default probabilities linked to physical risks, transition risks and combined risks, assessing the impact of climate change on customers in the Institutional and government banking portfolios in order to take preventive measures.

The analysis considers three climate stress scenarios based on the speed of reaction of the companies to contain and avoid the climate risks that affect their operations:

- **Below 2°C (Orderly):** climate policies introduced early and optimal carbon prices introduced immediately. The result is that climate-related risk is relatively moderate.
- **Delayed Transition (Disorderly):** Climate policies introduced in a delayed manner. Results in significant transition risks.
- **Current Policies (Hot House World):** Current policies remain unchanged and global efforts are insufficient to combat global warming, resulting in severe physical risk with irreversible impacts.

Each scenario involves different trajectories for a number of variables, such as economic growth, emissions and carbon prices.

The results of the corporate loan portfolio under each of these NGFS climate scenarios show that the industries with the greatest impact are construction, industrials and petrochemicals. Details are shown below:

NGFS Climate scenarios

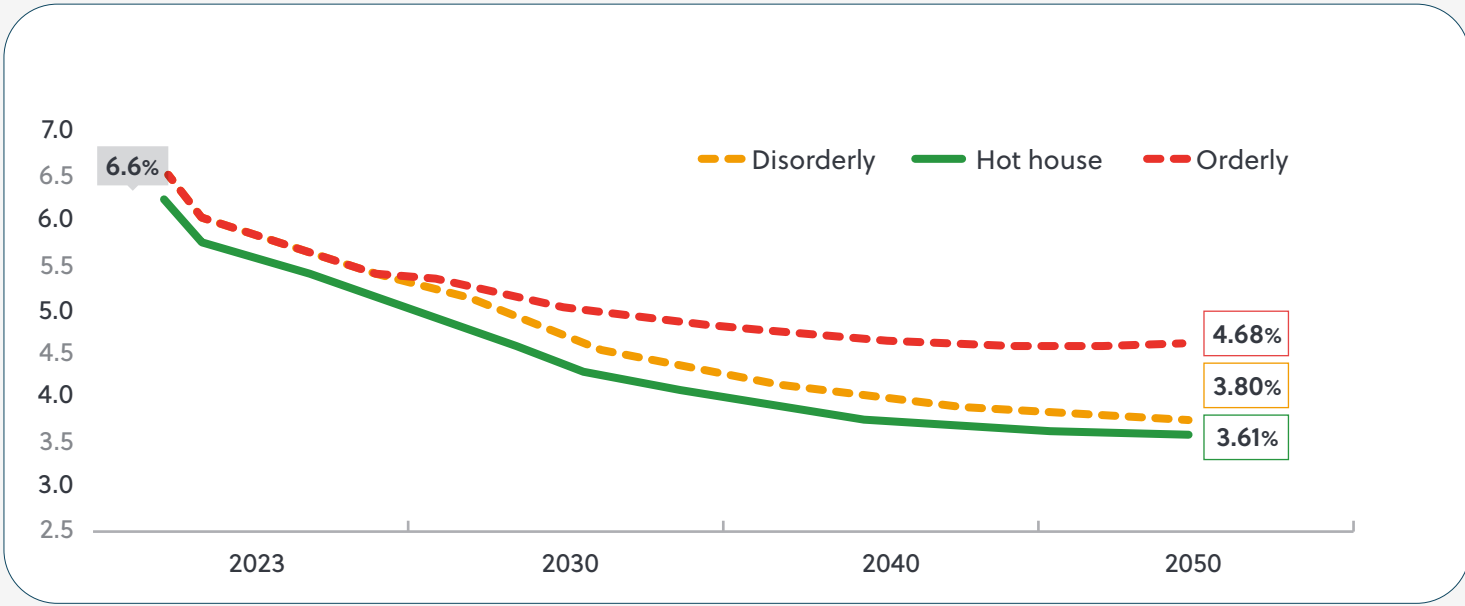
Key metrics	Early implementation (Orderly)	Delayed implementation (Disorderly)	No policies and +2°C (Hot House)
Greater sensitivity to climate risk	Construction, industrials and petrochemicals	Construction, industrials and petrochemicals	Real estate, construction, industrials and petrochemicals
Less sensitivity to climate risk	Professional services, sundry consumer goods and health	Professional services, sundry consumer goods and health	Professional services, sundry consumer goods and health
Greater deterioration of rating	Petrochemicals	Petrochemicals, health and industrials	Petrochemicals, health and industrials
Less deterioration of rating	Media & TV and finance	Finance, Media & TV and renewable energies	Media & TV

Stress tests were performed to estimate the adjusted impacts, which may vary in each industry. We cross-referenced the different types of risk that can affect the institution’s operation (physical, transition and combined). Taking these scenarios into account, we then added stress to the financial variables of the companies in the sample to see how they affect the different scenarios up to 2050.

Results for the total corporate loan portfolio

Considering physical risks and transition risks together, swift action by the companies would prevent the corporate portfolio from deteriorating over the next 30 years.

Combined risks - Total corporate loan portfolio



Impact on of acute physical risks on the capital sufficiency index}

In 2023 we prepared an analysis to evaluate the impact on our capital sufficiency calculations considering the bank’s level of exposure to acute physical risks (hydrometeorological and seismic) at the geographic zone level.

In order to estimate exposure levels in the highest-risk areas of the country, the statistics of the Mexican Association of Insurance Institutions (AMIS) were used as a reference. Given that in no context have these events ever resulted in a 100% loss, and considering the size of the portfolio (level of exposure to potential losses due to credit risk) vs. the institution’s observed losses, a weighting was made to determine the impact on the deterioration of the portfolio, based on the above, a loan-loss reserve was determined for the rated portfolio using our in-house reserves calculation model, and new assets weighted by Credit Risk were constructed; in order to obtain a capital sufficiency index that incorporates the impact of physical risks.



Analysis of financed emissions (PCAF)

GRI 3-3, 416-1
SASB FN-AC-410b.1, FN-AC-410b.2, FN-AC-410b.3, FN-AC-410b.4, FN-CB-410b.1, FN-CB-410b.4, FN-IN-410c.1, FN-IN-410c.4

Banco Azteca recognizes the importance of disclosing climate-related information through annual reports on our scope 1, 2 and 3 GHG emissions, which strengthens accountability and provides tools for decision-making, which are part of the active role we play in the fight against climate change. Since 2022, we have analyzed our financed emissions using the methodology supplied by the Partnership for Carbon Accounting Financials (PCAF).

In addition, as part of our commitment to the environment, in 2022 we conducted our first analysis of financed emissions using as a reference the methodology supplied by the Partnership for Carbon Accounting Financials (PCAF), an international organization of financial institutions, whose purpose is the development and implementation of a harmonized approach to assess and disclose greenhouse gas (GHG) emissions associated with loans and investments.

› About the methodology

In the first stage, we ran a pilot test to come up a preliminary measurement of emissions financed by the institution itself through its business loan portfolio, which consisted of:

- An analysis with of public market information to understand the size and scope of the issues that make up the corporate portfolio.
- Division of the portfolio into economic sectors, followed by calculation of the proportion of issuances, taking into consideration market benchmarks based on the size of assets that share business lines with our corporate portfolio counterparties.
- Once the proportions of the issuances were calculated and compared with the public market references, we calculated the issuances of the companies that make up our corporate portfolio.
- Then, taking into consideration the balance of the credit line maintained by each of the counterparties with Banco Azteca, we derived the average percentage of issuances that are financed by our institution.

This calculation allowed Banco Azteca to know the level of financed emissions and to measure the indirect impact on our carbon footprint (Scope 3-category 15).

Our preliminary estimate was that, in 2022, Banco Azteca financed 849,126 metric tonnes of CO₂e.

*Data as of the close of 2022.

› Second exercise of financed emissions using the PCAF methodology.

In 2023, we conducted a second exercise out to estimate financed emissions using the PCAF methodology. For this purpose, we updated the year-end information on emissions and assets of the publicly traded market benchmarks that make up the bank's corporate portfolio, then followed the remaining steps in the methodology were developed, arriving at an estimated value of 703,711 metric tons of CO₂e of financed emissions.

Between 2022 and 2023, Banco Azteca's financed emissions were reduced by 145,515 metric tons of CO₂e, which implies a lower indirect impact on the bank's carbon footprint and evidences the progress made by our sustainability strategy.



Sector	Financed emissions (metric tons of CO ₂ e)		Emission intensity (gCO ₂ e/MXN)
	2022	2023	
Sundry consumer goods	1,367	7,344	2.17
Construction	218,959	495,434	104.67
Real estate	2,848	179,303	66.50
Finance	87,792	1,543	0.05
Mining	508,520	-	-
Industrial	23,896	18,735	12.82
Renewable energies [1]	81	77	0.03
Retail	4,437	-	-
Health	278	269	0.16
Media & advertising	948	1,006	0.59
TOTAL	849,126	703,711	

1. Geothermal and wind energy

FS10, FS11

Alongside the reduction of the bank’s financed emissions, in 2023 lending to the construction industry grew. This related directly to a major a project that accounts for 8% of the total portfolio balance and includes socio-environmental benefits.

One of the goals of this major project is to improve the condition of the road network in the southern part of Mexico State (the agricultural leader in the center of the country) by upgrading and maintaining more than 1,000 km of highways. This is expected to provide more agile and safer travel for users, strengthening the local economy by generating more than 100,000 jobs in an area with a high percentage of poverty-stricken inhabitants, as well as a lower environmental impact.

In addition, this year we calculated and reported our economic intensity of CO₂ emissions per volume of investment in the sector, using the following formula:

Economic emission intensity =

(CO₂ emissions)

investment volume by indust

=

gCO₂e

MXN

This reflects the ratio of carbon dioxide equivalent emitted per unit of economic product invested, allowing us to standardize information and have a reference from this exercise to compare and evaluate companies, industries or portfolios in terms of their performance in this regard.

This exercise is used in part to assist corporate customers, making them aware of the importance of this analysis and continue encouraging the reduction of greenhouse gas emissions and climate risk in the medium and long term.

Finally, as part of the Bank's action plan, we include the annual disclosure of these metrics, which are intended to monitor and prevent the impact of climate-related risks in our corporate portfolio, ultimately benefiting all the counterparties that make up our portfolio.



Employees

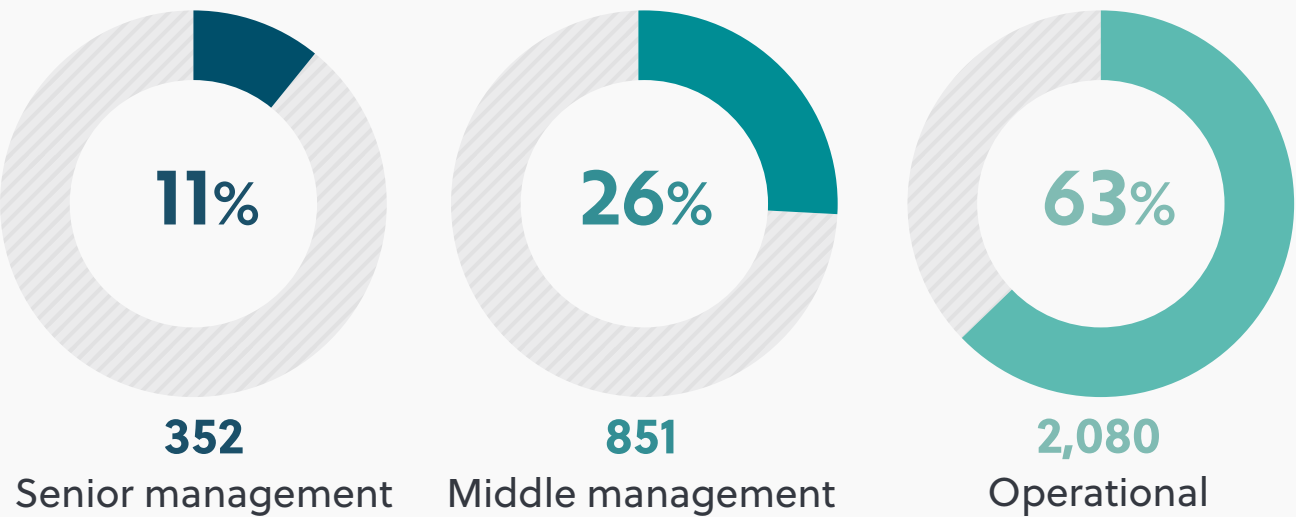
Talent attraction and retention

GRI 401-1
SASB FN-AC-330a.1

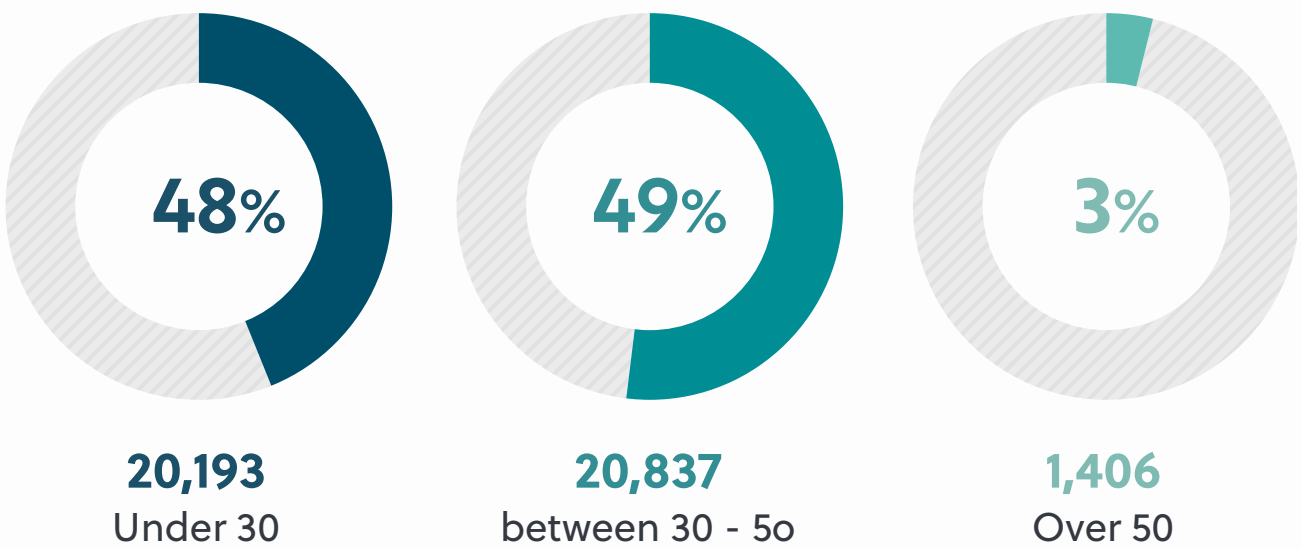
Banco Azteca breakdown of workforce by gender



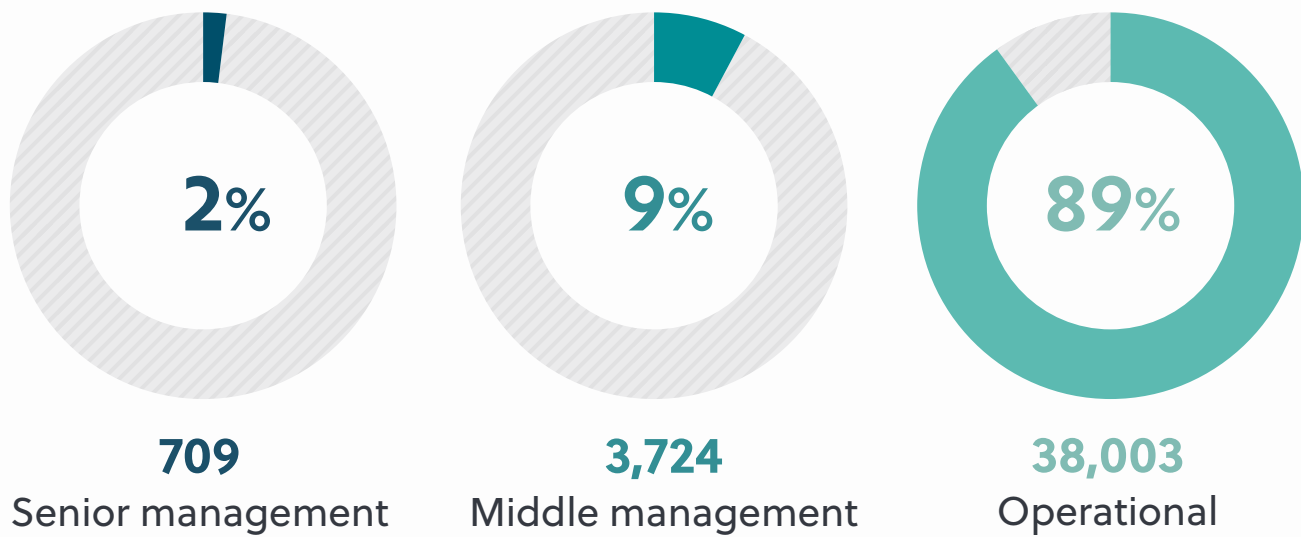
Training participants by labor category



Banco Azteca breakdown of workforce by age group



Breakdown of workforce by job category



Occupational health and safety

GRI 3-3, 403-5, 403-7

Managing the health and safety of our employees is a priority for Banco Azteca, where the Official Mexican Standard NOM-030-STPS-2009 is implemented. As part of our strategy to ensure the protection of our collaborators, we have:

- Developed a diagnosis and occupational health and safety program, as well as immediate response mechanisms for detecting serious and imminent risks.
- Established the necessary procedures, instructions, guides, and records to ensure compliance with the program.
- Conducted continuous monitoring of progress in the implementation of the program, recording the results obtained.
- Verified that the establishment of the occupational health and safety program meets its objectives, making necessary adjustments to the diagnosis, program, or relationship as appropriate.

13,379
new hires in 2023

Turnover rate of
21.20%

Workforce
Total employees:
42,436





Environmental commitment

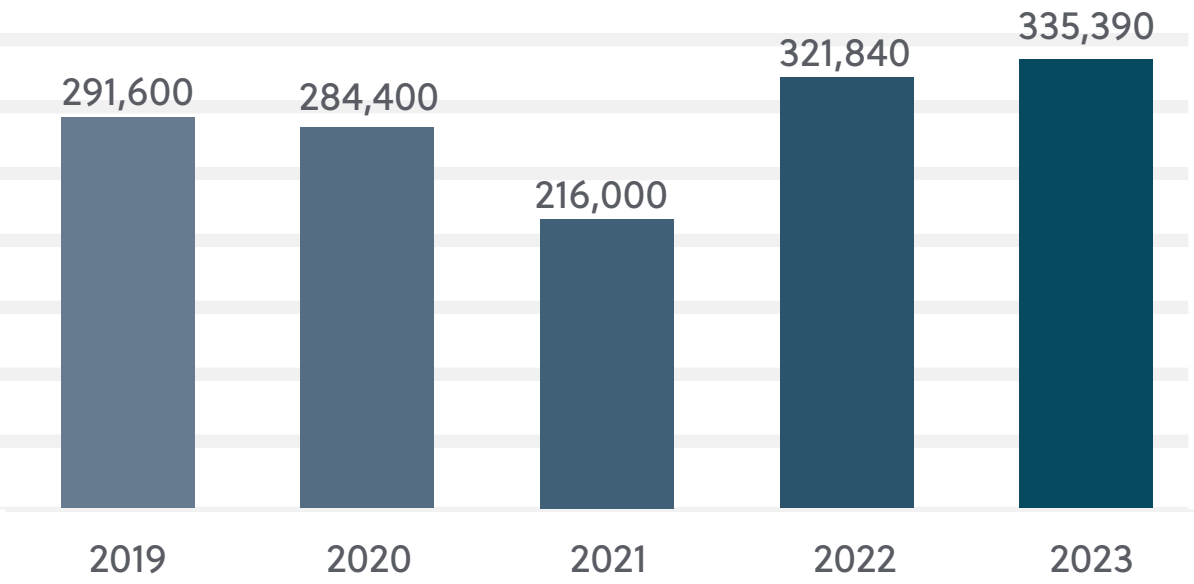
Energy

GRI 3-3, 302-1, 302-3, 302-4, 302-5

In 2023 we reported an increase in fuel and energy consumption due to the expansion of new Banco Azteca branches. But with the installation of efficient lighting and air conditioning systems, we achieved energy savings and avoided an exponential rise in consumption.

Of the total energy consumption (93 GWh), 25 GWh were renewable energy, 27% of the total.

Banco Azteca Electricity consumption



Note. The standards, methodologies and tools used for the calculation were the General Law on Climate Change, the Regulation of the General Law on Climate Change regarding the National Emissions Registry, centralized collection receipts from CFE (non-renewable), collection receipts from Grupo Dragón (renewable).

→ Consumption of 252 GWh of energy from renewable sources, equivalent to 89,431 GJ.

→ Energy intensity of 5.80 GJ/employee.

* La intensidad energética fue calculada considerando un consumo energético de 246,210 GJ y 42,436 colaboradores.

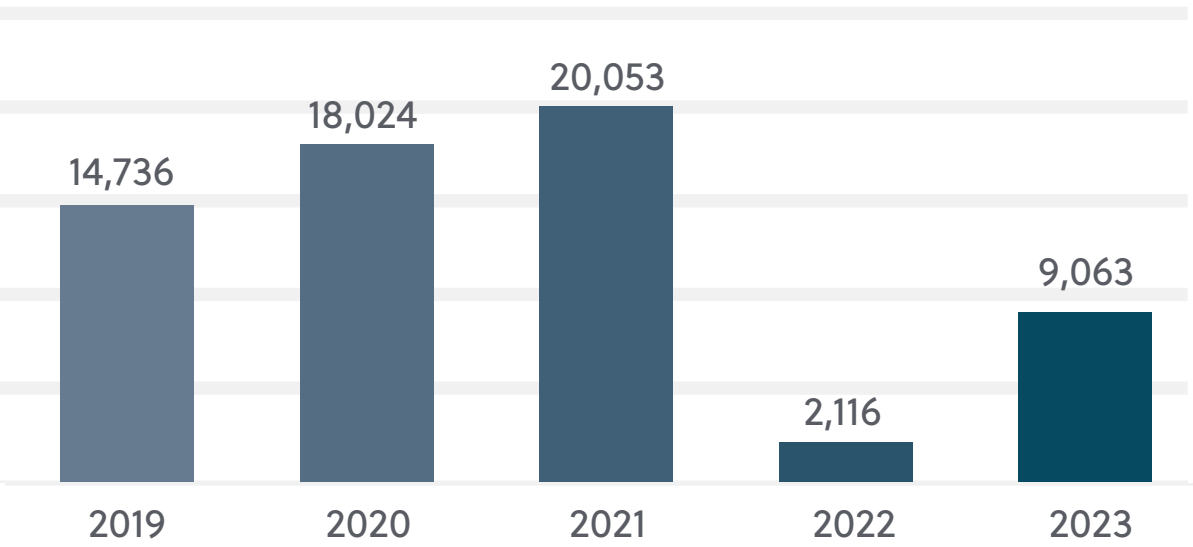
Energy source	GJ
Gasoline	246,210
Renewable sources	89,428
Electricity	245,962
Total	581,600

- Notes:
- The quantities of fuels and energy sources considered in the calculation were:
 - Fuel used in mobile sources: 7,270 liters of gasoline.
 - Energy from renewable sources: 16 GWh from wind energy and 9 GWh from other renewable energy sources.
 - Energy from non-renewable sources: 68 GWh of electricity.
 - The standards, methodologies and tools used for the calculation were: SAP fuel expense accounting accounts, CFE centralized collection receipts, Grupo Dragón collection receipts (monetary values are taken and converted to liters of fuel, units of measurement).
 - The source of the conversion factors used was the International System of Units for energy, using the calorific value and converting to Joules.

Emissions

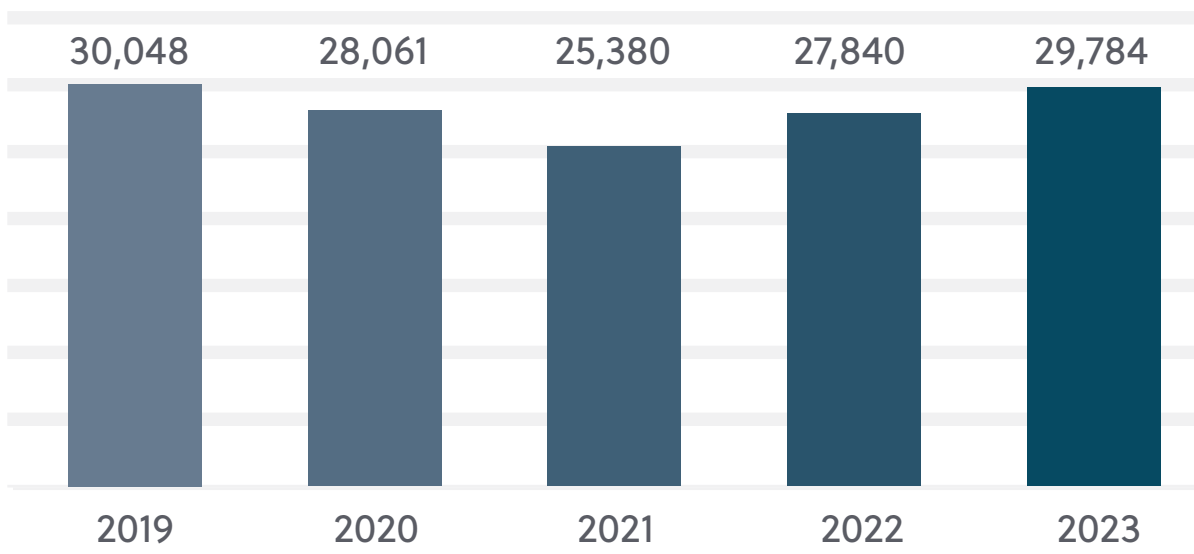
GRI 2-4, 3-3, 305-1, 305-2, 305-3, 305-4, 305-5

Scope 1 emissions Banco Azteca (metric tonnes of CO₂e)



- Notes:
- The gases included in the calculation are CO₂, CH₄, and N₂O.
 - The conversion factors used were the calorific value of each fuel, the emission factor of each fuel for mobile sources and energy production, as well as the global warming potential.
 - The sources and standards for the calculation were the General Law on Climate Change and its Regulation on RENE, and the "Agreement to establishes the technical particularities and formulas for the application of methodologies for the calculation of emissions of greenhouse gases or compounds," published in the Official Gazette of the Federation on September 3, 2015.

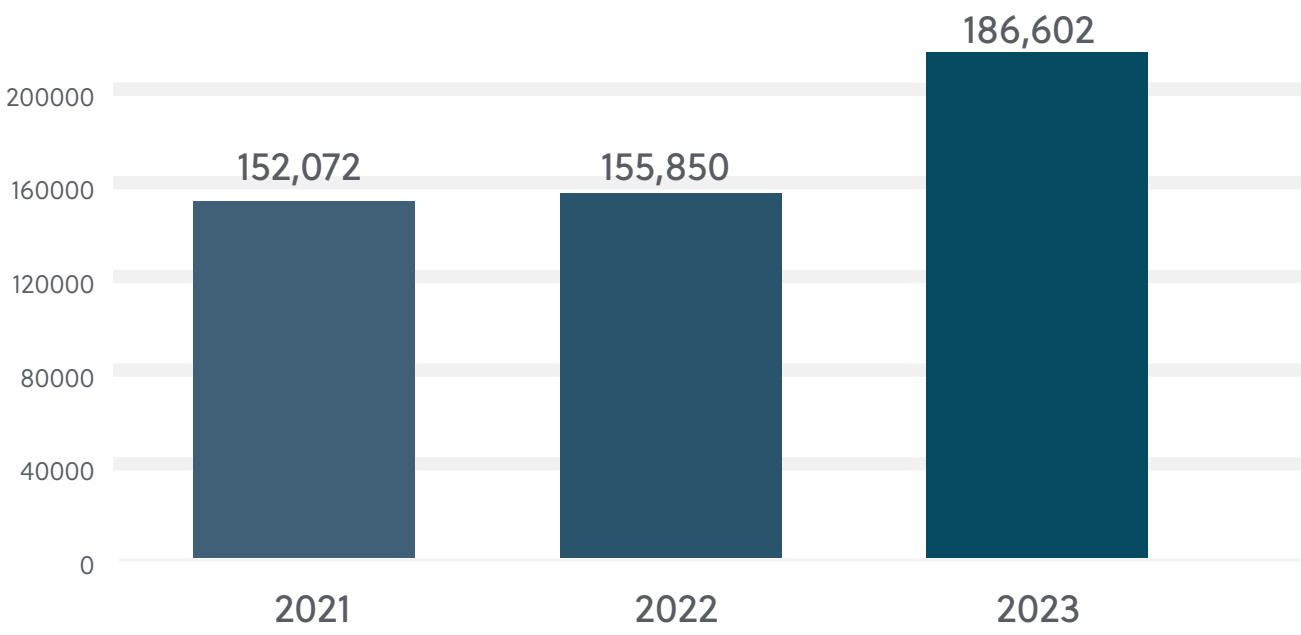
Scope 2 emissions Banco Azteca (metric tonnes of CO₂e)



- Notes:
- The calculation considers only CO₂.
 - The conversion factors used were: 0.494 for 2020; 0.423 for 2021, 0.435 for 2022 and 0.438 for 2023.
 - The source used for the calculation was the Annual Emission Factor of the National Electric System.
 - As of 2022, there was an adjustment in the calculation methods, so there are variations with respect to data reported in the 2022 Sustainability Report.

Water

Banco Azteca Water consumption (m³)



Learn more in the Sustainable Performance Appendix



SUSTAINABLE PERFORMANCE

- › Sustainability-linked bond
- › Grupo Elektra
- › Tienda Elektra
- › Italika
- › Banco Azteca





Sustainable performance

OUR SUSTAINABILITY POLICIES

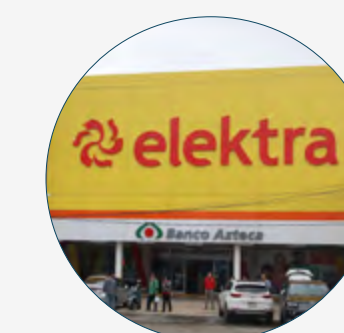
Grupo Elektra has a number of instruments and policies that guide our performance and our processes:

- Grupo Salinas declaration of commitment to the Global Compact
- Ethics, Integrity and Compliance Program (EIPC)
- Policy on Inclusion and Nondiscrimination
- Policy on Human Rights
- Policy on Supplier Performance Evaluation
- Supplier Certification Policy
- Climate Change Policy
- Energy Efficiency Policy
- Manual on Solid Urban Waste and Other waste
- Policy on Control of Hazardous Materials and Resources
- Policy on Waste Collection at Distribution Centers and Hubs

OUR SUSTAINABLE MILESTONES

Sustainability-Linked Bond

In December 2023, Grupo Elektra issued its first in sustainability-linked bonds for MXN2.5 billion, whose coupon is dependent on our obtaining EDGE certification (which stands for Excellence in Design for Greater Efficiencies) for 205 Elektra stores that include a Banco Azteca branch, over the next seven years.



→ **Target:** Obtain EDGE Certified sustainable buildings certification for **205 Elektra stores** in 7 years, equivalent to **16.8% of all Elektra stores** as of December 2022.

The issue was rated “AA-.mx” by Moody’s,” “HR AA by HR Ratings, and “AA/M” by Verum and is also endorsed by Sustainalytics, which issued a favorable second-party opinion (SPO) on the sustainability indicators linked to the bonds, considering the sustainable performance target to be appropriate and ambitious.

Issuer	ELEKTRA*		
Issue date	December 6, 2023		
Currency	MXN		
Expiration	2029		
Amount issued	MXN2.5 billion		
Rating	HR AA from HR Ratings AA/M from Verum AA-.mx from Moody’s		
Key Performance Indicator (KPI)	205 Elektra stores that include Banco Azteca branches EDGE sustainable building level 1 certified		
Second-party opinion (SPO)	Sustainalytics		
	Baseline	KPI Solidity	SPT ambitio
	2022	Appropriate	Ambitious

[Read Sustainalytics' Second Opinion here](#)

Sustainable Performance Targets (SPT)

In keeping with the Sustainability-Linked Bond Principles (SLBP) administered by the International Capital Market Association (ICMA), we have charted a course toward 2029, which requires certifying a given number of contact points each year, increasing gradually until we reach our target:



Grupo Elektra is committed to reducing greenhouse gas emissions in its operations, considering the scale and coverage of Banco Azteca branches and Elektra stores in Mexico, so we have begun to work on making the spaces where these two businesses converge more efficient.

Our initiatives include strategies and technologies for the efficient use of water resources, waste reduction, energy savings and efficiency. The latter are supported by the Group's Energy Label, which sets the specifications for energy efficiency in the area of lighting and air conditioning systems, including LED lighting and high-efficiency air conditioning (SEER greater than 20), as well as the use of thermal enclosures, air containment and motion sensors, all to optimize resource.

Thus we can be sure the stores are aligned with sustainable building frameworks in the areas of energy and water, and reduce their environmental impact.

Construction improvements have reduced energy consumption by approximately 128 MWh per year per branch, which represents an average annual reduction of 29% compared to a standard branch, that is, one that does not have the energy efficiency measures required under the Grupo Elektra Energy Seal.

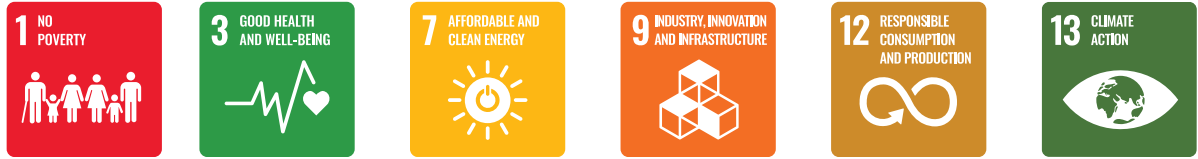
Comparison of energy consumption in standard vs. efficient stores



This optimizes resources and lowers emissions from our operations, at the same time improving the comfort and productivity of the properties' occupants and enhancing the experience of the customers who visit them.

Since 2017, all newly built Elektra stores are equipped with efficiency components that avoid the emission of 64 metric tonnes of CO₂e per store per year. With the EDGE certification project, total emissions of 3,575 metric tonnes of CO₂e will be avoided.

Sustainable Development Goals to which we contribute:



EDGE certification provides a market transformation tool for sustainable buildings and evaluates the following indicators:

	Savings on energy consumption	Savings on water consumption	Embodied energy in materials
EDGE Certified	20%	20%	20%
EDGE Advanced	40%	20%	20%
Zero Carbon	100%	20%	20%

To achieve certification, all projects must meet the EDGE Certified standard of a 20% improvement in energy, water and materials use compared to local construction practice.

In 2023, we were able to certify five branches:




Store	Store 2	Store 3	Store 4	Store 5
Mega Seline Tláhuac	Mega La Luna	Mega Sur Insurgentes Tlalpan	Mega Santa Úrsula	Mega Santa Ana Tláhuac
EDGE Advanced Certified	EDGE Advanced Certified	EDGE Advanced Certified	EDGE Advanced Certified	EDGE Certified




With these results, we documented energy savings of 40% and water and material savings of at least 20%, reaffirming our commitment to the environment and validating the efficiency of each of our stores with a third party.




[Learn more in here](#)




Data Summary




SUSTAINABILITY-RELATED BONDS
Efficiencies based on EDGE certification

STORE 1. Mega Selene Tláhuac		
Efficiencies		
	Energy	44%
	Water	64%
	Materials	98%
Subproject surface area 2,054.85 m ²		
Final energy consumption 8,876 kWh/month		

STORE 2. Mega La Luna		
Efficiencies		
	Energy	49%
	Water	65%
	Materials	73%
Subproject surface area 2,234.73 m²		
Final energy consumption 11,676 kWh/mes		

STORE 3. Mega Sur Insurgentes Tlalpan		
Efficiencies		
	Energy	46%
	Water	52%
	Materials	72%
Subproject surface are 2,092.77 m²		
Final energy consumption 11,754 kWh/mes		

STORE 4. Mega Santa Úrsula		
Efficiencies		
	Energy	54%
	Water	60%
	Materials	97%
Subproject surface are 2,040.46 m²		
Final energy consumption 10,202 kWh/mes		

STORE 5. Mega Santa Ana Tláhuac		
Efficiencies		
	Energía	37%
	Agua	60%
	Materiales	97%
Subproject surface are 2,138.85 m²		
Final energy consumption 14,063 kWh/mes		

[Find out more in the Sustainability-Linked Bond Report](#)

BUSINESS UNITS

› Seguros Azteca y Seguros Azteca Daños

Indicator	2021	2022	2023
Market share by product or service (%)	1.3	1.1	0.9
Number of customers served (millions)	6.3	6.3	6.6
Number of current property and casualty policies (millions)	1.2	0.7	0.9
Number of current life insurance policies (millions)	5.1	5.6	5.7

SASB FN-IN-000.A

Fiscal years	2021	2022	2023
Number of policies (in force at closing) - Total	6,286,478	6,331,299	6,599,962
Breakdown by segment/product (number)	-	-	-
Automobile	302,259	254,112	265,992
Personal Acciden	284,810	329,550	477,301
Life	5,062,952	5,633,518	5,651,301
Migrant	N/A	4,271	5,220
Women's Protection	28,336	48,323	87,082
Heart attack/stroke protection	25,161	33,016	67,683
Medical Coverage	N/A	23,893	40,905
COVID Protection	16,429	4,188	4,121
Fraud	566,479	-	-
Value of premiums written (at closing) - Total (MXNmn)	\$6,827	\$6,958	\$6,410
Breakdown by segment/product (value in MXNmn)	\$-	\$-	\$-
Automobile	\$353	\$251	\$342

Fiscal years	2021	2022	2023
Personal Accident	\$7	\$82	\$74
Life	\$4,959	\$3,810	\$4,344
Migrant	NA	\$1	\$1
Women's Protection	\$6	\$13	\$23
Heart attack/stroke protection	\$6	\$9	\$18
Medical Coverage	NA	NA	\$13
COVID Protection	\$5	\$1	\$2
Fraud	\$35	\$18	\$6
Miscellaneous Risks	\$1,456	\$2,773	\$1,587

NA: Not applicable in previous years

Investment (insurer specific) (total portfolio value)

(Amounts in millions of pesos)

SASB FN-IN-410a.1

Breakdown by type of asset (%)	2021	2022	2023
Governmental	76.7%	90.7%	91.0%
Corporate	18%	4.87%	1.0%
Credit	4%	3.67%	1.0%
Equities	1%	0.74%	1.0%
Other	NA	NA	6%
Breakdown by type of sector (%)			
Services - Communications	NA	NA	1.0%
Services - Other Services	NA	NA	0.8%
Central Government	NA	NA	0.2%

Breakdown by type of asset (%)	2021	2022	2023
Gobierno Central	76.7%	90.7%	91.0%

*NA: Not applicable in previous years

RESPONSIBLE PRODUCTS

› Afore Azteca

Indicador	2021	2022	2023
Market share by product or service	4.1%	4.4%	4.6%
Total number of customers served (millions)	7.4	8.4	9.1
Number of customers WOMEN	3.4	3.9	4.3
Number of MALE customers	4.0	4.5	4.9
Number of customers 30 or younger	1.5	1.8	2.2
Number of customers between 31 and 45	3.0	3.3	3.5
Number of customers between 45 and 59	1.9	2.1	2.2
Number of older customers (60 and over)	1.0	1.0	1.2

SASB FN-AC-000.B

Fiscal years	2021	2022	2023
Number of accounts under management - severance (millions)	16.26	17.43	18.03
% corporate	0%	0%	0%
% individual subscription	100%	100%	100%
Value of assets under management (millions of pesos)	\$209,339	\$224,743	\$271,071
% individual subscription	100%	100%	100%

Responsible investments in the Afore portfolio

Fiscal years	2021		2022		2023	
Responsible investments by asset class	% portfolio exposure	Average maturity	% portfolio exposure	Average maturity	% portfolio exposure	Average maturity
Equity	2.3%	NA	1.6%	NA	1.3%	NA
Private debt	2.9%	5.6 años	3.7%	5.81 años	5.2%	6.46 años

OTHER PRODUCTS
Punto Casa de Bolsa

Fiscal years	2022	2023
Market share by product or service	0.10% to 0.50% per transaction	0.10% to 0.50% per transaction
Number of customers served (TOTAL)	3,012	2,303
Breakdown of customers (number of women)	NA	540
Breakdown of customers (number of men)	NA	1,478
Breakdown of customers by age range: ≤30 years)	NA	303
Breakdown of customers by age range (31-45 years)	NA	989
Breakdown of customers by age range (46-59 years)	NA	496
Breakdown of customers by age range (≥60 years)	NA	230
Securities in custody	\$121,200.4	\$129,760.0

*NA: Not applicable, no information available

Number and value of underwriting, advisory and securitization transactions

SASB FN-IB-000.A

Años fiscales	2021	2022	2023
Transactions (number)	684.1	722.0	781.6
Transactions (value in MXNmn)	\$1,650,289	\$1,467,406	\$1,880,420

Number and value of investments and property loans by sector
Breakdown by type of sector (%)

SASB FN-IB-000.B

Fiscal years	2021	2022	2023
Financial	100%	100%	100%

Number and value of market-making transactions in fixed income, equities, foreign exchange, derivatives, and commodities

SASB FN-IB-000.C

Fiscal years	2020-21	2021-22	2022-23
Fixed-income	87.6%	88.2%	99.9%
Equities	12.4%	11.8%	0.1%

BUSINESS UNITS
Continuous improvement
› Openings

Number of Elektra stores	2
Number of Presta Prenda stores	6
Italika-Elektra Motos	4
Banco Azteca	5
Baz Entregas	31
Outside channels	8
Credit and collections offices	4
Total deliveries	60
Investment	MXN515.3mn

› Remodeled facilities

	Reconstruction	Relocation	Remodeling	Total
Elektra	5	—	6	11
Elektra Motos	—	—	2	2
Banco Azteca	—	3	2	5
Credit and collec-tions office	—	1	1	2
ATMs	1	—	—	1
Outside channels	—	2	—	2
Connectivity	—	—	21	21
Salinas y Rocha	—	1	—	1
Total deliveries	6	7	32	45
investment	MXN 280.8mn	MXN 17.7mn	MXN 82mn	MXN 380.5

CORPORATE GOVERNANCE

Whistleblower’s system

Reports received through Honestel

Temas denunciados	Tiendas Elektra	Italika	Banco Azteca	Grupo Elektra
Sexual harassment	5	0	15	20
Dishonesty	22	0	134	156
Theft	21	6	143	170
Conflict of interest	56	6	245	307
Abuse of power	22	1	145	168
Work climate	72	5	356	433
Non-compliance with rules	121	11	604	736
Other issues	627	54	3,602	4,283
Discrimination	5	0	21	26
TOTAL COMPLAINTS RECEIVED	951	83	5,265	6,299

EMPLOYEES

Workforce

GRI 405-1

Grupo Elektra					
Under 30 years		Between 30 and 50 years		Over 50 years	
Women	Men	Women	Men	Women	Men
11,386	18,857	12,708	17,238	895	1,563
30,243		29,946		2,458	

Talent attraction and retention

GRI 401-1

New hires

Grupo Elektra	Women	Men
< 30 years old	4,767	7,821
Between 30 and 50 years of age	2,055	2,446
> 50 years old	46	57
Total	6,868	10,324
	17,192	

Total departures

Grupo Elektra		
Total departures	21,385	100%
Total voluntary departures	15,325	71.66%
Total involuntary departures	6,060	28.34%

Departures and turnover
Involuntary departure: A departure in which the business makes the decision for the employee to leave or change position.
Voluntary departure: A decision by the employee, who freely and without being subjected to any coercion or threat, decides to terminate his or her employment relationship with the business.
Turnover is calculated as: Total departures divided by the total average number of employees at the end of each year

Diversity and Equal Opportunity

GRI 405-1

Representation of racial/ethnic groups	Men	Women
Racial/ethnic groups in senior management	1	0
Racial/ethnic groups in middle management positions	187	105
Racial/ethnic groups in operational positions	412	438
Total	1,143	
% of total workforce	1.00%	

Representation of women in the workforce	Total
Total women in senior management	7
% of total workforce	0.01%
Total women in executive management (2nd and 3rd line)	129
% of total workforce	0.22%
Total women in middle management	1,723
% of total workforce	2.87%
Total women in operational positions	22,284
% of total workforce	37.14%
Total women in STEM positions	169
% of total workforce	0.28%

Representation of people with disabilities	Men	Women
Total number of employees with disabilities in senior management positions	0	0
Total number of employees with disabilities in middle management positions	9	13
Total number of employees with disabilities in operational positions	53	119
Total	194	
% of total workforce	0.28%	

Representation of LGBTQI+	Men	Women
Total employees	1,014	868
Total	1,882	
% of total workforcea	2.00%	

Training (figures in MXN)

Fiscal year	2021	2022	2023
Cost per employee	\$1,936.00	\$2,947.00	\$1,504.83
Men	\$38,456.00	\$41,812.00	\$ 47,243,322.69
Women	\$26,460.00	\$28,496.00	\$35,920,393.65
Total investment in training	\$125,648,649.71	\$207,209,419.92	\$83,163,716.34

Training programs at Grupo Elektra 2023

Employee skill building programs	Scope			
	Tiendas Elektra	Banco Azteca	Italika	Grupo Elektra
Service attitude	36	6	30	126
Time management	75	20	4	228
Self-motivation	80	18	7	191
Effective communication	160	5	0	191
Communicating to connect	70	28	3	238
Creating memorable service experiences	33	11	6	142
Cultivating resilience in times of change	5	2	0	13
Developing your personal brand	58	16	4	200
Empowerment	97	13	3	255
Gamestorming	12	1	0	28
Impactful personal image	28	21	7	181
Work team incorporation	6	8	0	66
Emotional intelligence	131	2	3	198
Stress management	1	1	2	29
Negotiation, persuasion and influence	92	47	12	320
Neuro-sales	175	67	5	305
Storytelling: stories for successful communication	26	30	3	183
Teamwork: the key to successo	205	14	2	314
Your charisma and the new dimension of leadership	36	24	9	187
Getting past the customer's “no”	50	10	1	106
Sales, a relationship of value	48	74	3	160

Executive training 2023

Job category	Employees by gender	
	Women	Men
Bi Challenge 2023	34	103
Baccalaureate Certification	295	167
Product Owner Certification	7	1
Competency Interview Certification	26	10
Change Management	12	5
Management In the technological and digital world	1	1
HR Academy	8	16
Innovation with Design Thinking	11	11
Positive Leadership and Coaching	8	16
Data Processing with Python	3	3
Scrum Foundations	14	6
Data Analysis Workshop	16	11
Strategic Communication Workshop	24	20
Total	459	370

Postgraduate studies 2023

Job category	Master’s degree studies	
	Women	Men
Senior management	93	297
Middle management	209	326
Operational and administrative staff	205	352
Total	507	975

Integrity training 2023

Subject	Number of employees	Women	Men	Number of hours
Ethical Issues and Code of Ethics (EICP)	18,692	40%	60%	23,365
Fraud and bribery (Fraud prevention)	224	33%	67%	224
Money Laundering Pre-vention	51,366	44%	56%	282,513
Human Rights	13,400	41%	59%	4,020
Personal data protection	69,570	42%	58%	173,925
Environment (energy management)	8,728	22%	78%	5,760
Honestel	31,074	42%	58%	7,769
Equality and diversity (Gender Unit)	20,951	40%	60%	10,476
Cybersecurity and data protection	306	22%	78%	2,264

Employee satisfaction and commitment

Employee Satisfaction Index Results for Grupo Elektra, NPS by gender 2023

Gender	Participants	Promoters	Passive	Detractors	NPS
Women	99,500	81,540	12,695	5,266	76.7%
Men	137,942	110,197	18,839	8,907	73.4%
Total	237,442	191,737	31,533	14,172	74.8%

COMMUNITIES

Youth Building the Future

Tutors by Business Unit

Business Unit	Number of tutors
Tiendas Elektra	1,126
Italika	83
Banco Azteca	148
Total	1,357

Program beneficiaries

Business Unit	Number of beneficiaries
Tiendas Elektra	99
Italika	100
Total	199

Applications received as of December 31, 2023

Business Unit	Number of applications received
Tiendas Elektra	8,049
Italika	1,771
Banco Azteca	1,740
Total	11,560

Program status

Business Unit	Applicants accepted	Hired (success stories)
Tiendas Elektra	2,460	389
Italika	781	76
Banco Azteca	283	40
Total	3,524	505

ENVIRONMENTAL COMMITMENT
Emissions

GRI 2-4, 305-1, 305-2, 305-5

Scope 1 and 2 Emissions (metric tonnes of CO₂e)

Unidad de Negocio	2021	2022	2023	2024 Target
Scope 1	24,508	15,624	30,211	28,700
Scope 2	70,599	77,865	83,483	73,076

Grupo Elektra flights, June-December, 2023

	Distance (km)	kg of CO2 released - air travel	Metric tonnes of CO ₂ e
Grupo Elektra	2,294,751.47	286,675.92	286.68

Scope 3 emissions (metric tonnes of CO₂e)

Unidad de Negocio	2021	2022	2023	2024 Target*
Alcance 3		3,281	286.68	277.35

Note: The decrease in Scope 3 emissions is due to an efficiency strategy in flight logistics and consideration of only the June-December 2023 period.
* Addressed in the strategic climate plan.

Water
Water consumption at Grupo Elektra (m³)

	2021	2022	2023	2024 Target*
Water consumption	295,582	305,045	343,778	320,000

› Tiendas Elektra


E-COMMERCE
Results 2023 vs 2022

Indicators	2022	2023
Number of products	89,000	148,000
Number of categories	22	22
Number of shipments	267,594	227,762
Number of pick-ups in stores	217,447	277,102
Number of active customers	414,227	615,861
% of deliveries per BAZ Deliveries	30%	51%
% of deliveries per Seller	100%	100%
Number of online sales	592,522	889,158
Number of online sales via App	734	76,612
Number of online sales via web	263,762	424,991

EMPLOYEES
Workforce

GRI 2-7, 405-1, CG-EC-330a.3, CG-MR-330a.1

Total employees: 15,736



Under 30		Between 30 and 50		Over 50	
Women	Men	Women	Men	Women	Men
2,210	5,924	2,353	4,443	263	542
8,134		6,796		806	

	Women	Men	Total
Senior management	123	404	526
Middle management	88	204	293
Operating	4,436	10,481	14,917
Total	4,647	11,089	15,736
Average seniority: 4.1 years			

TALENT RECRUITMENT AND RETENTION
Talent development
Promotions, 2023

Indicator	Number	Percentage
Total promotions	1,919	3.7%
Women promoted	903	47%
Men promoted	1,016	53%
Total women in middle management	4,677	49%
Percentage internal promotions	—	90%

New hires

SASB CG-EC-330a.2, CG-MR-310a.2

Tiendas Elektra	Women	Men
< 30 years	440	1,021
Between 30 and 50 years	142	224
> 50 years	4	7
Total	586	1,252
1,838		

Total departures

Tiendas Elektra		
Total voluntary departures	5,631	48.18
Total voluntary departures	3,597	63.89%
Total involuntary departures	2,033	36.11%

Departures and turnover
Involuntary departure: A departure in which the business makes the decision for the employee to leave or change position.
Voluntary departure: A decision by the employee, who freely and without being subjected to any coercion or threat, decides to terminate his or her employment relationship with the business.
Turnover is calculated as: Total departures divided by the total average number of employees at the end of each year.

Diversity and equal opportunity

GRI 405-1

Representation of racial/ethnic groups	Men	Women
Racial/ethnic groups in senior management	1	0
Racial/ethnic groups in middle management positions	37	11
Racial/ethnic groups in operational positions	21	7
Total	77	
% of total workforce	0.80%	

Representation of women in the workforce	Total
Total women in senior management	0
% of total workforce	0.00 %
Total women in executive management (2nd and 3rd line)	10
% of total workforce	0.10 %
Total women in middle management	59
% of total workforce	0.50 %
Total women in operational positions	2482
% of total workforce	25.00 %
Total women in STEM positions	15
% of total workforce	0.10 %

Representation of people with disabilities	Men	Women
Total number of employees with disabilities in senior management positions	0	0
Total number of employees with disabilities in middle management positions	0	0
Total number of employees with disabilities in operational positions	10	14
Total	24	
% of total workforce	0.23 %	

Representation of LGTBQI+	Men	Women
Total employees	138	92
Total	230	
% of total workforce	2.00 %	

Training

Training by job category

Job category	2021		2022		2023	
	Participants	Hours of training	Participants	Hours of training	Participants	Hours of training
Senior management	18	504	26	780	206	3,988
Middle management	52	2,366	58	2,987	3,669	71,032
Operational and administrative staff	35,596	1,619,617	37,651	1,630,026	46,752	905,119
Total	35,666	1,622,487	37,735	1,633,793	50,627	980,139

Investment in training

	2021	2022	2023
Total investment (MXN)	\$21,000,000	\$71,000,000	\$76,178,860.98

Executive training 2023

Job category	Employees by gender	
	Women	Men
Bi Challenge 2023	2	14
Preparatory school certification	293	164
Change Management	4	1
HR Academy	1	10
Innovation with Design Thinking	5	3
Positive Leadership and Coaching	4	3
Data Analysis Workshop	6	4
Strategic Communication Workshop	12	10
Total	327	209

Integrity training 2023

Subject	Number of employees	Women	Men	Number of hours
Ethical Issues and Code of Ethics (EICP)	12,527	43 %	57 %	15,659
Fraud and bribery (fraud prevention)	10	50 %	50 %	10
Money-laundering prevention	44,955	46 %	54 %	247,253
Human Rights	4,075	60 %	40 %	1,223
Personal data protection	55,728	44 %	56 %	139,320
Environment (energy management)	6,813	20 %	80 %	4,497
Honestel	11,706	44 %	56 %	2,927
Equality and diversity (Gender Unit)	14,026	41 %	59 %	7,013
Cybersecurity and data protection	41	38 %	62 %	303

Training 2023

Indicator	Result
Total employees trained	50,627
Total training courses	457
Total hours of training	980,139

→19.4 hours of training on average per employee

Performance evaluations

GRI 2-4, 404-3

Tiendas Elektra Job category	Number of employees who received regular performance evaluations		Percentage of employees who received regular performance evaluations	
	Women	Men	Women	Men
Senior management	123	404	100%	100%
Middle management	88	304	100%	100%
Total by gender	211	708	100%	100%

Employee satisfaction and commitment

SASB CG-EC-330a.1

Employee Satisfaction Index Results for Tiendas Elektra, NPS by gender 2023

Gender	Participants	Promoters	Passive	Detractors	NPS
Women	27,000	22,612	3,066	1,322	78.9%
Men	21,885	18,202	2,600	1,083	78.2%
Total	48,885	40,814	5,666	2,405	78.6%

COMMUNITIES

Donations and sponsorships

	2022		2023	
	Monetary donations	In-kind donations	Monetary donations	In-kind donations
Tiendas elektra	\$104,672,000	-	\$85,078,750	-

Environmental commitment
Emissions

GRI 2-4, 305-1,305-2, 305-3

Scope 1 and 2 Emissions (metric tonnes of CO₂e)

Unidad de Negocio	2021	2022	2023	2024 target*
Alcance 1	3,146	12,245	19,655	18,672
Alcance 2	41,877	46,545	50,370	71,569.2

Note: The reduction in Scope 1 emissions is the result of a reallocation of accounts and measures taken toward our climate strategy.
*Energy accounts will be restructured in the accounting system.

Tiendas Elektra flights, June-December, 2023

	Distance (km)	kg of CO2 released - air travel	Metric tonnes of CO ₂ e
Tiendas Elektra	1,388,026.78	176,128.98	176.13

Scope 3 emissions (metric tonnes of CO₂e)

Unidad de Negocio	2021	2022	2023	2024 target*
Scope 3	271	885	176.13	167.32

Note: The decrease in Scope 3 emissions is due to an efficiency strategy in flight logistics and consideration of only the June-December 2023 period.
* Addressed in the strategic climate plan.

Water

Water consumption at Tiendas Elektra (m³)

	2021	2022	2023	2024 target*
Water consumption	131,230	134,315	134,536	127,809.2

* Addressed in the strategic climate plan.

› Italika

EMPLOYEES

Workforce

GRI 2-7, 405-1

Total employees: 4,475



Under 30 years		Between 30 and 50 years		Over 50 years	
Women	Men	Women	Men	Women	Men
612	1,304	869	1,444	70	176
1,916		2,313		246	

	Women	Men	Total
Senior management	79	178	257
Middle management	167	466	633
Operating	1,306	2,279	3,585
Total	1,554	2,929	4,475
Average seniority: 3.6 años			

TALENT RECRUITMENT AND RETENTION

GRI 401-1

New hires

Italika	Women	Men
< 30 years	452	1,013
Between 30 and 50 years	249	243
> 50 years	2	16
Total	703	1,272

Total departures

Italika		
Total voluntary departures	1,540	100%
Total voluntary departures	1,158	75.19%
Total involuntary departures	382	24.81%

Departures and turnover

- Involuntary departure: A departure in which the business makes the decision for the employee to leave or change position.
- Voluntary departure: A decision by the employee, who freely and without being subjected to any coercion or threat, decides to terminate his or her employment relationship with the business.
- Turnover is calculated as: Total departures divided by the total average number of employees at the end of each year. tal de bajas entre el promedio total de colaboradores al cierre de cada año

Diversity and Equal Opportunity

GRI 405-1

Representation of racial/ethnic groups	Men	Women
Racial/ethnic groups in senior management	0	0
Racial/ethnic groups in middle management positions	4	0
Racial/ethnic groups in operational positions	9	16
Total	29	
% of total workforce	0.70%	

Representation of women in the workforce	Total
Total women in senior management	0
% of total workforce	0.00%
Total women in executive management (2nd and 3rd line)	0
% of total workforce	0.00%
Total women in middle management	17
% of total workforce	0.40%
Total women in operational positions	1492
% of total workforce	36.00%
Total women in STEM positions	5
% of total workforce	0.10%

Representation of people with disabilities	Men	Women
Total number of employees with disabilities in senior management positions	0	0
Total number of employees with disabilities in middle management positions	0	0
Total number of employees with disabilities in operational positions	0	4
Total	4	
% of total workforce	0.15%	

Representation of LGBTQI+	Men	Women
Total employees	11	5
Total	16	
% of total workforce	0.04%	

Training

GRI 404-1

Training by job category

Job category	2021		2022		2023	
	Senior management	Hours of training	Participants	Hours of training	Participants	Hours of training
Senior management	13	85	16	190	33	639
Middle management	118	497	122	839	139	2,691
Operational and administrative staff	702	2,547	716	4,442	1,187	22,980
Total	833	3,129	854	5,471	1,359	26,310

Investment in training

	2021	2022	2023
Total investment (MXN)	\$5,351,789.30	\$5,635,498.00	\$2,044,898.42

Executive training 2023

Job category	Employees by gender	
	Women	Men
Bi Challenge 2023	0	5
Preparatory school certification	1	0
Total	1	5

Integrity training 2023

Subject	Number of employees	Women	Men	Number of hours
Ethical Issues and Code of Ethics (EICP)	186	22%	78%	233
Money-laundering Prevention	20	30%	70%	110
Human Rights	738	26%	74%	221
Personal data protection	1,113	28%	72%	2,783
Environment (energy management)	249	19%	81%	164
Honestel	1,039	22%	78%	260
Equality and diversity (Gender Unit)	242	18%	82%	121

Training at Ensamblika

Number of employees trained by job category and gender

Job category	2021		2022		2023	
	Women W	Men M	W	M	W	M
Management	—	—	—	—	18	74
Operating and administrative	1,170	3,718	4,904	7,670	1,021	1,602
Total number of employees trained	1,170	3,718	4,904	7,670	1,021	1,602

Hours of training by job category and gender

Job category	2021		2022		2023	
	Women W	Men M	W	M	W	M
Management	—	—	—	—	204	484
Operating and administrative	16,649	35,374	12,912	36,624	18,737	35,920
Total employee participation in training	16,649	35,374	12,912	36,624	18,737	35,920

Average hours of training by job category and gender

Job category	2021		2022		2023	
	Women W	Men M	W	M	W	M
Management	—	—	—	—	204	484
Operating and administrative	16,649	35,374	12,912	36,624	18,737	35,920
Total employee participation in training	67	142	52	147	76	146

Performance evaluations

GRI 2-4, 404-3

Italika Job category	Number of employees who received regular performance evaluations		Percentage of employees who received regular performance evaluations	
	Women	Men	Women	Men
Senior management	79	178	100%	100%
Middle management	167	466	100%	100%
Total by gender	246	644	100%	100%

Occupational safety and health

GRI 403-5, 403-9, 403-10

Hazard	Identification process	Accidents that occurred	Actions taken by the organization to eliminate the danger and minimize the risks of accidents occurring
Forklifts	Risk analysis	Employee falls	<ul style="list-style-type: none">• Certification in the use of load handling equipment (forklifts).• Completion of checklist prior to using any motorized equipment.• Forklift operator audits• Preventive and corrective maintenance of forklifts.• Issuance of licenses to certified personnel
Manual load lifting	Risk analysis	Lower back pain	<ul style="list-style-type: none">• Use of mechanical equipment• Provision of personal protective equipment• Training on correct loading technique
Repetitive movements	Risk analysis	Tendinitis	<ul style="list-style-type: none">• Calisthenics at the start of the shift• Rotation of personnel in key operations• Use of electric and pneumatic tools• Use of wrist straps• Regular medical checkups
Sharp parts	Risk analysis	Hand cuts	<ul style="list-style-type: none">• Use of anti-cut gloves• Removal of sharp edges
Forced postures	Risk analysis	Rotator cuff syndrome	<ul style="list-style-type: none">• Calisthenics• Ergonomic tables

Occupational health and safety indicators 2023

Employees	Men	Women
Number of work-related accidents	3	0
Number of registered accidents	3	0
Number of work-related fatalities	0	0
Rate of work-related fatalities	0%	0%
Number of work-related accidents with serious consequences	0	0
Rate of work-related accidents with serious consequences	0%	0%
Number of cases of occupational diseases	0	0
Number of cases of occupational diseases reported	0	0

Note: Calculations based on 1,000,000 hours worked.

Occupational health and safety training 2023

Courses, workshops or certifications	Scope	Targets
BLS (Basic Life Support)	Medical service and safety leaders	15 employees
NOM-036 Ergonomic risk factors in the workplace (identification, analysis, prevention and control)	Operational and administrative	30 employees
NOM-009-STPS Operation of articulated cranes and operating equipment	Operational and administrative	30 employees
NOM-020-STPS Pressurized container safety	Operational and administrative	30 employees
NOM-009-STPS-2011 Work at heights	Operational and administrative	30 employees

Courses, workshops or certifications	Scope	Targets
NOM-029-STPS-2011 Maintenance of electrical installations in workplaces	Operational and administrative	30 employees
NOM-004-STPS Hazard identification of tools, machinery and equipment	Operational and administrative	30 employees
NOM-018-STPS-2000 System for the identification and communication of hazards and risks from hazardous chemicals in workplaces	Operational and administrative	30 employees

Notes:
All courses are given during working hours.
Course topics are selected based on the employees who directly perform the operation in connection with the training needs, with the exception of the BLS (Basic Life Support) course, which is aimed at medical service employees or those directly involved in personnel safety.

Road safety culture

SASB TR-AU-310a.2

Trend in accident rate attributed to road safety culture training, 2019-2023

Year	Number of accidents
2023	3,359
2022	3,567
2021	3,570
2020	4,076
2019	6,093

Employee satisfaction and commitment

Employee Satisfaction Index Results for Italika, NPS by gender 2023

Gender	Participants	Promoters	Passive	Detractors	NPS
Women	2,240	1,600	433	207	62.2%
Men	4,303	3,003	866	434	59.7%
Total	6,542	4,603	1,299	640	60.6%

COMMUNITIES

Donations and sponsorships

	2022		2023	
	Monetary donations	In-kind donations	Monetary donations	In-kind donations
Tiendas Elektra	-	58,861	-	42,177

ENVIRONMENTAL COMMITMENT

Emissions

GRI 2-4, 305-1, 305-2, 305-5

Scope 1 and 2 Emissions (metric tonnes of CO₂e)

Scope	2021	2022	2023	2024 Target
Scope 1	1,308	1,263	1,493	1,418
Scope 2	3,342	3,480	3,329	3,204.35

Italika flights, June-December, 2023

	Distance (km)	kg of CO2 released - air travel	Metric tonnes of CO ₂ e
Italika	509,591.07	59,532.46	56.55

Scope 3 emissions (metric tonnes of CO₂e)

Unidad de Negocio	2022	2023	2024 target
Scope 3	85	59.53	80*

Note: The decrease in Scope 3 emissions is due to an efficiency strategy in flight logistics and consideration of only the June-December 2023 period.
* Addressed in the strategic climate plan.

Waste

GRI 301-2, 301-3 TR-AU-440b.2

Waste generation at Ensamblika, 2023 vs. 2022

Type of waste	2022 (kg)	2023 (kg)	% change
Wood	1,695,500	1,092,940	-35.5%
Scrap metal	452,450	671,650	48.4%
Aluminum	25,000	16,182	-35.3%
Plastic	23,030	13,475	-41.5%
Cable	1,770	540	-68.2%
Cardboard	6,188,865	6,671,789	7.8%
Foam rubber	1,588,070	1,317,970	-16.9%
Styrofoam	128,996	100,469	-22.1%
Strapping	0	98,294	100.0%
Total	8,386,615	9,983,309	19%

Water

Water consumption at Italika (m³)

	2021	2022	2023	2024 target
Water consumption	12,280	14,880	22,640	16,400*

* Addressed in the strategic climate plan.

› Banco Azteca

FINANCIAL INDICATORS

Products
DEPOSIT

		2022	2023
Number of customers served (millions)	24.8	28.6	30.7
Breakdown no. of customers (Women)	13.5	15.4	16.5
Breakdown no. of customers (Men)	11.3	13.2	14.2
Breakdown no. of customers - 30 years or less	10.8	13.4	14.3
Breakdown no. of customers – 31-45 years	6.4	7.2	7.8
Breakdown no. of customers - 46 -59 years	4.3	4.7	5.1
Breakdown no. of customers - 60 years or more	3.3	3.4	3.5

SASB FN-CB-000.A, FN-CF-000.A, FN-CF-000.B

Fiscal years	2021	2022	2023	% Change 2023 vs. 2022
Number of checking and savings accounts (millions)	22.5	25.9	28.9	11.4%
Number of unique customers with an active debit card (per-sonal banking (millions)	8.5	9.4	10.6	13.3%
Number of debit card accounts -personal banking- (millions)	21.7	25.2	27.4	8.5%

Inclusive savings

FN-CB-240A.3

Portfolio of savings products that narrow the digital gap and foster financial inclusion.

Años fiscales		2021		2022		2023		
		Number of accounts	Balance of deposits (MXNmn)	Number of accounts	Balance of deposits (MXNmn)	Number of accounts	Balance of deposits (MXNmn)	Change in no. of accounts 2023-2022 (%)
Products that foster financial inclusion	Guardadito	14,646.4	\$52,478.1	15,725.2	\$56,046.6	17,177.0	\$52,148.4	9.2%
	Guardadito digital	5,471.8	\$757.1	7,067.5	\$1,122.0	7,767.9	\$1,208.8	9.9%
	Guardadito kids	200.8	\$317.5	231.5	\$358.8	250.7	\$343.1	8.3%
	Guardadito Amigo Migrante	NA	NA	NA	NA	1.2	\$0.6	0%
	Mi débito Banco Azteca	191.9	\$197.0	350.9	\$280.0	509.4	\$265.4	45.2%
	Payroll	1,383.1	\$4,948.1	1,764.8	\$6,604.9	2,216.2	\$7,484.9	25.6%
High-value products	Cuenta Somos (Women)	135.2	\$822.2	276.8	\$2,068.6	400.4	\$3,219.0	44.6%
	Azteca debit account	251.7	\$7,269.1	290.1	\$7,932.4	344.5	\$7,766.8	18.8%
	Business debit account	241.6	\$6,052.3	218.8	\$6,641.6	221.3	\$6,119.5	1.1%

*NA: Not applicable in prior years
2022: *Counting active customers whether or not there is a balance in the account. *Cards: Total ready-to-buy cards at close of year.

Credit
Breakdown of consumer loan portfolio

Consumer portfolio	2022	2023
Cash and credit lines	66%	67%
Consumer loans	15%	15%
Mobility	11%	10%
Connectivity	8%	8%
Home		

FSource: SIE

		2023
# of loans (millions)	4.5	4.4
# of loans (millions)	9.7	9.8
# credit cards (millions)	1.1	1.2

*Cifras en millones, fuente CNBV

Gross loan portfolio

Tipo de cartera	2022	2023
Consumer portfolio	66%	66%
Corporate portfolio	34%	34%

Digital Banking

	2023
Number of clients (millions)	22.6
Number of active clients (millions)	8.7
Number of loans placed through digital channel (millions)	4.6
Number of payments made (millions)	92
Number of transactions per year (millions)	+5 mil

Business Banking

Individual payroll accounts

Indicator	2021	2022	2023
Number of customers served (thousands)	568	678	753

Fiscal years	2021	2022	2023
Number of checking and savings accounts	976	1,266.9	2,012.5
Balance of current and savings account by segment (MXNmn)	\$4.6	\$6.2	\$7.5

Deposits

Fiscal years	2021	2022	2023
Number of customers served (thousands)	6.5	7.3	8.2
Number of checking and savings accounts	12.1	11.5	13.2
Balance of current and savings account by segment (MXNmn)	\$14,361.0	\$22,380.0	\$29,431.0

Credit

GRI FS6, FS7 SASB FN-CB-000.B FN-CB-240a.1 FN-CB-240a.2

Indicator	2021	2022	2023
Number of customers served (MM USD)	52	62	56
Loans and credits (number/contracts)	82	91	97
Loans and credits by segment (value placed)	\$42,270	\$53,770	\$57,239
Large businesses (including corporations)	\$21,389	\$27,578	\$29,928
Micro and SMEs	\$1,461	\$4,898	\$8,283.43
Government	\$6,866	\$6,180	\$5,976
Financial institutions	\$9,898	\$12,568	\$10,268
Trusts	\$2,656	\$2,547	\$2,782
Portfolio balance (MM USD)	\$42,270	\$53,770	\$57,239

Figures reported in MXNmn unless otherwise indicated

Commercial and industrial loan exposure by segment

SASB FN-CB-410a.1 GRI F6 FS8

		2022	2023
Financial	\$9,898	\$12,568	\$ 27,789
Government	\$6,866	\$6,180	\$5,976
Energy	\$2,661	\$2,547	\$2,488
Retail	\$454	\$389	\$3,233
Others (consumer goods, construction, technology, healthcare, hotels)	\$22,681	\$32,356	\$17,751

Figures in MXNmn

Sustainable finance (environmental and social)

FN-IB-410a.2, GRI FS8

	Amount of financing
2021	\$3.482,00
2022	\$4.887,87
2023	\$7.221,96
TOTAL	\$15.591,83

Figures in MXNmn

OPERATING INDICATORS

Anticorruption

Communication and training on AML/CFT prevention

GRI 205-2

Total number and percentage of governance body members informed of AML/CFT policies and procedures				
	2020	2021	2022	2023
Percentage	100%	100%	100%	100%

We share this information with our employees as well as our correspondent banks. In the case of wire transfer agents (NEKT and INTRA), the information is shared with their transfer correspondents abroad.

GRI 205-2

Total number and percentage of employees informed of AML/CFT policies and procedures, by job category and region						
	2022			2023		
Job category	Total number	%	Region	Total number	%	Region
Senior management	968	100%	Field Employees: 350 • Corporative: 618	638	100%	Field Employees: 98 • Corporative: 540
Middle management	4,393	100%	Field Employees: 2,615 Corporative: 1,768	4,324	100%	Field Employees: 2,659 Corporative: 1,665
Heads	45	100%	Field Employees: 5 • Corporative: 40	35	100%	Corporative: 35
Coordinators	128	100%	Field Employees: 14 • Corporative: 114	125	100%	Field Employees: 4 • Corporative: 121
Administrative and branch employees	42,017	100%	Field Employees: 34,245 Corporative: 7,772	43,033	100%	Field Employees: 39,572 Corporative: 3,461

Total number and percentage of business partners to whom the AML/CFT policies and procedures were communicated	
	2023
Total number	48,155
Percentage	100%

Total number and percentage of governance body members informed of AML/CFT policies and procedures					
	2019	2020	2021	2022	2023
Banco Azteca	6	5	5	5	5

GRI 205-2

Year	Total number of members of the Board of Directors who have received information on anti-corruption policies/procedures	Percentage of members of the Board of Directors who have received information on anti-corruption policies/procedures	Total number of employees who have received information on anti-corruption policies/procedures	Percentage of employees who have received information on anti-corruption policies/procedures
2021	10	100%	32,735	78%
2022	10	100%	55,466	98.52%
2023	10	100%	41,587	98%

Fraud prevention

SASB FN-CF-230a.2

Card-related fraud losses (1) with card not present and (2) with card present and other types of fraud

	2021	2022	2023
Monetary value of card related fraud losses	\$20.50	\$80.94	\$26.31
Value of card-related fraud losses due to card-not-present fraud or other frauds	\$20.10	\$76.72	\$26.31
Value of card-related fraud losses due to card-present fraud or other frauds	\$0.40	\$4.22	\$10.51

- Taking into account Chip+Signature, QPS and Contactless for card present fraud.

Data privacy

GRI 418-1

Total number of substantiated complaints regarding breaches of customer privacy.

	2022	2023
	BAZ	BAZ
Number of complaints received by third parties and substantiated by the organization (ARCO)	20	50
Number of complaints received from regulatory authorities (INAI)	8	8

FN-CF-220a.1

Number of account holders whose information is used for secondary purposes

2021	2022	2023
4,527,964	20,499,387	19,255,024

Note. As part of our secondary campaigns, in 2023 we reinforced the dissemination of the Antifraud theme, with which we impacted 13,478,517 customers.

› Banco Azteca

GRI 2-7, 405-1

Total employees: 42,436



Under 30 years		Between 30 and 50 years		Over 50 years	
Women	Men	Women	Men	Women	Men
8,564	11,629	9,486	11,351	562	844
20,193		20,837		1,406	

	Women	Men	Total
Senior management	220	489	709
Middle management	1,209	2,515	3,724
Operating	17,380	20,623	38,003
Total	18,809	23,627	42,436
Average seniority: 3.8 años			

TALENT ATTRACTION AND RETENTION

GRI 401-1

New hires

Banco Azteca	Women	Men
< 30 years old	3,875	5,787
Between 30 and 50 years of age	1,664	1,979
> 50 years old	40	34
Total	5,579	7,800
	13,379	

Total departures

Banco Azteca	Women	Men
< 30 years old	3,767	5,557
Between 30 and 50 years of age	2,583	3,418
> 50 years old	102	115
Total	6,452	9,090
	15,542	

Departures and turnover

- Involuntary departure: A departure in which the business makes the decision for the employee to leave or change position.
- Voluntary departure: A decision by the employee, who freely and without being subjected to any coercion or threat, decides to terminate his or her employment relationship with the business.
- Turnover is calculated as: Total departures divided by the total average number of employees at the end of each year.

Diversity and equal opportunity

GRI 405-1

Representation of racial/ethnic groups	Men	Women
Racial/ethnic groups in senior management	0	0
Racial/ethnic groups in middle management positions	132	66
Racial/ethnic groups in operational positions	343	361
Total	902	
% of total workforce	2.00%	

Representation of women in the workforce	Total
Total women in senior management	5
% of total workforce	0.01%
Total women in executive management (2nd and 3rd line)	61
% of total workforce	0.10 %
Total women in middle management	1,362
% of total workforce	3.00%
Total women in operational positions	17, 001
% of total workforce	42.00%
Total women in STEM positions	75
% of total workforce	0.10 %

Representation of people with disabilities	Men	Women
Total number of employees with disabilities in senior management positions	0	0
Total number of employees with disabilities in middle management positions	9	11
Total number of employees with disabilities in operational positions	40	100
Total	160	
% of total workforce	0.33 %	

Representation of LGTBQI+	Men	Women
Total employees	680	605
Total	1,285	
% of total workforce	3.00%	

Training

GRI 404-1, FS4

Training by job category

Job category	2021		2022		2023	
	Participants	Hours of training	Participants	Hours of training	Participants	Hours of training
Senior management	347	4,856	433	6,865	352	6,815
Middle management	3,109	87,188	3,848	96,310	851	16,475
Operational and administrative staff	39,013	951,724	55,167	1,277,055	2,080	40,269
Total	42,469	1,043,768	59,448	1,380,230	3,283	63,559

Investment in training

	2023
Total investment (MXN)	\$4,939,956.95

Executive training 2023

SASB FN-AC-270a.3, FN-IN-270a.4

Job category	Employees by gender	
	Women	Men
Bi Challenge 2023	15	46
Preparatory school certification	1	0
Innovation with Design Thinking	1	1
Positive Leadership and Coaching	1	2
Data Analysis Workshop	5	2
Strategic Communication Workshop	4	5
Total	27	56

Integrity training 2023

Subject	Number of employees	Women	Men	Number of hours
Ethical Issues and Code of Ethics (EICP)	1,848	39%	61%	2,310
Fraud and bribery (fraud prevention)	60	45%	55%	60
Money-laundering prevention	2,170	38%	62%	11,935
Human Rights	2,342	41%	59%	703
Personal data protection	2,615	39%	61%	6,538
Environment (energy management)	737	40%	60%	486
Honestel	2,672	38%	62%	668
Equality and diversity (Gender Unit)	4,696	39%	61%	2,348
Cybersecurity and data protection	74	28%	72%	548

Employee satisfaction and commitment

CG-EC-330a.1

Employee Satisfaction Index Results for Banco Azteca, NPS by gender 2023

Gender	Participants	Promoterss	Passive	NPS
Women	30,931	26,282	3,329	1,320
Men	20,623	16,935	2,579	1,109
Total	51,554	43,217	5,908	2,429

Performance evaluations

GRI 404-3

Banco Azteca Job category	Number of employees who received regular performance evaluations		Percentage of employees who received regular perfor- mance evaluations	
	Women	Men	Women	Men
Senior management	220	489	100 %	100 %
Middle management	1,209	2,515	100 %	100 %
Total by gender	1,429	3,004	100 %	100 %

COMMUNITIES

Donations and sponsorships

	2022		2023	
	Monetary donations	In-kind donations	Monetary donations	In-kind donations
Banco Azteca	\$102,275,280	-	\$95,018,750	-

Environmental commitment
Emissions

GRI 2-4, 305-1, 305-2, 305-3

Scope 1 and 2 Emissions 2023 (metric tonnes of CO₂e)

Unidad de Negocio	2021	2022	2023	2024 Goal
Scope 1	20,053	2,116	9,063	8,610
Scope 2	25,380	27,840	29,784	30,000

Note. The reduction in Scope 1 emissions is the result of a reallocation of accounts and measures taken toward our climate strategy. * Energy accounts will be restructured in the accounting system.

Banco Azteca flights, June-December, 2023

	Distance (km)	kg of CO2 released - air travel	Metric tonnes of CO ₂ e
Banco Azteca	397,133.61	51,014.48	51.01

Note. The decrease in Scope 3 emissions is due to an efficiency strategy in flight logistics and consideration of only the June-December 2023 period. * Addressed in the strategic climate plan.

Scope 3 emissions (metric tonnes of CO₂e)

Unidad de Negocio	2021	2022	2023	Meta 2024
Scope 3	271	2,311	51.01	2,100*

Note: The decrease in Scope 3 emissions is due to an efficiency strategy in flight logistics and consideration of only the June-December 2023 period.
* Addressed in the strategic climate plan.

Water

Water consumption at Banco Azteca (m³)

	2021	2022	2023	Meta 2024
Water consumption	152,072	155,850	186,602	153,400*

* Addressed in the strategic climate plan.

Industry engagement

GRI 2-28

- Asociación de Bancos de México, A.C. (ABM)
- Club de Banqueros de México, A.C. (CBM)
- Unión de Instituciones Financieras Mexicanas, A.C. (UNIFIMEX)
- Asociación Mexicana de Administradoras de Fondos para el Retiro, A.C. (AMAFORE)
- Asociación Mexicana de Instituciones Bursátiles, A.C. (AMIB)
- Asociación Mexicana de Instituciones de Seguros, A.C. (AMIS)

Contributions to chambers and associations, representation of interests or similar

2021	2022	2023
\$19,364,542.28	\$16,647,263.36	\$17,361,531.66

External recognitions

› Banco Azteca

- For the **7th consecutive year** we received the "**Socially Responsible Enterprise**" distinction.
- Banco Azteca is recognized as one of the **25 best banks in the world**, according to The Banker's Top 1000 World Banks ranking.
- Ranked 3rd among banks for offering the **best customer service**, according to CONDUSEF.
- We are one of the top 5 companies in the financial industry for recruiting and retaining talent, according to the first edition of Merco Talento.
- We are part of the MERCO Empresas 2023 ranking and are among the top 10 in the Financial Industry.
- We were the first bank to open its doors to serve our customers in the areas affected by **Hurricane Otis**.
- Banco Azteca Afore Azteca, Seguros Azteca Daños and Seguros

Azteca Vida are committed to providing the elderly with better attention and financial education. This has earned us to be the only institution that has eared four badges for best practices in customer service to the elderly, from the National Commission for the Protection and Defense of Financial Service Users (CONDUSEF), one for each of these companies.

- We have been awarded in the **Blockchain** category and as Best Disruptive Project in the Fintech Americas 2023 Financial Innovators in the Americas Awards ç. These distinctions underscore our dedication to financial innovation and the impact it generates globally.
- Recognized by the **Mexican Stock Exchange** to Punto Casa de Bolsa, for the highest percentage growth in value traded of all brokerage firms.

Content GRI Index

Statement of use	Grupo Elektra, S.A.B. de C.V. and its main businesses: Elektra Stores, Italika, and Banco Azteca, have reported the information cited in this GRI content index for the period from January 1, 2023 to December 31, 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard		Disclosure	Page, direct response or reason for omission
GRI 1 Foundation 2021			
GRI 2 General Disclosures 2021			
GRI 2 General Disclosures 2021	2-1	Organizational details	7, 9, 74, 75, 90, 109
	2-2	Entities included in the organization’s sustainability reporting	5
	2-3	Reporting period, frequency and contact point	Grupo Elektra publishes its Sustainability Report on an annual basis. 165, 177
	2-4	Restatements of information	There are restatements of environmental data due to the homologation of calculation methodologies, especially in indicators referring to Scope 1, 2 and 3 emissions. Last year the indirect beneficiaries (impacts) of the “Learn and Grow” program were reported; this report shows direct beneficiaries. 71, 89, 108, 139, 149, 152, 155, 156, 163
	2-5	External assurance	176
	2-6	Activities, value chain and other business relationships	7, 9, 35, 74, 90, 103
	2-7	Employees	57, 86, 103, 150, 153, 161
	2-8	Workers who are not employees	108

GRI Standard		Disclosure	Page, direct response or reason for omission
GRI 2 General Disclosures 2021	2-9	Governance structure and composition	The role of the CEO and the Chairman is divided, and the Chairman is non-executive but not independent. 41, 127
	2-10	Nomination and selection of the highest governance body	41, 127
	2-11	Chair of the highest governance body	41, 127
	2-12	Role of the highest governance body in overseeing the management of impacts	41, 127
	2-13	Delegation of responsibility for managing impacts	42, 127, 128
	2-14	Role of the highest governance body in sustainability reporting	The Sustainability Report is prepared by the Sustainability Department of Grupo Salinas and the areas involved in the management of the material issues of Grupo Elektra and its Business Units. 127
	2-15	Conflicts of interest	51, 127
	2-16	Communication of critical concerns	50, 54, 127
	2-17	Collective knowledge of the highest governance body	41
	2-18	Evaluation of the performance of the highest governance body	A self-assessment of the highest governance body's performance is conducted. For more information, please see our 2023 Annual Report. 127
	2-19	Remuneration policies	Confidentiality constraints. Due to our collaborators' security and confidentiality reasons, the information of this indicator will not be reported. 39, 44, 129

GRI Standard		Disclosure	Page, direct response or reason for omission
GRI 2 General Disclosures 2021	2-20	Process to determine remuneration	Confidentiality constraints. Due to our collaborators' security and confidentiality reasons, the information of this indicator will not be reported. 44, 129
	2-21	Annual total compensation ratio	Confidentiality constraints. Due to our collaborators' security and confidentiality reasons, the information of this indicator will not be reported.
	2-22	Statement on sustainable development strategy	6, 18
	2-23	Policy commitments	15, 40, 51
	2-24	Embedding policy commitments	15, 40, 49, 51
	2-25	Processes to remediate negative impacts	15, 40, 51, 59
	2-26	Mechanisms for seeking advice and raising concerns	50, 54
	2-27	Compliance with laws and regulations	Zero cases of non-compliance with laws and regulations, and zero fines for non-compliance. 49
	2-28	Membership associations	163
	2-29	Approach to stakeholder engagement	22
	2-30	Collective bargaining agreements	103
	GRI 3: Material Topics 2021		
	3-1	Process to determine material topics	21, 80, 95, 111
GRI 3 Material Topics 2021	3-2	List of material topics	21, 80, 95, 111
	3-3	Management of material topics	34, 35, 37, 41, 49, 55, 58, 60, 61, 64, 65, 70, 71, 78, 84, 86, 87, 88, 89, 104, 106, 107, 108, 127, 131, 136, 138, 139

GRI Standard		Disclosure	Location / Direct response
GRI 200: Economic Standards			
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	37
	201-2	Financial implications and other risks and opportunities due to climate change	131
	201-3	Defined benefit plan obligations and other retirement plans	In 1994, we established a pension plan for our employees, including our executive officers. As of December 31, 2023, the liability related to these plans amounted to \$1,125.8 million pesos. For more information, see our 2023 Annual Report.
	201-4	Financial assistance received from government	37
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	64
	203-2	Significant indirect economic impacts	Banco Azteca's AML/ATF Unit has not confirmed any corruption-related cases.
GRI 204 Procurement practices 2016	204-1	Proportion of spending on local suppliers	35, 103
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	35, 49
	205-2	Communication and training about anti-corruption policies and procedures	49
	205-3	Confirmed incidents of corruption and actions taken	49
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	48, 49, 51

GRI Standard		Disclosure	Location / Direct response
GRI 207 Tax 2019	207-1	Approach to tax	38
	207-2	Tax governance, control, and risk management	38
	207-3	Stakeholder engagement and management of concerns related to tax	38
	207-4	Country-by-country reporting	38
GRI 300: Environmental Standards			
GRI 301 Materials 2016	301-2	Recycled input materials used	108, 157
	301-3	Reclaimed products and their packaging materials	108, 157
GRI 302: Energy 2016	302-1	Energy consumption within the organization	70, 88, 107, 139
	302-2	Energy consumption outside of the organization	107
	302-3	Energy intensity	70, 88, 107, 139
	302-4	Reduction of energy consumption	70, 88, 107, 139
	302-5	Reductions in energy requirements of products and services.	70, 88, 107, 139
GRI 304 Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	There are no close contact points with Protected Natural Areas or areas of high biodiversity value outside protected areas..
	304-2	Significant impacts of activities, products and services on biodiversity	Our operation does not have a direct impact on biodiversity; however, we conduct our activities with a focus on environmental protection and the efficient use of resources..
	304-3	Habitats protected or restored	62

GRI Standard		Disclosure	Location / Direct response
GRI 304 Biodiversity 2016	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable. As we have no close contact points to Natural Protected Areas or areas of high biodiversity value outside protected areas, we do not affect the habitat of this type of species.
GRI 305 Emissions 2016	305-1	Direct (Scope 1) GHG emissions	71, 89, 108, 139, 149, 152, 156, 163
	305-2	Energy indirect (Scope 2) GHG emissions	71, 89, 108, 139, 149, 152, 156, 163
	305-3	Other indirect (Scope 3) GHG emissions	71, 89, 108, 139, 152, 163
	305-4	GHG emissions intensity	71, 89, 108, 139
	305-5	Reduction of GHG emissions	139, 149, 156
	305-6	Emissions of ozone-depleting substances (ODS)	Not applicable. Our opeartions do not generate emissions of these types of substances.
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information unavailable / incomplete. The measurement methods are in the process of being revised in order to have a more accurate estimate in the medium term.
GRI 308 Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	35, 103
	308-2	Negative environmental impacts in the supply chain and actions taken	32,95
GRI 400: Social Standards			
GRI 401 Employment 2016	401-1	New employee hires and employee turnover	57, 86, 103, 138, 147,153, 161
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	61, 86

GRI Standard		Disclosure	Location / Direct response
GRI 401 Employment 2016	401-3	Parental leave	Information unavailable / incomplete. The measurement methods are in the process of being revised in order to have a more accurate estimate in the medium term.
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	104, 156
	403-2	Hazard identification, risk assessment, and incident investigation	104
	403-3	Occupational health services	106
	403-4	Worker participation, consultation, and communication on occupational health and safety	104
	403-5	Worker training on occupational health and safety	60, 87, 104, 138, 155
	403-6	Promotion of worker health	106
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	60, 104, 138
	403-8	Workers covered by an occupational health and safety management system	96
	403-9	Work-related injuries	155
	403-10	Work-related ill health	155
GRI 404 Training and Education 2016	404-1	Average hours of training per year per employee	58, 154, 162
	404-2	Programs for upgrading employee skills and transition assistance programs	58, 87, 104
	404-3	Percentage of employees receiving regular performance and career development reviews	59, 152, 155, 163

GRI Standard		Disclosure	Location / Direct response
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	57, 147, 150, 153, 161
	405-2	Ratio of basic salary and remuneration of women to men	Confidentiality constraints. Due to our collaborators' security and confidentiality reasons, the information of this indicator will not be reported.
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	There were no cases of discrimination during the reporting period.
GRI 407 Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	During the reporting period, there were no operations in which the right to freedom of association and collective bargaining may be at risk.
GRI 408 Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	35
GRI 409 Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	During the reporting period, there were no operations with significant risk of forced or compulsory labor.
GRI 410 Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	In Grupo Elektra we have a human rights due diligence process for all our suppliers.
GRI 411 Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	During the reporting period, there were no cases of violation of indigenous peoples rights.
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	64
	413-2	Operations with significant actual and potential negative impacts on local communities	In Grupo Elektra we have not identified any negative impacts on the communities where we operate.

GRI Standard		Disclosure	Location / Direct response
GRI 414 Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	35, 103
	414-2	Negative social impacts in the supply chain and actions taken	35, 103
GRI 415: Public Policy 2016	415-1	Political contributions	In accordance with the laws of the places where we operate and based on the Ethics, Integrity and Compliance Program (PEIC), in Grupo Elektra we do not make contributions to political parties and/or political representatives. 65
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	100, 131, 136
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In Italika, in the operational evaluations, 142 CESITs received no significative fines.
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	33, 99, 100
	417-2	Incidents of non-compliance concerning product and service information and labeling	Italika presented two non-compliances related to product labeling information; however, they did not generate a sanction by the authority, because the corresponding unit was changed. 51.
	417-3	Incidents of non-compliance concerning marketing communications	During the reporting period, there were no cases of non-compliance concerning marketing communications. 33
GRI 418 Privacidad del cliente 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	34, 84, 161

GRI Financial Services Sector Supplement (FSSS)		
FS1	Policies with specific environmental and social components applied to business lines	44, 118
FS2	Procedures for assessing and screening environmental and social risks in business lines	44, 118
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	118
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	162
FS5	Interactions with clients/investees/business partners, regarding environmental and social risks and opportunities	131
FS6	Percentage of the portfolio for business lines by specific region, size (e.g., micro/SMEs/large enterprises) and by sector	48, 118, 159
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	115, 159
FS8	Monetary value of products and services designed to deliver specific environmental benefit for each business line broken down by purpose	159
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	All our processes are annually audited in order to identify opportunities for improvement. 44, 47, 48
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental and social issues	137

GRI Financial Services Sector Supplement (FSSS)		
FS11	Percentage of assets subject to positive and negative environmental or social screening	139
FS12	Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	128
FS13	Access points in low-populated or economically disadvantaged areas by type	30
FS14	Initiatives to improve access to financial services for disadvantaged people	30, 115
FS15	Policies for the fair design and sale of financial products and services	115
FS16	Initiatives to enhance financial literacy and by type of beneficiary	119

SASB Index

› Tiendas Elektra

Topic	Code	Metric	Location / Direct response
Activity Metrics	CG-EC-000.A	Entity-defined measure of user activity	Percentage of total sales and by marketplace.
	CG-EC-000.C	Number of shipments	77
	CG-MR-000.A	Number of: (1) retail locations and (2) distribution centres	10
	CG-MR-000.B	Total area of: (1) retail space and (2) distribution centres	Please refer to our 2023 Annual Report. 84
Hardware Infrastructure Energy & Water Management Energy Management in Retail & Distribution	CG-EC-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	88
	CG-MR-130a.1		
	CG-EC-130a.3	Discussion of the integration of environmental considerations into strategic planning for data centre needs.	At Grupo Elektra, we are committed to integrating environmental considerations into the strategic planning of our data center needs.
Data Privacy & Advertising Standards	CG-EC-220a.1	Number of users whose information is used for secondary purposes	34
	CG-EC-220a.2	Description of policies and practices relating to targeted advertising and user privacy	34
Employee Recruitment, Inclusion & Performance	CG-EC-330a.1	Employee engagement as a percentage	152
	CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	150

Topic	Code	Metric	Location / Direct response
Employee Recruitment, Inclusion & Performance	CG-EC-330a.3	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees	86, 150
	CG-EC-330a.4	Percentage of technical employees that require a work visa	Information not available.
Data Security	CG-EC-230a.1 CG-MR-230a.1	Description of approach to identifying and addressing data security risks	At Grupo Elektra we have a comprehensive approach to identifying and addressing data security risks. To this end, we have robust policies and procedures to protect the confidentiality, integrity and availability of data, defined and validated by Grupo Salinas. 34.
	CG-EC-230a.2 CG-MR-230a.2	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of users affected	Zero data leaks and zero affected users.
	CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments	We have initiatives for reducing our carbon footprint; the measurement of the impact is made in accordance with the strategic climate plan. 88
Product Packaging & Distribution	CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	88

Topic	Code	Metric	Location / Direct response
Labour Practices	CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store and distribution centre employees	57, 86, 103, 138, 147, 150
	CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labour law violations	During the reporting period there were no non-compliance issues of this type.
Workforce Diversity & Inclusion	CG-MR-330a.1	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees	150
	CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	During the reporting period there were no non-compliance issues of this type.

› Italika

Topic	Code	Metric	Location / Direct response
Activity Metrics	TR-AU-000.A	Number of vehicles manufactured	83
	TR-AU-000.B	Number of vehicles sold	83
Product Safety	TR-AU-250a.1	Percentage of vehicle models rated by NCAP with an overall 5-star safety rating, by region	Our vehicles do not have such classification, but they comply with safety regulations and the helmets used by test drivers are certified under the DOT or ECE standard, in accordance with NOM-206-SCFI/SSA2-2018. 100.
	TR-AU-250a.2	(1) Number of safety-related defect complaints, (2) percentage investigated	Zero.
	TR-AU-250a.3	Number of vehicles recalled	Zero.
Labour Practices	TR-AU-310a.1	Percentage of active workforce employed under collective agreementss	95
	TR-AU-310a.2	(1) Number of work stoppages and (2) total days idle	Cero.
Fuel Economy & Use-phase Emissions	TR-AU-410a.1	Sales-weighted average passenger fleet fuel economy, by region	99
	TR-AU-410a.2	Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles and (3) plug-in hybrid vehicles sold	93
	TR-AU-410a.3	Description of the management of risks associated with the use of critical materials	Información no disponible.

Topic	Code	Metric	Location / Direct response
Materials Sourcing	TR-AU-440a.1	Description of the management of risks associated with the use of critical materials	93
Materials Efficiency & Recycling	TR-AU-440 b.1	(1) Total amount of waste from manufacturing, (2) percentage recycled	100
	TR-AU-440 b.2	(1) Weight of end-of-life material recovered, (2) percentage recycled	146

› Banco Azteca

Topic	Code	Metric	Location / Direct response
Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	146
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	110, 148
	FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	136
	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	146
	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts	146
	FN-IB-000.A	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions	13, 146
	FN-IB-000.B	(1) Number and (2) value of proprietary investments and loans by sector	146
	FN-IB-000.C	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	146
Customer Privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	150

Topic	Code	Metric	Location / Direct response
Customer Privacy	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	31
Data Security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	160
	FN-CF-230a.2	Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	34
	FN-CF-230a.3 FN-CB-230a.2	Description of approach to identifying and addressing data security risks	34
	FN-CB-230a.1	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	118, 159
	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding that qualify for programmes designed to promote small business and community development	118, 159
Financial Inclusion & Capacity Building	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans or loans subject to forbearance that qualify for programmes designed to promote small business and community development	115, 158

Topic	Code	Metric	Location / Direct response
Financial Inclusion & Capacity Building	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	119
	FN-CB-240a.4	Number of participants in financial education initiatives for unbanked, underbanked or underserved customers	119
Transparent Information & Fair Advice for Customers	FN-AC-270a.1	(1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Zero.
	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 customers	34
	FN-AC-270a.3	Description of approach to informing customers about products and services	122
	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 customers	34
	FN-IN-270a.2	Complaints-to-claims ratio	122
	FN-IN-270a.3	Customer retention rate	122
	FN-IN-270a.4	Description of approach to informing customers about products	118, 131

Topic	Code	Metric	Location / Direct response
Incorporation of Environmental, Social and Governance Factors in Investment Management	FN-IN-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment management processes and strategies	118, 131
Employee Diversity & Inclusion	FN-AC-330a.1	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	147

Topic	Code	Metric	Location / Direct response
Financed Emissions	FN-AC-410b.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	136
	FN-CB-410b.1		
	FN-IN-410c.1		
	FN-AC-410b.2	Total amount of assets under management (AUM) included in the financed emissions disclosure	136
	FN-AC-410b.3	Percentage of total assets under management (AUM) included in the financed emissions calculation	136
	FN-AC-410b.4	Description of the methodology used to calculate financed emissions	136
	FN-CB-410b.4		
	FN-IN-410c.4		
	FN-CB-410b.2	Gross exposure for each industry by asset class	136
	FN-IN-410c.2		
	FN-CB-410b.3	Percentage of gross exposure included in the financed emissions calculation	136
	FN-IN-410c.3		

Topic	Code	Metric	Location / Direct response
Business Ethics	FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	During 2023, there were no losses related to legal proceedings related to fraud, insider trading, antitrust, unfair competition, market manipulation, misconduct or other related laws or regulations of the financial industry, under the concept of business ethics, which we understand, is under a context of financial audits and corruption. 34, 48, 51
	FN-CB-510a.1		
	FN-AC-510a.2	Description of whistleblower policies and procedures	50
	FN-CB-510a.2		

External Assurance

GRI 2-5



Independent Verification Letter

To the Stakeholders of Grupo Elektra, S.A.B. de C.V.

AuditaRSE, at the request of Grupo Elektra, S.A.B. de C.V. (Grupo Elektra), has been asked to perform a third-party assurance of its 2023 Sustainability Report for its Social Responsibility performance.

Scope

The scope of the assurance was based on reviewing the content and performance indicators presented in the report regarding Social Responsibility issues, where the opinions contained in the aforementioned report and its preparation are the responsibility of Grupo Elektra.

Our work consisted in issuing an independent and responsible opinion on the veracity of the information contained in the report, by obtaining adequate and sufficient evidence for such purpose.

The review was based on the ISAE 3000, Accountability AA1000, in accordance level of the GRI Standards, the UN Sustainable Development Goals, as well as the Sustainability Accounting Standards Board (SASB) and the Corporate Sustainability Assessment Standards (CSA), for the sectors applicable to the Group's operations.

Verification Process

The verification was carried out by performing the following activities:

- Physical: Through validation and analysis of the aspects described in the report.
- Testimonials: Through interviews for compiling the information, in order to validate the evidence of the content and to know the management and depth of the work programs.
- Documentary: By examining samples of data and information contained in the report through:
 - Verifying the existence of external and internal evidence to support the information submitted.
 - Reviewing the systems, processes and procedures for collecting, consolidating and reporting data presented in an aggregated manner.
 - Consulting the company's Portal and web pages described in the report to assure some of the data contained that refer to specific sources and topics in detail.
 - Validating the consistency of the information presented in relation to the previous report and the follow-up of programs and relevant indicators.

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Within the review process, the GRI Standards which were determined in the Materiality Study were considered, as well as others from the content of the report.

We also validated the compliance with SASB and CSA Standards for the commercial and financial sectors applicable to the operations of the group companies, where we determined as compliant those presented in Annex 1.

Conclusions

In carrying out the assurance, we were able to appreciate a report whose content shows the continuous efforts and participation of the different areas of the company for the fulfillment of its social responsibility strategy with its various stakeholders.

In the absence of any evidence of differences and contradictions in the information presented, we consider that the **Sustainability Report 2023 of Grupo Elektra, S.A.B. de C.V.** shows reliable data, which represent in a coherent and reasonable way the results of the reported period in accordance with the GRI Standards, as well as the inclusion of SASB and CSA Standards applicable to the Group's operating sectors and adherence to the Sustainable Development the UN Sustainable Development Goals.

Mexico City, July 24th, 2024.



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ANNEX 1

DETAIL OF STANDARDS DETERMINED AS MET IN THE ASSURANCE OF THE 2023 GRUPO ELEKTRA, S.A.B. DE C.V. SUSTAINABILITY REPORT

GRI STANDARDS					GRI FINANCIAL SUPPLEMENT		CORPORATE SUSTAINABILITY ASSESSMENT (CSA)			
1	2-19	205-1	305-4	403-10	FS1		FINANCIAL SEGMENT		COMMERCIAL SEGMENT	
2	2-20	205-2	305-5	404-1	FS2		1.2.2	2.4.2	1.2.1	2.6.1
2-1	2-22	205-3	306-1	404-2	FS3		1.2.5	2.4.3	1.2.6	2.6.2
2-2	2-23	206-1	306-2	404-3	FS4		1.2.6	2.5.2	1.7.3	2.6.3
2-3	2-24	207-1	306-3	405-1	FS5		1.3.1	2.5.3	1.7.4	3.4.3
2-4	2-25	207-2	306-4	406-1	FS6		1.3.2	3.3.4	1.8.3	3.4.4
2-5	2-26	207-3	306-5	407-1	FS7		1.5.2	3.3.5	2.2.2	3.4.5
2-6	2-27	207-4	308-1	408-1	FS8		1.5.4	3.1.2	2.4.2	3.6.1
2-7	2-28	301-2	308-2	409-1	FS9		1.5.2	3.1.1	2.5.2*	3.6.2
2-8	2-29	301-3	401-1	410-1	FS10		1.9.8	3.6.1		
2-9	2-30	302-1	401-2	413-1	FS11		2.1.1	3.5.1		
2-10	3-1	302-2	403-1	414-1	FS12		2.2.1	3.5.2		
2-11	3-2	302-3	403-2	414-2	FS13		2.3.1*	3.7.1		
2-12	3-3	302-4	403-3	416-1	FS14		2.4.1			
2-13	201-1	302-5	403-4	416-2	FS15		* They are partially met by reporting only water consumption			
2-14	201-2	303-5	403-5	417-1	FS16					
2-15	201-3	304-3	403-6	417-2						
2-16	203-1	305-1	403-7	417-3						
2-17	203-2	305-2	403-8	418-1						
2-18	204-1	305-3	403-9							

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)						
TIENDAS ELEKTRA		ITALIKA	BANCO AZTECA			
CG-MR-130a.1	CG-EC-230a.1	TR-AU-250a.1	FN-CB-230a.1	FN-CB-510a.2	FN-AC-510a.2	FN-IN-270a.4
CG-MR-230a.1	CG-EC-230a.2	TR-AU-250a.2	FN-CB-230a.2	FN-CB-000.A	FN-AC-000.B	FN-IN-410a.1
CG-MR-230a.2	CG-EC-330a.1	TR-AU-250a.3	FN-CB-240a.1	FN-CB-000.B	FN-CF-220a.1	FN-IN-410a.2
CG-MR-310a.2	CG-EC-330a.2	TR-AU-310a.1	FN-CB-240a.3	FN-AC-270a.1	FN-CF-220a.2	FN-IN-410c.1
CG-MR-330a.1	CG-EC-330a.3	TR-AU-410a.1	FN-CB-240a.4	FN-AC-270a.2	FN-CF-230a.1	FN-IN-410c.2
CG-MR-000.A	CG-EC-410a.1	TR-AU-410a.2	FN-CB-410a.1	FN-AC-270a.3	FN-CF-230a.2	FN-IN-410c.3
CG-MR-000.B	CG-EC-410a.2	TR-AU-440a.1	FN-CB-410a.2	FN-AC-330a.1	FN-CF-230a.3	FN-IN-410c.4
CG-EC-130a.1	CG-EC-000.A	TR-AU-440b.1	FN-CB-410b.1	FN-AC-410b.1	FN-CF-000.A	FN-IN-000.A
CG-EC-220a.1	CG-EC-000.C	TR-AU-440b.2	FN-CB-410b.2	FN-AC-410b.2	FN-CF-000.B	FN-IN-000.A
CG-EC-220a.2		TR-AU-000.A	FN-CB-410b.3	FN-AC-410b.3	FN-IN-270a.1	FN-IN-000.B
		TR-AU-000.B	FN-CB-410b.4	FN-AC-410b.4	FN-IN-270a.2	FN-IN-000.C
			FN-CB-510a.1	FN-AC-510a.1	FN-IN-270a.3	

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GRI 2-3 Contact

For more information on this report or on sustainability-related topics at Grupo Elektra please contact:

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