



“OUR COMMITMENT: YOUR FUTURE”

PROGRESSING ON OUR PATH TOWARD SUSTAINABILITY
RESPONSIBLE INVESTMENT ANNUAL REPORT 2024



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HOW TO READ THIS REPORT?

This report consists of eight chapters and annexes. At the beginning of each chapter, there is an alphanumeric reference related to the contents of the Global Reporting Initiative (GRI) standards, the Sustainability Accounting Standards Board (SASB), and the Sustainable Development Goals (SDGs) they address.

The annexes include the table of contents GRI and SASB standards with references to the corresponding pages.

A navigation menu at the top of each page allows easy access to each chapter.



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In some texts, there are hyperlinks that redirect to complementary public information.

Learn more: 

The financial statements of each Siefore are available at:

<https://www.xxi-banorte.com/inversiones/#ancla>

ABOUT THIS REPORT

GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-14, PRI-PGS 16, PGS 17, PGS 18, PGS 19)

Afore XXI Banorte voluntarily publishes its Responsible Investment Annual Report 2024 for the fourth consecutive year.

We continue to strengthen and expand the dissemination of information, enhancing the operation of the Administrator and its investment portfolio, which has improved our ability to evaluate and communicate, with transparency, our performance in sustainability.

The financial results of the report correspond exclusively to Afore XXI Banorte, an organization without affiliated entities or subsidiaries. This structure ensures consistency and mitigates discrepancies between the financial data and the results presented in this report, ensuring transparency.

Furthermore, the content was submitted for approval by the Governing Bodies, in compliance with the Single Financial Circular, Article 66 Quinquies.

This report, covering the period from January 1 to December 31, 2024:



PRI

Incorporates the environmental, social, and corporate governance factors defined by UNPRI.



SDG

Reports our contribution to the SDGs through our investments.



GRI

It is prepared in accordance with the GRI standards in their 2021 version



SASB

Integrates the applicable indicators for investment banking, asset management, and custody sector.



TCFD

Responds to the TCFD recommendations by reporting the management of risks and opportunities related to climate change.

*Afore XXI Banorte makes all disclosures in this report based on the results obtained from internal methodologies. Some of the statements in this report are based on information provided by third parties. The data in this report is based on information provided by the funded companies and/or their publicly available information, as well as from our research provider(s). Afore XXI Banorte relies on the information provided and on the methodologies of our providers and collaborators, without conducting independent verifications of these disclosures or information (or their underlying assumptions), which may vary over time and may, under certain circumstances beyond our control, include inaccuracies. We recognize that data can vary and be affected by changes in methodologies and other factors over time. These factors may impact the disclosures of Afore XXI Banorte, including its ability to meet commitments and goals.





1.1 MESSAGE FROM THE CEO

GRI 2-22

Dear shareholders and account holders:

I am very pleased to address you to present our fourth **Responsible Investment Annual Report 2024**. The purpose of this document is to **share the progress of Afore XXI Banorte in terms of sustainability and social responsibility, areas in which we have established ourselves as the leading Administrator within the industry**. 2024 stood out for the results achieved and for the continuity of our focus on Environmental, Social, and Governance (ESG) principles. We are clear that our responsibility goes beyond pension management: it involves integrating a strategic and responsible vision that benefits both our clients and the environment in which we operate. As the CEO of XXI Banorte, I reiterate our commitment to continue being the best Retirement Fund Administrator, not only for the profitability of our investments but also for their sustainability. In line with our climate strategy, we present our Third Report aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which reflects greater maturity in the assessment and management of risks and opportunities related to climate change. Additionally, we have joined the Science Based Targets (SBTi) initiative, reinforcing our commitment to decarbonization by setting science-based targets to reduce emissions. Another highlight of 2024 was the promotion of "Dialogues for the Climate," the first collaborative investor initiative in Latin America focused on promoting the decarbonization of the regional economy and accelerating climate action. This platform is a tangible example of how we seek to mobilize capital towards sustainable and impactful solutions. Furthermore, we are very pleased to have received the ALAS20 Award for our leadership in Responsible Investments. This recognition not only validates our actions but also reinforces our commitment to continue promoting responsible investment practices. Beyond these achievements, I want to emphasize that our work would not be possible without the commitment and dedication of the team that makes up Afore XXI Banorte, as all the tasks carried out in the Administrator have the firm purpose of safeguarding the assets of Mexican men and women, ensuring their peace of mind and that of their families. To the entire team, my sincere appreciation.

David Razú Aznar

CEO of Afore XXI Banorte

1.2 COMMITMENT TO SHAREHOLDERS AND SUSTAINABLE DEVELOPMENT

GRI 2-28, PRI-SLS1

TRANSFORMING TOGETHER: ALLIANCES WITH PURPOSE

At Afore XXI Banorte, we understand that the transformation towards a more sustainable world requires collaboration and the joint effort of multiple organizations. For this reason, we establish strategic alliances with leading institutions in sustainability, responsible finance, and climate action¹.

2017



2018



2019



2020



2021



2022



2023



2024



¹These collaborations strengthen the positive impact and effectively contribute to our sustainable purpose: improving the world, one investment at a time.

1.3 OUR PATH IN RESPONSIBLE INVESTMENT

	1997	Afore XXI was established, with capital contributed by the Mexican Institute of Social Security, Insurance Company Hidalgo and IXE Bank.
	2011	Merger between Afore XXI as merging company and Afore Banorte Generali as merged company, resulting in Afore XXI Banorte.
	2012	Leaders in administration of individual accounts in Mexico (more than 11 million, 27% of the market).
	2013	Afore leader in Mexico after the acquisition and merger of Afore Bancomer.
	2014	Recognized for the first time by World Finance as the Best Fund of Pensions in Mexico.
	2016	We created " PrimerAfore " for minors.
	2017	Adherence to the Principles of Responsible Investment (UNPRI).

	2018	We launched the application " Afore Movil " and we signed before the Advisory Council of Green Finance (CCFV), now Mexican Council of Sustainable Finance.		
	2019	We adopt sustainable factors in the investment portfolio, We obtained Certification as a Company Socially Responsible.		
	2021	We received the WINGS 20 award.	We consolidate our position fund of largest pensions of Latin America.	
	2022	Recognized as " Great Place to Work. "	Recognized for the eighth time as the Best Pension Fund of Mexico.	We created the Protocol of Attention for Older Adults.
	2023	First Afore to reach the gold certification of the Mexican Standard NMX-R-025-SCFI-2015 Labor Equality, validated by the organizations.		
	2024	Recognized by ALAS 20 as a company, no. 1 in Responsible Investments in Mexico.	We obtained the highest rating (5 stars) in most UNPRI modules. We reduced the wage gap to a digit (7.3%).	

AFORE XXI BANORTE AT A GLANCE

PRI-SLS1, PGS 39, PGS 39.1, PGS 39.2



Recognized by Morningstar, with "Bronze" rating in the management of Investment Funds.



We achieved the best results in **Transferred balances** in the history of Afore, with a net **positive balance of 9.275 billion pesos, driven by 42,304 new clients.**



Significant growth in the **positioning with the Mexican Social Security Institute;** 44% of its employees are affiliated with Afore XXI Banorte.



Recognized as **'Great Place to Work'**, reflecting our commitment to workplace well-being and excellence in human talent management.



We lead the generation of net profits with 24% participation of the total of the industry and we occupy the 2nd place in cost efficiency of the industry (53%).



Leaders in long-term **returns**, placing us in the first quartile of the Net Performance Index.



Recognized for the tenth time as the **Best Pension Fund in Mexico** by WORLD FINANCE, demonstrating leadership in managed assets and the development of innovative strategies in the Afores.



We lead climate initiative "Climate Dialogues LATAM" (Mexico, Colombia, Peru, and Chile), aimed at promoting the decarbonization of the economy in the region and accelerate climate action.



Reduction of the Wage Gap from 33% in 2021 to the current 7.3%, below the OECD average (18%) in less than 18 months.



Recognized by ALAS 20 as the **company no. 1 in Responsible Investments in Mexico**



Highest rating (5 stars) in most UNPRI modules.



Institutional references in the field of responsible investment by adhering to the Science Based Target (SBTi).

We maintain broader regulatory certification to operate derivative instruments.



Recognized by the CONDUSEF with the insignia **"Commitment in the Care of the Elderly"** for personalized support to senior citizens and adaptations to the facilities of public service to make them more comfortable and inclusive.



Thanks to our actions in **corporate social responsibility and sustainability**, which generate a positive impact on society and in the communities where we are present, **for the fifth consecutive year** we received the **Socially Responsible Company** (ESR in Spanish) distinction.



The Mexican Social Security Institute awarded us the Safe and Healthy Work Environments (ELSSA in Spanish) distinction for implementing **strategies that improve the health, safety, and well-being of our team, as well as strengthening productivity and quality in the workplaces.** We also have a ELSSA Monitor that reinforces our commitment

The commitment to responsible investment management drives us to reach new goals and overcome challenges.

1.4 SUSTAINABILITY RESULTS AND CONTRIBUTION TO SDGS

PRI- SO 2.1, SO 4, SO 5

We evaluate the sustainability performance of our portfolio and its alignment with the SDGs through a methodology that allows:

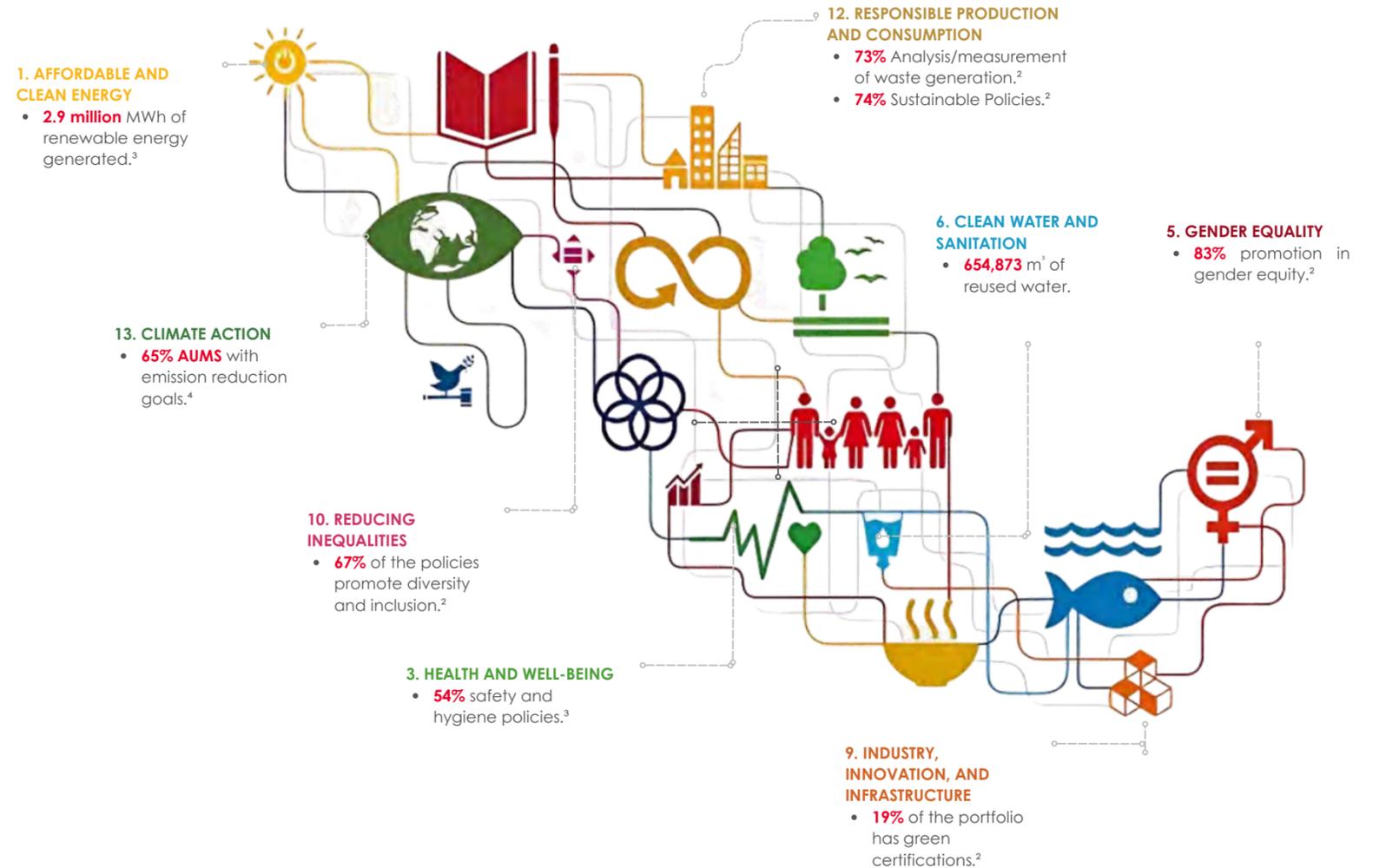
- Measure the sustainable performance of the investment portfolio in active strategies and its alignment with the SDGs.
- Identify the key topics to set goals and strengthen the active participation strategy.

The **strategic sectors** with the greatest potential for sustainable impact are:



In 2024, thanks to **our participation** in companies and projects within the portfolio, we generated a positive impact **on eight of the 17 Sustainable Development Goals**, achieving the following results:

OBJETIVOS DE DESARROLLO SOSTENIBLE



Learn more 

²Projects promoted through investment in CKDs.

³Considering funded companies that responded to internal questionnaires during 2024 and for which the topic is relevant in their evaluation.

⁴Based on companies financed through the active management strategy.

ABOUT US

Afore XXI Banorte is a 100% Mexican financial institution, committed to the financial well-being of every worker in Mexico. It specializes in the responsible management of retirement savings funds, managing and operating individual accounts that integrate resources in Retirement, Unemployment in Old Age, and Elderly (RCV in Spanish) subaccounts and housing, as well as in Voluntary and Complementary Contributions.

2.1 DESCRIPTION OF THE COMPANY

GRI 2-1, GRI 2-6

At Afore XXI Banorte, we manage **\$1.3 trillion pesos in assets¹**, managing more than **7.2 million affiliated individuals**. This is possible thanks to a solid investment, with a presence throughout Mexico through a network of strategically distributed offices in the country:

- 43 Mixed Offices
- 29 Customer Service Offices
- 25 Oficinas de Asesoría Previsional
- 1 Corporate Office headquartered in Mexico City

The main commitment is to protect the interests of our affiliated individuals, as well as to maximize the value of the contributions made by companies, the government, and the worker, by investing them in a wide variety of financial instruments.

With this, we aim to optimize returns and ensure that affiliated individuals have the necessary resources for a dignified and secure retirement.

We understand that behind each account there is a story, a dream, and a future to protect. That's why we strive to offer quality services and personalized advice, always with trust and commitment to accompany each person in building a safer tomorrow.

¹Includes the Afore resources that, in accordance with capitalization rules, must remain invested in the Siefores. The operation of the Pension Fund Administrators (Afores) and the Asset Management Companies for Pension Funds (Siefores) is regulated by the Law on Retirement-Savings Fund Systems (LSAR), the Regulations of the Law on Retirement-Savings Fund Systems (LSAR Regulations), as well as by the general provisions issued by the National Commission of the Retirement Savings System (CONSAR) (the Provisions) as a regulatory, supervisory, and oversight body.



Excellence in service



Professionalism

MISSION

Excellence in service, management, and investment of retirement funds.

PURPOSE

To transform the future of our clients for the better.

VISION

To achieve a dignified pension for every worker in Mexico.



Leadership



Inclusion



Integrity

2.2 BUSINESS MODEL AND AREAS OF IMPACT

GRI 2-6, GRI 2-29, GRI 204-1, GRI 414-1, 414-2

Our value chain integrates the essential processes and activities to efficiently manage the resources of affiliated individuals, ensuring their financial stability in retirement.

Various support areas drive efficiency, innovation, and sustainability in our business model. From solid governance and compliance that ensures transparency and alignment with best practices, to the implementation of innovative technologies designed to optimize the experience of our clients.

This commitment extends to talent management, fostering an inclusive and collaborative environment where the development of our team strengthens each area of impact, while our actions in sustainability ensure that every decision is aligned with responsible investment criteria. Likewise, our institutional relationships consolidate strategic alliances that amplify the positive impact on society and the environment.

Social responsibility with our suppliers.

We reflect our dedication with a sustainable and responsible supply chain at every stage of management. We have built a robust network where 100% of the participants adhere to our ethical framework and specific standards regarding the nature of their products or services.

Our Code of Ethics and Conduct, which describes the values and behaviors we expect from our value chain, ensures integrity in operations. Additionally, as part of the registration process for our suppliers, we conduct evaluations on anti-corruption and money laundering topics to ensure full compliance with applicable regulations.

As part of our social responsibility, we continuously strengthen our practices to adapt to regional needs, thus reinforcing our commitment to local economic development, promoting diversity among suppliers, and ensuring the comprehensive fulfillment of human and labor rights.

MAIN ACTIVITIES



TRAINING AND REGISTRATION OF AFFILIATED INDIVIDUALS



INVESTMENT MANAGEMENT



RISKS MANAGEMENT



ADMINISTRATION OF INDIVIDUAL OR COLLECTIVE ACCOUNTS



BENEFIT PAYMENT



RELATIONSHIP WITH AFFILIATED INDIVIDUALS

[Learn more:](#)

2.3 STANDING OUT IN THE PENSION SECTOR

FN-AC-270A.3

We strive every day to offer unique solutions that adapt to the needs of our clients, ensuring trust, flexibility, and a positive impact on their financial well-being.



DIGITAL AFORE

Take control of your Afore Account from your cellphone! Manage your transactions quickly and securely with our App, optimizing your time and contributing to the care of the planet.



PIONEERS IN SUSTAINABLE INTEGRATION

We demonstrate our commitment to social, corporate, and environmental responsibility.



VOLUNTARY SAVINGS

Choose from our customized options and grow your money safely. Invest in additional SIEFORES to achieve your financial goals and build a solid future.

We are the leading Afore in the sector!



TRANSPARENCY

We publish annual Sustainability reports and work with the highest international standards so that you always have information about the performance of your investments.

HOW TO JOIN?



REGISTRATION

Register or transfer to Afore XXI Banorte through AforeMovil, AforeWeb, or with the support of an advisor. Our team will process your documentation to certify your account.



PERSONALIZED WELCOME

Check our website for the welcome guide and the benefits of being part of Afore XXI Banorte. Additionally, our Contact Center will call you to resolve any questions.



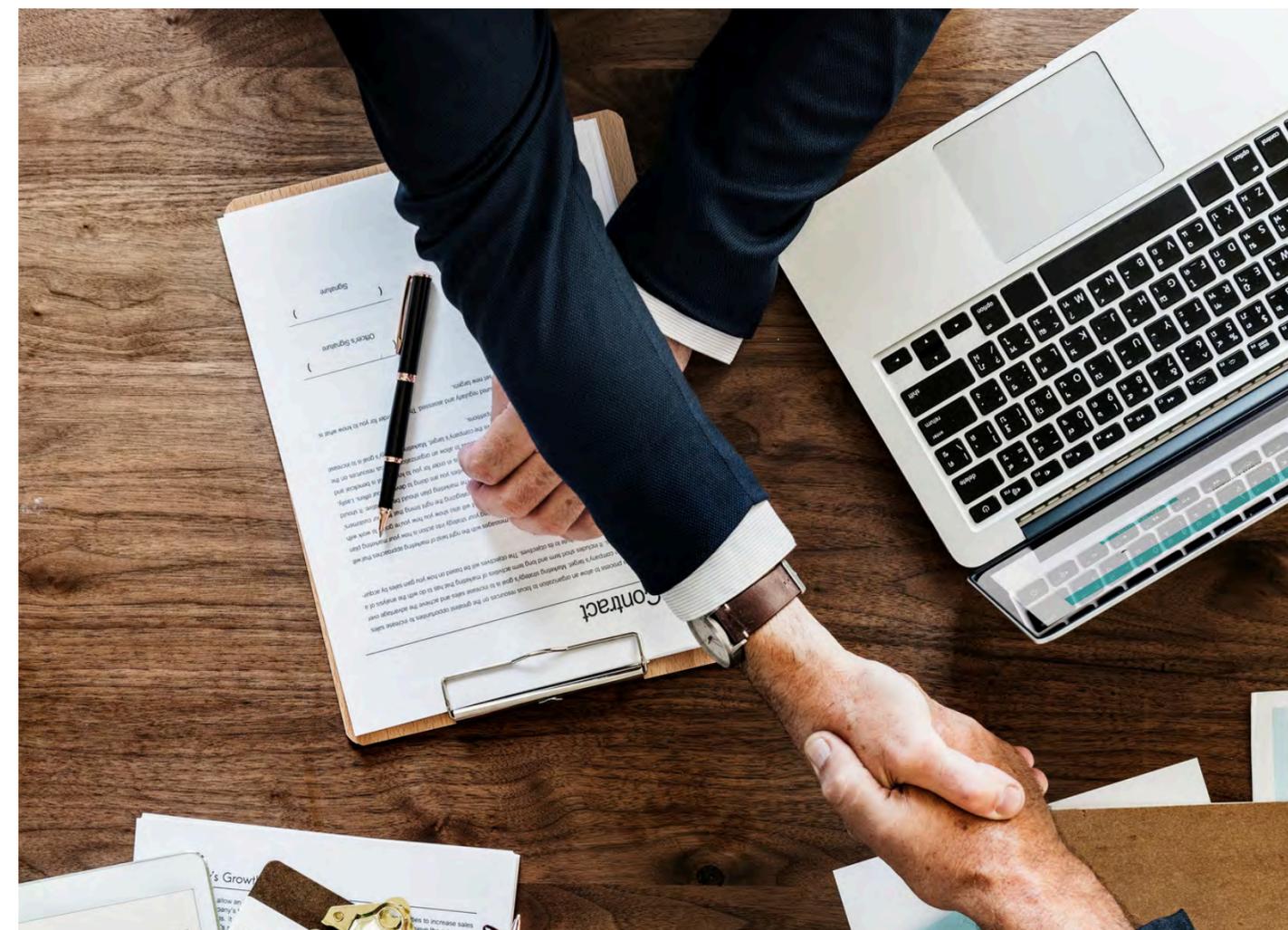
CONFIRMATION AND ACCESS

Receive your Membership Certificate that confirms your registration. From here, you will access to:

- Your detailed account statement.
- All online services.
- Clear information about your account and balance.
- Personalized attention through our Contact Center.

YOU ARE NOW IN THE STRONG AFORE OF MEXICO!

Afore XXI Banorte has a rating of 9.79 in the User Attention Performance Index (IDATU), positioning itself as the second highest-rated Afore in the sector.

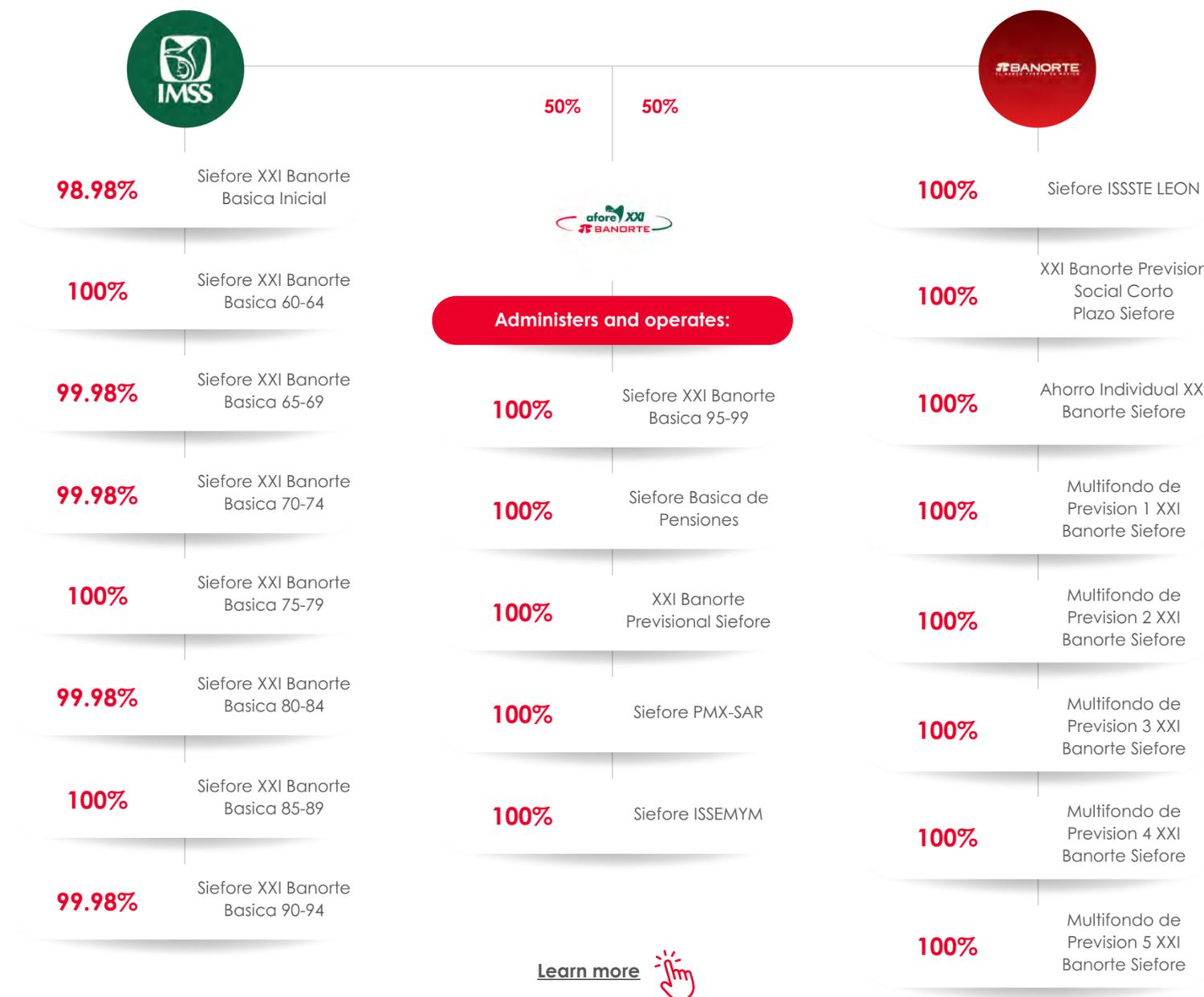


2.4 CORPORATE STRUCTURE

GRI 2-1

Afore XXI Banorte has as shareholders the Mexican Social Security Institute (50%) and Banorte Futuro, S.A. de C.V. (50%), whose ultimate parent company is Grupo Financiero Banorte, S.A.B. de C.V.

Through 21 investment funds, the resources for the retirement of affiliated individuals are managed, investing them in the corresponding Siefore according to their year of birth, where they remain until their retirement. In this way, the transfer of resources among funds is avoided. Instead, the investment strategy is adjusted according to the retirement horizon of each generation, strengthening long-term investments to maximize pensions.



The percentages shown in the Investment Companies tables are approximate and correspond to the number of fixed capital shares in which Afore XXI Banorte, S.A. de C.V. participates.

2.5 EXECUTIVE BOARD

GRI 2-13

We introduce the key members of the executive team, who play an essential role in strategic decision-making and ensure that our values and principles are reflected in every aspect of the operation.



David Razú Aznar
Chief Executive Officer



Leonardo Franco Villa Reynolds
Chief Investment Officer



Cynthia Adriana Sánchez Bobadilla
Chief Officer of Risk Management



Edna Barba y Lara
Chief Legal Officer



Itzel García Zamora
Chief Compliance Officer



Dulce Lesvia Pineda y Torres
Head of Internal Control Unit



Elizabeth Martínez Morales
Chief Digital Transformation Officer



Jesús Dávila Olvera
Chief Operating Officer



Jorge Meléndez Barrón
Head of the Strategic Planning and Evaluation Unit



José Antonio Alvarado Ramírez
Chief Financial and Administrative Officer



Ricardo Rafael Charles Manzano
Chief Pensions Officer



Víctor Vargas Plata
Chief Audit Executive

[Learn more](#)



STRATEGIC FOCUS ON SUSTAINABILITY

GRI 2-23, GRI 2-24, GRI 203-2

3.1 IDENTIFICATION OF MATERIAL TOPICS

OUR CLIMATE ACTION IN THE INVESTMENT PORTFOLIO

CLIMATE DIALOGUES LATAM

Addressing the need to **strengthen engagement** with the most polluting companies (in terms of GHG) in the region, we are promoting the "Climate Dialogues Latam" Initiative, aiming to **decarbonize the economy** and tackle the challenges of climate change in the region through direct collaboration with companies that are moving towards sustainability.

This initiative was born as part of a proposal by the signatories of the Principles for Responsible Investment (UNPRI) for investors in the region to collaborate with the most carbon-intensive companies, strengthen their commitment to **climate action**, and adopt mitigation measures.

CLIMATE STRATEGY

PRI- SO 3, SO 3.1, SO 3.2, SO 3.3, PGS 41, PGS 41.1, PGS 42, PGS 43, PGS 44, PGS 45, PGS 46

As part of our commitment to sustainability and the goal of limiting the global temperature increase to 1.5 °C by 2030, in line with the Paris Agreement, Afore XXI Banorte joined the Science Based Target (SBTi) initiative on June 13, 2024.

This will allow:

- Demonstrate climate leadership.
- Set science-based goals.
- Drive innovation and efficiency in our processes and operations.
- Align operational and investment activities with the Paris Agreement.

PRINCIPLES OF RESPONSIBLE INVESTMENT

We are part of the global community of the Principles for Responsible Investment, supported by the United Nations, which drives us to continuously improve our practices and processes while advocating for strong commitments and measures in the management of our investments. PRI has an evaluation report, where more than 658 signatories from Latin America reported their progress on sustainability issues.

Outstanding results

- Between 4 and 5 stars in all modules.
- Reference for best practices in responsible investment in Latin America.
- Scores obtained above average (worldwide and in Latin America).
- The progress compared to 2022 was substantial in each of the modules.

Good practices in human rights

We incorporate key elements to ensure that the investments in our portfolio respect and promote human rights, aligning with the standards of the United Nations Guiding Principles on Business and Human Rights.

We achieved another year without risk in terms of forced labor or child labor within the Investment Portfolio, in addition to promoting guidelines on safety, well-being, diversity, and inclusion, among other topics, which help create safe, inclusive, and collaborative work environments.

We seek to be an essential support for the comprehensive well-being of the Mexican economy.

OUR COMMITMENT TO TRANSPARENCY

Our sustainability reports are a fundamental tool for sharing value with our customers and other stakeholders. We demonstrate our commitment to transparency and accountability by adopting international methodologies and standards that allow us to present comparable, verifiable, and relevant information for decision-making.

This approach consolidates our position as a benchmark in corporate sustainability, establishing new standards of excellence in the disclosure of non-financial information in our sector.

3.2 SUSTAINABILITY STRATEGY AS A PILLAR OF BUSINESS MANAGEMENT

GRI 2-29, GRI 201-1, GRI 203-2

At Afore XXI Banorte, the **investment vision goes beyond profitability**; we seek to generate a **positive and lasting impact**. That's why we have adopted a responsible investment approach that integrates environmental, social, and governance impact into each of our decisions.

We understand that each investment represents an opportunity to build a **more sustainable** future. Therefore, we thoroughly evaluate the impact of our investments to mitigate risks, in addition to identifying and **capitalizing on opportunities** that drive sustainable development.



Our commitment is reflected in the implementation of robust analysis and selection processes, ensuring that **each financial decision is aligned with the well-being of society and the protection of the environment**. Furthermore, we actively collaborate with leading organizations in responsible investment, which allows us to always be up to date with the **best practices** and international standards.

TRANSFORMING CAPITAL INTO VALUE

Afore XXI Banorte's strategic approach aims to create and distribute value for our stakeholders through responsible and sustainable management, based on our Mission, Vision, and Values. This model is based on the integration of key resources, our sustainability priorities, and our commitment to the well-being of our clients, collaborators, and the community.

FINANCIAL CAPITAL

- We manage \$1.3 trillion pesos in pension funds, with a return of 8.97% in 2024.

We reversed a trend that persisted over the last five years in the transferred balances. This milestone marks a crucial moment, as for the first time since 2018, we once again have a positive net transferred balance, being our best result in the history of Afore XXI Banorte. We recorded a net growth of clients amounting to 9,275 million pesos, adding 42,304 new affiliated individuals.

WORKING CAPITAL

Customer service channels

- We operate with six types of channels, improving the experience of affiliated individuals. In 2024, applications through digital means increased by 25% compared to the previous year, reaching 1,298,058 transactions, while physical ones decreased to 1,029,627, thus promoting efficiency and accessibility.



VALUE GENERATION

MORE THAN:

2 MILLION PROCEDURES



11.6%

MORE PROCEDURES THAN THE PREVIOUS

IN OUR CUSTOMER SERVICE CHANNELS

- PERSONALIZED SERVICE OFFICES
- SERVICE MODULES
- TELEPHONE ASSISTANCE (CONTACT CENTER)
- MI AFORE DIGITAL XXIB
- AFOREMOVIL XXIB APP

CANALES DIGITALES

- WHATSAPP
- CHAT WEB
- FACEBOOK
- X
- EMAIL



25%

INCREASE IN REQUESTS
THROUGH DIGITAL CHANNELS





VALUE GENERATION

HUMAN CAPITAL

- In 2024, we enhanced the skills of **2,432 collaborators**, promoting diversity, equity, and an ethical and inclusive workplace.
- The training program aimed at developing technical and leadership skills reached **10,736 hours**.
- **1,439** collaborators participated in 10 training sessions focused on labor equality, human rights, gender equity, and the elimination of violence against women.

TECHNOLOGICAL CAPITAL

- We modernized our digital infrastructure to ensure efficient transactions, providing peace of mind to approximately 7.2 million affiliated individuals.*
- We strengthened our interaction through digital platforms and adapted to the needs of different generations and connectivity.

SOCIAL AND NATURAL CAPITAL

- We prioritize social impact by working on initiatives that directly benefit clients and their communities.
- We efficiently manage our resources to reduce the environmental impact of our operations.

*CONSAR <https://www.consar.gob.mx/gobmx/aplicativo/siset/CuadroInicial.aspx?md=40>:

VALUE GENERATION

RELATIONSHIP WITH STAKEHOLDERS

IN 2024, WE STRENGTHENED OUR RELATIONSHIP WITH:

SHAREHOLDERS

- Improving performance and optimizing costs.

INVESTORS

- Fostering trust and transparency through the publication of financial and sustainability reports.

AFFILIATED INDIVIDUALS

- We provide more accessible and personalized services through digital channels.

COLLABORATORS

- Promoting their professional development and an inclusive work environment.

NATIONAL COMMUNITY

- We drive economic growth through the management of pension funds for millions of people in Mexico.



GENERACIÓN DE VALOR

JOINT COLLABORATION

Number of collaborators in 2024
2,432

Beneficiaries of the "New Benefits" program
348

Average hours of training per year
80

Average hours per year of training for women
82

Average training hours for men
78

Technical training
122

Mentoring programs
3

Hours dedicated to staff training
10,736.50

Investment made in technical training
MXN 3,897,381.76



Wage gap



Employee turnover rate

ENVIRONMENTAL

Total energy consumption
11,968.38 GJ

Total water Consumption
31.5 Megaliter's/year

Generation of waste
316.16 tons

FINANCIAL

Operating expenses
MXN 3,459.1 million

Operating margin
3,068.1 million

Managed resources 2024
MXN 1.3 trillion at the end of December



IMPACTS

- Efficient use of resources, reduction of GHG emissions and waste generation.
- Environmental awareness of staff and other stakeholders.
- Promotion of sustainable practices for business.



- Availability of own resources.
- Trust in investors and stakeholders.
- Ensure operational continuity and manage the impacts of the remaining capitals.



- Development of staff capabilities and professional growth.
- Well-being of the collaborators.
- Greater productivity.



VALUE GENERATION

SOCIAL

Managed accounts
7.2 million

Net growth in the number of affiliated individuals who transferred to XXI Banorte in 2024
42,304

Digital Channels

- Mi Afore Digital XXIB •APP Aforemóvil XXIB •WhatsApp
- Web Chat •Facebook •X (Twitter) •Email

Physical procedures carried out at Service Offices
2023: 1,047,352
2024: 1,029,627

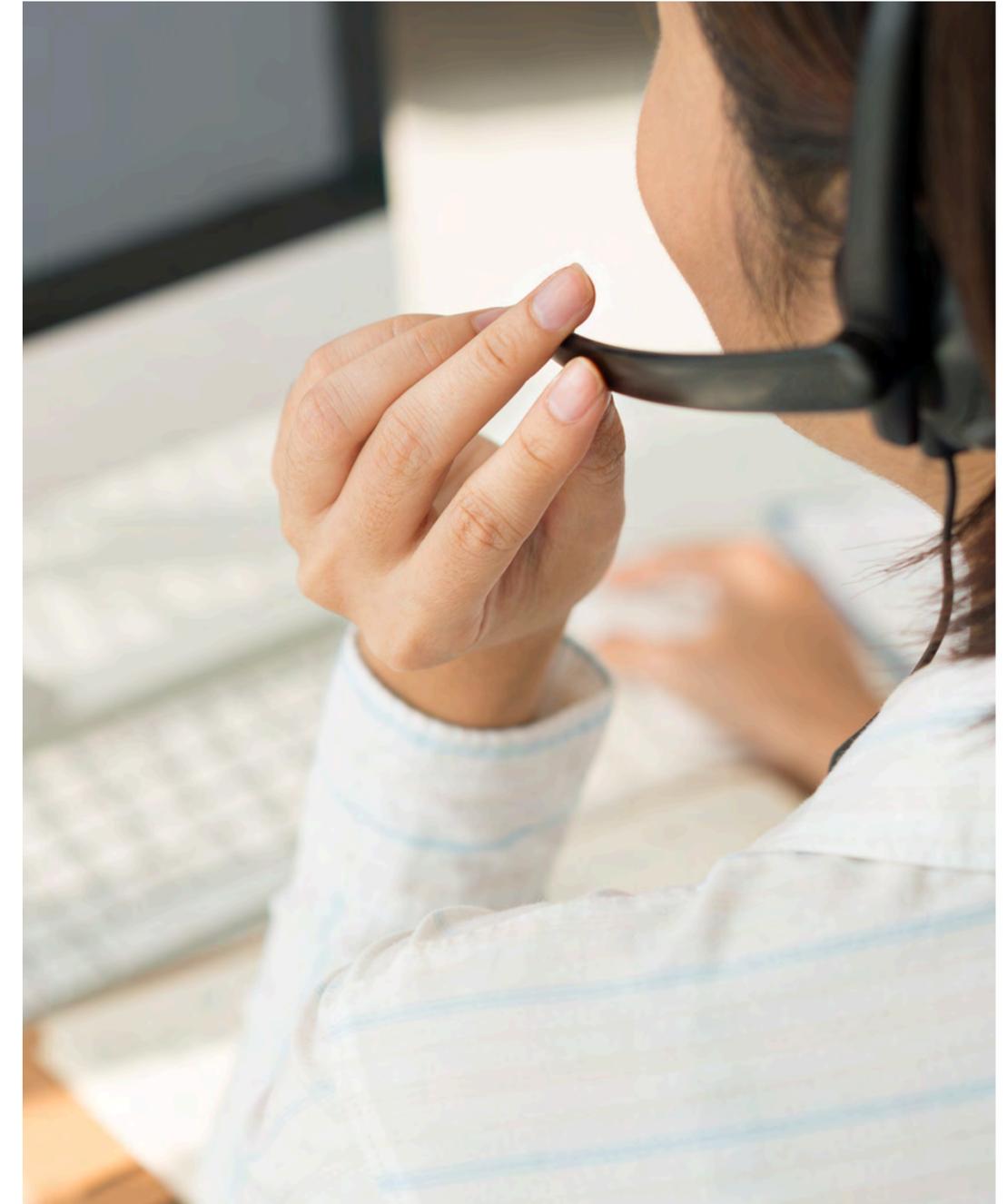
Balance for Voluntary Savings
MXN 57,776.12 million

- Customized Customer Service Channels
- Service modules
 - Telephone assistance (Contact Center)

Procedures carried out through digital channels (app, tablets, contact center)
2023: 1,037,098
2024: 1,290,058

IMPACTS

- Attention to the country's own needs, with different impacts depending on the theme.
- Financial inclusion and business development, with products for groups with access gaps.
- Effective operation of service channels.
- Facilitate staff performance by complementing the software integrated into the intellectual capital.

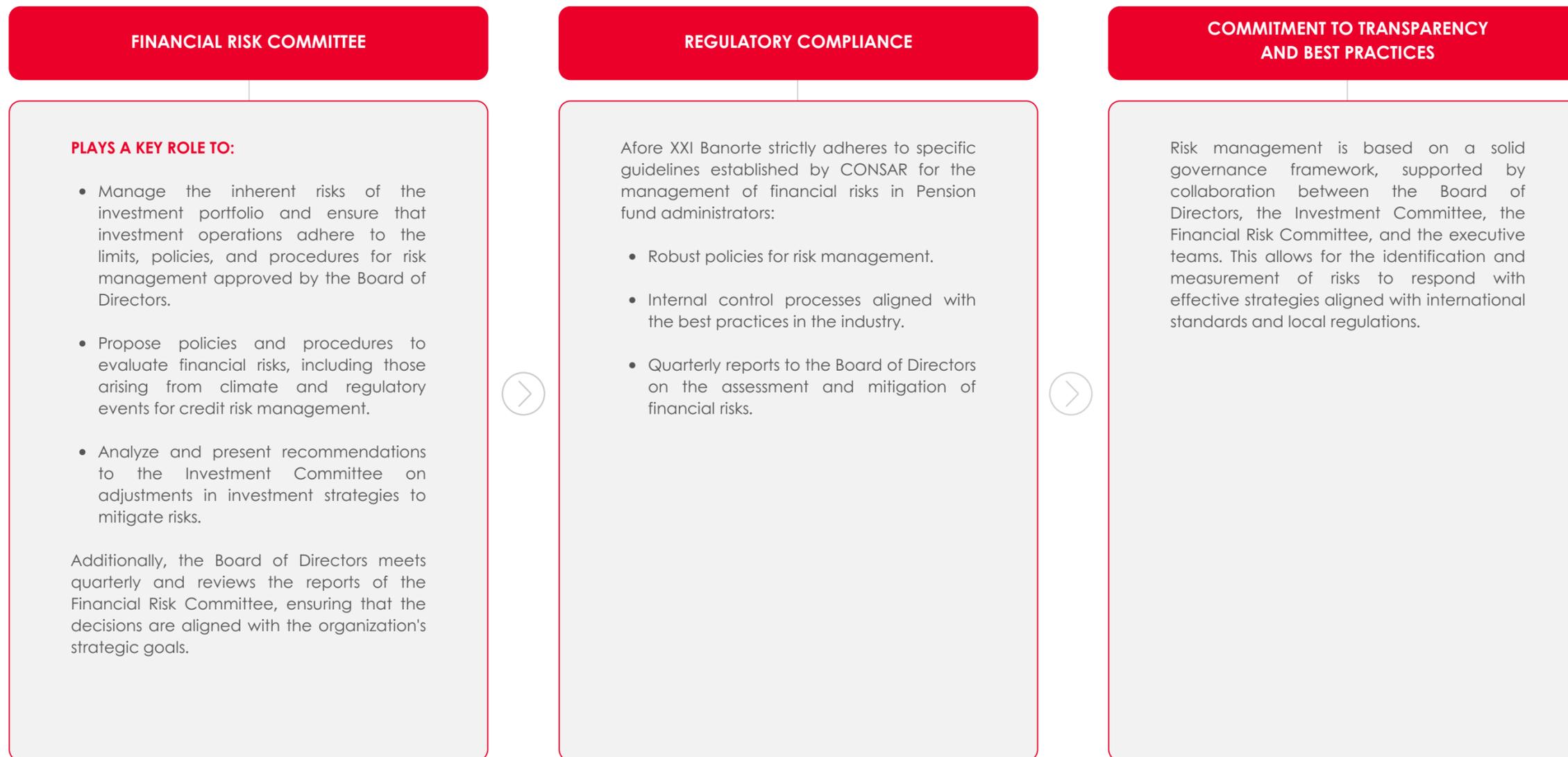


RISKS AND OPPORTUNITIES RELATED TO SUSTAINABILITY

GRI 2-12, 2-13, 201-2

RISKS MANAGEMENT

The **Board of Directors**, alongside the **Financial Risk Committee**, ensures effective and strategic oversight of the risks associated with our **operations**.



CORPORATE GOVERNANCE OF RISK MANAGEMENT

The governance framework of Afore XXI Banorte is based on a solid and well-defined structure, with an internal control system based on three lines of defense and strict compliance with regulations and standards.

RISK MANAGEMENT STRUCTURE AND ITS MANAGEMENT

In the corporate governance model, the Board of Directors of the Afore and Specialized Pension Funds Investment Companies (SIEFORE, by its acronym in Spanish) have Directors and Independent Directors, the latter being experts in financial, economic, legal, or social security matters.

FINANCIAL RISK COMMITTEES OF SIEFORE

The Financial Risk Committees of the SIEFORE are chaired by the CEO of Afore XXI Banorte and include Directors and Independent Directors in their composition. These Committees aim to manage the Financial Risks to which the SIEFORE are exposed, as well as to ensure that financial operations comply with what has been approved by the Board of Directors. To do this, they must define, approve, and monitor within the authorized limits of the investment regime. Policies aimed at prudently managing the resources of workers, as well as establishing methodologies and prudential limits applicable to the investments of the total assets of the SIEFORE. These Committees meet at least once a month, and their sessions must have the presence of at least one Independent Director.

INTEGRAL RISK MANAGEMENT UNIT

The Financial Risk Committees and the Investment Committees of the SIEFORE rely on the Administrator's Integral Risk Management Unit (UAIR, by its acronym in Spanish) specialized in the Financial Risk matter, to carry out risk management. Its goal is to identify, measure, limit, monitor, control, report, and disclose the risks to which the SIEFORE are exposed to the Financial Risk Committee, the CEO of Afore XXI Banorte, and the Regulatory Comptroller. In addition to developing policies, procedures, and methodologies for managing the various types of risks to which they are exposed, in accordance with the exposure limits defined by the Board of Directors of the SIEFORE.

Always at the forefront, Afore XXI Banorte has systems that provide information with complete, accurate, and timely data related to the financial risk management of the SIEFORE in accordance with the degree of compliance with policies and procedures. There is continuous updating on changes in the content and structure of the reports, as well as in the methodologies employed, which are found in the policies and procedures manual for financial risk management.

MONITORING

The investment regime is supervised daily, and an executive report is prepared for the CEO of Afore XXI Banorte, the Regulatory Comptroller, and the Head of the Investment Area on the behavior of the Financial Risks of the SIEFORE.

CORPORATE GOVERNANCE OF RISK MANAGEMENT

For Afore XXI Banorte, the Integral Risk Management function is a necessary and strategic tool to inform business areas, senior management, shareholders, and external bodies linked to Afore XXI Banorte about the risks inherent in its operation and how these are being measured and controlled.

Afore XXI Banorte recognizes the increasing complexity of financial and operational transactions. For this reason, it is considered that the management of operational risk is essential to maintain the integrity of internal controls, minimize errors in operations, and prevent fraud, with the purpose of strengthening security and solidity through process improvement.

OPERATIONAL RISK MANAGEMENT GROUP (ORMG)

It is the collegiate body that promotes and establishes criteria for a culture of Operational Risk management, encouraging continuous improvement in processes with the purpose of minimizing damages and impacts that may affect the personnel, the organization, and Afore XXI Banorte.

The ORMG aims to define policies and guidelines for carrying out the administration of Operational Risk and to monitor the levels of tolerance to Operational Risk. Additionally, it proposes the necessary corrective measures when the level of tolerance for Operational Risk approaches or exceeds the established limits.

To accomplish these tasks, it reports to the Audit and Corporate Practices Committee of Afore XXI Banorte, which reviews the levels of tolerance of Operational Risk, identifies the most important processes, purposes the corrective measures deemed necessary, and recommends their approval to the Board of Directors.

KEY GOALS OF THE ORMG

Promote an Operational Risk culture by encouraging the continuous improvement of processes through appropriate strategies that strengthen the fulfillment of fiduciary duty towards the staff and contribute to achieving the goals of Afore XXI Banorte.



FINANCIAL RISKS RELATED TO CLIMATE CHANGE

Climate change represents a significant financial challenge. At Afore XXI Banorte, we implement actions to face this challenge through:



Incorporation of sustainability criteria in investment risk analysis.

Alignment of strategies with international initiatives such as Science Based Targets (SBTI) and TCFD.

Investments in sectors that contributes to the transition to low-carbon economies and climate resilience.

To assess the potential impacts of extreme hydrometeorological events on the direct operation of our locations and on active management strategies, we identified and categorized the main climate-related risks and opportunities:

- **Short term:** until the year 2025.
- **Medium term:** until the year 2030

Hydrometeorological events were evaluated considering two global emissions scenarios: intermediate (RCP 4.5) and high (RCP 8.5). The frequency and severity over time were analyzed to determine the level of risk in offices and funded projects.

The fundamental hypothesis of the scenarios states that the level of danger from events such as droughts, floods, tropical cyclones, heatwaves, and thunderstorms remains for 2030, even under the projected climate change scenarios.

The physical risk analysis presented in this report focused on the physical locations of Afore XXI Banorte, while in the portfolio, the properties linked to the investment portfolio were included.

FINANCIAL RISKS RELATED TO CLIMATE CHANGE

PHYSICAL RISK EXPOSURE - OFFICES

At Afore XXI Banorte, the comprehensive management of environmental and social risks is a fundamental pillar of our business strategy. To mitigate any potential impact and effectively protect our key assets, we conducted an analysis that covers all our offices. This analysis seeks to anticipate the impacts that these events may have on people, assets, physical infrastructures, and the overall environment of the Administrator's operation.

To effectively manage these risks, we have insurance policies that cover material damage from weather risks, earthquakes, volcanic eruptions, damage to contents, consequential losses, debris removal, and extraordinary expenses.

The physical risk assessment identified four main categories that can impact our operations:

GEOLOGICAL RISKS 		
RISK (HIGH AND VERY HIGH)	NO. OF PROPERTIES	% OF PROPERTIES
Earthquakes	51	53%
Slopes	51	53%
Volcanoes	28	29%
Tsunamis	7	7%

HEALTH RISKS 		
RISK (HIGH AND VERY HIGH)	NO. OF PROPERTIES	% OF PROPERTIES
Covid-19	86	89%
Dengue	85	88%
Flu	75	77%

HYDROMETEOROLOGICAL RISKS 		
RISK (HIGH AND VERY HIGH)	NO. OF PROPERTIES	% OF PROPERTIES
Droughts	21	22%
Flooding	71	74%
Heatwaves	25	26%

CHEMICAL-TECHNOLOGICAL RISKS 		
RISK (HIGH AND VERY HIGH)	NO. DE PROPIEDADES	% DE PROPIEDADES
Gas stations	6	67%
Wildfires	4	4%

FINANCIAL RISKS RELATED TO CLIMATE CHANGE

PHYSICAL RISK EXPOSURE - PORTFOLIO

As part of our commitment to comprehensive climate risk management, we conducted an exhaustive analysis of climate vulnerability using advanced geolocation systems. This analysis is focused on identifying the exposure of strategic and critical infrastructure of the companies financed in our investment portfolio to physical climate risks, especially extreme hydrometeorological events.

This evaluation is part of our responsible investment strategy and allows us to:

- Quantity** the financial exposure of the fund to physical climate risks.
- Prioritize** discussion and active engagement with funded companies in high climate risk areas.
- Develop** support strategies to strengthen the resilience of the portfolio companies.
- Monitor** the progress of funded companies towards their decarbonization goals, aligned with the Paris Agreement.



Data coverage of the total portfolio of active strategies.

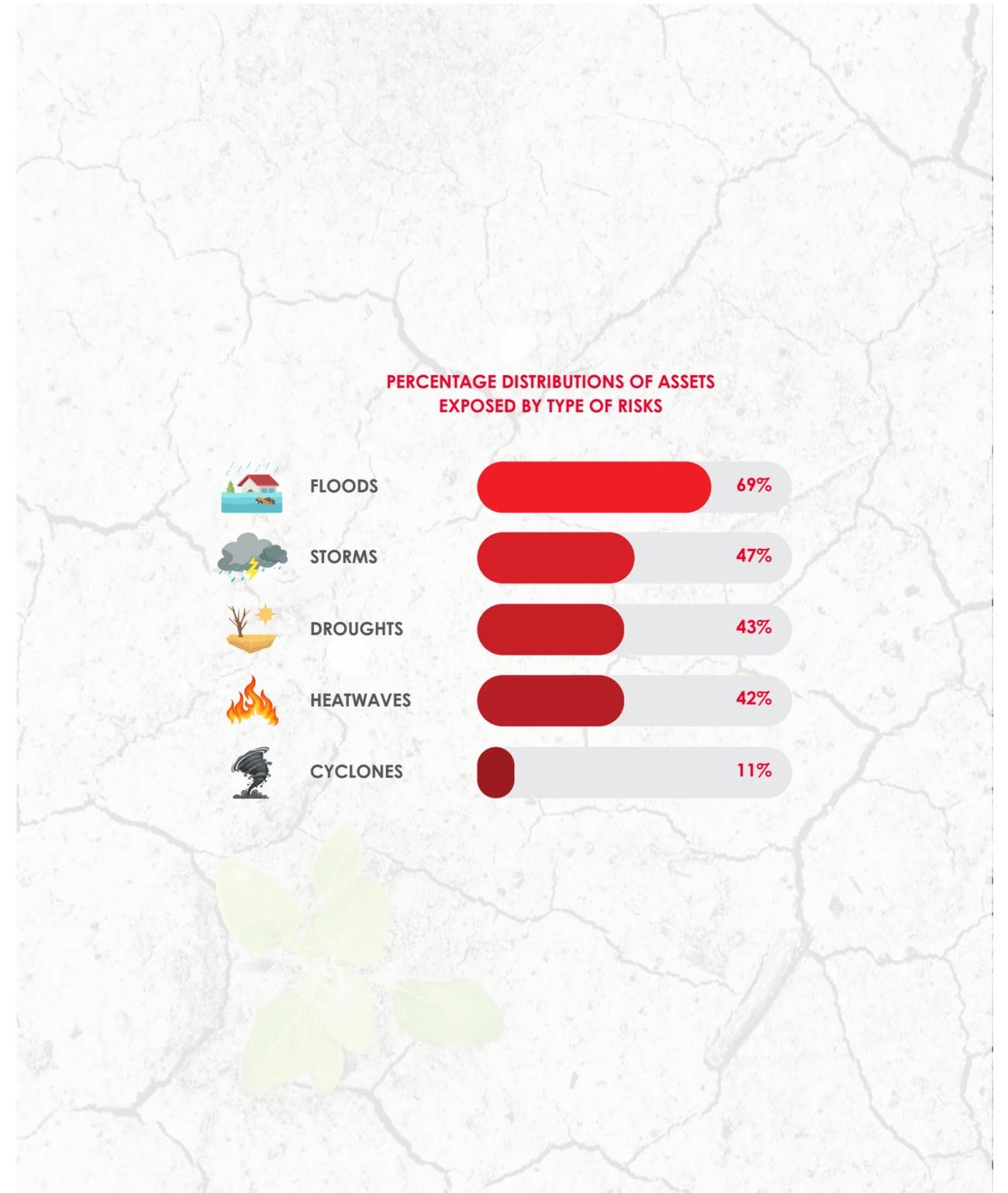


Of our evaluated portfolio; analyzes the risks derived from climate change.



Assets or projects are located in municipalities that are highly vulnerable to climate change.

Since the current relations of danger levels from different phenomena remain under the expected effects of climate change, our scenario analysis up to 2030 prioritizes monitoring projects in areas with potential danger.



FINANCIAL RISKS RELATED TO CLIMATE CHANGE

WATER STRESS

The world is facing a water crisis. According to WRI data (2024), each year 25 countries are exposed to extremely high water stress. Globally, half of the population experiences this stress for at least one month a year.

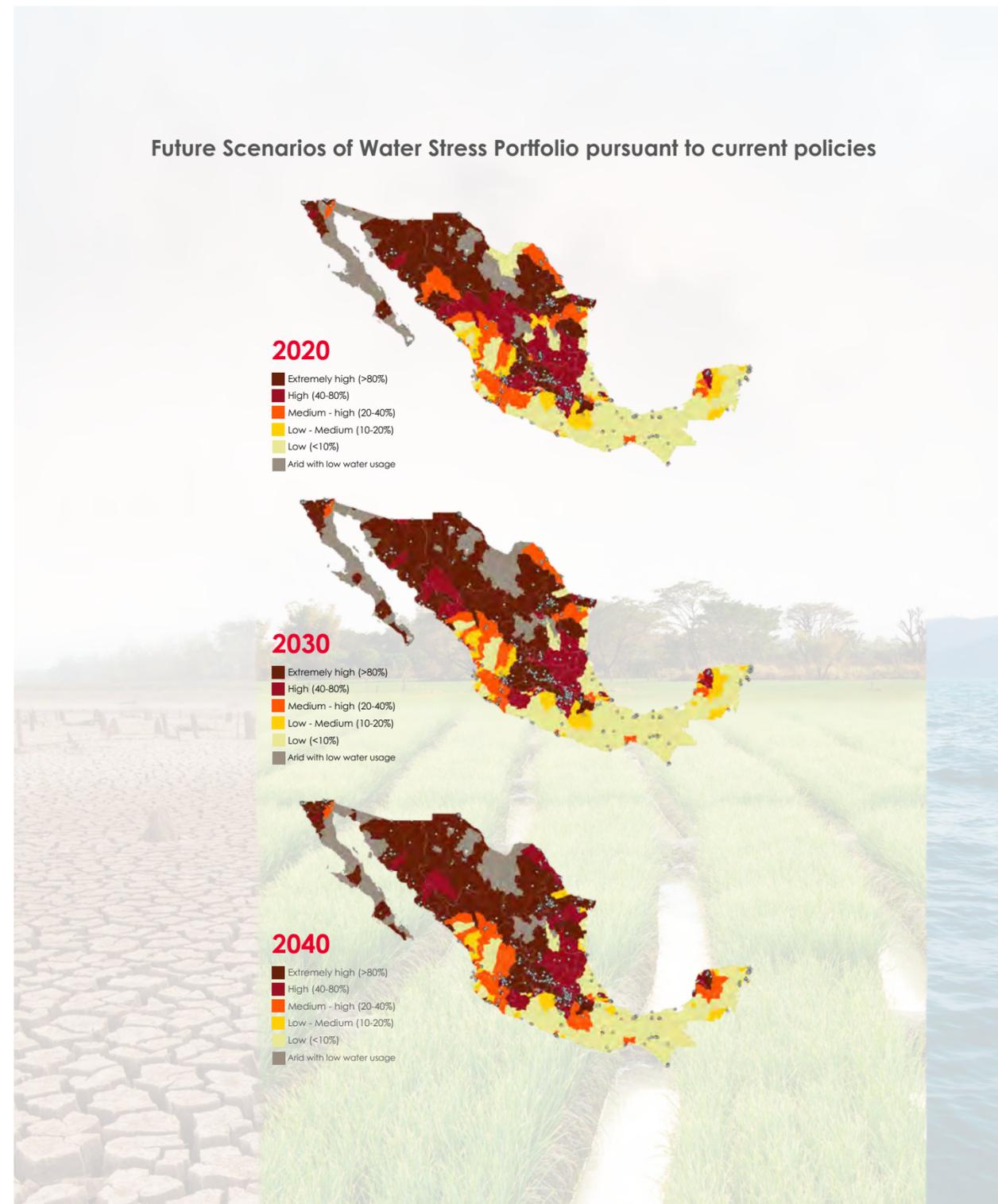
In the 2020 baseline scenario, with an RCP 8.5 trajectory (high GHG emissions), 81% of the assets managed by financed companies in the portfolio are exposed to high and extremely high water stress.

In the 2030 and 2040 scenarios, 82% and 83% of the assets respectively will be exposed to a very high or extremely high water risk. The projected water stress data highlight the need to address water management with comprehensive and sustainable strategies to mitigate impacts and ensure the availability of this resource for future generations.



Source: Self-elaborate based on World Resources Institute (2024) Aqueduct Water Risk Atlas

Future Scenarios of Water Stress Portfolio pursuant to current policies



GOVERNANCE AND BUSINESS CONDUCT

Good governance, acting ethically, and aligning with our Ethical and Corporate Integrity Framework are essential to building trust and fulfilling our commitments.

Our governance structure ensures clarity, accountability, and strategic decisions that generate value for all our stakeholders.

From the selection of our Board of Directors to the operation of our committees, every part of the structure acts responsibly and transparently, with special attention to sustainability, integrating it into all key decisions to strengthen the future of our affiliated individuals.

“We govern with purpose to build a stronger and more responsible future”.



4.1 GOVERNANCE STRUCTURE AND ROLES IN SUSTAINABILITY

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-19, GRI 2-20, GRI 405-1, PRI-PGS 11

BOARD OF DIRECTORS

Our highest governing body is the Board of Directors; its function is to direct and manage the business of Afore XXI Banorte, ensuring that its decisions and agreements protect the interest of the workers as well as the shareholders.

Among its main functions are:

- Approve the corporate structure of Afore XXI Banorte.
- Approve the directors with a hierarchical level immediately below that of the CEO.
- Approve the investment strategy, policies, and procedures.
- Approve the Business Plan.
- Review the report from the CEO on the management of Afore XXI Banorte and the SIEFORES, as well as resolve events that affect or hinder their compliance.
- Execute and monitor the compliance with the resolutions adopted by the shareholders' meetings.

By approving the Business Plan, the Board of Directors fulfills its corporate responsibilities while encouraging Afore XXI Banorte's strategies and goals to remain aligned with sustainability principles.

In addition to the elements in the investment circuit, it consolidates Afore XXI Banorte's leadership in sustainability policies, reflects its commitment to sustainable development, obligates itself to transform its services, and to strengthen its interaction with clients.

The CEO includes in the quarterly reports presented to the Board of Directors those actions that have an impact on socio-environmental and corporate aspects.



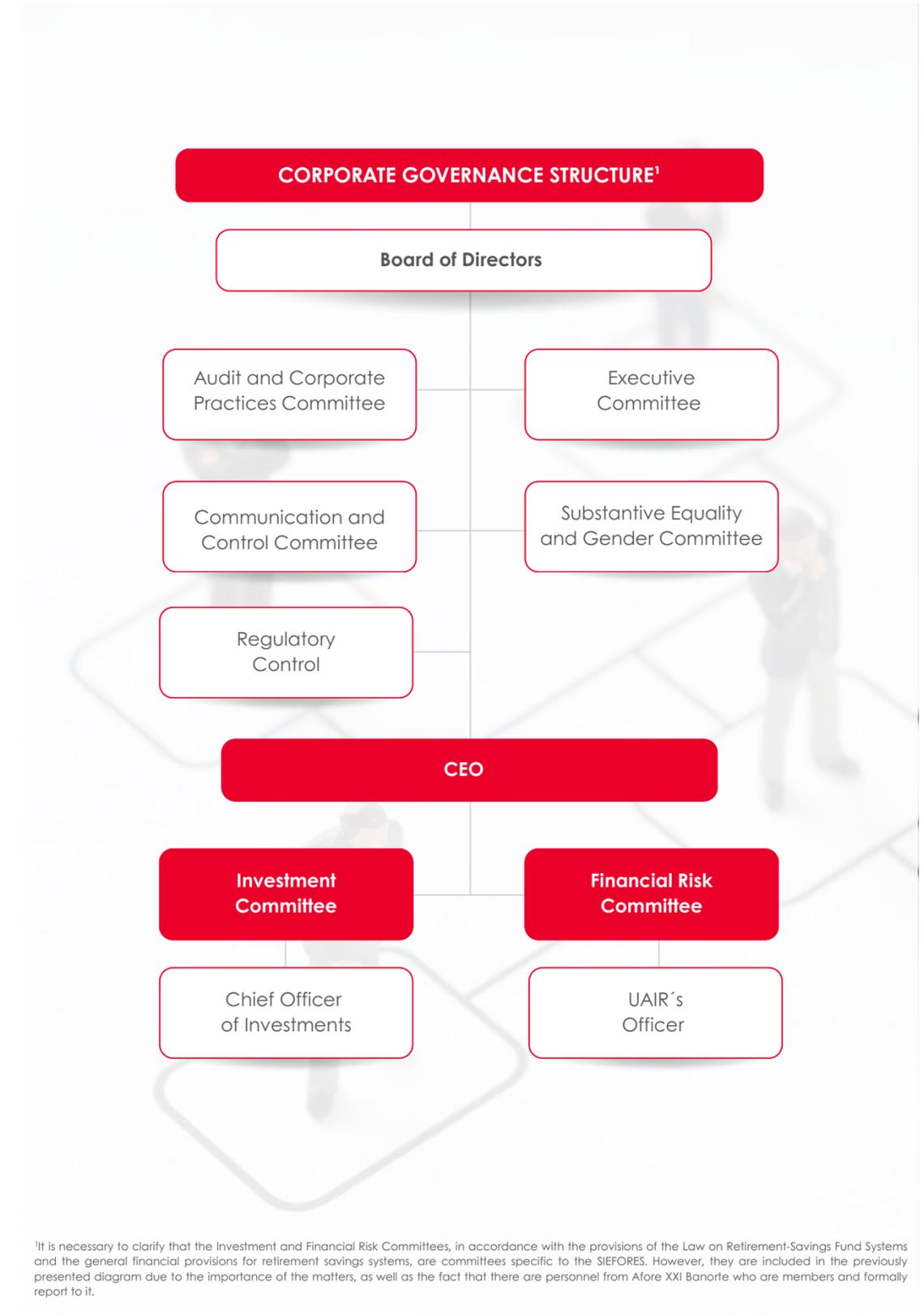
Independent Directors



Woman

Average tenure on the council of

7 years



¹It is necessary to clarify that the Investment and Financial Risk Committees, in accordance with the provisions of the Law on Retirement-Savings Fund Systems and the general financial provisions for retirement savings systems, are committees specific to the SIEFORES. However, they are included in the previously presented diagram due to the importance of the matters, as well as the fact that there are personnel from Afore XXI Banorte who are members and formally report to it.

4.1 GOVERNANCE STRUCTURE AND ROLES IN SUSTAINABILITY

INTEGRATION OF THE BOARD OF DIRECTORS

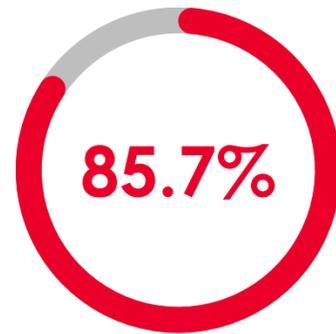
GRI 2-9

The Board of Directors is composed of 14 members. It is important to highlight that the chairmanship of the Board of Directors is held by a person other than the CEO.

COMPOSITION OF THE BOARD OF DIRECTORS BY GENDER

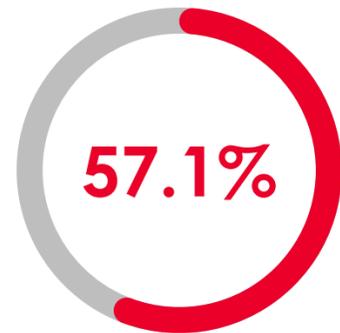


Woman

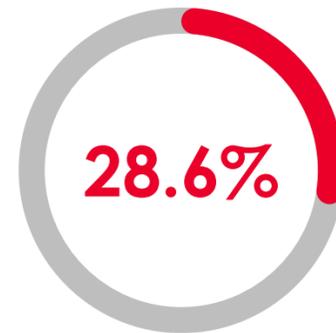


Men

COMPOSITION OF THE BOARD OF DIRECTORS BY AGE RANGE



50-60 years old



61-70 years old



81-90 years old



4.1 GOVERNANCE STRUCTURE AND ROLES IN SUSTAINABILITY

COMPOSITION OF THE BOARD OF DIRECTORS

GRI 2-9

The Board of Directors is composed as follows:

<p>FERNANDO SOLÍS SOBERÓN</p> <p>MEXICANO, 63 YEARS OLD</p> <p>CHAIRMAN OF THE BOARD</p> <p>STAY ON THE COUNCIL: 12 YEARS</p>	<p>JOSÉ MARCOS RAMÍREZ MIGUEL</p> <p>MEXICAN, 61 YEARS OLD</p> <p>HERITAGE DIRECTOR</p> <p>STAY ON THE COUNCIL: 12 YEARS</p>	<p>JOSÉ ARMANDO RODAL ESPINOSA</p> <p>MEXICAN, 55 YEARS OLD</p> <p>HERITAGE DIRECTOR</p> <p>STAY ON THE COUNCIL: 8 YEARS</p>	<p>JAVIER BELTRÁN CANTÚ</p> <p>MEXICAN, 56 YEARS OLD</p> <p>HERITAGE DIRECTOR</p> <p>STAY ON THE COUNCIL: 4 YEARS</p>
<p>ROGELIO GASCA NERI</p> <p>MEXICAN, 82 YEARS OLD</p> <p>HERITAGE DIRECTOR</p> <p>STAY ON THE COUNCIL: 2 YEARS</p>	<p>JOSÉ HÉCTOR TEJADA SHAAR</p> <p>MEXICAN, 51 YEARS OLD</p> <p>HERITAGE DIRECTOR</p> <p>STAY ON THE COUNCIL: 1 YEAR</p>	<p>CLAUDIA LAURA VÁZQUEZ ESPINOZA</p> <p>MEXICAN, 52 YEARS</p> <p>HERITAGE DIRECTOR</p> <p>STAY ON THE COUNCIL: 1 YEAR</p>	

Average tenure on the board: **7 years**

4.1 GOVERNANCE STRUCTURE AND ROLES IN SUSTAINABILITY

NOMINATION AND SELECTION OF THE HIGHEST GOVERNANCE BODY

GRI 2-9

In the Twenty-Fifth bylaw of Afore XXI Banorte it is established that the **Board of Directors** must be composed of 14 members, distributed as follows:

- **8 Heritage Directors**, who may have alternates.
- **6 Independent Directors**.

Each shareholder has the right to appoint 7 members, of which:

- **3** must be **Independent Directors**.
- **4** must be **Heritage Directors**.

However, the **General Shareholders' Meeting** may agree that the Board of Directors has a different number of members, in compliance with the SAR Law, Article 49.

REQUIREMENTS TO BE APPOINTED AS AN INDEPENDENT DIRECTOR

Prestige and professional experience

- Having recognized prestige in financial, economic, legal, or social security areas, with at least five years of prior experience.

Moral solvency and technical capacity

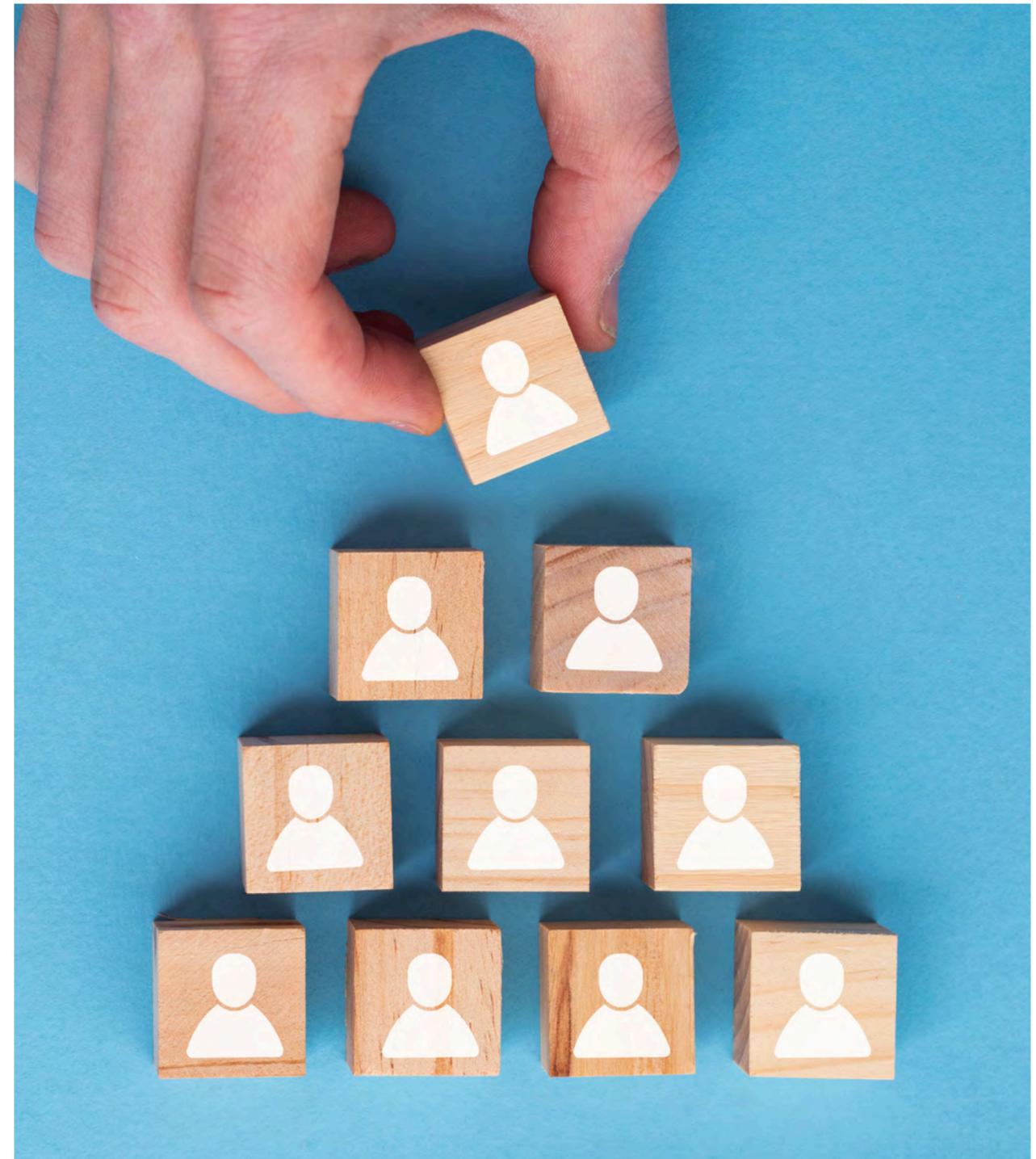
- Demonstrate moral solvency and prove technical and administrative capacity before the Commission.

Independence

- Being a person without marital ties, affinity, civil or consanguineous kinship within the second degree, lacking labor ties with the controlling shareholders or main officials of the Afore.

Compensation of the highest governing body

- The payments to the members of the Board of Directors are determined by the Annual Ordinary General Meeting of Shareholders.



SUPPORT COMMITTEES TO THE BOARD OF DIRECTORS



AUDIT AND CORPORATE PRACTICES COMMITTEE

This Committee supports the Board of Directors in the supervision management, and execution of the business of the Afore and the SIEFORE. Among their responsibilities are:

In the field of External and Internal Auditing

- Review and recommend to the Board of Directors the approval of financial statements, as well as the hirings of the External Audit Firm to conduct an audit of basic financial statements and monitor its activities.

In terms of Internal Control

- Issue opinions on the internal regulations governing the Control System Internal.

In terms of Operational Risk

- Recommend, for approval by the Board of Directors, the policies, guidelines, methodologies, and tolerance levels relating to Operational Risk.
- Propose corrective measures before deviations in risk tolerance levels.

Composition and integration requirements

- It is composed of four members, of which 3 are Independent Directors. It is composed of one woman and three men.

The requirements for its members are the same as those necessary to be part of the Afore XXI Banorte Council. The members are appointed equally by both shareholders.



COMMUNICATION AND CONTROL COMMITTEE

It is responsible for identifying, analyzing, and reporting operations that generate risks in terms of Money Laundering Prevention and financing of terrorism, in addition to establishing criteria to classify clients according to their level of risk.

Composition and integration requirements

- Five members and 1 guest; two women and three men.

This Committee is composed of:

- Heads of the areas designated by the Board of Directors.
- Heritage Directors.
- CEO or officials from the two ranks immediately below that of the CEO.

Among its members, a Compliance Offices must be appointed, who must be independent of the business units, excluding the Internal Auditor.



EXECUTIVE COMMITTEE

This advisory body supports the Board of Directors and the CEO in analyzing relevant issues for the shareholders that, if necessary, will be submitted to the board.

Composition:

Four members; one woman and three men, distributed as follows:

- 50% are Asset Directors
- 50% are officers of the shareholders.



SUBSTANTIVE EQUALITY AND GENDER COMMITTEE

Its aim is to promote equal opportunities for women and men at Afore XXI Banorte.

Composition and integration requirements

- Six members; three women and three men.

It is composed of the heads of the areas designated for their integration or their representatives.

SUPPORT COMMITTEES TO THE BOARD OF DIRECTORS



INVESTMENT COMMITTEE

Responsible for determining the investment policy and strategy of the SIEFORES, as well as the composition of financial instruments in which the workers' resources are invested.

Composition and integration requirements

- It is composed of 12 members: one woman and eleven men. (50% Independent Directors)

This Committee is composed of

- Administrator's CEO;
- Head of Investments;
- Other officials designated by the Governing Body of the Investment Corporation.

Restriction: Members of the Investment Committee are excluded from participating in the Risk Committee of SIEFORES, except for the CEO, who participates in both.



FINANCIAL RISK COMMITTEE

Responsible for approving the general risk management framework, establishing prudential measures for the Administrator's investments.

Composition and integration requirements

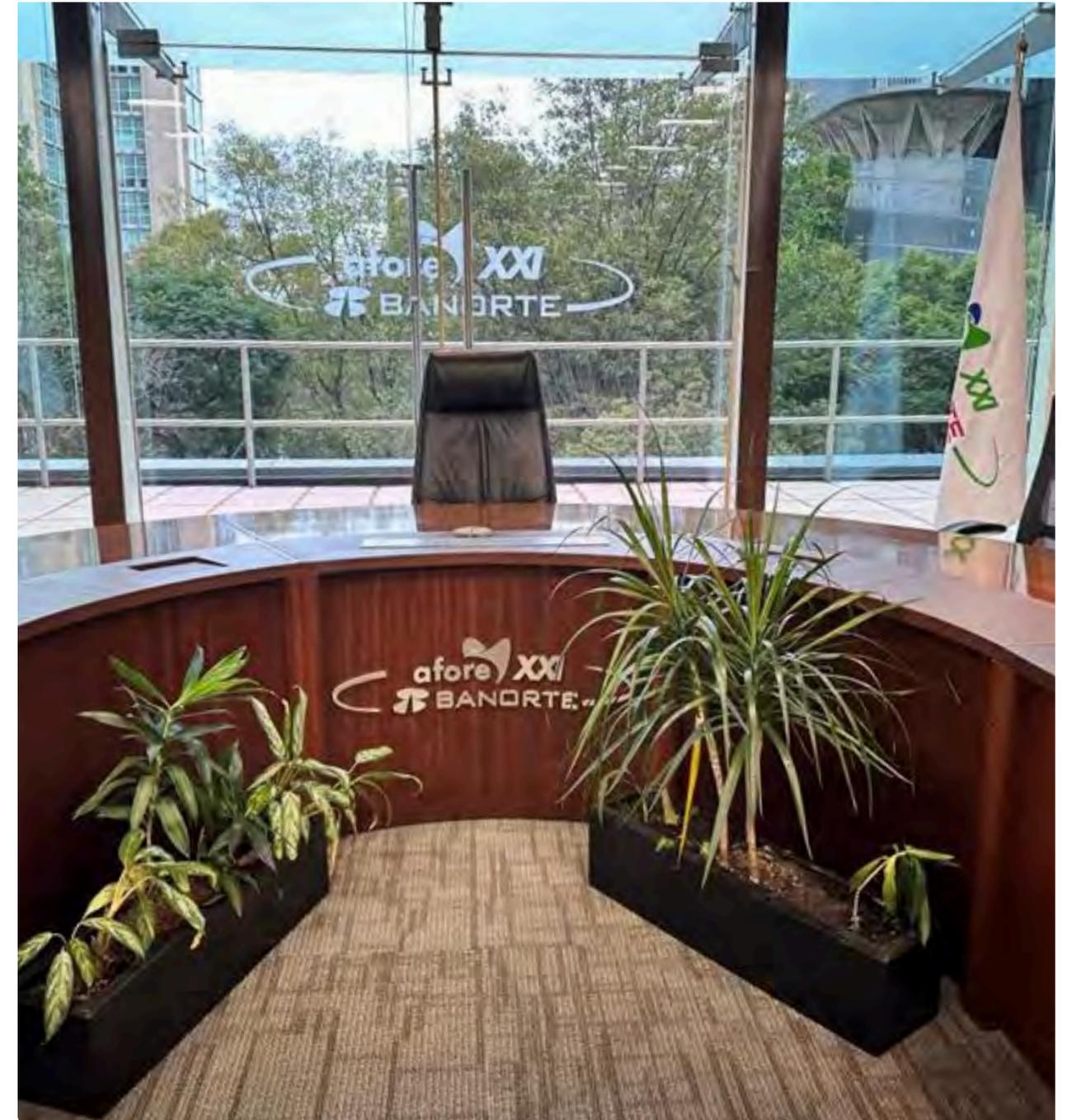
- It is composed of eight members: two women and six men.

Integrated by:

- Head of Risk Management Department;
- Independent Director;
- Independent Director of the corresponding Investment Corporation;
- Administrator's CEO.

Presidency: The Committee may be chaired by the CEO or by an Independent Director.

Restriction: Members of the Financial Risk Committee are prohibited from being part of the Investment Committee of the same Investment Corporation.



4.2 ETHICS AND TRANSPARENCY

GRI 2-15, GRI 2-23, GRI 2-24, GRI 2-25, GRI 2-26, GRI 2-27, GRI 406-1, GRI 416-2, GRI 417-2, GRI 417-3 FN-AC-510A.2

MORAL PRINCIPLES

At Afore XXI Banorte, we operate under a robust Ethical and Corporate Integrity Framework, aligned with our philosophy of leadership and responsibility. This framework sets forth clear guidelines for the conduct of all collaborators, promoting ethics, transparency, and respect for human rights, while establishing specific penalties for violations of these standards.

KEY PRINCIPLES OF THE ETHICAL FRAMEWORK

1. Equal Opportunity

- We ensure measures that promote inclusion and recognition of all individuals in our teams.

2. Non-Discrimination

- We enforce strict policies to prevent any form of discrimination in the workplace.

3. Corporate Ethics

- We encourage an organizational culture founded on integrity, supported by our Board of Directors and specialized Committees.

This Ethical Framework is mandatory for all collaborators and involves the participation of the following bodies, internal groups, and departments to ensure compliance and enforcement:

- Board of Directors of Afore XXI Banorte.
- Audit and Corporate Practices Committee.
- Internal Oversight and Penalties Committee.
- Steering Group on Ethics and Corporate Integrity.
- Substantive Equality and Gender Committee.

WITH THE PARTICIPATION OF:

- General Management.
- Administration and Finance Department.

INSTRUMENTS OF THE ETHICAL AND CORPORATE INTEGRITY FRAMEWORK

The Ethical Framework includes a set of codes, policies, and protocols that ensure compliance with our legal and ethical responsibilities.



4.2 ETHICS AND TRANSPARENCY

CONFLICT OF INTEREST

GRI 2-15

At Afore XXI Banorte, Directors must ensure that their participation in the Board of Directors is conducted with the highest level of transparency and integrity. In the event of a conflict of interest, the following measures are applied:

1. Prior notification

1.1. Upon identifying a conflict of interest, the Chairperson or the Secretary of the Board of Directors must be notified in writing at least one business day before the corresponding meeting.

2. Non-participation

2.1. They must avoid participating and being present during the deliberation and voting on matters related to the conflict.

2.2. Their absence must not affect the quorum required for the valid convening of the Board of Directors.

3. Liability for Non-Compliance

3.1. In the event of non-compliance with the Provisions, they are held liable for any damages and losses caused to the Company or its SIEFORES.

CONFLICT OF INTEREST POLICY

To strengthen integrity in decision-making, Afore XXI Banorte has adopted a strong Conflict of Interest Policy, which the Board of Directors has approved and updated.

It is structured as follows:

Mandatory Guidelines

Applicable to all members of the organization, including members of the Board of Directors, and all employees.

Preventive Rules

They establish clear procedures to identify and report potential conflicts of interest.

Disciplinary Measures

They define the applicable penalties in case of non-compliance, ensuring ethical conduct at all levels.

Link to the Code of Ethics

Reinforces the values and principles established in the Code of Ethics and Conduct, promoting an organizational culture based on transparency.

This regulatory framework protects the interests of our affiliated individuals, ensures the integrity of operations, and strengthens confidence in decision-making.

"During the period, only one conflict of interest was reported during the Investment Committee meeting, in which the instrument placement was carried out by Banorte. Therefore, members of Grupo Financiero Banorte were requested to abstain from voting."

ADMINISTRATIVE PENALTIES

During fiscal year 2024, Afore XXI Banorte received monetary penalties from two main regulatory bodies. The National Commission of the Retirement Savings System (CONSAR) imposed fines amounting to MXN 814,000. The National Commission for the Protection and Defense of Financial Services Users (CONDUSEF) imposed penalties of MXN 1,028,000. Therefore, we are committed to implementing action plans that enhance our internal control processes. These measures are designed to prevent non-compliance and reinforce our culture of regulatory compliance.

4.2 ETHICS AND TRANSPARENCY

COMPLAINT SYSTEM

Afore XXI Banorte has an Ethical and Corporate Integrity Framework that establishes the ethical standards and permitted conduct within our organizational culture. To ensure compliance, we provide our collaborators with a reporting channel for anonymously reporting any behavior that violates these principles.

The complaint handling process is based on a Human Rights approach and consists of the following stages:

1. **Reception** of the complaint and assignment of a case number.
2. **Referral** to the corresponding department.
3. **Acknowledgment** of receipt to the complainant.
4. **Detailed** collection of evidence.
5. **Evaluation** of the complaint by the investigation, analysis, and complaint response team, including the development of specific action plans that address the root cause.
6. **Determination** of the admissibility or inadmissibility of the complaint.
7. **Comprehensive** resolution assessment by a multidisciplinary team.
8. **Presentation** to the Internal Oversight and Sanctions Committee to determine actions.

All complaint details are strictly confidential and accessible only to authorized personnel. We have a formal protocol that establishes protective measures for the complainant. Additionally, we have implemented a Good Practices Guide, which helps staff understand the purpose of the reporting channel, identify appropriate cases, gather necessary evidence, and communicate tools assertively.

To strengthen our commitment to a healthy work environment, during 2024, the following measures were implemented:

- Continuous monitoring of the root causes of complaints and the behavior of involved parties.
- Assessment through the workplace harassment and bullying detection questionnaire.
- Collaboration with the consulting company Aequales - "Comprehensive Path to Gender Equity and Diversity" for specialized guidance.



4.2 ETHICS AND TRANSPARENCY

REPORTING SYSTEM

GRI 2-25, 406-1

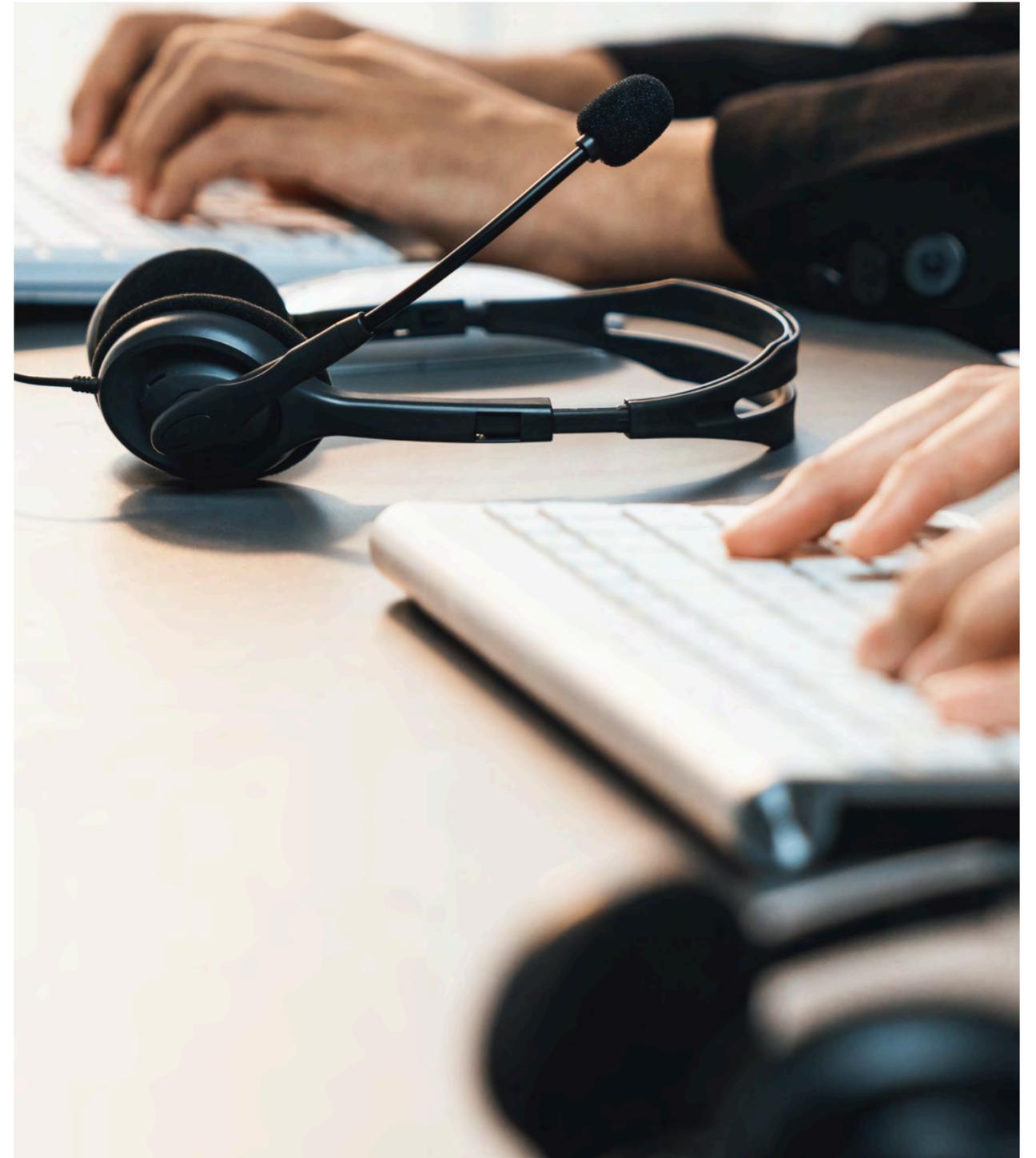
To ensure transparency and proper follow-up, quarterly reports on all received and investigated complaints, as well as the mitigation actions taken, are submitted to the company's highest level, including the Ethics and Corporate Integrity Group, the Substantive Equality and Gender Committee, and the Audit and Corporate Practices Committee. Externally, we conducted a study to identify and measure the effectiveness of complaint process within the company, as well as to identify strengths, areas, and processes to be reinforced, all with the aim of maintaining a high level of compliance with institutional ethics and integrity standards.

During the 2024 fiscal year, we received 54 reports through the Zendesk channel. 41 were related to human resources matters, and 13 were related to regulatory compliance and internal control matters. The volume of human resources-related complaints concerning discrimination and harassment decreased by 9 % compared to 2023 due to increased training, awareness campaigns, and the dissemination of the reporting tool.

Specifically, regarding discrimination, two complaints were deemed substantiated and sanctioned in accordance with the measures approved by the Governing Body, which included unpaid suspensions and terminations due to unacceptable conduct.

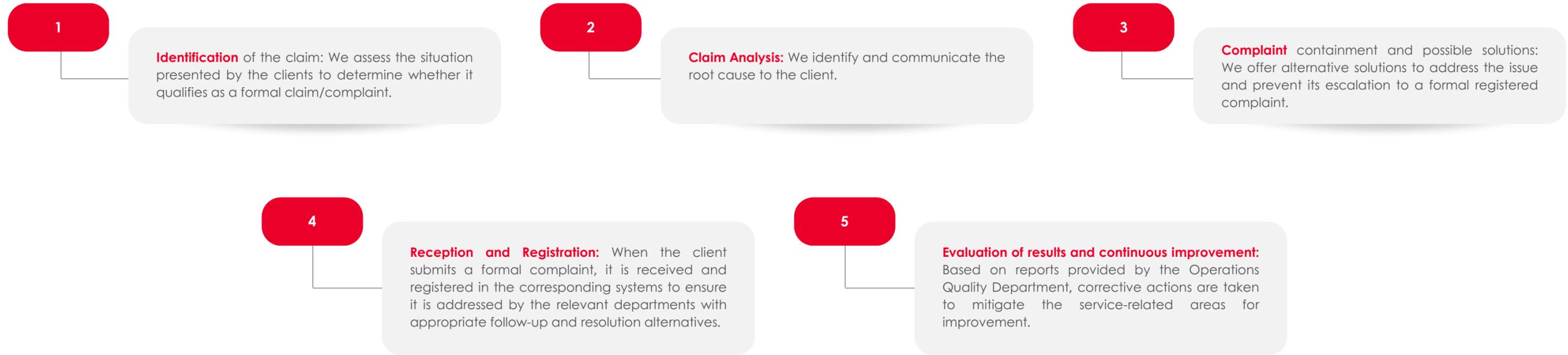
TOTAL COMPLAINTS 2024			
COMPLAINT CATEGORY	COMPLAINT TYPE	COMPLAINTS	TOTAL
Conflict of interest	Breach of policies and procedures	13	13
	Sexual harassment	2	
Discrimination or harassment	Workplace harassment	27	29
	Labor grievances	12	
Other			12
		Total	54

In 2024, no complaints related to theft, substance abuse, unsafe working conditions, or supplier complaints were reported.



AFFILIATE SERVICE PROGRAMS (COMPLAINTS RECEIVED AT SERVICE OFFICES AND CONTACT CENTERS)

At Afore XXI Banorte, we are committed to performing evaluations through our clients' feedback to identify and assess the impacts generated and implement effective action plans to address identified areas for improvement. This is achieved through collaborative engagement with various internal departments, offering appropriate solutions, in addition to continuous training on the importance of resolution and social responsibility, ensuring understanding of the organizational commitment to sustainability.



As part of our ongoing follow-up and specialized attention strategy, we prioritize maintaining continuous communication with our clients throughout the entire resolution process. This includes regular updates on the status of each case and effective coordination between the internal departments involved. We ensure that all individuals clearly understand the procedures to follow and the expected resolution times.

Our system classifies cases by category, including those related to pension advisors, service representatives, financial issues, or general service concerns.

This classification enables us to provide more accurate and specialized support based on the specifics of each case.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

205-1

DEPUTY MANAGEMENT OF ANTI-MONEY LAUNDERING AND OPERATIONS

This Department monitors and analyzes clients' operations to determine whether they are unusual, suspicious, or of concern. The result of the analysis is presented to the Communication and Control Committee.

COMPLIANCE OFFICER

The Compliance Officer carries out the following duties:

- Drafting and submitting the policies for client identification and due diligence for Committee approval.
- Informing the Committee of any operations whose characteristics may represent a high risk to the entity.
- Coordinating operations monitoring activities and institutional investigations of operations deemed unusual or suspicious, before Committee review.

COMMUNICATION AND CONTROL COMMITTEE

This Committee assesses whether a client's profile presents a potential risk to the Administrator and determines which operations must be reported to the Secretariat, through CONSAR, classifying them as either unusual or suspicious.

TRAINING ON ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING

Training is conducted annually for employers working in client-facing roles or resource management departments. It includes Customer Identification and Due Diligence Policies. Upon training completion, participants receive a certificate of evaluation attesting to their successful completion.

HIGH-RISK OPERATIONS

The Administrator classifies clients based on risk levels, considering the information provided regarding their estimated monthly operational amounts, which enables them to classify them as low and high-risk.

Afore XXI Banorte has a team responsible for reviewing all contributions exceeding USD 10,000, those made by high-risk individuals or those considered Politically Exposed Persons (PEPs), and verifying that they are not reported on official lists (OFAC-UIF by its acronym in Spanish).

DUE DILIGENCE

- Client information is verified during the account registration or transfer process of your Afore.
- When a Voluntary Contribution exceeds the established amount and the origin of funds is unclear, clients are contacted via phone, email, or postal mail to complete a Due Diligence Questionnaire, aiming to gather more information on the matter.

REPORT OF OPERATIONS

Operations classified as Relevant, Unusual, and Suspicious are reported to the Ministry of Finance and Public Credit (SHCP by its acronym in Spanish) via CONSAR, within the time frames established by regulatory provisions.

4.3 PROMOTING RESPONSIBLE GOVERNANCE

PRI-PGS 28

Addressing corporate governance issues is crucial for promoting transparency, accountability, risk management, long-term value creation, and the effective management of stakeholders relations. These corporate governance practices are the foundation for comprehensive sustainability management in the companies included in Afore XXI Banorte's investment portfolio.

148

Commitments adopted by companies in our portfolio.

50%

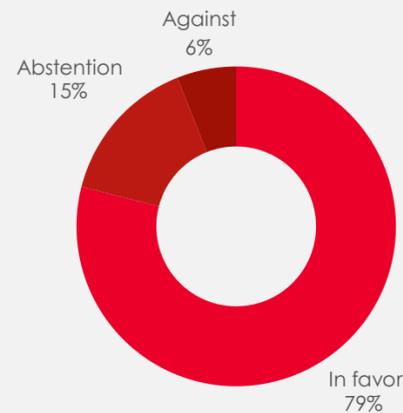
Of these commitments focus on corporate governance issues.

KEY TOPICS

RESPONSIBLE VOTING

As investors, we leverage our influence on support policies and decisions that uphold company accountability, transparency, and ethics. By informed and strategic voting, we aim to promote business practices that align with the highest corporate governance standards and the interests of our affiliated individuals and society as a whole.

During 2024, Afore XXI Banorte participated in a total of 183 meetings, including General Shareholders' Meetings and Technical Committee meetings, exercising its voting rights as follows:



DIVERSITY IN DECISION-MAKING

We acknowledge the importance of diverse perspectives and experiences in the Boards of Directors, which enable well-informed and balanced decision-making. We collaborate with the companies we invest in to encourage the inclusion of highly skilled and diverse professionals on their Boards.

We are proud to report that, to date, we have established 16 commitments with portfolio companies to achieve a minimum of 30 % female representation in senior management positions to establish the same percentage within Boards of Directors or Technical Committees. As a result of this initiative, the percentage of women in Governing Bodies has increased in the different types of assets in which we invest:

Percentage of companies with female participation in Governing Bodies:

2022: 58%

2023: 72%

2024: 74%

4.3 PROMOTING RESPONSIBLE GOVERNANCE

PRI-PGS 28

SUSTAINABLE STRATEGY

Developing policies and procedures and clearly defining roles is crucial for an effective, sustainable strategy. These elements provide a structured framework for action, help mitigate risks, ensure regulatory compliance, promote accountability, and enhance corporate reputation.

For Afore XXI Banorte, contributing to establishing the foundations of our issuers' sustainable strategy has been crucial. In fact, nearly one-fifth of the commitments we have established focus specifically on developing and managing companies' sustainability strategies.

36%

Of the total commitments set for corporate governance are focused on developing the companies' sustainable strategy.

CORPORATE ETHICS

Integrity or corporate ethics, supported by codes of ethics and dedicated committees, is essential for establishing a strong organizational culture, building trust and reputation, mitigating risks, complying with regulations, attracting and retaining talent, and ensuring the long-term success of the company. The main focus areas for Afore XXI Banorte's active engagement strategy are:

- Strengthening Codes of Ethics;
- Establishing Ethics Committees;
- Promoting Human Rights policies or initiatives.

ECONOMIC IMPACT

Economic impact and sustainability are linked. Economic actions that enhance environmental and social well-being usually provide long-term benefits, whereas unsustainable activities can create significant economic risks. The key is to integrate sustainability into economic decision-making to ensure a viable future for both people and the planet.



5.1 FINANCIAL RESULTS AND ECONOMIC CONTRIBUTION

GRI 2-16, GRI 201-1, GRI 201-3, GRI 207-1, 207-2, 207-3, 207-4

ECONOMIC PERFORMANCE

Our tax management is characterized by the full and timely fulfillment of our tax obligations, ensuring transparency and alignment with current regulatory provisions. This is achieved through an internal control system supervised by the Board of Directors and General Management, who receive periodic reports on compliance with tax provisions.

COMPLIANCE AND TRANSPARENCY

It is timely submitted:

- Tax filings and payments;
- Annual tax audit report;
- Ongoing reviews to ensure compliance with current legislation.

TAX GOVERNANCE APPROACH

- Detailed operating manuals;
- External audits;
- Continuous evaluations.

TAX RISK MANAGEMENT

A comprehensive tax risk management system, which includes:

- Identification and documentation of potential risks;
- Specific controls associated with our operations;
- Continuous update.

This approach allows us to anticipate potential contingencies and maintain the organization's financial stability.

OBLIGATIONS OF DEFINED BENEFIT PLANS AND OTHER RETIREMENT PLANS

Afore XXI Banorte ensures full compliance with its pension plan obligations by applying a responsible and sustainable management approach to the resources allocated for this purpose.

This pension plan allows employees to make voluntary contributions to increase their retirement fund. One of the main options is the **Voluntary Contribution of 50% of the employee's Christmas bonus**, which strengthens individual savings and complements the plan's defined benefits.

The estimated value of the obligations associated with the pension plan amounts to

MXN 356 million

ECONOMIC PERFORMANCE AND GROWTH

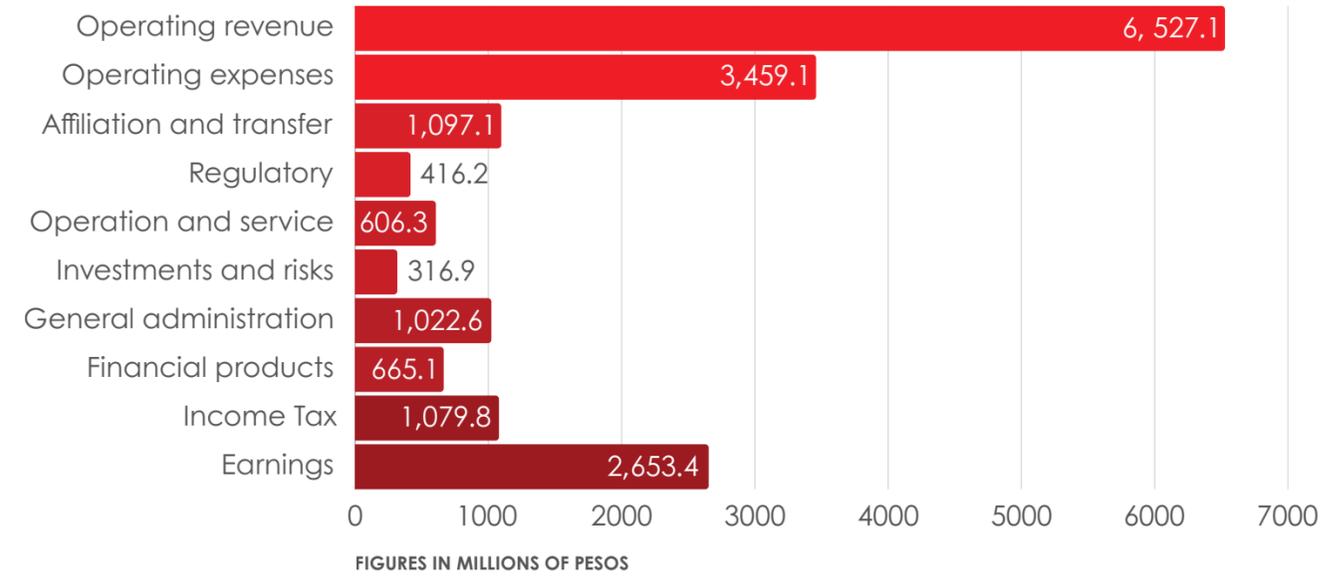
GRI 201-1

INCOME STATEMENT 2024

In 2024, Afore XXI Banorte strengthens its commitment to our clients by achieving solid financial growth.

Despite higher operating expenses, revenues increased, and the net result significantly improved compared to the prior year.

These results reflect the Administrator's ability to generate value for its stakeholders in a dynamic environment.



5.2 RESPONSIBLE INVESTMENT MANAGEMENT

GRI-2-22, GRI 2-23, GRI 2-24, GRI FS1, GRI FS2, GRI FS3, GRI FS4, GRI FS5, GRI FS7, GRI FS8, GRI FS9, GRI FS10, GRI FS11, GRI FS12, SASB FN-AC-000.A, SASB FN-AC-000.B, SASB FN-AC-410A.1, SASB FN-AC-410A.2, SASB FN-AC-410A.3, PRI-SLS 1, GRI FS12, PRI-PGS 1, PGS 2, PGS 3, PGS 4, PGS 5, PGS 6, PGS 7

At Afore XXI Banorte, the largest pension fund in Latin America, we invest with purpose. We aim to generate the best returns for our affiliated individuals while promoting projects and companies that contribute to the well-being of society and the planet.

Our investment strategy is based on a long-term sustainable development approach, prioritizing portfolios resilient to climate change, supporting initiatives with a positive socioeconomic impact on the country. Through the integration of sustainable criteria, we finance companies, funds, and projects that promote economic development with social and environmental balance.

In 2024, the Internal Audit Department conducted a verification to evaluate our sustainable processes and methodologies. The goal was to enhance our practices, ensure adherence to the highest standards in the field, and align our procedures with the industry's top international best practices.



ENVIRONMENTAL

Factors related to the natural world. These include the use and interaction with renewable and sustainable resources:

- Agua
- Biodiversidad
- Cambio climático
- Eficiencia energética
- Residuos



SOCIAL

Factors affecting people's lives, including the management of human capital and local client communities:

- Human capital;
- Cybersecurity;
- Human rights and labor standards;
- Diversity and inclusion;
- Occupational health and safety.



CORPORATE GOVERNANCE

Factors related to the allocation of duties, responsibilities, and among stakeholders in Governance:

- Board composition and diversity
- Corruption
- Ethics and transparency
- Executive compensation

99%

Of assets are assessed under sustainable criteria.

MXN 89 billion

in AUMs allocated to sustainability-themed investment.

In 2024, an audit was conducted by the Internal Audit Department to evaluate our sustainable processes and methodologies. This review aimed to verify and strengthen our practices, ensuring that we meet the highest standards in the field and are aligned with the best international practices in the sector.

INVESTMENT APPROACHES

Our commitment is clear: to build a portfolio that, in addition to providing financial stability to our affiliated individuals, promotes a more sustainable, inclusive, and responsible future.



THEMATIC INVESTMENTS

Sustainability-linked, gender, green, and social bonds.



SOCIALLY RESPONSIBLE INVESTMENTS

Applying social and environmental criteria in the evaluation of sustainable companies based on a set of criteria.



SOCIAL INVESTMENTS

Microfinance, microinsurance, access to clean energy, education, and health care services.



GREEN INVESTMENTS

Climate change, low-carbon energy generation, energy efficiency, recycling, waste management, clean transportation, water management, and eco-friendly/green buildings.



IMPACT INVESTMENTS

Investments made with the specific intention of generating a positive and measurable social and/or environmental impact along with a financial return.



ETHICAL INVESTMENT

Selection of companies that exclude investment in certain activities/products related to weapons, nuclear energy, non-compliance with the Universal Declaration of Human Rights, and the International Labor Organization agreements.

RESPONSIBLE INVESTMENT POLICIES

We have established policies designed to integrate sustainability factors into the analysis of the various instruments that make up our investment portfolio. We stand out as leaders in the sector in the sector in Mexico and Latin America, serving as a benchmark for best practices.



[Learn more](#) 

PRIORITIZING MATERIAL ISSUES

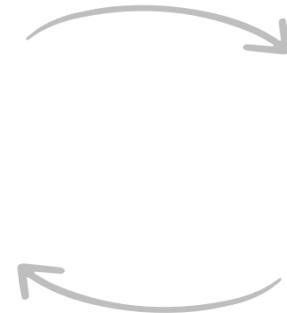
Determining financial materiality is crucial to assessing the impact of sustainability risks on portfolio performance. In 2024, the materiality definition process was enhanced, using methodological frameworks that reference disclosure standards and external providers such as SASB, IFRS, and MSCI. This allowed to identify the critical issues that may affect financial situation or operational performance in each sector. These standards clearly guide our sustainability evaluations, focusing on the industry's material aspects.

We assess double materiality by analyzing the company's influence on society and the environment, and the effect of these factors on the organization.

Social, environmental, and economic issues.



Social and environmental impact on the company.



Impact of the company on society and the environment.



Company: outside-in perspective.



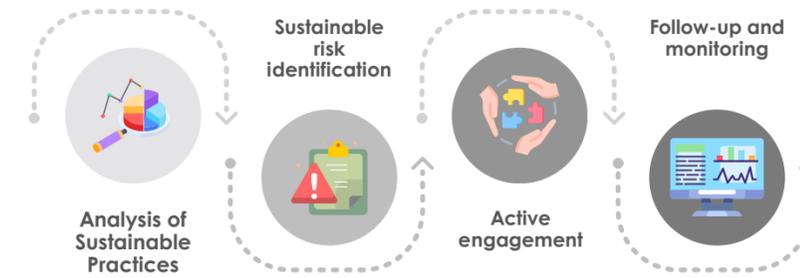
RESPONSIBLE INVESTMENT ANALYSIS

At Afore XXI Banorte, we complement our international provider's ratings with an in-house methodology to evaluate the sustainable performance of companies within our portfolio.

This analysis is based on four key pillars:



RESPONSIBLE INVESTMENT CYCLE



ANALYSIS OF SUSTAINABLE PRACTICES

Afore XXI Banorte's sustainability evaluation methodology complements the international rating used to evaluate portfolio companies' performance in terms of social, environmental, and corporate governance practices and risks. This methodology is structured around four core components:

- Selection of sustainability topics based on the **SASB Materiality Map®** that identifies and groups the most relevant indicators under three pillars: Environmental, Social, and Corporate Governance.
- **Evaluation of specific, measurable, and comparable indicators**, collected through internal or industry surveys on a sustainability platform;
- The **allocation of weighted scores** is based on the performance and sectoral relevance of each topic, including the Information Disclosure Index (IDI) for local equity and private debt companies; and
- The aggregation of scores leading to a **global rating from AAA to CCC (10 to 0)**, complemented by a risk management analysis, review of sector trends, and the issuer's strengths and weaknesses when public information is available.

In addition, a review is conducted and, if necessary, engagement activities are carried out. If an investment proposal is exposed to any of the sectors and/or activities listed on our Exclusion List, Afore XXI Banorte must apply this policy to all portfolio assets and mandates.

SOCIO-ENVIRONMENTAL AND CORPORATE RISKS

The sustainability evaluation, based on the company's materiality, reveals the key risks in sustainability and highlights areas with potential for improvement.

Prior to negotiating the commitments to be established, their relevance is assessed by evaluating the company's sector, our involvement in it, its representation in our portfolio, and the significance of the commitment's central issue. This process allows us to assess the importance of each commitment and focus efforts on the areas with the greatest impact on sustainability.

Our objective is to promote and disseminate practices for the integration and analysis of social and environmental factors in the management of portfolio companies or projects. This includes the disclosure of ESG-related information, executive and board compensation packages, realistic targets for carbon emissions reduction, product and supply chain traceability, among others.

ACTIVE ENGAGEMENT

EI is the process by which we exercise our influence as investors to encourage funded companies to manage ESG risks, increase the transparency of non-financial corporate information, and develop sustainability strategies.

The main purpose is to promote and drive the best practices of operational processes of companies within portfolio, through the following stages:

-  **Dialogue:** We engage in conversations with the issuing entities to understand their preparation for potential challenges.
-  **Commitments:** We work closely with companies, offering guidance and support to implement concrete measures.
-  **Voting:** As shareholders, we ensure that the measures are considered and effectively executed.
-  **Monitoring:** We closely track the compliance with the agreed measures and commitments to ensure their effectiveness.

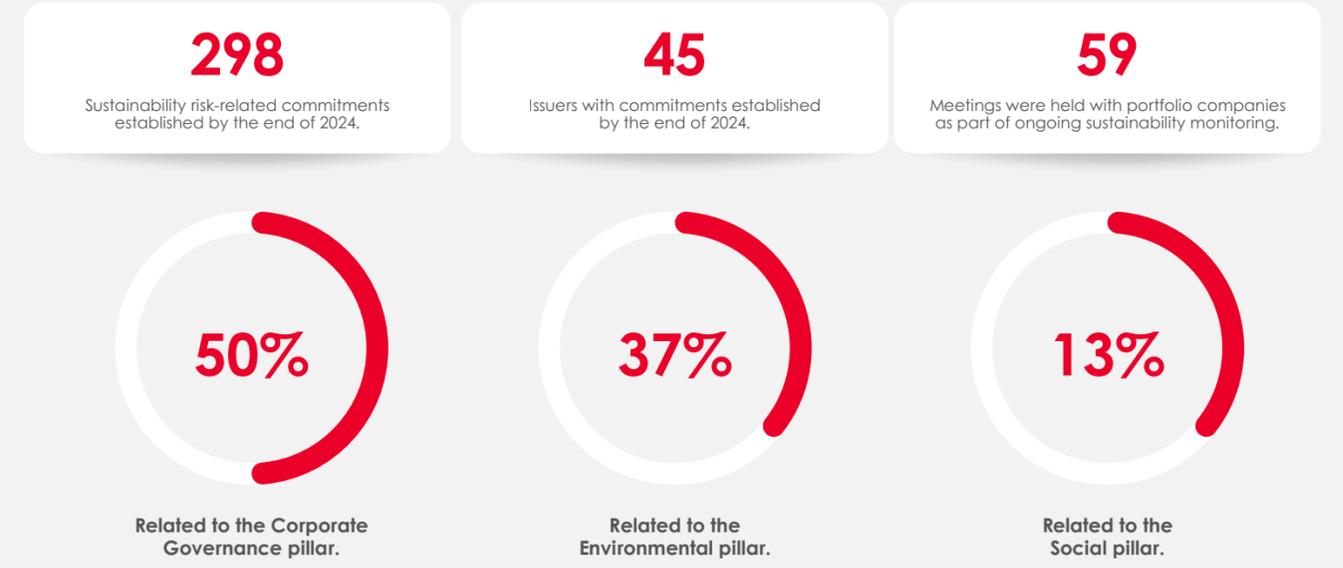
Our strategy integrates ESG factors into external asset managers' investment decisions and processes. These processes include three stages to integrate responsible investment principles and practices: selection, appointment, and mandate monitoring.

Our stewardship initiatives are contractually supported, ensuring that all external investment managers commit to aligning with specific ESG requirements.

FOLLOW-UP AND MONITORING

We maintain constant dialogue with the issuing entities that have undertaken commitments, keeping us informed of their progress in successfully achieving their goals. In this way, Afore XXI Banorte provides comprehensive support to companies.

As part of the monitoring process, public information screenings are conducted to identify risks and controversies, including natural disaster-related events (e.g., hydrometeorological risks) that may affect our assets. We believe that communication and information availability within Afore XXI Banorte's organizations promote transparency and strengthen the investment decision-making process.



COMMITMENTS

The channels through which individual or collective commitments are established include the following:



Afore XXI Banorte believes that collaboration with a diverse group of investors adds significant value to the management of our sustainability strategy. In 2024, recognizing the need to enhance the commitment to cutting emissions from the region's most polluting companies, we became founding members of the 'Climate Dialogues Latam' initiative. This initiative aims to decarbonize the economy and address the challenges of climate change in the region through direct collaboration with companies currently transitioning to more sustainable practices.

In addition to establishing individual commitments, we also engaged in collaborative and active dialogue with three of the most polluting companies in Mexico through the Climate Action 100+ initiative.

As a result, the companies committed to reducing the intensity of their greenhouse gas emissions and increasing the use of renewable energy across their operations, by implementing sustainable-focused business plans.



Communication and availability of information within Afore XXI Banorte's organizations promote transparency and strengthen decision-making. Therefore, regular monitoring is conducted with each funded company to document and report on progress and outcomes achieved.

5.3 SUSTAINABLE INVESTMENT VISION

GRI 2-22

THEMATIC INVESTMENTS

We have a comprehensive methodology to evaluate the sustainability performance of eligible projects or categories of thematic bonds, including ESG matters.

MXN 89 billion

In active strategies

MXN 2 billion

In active strategies

THEMATIC BONDS

Through a methodology, we evaluate the degree of sustainability and ESG performance of projects and issuers linked to thematic bonds, their performance, and the practices of the issuing entity that contribute to mitigating their impacts.

THEMATIC BOND PORTFOLIO ALIGNMENT



OVERALL PORTFOLIO SCORE
6.1

THEMATIC BOND DISTRIBUTION



MXN 55 billion

In thematic bonds

GREEN, SOCIAL, GENDER, AND SUSTAINABLE BONDS

The resources from these issuances are fully allocated to projects aimed to improving environmental conditions and promoting social development of the country.

Some of the funded categories include:

- Basic infrastructure that benefits the population in social lag and extreme poverty.
- Public services infrastructure.
- Disaster recovery projects.
- Sustainable transportation.
- Green buildings.
- Renewable energy and energy efficiency projects.
- Sustainable water and wastewater management.
- Pollution prevention and control.
- Climate change adaptation.
- Socioeconomic progress and empowerment.
- Access to essential financial services.
- Support for MSMEs and job creation.

SUSTAINABILITY-LINKED BONDS

We participate in the market with the initial sustainability-linked bonds, tools that encourage companies to establish sustainability goals and are directly connected to achieving performance indicators. The issuing entity of these bonds establishes significant indicators aligned with the business strategy, measurable with a consistent and verifiable baseline methodology.

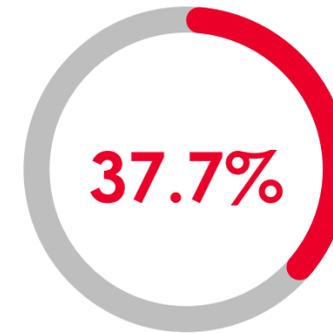
BLUE BONDS

We strengthened our thematic investment portfolio by participating in Mexico's development bank's pioneering issuance of the blue bond. This strategic investment aims to finance projects to conserve and restore marine and coastal ecosystems. It aligns with our sustainability strategy and directly contributes to the SDGs. Our participation reaffirms our commitment to developing the blue economy and preserving marine resources for future generations.

ALTERNATIVE INVESTMENTS

30% of our investments are allocated to sustainable projects, including renewable energy parks, agro-industrial production fields, healthcare centers, educational institutions, and women's empowerment programs.

The most significant proportion of our sustainable investments has been allocated to constructing and renovating roads, considered the backbone of developing economies, facilitating the movement of goods and people, trade, and investment. Education is also a key pillar, as it drives innovation, productivity, and long-term economic growth and the investment in clean energy is critical to addressing climate change, reducing greenhouse gas emissions, promoting environmental sustainability, and ensuring long-term energy security.



Road construction and renovation



Educational centers (schools)



Wind farms



Solar parks



Agro-industrial projects



Public or private hospitals



Hydroelectric plants

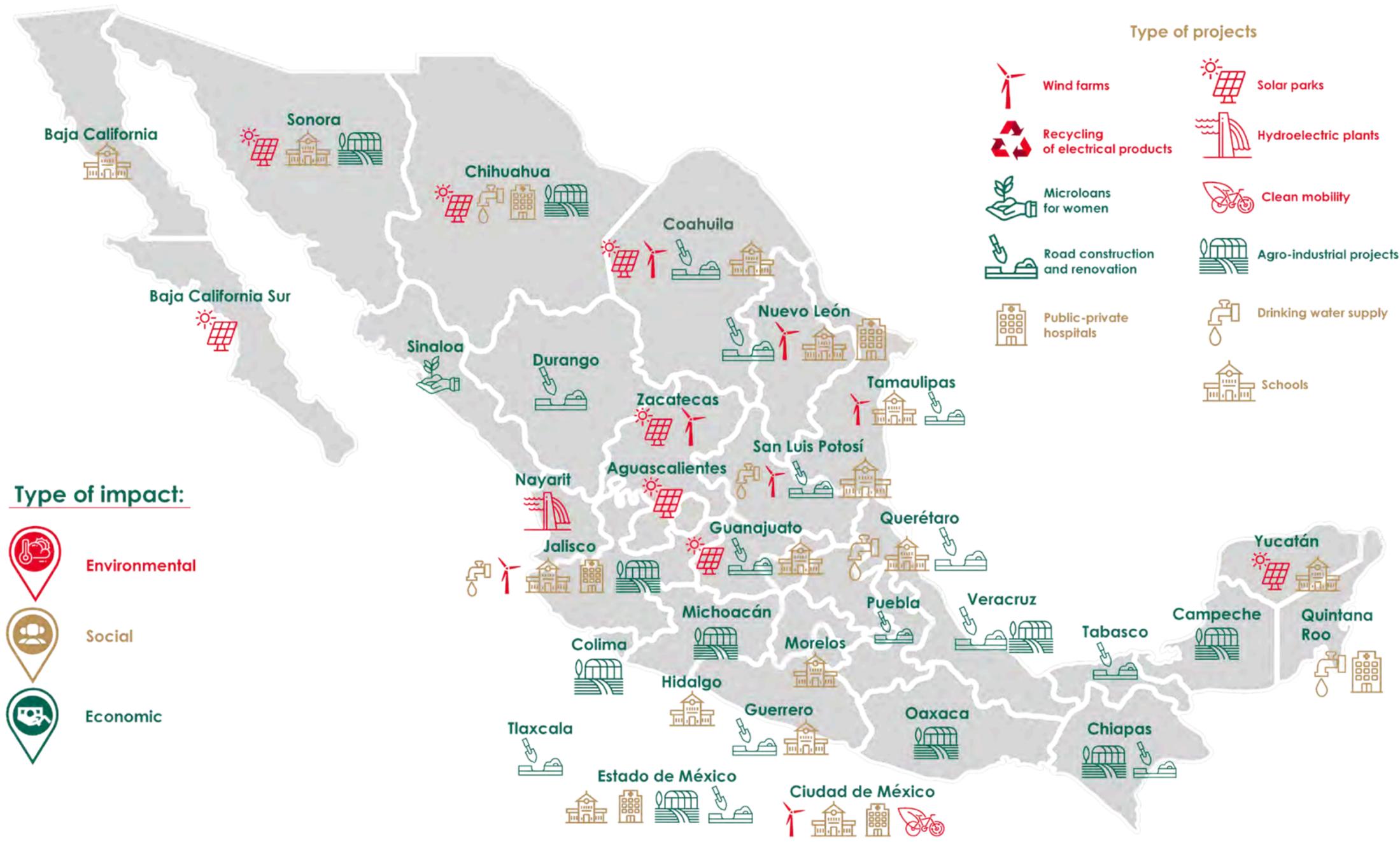


Clean mobility



Water treatment or supply

SUSTAINABLE INVESTMENTS



ENVIRONMENTAL IMPACT

At Afore XXI Banorte, we are committed to minimizing our environmental footprint through strategies focused on energy efficiency, resource use optimization, and responsible waste management. We believe that every action matters, which is why we integrate sustainable practices into our operations to generate a positive impact on the planet.

“We reduce today to protect tomorrow”.

6.1 CARBON FOOTPRINT

GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, PRI- SO 3, SO 3.1, SO 3.2, SO 3.3, PGS 41, PGS 41.1, PGS 42, PGS 43, PGS 44, PGS 45, PGS 4

AFORE XXI BANORTE EMISSIONS

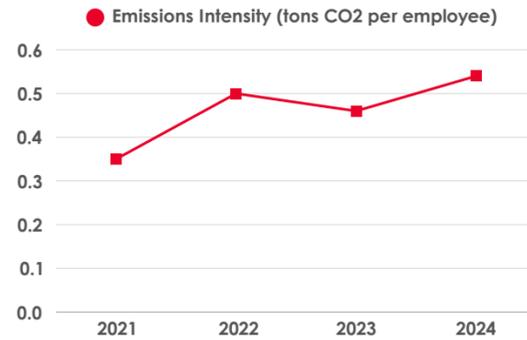
Internally, we monitor the emissions generated by our direct and indirect activities, using the operational approach outlined in the accounting principles of the GHG Protocol. To ensure the traceability and quality of the data collected, our annual GHG inventory for Scope 1 and Scope 2 emissions undergoes a verification process conducted by an independent review entity and an organization accredited by SEMARNAT for GHG emissions verification (OC-VV-GEI).

SCOPE	2021	2022	2023	2024	2023 VS 2024
	(TCO2E)				%
1	132	145	204	195	-59%
2	1,028	1,095	1,114	1,127	1%
1+2	1,161	1,250	1,318	1,322	0%

Scope 2 emissions for 2023 were adjusted compared to what was reported in the previous report, reflecting a calculation update to ensure greater accuracy in the measurement of our carbon footprint.



It is important to note that, due to the nature of Afore XXI Banorte's operations as a pension fund, direct air emissions are considered irrelevant for the organization. The organization's main activities focus on the management and administration of pension funds and do not involve industrial processes or operations that generate significant atmospheric emissions.



For the calculation of emission intensity, the following employee counts were considered: 2,432 employees in 2024; 2,864 employees in 2023; 2,462 employees in 2022, and 3,272 in 2021.

GHG PROTOCOL CATEGORIES	DESCRIPTION	SOURCE	2023	2024 (tCO2e)
1	Purchase of goods and services	Refrigerant gas refills	72.97	0
3	Fuel and energy-related activities	Transmission and distribution of electricity and well-to-tank fuel emissions	ND	229.42
6	Corporate travel	Business-related flights	50.51	66.01
15	Investments	Financial emissions	10,101,324	12,651,450 ¹

The increase in investment portfolio emissions is mainly due to the 20% increase in the amount of sovereign bond investment and the increase in the country's production and consumption emissions, which increased by 17% in the period (2023) to close with a total of 980 million tons of GHG emissions.

6.2 RESOURCE AND ENERGY CONSUMPTION

GRI 302-1, GRI 302-4, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-5, GRI 306-1, 306-2, 306-3

ENERGY CONSUMPTION (GJ)

ENERGY CONSUMPTION						
SOURCE	FUEL	2021	2022	2023	2024	2024 VS 2023
Utility vehicles	Gasoline	1,772	2,002	2,822	2,701	-4%
	Diesel	61	13	7	0.7	-90%
Electricity	NA	8,756	9,060	9,156	9,266	1%
	Natural gas	2	-	-	-	-
Total		10,591	11,075	11,985	11,968	-



Energy intensity (GJ per employee)

SUSTAINABLE WATER MANAGEMENT

We recognize that water is a vital and limited resource; therefore, we promote the optimization of its use and encourage its reuse in our corporate operations.

Our supply comes entirely from the Cutzamala System, which is fed by a system of rainwater collection dams and provides water to about 20% of Mexico City, where the corporate office of Afore XXI Banorte is located.

The facilities at Torre Mayor feature state-of-the-art hydraulic infrastructure, including a wastewater treatment system that complies with Mexico City's NADF-015-AGUA-2009 regulations.

Treated water is used for:

- Air conditioning systems (cooling towers).
- Sanitary services.

WASTE

The waste generated comes from corporate activities: documents, use of electronic and technological equipment, furniture renewal, cleaning and maintenance of facilities, paper and cardboard waste, and electronic and chemical waste.

Aware of the impacts they can generate, we develop recycling and reuse programs, promote the use of biodegradable materials, and strive to improve energy efficiency and reduce emissions. We train and raise awareness among staff and the supplier team about the importance of sustainable waste management.

OUTSTANDING INITIATIVES

- 1 "Zero Waste" program with donation of surplus food.
- 2 Organic waste separation system.
- 3 Prioritization of local and organic products.
- 4 Menu with vegetarian options to reduce the environmental footprint.

MANAGEMENT PROCESS



INITIAL SEPARATION

Classification in specific containers.



PROCESSING

Separation and recovery of recyclable materials.



FINAL DISPOSITION

Management in accordance with current environmental regulations.

Based on an analysis of waste generation conducted over a week and surveys applied to the collaborators, as well as the waste record, the following information was obtained:



Each employee generates approximately:

130 kg/year of waste



316 tons

of annual waste generated throughout the organization.

The waste generated is:

Organic (mainly food waste) and inorganic such as paper, cardboard, glass, metal, and plastic, which together represent 95%, while electronic waste represents 5%.

Data limitations:

- The generation of waste can vary depending on the season and specific activities.
- The accuracy of the data depends on the quality of the information provided by the staff and records.

BIODIVERSITY

At Afore XXI Banorte, biodiversity is a strategic commitment that we integrate into our activities. After a geographical analysis of our 97 branches, we identified that four of them are located in areas of high biodiversity value, especially in national parks and protected areas of flora and fauna. The cartographic identification was carried out based on the official layer of Protected Natural Areas (ANP, by its acronym in Spanish) provided by the National Commission of Protected Natural Areas (CONANP, by its acronym in Spanish).

Our approach to managing these locations is based on two main pillars:

Trade Compliance

- Prior to the formalization of the lease agreements for each location where AXXIB's offices are situated, we request from the landlords the current land use permit granted by the municipal authority to determine the feasibility of the offices' operation.
- Every year, operating licenses are processed and renewed in 22 offices.

Sustainable Operation

- We implement protocols that respect the biodiversity of the environment.
- We respect the biodiversity of these sites for their role in the conservation of flora and fauna, as well as for the environmental services they provide.



6.3 STRATEGIES FOR REDUCING THE ENVIRONMENTAL FOOTPRINT

GRI 2-24, GRI 2-25, 302-4, 302-5, 305-5

ENERGY EFFICIENCY INITIATIVES

As part of our commitment to sustainability and the reduction of energy consumption, we implemented various initiatives to optimize the use of our resources.



MODERNIZATION OF AIR CONDITIONING SYSTEMS

We renewed our air conditioning infrastructure with the installation of 50 units featuring inverter technology. This renewal generated an estimated energy savings of 107.45 kWh/year, thanks to the optimization of the motor operation characteristic of this technology.



INTELLIGENT MANAGEMENT OF THE CORPORATE BUILDING

Our corporate building is equipped with an automated management system that controls the climate and lighting. This software allows the scheduling of system operations according to work hours, thus optimizing energy consumption and avoiding the unnecessary use of resources outside of working hours.



EFFICIENT LIGHTING SYSTEM

We adopted a comprehensive, efficient lighting policy based on two main aspects: the installation of LED fixtures in all new offices and the gradual replacement of existing fixtures during maintenance. This technology ensures lower energy consumption and maintains optimal lighting levels.



SOLAR RADIATION CONTROL

We implemented a comprehensive thermal control system that includes:

- Installation of 200m² of 3M Prestige 70 solar control film, which blocks 99% of UV rays.
- Active blind management program on facades to regulate interior temperature.

These measures significantly reduce the demand for artificial air conditioning.



INFRASTRUCTURE FOR SUSTAINABLE MOBILITY

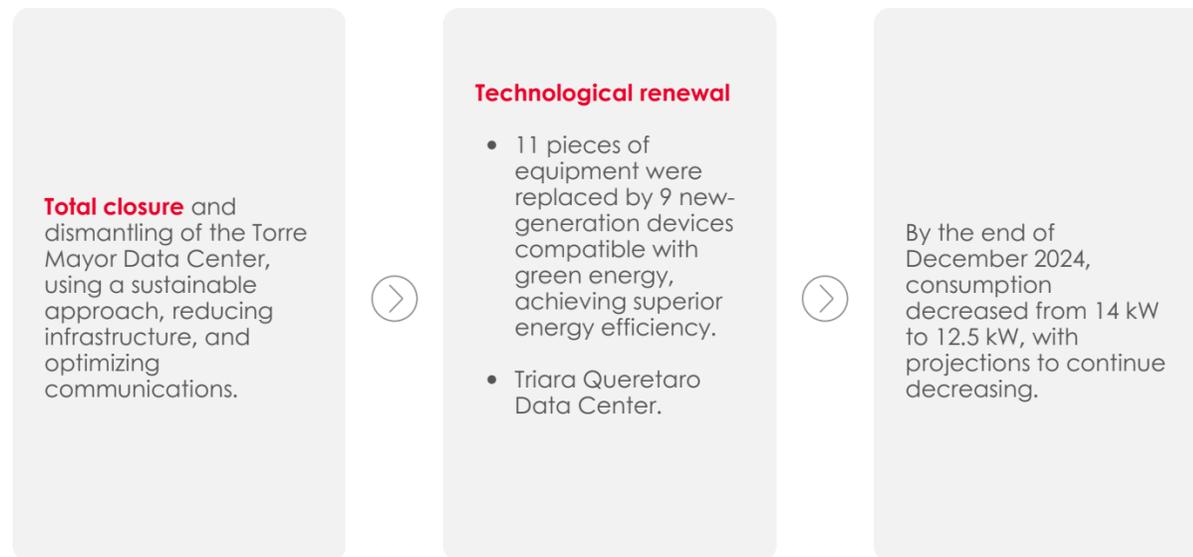
As part of our vision for the future, we installed two electric vehicle charging stations in our parking lot, facilitating the operation of Afore XXI Banorte's electric utility fleet.

DECARBONIZATION INITIATIVES

Regarding Afore XXI Banorte's sustainability principles, the 2024 technological renewal incorporated initiatives for the decarbonization of data centers.

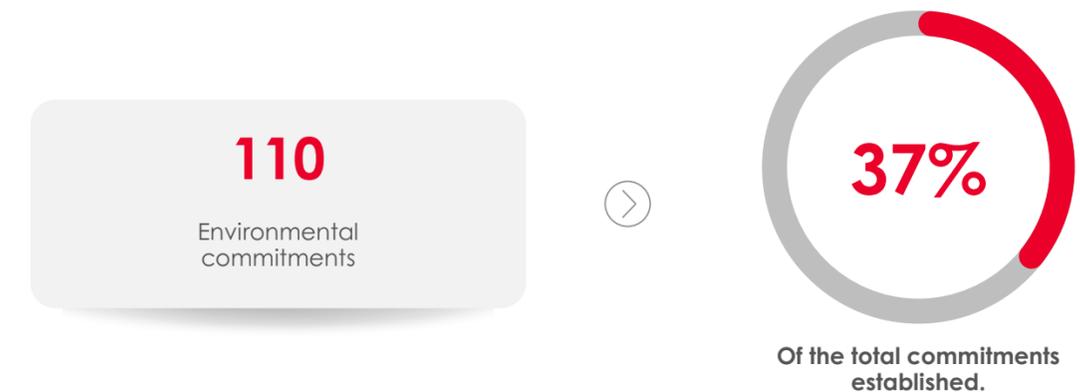
- **Disabling of data center and its components.**
- **Use of green technologies and eco-friendly designs, whose mission focuses on reducing the environmental footprint. The teams have more energy-efficient systems.**
- **The devices were optimized to receive constant updates that improve their performance. This prevents premature replacement, prolongs its useful life, and reduces electronic waste generation.**
- **Equipment replacement without interruptions: To reduce changeover times, the new and old systems are operated in parallel.**
- **Use of the new Hitachi Vantara HA820-G3 models has a CO₂ emissions reduction rate of between 30% and 40% compared to previous models.**

RESULTS



OUR CLIMATE ACTION IN THE INVESTMENT PORTFOLIO

A large part of our strategy focuses on addressing climate change through measuring the carbon footprint of the portfolio, identifying actions that lead us to reduce the GHG emissions of the portfolio, and establishing dialogue with the most relevant financed companies regarding carbon emissions.

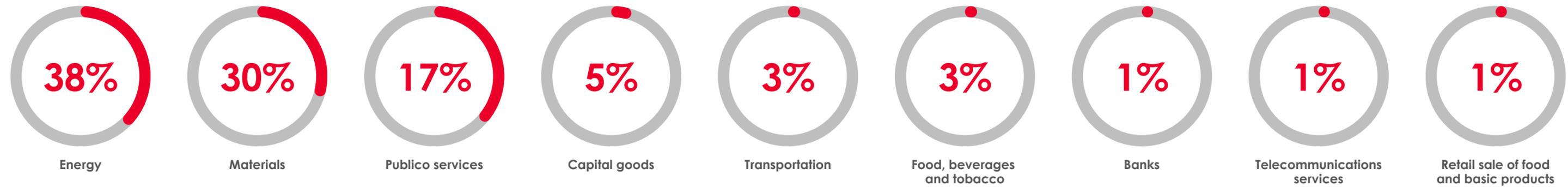


DECARBONIZATION OF OUR PORTFOLIO

At Afore XXI Banorte, climate change is a significant long-term financial risk that impacts investments due to extreme events, stricter regulations, and changes in the demand for products and services. We recognize that, globally, climate change intensifies phenomena such as hurricanes, droughts, and heat waves, impacting entire communities and economic stability.

As a pension fund, we use our influence and experience to support the companies in our portfolio in their transition to products, processes, and services with lower carbon intensity.

SEGMENTATION OF OUR CARBON FOOTPRINT



The remaining 1% is composed of the sectors of household and personal products, real estate, media and entertainment, retail, diversified finance, consumer service, insurance, biotechnology, pharmaceuticals, life sciences, durable consumer goods, apparel, and sub-nationals.

DATA COVERAGE



Active strategy



Emission intensity¹



143 000
tons of CO₂



80%
of the portfolio has
implemented
strategies of
energy efficiency



Passive strategy



WACI of the portfolio²



997
tons of CO₂

¹Tons of CO₂ (scope 1 and 2) emitted per million dollars of the company's sales. Emission intensity (Scope 1 and 2) based on portfolio weightings.
²The evaluated portfolio includes active management strategy instruments that responded to our questionnaire during 2024.
 Note: The greenhouse gas emissions information corresponds to data as of December 31, 2023.

PORTFOLIO TEMPERATURE

Our climate strategy aims to align the companies or projects financed to limit the increase in global temperature to 1.5°C. According to our third evaluation exercise of short- and medium-term business ambition against a wide range of emission reduction targets, there is a total of 45 reduction targets, which represent about 65% of the vehicles invested in active management strategy instruments.

PORTFOLIO TEMPERATURE SCORE OF 2.4°C VS 2.6°C IN 2022

The decrease in the temperature score is mainly due to emitting entities' increased determination of reduction targets and their adherence to SBTi.

Although the level of ambition has yet to reach its optimal point, the average temperature of the portfolio is below the current government Policies, which project an increase of 3.2°C by the end of the century.

CLIMATE AMBITION

We consider it crucial to identify and distinguish companies that stand out for their practices in response to climate change. Compared to the previous year, we strengthened the criteria for classifying the climate ambition of companies, focusing on the actual reductions achieved year after year based on their public information.

The categories used to measure climate ambition are:



Based on a sample of 95 companies from the active management strategies class, we obtained the following results:



INVESTMENT IN LOW-CARBON TRANSITION

The energy transition and decarbonization represent complex challenges that require action from carbon-funded companies and the financial institutions that support them in their investment portfolios. In this context, Afore XXI Banorte stands out for its strategic investment approach in companies from various sectors that are leading the shift towards a low-carbon economy. This commitment is reflected in the rapid adoption of net-zero emissions targets and in the transformation of business models aligned with the Paris Agreement's commitments.

LEADERS IN DECARBONIZATION AND THEIR PRACTICES

SECTOR OF LEADING COMPANIES	OUTSTANDING LOW-CARBON PRACTICES
Energy	<ul style="list-style-type: none"> • Implementation of Nature-Based Solutions Projects (afforestation, regenerative agriculture and livestock, and forest conservation). • Goal of operational neutrality by 2026.
Materials	<ul style="list-style-type: none"> • 47% reduction in CO₂ emissions by 2030. • Decarbonization goal of its operations and its supply chain by 2050.
Real estate	<ul style="list-style-type: none"> • Installation of solar panels, energy control, installation of charging stations for electric vehicles. • Certification of properties with LEED, BOMA, or EDGE standards. • 54% reduction target for scope 1 and 2 emissions and scope 3 in a 32% by 2032.
Telecommunications	<ul style="list-style-type: none"> • 52% reduction in absolute scope 1 and 2 emissions and 14% in scope 3 emissions by 2030. • Net zero emissions commitment by 2050.
Discretionary consumption	<ul style="list-style-type: none"> • 39% of its facilities with renewable energy supply. • Use of electric and hybrid logistics units. • Carbon neutrality of its operations by 2040.
Food	<ul style="list-style-type: none"> • Strategy aligned with Science-Based Targets. • Use of solar and wind energy.



TASK FORCE ON CLIMATE – RELATED FINANCIAL DISCLOSURES

We recognize that climate change represents a significant systemic risk to the global economy and society in general. As a Retirement Fund Administrator, we have the responsibility and opportunity to act and strengthen the global response to the threat of climate change. In this regard, we are the first Afore in Mexico to publicly support the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and we reinforce our commitment to transparency in managing the risks and opportunities arising from climate change.

In follow-up to this commitment, and voluntarily, we decided to present our third exercise of alignment with the TCFD recommendations.



GOVERNANCE

Afore XXI Banorte has a solid governance structure and multiple committees (Board of Directors, Investment Committee, Financial Risk Committee, and Audit Committee) that actively oversee and manage climate and sustainability risks in their investments, ensuring responsible and sustainable asset management. The Investment Department plays a key role in the evaluation and management of risks and opportunities related to climate.

The Director of Investments and the CEO are responsible for reporting to the Board of Directors on the progress of the Responsible Investment Strategy and escalating climate risks (in case they are material).



RISK MANAGEMENT

The climate-related risks and opportunities of Afore XXI Banorte are identified within the investment and risk management processes.

Organization processes for managing climate-related risks.

The strategists, responsible for the sustainability department, risks, and the people in charge of the priority processes, are responsible for monitoring the responsible investment strategy and the proper management and identification of the risks assumed in their daily activities.

Climate-related risks are integrated into the Responsible Investment Policy, the Climate Change Policy, and the Risk Management Framework of Afore.



STRATEGY

Identification of climate-related risks and opportunities.

Our climate strategy considers three important stages:

- **Measure:** identify the exposure of our portfolio.
- **Act:** establish commitments with the companies in our portfolio.
- **Monitor:** supervise and report progress.

The Chief Officer of Investments and the person responsible for sustainability share the responsibility of supervising the execution of the Responsible Investment Strategy and reporting it to Strategists, the CEO, and the Investment Committee.

Impact of climate-related risks and opportunities on business

The Sustainability Manager is the one who defines and follows the Responsible Investment Strategy, which includes the response to climate change. The Sustainability Manager updates this strategy according to new risks and international standards and presents updates and estimates of the financial impacts of climate change to the Investment Committee for their review and approval.

Resilience of the strategy considering the different climate-related scenarios

Afore XXI Banorte monitors key metrics, such as the degree of alignment of the portfolio's emission reduction targets with the Paris Agreement and the projection of carbon prices in different climate scenarios. These metrics allow for strengthening resilience and expanding their impact on financing the climate transition.



METRICS AND GOALS

At the portfolio level, Afore has defined monitoring metrics for the most important climate risks for the investment portfolio to integrate criteria based on metrics such as carbon emissions trajectory per company, temperature score, emissions intensity, degree of contribution to the climate resilience of thematic investments, internal carbon pricing, financed emissions, level of exposure to highly polluting sectors, among others.

Greenhouse gas (GHG) emissions

Scope 1, 2 emissions and the category of business flights and financed emissions in the Scope 3 portfolio are reported in the sustainability report and in the Integrated Report of Grupo Financiero Banorte.

Goals used to manage climate-related risks and opportunities

Afore XXI Banorte joined the Science-Based Targets initiative in 2024, aligning its portfolio to at least a 2°C temperature.

In 2025, the Administrator will seek to reaffirm the goals of this initiative to reduce GHG emissions from some polluting sectors such as real estate, O&G, and electricity.

SOCIAL IMPACT

At Afore XXI Banorte, our commitment goes beyond pension fund management. We work day by day to improve the well-being of approximately 7.2 million affiliated individuals, recognizing that every action we take has a direct impact on their quality of life and the future they build.

"The true impact of an organization is reflected in figures and in how it transforms people's lives, contributing to the well-being of society."



7.1 RELATIONSHIP WITH CLIENTS AND USERS

GRI 2-29

CARE PROTOCOL FOR OLDER ADULTS

At Afore XXI Banorte, we recognize the importance of providing an inclusive, dignified, and accessible service for everyone, with special attention to older adults. For this reason, a series of courses and conferences related to the dignification of the elderly adult were offered, and for this purpose, the following tools are available:

Online course

Care Protocol for Older Adults at Afore XXI Banorte.

Goal

- Strengthening the knowledge and implementation of the Care Protocol, ensuring excellent treatment for older adults, highlighting that 1,440 collaborators completed the course.

Three virtual conferences were held in collaboration with the National Institute of Older Adult Persons (INAPAM, by its acronym in Spanish), aimed at providing staff with theoretical and practical tools to ensure dignified, respectful, and non-discriminatory treatment towards older adults.

Culture of elderly and aging.

Goal

- Fomentar una cultura de respeto e inclusión.

PREVENTION OF ABUSE AND DISCRIMINATION IN OLDER ADULTS

Goal

- Identify sociocultural factors that generate mistreatment and promote the right to a dignified life free from violence.

KEYS TO PROVIDING PERSON-CENTERED CARE FOR OLDER ADULTS

Goal

- Develop skills and strategies to offer comprehensive and personalized care.



Total participants in the conferences:

908

7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

GRI 2-7, GRI 2-8, GRI 2-21, GRI 2-30, GRI 202-1, GRI 202-2, GRI 401-1, GRI 401-2, GRI 401-3, GRI 402-1, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-9, 403-10, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, FS16, SASB FN-AC-330A.1, PRI-PGS 49, PGS 49.1, PGS 49.2, PGS 50

To influence the companies in which we invest, it is essential to be an exemplary model for them. This implies offering superior benefits to our staff, recognizing that they are the most valuable resource for the organization. By providing them with **superior benefits and an optimal work environment**, in addition to promoting their well-being and productivity, we set a benchmark standard to be reflected in the funded companies within the portfolio.

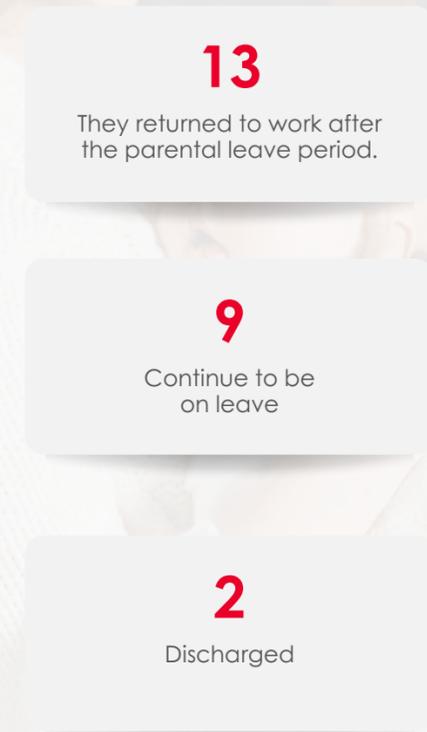
Some of the benefits that exceed those indicated by the law are:

-  Access to lactation room.
-  Major medical expenses insurance.
-  Two free psychological therapy sessions per month.
-  Savings fund.
-  Real Estate sale at a special price.
-  Auto credit.
-  Access to loans and credits with a preferential rate.
-  Mortgage Credit.
-  Life insurance.
-  Sports Center.
-  Retirement planning.

PARENTAL LEAVE 401-3

We are committed to promoting family coexistence, as we consider the balance between work and personal life of our employees to be fundamental. For this reason, we grant parental benefits to men, corresponding to **84 days of leave for childbirth**. During 2024, 19 women and 5 men made use of this leave, of which:

During 2024, **19 women** and **5 men** made use of this leave, of which:





7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

COLLECTIVE BARGAINING

GRI 2-7

WORKFORCE

Afore XXI Banorte has 2,432 employees, of which 1,008 are pension advisors and 44 are management assistants who are part of the union and are governed by the Collective Bargaining Agreement, with representation by the National Union of Workers of Financial Institutions, Banks, Organizations of Auxiliary Credit Activities, Office Employees, and Related Workers of the Mexican Republic. This group of people represents 43% of the workforce.

INCLUSIVE LABOR POLICIES

Afore XXI Banorte guarantees equal rights and opportunities for all collaborators with indefinite agreements supported by the Collective Bargaining Agreement and the Internal Workplace Policies and Procedures, managed in accordance with current legislation and legitimized before the authorities.

COLLECTIVE BARGAINING

Collective Bargaining Agreement Revisions

- Regarding the Federal Labor Law, articles 399 and 399 bis, contractual reviews are conducted every two years, and salary reviews are conducted annually.

Internal Workplace Policies and Procedures

- Prepared by the joint commission to draft the Internal Workplace Policies and Procedures and filed with the Federal Center for Conciliation and Labor Registration within the established deadlines.

This approach ensures compliance with labor regulations, the protection of human rights, and the creation of a fair and equitable work environment.

7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

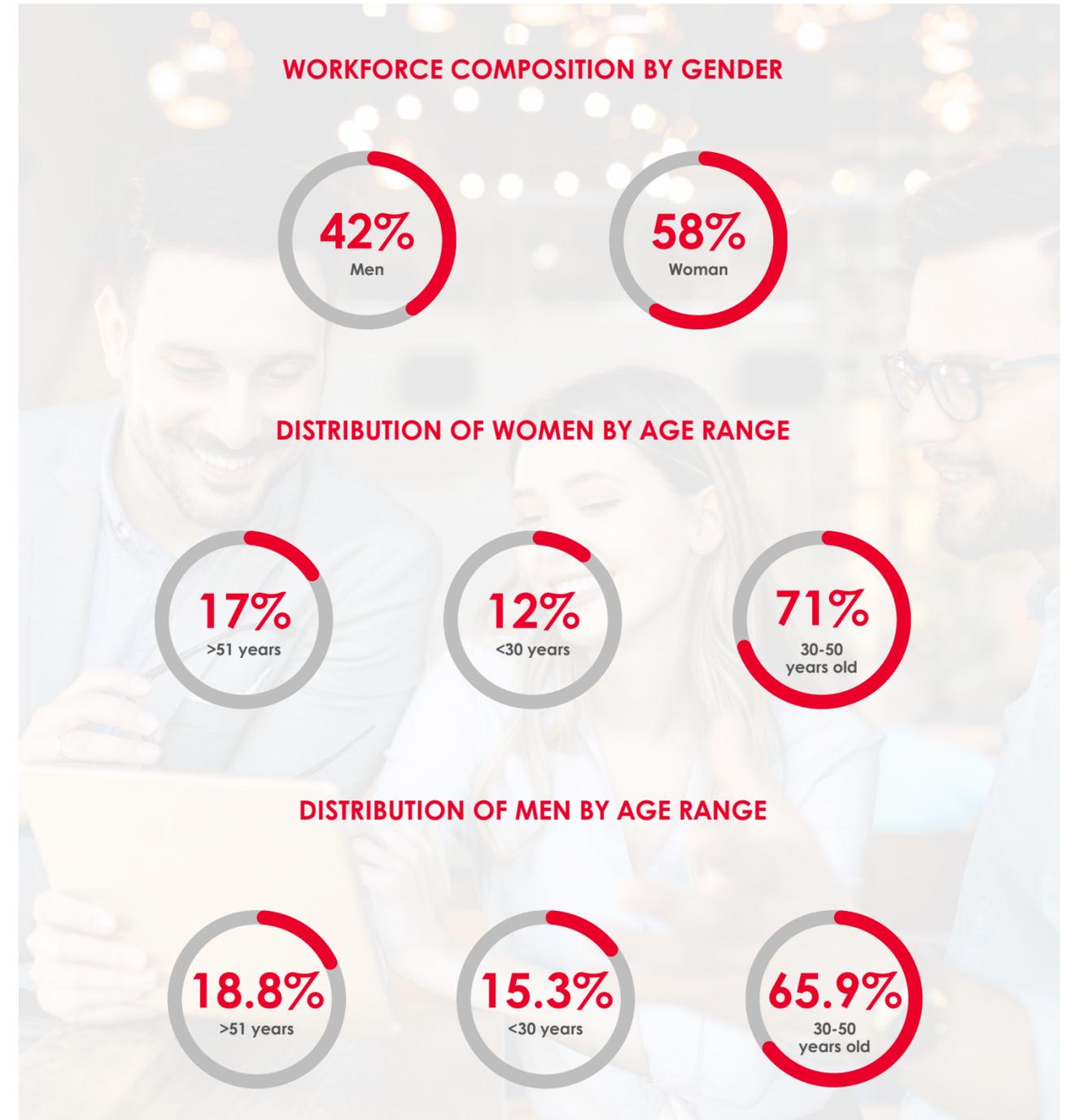
WORKFORCE GRI 2-7

Of the total 2,432 collaborators at Afore XXI, 58% are women and 42% are men. The age range with the highest number of collaborators is from 30 to 50 years, which has remained constant in recent years.

WORKFORCE COMPOSITION BY AGE RANGE

GÉNERO	AGE RANGE	2024	2023	2022	2021	2020
Woman	<30 years	167	190	199	286	213
	30-50 years	1,009	1,175	1,034	1,358	1,366
	>51 years old	239	298	212	278	272
	Total Women	1,415	1,663	1,445	1,922	1,851
Men	<30 years	156	175	156	226	176
	30-50 años	670	808	696	899	873
	>51 years old	191	218	165	225	212
	Total men	1,017	1,201	1,017	1,350	1,261
Grand total		2,432	2,864	2,462	3,272	3,112

Afore XXI Banorte continuously works to build an inclusive work environment where talent thrives regardless of gender. Equity is a central axis of our strategy that strengthens our corporate culture and improves our organizational performance.



7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

WORKFORCE BY TYPE OF AGREEMENT GRI 2-7

The workforce is divided into two categories: **temporary**, with a Fixed-Term Agreement, and **permanent**, with an Indefinite-Term Agreement. 92.4% of the workforce are permanent employees, with **2,291 collaborators**, while **141** are temporary (7.6%). This classification allows for differentiated management according to the type of employment relationship established.

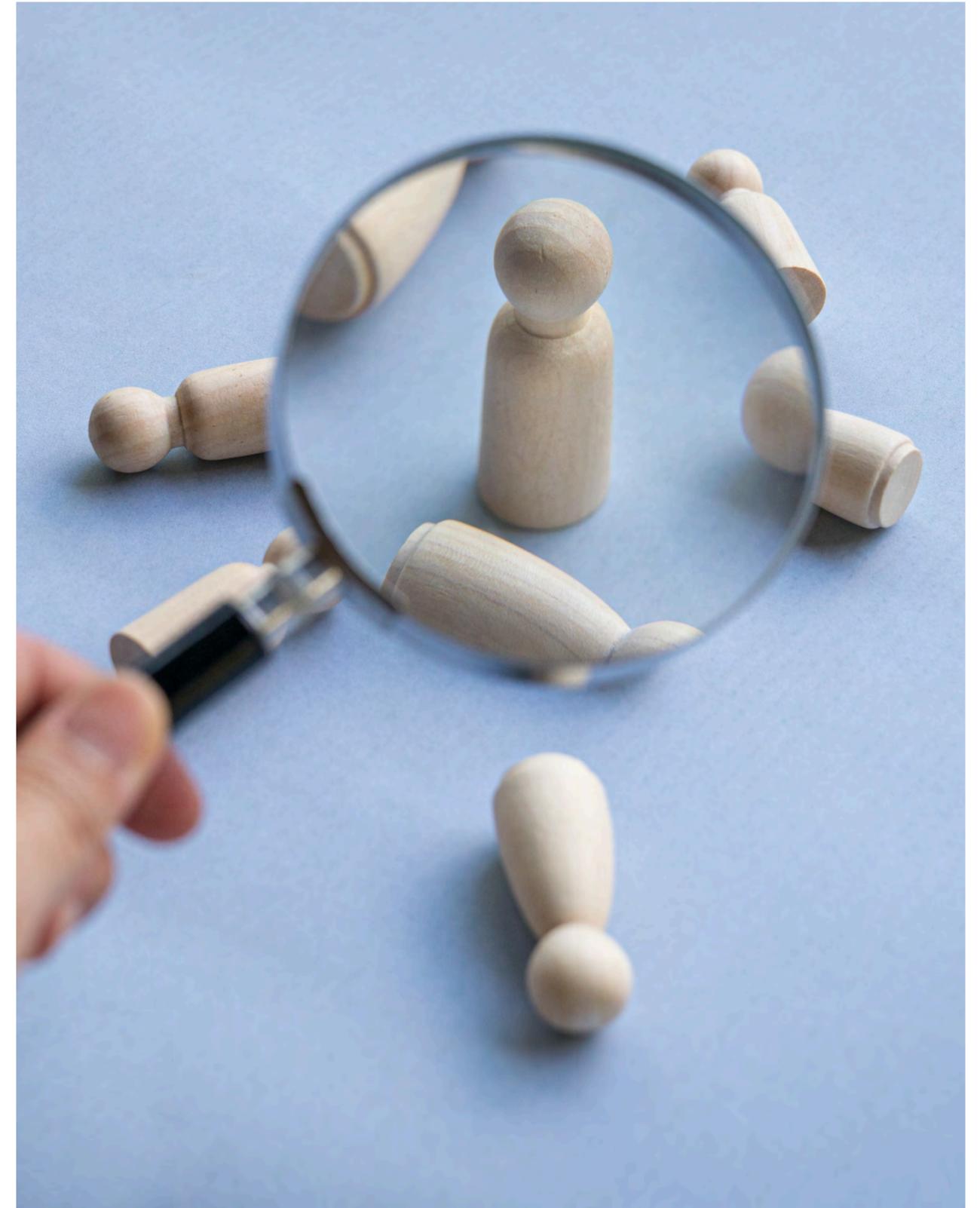
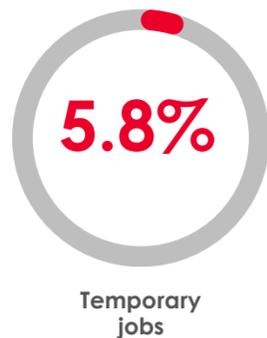
WORKFORCE BY JOB CATEGORY

JOB CATEGORY	WOMEN	PERCENTAGE	MEN	PERCENTAGE
Management Level	5	45%	6	55%
Executives	75	42%	105	58%
Operational	1,335	60%	905	40%

*The CEO of Afore XXI is excluded from the summation.

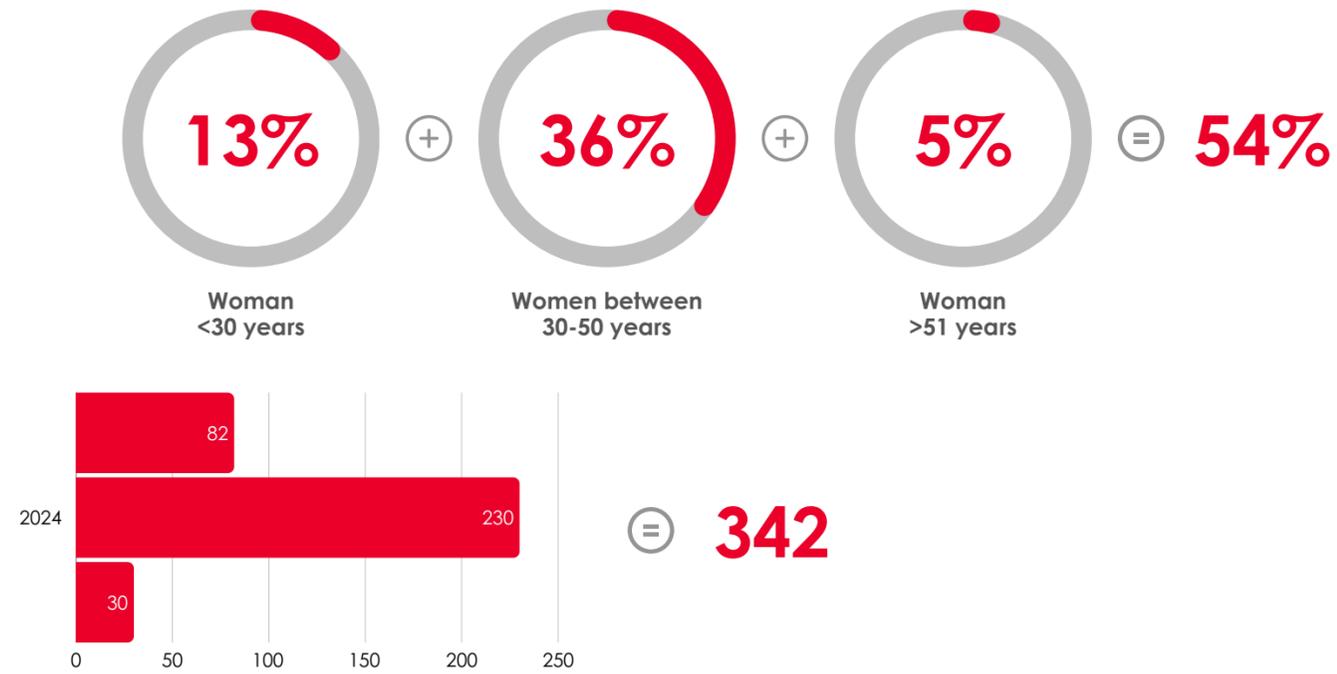
Afore XXI Banorte reaffirms its commitment to the development of national talent through a management team composed entirely of professionals from the local community. This leadership has the responsibility to:

- Implement the strategies defined by the General Management and the Executive Committee.
- Supervise operational and financial performance.
- Coordinate the execution of strategic initiatives.
- Serve as a bridge between management and operational teams.

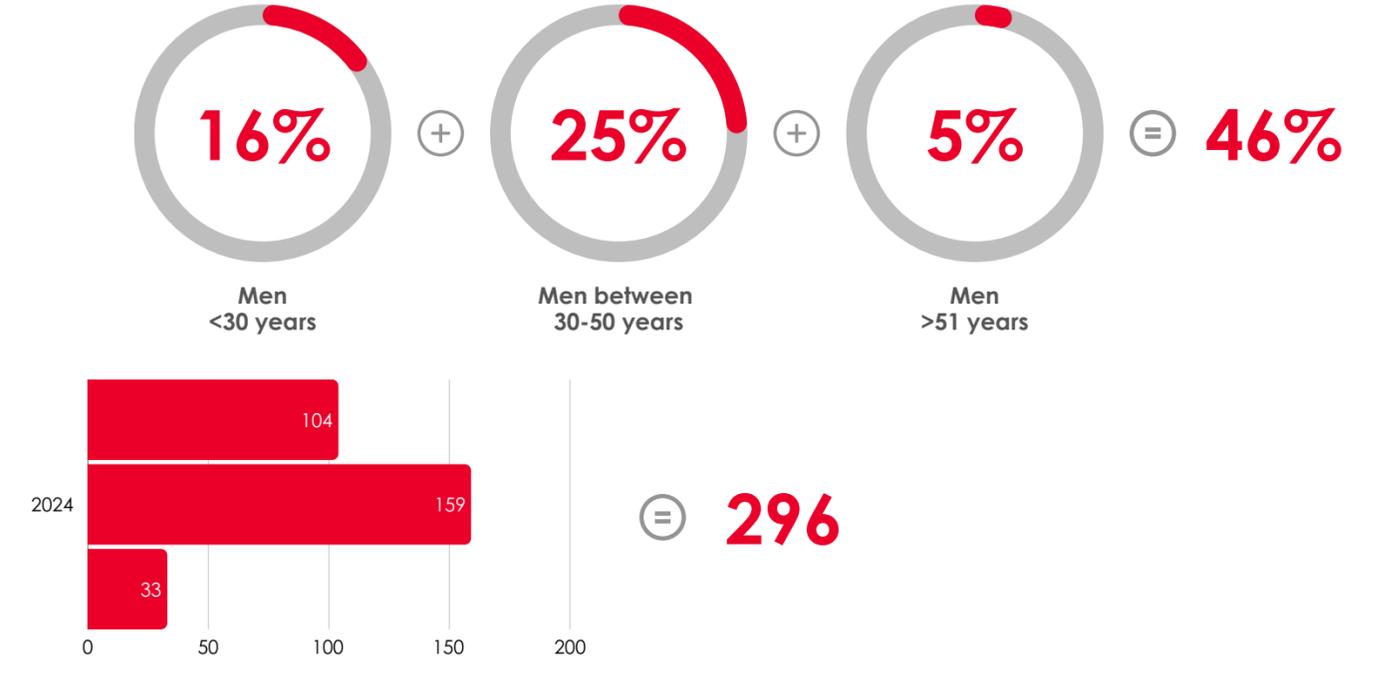


7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

NEW HIRES OF WOMEN BY AGE RANGE GRI 401-1



NEW HIRES OF MEN BY AGE RANGE GRI 401-1



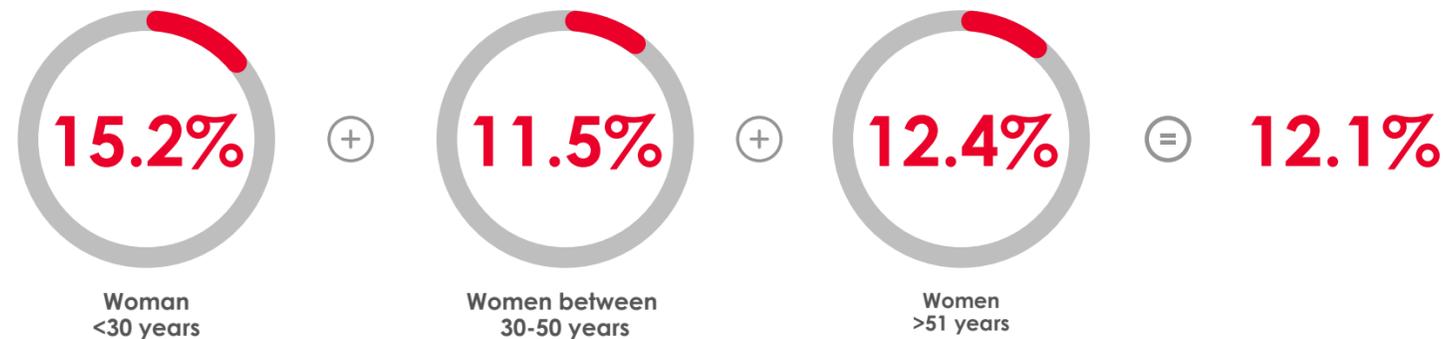
GENERAL TOTAL OF HIRING





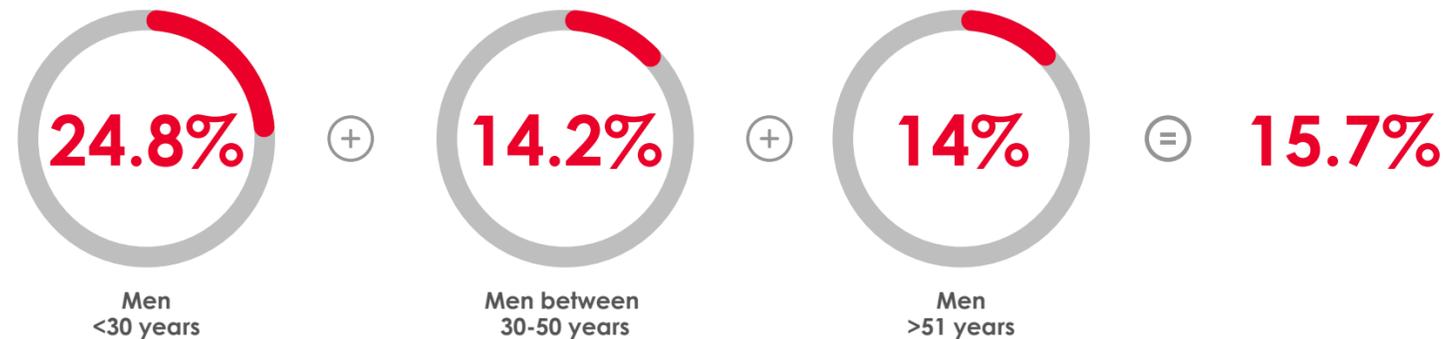
TURNOVER OF WOMEN BY AGE RANGE

GRI 401-1



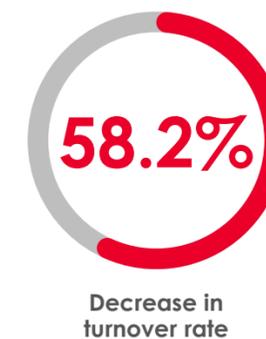
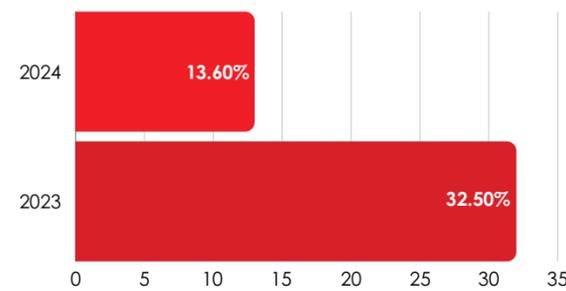
TURNOVER OF MEN BY AGE RANGE

GRI 401-1



TOTAL EMPLOYEE TURNOVER RATE

GRI 401-1

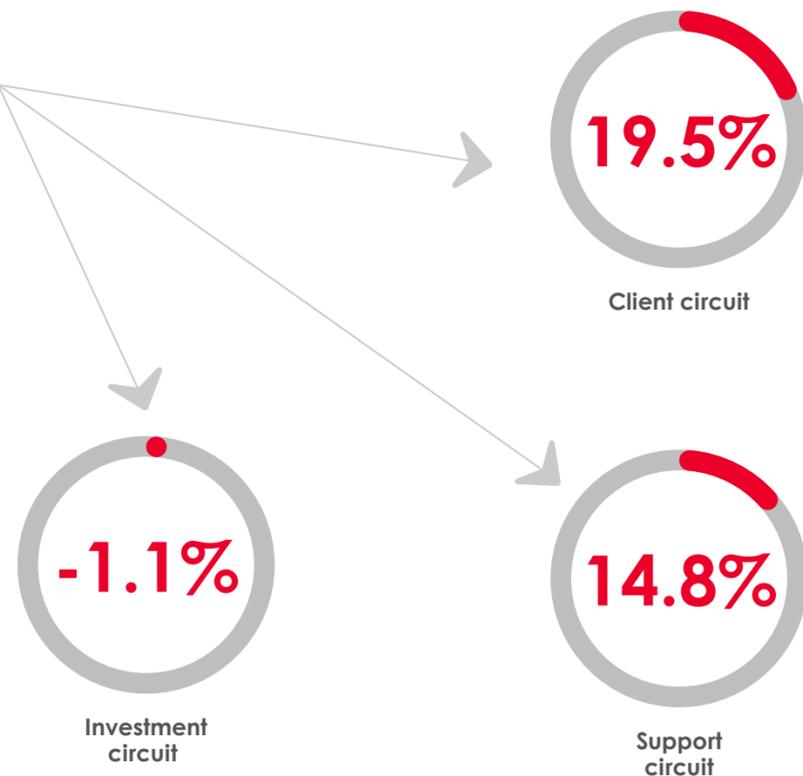


7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

PROPORTION BETWEEN THE BASIC SALARY OF WOMEN AND MEN

405-2

The wage gap between men and women decreased by more than 3 percentage points compared to 2023, standing at:



APPLIED FORMULA:

$$\frac{\text{Average salary for men} - \text{Average salary for women}}{\text{Average salary for men, considering pay scale and business sector}}$$

A positive percentage reflects that, on average, men receive a higher salary at the tabular levels of a circuit, while a negative percentage indicates that women earn a higher salary compared to men.

According to the data, in the Client and Support Circuits, men receive a higher salary, while women receive it in the Investment Circuit.





7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

For those positions whose salary reference is the minimum salary, in accordance with the Federal Labor Law, published in the Federal Official Gazette on January 1st of each year, Afore XXI Banorte grants the general salary increase as applicable, with the aim of ensuring that all employees receive a salary equal to or greater than the established minimum.

TWO REFERENCE MINIMUM SALARIES ARE CONSIDERED:

LOCATION	MINIMUM SALARY	AFORE SALARY
Border	\$11,246.70	\$11,247.30
Rest of the country	\$7,467.90	\$7,468.50

Proportions between the standard initial category salary and the local minimum salary.



1.00
EQUAL SALARY
BETWEEN MEN
AND WOMEN



7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

WORKERS WHO ARE NOT EMPLOYEES

GRI 2-8

During 2024, our organization had a team of **external** collaborators. Your participation was **key** to strengthening different operational areas and contributing to the achievement of our strategic goals.

The collaboration team included:

Talent Development Program

- **15 scholarship** recipients through the Chamber of the Manufacturing Industry of Nuevo Leon (CAINTRA, by its acronym in Spanish) and **two participants** from the government program Jovenes Construyendo el Futuro.

Support Services

- 104 cleaning personnel were distributed nationwide and 11 security staff.

Specialized Areas

- 21 professionals strategically distributed - 15 in the Digital Transformation Directorate and 6 in the Marketing Coordination within the Strategic Planning and Evaluation Unit.

This collaboration model allows for maintaining efficient operations, fostering professional development, and generating job opportunities in various sectors.

MAIN INITIATIVES AND ACHIEVEMENTS



Gold Certification NMX-R-025-SCFI-2015

- It is the first Afore to obtain this certification that recognizes compliance with the **Mexican Standard** on Labor Equality and Non-Discrimination.

Recruitment and Selection Policy

- Use of inclusive language in job descriptions, job postings, and internal communication.
- Promotion of non-discriminatory talent attraction practices.

Sala de Lactancia

- Space that promotes the labor inclusion of women, allowing them to balance maternal and work activities in a comfortable and practical environment.

Reduction of the Wage Gap

- Reduction of the wage gap from 25.2% in 2021 to the current 7.3%, positioning below the OECD average - 18% in less than 18 months.

IMPULSATE XXI BANORTE 2024

This mentoring program was implemented to promote the growth and professional development of the staff, strengthen their skills, and eliminate barriers that may limit their goals. Over the course of 8 sessions, we had the participation of 41 people and the support of 15 female mentors and 26 male mentors.

7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

TRAINING AND DEVELOPMENT GRI 404-1

Continuous training is essential to strengthen knowledge, develop skills, and improve attitudes, aligning the team with the goals of excellence, sustainability, and corporate responsibility.

TRAINING IN 2024: GENERAL RESULTS		
PARTICIPATION BY GENDER	HOURS	AVERAGE HOURS
Woman	132,584	82
Men	92,747	78
Total	225,330	

TRAINING BY HIERARCHICAL LEVEL			
PARTICIPATION BY GENDER	PARTICIPATION BY GENDER	HOURS	AVERAGE HOURS
Woman	Executive positions	1,280	80
	Middle management	6,404	63
	Operational	124,900	83
Men	Executive positions	895	36
	Middle management	7,848	61
	Operational	84,005	81



7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

HEALTH AND SAFETY 403-5

At Afore XXI Banorte, the peace of mind and security of our staff are fundamental priorities. We implemented a comprehensive system that protects all personnel and complies with labor regulations regarding safety and hygiene, ensuring the well-being of all employees.

The standards and regulations considered in human capital management are:

MINISTRY OF LABOR AND WELFARE STANDARD	NAME OF THE STANDARD	COURSE
NOM-001-STPS-2008	Buildings, premises, facilities, and areas in the workplace - Safety conditions	Security conditions
NOM-002-STPS-2010	Safety Conditions - Fire Prevention and Protection in the Workplace	Fire Prevention
NOM-019-STPS-2011	Constitution, integration, organization, and functioning of the safety and hygiene committees	Joint Commission on Safety and Hygiene
NOM-025-STPS-2008	Lighting conditions in the workplace	UVA Lighting Study
NOM-026-STPS-2008	Colors and safety and hygiene signs, and identification of risks from fluids carried in pipes	Colors and signals
NOM-029-STPS-2011	Maintenance of electrical installations in the workplace - Safety Conditions	Maintenance of Electrical Installations
NOM-030-STPS-2015	Preventive Safety and Health Services at Work - Functions and Activities	Workplace Safety and Health Assessment
NOM-035-STPS-2018	Psychosocial Risk Factors at Work - Identification, Analysis, and Prevention	Psychosocial Risk Factors at Work - Identification, Analysis, and Prevention

7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

HEALTH AND SAFETY

403-5

We established the **Safety and Hygiene Commission** and implemented preventive maintenance programs to ensure the proper administration of these guidelines. A person responsible for occupational safety and health was appointed in each area, tasked with conducting meetings and regular inspections of our facilities.

The staff participates in **drills** and receives **continuous training in civil protection**, safety, and occupational health. Every six months, we evaluate the results and develop specific action plans to improve working conditions.

In addition to the above, there is:



MEDICAL SERVICE

Clinic that provides basic medical care to corporate office staff, as well as support in the event of medical emergencies or critical situations that may affect them, preventing and minimizing risk situations that may arise in the building, as well as attention to personal ailments.



DINING OPTION

We provide our staff with a dining option their workplace. This allows them to manage their work activities, dedicate time to their personal well-being, and reinforce the importance of a balanced diet.



PSYCHOLOGICAL ATTENTION

Through the "TERAPIFY" platform, staff have access to two free online psychological consultations per month, available to those who wish to take advantage of this benefit.

7.2 HUMAN TALENT MANAGEMENT: DIVERSITY, INCLUSION, AND WORKPLACE WELL-BEING

COVERAGE IN THE HEALTH SYSTEM 403-8, 403-9

We have a benefits program for staff that includes access to studies, preventive analyses, and early attention to health conditions in women and men.

COMPREHENSIVE BENEFITS

- In October 2024, a medical check-up was conducted for 188 collaborators with corporate reach.

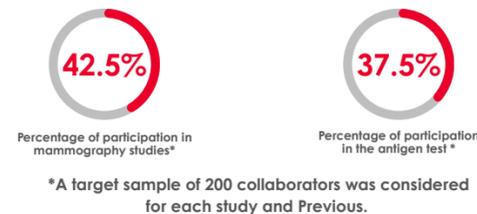
GENDER BENEFITS

Mammography

- 75 studies were conducted on women at the corporate level.

Prostate Antigen

- 85 tests were conducted on men at the corporate level.



During 2024, the recorded incidents were minor, highlighting ankle sprains and low-impact car accidents. This comprehensive approach demonstrates the commitment to ensuring a safe and healthy work environment for our collaborators.



7.3 CONTRIBUTIONS TO THE COMMUNITY AND SOCIAL PROGRAMS

GRI 2-30, GRI 416-1, PRI-PGS 49, PGS 49.1, PGS 49.2, PGS 50

ONCOAYUDA

To strengthen awareness about health care and prevention, a partnership was formed with Oncoayuda, an institution that supports people undergoing chemotherapy treatment and collects hair for the creation of oncology wigs.

For our part, we made hair donations for oncology wigs; this campaign was promoted through different media:

Digital channels

- Through announcements via institutional email and the Teams channel, the entire team is invited to participate by donating their hair or that of family and friends who wish to contribute.

Scope

- All personnel of Afore XXI Banorte, including the Contact Center, Provisional Force, and Service Offices.

In addition to the hair collection, Afore XXI Banorte made a monetary donation for each braid collected. These donations are allocated to the process of making oncology wigs, which are given to people who have lost their hair due to invasive treatments such as chemotherapy.

19
HAIR

donations

SOCIAL CONTRIBUTION THROUGH OUR INVESTMENTS

We recognize that the staff is the most valuable asset of a company. That's why we seek to invest in companies that generate a positive impact on their workers and the communities where they operate.

By the end of 2024, we established 40 commitments with companies in our portfolio that address social issues.

Most of these focus on the socio-environmental analysis of companies and the implementation of mechanisms for incident monitoring.

GENDER DIVERSITY

In Mexico, the figures reflect a reality that requires immediate attention and action to ensure gender equality in the workplace. According to data from the National Institute of Statistics and Geography (INEGI, by its acronym in Spanish) from 2020, the gap in access to employment between women and men was significant. Meanwhile, the female labor force participation rate reached only 44%, while that of men rose to 77%.



Of our evaluated portfolio has diversity and inclusion policies

WAGE GAP

According to the National Survey of Occupation and Employment (ENOE, for its acronym in Spanish) of the same year, women earned 1.6% less than men, on average, even when they held the same position and worked the same hours.

This wage gap reflects the inequality of opportunities and discriminatory practices in the labor market, which negatively impacts women's economy, the well-being of their families, and community development.

At Afore XXI Banorte, we reaffirm our commitment to gender equality through responsible investment aligned with our values and internal guidelines. In fulfillment of our fiduciary duty, we promote projects, companies, and investments that foster equity and women's empowerment. As part of this commitment, we joined the 30% Club initiative, which seeks to strengthen female leadership in organizations.

This initiative is linked to the Sustainable Development Goals (SDGs), which state that gender equality and women's empowerment are fundamental for inclusive and sustainable development. Under this approach, we manage initiatives based on principles of equity and inclusion.

One of our goals is to ensure at least 30% female representation in senior management positions, both within the Afore and in the companies in our portfolio.

In this way, we actively promote gender equity and equal opportunities within the Afore and in the companies that make up our portfolio.

7.3 CONTRIBUTIONS TO THE COMMUNITY AND SOCIAL PROGRAMS

EDUCATION AND TRAINING

Through our Alternative Investments management team, 79,051 women have accessed quality technical, professional, and higher education through educational institutions with a presence throughout the Mexican Republic.

We promote access to inclusive, equitable, and quality education through our investments. During 2024, 5,638 women were awarded educational scholarships at various levels that will allow them to complete or continue their studies.

More than 1,925 women have been trained in financial education, entrepreneurship, and leadership, promoting their autonomy and fostering gender equality.

More than MXN 8,697 million have been allocated to instruments¹ aimed at improving access to education through educational centers and tools to strengthen professional development.

ENTREPRENEURIAL WOMEN

Through our thematic investments, we allocated **MXN 833 million** to projects that create job opportunities for entrepreneurial women and strengthen their autonomy and development within the home.

ACCESS TO HEALTH

More than **MXN 747 million** have been invested in Mexican institutions that provide and benefit women with high-quality medical services.

HUMAN RIGHTS

PRI-PGS 49, PGS 49.1, PGS 49.2, PGS 50

Our Human Rights strategy incorporates fundamental elements to ensure that the investments in our portfolio respect and promote these rights regarding the United Nations Guiding Principles on Business and Human Rights.

For all investments, it is checked whether there is any active linkage with practices or cases of violations of the principles of the United Nations Global Compact, related to Human Rights, Labor Rights, Environment, and Corruption. Management Companies must implement their own processes that reasonably allow them to identify such violations to ensure the best effort in compliance with the above.

Some of the specific elements we take into account are:

1. Political and governance commitments.
2. Integration of Human Rights in the Corporate Strategy.
3. Incorporation of respect and due diligence in the field of Human Rights.
4. Resources and complaint mechanisms.
5. Performance - company practices regarding Human Rights.
6. Performance - responses to serious complaints.
7. Evaluation and continuous monitoring.
8. Transparency and reporting.

In this context, active participation is a key tool for reducing the risks related to the violation of Human Rights within our investments. Currently, 77% of the evaluated portfolio incorporates standards that guarantee respect for human dignity in its Policies and/or Codes of Ethics, strengthening its organizational management and its impact on the value chain. We will continue to strengthen this commitment to expand its impact on more companies and extend its reach.

FINANCING FOR WOMEN

More than **MXN 7,422 million** have been invested in financial institutions that provide loans to working women in communities with limited access to financing and dedicated to the agricultural sector.

Through our CKDs and thematic bond management team, **credits have been granted to more than 241,000 women** in rural and urban communities, boosting their economic growth through the creation of their own businesses.

We have thematic investments whose main goal is the allocation of resources with a gender focus.

Through social bonds, we support access to credit for productive or investment projects aimed at micro, small, and medium-sized enterprises (MSMEs), family businesses, associations, and organizations of women producers with exclusive participation or female leadership in the agricultural, forestry, fishing, and rural sectors.

JOBS

The companies¹ in which we invest have generated nearly 1.8 million jobs in the country, and through our participation in promoted companies and/or projects, a little more than 493,000 jobs have been created.

¹ The evaluated portfolio includes instruments of active strategies that responded to the sustainability questionnaire during 2024.

7.3 CONTRIBUTIONS TO THE COMMUNITY AND SOCIAL PROGRAMS

GRI 2-30, GRI 416-1, PRI-PGS 49, PGS 49.1, PGS 49.2, PGS 50

BENEFITS

We strive to ensure that the companies we invest in provide significant benefits to their staff, especially in a post-pandemic world, where work dynamics and culture have changed.

Our focus is on promoting:

- Flexible schedules that adapt to individual needs.
- Promotion of a healthy work-life balance.
- Superior benefits, such as support for child care through daycare centers.
- Coverage with major medical expenses insurance.

84% of the evaluated¹ portfolio offers its staff flexible schedule options and other programs that promote work-life balance.

¹It includes active strategy instruments that responded to the sustainability questionnaire during 2024.

HEALTH AND SAFETY

Uno de nuestros compromisos es garantizar que las empresas financiadas integren de manera efectiva la seguridad e higiene en su operOne of our commitments is to ensure that the funded companies effectively integrate safety and hygiene into their operations.

Afore XXI Banorte advocates for the financed companies to adopt solid protocols, regulations, and establish goals to reduce the number of incidents among their staff.

These actions protect the health of workers. At the same time, they strengthen the resilience of companies against future crises, fostering trust and the well-being of their staff.

In this way, we seek to ensure that the funded companies maintain solid occupational health and safety standards, benefiting the workers and strengthening the long-term sustainability of these businesses.

SUSTAINABLE ECONOMY

The production companies in which we participate generated 11,485 tons of harvested food for human consumption, capable of feeding an average of 3,172 families in one year.

Through our participation in investments, approximately 49 million square meters of agricultural land have been managed sustainably¹.

¹The variation is due to the reduction in the production of certain assets and the divestment in an agricultural project.



INNOVATION AND DIGITAL TRANSFORMATION

DRIVING THE FUTURE OF SERVICES

Through cloud computing, using data centers powered by renewable energies and integrating shared resource platforms, such as software as a service, Afore XXI Banorte will reduce the expansion of infrastructure and maintenance services, ensuring scalability and flexibility with minimal impact, optimizing operational costs, and promoting the fight against climate change.

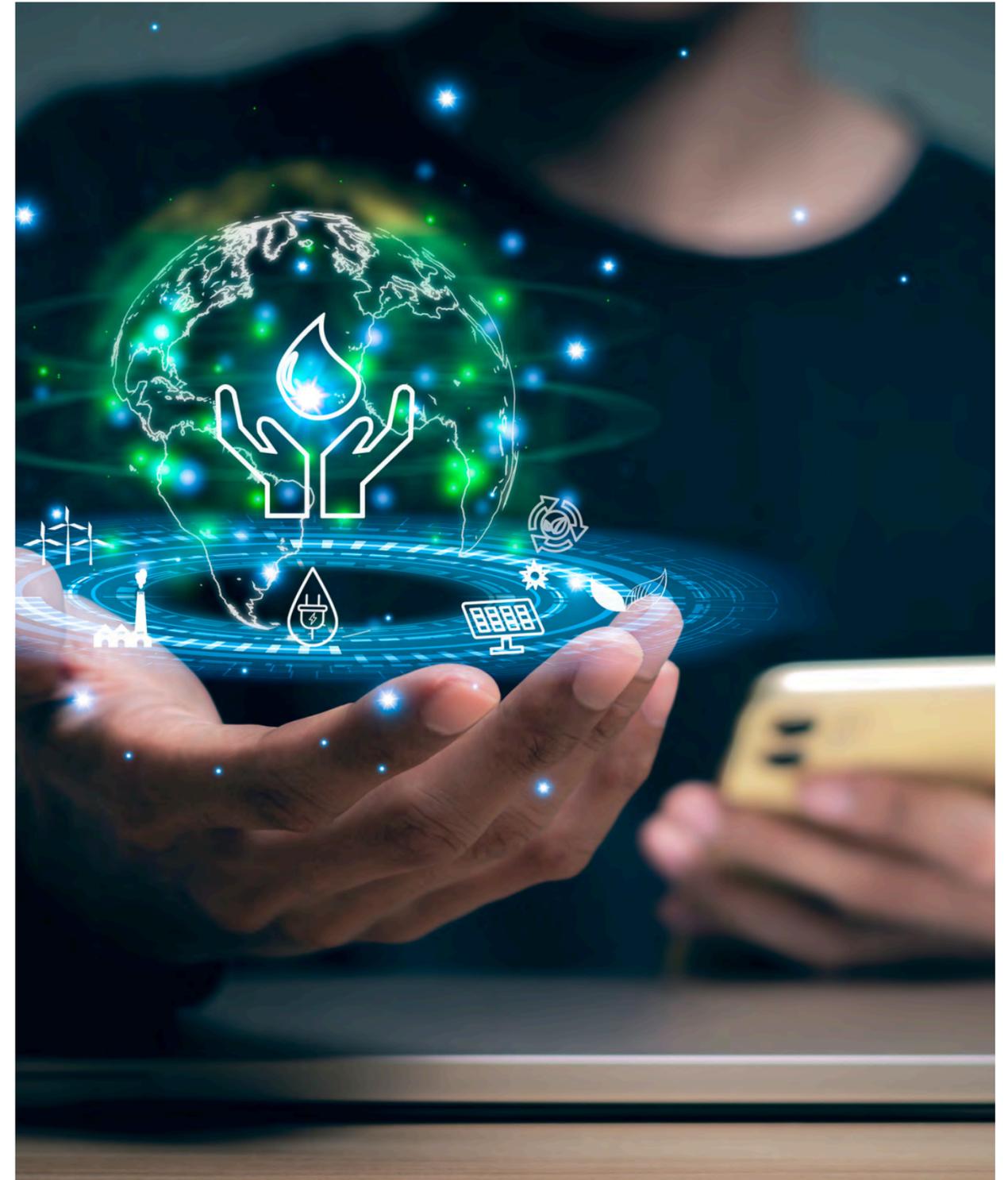
8.1 USE OF TECHNOLOGY TO IMPROVE SUSTAINABLE SERVICES

GRI 203-1

In line with the goal of net zero emissions, Afore XXI Banorte has implemented strategies to strengthen sustainability in the infrastructure of its data centers. These initiatives include the updating of physical infrastructure and hardware, the automation and optimization of workflows, as well as the modernization of storage management software. It is estimated that these improvements could reduce emissions attributable to data storage infrastructure by up to **36%**.

At the beginning of 2024, the Administrator launched its strategy for optimizing technological infrastructure, led by the **Digital Transformation Officer**. This initiative seeks the centralization of data centers, promoting a gradual transition towards the reduction of both owned and outsourced infrastructure through the adoption of virtualized services and cloud solutions. This approach strengthens decarbonization initiatives, promoting the use of more sustainable and efficient data centers.

By strengthening these actions, we reaffirm our commitment to sustainability and the creation of a positive impact for our entire community.





8.2 CYBERSECURITY AND DATA PROTECTION

GRI 418-1

The Information Security Evaluation and Compliance Management and the Information Security Monitoring Management of Afore XXI Banorte are responsible for issuing, executing, and following up on any matters related to the protection of the Administrator's personal data. Their mission is to ensure compliance with the principles and duties in the field, as well as to innovate in the recognition and respect of the right to informational self-determination of all data subjects.

In this regard, training and exposure activities are carried out within the organization on topics related to personal data protection; additionally, requests to exercise ARCO Rights are given attention, always with a protective approach and a privacy perspective. Likewise, the authority's requirements regarding the processing of personal data are met.

DEFENSE MECHANISM

In the new digital era, where technological advancement poses a constant risk to the privacy and security of information, we have strengthened regulations and internal processes, forming a protection system with mechanisms for prevention, reaction, containment, and mitigation of scenarios that could compromise the security of personal data processed by Afore XXI Banorte.

We carry out a constant process of review and monitoring to keep the processes in which personal data is processed updated, with the goal of providing the data subjects with the necessary information so they can make free and informed decisions about their personal information, thus guaranteeing their right to informational self-determination.

The security of personal data is a mainstay in the daily development of our activities.

In 2024, no cases of leaks, thefts, or losses of client data were identified at Afore XXI Banorte.

8.2 CYBERSECURITY AND DATA PROTECTION

PERSONAL DATA PROTECTION GRI 418-1

At Afore XXI Banorte, we are committed to the protection of personal data, which is why we have policies and guidelines that regulate data processing within the organization in order to comply with the principles and duties in this area, as well as to guarantee the right to informational self-determination for clients, collaborators, and suppliers.

These policies and guidelines were developed in accordance with the principles established by the Federal Law on Protection of Personal Data Held by Individuals, its rules, and the national standards on the matter, issued by the national guarantor body. Its update is planned to acknowledge the progress and development of privacy and data protection laws in Mexico and around the world.





FUTURE PLANS

In 2024, we achieved historic milestones, such as significant growth in the balance and number of transferred clients and a greater digitalization of services. These results reinforce our commitment to sustainability and value generation.

WITH A FORWARD LOOKING APPROACH, WE WILL FOCUS ON:

1. Improving customer experience

- Through loyalty and digital services.

2. Increasing sustainability

- By creating a strategic framework that connects the activities of all areas of Afore XXI Banorte with sustainability principles.

3. Strengthening our value proposition

- By differentiating ourselves with innovative and personalized services that guarantee a dignified pension for every worker in Mexico.

4. Aligning with international standards

- a. **Sustainable Development Goals (SDG):** Integrate specific goals that promote social, environmental, and economic sustainability.
- b. Adoption of the **Sustainable Taxonomy**, promoting investments that contribute to building portfolios resilient to climate change and to the sustainable economic development of the country.
- c. Specific emission reduction goals with the **Science Based Targets (SBTi)** methodology to accelerate the transition of our investment portfolio towards a low-carbon economy.

5. External audits

- Increase the credibility of reports and the trust of stakeholders.

Afore XXI Banorte will focus its efforts on social impact and identification of material issues, with an emphasis on the effect the organization has on the 7.2 million affiliated individuals and their pension funds. This approach will seek to create a connection between the sustainability strategy, the well-being of our members, and the generation of value for stakeholders.



ANNEXES

ABOUT THE MANAGEMENT TEAM



David Razú Aznar
Chief Executive Officer

CEO since January 2021. Previously, he served as Director of Institutional Outreach and District Assessment at the Mexican Social Security Institute. His career spans more than 24 years in the public and private sectors, at national and international levels. He has experience in the Legislative branch as Chairman of the Human Rights Commission of the Legislative Assembly of the Federal District. He holds a Master's degree in Public Administration granted by the John F. Kennedy Harvard School of Government. He graduated from the London School of Economics and Political Science with a Master's in Development, a Bachelor's in Economics from the Autonomous Technological Institute of Mexico, and a Diploma Market Finance from the Autonomous Technological Institute of Mexico.

Chief Audit Executive since February 2019. From 2002 to 2018, he served as CEO of Supervision of Financial Groups and Intermediaries. He has coordinated inspection and surveillance functions in services companies. He has a career with more than 28 years of practical experience in the banking sector, managing and advising different entities. He participated as a representative of the National Banking and Securities Commission and the Institute for the Protection of Bank Savings in various international courses on banking specialization, auditing, and risk management. He holds a Bachelor's degree in Financial Administration with honors and a Master's degree in Finance, both from Monterrey Institute of Technology and Higher Education.



Víctor Vargas Plata
Chief Audit Executive



Itzel García Zamora
Chief Compliance Officer

Chief Compliance Officer since October 2013. During 2012, he served as Audit Manager at Fincamex, implementing the Operational Risk Audit Methodology ERM (processes; technological, legal, and Institutional security). She has more than 15 years of experience in different sectors, specializing in the financial system and corporate governance. She was a member of the National Risk Committee. She has a Bachelor's in Business Administration and graduated from the Autonomous University of the State of Mexico.

Head of the Internal Control Unit since February 2021. From August 2019 to January 2021, she served as the Chief Administrative Officer of Institutional Outreach and District Assessment at the Mexican Social Security Institute, where she developed the Administration, Control, and Optimization of Material, Financial, and Human Resources. Her career spans more than 25 years in the public and private sectors. She has served as Advisor in the Chairmanship of the Culture Committee, an Advisor in the Chairmanship of the Committee for the Rights and Integration of People with Disabilities, and in the Legislature of Mexico City, among others. Law graduate, she holds a Master's degree in Constitutional Law from the National Autonomous University of Mexico and has a Diploma in Legislative Technique, Legal Argumentation, and Constitutional Interpretation from Anahuac University South.



Dulce Lesvia Pineda y Torres
Head of Internal Control Unit



Jorge Meléndez Barrón
Head of the Strategic Planning and Evaluation Unit

Head of the Strategic Planning and Evaluation Unit since January 2022. Previously, he served as Head of the Banking, Securities, and Savings Unit as well as Policy Coordinator in the Under-secretariat of Finance and Public Credit, proposing and leading the formulation of Promotion, Regulation, and Supervision Policies for Financial Sector Institutions and Activities. He has solid analytical capabilities in strategies and amendment proposals and more than 20 years of experience in the public and private sectors. He holds a Bachelor's degree in Economics from the Autonomous University of Nuevo Leon and a Master's and Doctorate in Economy from The University of Chicago. Chairman of Doctoral Thesis Committee: Gary S. Becker, Nobel Prize in Economics 1992.

Chief Officer of Risk Management since November 2021. Previously, he served as Citi Private Bank Director of Risk and Control for the company Citibanamex. Executive with more than 20 years of experience in the financial sector. He has extensive knowledge in financial risk management (market, credit, and liquidity). Experience in impactful projects such as the implementation of the operational flow for investment in foreign markets through fund managers. Graduate in Administration from the Technological Institute of the State of Mexico.



Cynthia Adriana Sánchez Bobadilla
Chief Officer of Risk Management



Leonardo Franco Villa Reynolds
Chief Investment Officer

Previously, he served as Head Portfolio Manager, where he was responsible for designing the strategy, building the portfolio, asset allocation, and manager selection. With a career spanning more than 20 years of experience in the financial sector, holding various positions in different institutions within the Santander Financial Group, both in Chile and Mexico. He is a Commercial Engineer from Gabriela Mistral University in Santiago, Chile, holds a Master's degree in Banking and Financial Markets from the University of Cantabria, and has a diploma in Advanced Asset Management from the London Business School.

Chief Financial and Administrative Officer since January 2021. Previously, Founding Partner of AB Consultoria y Soluciones Estrategicas, S.A. de C.V. Holding the position of Consultant, among other institutions such as the Inter-American Development Bank and the Ministry of Finance and Public Credit, coordinating the Budget for Results and Performance Evaluation System project. He has more than 30 years of experience in the public and private sectors. He holds a Bachelor's degree in Economics from the Autonomous Metropolitan University.



José Antonio Alvarado Ramírez
Chief Financial and Administrative Officers



Jesús Dávila Olvera
Chief Operating Officer

Chief Operating Officer since February 2020. Systems Administration Engineer with 25 years of experience in systems and operations. He has 6 years of experience in the Retirement Savings System, where he has managed the processes of issuance, subscription, collection, and payment of incentives to the sales force. He previously held the position of Chief Operating Officer at Seguros Banorte, improving the collection process. Systems Administration Engineer graduated from the Autonomous University of Nuevo León.

Chief Pensions Officer since December 2021. Previously, he served as an Independent Advisor at the company Regulatory Market Design, additionally, he worked as Technical Administrative Officer of the Economic Development Committee in the Legislature of Mexico City. He has a career spanning more than 20 years in the public and private sectors. He holds a Bachelor's degree in Economics and a Master's degree in Economic Theory.



Ricardo Rafael Charles Manzano
Chief Pensions Officer



Edna Barba y Lara
Chief Legal Officer

Chief Legal Officer since February 2021. She has a Master's degree in Law. Senior official in the public and private sector with extensive experience in financial law, social security, and regulatory compliance. Since the year 2000, she has been a faculty member at the School of Law of the National Autonomous University of Mexico, where she has taught various undergraduate and graduate courses, including General Theory of Law and Financial Law. She is an integral, participative, philanthropic, creative, and innovative person. A citizen conscious of the care our planet demands and very active in the responsible use of natural resources, as well as in achieving a fairer and supportive society where the dignity of people prevails. Ambassador for Child Safeguarding in Mexico, Friend and Pro Bono Consultant for World Vision, as well as Sponsor of girls and boys in a Mexican community.

Chief Digital Transformation Officer since May 2023. Previously, she served as the Regulatory Coordinator of Technological Engineering at the Mexican Social Security Institute. She was head of the Software Factory Executive Officers, solutions architecture, and user experience for applications and QA. She has over 20 years of work experience in the public and private sectors, focused on executive leadership in strategic development and Information Technology areas. She has a Master's degree in Business Administration, graduated from the Technological University of Mexico, and a Bachelor's degree in Computer Science.



Elizabeth Martínez Morales
Chief Digital Transformation Officer

SDG	ACTIVE INVOLVEMENT PROGRESS ¹	2023*	2024
	Accident reduction goals Security guidelines	18% 33%	22% 34%
	Women in senior management (30%)	9%	20%
	Water saving goal Water Stress Assessment	21% 11%	21% 14%
	Renewable energy used (MW/h) Renewable energy generated (MW/h)	79, 983 5, 792, 224	350, 894 5, 808, 211
	Certified asset area (m ²) Certified ABR	11, 732, 391 12%	14, 960, 361 14%
	Women in governing bodies	47%	52%
	Recycled or valorized waste Sustainability report	2% 63%	7% 72%
	Alignment with the Paris Agreement Risks from climate change	13% 32%	20% 60%

¹ Methodology note: The observed decrease in the aggregate target for 2024 compared to 2023 is due to the incorporation of a larger number of issuers who set goals during this period. The presented value reflects the average of the individual goals set by each issuer, which resulted in a downward adjustment of the aggregate indicator.

² Considering funded companies that responded to internal questionnaires during 2024 and for which the topic is relevant in their evaluation.

³ Projects promoted through investment in CKDs.

⁴ Considering companies funded by active management strategy.

*Methodology update: To maintain accuracy and relevance in our sustainability results tracking, the baseline has been updated considering the universe of companies that make up our portfolio as of December 31, 2024.

INDICATOR	REAL ESTATE		INDUSTRY		CONSUMER STAPLES		MATERIALS		ENERGY	
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024
Security Guidelines Accident reduction goal	77%	81%	8%	8%	0%	0%	0%	0%	50%	50%
		19%		28%		29%		11%		13%
Women in senior management (30%)	6%	27%	12%	17%		7%	22%	38%	13%	25%
Average water savings	31%	29%	10%	17%	16%	16%	20%	13%	0%	0%
Water stress assessment	19%	30%	8%	12%	6%	6%	0%	0%	13%	14%
Renewable energy used (MW)	8, 244	233, 5293	71, 759	117, 364	NA	NA	NA	NA	65	65
Renewable energy generated (MW)	3, 745	2, 052	13, 4857	4, 967, 498	NA	NA	NA	NA		
Certified asset area (m ²)	11, 732, 391	14, 960, 361	NA	NA	NA	NA	NA	NA	NA	NA
Certified ARB	12%	14%	NA	NA	NA	NA	NA	NA	NA	NA
Women in governing bodies	61%	61%	56%	59%	69%	71%	50%	63%	43%	71%
Recycled or valorized waste	0%	1%	0%	4%	10%	25%	0%	5%	0%	0%
Sustainability report	68%	71%	48%	56%	71%	88%	78%	89%	63%	75%
Alignment with the Paris Agreement	13%	23%	4%	4%	24%	29%	22%	44%	13%	13%
Risks from climate change	32%	71%	48%	52%	0%	41%	67%	89%	13%	50%

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