



# 2022 ANNUAL **SUSTAINABILITY** REPORT



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# < HIGHLIGHTS >

- ◆ **\$1,230.9** million of Mexican pesos in total revenues
- ◆ **\$1,073.1** million of Mexican pesos in net operative income (NOI)<sup>2</sup>
- ◆ **\$819.7** million of Mexican pesos in adjusted EBITDA<sup>3</sup>
- ◆ **\$275** average base rent per sqm<sup>4</sup>



- ◆ **0.25** GJ/sqm of energy intensity
- ◆ **13,023** tCO<sub>2</sub>e emitted into the atmosphere
- ◆ **13** tons of PET and 363 tons of cardboard recycled
- ◆ **49,779** m<sup>3</sup> of reused water



- ◆ In 2022 the **first woman** was incorporated to the Board of Directors
- ◆ **93%** of employees received anti-corruption training
- ◆ **0** cybersecurity incidents
- ◆ Joining the **Global Compact** initiative



- ◆ **17** Plaza Sendero shopping centers with a total gross leasable area (GLA) of 442,044 sqm
- ◆ **3** third party shopping centers managed by Acosta Verde
- ◆ **93%** average total portfolio occupancy<sup>5</sup>
- ◆ **97.5** million visitors<sup>6</sup>
- ◆ Presence in **16** cities in nine states of Mexico



- ◆ **327** employees
- ◆ **13,065** hours of training, equivalent to 40 hours on average per employee
- ◆ **40** social initiatives carried out at Plazas Sendero
- ◆ **74%** of our corporate office workforce are women
- ◆ **330,258** vaccination shots were administered to the community at the Plazas Sendero facilities

<sup>1</sup> Amounts in Mexican pesos

<sup>2</sup> The information presented is on a Cash Flow Basis and not on an Accrual Basis. The information for the following shopping centers includes minority shareholdings, AV owns: Chihuahua 56.9%, Los Mochis 56.9%, Tijuana 75.6%, Sur 75.6%, Obregon 75.6%, Culiacan 75.3%, Mexicali 100%, and Santa Catarina 40%. Including 100% of revenue and operating expenses of AV's joint venture with the CIB 2715 Trust, which are not consolidated in AV and are accounted for by the equity share method. AV's shareholding is 50%.

<sup>3</sup> Includes 100% of operating income and expenses of AV's joint venture with the CIB 2715 Trust, which are not consolidated in AV and are accounted for by the equity share method. AV's share is 50%.

<sup>4</sup> Average annual contracted rent on the stabilized portfolio.

<sup>5</sup> On December 31, 2022.

<sup>6</sup> Approximately.

# ◀ MESSAGE FROM **THE CHIEF EXECUTIVE OFFICER** ▶

2-22

## Dear investors,

It is a great honor and privilege for me, to share with you our third Annual Sustainability Report, where we present Acosta Verde's environmental, social and corporate governance (ESG) progress and performance.

In 2022, we attested the resilience of the Company and our shopping center portfolio by reaching operating levels similar to those registered before the pandemic.

Our revenues and NOI amounted to MXN 1,230.9 million and MXN 1,703.1 million, respectively, with an average occupancy rate of 93% for the consolidated portfolio and receiving over 97 million visitors in our Plazas Sendero.

We achieved this sound operational performance thanks to our lifelong efforts to adopt the best business practices to remain a sustainable company.

We continued to advance key aspects engrained in our ESG Strategy. During 2022, the Company implemented the environmental policy, through which we endorse our commitment to making our business environmentally responsible. Additionally, we continued to install efficient technologies to reduce our water and energy consumption. At the same time, we remain committed to operating with the best corporate governance practices for the benefit of our stakeholders. All these advances would not be a reality without

our talented employees, so we are constantly looking for ways to provide them with the best working conditions, as is directly connected to better personal and professional performance.

As part of our ESG commitment, in 2022 we joined the United Nations Global Compact, which spearheads corporate sustainability worldwide, aligning strategies and operations with the Ten Universal Principles in human rights, labor standards, environment and anti-corruption.

We continued to act responsibly and operating safe, trustworthy, and attractive community shopping centers for our visitors. We have the intention to position Acosta Verde as a beacon in the real estate industry by its business best practices. As such, we will continue to make important efforts to being a profitable company for our stakeholders; also searching for innovations and projects that help us to achieve this objective.

I close this letter by thanking our team of extraordinary collaborators, since thanks to their commitment and dedication, we are a resilient and sustainable company.

**Jesús A. Acosta Castellanos**  
*Chief Executive Officer*  
Acosta Verde, S.A.B. de C.V.



# ◀ MESSAGE FROM THE CHIEF LEGAL AND OPERATIONS OFFICER ▶

2-22



## Dear investors,

Acosta Verde is a company that was born with sustainability built into its DNA for the benefit of its investors, communities and other stakeholders. Two years ago, we reaffirmed this commitment by institutionalizing our ESG strategy, through which we set goals and disclosed our respective progress.

We are convinced that the balance of the pillars of our ESG Strategy: Sendero Resiliente (Resilient Sendero), Acosta Verde contigo (Acosta Verde with you), Sendero Verde (Green Sendero) and Siempre íntegro (Integrity at all times), enable us to deliver economic value for our investors while protecting the environment and improving the quality of life of our employees and of the communities where we operate.

This third annual sustainability report, which was prepared in accordance with the standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB), as well as the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), broadly outlines Acosta Verde's main projects and progress regarding ESG matters.

This year, we endorsed our commitment towards sustainability by becoming a UN Global Compact signatory, a global sustainability business initiative with which we will seek to embrace the best ESG practices that contribute to the achievement of the UN Sustainable Development Goals (SDGs). This report also represents our Communication on Progress (CoP).

We are proud to have a best-in-class corporate governance, we continued to strengthen our policies and processes by issuing our environmental policy and embedding critical aspects such as human and labor rights into our Code of Ethics. Similarly, we continued to advance our firm stance against corruption within our operations. Additionally, we devoted considerable efforts to enhancing our internal control and risk management processes.

On the environmental pillar, we are focusing our efforts on climate change action, water, energy and emissions. In that virtue, during 2022 and following the TCFD framework, we built a roadmap that lays

down the plan for developing institutional mechanisms to measure the financial risks and opportunities related to our operations in the face of climate change implications.

We moved forward with the adoption of new technologies to make our water and energy consumption more efficient. Among the most outstanding projects in these aspects is changing the lightning to LED, which is 93% complete. We also made progress in installing water-saving equipment in the common area restrooms of our shopping centers, reducing the portfolio's water intensity by 13% in 2022 compared to 2019.

Regarding social topics, our employees are our most valuable asset. Therefore, during 2022 we implemented a labor flexibility working structure to provide our corporate employees with a better work-life balance. Additionally, we continually carry out activities that promote team building and recognize all employees' contribution to achieving the Company's goals and objectives, as we are confident that this strengthens their sense of belonging to the organization.

Acosta Verde actively seeks and promotes integrating diversity and inclusion into its operations. This approach will allow us to be more creative and innovative by bringing in a greater variety of ideas, knowledge and perspectives. At the end of 2022, women represent 41% of our staff and it is very important to mention that this year for the first time a woman has been nominated as part of the board of directors.

Talking about employee training and development, we continue investing to provide our employees with different tools to develop their knowledge and qualifications, helping them to grow both professionally and personally.

I am very proud of our ESG achievements in 2022, however, it is fair to acknowledge that much work remains to be done. We will continue to work relentlessly to achieve our objectives by adopting the best practices, which we will improve our operating and financial performance.

Best regards  
**Hernán Treviño De Vega**  
*Chief Legal and Operations Officer*



# Company profile



# < ACOSTA VERDE >

2-1, 2-6, 2-23

Acosta Verde is a Mexican company, a pioneer in grocery anchored shopping center developments in Mexico, with a solid track record in the planning, development, leasing, management and operation of community shopping centers in the country.

Acosta Verde's portfolio is comprised by **17 properties**, with **442,044 sqm** of gross leasable area (GLA) and an occupancy rate of **93%** as of December 31st, 2022. Acosta Verde also manages three shopping centers owned by third parties. The portfolio is mainly concentrated in Northern and Central Mexico, the most economically vibrant regions with significant industrial activity. Recently, the nearshoring trend in Mexico has been driving the industrial sector in most of the markets where the portfolio operates, thereby fueling their economic growth, reflected in the population's increased purchasing power, benefiting local economies.

# < PHILOSOPHY >

Acosta Verde's philosophy is building long-lasting relationships with stakeholders, delivering profitability and business sustainability. The Company's leadership and its team's broad experience in best-practice implementation and management, drives it to improve and innovate all processes continuously.



## MISSION

Develop and manage innovative shopping centers to create emotions and unique experiences for our visitors, promote the well-being of our people, and maintain a strong relationship with our business partners, creating value for our shareholders.



## VISION

To be the most profitable shopping center operator in Mexico, by focusing on:

- Delivering a sustainable business model for our stakeholders.
- Consolidating the Sendero brand as a benchmark of satisfaction and quality for visitors and business partners.
- Constant search for innovation.
- Exceptional talent.

## OUR VALUES



# <PLAZA SENDERO>

2-6

In 2022, we celebrated the twentieth anniversary of the creation of the Plaza Sendero concept. Throughout its history, Plaza Sendero has sought to satisfy the consumption, services, entertainment and social needs of the communities where it operates, making it Mexico's number one choice for recreation and consumption for many generations.

Plaza Sendero is a social meeting space where visitors can have fun with family and friends. Both, Acosta Verde and the Plaza Sendero brand have achieved strong recognition in the Mexican market as one of the leading developers and managers of community shopping centers in the country.

Acosta Verde is committed to creating **sustainable communities**. Through the design and efficient operation of its shopping centers, the Company creates many jobs in the communities where it operates, supports local economies, promotes care for the environment and natural habitats, and looking for the well-being of its visitors.

Each Plaza Sendero generates more than **2,000 jobs** in the formal sector.

The Plaza Sendero concept has a **20-year history**.

## Asset information and geographical footprint

### BY REGION



# of shopping centers



GLA



Leased GLA 31/Dec/22



Occupancy as of 31/Dec/22



## BY STATE

- Northeast
- Northwest
- Central
- North-Central



**NUEVO LEON**

- 4
- 82,271
- 73,516
- 89%

**BAJA CALIFORNIA**

- 2
- 71,939
- 68,933
- 96%

**COAHUILA**

- 1
- 36,933
- 33,038
- 89%

**SONORA**

- 1
- 30,637
- 25,260
- 82%

**SINALOA**

- 2
- 72,509
- 66,212
- 91%

**CHIHUAHUA**

- 3
- 67,715
- 64,585
- 95%

**STATE OF MEXICO**

- 2
- 42,936
- 42,142
- 98%

**SAN LUIS POTOSI**

- 1
- 20,274
- 20,008
- 99%

**TAMAULIPAS**

- 1
- 16,830
- 16,815
- 100%

**TOTAL**

- 17
- 442,044
- 410,508
- 93%

# of shopping centers    
 GLA    
 Leased GLA 31/Dec/22    
 Occupancy as of 31/Dec/22

# < SHOPPING CENTER PORTFOLIO >

Acosta Verde's portfolio is comprised by 17 community centers located in nine states, mainly in Northern and Central Mexico.

Property	Status	Opening year	GLA (sqm)	Main anchors	2022 occupancy	2022 visitors (millions)	AV's co-ownership share (1)	% AV (2)
1. Plaza Sendero Escobedo	Operating	2002	15,477	Soriana, Cinépolis	98%	7.1	33.2%	100.0%
2. Plaza Sendero Las Torres	Operating	2003	19,083	Soriana, Cinépolis	100%	11.6	49.7%	100.0%
3. Plaza Sendero Periférico	Operating	2004	13,962	Soriana, Cinépolis	100%	10.5	31.8%	100.0%
4. Plaza Sendero Ixtapaluca	Operating	2005	18,702	Soriana, Cinépolis	99%	5.8	45.5%	100.0%
5. Plaza Sendero San Luis	Operating	2006	17,773	Soriana, Cinépolis	99%	6.8	47.8%	100.0%
6. Plaza Sendero Toluca	Operating	2006	20,195	Soriana, Cinépolis	97%	6.4	48.4%	100.0%
7. Plaza Sendero San Roque	Operating	2006	6,026	Soriana, Cinépolis	93%	3.9	20.6%	100.0%
8. Plaza Sendero Apodaca	Operating	2008	26,355	Soriana, Cinépolis	96%	7.5	78.7%	100.0%
9. Plaza Sendero Juárez	Operating	2008	20,975	Soriana, Cinépolis	98%	5.0	52.9%	100.0%
10. Plaza Sendero Chihuahua	Operating	2016	25,351	Smart, Cinépolis	99%	3.3	100.0%	56.9%
11. Plaza Sendero Los Mochis	Operating	2016	34,441	Ley, Cinépolis	90%	4.1	100.0%	56.9%
12. Plaza Sendero Tijuana	Operating	2016	39,203	Ley, Cinépolis	92%	6.1	100.0%	75.6%
13. Plaza Sendero Sur	Operating	2017	36,933	Merco, Cinépolis	89%	4.9	100.0%	75.6%
14. Plaza Sendero Obregón	Operating	2017	30,637	Ley, Cinépolis	82%	3.3	100.0%	75.6%
15. Plaza Sendero Culiacán	Operating	2018	38,068	Ley, Cinépolis	90%	4.1	100.0%	75.3%
16. Plaza Sendero Mexicali	Operating	2018	32,737	Ley, Cinépolis	92%	4.5	100.0%	100.0%
17. Plaza Sendero Santa Catarina	Operating	2021	34,413	Merco, Cinépolis	79%	2.5	100.0%	40.0%
F/2715 Subanclas	Operating	-	11,713	-	100%	-	-	50.0%
			<b>442,044</b>		<b>93%</b>	<b>97.5</b>		

(1) Acosta Verde's co-ownership share of each shopping center.

(2) Percentage of total revenues and NOI generated by the GLA owned by Acosta Verde and is consolidated in the Company's financial statements.

Note: Acosta Verde has operational control over the GLA it owns of the 17 properties.

## Managed portfolio

Property	Status	Opening year
1 Plaza Del Río	Operating	1994
2 Plaza Jacarandas	Operating	1994
3 Plaza Sendero La Fe	Operating	2014

For more information on the portfolio, please visit the [Company's website.](#)

The portfolio's occupancy was **93%** at the end of 2022.

The **17 Plazas Sendero** received about **97 million visitors in 2022**, very close to pre-pandemic levels.

# ◀ BUSINESS PARTNERS ▶

2-6

Plazas Sendero are shopping centers that bring together multiple brands offering top-quality products and services. The Company constantly strives to work with the leading brands in the domestic market and widen the portfolio's offering, always aiming to provide the best visitor experience.

Plaza Sendero, as a general-purpose shopping center geared towards providing the best visitor experience, attracts very high levels of traffic, delivering a distinctive value not only to its visitors but also to the Company's business partners, thus making it one of the most recognized and relevant shopping center brands in the Mexican market.

The Company's **collection and commercial departments** maintains close relationships with major retail chains nationwide and constantly is looking for new brands to incorporate into Plaza Sendero. The strength provided by the Acosta Verde commercial area is a key factor in the portfolio's resilient occupancy, as seen during 2022, where the Company achieved a post-pandemic recovery as this metric improved from 90.7% at the end of the previous year to 92.9% at the end of 2022, equivalent to the leasing of over 10,000 sqm of GLA throughout the period. Also, during 2022, the Company had a positive performance in collections, achieving a collection efficiency of 100% compared to annually invoicing.

Additionally, the Company's **market intelligence department** constantly performs benchmarking and market analysis to detect needs and consumption trends in the regions where it operates, tracking the growth and performance of national chains, also identifying the best practices in the domestic and international real estate sector, and providing valuable insight to the Company's commercial and operational departments.

## Main tenants

About 50% of each shopping center's GLA is leased to national chains which have been with Acosta Verde throughout the years, some of them, having a presence in Sendero shopping centers for 20 years. Additionally, **Plaza Sendero seeks to support the growth of local entrepreneurs in all communities where it operates.**

The brands that are part of Acosta Verde's tenant mix include:



## Top 10 tenants

### DISTRIBUTION BY GLA

Tenants	Number of leases	GLA (sqm)	% of total GLA
cinépolis	16	67,933	16.6%
LEY	5	33,686	8.2%
Coppel	16	24,487	6.0%
Suburbia	3	19,029	4.6%
Woolworth	9	17,497	4.3%
merco	2	11,408	2.8%
ULTRA GYM	6	7,216	1.8%
Promoda	4	7,179	1.7%
Cuidado con el Perro	6	6,868	1.7%
Parisina	8	5,719	1.4%
<b>Total</b>	<b>75</b>	<b>201,023</b>	<b>49.0%</b>

The portfolio has **1,744** leases and **373** common areas leases.



## Tenant breakdown by business category

Business category	% Base rent	% GLA
Food & beverage	16%	10%
Apparel & footwear	16%	12%
Entertainment	16%	22%
Specialized consumer goods & services	11%	7%
Department stores	10%	19%
Personal accessories	5%	2%
Telecommunication services	5%	2%
Supermarket	4%	12%
Banks	3%	2%
Sports goods	2%	1%
Diversified financial services	2%	1%
Others	10%	10%

Each Plaza Sendero offers a **broad tenant mix**, with entertainment, fashion, and food as the main categories. Apparel, footwear, and financial services have increased their share into the tenant mix over the past year.

# < VALUE CHAIN >

2-6

Acosta Verde always seeks to adopt best practices, positioning the company as a benchmark in the real estate industry.

The following is a brief description of the most outstanding ESG practices implemented by the Company for the operation of its value chain.

## | Due diligence

The Company has a due diligence process for analyzing new projects and to evaluate the acquisition of operating projects, which considers the following aspects from a sustainability approach:

- ◆ Environmental studies and evaluations (phase I studies, environmental impact studies).
- ◆ Compliance with all requirements of municipal, state, and federal environmental authorities.
- ◆ Land use study.
- ◆ Road impact study.
- ◆ Waste management analysis.
- ◆ Water and energy consumption.
- ◆ Greenhouse gas emissions.
- ◆ Community impact.
- ◆ Value generation.

## | Corporate governance and Code of Ethics

The Company stands out for its **strong Corporate Governance**, as its Management have extensive experience in the real estate sector.

The solid **Corporate Governance** distinguishes the Company. Through Acosta Verde's corporate governance bodies, the company provides leadership, accountability, responsibility, transparency and generate sustainable, long-term value for its stakeholders. Additionally, Acosta Verde's partners contribute knowledge and decision-making expertise, thus improving the performance of the business.

The Company also has a **Code of Ethics**, which is the basis of our organizational culture, establishing all the values and standards that govern the behavior of our organization and all its employees within a framework of ethics, transparency, and responsibility. In 2022, Acosta Verde's code of ethics was updated, including a section on our commitment to human rights.

## | Foreign Corrupt Practices Act (FCPA)

Acosta Verde has an **Anti-Corruption Policy**; the objective of this policy is to ensure that appropriate anti-corruption and bribery procedures are in place across all Company's operations. Also, we have institutional controls in this matter, which include an internal Compliance unit focused on anti-corruption which reports to the Legal and Operations department. Constant training for the legal team and all collaborators is provided. We carry out compliance assessments for all potential suppliers, and all contracts, whether for leasing or other services includes anti-corruption clauses.

## | Customer Satisfaction Survey

The Company is convinced that a satisfied customer will become loyal to the brand. Through satisfaction surveys conducted by an external consulting firm, Acosta Verde obtains feedback from customers and visitors on their perception of retail offering, conditions of the facilities, and operation of shopping centers. In 2022, the portfolio got a satisfaction score of 93%, with facilities being its most highly rated aspect by visitors

With the in-depth results of this survey, the Company is preparing a roadmap to assess, rectify or improve aspects requiring attention at the Plazas Sendero, and thus build greater brand loyalty.

## | Community initiatives

Looking to create value for the communities where Acosta Verde operates, the Company carried out different activities and initiatives to positively impact the community's social and environmental aspects, described in the **Social** section of this report.





# Sustainability

At Acosta Verde, we recognize sustainability as a key driver for our operations, which generates economic, social and environmental value, ultimately contributing to the well-being of the communities in which we operate.



## OUR ACTIONS TO HIGHLIGHT IN 2022 WERE AS FOLLOWS:



Conducted a gap analysis and developed a plan to increase the Company's maturity concerning the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.



Joined the United Nations Global Compact initiative.



Development of the environmental policy.

## Sustainability Policy

Acosta Verde is committed to operating in a sustainable manner, following the United Nations 2030 Agenda recommendations and aiming to be a positive force for change and development. We focus on creating value for all our stakeholders, including communities where we operate, employees and visitors.

We are working to become a stronger company in the face of climate change and to have efficiently management of natural resources in our operations.

In the social sphere, we aim to be an active participant in every community where we operate. This sphere includes: (i) job creation, that stimulate local economies and (ii) promoting the well-being of our visitors. We also prioritize the development and well-being of our employees.

Our corporate governance is best in class. We have the adequate corporate governance bodies and the necessary expertise and knowledge to drive our business strategy and achieve growth through profitability. We manage risks effectively through internal controls and proper risk management, reducing or controlling their impact on our operations.

Acosta Verde's Sustainability Policy can be consulted at the following link: [👉](#)





## Acosta Verde's ESG Timeline

### Solid Corporate Governance:

- Board of Directors and Support Committees.
- Anti-corruption Policy (**FCPA**).
- **Code of Ethics**.
- **Sustainability clause** in lease contracts.
- Internal control and risk management.
- Social responsibility with the community.
- Information Security Policy.

### Environmental initiatives:

- Start of **LED** lighting implementation project in common areas of Sendero shopping centers.
- Environmental due diligence.
- Reuse of water.
- PET and cardboard recycling.

2019 and previous years

2020

- Internal sustainability **benchmarking**.
- **Institutionalization of ESG** in the company.
- Definition of **Stakeholders**.
- First **materiality** assessment.

2021

- **First annual sustainability report**, under **GRI** methodology and reporting the **SASB** standard for Real Estate.
- The first calculation of Scope 1 and 2 **GHG** emissions.
- Acosta Verde has defined its **ESG strategy** based on four pillars.
  1. Environmental
  2. Climate Resilience
  3. Social
  4. Corporate Governance
- ESG section in website.

2022

- **Second annual sustainability report**, following **GRI**, **SASB**, and **TCFD** methodologies.
- Analysis of gaps and definition of a roadmap to increase the maturity of implementation of **TCFD** recommendations.
- **Policies:**
  - Human Rights
  - Diversity
  - Equity and Inclusion
  - Sustainability, Environmental
  - Occupational Health and Safety.
- Adhesion as participants of the United Nations **Global Compact**.
- Update of the **Code of Ethics**.
- Calculation of **Scope 3** GHG emissions.















# STAKEHOLDERS

2-19, 2-20

In 2020, Acosta Verde conducted a study with the help of an external consultant to identify those stakeholders most impacted by the Company's activities, operations, and services. The study identified ten key stakeholder groups, with whom we foster two-way communication to promote transparency to identify concerns, needs, and expectations. We encourage participation and maintain an open and close relationship with these stakeholders.

Stakeholder	Method of engagement	Main expectations	Frequency		
			Weekly	Daily	Irregular
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>• Videoconferences</li> <li>• Personal attention</li> <li>• E-mail</li> <li>• Phone</li> <li>• Internal social media</li> <li>• Workplace environment surveys</li> <li>• Monthly meeting with senior management</li> <li>• Quarterly earnings report</li> <li>• Annual financial report</li> <li>• Annual sustainability report</li> <li>• Monthly "Senderipia" meeting</li> <li>• GAV Talks</li> <li>• Training</li> <li>• AfterGav</li> <li>• Team buildings</li> </ul>	<ul style="list-style-type: none"> <li>• Main operating results</li> <li>• Service quality</li> <li>• Timely response</li> <li>• Compliance with labor conditions</li> <li>• Organizational culture</li> <li>• Wages and benefits</li> <li>• Occupational well-being</li> </ul>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
 <p><b>Corporate Governance</b></p>	<ul style="list-style-type: none"> <li>• General Shareholders' Meeting</li> <li>• Quarterly earnings report</li> <li>• Annual financial report</li> <li>• Annual sustainability</li> <li>• Meetings of the Board of Directors and Committees</li> <li>• Phone</li> <li>• Video calls</li> <li>• Personal attention</li> <li>• E-mail</li> </ul>	<ul style="list-style-type: none"> <li>• Accountability</li> <li>• Operating and financial performance</li> <li>• Business continuity</li> <li>• Best practices</li> <li>• Performance improvement</li> <li>• Sustainability and ESG performance</li> <li>• Strategy</li> </ul>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
 <p><b>Investors</b></p>	<ul style="list-style-type: none"> <li>• Quarterly earnings report</li> <li>• Annual financial report</li> <li>• Annual sustainability report</li> <li>• Personal attention</li> <li>• Video calls</li> <li>• E-mail</li> <li>• Phone</li> <li>• Institutional platform</li> </ul>	<ul style="list-style-type: none"> <li>• Timely information</li> <li>• Operating and financial performance</li> <li>• Accountability</li> <li>• Response to questions and concerns</li> <li>• Best practices</li> <li>• Performance improvement</li> <li>• Sustainability and ESG performance</li> </ul>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
 <p><b>Regulatory agencies</b></p>	<ul style="list-style-type: none"> <li>• E-mail</li> <li>• Institutional platform</li> <li>• Phone</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with obligations as a publicity traded company</li> </ul>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
 <p><b>Tenants</b></p>	<ul style="list-style-type: none"> <li>• Personal attention</li> <li>• Phone</li> <li>• E-mail</li> <li>• Institutional platform</li> <li>• Quarterly earnings report</li> <li>• Annual financial report</li> <li>• Annual sustainability report</li> <li>• Training on different ESG topics (environmental awareness, resource efficiency), as well as recommendations to improve customer service</li> </ul>	<ul style="list-style-type: none"> <li>• Solutions to their need</li> <li>• Service quality</li> <li>• Quality and maintenance of the facilities</li> <li>• Leasing of new spaces</li> <li>• Occupancy performance of the properties</li> <li>• Initiatives to improve the portfolio to boost visitor traffic and sales</li> <li>• Marketing strategies</li> <li>• Profitability of the business</li> <li>• Profitability of the tenant's business</li> </ul>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

Stakeholder	Method of engagement	Main expectations	Frequency		
			Weekly	Daily	Irregular
 <b>Financial institutions</b>	<ul style="list-style-type: none"> <li>• Personal attention</li> <li>• E-mail</li> <li>• Phone</li> <li>• Institutional platform</li> <li>• Quarterly earnings report</li> <li>• Annual financial report</li> <li>• Annual sustainability report</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with contractual obligations for financing and investment</li> <li>• Operating and financial performance of the portfolio</li> </ul>	●	○	●
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Personal attention</li> <li>• E-mail</li> <li>• Phone</li> <li>• Institutional platform</li> <li>• Annual report</li> <li>• Annual sustainability report</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with contractual obligations</li> <li>• Prompt payment</li> <li>• Long-term relations</li> </ul>	●	●	●
 <b>Community</b>	<ul style="list-style-type: none"> <li>• One-on-one attention</li> <li>• E-mail</li> <li>• Phone</li> <li>• Social events and initiatives</li> <li>• Social media</li> <li>• Traditional media</li> </ul>	<ul style="list-style-type: none"> <li>• Minimize environmental and social impact of shopping centers</li> <li>• Donations to improve community conditions</li> <li>• Social actions to benefit the community</li> </ul>	○	○	●
 <b>Visitors</b>	<ul style="list-style-type: none"> <li>• Personal attention</li> <li>• Social media</li> <li>• Traditional media</li> <li>• Satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Quality of the facilities</li> <li>• Wide range of consumption options and services</li> <li>• Constant events and promotions</li> <li>• New brands that satisfy their needs</li> </ul>	○	●	○
 <b>Authorities</b>	<ul style="list-style-type: none"> <li>• Personal attention</li> <li>• E-mail</li> <li>• Phone</li> <li>• Institutional platform</li> </ul>	<ul style="list-style-type: none"> <li>• Timely compliance with applicable regulations</li> <li>• Timely payment of taxes and other obligations</li> </ul>	○	○	●



# < MATERIALITY >

3-1, 3-2, 3-3

In 2020, Acosta Verde received assistance from an external consultant to conduct a materiality assessment, identifying 18 relevant sustainability topics and 8 of them were considered **material topics**. Based on such exercise, a strategy was proposed that in conjunction with a continuous dialogue with stakeholders, will allow Acosta Verde to operate in a balanced manner concerning its economic, environmental, social, labor and corporate governance resources.

## | Materiality assessment elaboration process



Actions carried out regarding our material topics are presented throughout this report.



# < STRATEGIC GOALS >

In 2021, Acosta Verde established its ESG strategy which includes 4 strategic pillars that address specific actions on the 18 topics of importance for its stakeholders aforementioned. Additionally, Acosta Verde established strategic goals for the 8 material topics.

## | ESG strategic pillars



## Progress on the strategic goals of the sustainability

Pillar	Aspects (material topic)	Strategic goal	Target year	Progress
Resilient Sendero	Climate risks	Having a climate risk mitigation and adaptation plan for 100% of operations.	2026	<b>In 2022:</b> <ul style="list-style-type: none"> <li>▸ The Company developed its Environmental Policy.</li> <li>▸ Progress in the process of adopting the recommendations of TCFD</li> </ul>
	Green Sendero	Water	Reuse 30% of consumed water. Reduce by 20% hydric intensity.	2026 2030
Energy		Reduce by 20% energy intensity.	2030	<b>In 2022:</b> <ul style="list-style-type: none"> <li>▸ LED lighting has been installed in 93% of the common areas in the portfolio.</li> </ul>
Emissions		Reduce by 20% GHG emissions intensity by 2030. Incorporate renewable energy sources for the consumption of 50% of the common areas of all shopping centers by 2050.	2030 2050	<ul style="list-style-type: none"> <li>▸ In 2022, a feasibility analysis was conducted to implement solar panels in 4 shopping centers, with the aim of generating energy for the consumption of common areas.</li> </ul> <p>In progress</p>
Acosta Verde with you	Employee training and development	Implement a new Competency Program Increase of 10% in training hours per employee	2022 2022	<p>In progress</p> <ul style="list-style-type: none"> <li>▸ In 2022, the average training hours per employee increased by 82% compared to the previous year, and 150% compared to the baseline year (2019).</li> </ul>
	Community engagement and development	Replicate "Senderizarte" as a flagship community participation program in all cities where Acosta Verde operates. Align all social investment projects to the Sustainable Development Goals (SDG) of the United Nations	2026 2022	<p>In progress</p> <ul style="list-style-type: none"> <li>▸ In 2022, Acosta Verde joined the United Nations Global Compact initiative, formally committing to support the Sustainable Development Goals and the Ten Principles of the United Nations.</li> </ul>
Integrity at all times	Anti-corruption, bribery and anticompetitive practices	Communicate and ensure compliance with the Code of Ethics and the Anti-corruption Policy in all Company's operations	2023	<b>During 2022:</b> <ul style="list-style-type: none"> <li>▸ Training on the Anti-Corruption policy was provided to 93% of the employees.</li> <li>▸ All new employees receive training on our code of ethics and anti-corruption Policy as part of their induction process.</li> </ul>
	Risk management	Implement an ESG risk control and mitigation plan for Acosta Verde's operations.	2026	<ul style="list-style-type: none"> <li>▸ In 2022, following the COSO methodology, we identified the main climate change-related risks to which the Company may be vulnerable.</li> </ul>



# CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

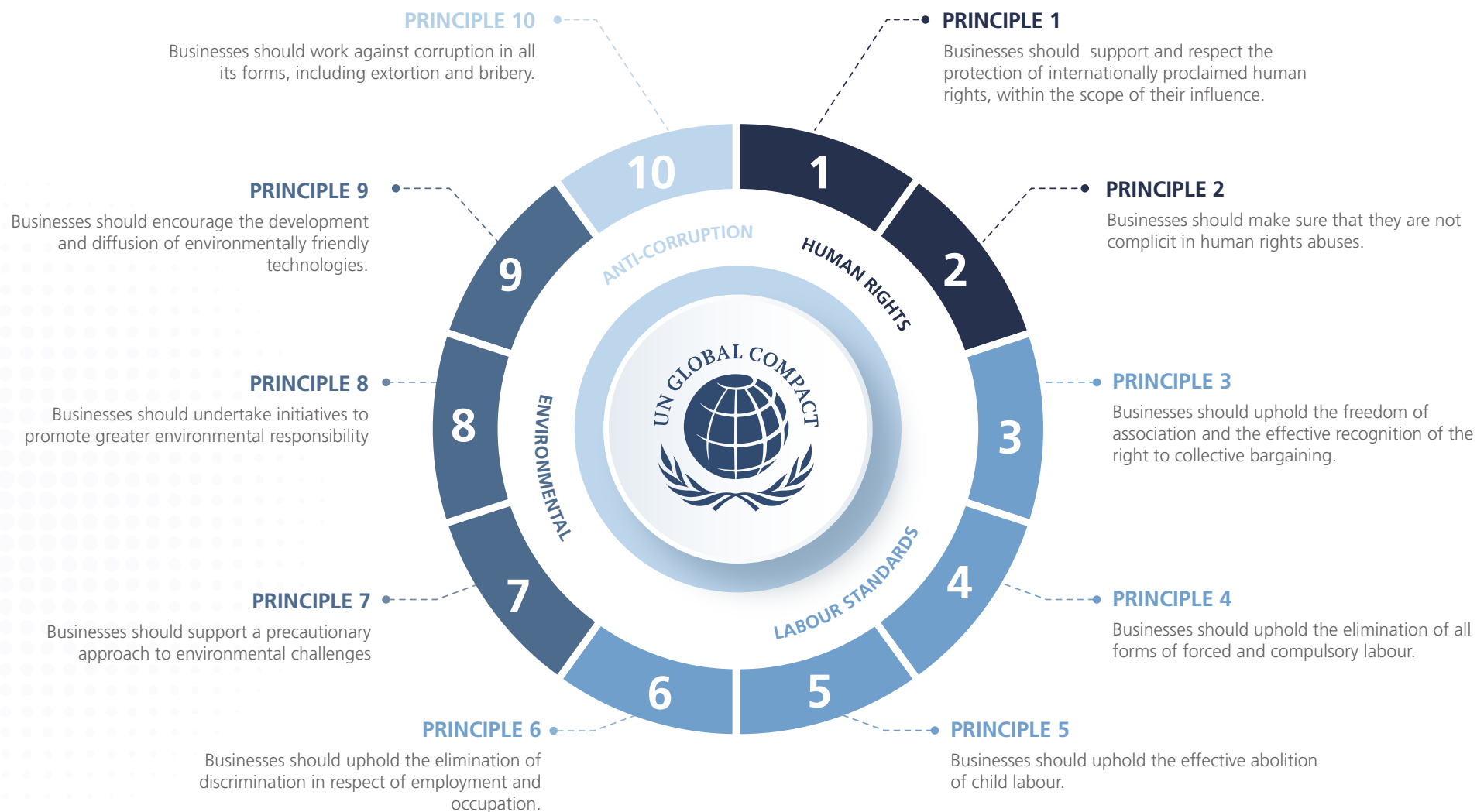
The United Nations Global Compact (UNGC) is the world's largest corporate sustainability initiative, encompassing the UN's principles and values. Through this initiative, companies are called upon to incorporate 10 universal principles related to human rights, labor, environment and anti-corruption into their strategies and operations, as well as to act in ways that advance social objectives and the implementation of the Sustainable Development Goals (SDGs) of the 2030 UN Agenda.



In 2022, Acosta Verde became a participant in the United Nations Global Compact initiative.



## The 10 Principles of the UN Global Compact



The 2030 Agenda for Sustainable Development of United Nations is comprised by 17 Sustainable Development Goals (SDGs), with 169 integrated and indivisible targets that cover the economic, social and environmental spheres.

Through its participation in the Global Compact, Acosta Verde reaffirms its commitment to sustainability, including as part of its ESG strategy the alignment of all social investment projects with the achievement of the SDGs.

The actions carried out during the year by Acosta Verde that contribute to the achievement of the SDGs are detailed below.



- Contribute to the economic growth of the cities where Plaza Sendero shopping centers are located.
- Generate employment and promote formal commerce to satisfy the primary consumer needs.



- During 2022, 330,258 doses of the COVID-19 vaccine were administered in the facilities of Plazas Sendero.
- Implementation of physical and mental health programs for all employees.
- Flexible work plan.
- Increase in the number of vacation days (higher than legally required) for the well-being of employees.
- Campaigns to promote community health.
- Encouraging physical activity and sports as a lifestyle for visitors, through different initiatives in shopping centers.



- We promote the professional growth and development of our employees. In 2022, 29% of the training hours provided by the Company were specifically for university studies, master's degrees, and diplomas.
- The "Sendero Educativo" (Educational Sendero) program was implemented, benefiting 55 minors, children of 46 Plazas Sendero employees, who received economic support to purchase of school supplies.



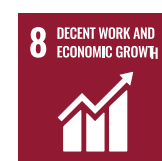
- In 2022, 72% of new hires in corporate offices were women.
- Women represent 74% of the workforce in corporate offices.
- In 2022, one woman was appointed as member of the Board of Directors.
- Equal opportunities are promoted through the Diversity, Equality, and Inclusion Policy.



- Approximately 10% of the water recovered from the air conditioning system was reused to irrigate green areas.



- 93% of the common areas in the portfolio already have LED lighting.
- Implementation of energy efficiency technologies.



- Generation of more than 2,000 formal jobs in each shopping center in operation.
- In each Plaza Sendero shopping center, efforts are made to hire people from the local community.



- Efforts are deployed for the efficient use of resources.
- Shopping centers adopt clean technology initiatives.
- Commitment to implement new efficiencies and being a sustainable Company to improve the communities where we operate.



- Through the "Reciclar para ganar" (Recycling to win) program, plastic waste is revalued.
- Raising awareness among visitors, tenants, employees, and the community about the importance of waste valorization
- The use of reusable bags for shopping in malls is encouraged.



- Measurement of GHG emissions and focus on generating initiatives to reduce them.



- Respect and compliance with human rights of all stakeholders.
- Communicate and evaluate all suppliers on corruption issues.



- Alliances with local governments, health institutions, charities, and non-profit associations, to carry out initiatives with Sendero shopping centers that generate a social impact in the community.



# Green Sendero

## OUR ENVIRONMENTAL COMMITMENT

Among other material topics, Acosta Verde's drive to reduce its operation's environmental footprint and mitigating climate change throughout its shopping center portfolio is crucial in everyday decisions.





## 2022 ENVIRONMENTAL HIGHLIGHTS ARE LISTED BELOW:



93% of the portfolio's common areas are equipped with LED lighting.



Low water use solutions were installed in the common area restrooms of 17 Sendero shopping centers.




An environmental sustainability best practices handbook was drafted for tenants.



Plaza Sendero Escobedo joined the Efficient Buildings Challenge.

Acosta Verde acknowledges that climate change affects everyone. For this reason, in 2022, the Company established a roadmap to measure financial risks and opportunities related to climate change in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. Acosta Verde intends to continue adopting TCFD recommendations to its processes in the coming years.

In 2022, the Company published its **Environmental Policy**  , which establishes the necessary guidelines to operate in an environmentally responsible way, complying with applicable national legislation and pursuing the efficient use of resources while designing, building, and operating all Sendero shopping centers and corporate headquarters.

# < ENVIRONMENTAL POLICY >

The key topics covered by the Environmental Policy:



Acosta Verde drafted the Environmental Sustainability Best Practices Handbook for Tenants.



During 2022, Acosta Verde drafted an **Environmental Sustainability Best Practices Handbook for Tenant**, which provide Plaza Sendero's tenants with recommendations for more efficient water management and energy consumption in their retail operations, as well as encourage them to adopt the best circular economy practices for businesses.

The **Sendero Verde** (Green Sendero) axis of the Company's ESG strategy covers: (i) energy and water consumption; (ii) greenhouse gas emissions and (iii) the waste generated in the portfolio's operations. The information presented below corresponds to the common areas within the 17 shopping centers of the portfolio. In those cases where data includes operation of third party shopping centers which are managed by Acosta Verde, an explanatory note was included.





93% of the portfolio's common areas are equipped with LED lighting.

## < ENERGY >

302-1, 302-2, 302-3, CRE1, IF-RE-130a.1

The Company's ESG strategic goals include reducing energy intensity in shopping centers by 20% by 2030. For this purpose, we continue to adopt more energy-efficient technologies in the portfolio's operations.

At the end of 2022, 93% of the shopping center's common areas were equipped with LED lighting, which uses up to 80% less energy than incandescent light bulbs.

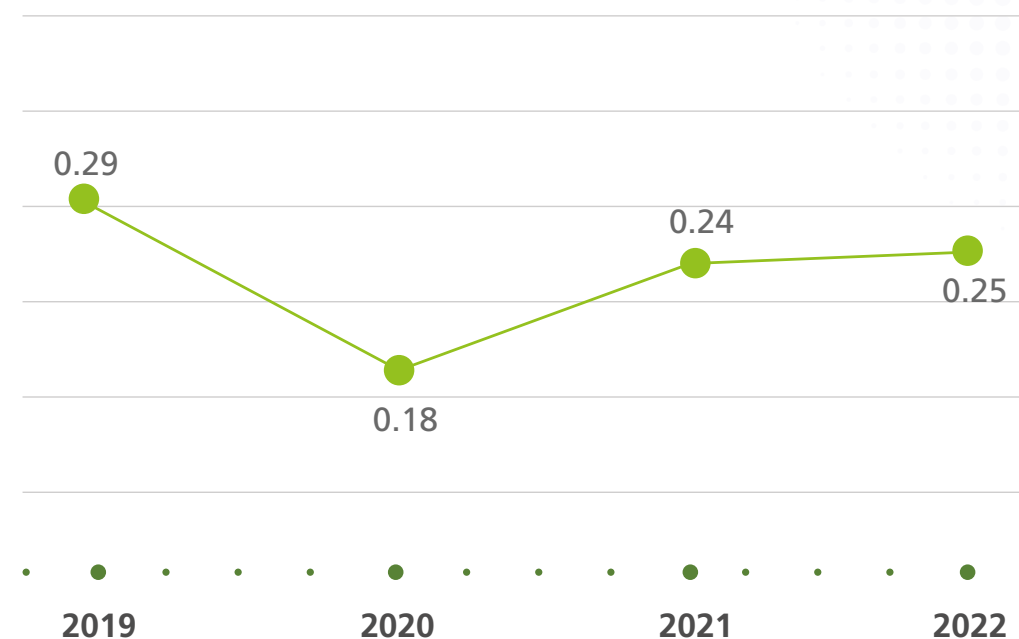
### Energy consumption

Figures in gigajoules (GJ)

Type	Source		2019 GJ	2020 GJ	2021 GJ	2022 GJ
Direct energy	Stationary	Natural gas	710	949	767	630
	Stationary	Gas LP	35	211	238	249
	Stationary	Diesel	268	236	261	184
	Mobile	Gasoline	593	320	311	106
Total direct energy			1,606	1,716	1,577	1,169
Indirect energy	Stationary	Electricity	111,458	67,319	91,200	98,621
Total direct & indirect energy			113,064	69,035	92,777	99,790

### 2022 energy intensity

(GJ/leased sqm)



To adopt best practices and to achieve greater energy efficiency, **Plaza Sendero Escobedo** joined the **Reto de Edificios Eficientes (Efficient Buildings Challenge)** in 2022, an initiative launched by the municipality government of Monterrey, in partnership with the World Resources Institute (WRI). This program aims to promote the implementation of energy efficiency practices towards reducing energy consumption and the environmental impact of current buildings by up to 10%.

This program provides participants with technical advice for diagnostics and assists companies in the implementation of technologies capable of achieving higher levels of efficiency.



# < EMISSIONS >

305-1, 305-2, 305-4

Since 2020, Acosta Verde has measured and managed its greenhouse gas (GHG) emissions to understand the environmental impact caused by its activities and implement strategies to lower emissions.

During 2022, for the first time, the Company undertook a significant effort to measure tenant energy consumption and the portfolio's Scope 3 emissions<sup>1</sup>.

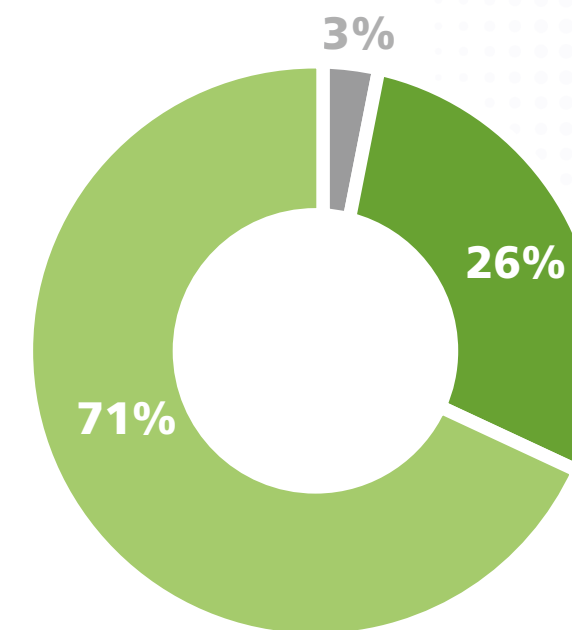
## | GHG emissions

GHG emissions	Source	2019 tco <sub>2</sub> e	2020 tco <sub>2</sub> e	2021 tco <sub>2</sub> e	2022 tco <sub>2</sub> e
Scope 1	Stationary	1,267	1,138	1,218	1,430
	Mobile	37	24	21	7
	<b>Total</b>	<b>1,304</b>	<b>1,162</b>	<b>1,239</b>	<b>1,437</b>
Scope 2	Electricity	15,635	9,237	10,716	11,916
	<b>Total</b>	<b>15,635</b>	<b>9,237</b>	<b>10,716</b>	<b>11,916</b>
<b>Total Scope 1 &amp; 2</b>		<b>16,939</b>	<b>10,399</b>	<b>11,955</b>	<b>13,353</b>
Scope 3	Mobile				9
	Electricity				32,627
	<b>Total Scope 3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,627</b>
<b>Total emissions</b>		<b>16,939</b>	<b>10,399</b>	<b>11,955</b>	<b>45,989</b>

<sup>1</sup>Scope 3 emissions measurement covers 81% of leased space in the 17 Sendero shopping centers.



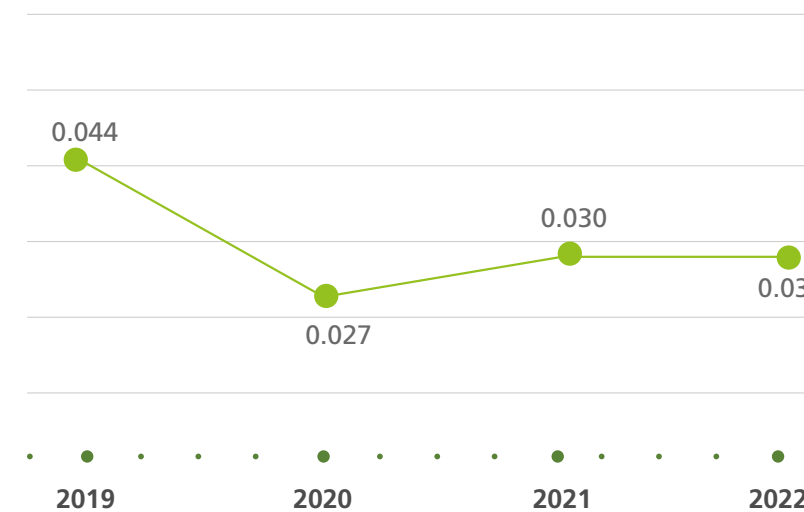
## | Carbon footprint breakdown



➤ Scope 1 ➤ Scope 2 ➤ Scope 3

## | Emissions intensity<sup>2</sup>

(tCO<sub>2</sub>e /leased sqm)



### Notes on emissions calculation

- <sup>2</sup>Only includes Scope 1 and 2 emissions.
- Gases included in Scope 1 and 2 calculations: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.
- The emission factor used was 0.435 tons of CO<sub>2</sub>/MWh of Mexico's National Electric System (Sistema Eléctrico Nacional, SEN for its Spanish acronym) for 2022.
- Source of emission factors: For fuel, and cooling gases the GHG Protocol emissions calculator was used, and for electrical energy the Regulation of the General Law on Climate Change regarding the National Emissions Registry ("RENE" by its Spanish acronym)
- GHG accounting consolidation approach: operational control based on the guidelines established in Mexico's National Registry of Emissions (Registro Nacional de Emisiones, RENE for its Spanish acronym).

# < WATER >

303-1, 303-2, 303-3, 303-4, 303-5

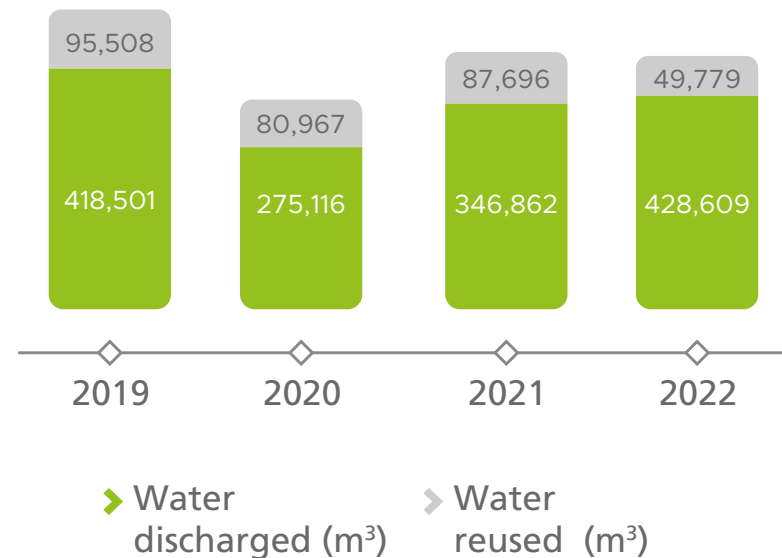
Acosta Verde has evaluated and implemented multiple strategies to improve water consumption efficiency in its portfolio, from training and awareness of employees and tenants to recycling water from cooling towers and condensate from AC systems to reuse it for green space irrigation.

During 2022, the Company carried out several projects to reduce water consumption. Among those projects, stands out the installation of tap aerators for all water faucets in its shopping centers and starting of the flushometer replacement program for toilets and urinals. At the end of 2022, Acosta Verde is well underway in retrofitting its sanitary facilities with more water-efficient systems.

In 2022, the Company's water consumption in its portfolio common areas was 478,388 m<sup>3</sup>. Out of this figure, Acosta Verde recovered 49,779 m<sup>3</sup> and reused for green area irrigation, and the remaining 428,609 m<sup>3</sup> were discharged into the municipal sewage system in accordance with applicable regulations.

## | Water consumption<sup>3</sup>

Year	Total water consumption (m <sup>3</sup> )
2019	514,009
2020	356,083
2021	434,558
2022	478,388

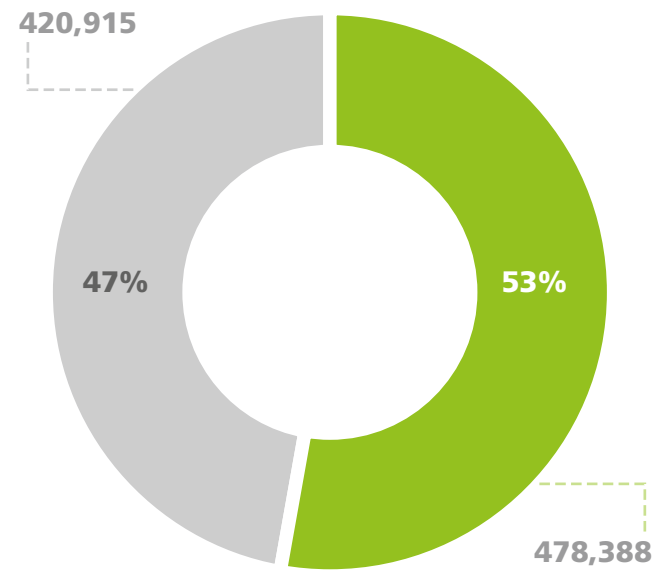


**10% of the water consumed was reused to irrigate green areas.**

<sup>3</sup>100% of the water consumed comes from areas with water stress.

## | Water footprint<sup>4</sup>

(m<sup>3</sup> of water)

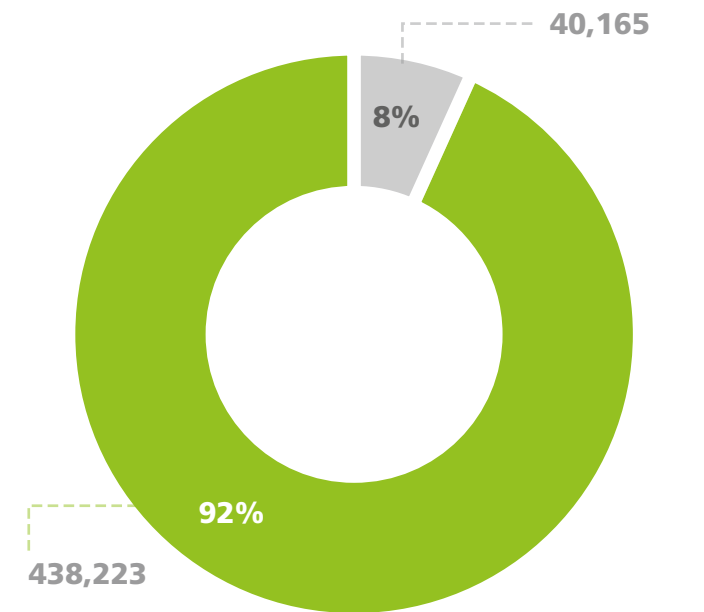


➤ Tenant water consumption    ➤ Water consumption in common areas

During 2022, some cities in Northern Mexico suffered historic municipal water shortages due to extreme drought conditions, causing the Company to resort to third-party water trucks to cover 8% of its water consumption.

## | Water withdrawal by source

(m<sup>3</sup> of water)

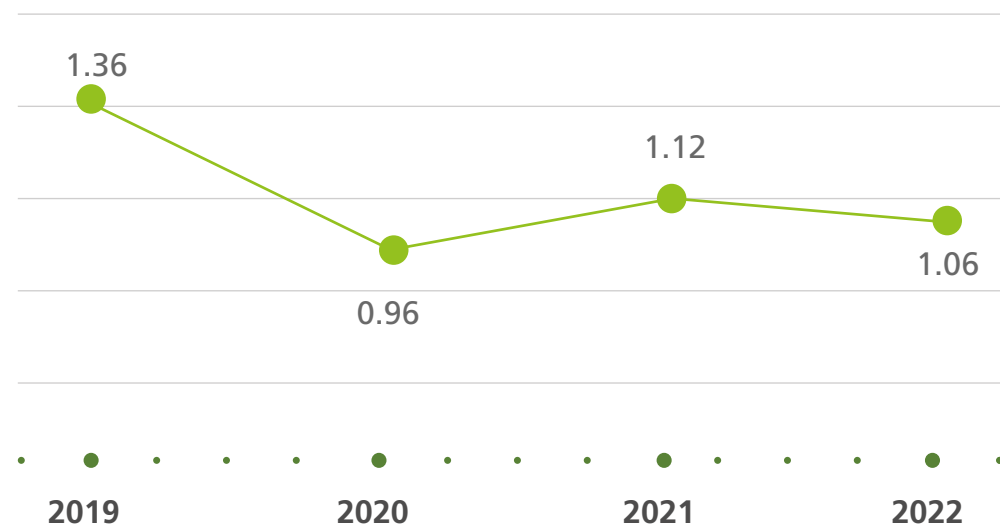


➤ Third-party water supplier (water trucks)    ➤ Municipal water network

<sup>4</sup> Water consumption measurement covers 54% of leased space in Sendero Shopping Centers.



**Water intensity<sup>5</sup>**  
(m<sup>3</sup> of water / leased sqm)



As part of its commitment towards water conservation, the Company is constantly implementing strategies to achieve the goals set for 2030, including reusing 30% of the water consumed and reducing the portfolio's water intensity by 20%.

<sup>5</sup>Includes water consumption in common areas owned by Acosta Verde.

**Water intensity** in common areas **decreased by 13%** compared to the base year (2019).





# < WASTE >

306-1, 306-2, 306-3, 306-4, 306-5

The waste generated at Acosta Verde’s portfolio comes from visitor traffic and tenant operations. To reduce waste directed to landfilling, the Company deployed circular economy strategies throughout its shopping center operations, recycling 363 tons of cardboard. Additionally, Acosta Verde is working with Grupo AIE n to encourage visitors to recycle PET bottles and bottle caps.

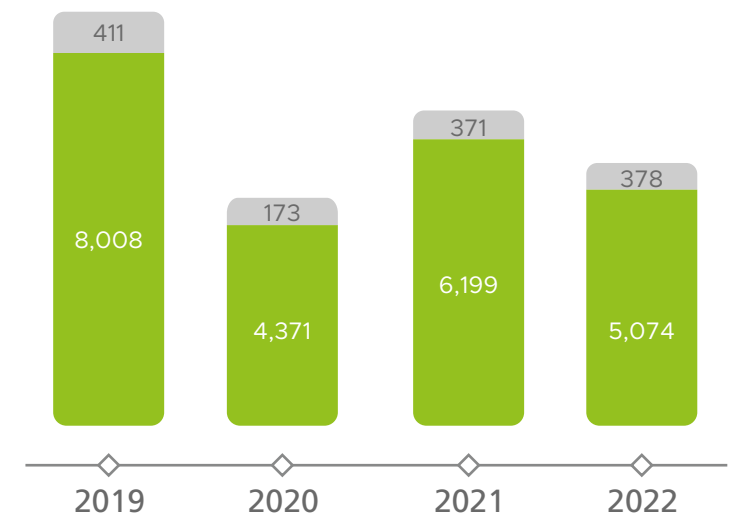
Waste composition	2022 (Figures in tons)		
	Waste generated	Waste directed to landfilling	Waste directed to recycling
PET <sup>6</sup>	13	n.d. <sup>7</sup>	13
Bottle caps	2	n.d.	2
Cardboard	363	n.d.	363
Non-hazardous waste	5074	5,074	0
<b>Total</b>	<b>5,454</b>	<b>5,074</b>	<b>378</b>

<sup>6</sup> Figures for PET and bottle caps directed to recycling also include collected materials from a managed shopping center.  
<sup>7</sup> n.d.: Not available

**7%** of the waste generated **was recycled.**

## Waste by disposal

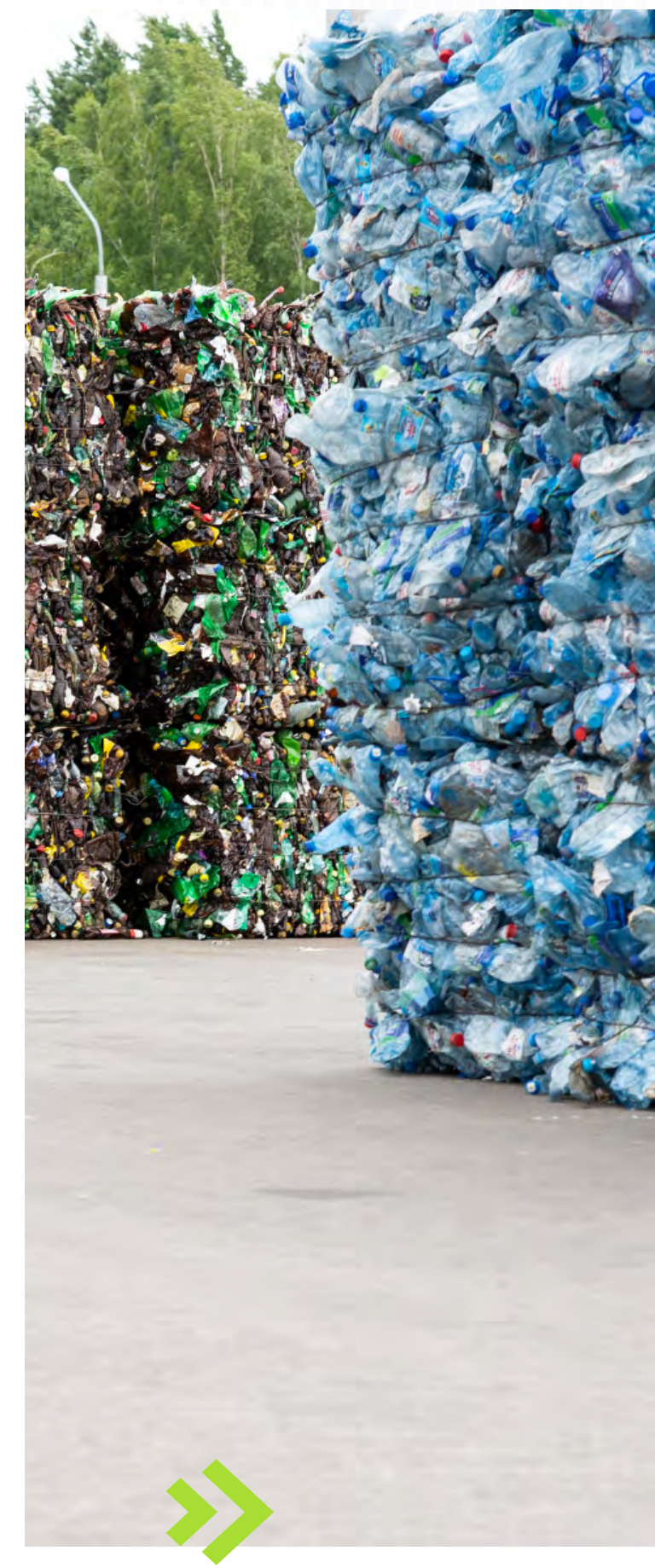
(Tons)



➤ Directed to landfills      ➤ Directed to recycling

**Waste generated decreased by 18%** compared to 2021.

Over the past 3 years, Acosta Verde **reduced its waste** directed to landfilling by **37%**.



Since 2019, in partnership with Grupo AEn, Acosta Verde has implemented the **Reciclar para ganar (recycle to win)**, program, an initiative currently running in five shopping centers. This program aims to recover and revalue plastic waste and at the same time provide an economic benefit to participants.

By depositing PET or HDPE bottles, participants receive e-cash that they can redeem at any of the shopping center's stores. Grupo AEn is responsible of collecting the bottles from the collection points to take them to one of its two PET recycling plants, where these are turned into bottles for the packaging of its products.

Thanks to the visitors and tenants who supported this program, 13 tons of PET were recycled in 2022 (equivalent to approximately 478,323 PET bottles), preventing the release of 29.8 tons of CO<sub>2</sub> into the atmosphere.

Shopping center	Kilograms	Money deposited	New participants	Number of bottles recycled
Sendero La Fe	2,499	\$6,248	54	79,980
Sendero Escobedo	1,585	\$3,962	42	50,714
Sendero Apodaca	2,774	\$6,934	86	88,761
Sendero Sur	5,119	\$12,798	148	163,820
Sendero San Roque	1,318	\$3,295	61	42,172
<b>Total</b>	<b>13,295</b>	<b>33,237</b>	<b>391</b>	<b>425,447</b>



At the end of 2022, the Company set up collection points for bottle caps in five Sendero shopping centers across the Monterrey metropolitan area, as well as in Plaza Sendero Sur in the city of Saltillo, whose collected materials will be donated to Banco de Tapitas A.C., to provide financial support for the treatment of children with cancer.

During 2022, Acosta Verde prevented the release of **29.8 tons of CO<sub>2</sub>** into the atmosphere through its joint **PET recycling program.**



Acosta Verde launched an initiative to collect **bottle caps in six shopping centers.**

## < BIODIVERSITY >

304-1

In 2022, Acosta Verde published its **Environmental Policy** 🌱, strengthening its commitment towards biodiversity. In this policy, the Company outlines its approach to preserving the flora and wildlife in the communities where Sendero shopping centers operate.





# Acosta Verde with you

## OUR SOCIAL COMMITMENT

Acosta Verde is committed to operate in a socially responsible way, generating a positive impact on its employees and the communities where we operate.



## 2022 SOCIAL HIGHLIGHTS INCLUDE:



**41%** of the workforce are women.



**130** employees trained in diversity, equity and inclusion topics.



**40** hours of training were provided on average per employee.



Over **300,000** COVID-19 vaccination shots were administered to the community at the Plazas Sendero facilities.

# < EMPLOYEES >

2-7, 2-8, 401-1, 401-2, 401-3, 405-1

Acosta Verde’s employees stand out for their talent, professionalism and experience, representing the Company’s most important asset.

Ensuring the well-being and development of the employees is a core component of Acosta Verde’s culture; for this reason, it strives to provide a safe, healthy and diverse work environment with a wealth of opportunities for them to realize their full potential.

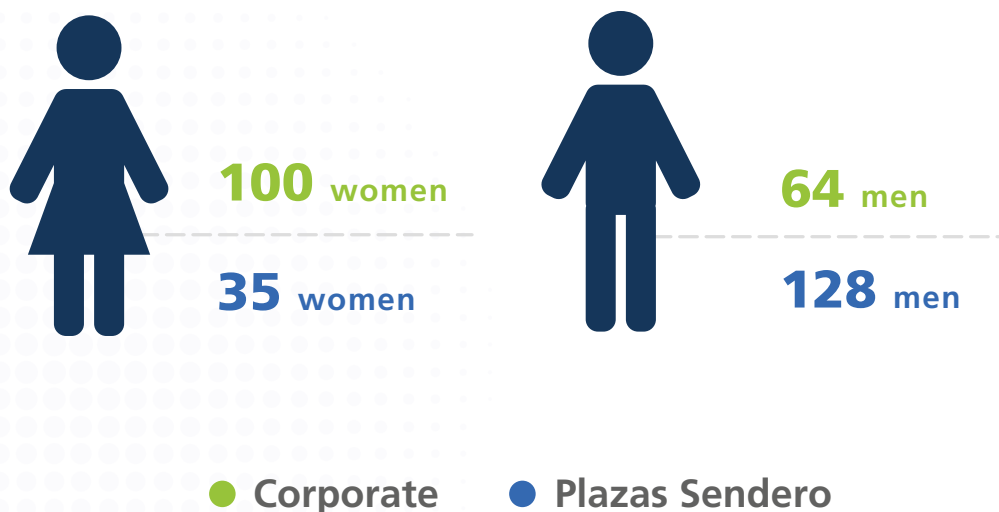
The Company has policies that promote labor rights, human rights, diversity & inclusion, freedom of association & collective bargaining and prohibits harassment, discrimination, forced labor or child labor.

Having diverse teams enables the exchange of ideas and knowledge, fosters creativity and brings different perspectives. As a result, the Company had 327 permanent full-time employees, 135 women, and 192 men at the end of 2022.



**Women** account for **74%** of the corporate workforce.

## Employees by gender, age group, and job category



Job category	Women			Men			Total
	< 30 years	31-50 years	>51 years	< 30 years	31-50 years	>51 years	
Senior management							
Executive manager	-	-	-	-	4	-	4
Middle management							
Manager	1	5	-	-	11	2	19
Coordinator	-	2	-	-	5	-	7
Head	2	17	3	4	32	5	63
Administrative							
Specialist	2	8	-	2	6	-	18
Analyst	22	43	1	10	12	-	88
Assistant	4	15	1	-	-	-	20
Auxiliary	1	4	-	-	-	-	5
Operating							
Operative jobs	-	-	4	32	60	7	103
<b>Total</b>	<b>32</b>	<b>94</b>	<b>9</b>	<b>48</b>	<b>130</b>	<b>14</b>	<b>327</b>



Women hold **34%** and **32%** of manager and middle management positions, respectively.

**68%** of employees is within the **31-50 years** old group.

**Employees by region**

Region	Women	Men
Baja California	6	12
Chihuahua	9	23
Coahuila	3	6
State of Mexico	9	18
Nuevo Leon	89	92
San Luis Potosi	5	8
Sinaloa	6	16
Sonora	3	8
Tamaulipas	5	9
<b>Total</b>	<b>135</b>	<b>192</b>

**New employee hires by workplace, gender, and age group.**

New employee hires	Plazas Sendero		Corporate		Total	
	Men	Women	Men	Women	Men	Women
<30 years	30	3	3	8	33	11
31-50 years	31	3	2	5	33	8
>51 years	3	0	0	0	3	0
<b>Total</b>	<b>64</b>	<b>6</b>	<b>5</b>	<b>13</b>	<b>69</b>	<b>19</b>

The Company's recruitment and selection process is focused on finding talented candidates who can grow and develop. Regarding the recruitment process, Acosta Verde's approach is to be free of discrimination, as the Company's policy prohibits discrimination based on ethnic or national origin, skin color, culture, sex, gender, age, disabilities, social, economic, health or legal background, religion, physical appearance, genetic features, immigration status, pregnancy, language, opinions, sexual preferences, political identity or affiliation, marital status, family situation, family responsibilities, language, criminal record or any other reason.

During 2022, Acosta Verde made 88 new employee hires out of which, 70 were at Plazas Sendero and 18 at corporate offices.

Approximately **22%** of new employee hires were covered through internal promotions.



Employee turnover by workplace, gender, and age group<sup>1</sup>

	Involuntary employee turnover Rates				Voluntary employee turnover Rates			
	Men at Plazas Sendero (%)	Men at Corporate Offices (%)	Women at Plazas Sendero (%)	Women at Corporate Offices (%)	Men at Plazas Sendero (%)	Men at Corporate Offices (%)	Women at Plazas Sendero (%)	Women at Corporate Offices (%)
<30 years	2.45%	0.61%	0.61%	0.00%	14.72%	1.22%	1.23%	1.22%
31-50 years	5.52%	0.00%	0.00%	2.44%	15.95%	0.61%	0.61%	1.22%
>51 years	0.61%	0.00%	0.00%	0.00%	1.84%	0.00%	0.00%	0.00%
<b>Total</b>	<b>8.59%</b>	<b>0.61%</b>	<b>0.61%</b>	<b>2.44%</b>	<b>32.52%</b>	<b>1.83%</b>	<b>1.84%</b>	<b>2.44%</b>

Employee benefits

Acosta Verde is known for offering working conditions that allow employees to grow, learn and develop personally and professionally.

The **Árbol Vive GAV<sup>2</sup>** shows the benefits granted to employees who are part of Acosta Verde, which are focused on economic, health, social, and education aspects. In 2022, the Company included additional benefits such as **more days off** and a **higher vacation bonus**. Additionally, Acosta Verde launched the **Balance GAV program** for employees in corporate offices, a flexible work structure allowing employees to work at least 2 days per week at the

offices and the remaining weekdays from home. Concerning health, employees have access to **MIDOCONLINE** platform, which allows them to have free consultations with medical, psychology, and nutrition specialists through an app.

<sup>1</sup>Turnover = number of employees who left / headcount  
<sup>2</sup> Currently, the benefits defined in Árbol Vive GAV apply to 100% of corporate employees, with some benefits beginning to be extended to shopping center employees.



### Benefits in accordance with Mexican labor legislation

- ◆ Lactation rooms set up in corporate offices

### Benefits exceeding those established by Mexican labor legislation

- ◆ Vacation (*Balance GAV*)
- ◆ Maternity leave (*Mamá con valor*)
- ◆ Paternity leave (*Papá con valor*)
- ◆ Food vouchers
- ◆ Vacational and Christmas bonuses

### GAV benefits

- ◆ Savings fund
- ◆ Seniority bonus
- ◆ Social security subsidy
- ◆ Life insurance, major and minor medical expenses insurance (*MIDOCONLINE*)
- ◆ Work flexibility
- ◆ Employee integration activities (*Sendero al éxito*, team building, *After GAV*)
- ◆ Online training platform (*Lernit*, *GAV Talks*)
- ◆ School support (*Sendero Educativo*)
- ◆ Recreational facilities (*Zona Vive GAV*)



### Parental leave by gender

	Men	Women
Employees entitled to parental leave	4	1
Employees who took parental leave	4	1
Employees who returned to work in the period covered by this report	4	1
Employees who remained with the company 12 months after returning to work	4	1
<b>Reinstatement rate after parental leave</b>	<b>100</b>	<b>100</b>
<b>Retention rate among employees who used parental leave</b>	<b>100</b>	<b>100</b>

Acosta Verde's parental leave benefits exceed those established by Mexican labor legislation. In case of maternity leave, the employee has the right to gradually return to work with a reduced schedule from 8:30 AM to 1:30 PM until the baby is 6 months old. In the case of paternity leave, 5 additional days are granted on top of those given by Law to reach 10 days in total; after that, they have the right to work for a month in a reduced schedule from 8:30 AM to 1:30 PM.<sup>3</sup>

<sup>3</sup>These programs apply to corporate staff.



“Health & Safety” was the topic with the highest number of training hours.

# TRAINING AND DEVELOPMENT

404-1, 404-2, 404-3

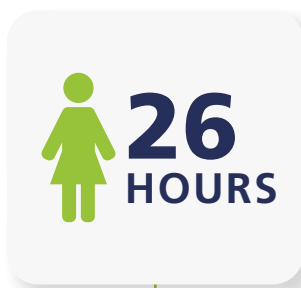
Employee training and development is a core component of Acosta Verde’s ESG strategy. The Company is convinced that providing knowledge and developing new skills is necessary to build capable, cooperative and productive work teams, thus driving the organization’s and its employees growth.

In 2022, Acosta Verde invested in different initiatives and learning tools for employees, such as tuition for master’s degrees, professional careers, seminars, courses, online training platforms, conferences, and workshops. As a result, the Company provided an average of 40 hours of training per employee.

In 2021, Acosta Verde implemented Lernit, a learning platform that allows for a digital and flexible experience. In 2022, the Company encouraged its employees to train through it on concepts such as: creativity, emotional intelligence, critical thinking, productivity, work focused on results, among others.

## Training by job category and gender

Average hours of training by gender



Women

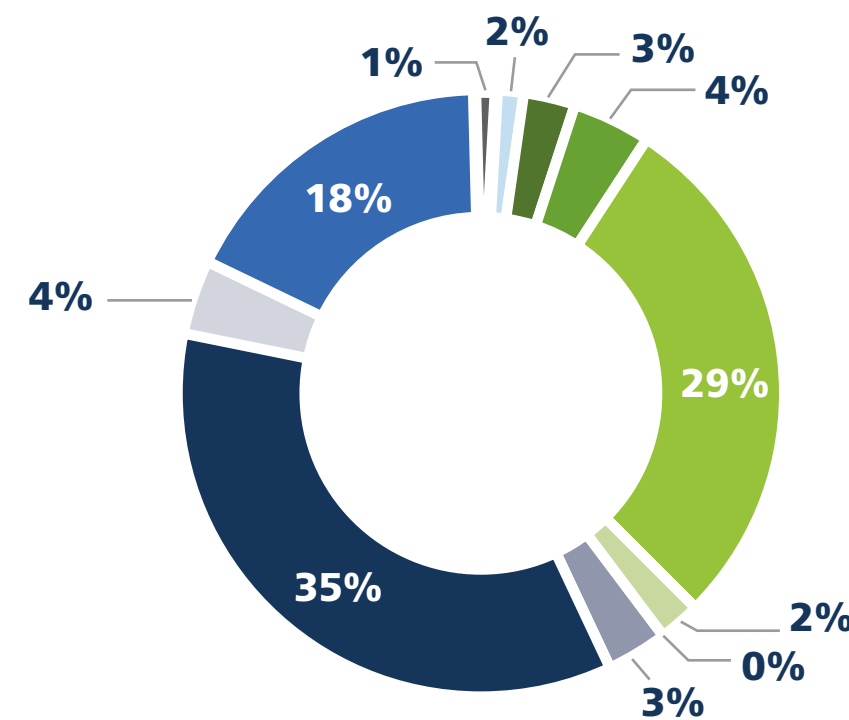


Men

## Training hours by job category and gender

Job category	Women	Men
Senior management	-	4%
Middle management	11%	11%
Administrative	16%	7%
Operating	0.05%	51%

## Training hours by topic



- Environment ➤ Anti-corruption ➤ Code of Ethics
- Cybersecurity ➤ Technical skills
- Human rights ➤ Risk management
- Languages ➤ Health and security ➤ Leadership
- Professional knowledge



During 2022, the Company **evaluated the performance** of 94% of its employees.

### Assessments

Under a direct employee-boss scheme, the Company conducts quarterly employees' performance assessments, which are used to follow up on the achievement of individual and organizational goals.

### Performance assessments by job category and gender

		Women	Men
Senior management	Executive manager	0	4
	Manager	6	13
Middle management	Coordinator	2	5
	Head	23	23
	Specialist	5	25
Administrative	Analyst	46	17
	Assistant	22	0
	Auxiliary	4	0
	Operating jobs	4	109
<b>Total</b>		<b>112</b>	<b>196</b>

Employee compensation has a variable component in the short-term, which is directly linked to the results of their annual assessment. Acosta Verde's key employees, also have a long-term compensation package based on the Company's performance, which seeks to incentivize their performance and tenure in the organization.

## < INNOVATION >

**Innovation** is at the core of the Company's vision. During 2022, corporate and Plazas Sendero employees proposed ideas for the continuous improvement of current processes to create new revenue sources, provide better customer experience or find new business opportunities. During the year, four brainstorming sessions on improving strategic indicators were held, in which 40 ideas were submitted, 7 were already implemented and 12 more are under implementation.



## < HEALTH AND SAFETY >

403-1, 403-2, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

The well-being, health and safety of all its employees and those who may be affected by its operations is a priority for Acosta Verde. The Company is committed to provide a safe and healthy work environment for the development of its employees.

### Occupational psychosocial risk factors survey (Official Mexican Standard NOM-035)


The official Mexican Standard on occupational psychosocial risk factors (NOM-035) has the mission of establishing the elements to identify, analyze and prevent psychosocial risk factors, as well as to foster a positive work environment across the organization. For this reason, in 2022, Acosta Verde conducted a survey to identify psychosocial risks and evaluate their impacts, achieving a **100% employee** participation rate.



Actions implemented based on the survey results included:

- ◆ Through a specialized medical service, psychological support was provided to the employees detected with severe traumatic experiences.
- ◆ The psychology service was implemented through **MIDCONLINE** for all employees.
- ◆ Conducted training on mental health, well-being, and leadership topics.

In addition, the Company's Psychosocial Risk Prevention **Policy NOM-035** was distributed across the organization.

 The **NOM-035** survey had a 100% employee participation rate.

### Initiatives to foster safe places and prevent risks

The safety of Acosta Verde employees and the tenants' employees is a priority of the Company, and for this reason the Company follows a proactive approach of risk management. The main activities performed on a regular basis for this purpose are:

- ◆ Awareness of existing risks and how to avoid them is raised among employees.
- ◆ The appropriate safety equipment is provided.
- ◆ All work or any activity at height, machinery areas, parking lots, and immediate perimeter of sites is supervised at all times.
- ◆ Training on Official Mexican Standards related to safety-prevention & fire protection conditions (NOM-002-STPS-2010), safety conditions for working at heights (NOM-009-STPS-2011), and personal protective equipment-selection, use, and management in workplaces (NOM-017-STPS-2008) was provided to employees.
- ◆ Contingency plans are in place, which encompass essential firefighting equipment, sprinkler systems, and fire prevention awareness talks.

Acosta Verde continues to oversee that activities at the Plazas Sendero and corporate headquarters adhere to the guidelines established by the Mexican government to respond to the COVID-19 pandemic. Although operations in 2022 normalized compared to pandemic phase period, the Company maintains a robust protocol to timely implement any measure requested by authorities in the event of a contagion spike.

### Health & Safety indicators

	All employees	Specialized services employees
Work-related fatalities	0	0
High-consequence work-related injuries (excluding fatalities)	1	2
Recordable work-related injuries	9	18
<b>Rate of high-consequence work-related injuries (excluding fatalities)</b>	<b>0.28</b>	<b>0.28</b>
<b>Rate of recordable work-related injuries<sup>5</sup></b>	<b>2.51</b>	<b>2.49</b>
<b>Absenteeism rate</b>	<b>0.20</b>	<b>0.00</b>

<sup>4</sup> Calculated based on 200,000 hours worked  
<sup>5</sup> Calculated based on 200,000 hours worked

 **No cases of work-related ill health were reported in 2022.**

### Health week

One of the main initiatives carried out for the benefit of our employees is the health week, which is held annually. During this week, different activities are carried out to promote the physical and mental wellbeing of our employees.

During 2022, in the health week, employees had access to:

- ◆ 80 medical check ups
- ◆ 20 spirometry studies
- ◆ 25 breast ultrasounds
- ◆ 40 sessions of relaxing massages
- ◆ 5 GAV Talks focused on the topic of wellness
- ◆ Theoretical-practical workshop on healthy beverages
- ◆ Yoga classes
- ◆ 25 visual assessments
- ◆ Hiking activities

# < COMMITMENT TO THE COMMUNITY >

CRE7, 413-1

Acosta Verde promotes a culture strongly focused on service, commitment and value creation in the communities where it operates. In 2022, the Company remained committed to carry out actions to improve the quality of life of its visitors and neighboring communities of its Plazas Sendero.

This year Acosta Verde implemented over 40 initiatives across its community center portfolio, which led to the execution of more than 220 community engagement events centered around the promotion of health care, inclusion & support for vulnerable groups, development of job opportunities, care for the environment, information sharing, among others.



## SDGs engaged:



More than **40** social impact initiatives carried out in Plazas Sendero.

More than **200,000** beneficiaries.

## Outstanding community engagement initiatives



**COVID-19 vaccination campaign**

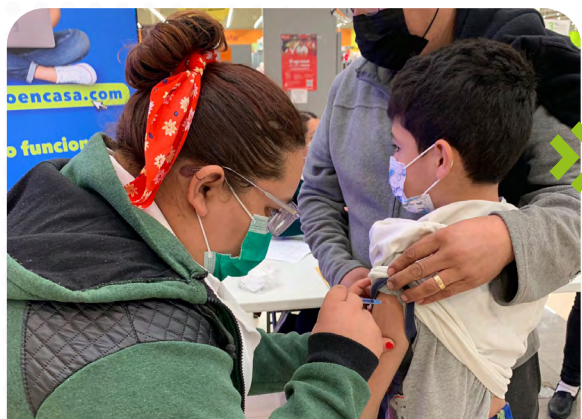
In 2022, Acosta Verde continued to support the communities where it operates and, in collaboration with Mexico's health authorities, all the Sendero shopping centers continued to host vaccination brigades against COVID-19.

**330,258 COVID-19 vaccination shots were applied during the year.**



**Health brigades**

The Company carried out health brigades, where different services were offered to the community free of charge, such as: vaccination schemes, nutritional counseling, blood donation, eye exams, Hepatitis C, HIV, and Syphilis tests.



**Vaccination campaigns for children and vulnerable groups**

During 2022, in alliance with Mexico's Ministry of Health and the Mexican Social Security Institute (IMSS, for its Spanish acronym), Acosta Verde carried out permanent campaigns to aid in the vaccination of population, mainly children and vulnerable groups.



**Campaigns against cancer**

Throughout the year, Acosta Verde held events to collect hair and bottle caps for donation to institutions dedicated to help people with cancer. At some Plazas Sendero, the Company conducted awareness and information campaigns on preventive measures against breast cancer and assisted mammograms and Pap tests.



Events to encourage physical activity

During 2022, the Company offered free zumba, yoga, jump, boxing and spinning classes to encourage better health habits among Plaza Sendero visitors and neighboring communities.



Job fair

To contribute to equal opportunities and drive economic growth in the regions where it operates, Acosta Verde works with neighboring companies to hold job fairs at Plazas Sendero facilities.



Inclusion

Diversity and inclusion are embedded in Acosta Verde's culture; as such, different activities were held at Sendero shopping centers to raise awareness of Down syndrome with the support of specialized institutions. Additionally, in September, awareness talks and Mexican sign language classes were given in commemoration of International Sign Language Day.



Christmas party  
(Posada con Valor)

In December, the Company held *Posada con Valor*, which is an event where corporate and Plaza Sendero employees shared Acosta Verde's values by offering gifts, food and entertainment to several community associations.



## Recreational activities

The Sendero shopping centers are a meeting point for the community. This is why Acosta Verde puts a lot of effort to organize activities for the whole family, promoting **harmony, creativity, talent and healthy recreation**. Among the main initiatives carried out this year:

- ◆ “Rosca de Reyes” cake event
- ◆ Valentine’s Day activities
- ◆ Spring Parade
- ◆ SendeKids
- ◆ Mother’s Day events
- ◆ Workshops for creating outfits with recycled materials
- ◆ Father’s Day events
- ◆ Free graduation events for schools
- ◆ Events for grandparents
- ◆ Events to celebrate Mexico’s National Independence month
- ◆ Artistic and cooking activities for children
- ◆ *Mega Día Sendero*
- ◆ World Cup stamp exchange
- ◆ Exhibitions of local dance and sports schools at Plazas Sendero
- ◆ Exhibitions of local artists and athletes
- ◆ Pet adoption, sterilization, and vaccinations events
- ◆ Halloween and “Día de Muertos” activities
- ◆ Christmas tree lighting

## Main alliances

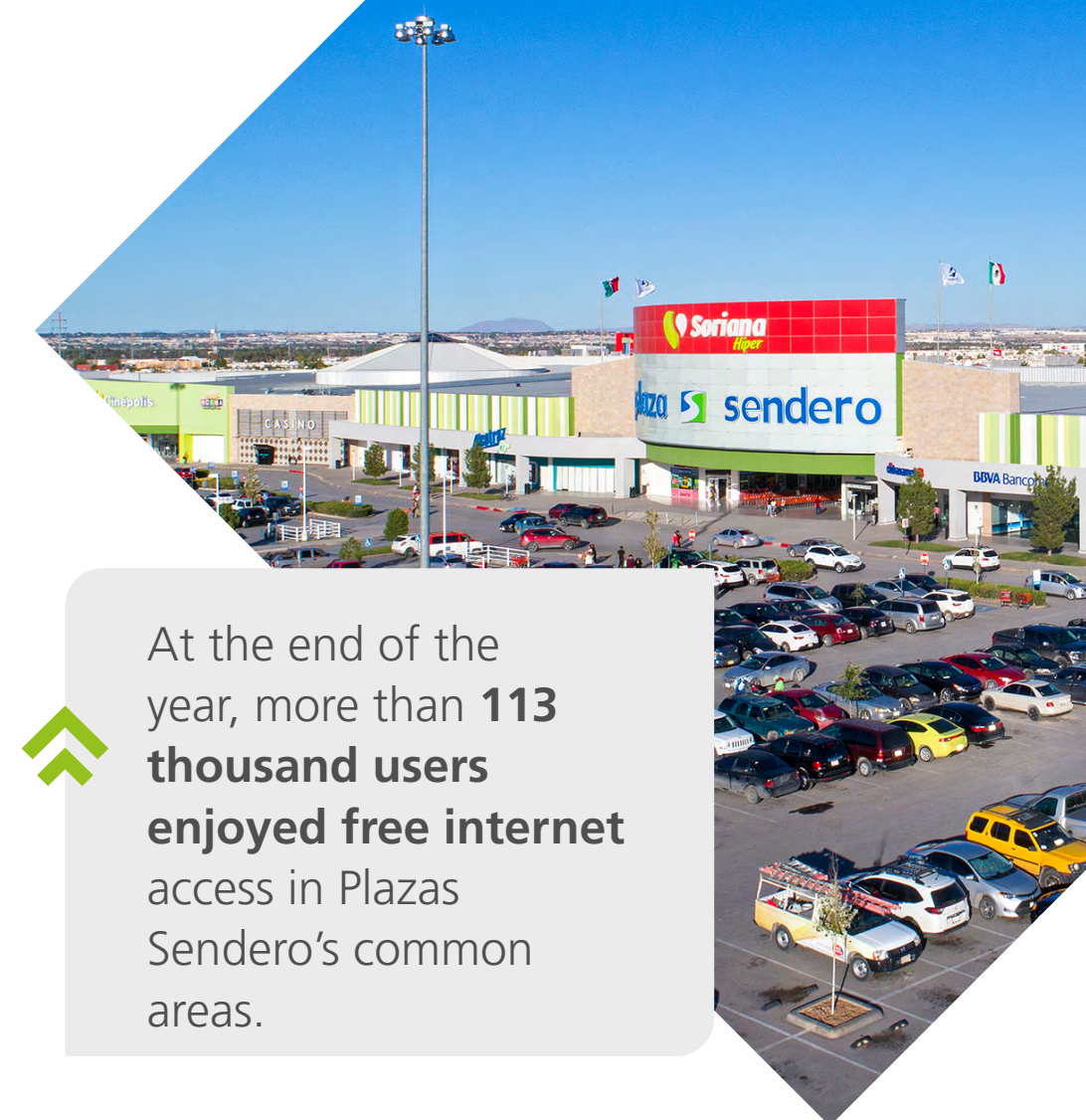
Acosta Verde continues to support social and environmental causes by working hand in hand with local and national institutions such as:

- ◆ Grupo AIE
- ◆ Banco de Tapitas, A.C.
- ◆ *Un Kilo de ayuda*
- ◆ Aldeas Infantiles SOS México
- ◆ Banco de Alimentos de México

## Digital inclusion

In 2018, the UN adopted the resolution for the “promotion, protection and enjoyment of human rights on the Internet.” It states that access to the Internet will be considered a fundamental right of all human beings, as it allows us to access information, and greater opportunities, eliminating digital gaps that reflect and amplify existing social, cultural and economic inequalities.

In 2022, Plazas Sendero incorporated a wireless network for the use in common areas, providing visitors with free internet access to carry out work or school activities at their convenience.



At the end of the year, more than **113 thousand users** enjoyed free internet access in Plazas Sendero’s common areas.



# Integrity at all times

## THE BASIS OF OUR VALUES

Acosta Verde is recognized for having a best-in-class corporate governance, which ensures sustainable value creation for all its stakeholders. The Company's corporate governance bodies operate according to best practices and the highest compliance standards.



## ACTIONS TO BE HIGHLIGHTED IN 2022 IN THE CORPORATE GOVERNANCE AREA ARE AS FOLLOWS:



Addition of the **first woman** to the Board of Directors.

Update to the **Code of Ethics**.



**93%** of employees received anti-corruption training.

Integration into the **United Nations Global Compact** initiative.



## < BOARD OF DIRECTORS >

2-9, 2-10, 2-11, 2-12, 2-13, 2-17, 2-19, 2-20

Acosta Verde's Board of Directors is appointed by the supreme corporate governance body, the General Shareholder's Meeting; it, directly or through its various committees, jointly and in coordination with the Chief Executive Officer, is responsible for directing, authorizing and supervising the business strategy, including ESG issues, while promoting that all decisions taken are aligned with the best corporate governance practices, protecting the interests of the Company's stakeholders.

As of year-end 2022, the Board of Directors is comprised by 11 members, five of whom are independent, and is chaired by the architect Jesús Acosta Verde. The Company has a Nominating Committee, which is responsible for the nomination and selection process of the members of the board and is ruled by Articles 24 and 26 of the Securities Market Law (LMV), the best practices of the national and international market and the criteria of the Shareholder's Meeting. In accordance with the Company's bylaws, the following criteria must be considered:

- ◆ The members of the Board of Directors may or may not be shareholders of the Company and must always have legal capacity to perform their duties.
- ◆ Each proprietary director may have his or her alternate, and in the case of an independent director, the alternate must be an independent director.
- ◆ At least 25% of the directors must be independent (Acosta Verde's Board of Directors is comprised by 45% of independent members).
- ◆ Both, the Chairman of the Board of Directors and the Secretary are elected by the General Shareholder's Meeting.





The Company's bylaws contain complete information on the powers and scope of the Board of Directors.

Member	Position	Real Estate experience	Participation in other boards	Nomination	Alternate
Jesús Acosta Verde	Chairman	✓	4	2015	Jesús Acosta Castellanos
José María Garza Treviño	Propietary member	✓	1	2015	Diego Acosta Castellanos
Lisa Rae Reichenbach	Propietary member	✓	2	2022	Tiara Nelson (1)
Enrique Alejandro Castillo Badia	Propietary member	✓	3	2022	Thomas P. Heneghan
Fernando Gerardo Chico Pardo	Propietary member	✓	5	2020	Fernando Antonio Pacheco Lippert
Federico Chavez Peón Mijares	Propietary member	✓	1	2020	Juan Ignacio Enrich Liñero
Carlos Salazar Lomelín	Independent member	✓	6	2015	N/A
Paulino José Rodríguez Mendivil	Independent member	-	6	2015	N/A
Javier Astaburuaga Sanjinés	Independent member	✓	2	2015	N/A
David Contis	Independent member	✓	2	2016	N/A
Francisco Javier Garza Zambrano	Independent member	✓	1	2020	N/A
Hernán Treviño De Vega	Secretary of the Board				

(1) Adam Kost occupies the position of alternate director as of March 2023.

Board's members have an average of **5 years** in that position.

## Area of expertise

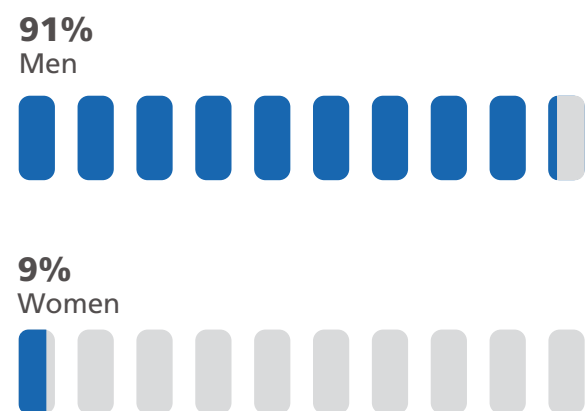


Note: Percentage calculated based on the number of directors with experience in each topic.

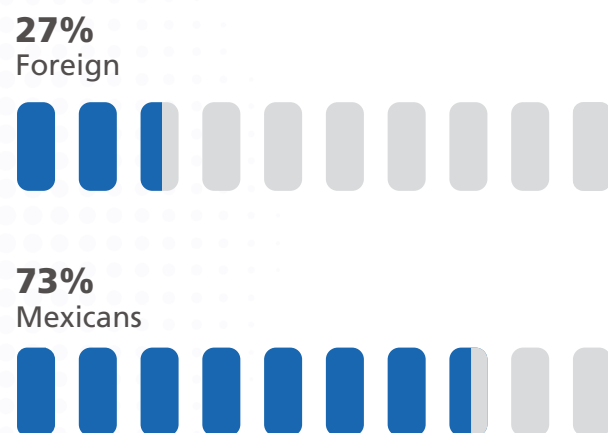
## Diversity in the Board of Directors

At Acosta Verde, we seek to have a diverse Board of Directors where directors have a broad experience in relevant topics and can provide different points of view due to their experience, knowledge, gender, nationality and length of time on the Board.

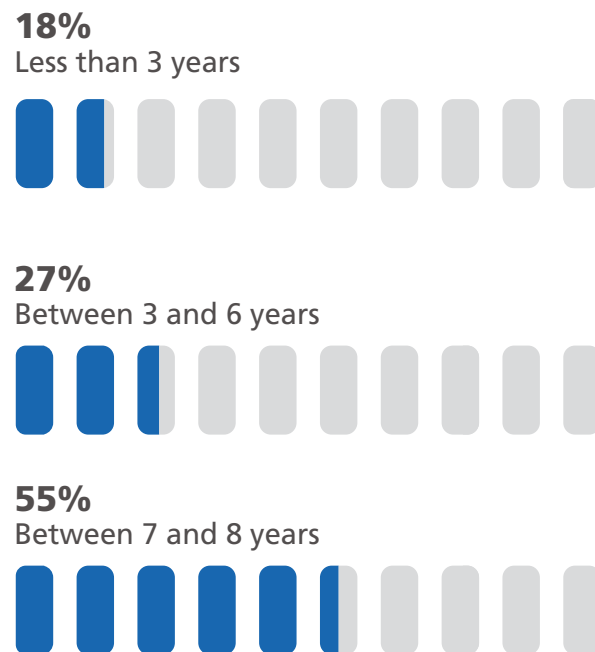
### Gender



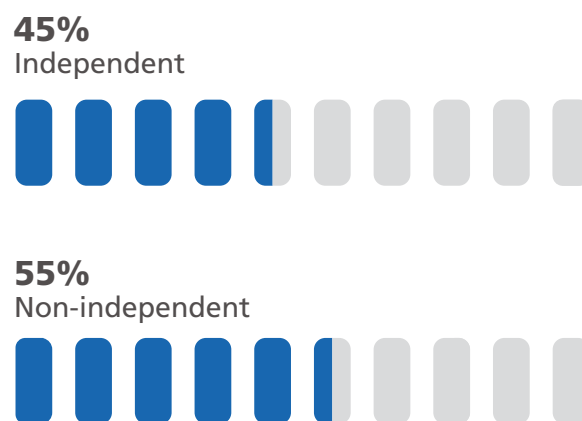
### Nationality



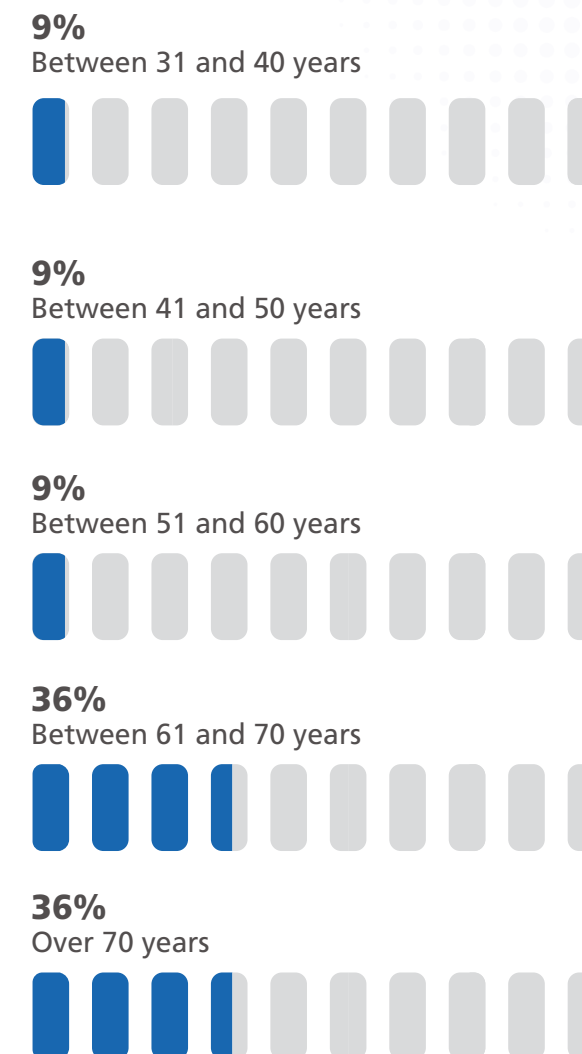
## Seniority on the Board of Directors



## Independence



## Age range



Current members of the Board were nominated in the Shareholders' Meeting held on February 7th, 2020, and ratified at the Ordinary Shareholders' Meeting on April 26th, 2021 and April 25th, 2022, for a period of one year on each occasion.

### Sessions of the Board of Directors during 2022:

- ◆ February 23rd, 2022
- ◆ April 04th, 2022
- ◆ April 25th, 2022
- ◆ May 19th, 2022
- ◆ July 25th, 2022
- ◆ October 25th, 2022

The body responsible for the search, analysis, evaluation and proposal of independent members of the Board of Directors is the Company's **Nomination Committee**.

The Board of Directors is responsible for making decisions on ESG matters, considering the Audit and Corporate Practices Committee opinion.

## < COMMITTEES >

The Board of Directors is supported by four operating committees:

- ◆ Audit and Corporate Practices Committee
- ◆ Compensation Committee
- ◆ Investment Committee
- ◆ Nomination Committee

The members of these committees are selected following the provisions of the LMV and include the participation of independent directors.





## AUDIT AND CORPORATE PRACTICES COMMITTEE

100% INDEPENDENCE

### ■ INTEGRATION

Francisco Javier Garza Zambrano – Chairman

Paulino Rodríguez Mendivil

Javier Astaburuaga Sanjinés

Hernán Treviño De Vega (Committee Secretary)

### ■ MEETINGS DURING 2022

✓ February 22nd, 2022

✓ March 28th, 2022

✓ April 25th, 2022

✓ July 25th, 2022

✓ October 25th, 2022

### ■ MAIN RESPONSIBILITIES

- ◆ Request and obtain independent expert opinions.
- ◆ Review and approve the quarterly and annual financial statements.
- ◆ Pre-approve all audit services, including the fees and terms thereof, to be performed for the Company by its independent auditors, or adopt pre-approval policies and procedures as to particular services to be performed.
- ◆ Inform their opinion on internal check & balance mechanisms, as well as internal audit systems.
- ◆ Evaluate mechanisms for the identification, analysis, management and control of risks.
- ◆ Investigate breaches to policies, regulations, internal checkpoints and auditing systems.
- ◆ Inform any irregularity to the Board of Directors and propose corrective actions.
- ◆ Verify that the party to perform the appraisals of the assets of the company meets all mandates from the Board of Directors.
- ◆ Review with the Company's management and tax advisors material tax issues and potential disputes.
- ◆ To the extent applicable, the Committee shall review the function of the Company's internal audit department, its budget, organization, activities, independence and authority, and its reporting obligations.
- ◆ Recommend on transactions with any related party and review the Company policies about related party transactions.



## COMPENSATION COMMITTEE

25% INDEPENDENCE

### ■ INTEGRATION

Jesús Acosta Verde

Enrique Alejandro Castillo Badia

Federico Chávez Peón Mijares

Paulino José Rodríguez Mendivil

Hernán Treviño De Vega (Committee Secretary)

### ■ ALTERNATE

Jesús Adrián Acosta Castellanos

Lisa Rae Reichenbach

Juan Ignacio Enrich Liñero

N/A

### ■ MEETINGS DURING 2022

Did not meet in 2022

### ■ MAIN RESPONSIBILITIES

- ◆ Have direct responsibility to review and approve corporate goals and objectives relevant to CEO compensation, evaluate annually the performance of the CEO considering those goals and objectives, and determine and approve the CEO's compensation based on this evaluation.
- ◆ Compensation of senior management to be recommended by CEO and approved by the Committee, as part of the yearly budget.



## INVESTMENT COMMITTEE

25% INDEPENDENCE

### INTEGRATION

José María Garza Treviño  
 Enrique Alejandro Castillo Badía  
 Federico Chávez Peón Mijares  
 David Contis  
 Hernán Treviño De Vega  
 (Committee Secretary)

### ALTERNATE

Diego Acosta Castellanos  
 Lisa Rae Reichenbach  
 Juan Ignacio Enrich Liñero  
 N/A

### MAIN RESPONSIBILITIES

- Review all proposed investments, use of funds and financing of more than US \$5 million.
- Discuss and recommend to the Board of Directors the investment policies and guidelines of the Company.
- Track and regularly review the return of all approved investments.

### MEETINGS DURING 2022

August 2nd, 2022



## NOMINATION COMMITTEE

25% INDEPENDENCE

### INTEGRATION

Jesús Acosta Verde  
 Lisa Rae Reichenbach  
 Federico Chávez Peón Mijares  
 Francisco Javier Garza Zambrano  
 Hernán Treviño De Vega  
 (Committee Secretary)

### ALTERNATE

Jesús Adrián Acosta Castellanos  
 Tiara Nelson<sup>1</sup>  
 Juan Ignacio Enrich Liñero  
 N/A

### MAIN RESPONSIBILITIES

- Search, analyze and evaluate independent candidates for the Board of Directors.
- Propose to the Board of Directors the slate of directors that will be eligible for election before the Shareholders Assembly.
- Recommend to the Board independent candidates for each committee of the Board.
- Evaluate annually the appropriate level of compensation for Board and Committee service by independent members of the Board and make such recommendations to the Board as the Committee deems advisable relating thereto.
- Monitor and control anything related to independent members and their potential conflict of interests

### MEETINGS DURING 2022

Did not meet in 2022

<sup>1</sup>Adam Kost occupies the position of alternate director as of March 2023.





## < MANAGEMENT TEAM >

The Company's senior management is responsible for designing, executing and ensuring the correct implementation of the business strategy and the recommendations of the Board of Directors or any of its committees.

The CEO's compensation is approved by the Board of Directors. Further, the emoluments corresponding to the independent members of the Board are authorized at the Annual Shareholders' Meeting and the remainder of the Company's compensation is discussed and strategically mapped out in the Compensation Committee. The compensation of employees is composed by a fixed and variable portion. In addition, the variable compensation of the Chief Legal and Operations Officer, responsible for the Company's sustainability area, is aligned with fulfilling specific objectives, including ESG.

**JESÚS A. ACOSTA CASTELLANOS**  
Chief Executive Officer

**Hernan Treviño De Vega**  
Chief Legal and  
Operating Officer

**Carlos Ruiz Santos**  
Commercial Director

**Edgar Maldonado  
de los Reyes**  
Chief Financial Officer

Biographical information on the management team is available on the Company's website: [here](#).

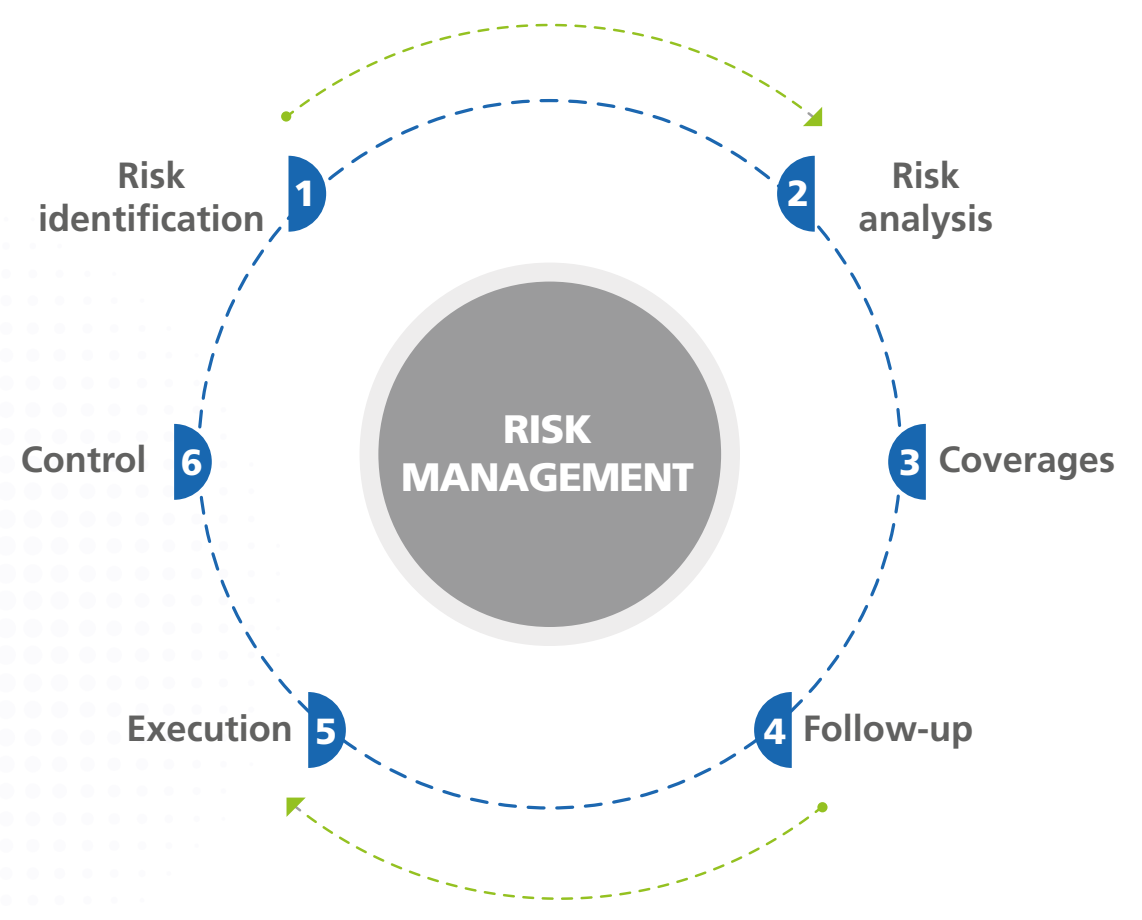
# < RISK MANAGEMENT >

2-12, 2-13

At Acosta Verde we recognize, understand and manage the exposure to risks we face as part of our operations, being open and considerate of the different environments involved related to operational, economic, financial, regulatory, social and environmental factors.

We currently define our internal control system for risk management based on the reference framework established by the Committee of Sponsoring Organizations (COSO), through which risks are identified, analyzed, measured and evaluated in order to have timely and adequate controls to ensure compliance with the organization's strategic objectives.

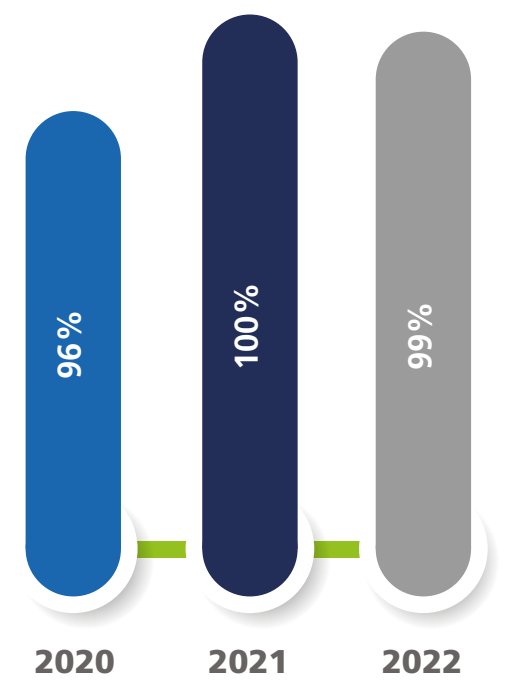
In 2022, we continued with a six-step process approach to risk management.



## Risk monitoring

In Acosta Verde, one of the key elements for risk monitoring is the **annual self-assessment** of all our controls, this process was started in 2020 to identify those controls that need to be updated and where our management must be focused. In 2022, for the third consecutive year, the self-assessment was performed obtaining a comparative regarding the following values:

## Participation of employees in the self-evaluation process



99% participation in the internal control self-assessment in 2022.










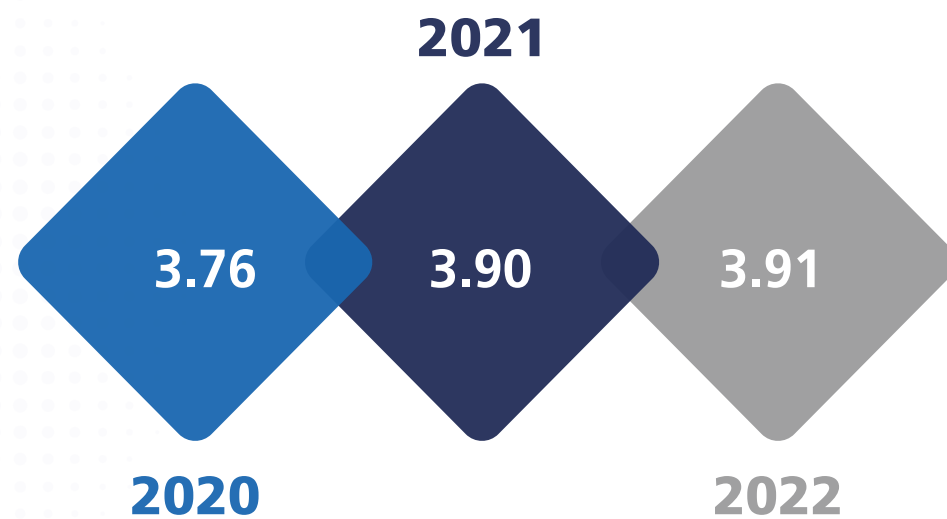
## Strengthening of the control environment

In 2022, Acosta Verde’s risk management was strengthened by engaging to perform a risk assessment of our internal controls.

This evaluation addressed the business processes, to obtain a more accurate outlook regarding the recognition of risks and the efficiency of the controls applied. As a result, each of the relevant findings mentioned below is classified according to the components of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework:

COSO Component	Risks
 <b>Control environment</b>	Loss of information and recovery of systems from external threats and lack of standardization of operations.  Increased risk exposure due to inadequate analysis of key operations / transactions, delimitation of authority and segregation.
 <b>Risk assessment</b>	Property damage due to lack of controls related to fraud or non-compliance with strategic activities.
 <b>Control Activities</b>	Unauthorized transactions and loss of sensitive GAV information.
 <b>Information and Communication</b>	Inopportune decision-making due to lack of visibility of risk and control indicators.
 <b>Monitoring</b>	Economic or operational impacts due to ineffectiveness or absence of controls.

## Controls compliance rating<sup>3</sup>



<sup>3</sup> The maximum rating is 4.



## Main risks

As a result of the actions implemented to strengthen internal control and the results thereof, main risks were identified according to the current functioning of the internal control system, which will help to focus efforts on addressing them going forward.



## < ETHICS AND HUMAN RIGHTS >

2-15, 2-16, 2-23, 2-26, 406-1, 407-1, 408-1, 409-1

At Acosta Verde we are committed to operate ethically, transparently and integrally; for this reason, we have established policies and procedures focused on strengthening our culture of compliance.

### Code of Ethics

Acosta Verde's Code of Ethics is the document that defines the Company's position on issues such as human rights, labor conditions, occupational health and safety, relationship with external parties, information protection, anti-corruption, money laundering prevention, conflict of interest, commitment to the environment and the community, among others.

**1.7 training hours** per employee on topics related to Ethics and the Code of Ethics.

In 2022, we updated our Code of Ethics by integrating our updated mission and vision and the Company's position on human and labor rights.



## Ethics hotline reporting system

We have a complaint system available to all our stakeholders which is operated by **Ethics Global**. Any situation of non-compliance with the **Code of Ethics** or the Company's policies, may be reported through the ethics hotline. This party vendor ensures that the complaints received are handled in an orderly, impartial and confidential manner.



**Whistleblowing hotline:**  
01 800 04 38422



**Website:**  
[www.accionetica.ethicsglobal.com](http://www.accionetica.ethicsglobal.com)

Reports received through the ethics hotline are sent to the Ethics Committee, which analyzes and determines the appropriate resolution or sanction, respectively.

### Complaints received in the Ethics Hotline

Complaints received during 2022	8
Number of complaints closed during 2022	7
Number of complaints that were not closed during 2022	0
Number of complaints received in 2022 that are in the process of closure	0
Number of unsubstantiated complaints	4

During 2022, no allegations of human rights violations were received and there were no critical concerns to report to the Board of Directors.

## Compliance with laws and regulations

2-27

Continuing with our commitment to legal compliance, during 2022, no penalties or claims of any kind were received in matters related to non-compliance with laws and regulations applicable to the Company.

## Anti-corruption

205-1, 205-2, 205-3, IF-RS-510a.3

At Acosta Verde, we have a zero-tolerance stance on corruption. As such we incorporate best practices and applicable anti-corruption regulations. We also operate in accordance with the Foreign Corrupt Practices Act (FCPA), which prohibits directly or indirectly encouraging bribery of public officials to obtain a benefit.

100% of employees and suppliers were informed about Acosta Verde's anti-corruption policies and procedures.



Our onboarding process for all new employees includes training on anti-corruption and FCPA policy guidelines.

100% of contracts with suppliers include an anti-corruption clause.

During 2022, no confirmed corruption cases were recorded nor were there any monetary losses due to legal proceedings associated with professional integrity or duty of care, including those related to negligence, malpractice, data security or loss, fraud, corruption and bribery.

### Human Rights 406-1

Acosta Verde is committed to respect and enforce the human rights of its employees, visitors, tenants, suppliers, partners and the community where the Company operates.

Through the **Human Rights Policy**, the Company establishes its position on human rights and the channel to inform human rights violations. This policy has been communicated to 100% of employees. In addition, human rights issues were integrated to the Code of Ethics in 2022.

100% of the security employees of the Plazas Sendero were trained in human rights matters.

About cases of discrimination, freedom of association, forced labor, child labor or human rights violations, no complaints were received in 2022.

Through the **Human Rights** policy can be found at the following link: [here](#).



93% of employees were trained in anti-corruption and internal FCPA policy.



## < CYBERSECURITY AND DATA PROTECTION >

In Acosta Verde, we recognize that as a society we are in a time where the use of technology is essential for the success of organizations, this makes us aware of the importance of having a robust strategy on cybersecurity issues to protect both our internal processes and information, as well as the confidential data of our suppliers, employees and tenants.

### Cybersecurity Initiatives

- ◆ Best practice adoption process based on the National Institute of Standards and Technology (NIST) framework:
  - » Updating and documentation of policies for the general definition of the **Information Security** strategy, as well as patch and vulnerability management.
  - » Enabling two-factor authentication for all users.
  - » A written commitment was formalized with key suppliers to strengthen security in our companies.

- ◆ The annual vulnerability analysis process was carried out by a specialized external party, including (i) penetration tests (internal and external), (ii) code review and (iii) social engineering.
- ◆ We acquired and implemented tools that enable quarterly internal testing to identify vulnerabilities (internal and external).
- ◆ Centralization of perimeter security management for all locations.
- ◆ During the last quarter of 2022, we implemented cybersecurity training and awareness platform for all our employees. This initiative aims to strengthen the identification of threats and how to respond to them. These trainings are mandatory and we shared topics such as:
  - » Physical access to company facilities
  - » Security in mobile devices
  - » Use of QR codes
  - » Best practices for public Wi-Fi connection
  - » Ransomware prevention
  - » Secure passwords
  - » Use of social media
  - » Phishing (apocryphal emails)
- ◆ Investment in training to internal cybersecurity team.

Thanks to the traffic monitoring service (7x24) provided by the Mexican Business Information System ("SIEM" by its Spanish acronym), we were able to identify on time a threat of unauthorized access from abroad and during non-business hours. The early detection allowed us to activate the response protocol promptly and prevent a cybersecurity incident from materializing.



During 2022, there were no relevant incidents related to Cybersecurity.

## ◀ ABOUT THIS REPORT ▶

GRI 2-1, 2-2, 2-3, 2-4, 2-5, 2-6

Acosta Verde, S.A.B. de C.V. (hereinafter "Acosta Verde" or "Company") is a public company as it is traded on the Mexican Stock Exchange, headquartered in Monterrey, Nuevo Leon, Mexico and with presence in 16 cities in nine states of the Mexican Republic.

This Sustainability Report is intended to share challenges, achievements and overall ESG (Environmental, Social and Governance) performance, the information reported is limited to the operation of the Company's 17 owned properties and does not include information from contractors, tenants, or other entities, except where noted. It is our intention to continue to produce reports on an annual basis.

To continuously improve our ESG reporting processes, in 2022 we updated our methodology for calculating the reused water indicator and the data for recycled cardboard was updated. The operational scope of the report remains unchanged.

Acosta Verde has developed this report in accordance with the *Global Reporting Initiative (GRI) Standards* for the period January 1st to December 31, 2022. Additionally, it responds to the *GRI Construction and Real Estate sector*, it considers the *Sustainability Accounting Standards Board (SASB) indicators* applicable to the real estate industry and the recommendations of the *Task Force on Climate-related Financial Disclosures (TCFD)*.

Additionally, in 2022, the Company joined the Global Compact Initiative of the United Nations. This report constitutes our Communication on Progress (CoP).

The information presented in this report has been processed and reviewed by the managers of each relevant area and was consolidated and validated by the internal ESG team, with the approval of our Chief Legal and Operating Officer.

GRI



TCFD

TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES

WE SUPPORT



# < GRI CONTENT INDEX >

GRI Standard	Content	Page / Response	Omissions	
<b>GRI 1 Fundamentals 2021</b>				
<b>GRI 2 General Disclosures 2021</b>				
<b>1. The Organization and its reporting practices</b>				
<b>GRI 2 General Disclosures 2021</b>	2-1	Organizational details.	7, 61, Back Cover	
	2-2	Entities included in the organization's sustainability reporting.	61	
	2-3	Reporting period, frequency and contact point.	61, Back Cover	
	2-4	Restatements of information.	61	
	2-5	External assurance.	No external verification was performed for the indicators reported	
<b>2. Activities and Workers</b>				
<b>GRI 2 General Disclosures 2021</b>	2-6	Activities, value chain and other business relationships.	3, 7, 8, 10, 11, 12, 13, 61	
	2-7	Employees.	35, 36	
	2-8	Workers who are not employees	Security in shopping centers: 290 Cleaning in shopping centers: 324 Total: 614	
<b>3. Governance</b>				
<b>GRI 2 General Disclosures 2021</b>	2-9	Governance structure and composition.	48, 49, 50	
	2-10	Nomination and selection of the highest governance body.	48, 49, 50	
	2-11	Chairman of the highest governance body.	48, 49, 50	
	2-12	Role of the highest governance body in overseeing the management of impacts.	48, 55	
	2-13	Delegation of responsibility for managing impacts.	48, 55	
	2-14	Role of the highest governance body in sustainability reporting.	48, 54	
	2-15	Conflicts of interest.	57, 58, 59	
	2-16	Communication of critical concerns.	58	
	2-17	Collective knowledge of the highest governance body.	48, 49	
	2-18	Evaluation of the performance of the highest governance body.	The performance of Acosta Verde's Board of Directors is not currently evaluated.	
	2-19	Remuneration policies.	37, 54	
2-20	Process to determine remuneration.	37, 54		
2-21	Annual total compensation ratio.	-	Confidential.	
<b>4. Strategy, policies and practices</b>				
<b>GRI 2 General Disclosures 2021</b>	2-22	Statement on sustainable development strategy.	4, 5, 20, 21	
	2-23	Policy commitments.	7, 57, 58	
	2-24	Embedding policy commitments.	20, 21	
	2-25	Processes to remediate negative impacts.	20, 21	
	2-26	Mechanisms for seeking advice and raising concerns.	57, 58	
	2-27	Compliance with laws and regulations.	58, 59	
	2-28	Membership associations.	Acosta Verde is not affiliated with any association.	
<b>5. Stakeholder engagement</b>				
<b>GRI 2 General Disclosures 2021</b>	2-29	Approach to stakeholder engagement.	18, 19	
	2-30	Collective bargaining agreements.	All of Acosta Verde's collaborators are employees, none are unionized.	

GRI Standard		Content	Page / Response	Omissions
<b>GRI 3 Material Topics 2021</b>				
<b>GRI 3 Material Topics 2021</b>	3-1	Process to determine material topics.	20, 21, 22	
	3-2	List of material topics.	20, 21, 22	
	3-3	Management of material topics.	20, 21, 22	
<b>GRI 200: Economic standards</b>				
<b>GRI 201 Economic Performance 2016</b>	201-1	Direct economic value generated and distributed.	3	
	201-2	Financial implications and other risks and opportunities due to climate change.	55, 56, 57	Partially reported.
<b>GRI 202 Market Presence 2016</b>	202-2	Percentage of senior management that are hired from the local community.	50	
<b>GRI 205 Anti-Corruption 2016</b>	205-1	Operations assessed for risks related to corruption.	58, 59	
	205-2	Communication and training about anti-corruption policies and procedures.	58, 59	
	205-3	Confirmed incidents of corruption and actions taken.	58, 59	
<b>GRI 206 Anti-competitive Behavior 2016</b>	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	No incidents related to anti-competitive behavior, anti-trust, and monopoly practices were reported.	
<b>GRI 207 Tax 2019</b>	207-1	Approach to tax.	The Company is committed to responsible compliance with tax obligations, which includes internal procedures under principles of ethics and good corporate governance. The focus of the tax practice reviewed by the Finance Department and endorsed by the Audit and Corporate Practices Committee is to comply in a timely manner with the tax regulations in strict compliance with the guidelines and regulations established by the authority.	
	207-2	Tax governance, control, and risk management.	Tax compliance is assessed on a monthly basis and additionally the Company files tax opinions for each year reviewed by external auditors. Details and reconciliations of Acosta Verde's taxes are disclosed in the notes to the annual financial statements.	
	207-3	Stakeholder engagement and management of concerns related to tax.	The management of tax responsibilities is carried out in compliance with the current laws, standards and regulations, maintaining communication with the tax authority, which is part of our stakeholders, implementing the applicable changes in the legislation and meeting their requirements.	
	207-4	Country-by-country reporting.		Not applicable.

GRI Standard	Content	Page / Response	Omissions	
<b>GRI 300: Environmental standards</b>				
<b>GRI 302 Energy 2016</b>	302-1	Energy consumption within the organization.	27	
	302-2	Energy consumption outside of the organization.	27	
	302-3	Energy intensity.	27	
	CRE1			
	302-4	Reduction of energy consumption.	Since 2019, when we started the implementation of LED lights, our energy intensity has decreased by 14%.	
<b>GRI 303 Water and effluents 2018</b>	303-1	Interactions with water as a shared resource.	29, 30	
	303-2	Management of water discharge-related impacts.	29, 30	
	303-3	Water withdrawal.	29, 30	
	303-4	Water discharge.	29, 30	
	303-5	Water consumption.	29, 30	
<b>GRI 304 Biodiversity 2016</b>	304-1	Operational sites owned, leased or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	32	
	CRE5	Need for remediation and remediation of the land for its current and potential use, in accordance with the corresponding legal framework.	32	
<b>GRI 305 Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions.	28	
	305-2	Energy indirect (Scope 2) GHG emissions.	28	
	305-3	Other indirect (Scope 3) GHG emissions.	28	
	305-4	GHG emissions intensity.	28	
	305-5	Reduction of GHG emissions.	28	
<b>GRI 306 Waste 2020</b>	306-1	Waste generation and significant impacts related to waste.	31, 32	
	306-2	Management of significant waste-related impacts.	31, 32	
	306-3	Waste generated.	31, 32	
	306-4	Waste not destined for disposal.	31, 32	
	306-5	Waste for disposal.	31, 32	
<b>GRI 400 Social Standards</b>				
<b>GRI 401 Employment 2016</b>	401-1	New employee hires and employee turnover.	36, 37	
	401-2	Benefits provide to full-time employees that are not provided to temporary or part-time employees.	37, 38	
	401-3	Parental leave.	38	
<b>GRI 403 Occupational health and safety 2018</b>	403-1	Occupational health and safety management system.	40, 41	
	403-2	Hazard identification, risk assessment, and incident investigation.	40, 41	
	403-5	Worker training on occupational health and safety.	40, 41	
	403-6	Promotion of worker health.	40, 41	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	40, 41	
	403-8	Workers covered by an occupational health and safety management system.	40, 41	
	403-9	Work-related injuries.	40, 41	
	403-10	Work-related ill health.	40, 41	



GRI Standard	Content		Page / Response	Omissions
<b>GRI 400 Estándares Sociales</b>				
<b>GRI 404 Training and education 2016</b>	404-1	Average hours of training per year per employee.	39	
	404-2	Programs for upgrading employee skills and transition assistance programs.	39	
	404-3	Percentage of employees receiving regular performance and career development reviews.	40	
<b>GRI 405 Diversity and equal opportunity 2016</b>	405-1	Diversity of governance bodies and employees.	35, 36, 50	
<b>GRI 406 Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken.	59	
<b>GRI 407 Freedom of association and collective bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	59	
<b>GRI 408 Child labor 2016</b>	408-1	Operations and suppliers with significant risk for incidents of child labor.	As a matter of policy, Acosta Verde only hires employees of legal age.	
<b>GRI 409 Forced or compulsory labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor.	No operations with a significant risk of forced labor were identified.	
<b>GRI 410 Security practices 2016</b>	410-1	Security personnel trained in human rights policies or procedures.	59	
<b>GRI 413 Local communities 2016</b>	413-1	Operations with local community engagement, impact assessments and development programs.	42, 43, 44, 45	
	413-2	Operations with significant actual and potential negative impacts on local communities.	42, 43, 44, 45	
<b>GRI 415 Public Policy 2016</b>	415-1	Political contributions	Acosta Verde does not make contributions to political parties.	
<b>GRI 416 Customer Health and Safety 2016</b>	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.	During 2022 we did not detect any non-compliance of this type.	
<b>GRI 418 Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	60	

SASB Standard	Code	Description	Coverage	Metrics
Real Estate: Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector.	100% of the common areas owned by Acosta Verde	Percentage (%) by floor area
	F-RE-130a.2	Total energy consumed by portfolio area with data coverage, percentage grid electricity and percentage renewables, by property subsector.	Direct energy: 1,169 Indirect energy: 98,621 Total energy: 99,790 All energy comes from fossil fuel sources.	Gigajoules (GJ)
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	"Acosta Verde only has a commercial sub-sector. <b>Energy consumption</b> (GJ): 2021: 91,772 2022: 99,790 Variation: 8% "	Percentage (%)
	IF-RE-130a.4	Percentage of eligible portfolio that has an energy rating and is certified to ENERGY STAR, by property subsector.	Acosta Verde does not have energy ratings.	n.a.
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy.	Partially reported.	n.a.
Real Estate: Water management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of total floor area and floor area in regions with High or Extremely High Baseline Water Stress, by property subsector.	100% of the common areas owned by Acosta Verde.	Percentage (%) by floor area
	IF-RE-140a.2	Total water withdrawn by portfolio area with data coverage and percentage in regions with High or Extremely High Baseline Water Stress, by property subsector.	Total water consumption 369,732 m <sup>3</sup> coming from municipal water supply and 59,419 water supplied by third parties (piped water). 100% of the water consumed corresponds to areas with some degree of water stress.	Cubic meters (m <sup>3</sup> )
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector.	Acosta Verde has only a commercial subsector. <b>Water withdrawn</b> 2021: 434,558 2022: 478,388 Variation: 9%	Percentage (%)
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks.	Partially reported.	
Real Estate: Management of Tenant Sustainability Impacts	IF-RE-410a.1	Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and associated leased floor area, by property subsector.	100% of the leases signed during 2022 have this clause (included in the shopping center regulations, which are included as an annex to each lease contract).	
	IF-RE-410a.2	Percentage of tenants that are separately metered or submetered for grid electricity consumption and water withdrawals, by property subsector.	100% of the GLA leased has its own metering of electricity consumption. 14% of the GLA leased has its own independent metering of water consumption.	Percentage (%)
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants.	The lease contract includes a <b>Sustainability Clause</b> , which stipulates that Acosta Verde may provide tenants with the sustainable recommendations it deems necessary to implement in the leased space, with the objective of reducing the economic costs of the operation, as well as reducing its environmental impact.	n/a
Real Estate: Climate change adaptation	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector.	Las Torres - 21,389 sqm (230,229 ft <sup>2</sup> ) Juárez - 20,975 sqm (225,773 ft <sup>2</sup> ) Chihuahua - 25,351 sqm (251,348 ft <sup>2</sup> ) Obregón - 30,637 sqm (329,773 ft <sup>2</sup> )	Square meters (m <sup>2</sup> )
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks.	Partially reported.	n/a
Real Estate: Activity metrics	IF-RE-000.A	Number of assets, by property subsector.	17 commercial properties.	Number
	IF-RE-000.B	Leasable floor area, by property subsector.	Commercial 442,044 sqm (4,758,122 ft <sup>2</sup> ).	Square meters (m <sup>2</sup> )
	IF-RE-000.C	Percentage of indirectly managed assets, by property subsector.	33% of the total sales floor of the shopping centers, equivalent to 214,994 sqm.	Percentage (%) of total area
	IF-RE-000.D	Average occupancy rate, by property subsector.	Total commercial portfolio occupancy rate: 93%.	Percentage (%)

# <TCFD RECOMENDATIONS>

TCFD Category	Recommendation	Direct response
TCFD - Governance	<ul style="list-style-type: none"> <li>a) Management's role in assessing and managing climate-related risks and opportunities.</li> <li>b) Board control over climate-related risks and opportunities.</li> </ul>	<p>The Board of Directors is responsible for making decisions on ESG topics, taking into account the prior consideration by the Audit and Corporate Practices Committee. (page 54)</p>
TCFD - Strategy	<ul style="list-style-type: none"> <li>a) Climate-related risks and opportunities identified over the short, medium and long term.</li> <li>b) Impact of climate-related risks and opportunities on the organization's business, strategy and financial planning</li> <li>c) Resilience of the organization's strategy, taking into consideration different scenarios, including a 2°C or lower scenario.</li> </ul>	<p>See website (<a href="https://www.grupoav.com/">https://www.grupoav.com/</a>)</p> <p>Acosta Verde's ESG Strategic Plan includes the following objectives:</p> <ul style="list-style-type: none"> <li>a) To have a climate risk mitigation and adaptation plan in place for 100% of its operations by 2026.</li> <li>b) 100% of new constructions must have efficient technologies.</li> </ul> <p>Acosta Verde is committed to adopting TCFD recommendations, including the assessment to develop climate scenario analyses (page 21).</p>
TCFD - Risk Management	<ul style="list-style-type: none"> <li>a) Organization's processes for identifying and assessing climate-related risks.</li> <li>b) Organization's processes for managing climate-related risks.</li> <li>c) How processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.</li> </ul>	<p>Climate-related risks are integrated as part of the management process carried out by the Internal Control area in conjunction with the Sustainability area. The internal control area uses the COSO methodology for risk identification and management. (page 55)</p> <p>As part of its ESG Strategic Plan, Acosta Verde has the objective of analyzing financial and operational risks related to water scarcity.</p> <p>See website (<a href="https://www.grupoav.com/">https://www.grupoav.com/</a>)</p>
TCFD - Metrics and Objectives	<ul style="list-style-type: none"> <li>a) Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management processes.</li> <li>b) Scopes 1 and 2, and, if appropriate, Scope 3 of greenhouse gas (GHG) emissions, and the related risks.</li> <li>c) Targets used by the organization to manage climate-related risks and opportunities and performance against targets.</li> </ul>	<ul style="list-style-type: none"> <li>* Percentage of shopping centers located in water-stressed areas.</li> <li>* Reduction in energy intensity in shopping centers.</li> </ul> <p>Acosta Verde conducts its greenhouse gas inventory each year. See section: Emissions. (page 28)</p> <p>Consultar la sección Grado de avance en las metas estratégicas de la estrategia de sostenibilidad (pag. 21)</p> <p>See the section: Progress on the strategic goals of the sustainability strategy. (page 21) Reduce energy intensity by 20%.</p> <p>Reduce GHG emissions intensity by 20% by 2030.</p> <p>Incorporate renewable energy sources for consumption of 50% of the common areas of all shopping centers by 2050.</p>



ACOSTAVERDE.

## CONTACT

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*Chief Legal and Operating Officer*

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Grupo Acosta Verde 

