

# Alsis Funds

## SUSTAINABILITY & IMPACT REPORT 2024



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# *01* Message to Our Stakeholders

GRI: 2-22





### *Impact Statement*

Our commitment is that every investment combines profitability with a sustainable and lasting impact on communities.

## Letter from the Managing Partner

I am pleased to present the third edition of our Annual Sustainability and Impact Report, a testament to our commitment to transparency, continuous improvement, and to mobilizing capital for more sustainable development in Mexico and Latin America.

In 2024, we faced a complex global economic environment marked by uncertainty and sectoral slowdowns. These challenges tested our institutional resilience and reaffirmed the purpose of our mission: to generate a positive impact beyond financial return. Thanks to aware management rooted in solid principles and strategic vision, we showed that adversity can also be an opportunity to innovate and strengthen our capabilities.

A clear example of our transformative approach is the housing sector, one of the pillars of our portfolio. Mexico faces major challenges related to climate vulnerability, where access to resilient housing solutions is not only essential for families, but also critical for community sustainability and environmental development in the face of increasingly intense climate events. This year, we redoubled our efforts to integrate climate risk analysis and ESG (environmental, social, and governance) metrics into our portfolio, reinforcing our principles of responsible management and supporting housing projects prepared to face future climate challenges.

These advances strengthen our conviction that private equity can and must play a transformative role. By integrating ESG criteria into responsible investment strategies, we have traced a path that not only responds to current conditions, but also promotes the construction of a sustainable future, for the benefit of all our stakeholders.

Internally, we are aware of the impact we generate and work to align ourselves with the best business practices. To that end, we have strengthened our governance structure and consolidated our organizational culture. While some of these efforts are still in early stages, we remain committed to evolving and learning from the results of our various initiatives.

I would like to express my sincere gratitude to all those who make this mission possible: to our investors, for their trust and support in a demanding global environment; to our team, for their dedication and integrity; and to our strategic partners, for their shared vision and collaboration.

Thanks to each of you, we have expanded the reach and impact of our organization.

*David Sánchez-Tembleque*  
Managing Partner



# *02* Corporate Profile

GRI: 2-1, 2-6 and 410-1  
SASB: FN-AC-410a.1



# About Alsis Funds

We are a private equity firm with a solid track record in private debt across Latin America, with a particular focus on Mexico’s housing sector. Since beginning operations in 2007, we have managed a total of five funds, one of which has been liquidated, while the remaining four remain active under our management. In addition, we have served as sub-advisors to third-party fund managers and operated various investment vehicles tailored to specific transactions. At the end of 2024, our assets under management (AUM) totaled USD \$210.7 million.



## Our Mission

To manage a family of investment strategies that deliver attractive risk adjusted returns to our investors through fixed-income instruments backed by real assets.



## Our Vision

To be the most respected credit strategy investment platform in our professional environment, adding value to its stakeholders:

- **Investors:** Exceptional risk-adjusted returns
- **Operating Partners/Borrowers:** Growth
- **Suppliers:** Business opportunities
- **Employees:** Professional and economic growth
- **Community:** Socially responsible investment



## Our Values

At Alsis Funds, we act based on ethical principles that guide each of our decisions, ensuring that all our actions, at all levels and activities of the organization, remain aligned with our core values.



**Integrity**  
We do the right thing



**Excellence**  
We never stop learning



**Trust**  
We trust in our team



**Commitment**  
We care

Each of us is committed to acting with integrity, guided by high ethical and professional standards in all our interactions both within and outside the organization. We know that trust is a fundamental pillar, so it is essential that all stakeholders with whom we interact, partners, clients, suppliers, communities, colleagues and other parties impacted by our activities recognize us as a serious, transparent and reliable entity.





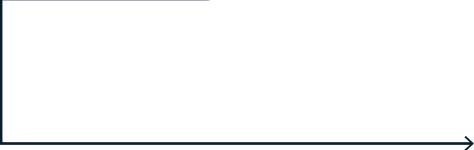
# Corporate Structure

The Alsis Funds Group (“Alsis Funds”) is comprised of Alsis Funds LLC, Alsis Funds SC, and AMVIS SOFOM. This impact report consolidates the activities carried out during 2024 by the three entities that comprise it.

Investors

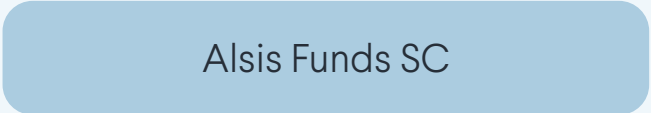
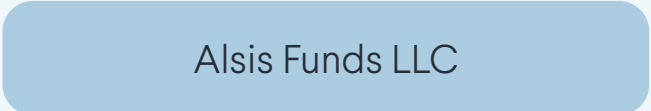


Funds

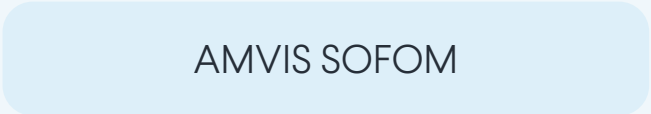


Alsis Funds Group

Investment Managers



Servicer and Intermediate Vehicle



Investment Portfolio



Investors

- General Partners & Limited Partners

Funds

- Investment Vehicles

Investment Managers

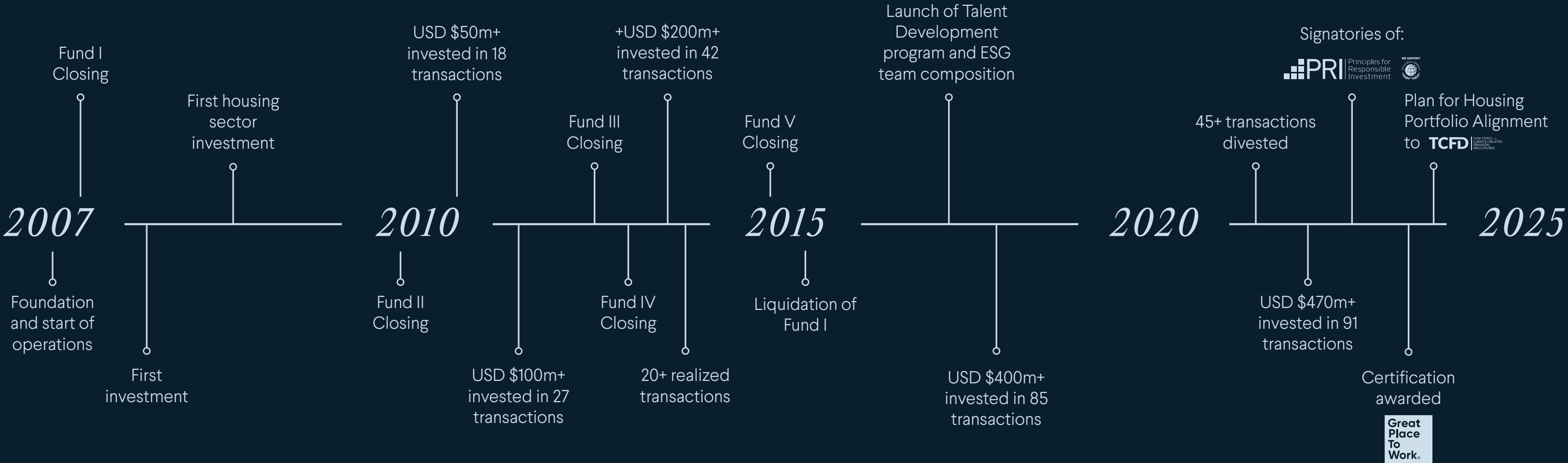
- Investment and Exit Strategy
- Investment Underwriting and Analysis
- Risk Management
- Investment Portfolio Management
- Investor Relations

Servicer and Intermediate Vehicle

- Originator and Lender of Record
- Loan Administration
- Administrative and Judicial Collection
- Trust and Collateral Management
- Project Inspection and Monitoring
- Regulatory Compliance and Anti-Money Laundering Prevention



# Our History





# Business Model

We are a firm specialized in investment management, dedicated to channel and manage the capital of our investors towards projects and companies with the capacity to generate social, economic and environmental value, while offering attractive risk-adjusted returns. Our operation is based on a scheme of management fees and carried interest after a preferred return, which allows for the alignment of interests with our investors.

Alsis Funds has positioned itself as one of the pioneering firms in the field of private debt in Mexico. This track record has allowed us to consolidate our position as a strategic partner for the companies and projects in which we participate, by offering tailor-made structured credit solutions backed by real assets.

We focus primarily on meeting the needs of Small and Medium-Sized Enterprises (SMEs), consolidating their growth, acquisitions, recapitalizations and working capital requirements.



## Investment Sectors

We play an important role in strategic sectors by providing responsible financial solutions tailored to the specific needs of each project. Our approach is based on promoting sector development, fostering financing that not only generates financial returns, but also contributes to social and environmental progress.



### Real Estate / Housing

We provide financing alternatives aimed at the development of affordable housing in Mexico, with the objective of reducing the housing backlog and promoting a better quality of life in the communities where we make our investments.



### Financial

We have channeled investments to non-bank financial entities that provide financing to both companies and individuals, with the purpose of promoting financial inclusion in Mexico. We also acquire past-due mortgage portfolios and foreclosure rights, promoting the recovery and revitalization of communities, equity funding of banking institutions, and implementation of responsible and efficient collection practices.



### Energy

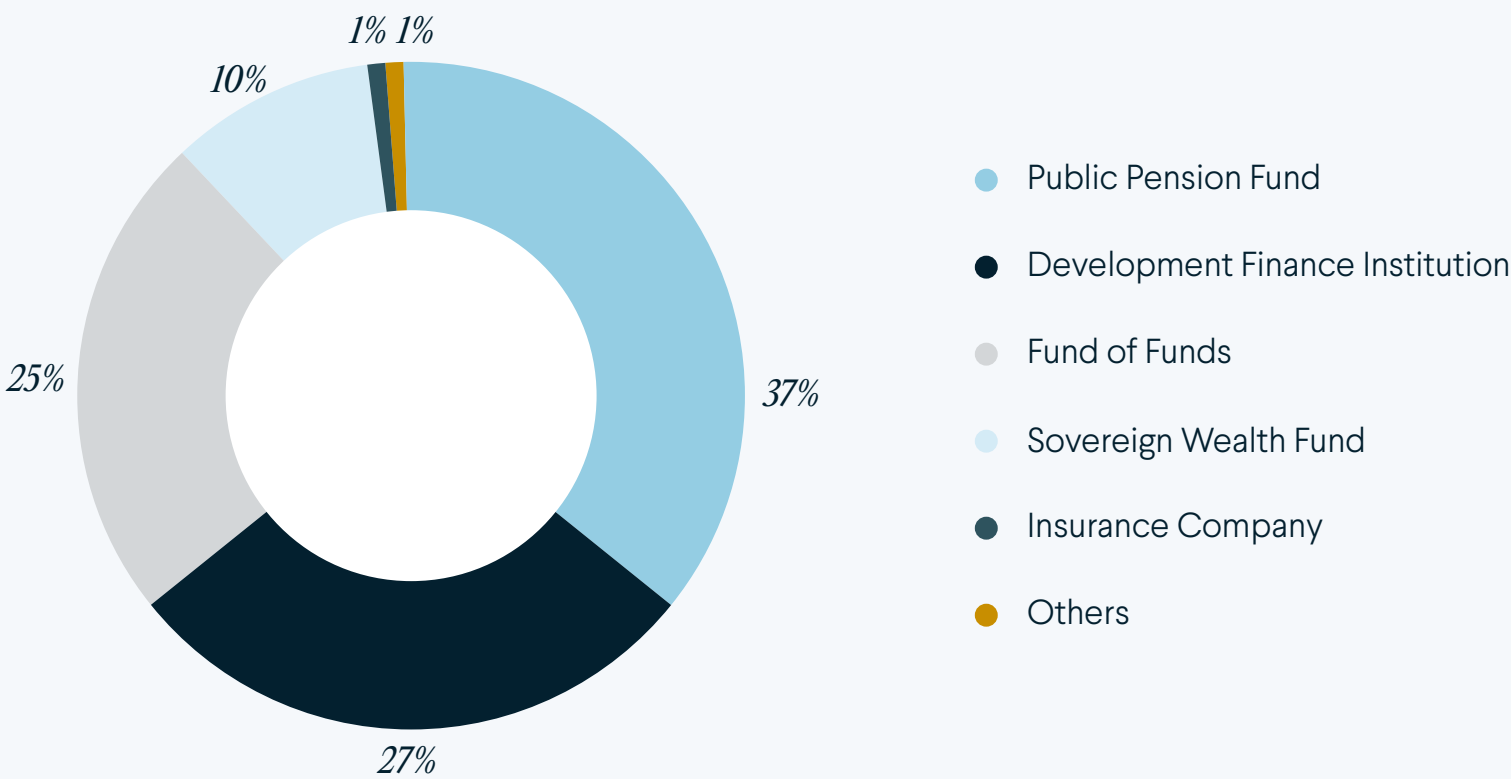
We have invested in projects focused on the development and expansion of energy infrastructure to support energy exploration and production activities. These initiatives have contributed to strengthening the energy sector in Mexico, in addition to boosting regional investment and economic growth in the areas where they have been carried out. To date, all of our investments in the energy sector have been made and completed.



Business Model by Investor Type and Sector

Over time, we have received the support of high-profile institutional investors, including public pension funds, insurance companies, sovereign wealth funds, development finance institutions, and fund of funds, all of whom have placed their trust in our expertise and specialized approach.

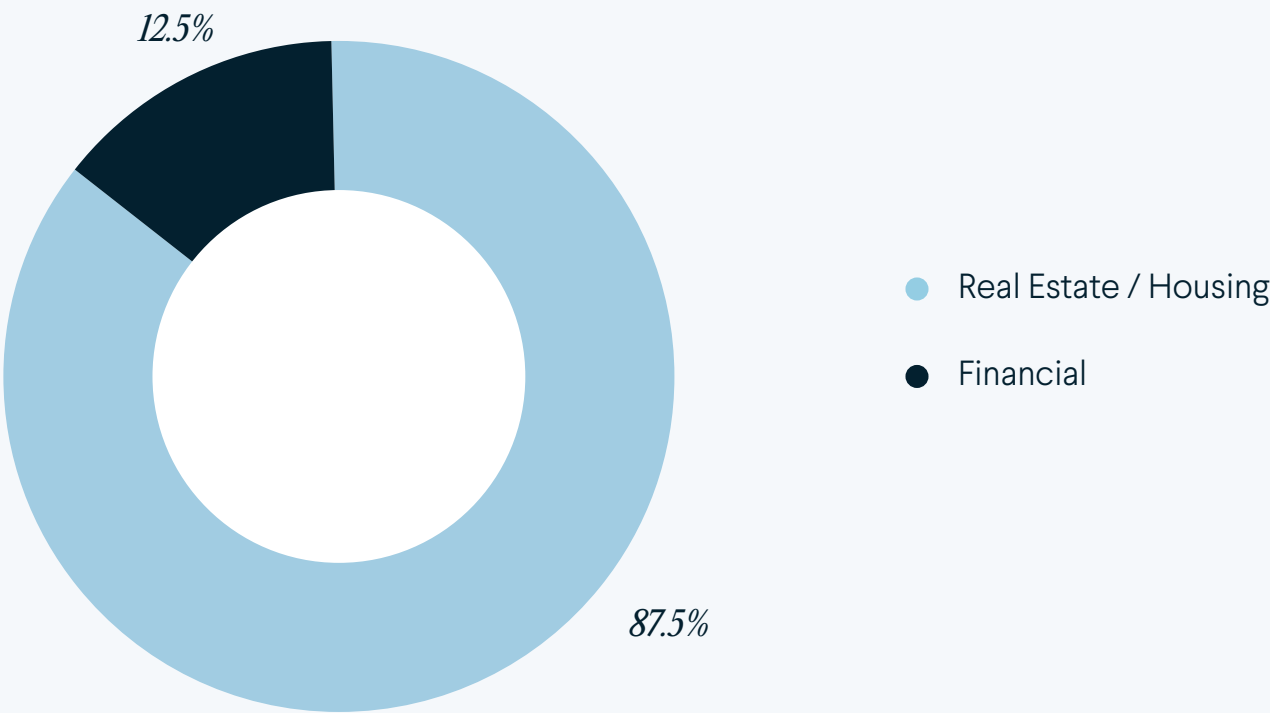
Capital Commitments by Investor Type<sup>1</sup>



<sup>1</sup>The investment of certain investors, including Public Pension Funds, Sovereign Wealth Funds, and Insurance Companies are managed by a Fund of Funds Manager.

<sup>2</sup>Considers i) portfolio investments fair market value, ii) cash, and iii) uncalled capital commitments.

Assets Under Management by Sector<sup>2</sup>







# Investment Strategy & Portfolio

Since the beginning of our operations, we have invested a total of USD \$477 million across 91 different transactions. Currently, our portfolio consists of 36 active investments, reflecting our experience and commitment to solid and diversified management.

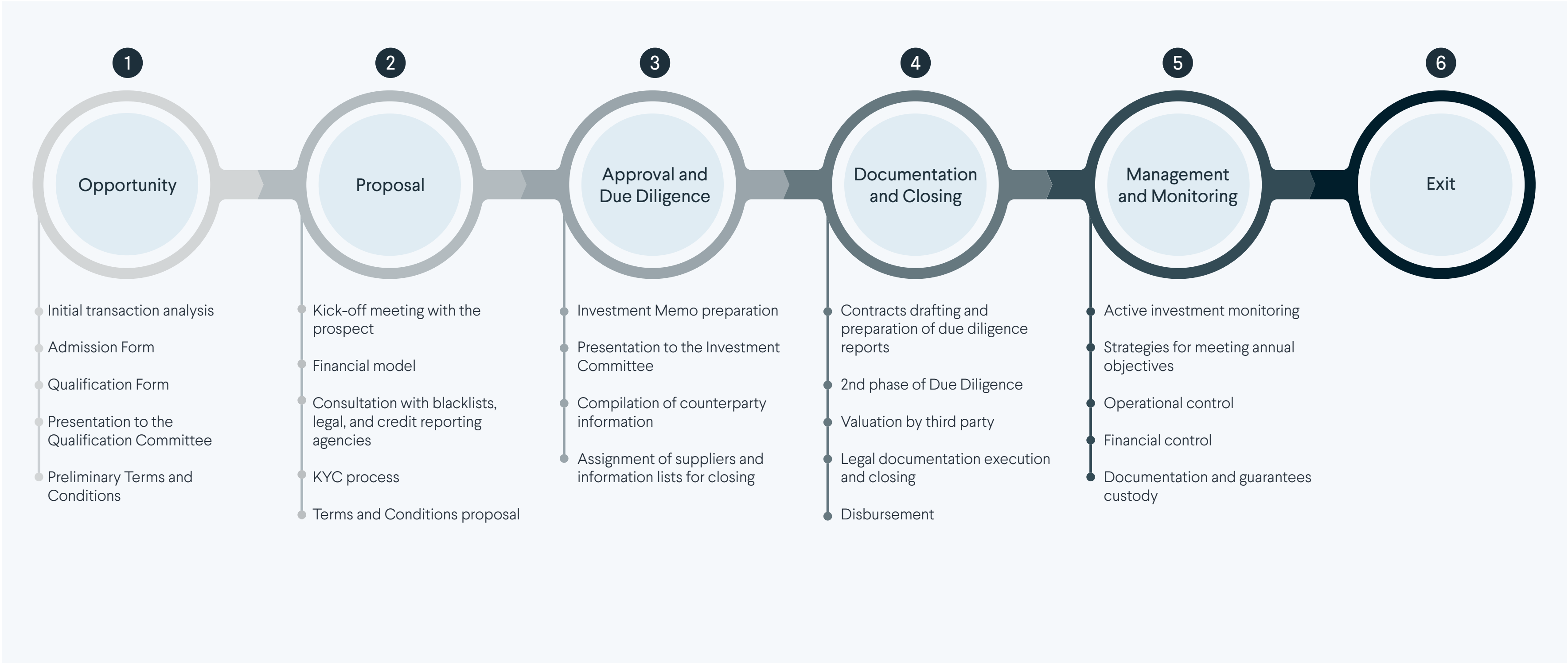
## Four Investment Strategies Specialization

Subordinated / Mezzanine / Hybrid/ Convertible	Loan Investments	Loan Portfolios Originated by Third Parties	NPLs and REOs Portfolios
<ul style="list-style-type: none"><li>• Debt for housing development projects where repayment is based on a percentage of underlying home sales</li><li>• In other sectors, the amortization structure depends on the business type and its operation</li><li>• Debt service payment is subordinated to the principal or interest of another loan or financing</li><li>• Possibility of converting the financing into the borrower's equity, according to previously established terms and conditions</li></ul>	<ul style="list-style-type: none"><li>• Senior loans to SMEs with a limited credit track record with no other senior financing in the capital structure</li><li>• Debt service is primarily secured by the cash flows generated from the real assets or the operational cash flows of the financed projects</li><li>• Financing in different sectors, including real estate/housing Third-Party Loan Portfolios</li></ul>	<ul style="list-style-type: none"><li>• Debt to non-banking financial institutions and banks, backed by loan portfolios</li><li>• Direct purchases of performing loan portfolios originated by third parties</li><li>• Secured debt by underlying portfolios but with a portion of the expected return based on the company's performance or growth</li></ul>	<ul style="list-style-type: none"><li>• Transactions backed by non-performing mortgages or foreclosed real estate portfolios</li><li>• Loans were originated by Banks and acquired directly from them or from other financial institutions</li><li>• Active portfolio management by Special Servicers with limited capital but with experience in the collection of this type of assets</li></ul>



# Investment Process

Our investment process is characterized by a strategic approach, structured in six key stages that allow us to evaluate, execute and manage each investment with rigor and efficiency:







## Overview of Our Investment Process

Our investment process integrates a robust evaluation of ESG factors, reaffirming our commitment to responsible investing.

We begin with the application of our Investment Policy, which guides our strategic decisions and reflects our sustainability principles. During the initial evaluation, we apply the IFC's Eligibility Criteria and Exclusion, which allow us to identify investments that may conflict with the fund's values or misalign with our investment thesis.

Before approving an investment, we conduct a Preliminary Risk and Impact Analysis to identify the potential environmental and social implications associated with each project.

As part of our investment process, we conduct a rigorous Environmental and Social Due Diligence (ESDD), which includes an on-site verification visit, application of specialized questionnaires, defining an ESG Baseline and the development of an Action Plan aimed at compliance with Binding Obligations, designed to mitigate the risks identified during the assessment.

This approach is complemented by a continuous monitoring system that is executed bimonthly and documented in our housing management platform as part of the inspection reports, allowing us to track the day-to-day ESG performance of our investments.

This process is supported by an institutional framework that includes a Code of Ethics and Professional Conduct, an Ethical Complaints Mechanism and ESG training tools for our internal team and ESG providers with the objective of providing a better service and for our Borrowers, thus strengthening practices aligned with principles of integrity, transparency and accountability.

Our monitoring process strengthens the culture of continuous improvement and transparency to investors, Borrowers and other stakeholders.



# 03 ESG Approach

GRI: 2-28, 2-29, 3-1, 3-2 and 3-3

SASB: FN-AC-410a.1 and FN-AC-410a.2



# ESG Milestones





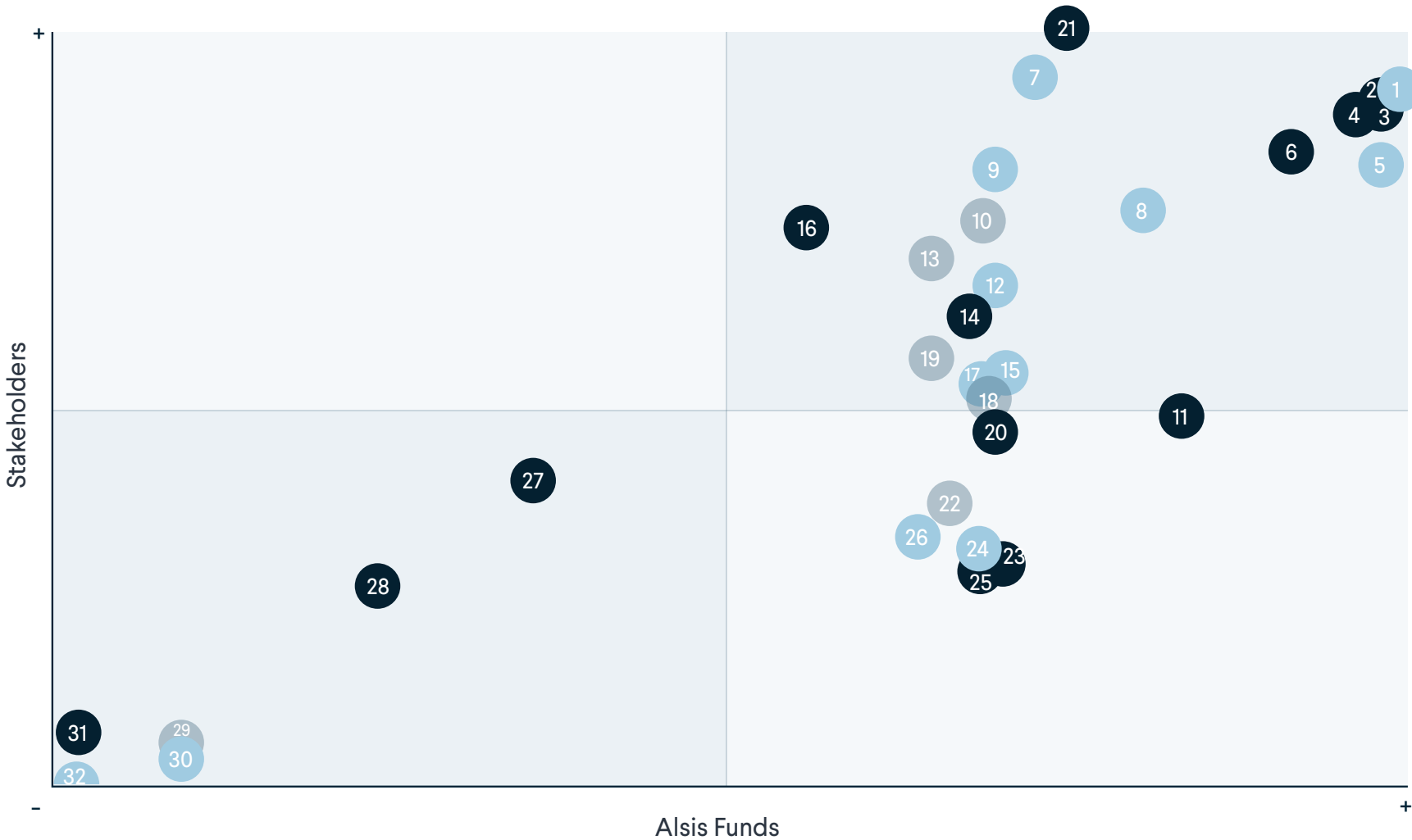
# Materiality

In 2023, Alsis Funds conducted its first materiality assessment with the objective of promoting ethical, sustainable management aligned with international best practices. This exercise allowed us to establish a solid and coherent strategic foundation by identifying the most relevant ESG issues for our operation.

The process incorporated the active participation of our main stakeholders, whose feedback was fundamental to the development of our materiality matrix. This tool has served as a reference when defining strategic priorities for 2024 and will be used as a key input in the structuring of the 2025 strategy.

We understand that the business environment, as well as the expectations of our stakeholders are constantly evolving, Alsis Funds is committed to reviewing and updating this analysis at least once every three years. This practice allows us to keep our strategy aligned with critical business factors and emerging trends in sustainability, corporate governance and social performance, in compliance with GRI and SASB standards.

Materiality Matrix



Material Topics

	Environmental	Social	Governance
Priority	10 Emissions	1 Child labor 5 Grievance mechanism 7 Non-discrimination 8 Diversity and equal opportunities 9 Client health and safety	2 Taxes 3 Transparency 4 Anti-corruption 6 Client privacy 11 ESG considerations in investment management
Emerging	13 Residues 18 Water effluents 19 Energy 22 Implement environmental impact assessment 29 Biodiversity	12 Public policy 15 Local communities 17 Indirect economic impacts 24 Investment in community environmental initiatives 26 Employment 30 Materials 32 Freedom of association and collective bargaining	14 Forced labor 16 Monitoring of working conditions 20 Professional training and education 21 Market presence 23 Supplier environmental assessment 25 Safety practices 27 Labor 28 Health and safety in the workplace 31 Indigenous peoples



# Stakeholder Groups

To effectively identify and analyze our stakeholders, we adopted the Salience model, a tool that allows us to evaluate their relevance and influence based on three key dimensions: power, legitimacy and urgency. This approach gives us a deeper understanding about the degree to which each group can impact or be impacted by our operations. Through the analysis of their capacity for influence (power), their legitimate authority (legitimacy), and the immediacy of expectations (urgency), we are able to prioritize the different stakeholders appropriately and guide our actions strategically.



As part of our commitment to sustainability and responsible management, we have integrated the materiality matrix into our Report, consolidating a strategic vision that enables us to align our operations with the expectations of our stakeholders. This process, focused on identifying the most relevant ESG issues, has allowed us to clearly identify our strengths and areas for improvement. The application of this tool not only enhances our ability to manage risks efficiently, but also highlights one of the distinctive qualities of our investments: a comprehensive vision focused on continuous improvement.

At the same time, alignment with the indicators set by the Sustainability Accounting Standards Board (SASB) confirms that our actions are in line with industry standards and market expectations. This approach provides us with a baseline to make more informed and strategic decisions, ensuring that our management evolves in a manner consistent with the expectations of our stakeholders.





# Contribution to the Sustainable Development Goals

At Alsis Funds, we understand that our responsibility as agents of change goes beyond financial returns. We are committed to aligning our investment strategies with the United Nations Sustainable Development Goals (SDGs), actively contributing to the 2030 Agenda. This commitment translates into concrete actions that generate a positive impact on communities, the environment and the economy.

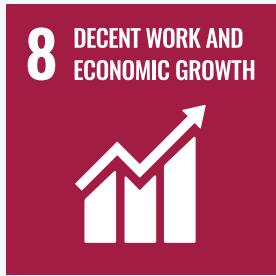
After an analysis of our portfolio, we have identified that our investments have a direct impact on 6 of the 17 SDGs. This strategic focus reflects our dedication to prioritizing key areas for sustainable development, integrating principles of equity, inclusion and sustainability in every decision we make.



We promote gender equity at all levels of our organization and in our investments. We are proud to maintain an equal pay policy and foster an inclusive environment that values talent and diversity.



We implement inclusive and transparent processes in our operations, ensuring that our investments promote equity and reduce social and economic gaps.



We ensure that our investments respect labour rights and promote safe working conditions. In addition, we support the professional development of our employees and partners, promoting ethical and sustainable labor practices.



In the real estate, we prioritize projects that offer access to affordable housing and basic services, contributing to the development of resilient and sustainable communities.



We facilitate access to capital for small and medium-sized enterprises (SMEs), fostering their growth and strengthening their role in the local and global economy.



We collaborate with strategic partners to channel resources to emerging economies, promoting innovative and sustainable solutions that address global challenges.



# Annual Strategy on Sustainability and Corporate Responsibility

The Sustainability and Impact Committee of Alsis Funds defined the annual strategy on sustainability and corporate responsibility with the goal of ensuring alignment with our long-term goals.

A clear focus was established on material topics and, with the purpose of integrating the firm’s ESG strategy criteria, the following action guidelines were set as part of the strategy implemented during 2024:



Accountability




Institutionalization



Business Ethics



Value Creation



Transparency



Social Action

## Public Commitments to Sustainability

- UNPRI (Principles for Responsible Investment) + UN Global Compact



## ESG Training

- Internal ESG course
- Technical compliance training



## UN Global Compact Peer Learning Programs

- Programs: climate and gender perspective



## Corporate Recycling

- Revaluation of key office waste (PET and tetrapack)



# Affiliations

Alsis Funds, we recognize the importance of actively collaborating with international networks to strengthen our sustainability and responsible investment capabilities. The alliances we maintain not only expand our reach and impact but also provide us with key tools to lead the way toward a more ethical, sustainable, and responsible private equity industry.

Our participation in these platforms reflects our commitment to promoting responsible investment practices, strengthening an ethical and collaborative work environment, and adopting global standards of professional excellence. This collective approach reaffirms our leadership vision in sustainability and corporate social responsibility and drives us to continue generating long-term value from a comprehensive and innovative perspective.



In 2023, we joined the group of Mexican asset managers that are signatories to the UN Principles for Responsible Investment (UNPRI), a globally recognized initiative in responsible investment founded in 2005. Known for its leadership in promoting practices that integrate ESG factors, UNPRI brings together institutional investors and fund managers under a common framework built on six key principles.



In 2023, we became part of the United Nations Global Compact, the world’s largest corporate sustainability initiative. Since joining, we have participated in training programs and business learning groups organized by the Mexico Local Network, focused on strengthening capacities in climate matters, gender equity, and sustainable finance.



The Mexican Association of Private Equity and Venture Capital (AMEXCAP), established in 2003 as a non-profit organization, aims to promote the development and strengthening of the private equity and venture capital industry in Mexico. Since 2015, we have been an active member of this association, participating in various relevant initiatives that support the growth of the sector.



# Comprehensive Risk Management

At Alsis Funds, we adopt a rigorous and structured approach to investment decision-making, based on thorough risk evaluation. Our methodology primarily distinguishes between counterparty risk, project risk, and ESG risk, integrating them across all stages of the investment cycle.

Counterparty risk is analyzed based on several factors, including the applicant’s technical capacity, regulatory compliance history, financial strength, and ethical standards. Project risk evaluation covers key aspects such as location and land use, property records, applicable regulatory framework, financial viability, and the level of engagement with stakeholders.

This comprehensive approach ensures that every investment aligns with our principles of sustainability and corporate responsibility, promoting ethical decisions aimed at generating long-term positive impact.

### Risk Management Tools

- Environmental and Social Risk Assessments during initial due diligence through ESDD questionnaires
- Establishment of ESG Baseline Lines and ESG Action Plans
- Monthly, bimonthly, and annual monitoring through project inspectors and independent specialists
- Active management of grievance mechanisms and engagement with stakeholders in operating projects
- Participation of the ESG Compliance Office, the Sustainability and Impact Committee, and the Structured Finance and Asset Management teams

These tools not only align our investments with sustainability principles, but also enhance Alsis Funds’ ability to mitigate operational, social, and reputational risks, improve investment decision traceability, and ensure the quality of reported information.

### Operational and Governance Management Framework



We reaffirm our commitment to transparency and accountability through the continuous strengthening of our reporting processes. During our work sessions, we assess the ESG status of our investments and define key initiatives implemented throughout 2024, with the aim of advancing the consolidation of a sustainable business model.

# Our Specialized Team

As part of our ongoing efforts, we have established medium-term internal and external goals aimed at fostering sustainable growth and operational excellence across all activities. To support this approach, we have developed a robust structure that incorporates an ESG Management System designed to ensure compliance with applicable regulations and facilitate the effective integration of these criteria across all key areas of the organization.

Responsibility for ESG matters at Alsis Funds falls under the Finance Department, which leads strategic functions such as investor relations, asset management, financial planning, and administration. This governance framework is complemented by a specialized team that works actively to ensure operational excellence and the effective implementation of sustainable practices in our day-to-day management.

This team includes:

ESG Compliance Officer	Project Inspector Network	Independent Sustainability Specialist
Responsible for supervising regulatory compliance in key areas such as Origination and Asset Management, ensuring that operations are carried out in accordance with applicable regulatory frameworks and the integrity principles that govern our activities. This role also establishes the ESG guidelines and policies applied transversally throughout the investment business cycle, ensuring consistent and effective ESG integration at every stage.	Carries out physical inspections during all stages of development to ensure that required permits and licenses are properly updated. This process includes validating progress in construction and urbanization work, as well as verifying compliance with habitability conditions and quality standards in project execution.	We work with a dedicated expert in charge of consolidating annual follow-up reports for each project. These reports are submitted to the ESG Compliance Officer, who acts as the principal client in the supervision process. This role ensures traceability, transparency, and quality of the information reported on the performance of each initiative.

Our investment management system is designed to reflect our commitment to sustainability and is aligned with the IFC’s Environmental and Social Performance Standards. Accordingly, all financed projects must meet Alsis Funds’ eligibility criteria.

During the due diligence process, if a project is approved, it is required to implement an Environmental and Social Management System tailored to the identified risks and potential impacts. This mechanism ensures compliance with our sustainability standards and reinforces our vision of generating responsible, long-term investments.

## Environmental and Social Management System Requirements

- Environmental and social policy
- Organizational chart including ESG roles
- Occupational health and safety plan or regulations
- Environmental management plan or program
- Plan or procedure for emergency prevention and response
- Grievance mechanism for workers and stakeholders
- Monitoring process of contractors and labor conditions
- Maintain communication channels with external stakeholders



# Integration of TCFD into Our Housing Portfolio



## Climate Vulnerability Map

Climate change is one of the main systemic challenges for financial markets and global investments in the 21st century. Investments in Mexico—due to their geographic nature, long-term lifecycle, and exposure to physical and regulatory risks—are particularly vulnerable to the impacts of climate change, both in the form of material risks and opportunities for transitioning to more sustainable and resilient models. Recognizing this need, in 2015 the G20 tasked the Financial Stability Board (FSB) with developing a framework to improve transparency and disclosure of climate-related financial risks. In response, the FSB established the Task Force on Climate-related Financial Disclosures (TCFD), which in 2017 published a set of recommendations for companies and organizations to assess, manage, and disclose these risks in a structured, standardized, and comparable way.

Since its launch, the TCFD framework has been supported by over 4,000 public and private institutions worldwide, including central banks, pension funds, financial regulators, and multilateral organizations. In 2023, its principles were formally integrated into the sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB), particularly through the International Financial Reporting Standards S2 (IFRS Climate-related Disclosures). With this, TCFD has become a key normative reference in the evolution of global financial reporting.

In this context, Alsis Funds has progressively implemented an action framework aligned with the TCFD recommendations as part of its commitment to responsible management, even during the disinvestment phase of its portfolio. This effort aims to strengthen the identification of material climate risks—both

physical and transition-related—particularly in housing assets, and generate useful insights for analysis, strategic decision-making, investor reporting, and exit processes. Additionally, this framework lays the foundation for a more robust ESG performance management system, contributing to transparency and traceability of the potential impacts of climate change on managed assets. By aligning with ISSB international standards and anticipating regulatory trends across Latin America and global markets, Alsis Funds reinforces its commitment to responsible and sustainable investment.





## Key Climate Risks to Consider



### Physical Risks

- **Acute risks:** Exposure to extreme weather events such as hurricanes, floods, and intense heat waves represents a material threat to the safety and viability of financed projects. These events may lead to operational disruptions and significant repair costs, affecting both financial performance and investment stability
- **Chronic risks:** Long-term factors, such as water stress and rising average temperatures, impact the operation and maintenance dynamics of projects—especially in sectors like real estate development. Mexico is particularly susceptible to the gradual depletion of water resources, which could increase operating costs and limit growth in certain key regions



### Transition Risks

- **Regulatory risks:** Emerging regulatory frameworks aimed at mitigating climate change impose stricter requirements in terms of energy efficiency, emissions reporting, and the use of sustainable resources. This may require new alignment processes for projects supported by Alsis Funds, as well as additional investments to meet stricter global standards by 2025
- **Market and consumer preference shifts:** There is growing market demand for projects and developments that prioritize energy efficiency and adopt sustainable practices. Investors place greater value on initiatives that maximize long-term profitability while minimizing environmental impacts. This positions Alsis Funds to collaborate on projects aligned with these expectations, turning such trends into competitive advantages
- **Geopolitical and economic risks:** In the 2025 context, a shift in the U.S. government administration could influence regional economic and environmental policies, including incentives for nearshoring in Mexico. This could open new investment opportunities in supply chain-related sectors but also increase regulatory uncertainty in strategic sectors related to our operations



01

Governance



Objective	Alsis Funds' Approach
<p>Disclose the company’s governance regarding climate-related risks and opportunities.</p>	<p>At Alsis Funds, we have a governance structure for ESG matters, which—through various tools such as committees, due diligence, action plans, and ongoing monitoring—ensures that our investments remain aligned with our business priorities and create ESG value.</p>

Comprehensive ESG Governance for Our Housing Projects



02

Strategy

Objective	Alsis Funds' Approach
<p>To disclose the actual and potential impacts of risks, as well as the climate-related opportunities in housing construction projects, along with the strategy and operational planning, when such information is relevant.</p>	<p>Our strategy is based on conducting periodic climate and ESG assessments, anticipating potential risks and prioritizing preventive actions. We incorporate monitoring tools that evaluate project performance based on key climate criteria, such as resource efficiency, water vulnerability, and, in some cases, carbon footprint tracking.</p> <ul style="list-style-type: none"><li>• <b>Monitoring of housing assets</b></li></ul> <p>This is carried out through annual and bi-monthly assessments, aimed at identifying and mitigating financial, business, and ESG risks.</p>





03

Risk Management

Objective	Alsis Funds' Approach
To disclose how the company identifies, assesses, and manages climate-related risks.	<p>The implementation of environmental and social due diligence processes is central to Alsis Funds’ risk management approach. These evaluations prioritize the identification of critical areas in terms of climate vulnerability and the formulation of specific action plans that proactively address the identified risks.</p> <p>Housing assets:</p> <ul style="list-style-type: none"><li><b>Committees</b> Our housing-focused committees address risk situations that projects may face, creating solutions for the challenges encountered and recognizing the good practices of each one</li><li><b>Due Diligence</b> The environmental and social due diligence mechanism is an annual exercise that allows us to address project opportunity areas. It consists of an annual snapshot of the project’s status, conducted by a third party, who assigns a rating directly related to the scope of the project</li><li><b>Action Plans</b> Action plans stem from a baseline established at project origination and are complemented by technical aspects and corporate institutional context. Based on the baseline and considering the project’s stage, opportunity areas are worked on each year and monitored to align projects with best ESG practices</li><li><b>Technical Monitoring</b> Technical monitoring is conducted by a network of inspectors and the housing project administration team, who track exposures to physical and transition risks</li></ul>

04

Metrics and Objectives

Objective	Alsis Funds' Approach
Disclose the metrics and objectives used to evaluate and manage climate-related risks, as well as relevant opportunities, when such information is material.	The projects include ESG contractual clauses that govern their operation throughout the entire investment lifecycle. To assess compliance, monitoring and due diligence processes are carried out by an independent external specialist. These evaluations make it possible to identify risks, follow up on acquired commitments, and detect improvement opportunities for both investors and developers.





Action Plan Towards TCFD

As part of the responsible closure process of the housing portfolio, Alsis Funds has initiated the progressive implementation of a framework aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This effort does not seek to transform the operation of assets in their final stage, but rather to strengthen climate risk management in evaluation, monitoring, and exit processes.

Identification and Assessment	Metrics Development	Capacity Building
<div>Use of public territorial tools</div> <ul style="list-style-type: none"> <li>Integration of vulnerability data (INECC, CENAPRED, CONAGUA) to locate projects in risk zones</li> <li>Identification of acute (hurricanes, floods) and chronic (extreme heat, water stress) physical risks</li> </ul> <div>Climate vulnerability map of the portfolio</div> <ul style="list-style-type: none"> <li>Georeferenced mapping of assets in exposed areas, including overlap with municipalities prioritized for climate issues</li> <li>Classification of assets by exposure level, without requiring complex operational processes</li> </ul> <div>Prioritization of analysis for remaining assets</div> <ul style="list-style-type: none"> <li>Focus on active projects or those with a longer estimated timeline to exit</li> <li>Useful information for valuation analysis, risk management, and coordination with buyers</li> </ul>	<div>Minimum information questionnaire for developers</div> <ul style="list-style-type: none"> <li>Simple format to collect operational data (energy, water, waste) and perception of climate risks</li> </ul> <div>Technical ESG compliance monitoring</div> <ul style="list-style-type: none"> <li>Field and desk evaluations to capture material conditions linked to climate (infrastructure, drainage, risk zones, signage)</li> <li>Use of information to support due diligence in exit processes</li> </ul> <div>Inclusion of climate criteria in monitoring reports</div> <ul style="list-style-type: none"> <li>Executive reports that document the climate exposure of each asset and any pre-existing mitigation measures</li> <li>Support for institutional sales processes based on ESG compliance</li> </ul> <div>Operational limitations considered</div> <ul style="list-style-type: none"> <li>No additional investment in infrastructure is contemplated</li> <li>Data is integrated based on existing public information</li> <li>The approach is documentary and information-based, not one of operational transformation</li> </ul>	<div>Internal committees and ESG Due Diligence</div> <ul style="list-style-type: none"> <li>Annual review of climate risks as part of the standard due diligence exercise</li> <li>Coordination with legal, technical, and commercial teams to integrate findings into exit decisions</li> </ul> <div>Internal training</div> <ul style="list-style-type: none"> <li>Technical support for the management team to interpret key physical and transition risks</li> <li>Practical tools to include these factors in the exit analysis of each asset</li> </ul> <div>Structured investor documentation</div> <ul style="list-style-type: none"> <li>Preparation of climate annexes or TCFD sheets by group of priority assets</li> <li>Possibility of aligning language with requirements from multilateral funds or development banks</li> </ul>

Climate Vulnerability Map

The map integrates territorial information on tsunamis, floods, tornadoes, and earthquakes—natural phenomena that present a high incidence across different regions of the country. This tool allows for the geographic visualization of project locations relative to risk zones, as well as their overlap with municipalities most vulnerable to climate change (INECC, 2020; CENAPRED, 2023).

This analysis is key for the implementation of specialized ESG due diligence processes, the development of adaptation plans, and the design of strategies aimed at mitigating material physical impacts. It also supports the financial assessment of projects under future climate scenarios, as outlined by the TCFD framework, and facilitates alignment with funding sources that require more stringent sustainability standards (TCFD, 2021).

In the Mexican context, where over 60% of new housing developments are built in urban areas with high environmental and social pressure, mapping climate vulnerability not only adds financial and operational value but also reinforces the portfolio’s long-term sustainability commitment (SHF, 2022).



10 Housing Developments

- Located in risk zones
- Equipped with environmental and social management systems
- With civil protection / emergency response plans
- Training on greenhouse gas emissions calculation

- **Projects in tsunami zones**  
(Sinaloa, Jalisco, and Quintana Roo)
- **Projects in flood zones**  
(Sinaloa, Jalisco, Quintana Roo, Aguascalientes)
- **Projects in tornado zones**  
(Nuevo León and Jalisco)
- **Projects in earthquake zones**  
(Jalisco, State of Mexico)

CENAPRED. (2023). Atlas Nacional de Riesgos. Centro Nacional de Prevención de Desastres. INECC. (2020). Vulnerabilidad al cambio climático actual. Instituto Nacional de Ecología y Cambio Climático. SHF. (2022). Estado Actual de la Vivienda en México 2022. Sociedad Hipotecaria Federal. TCFD. (2021). Recommendations of the Task Force on Climate-related Financial Disclosures. Task Force on Climate-related Financial Disclosures

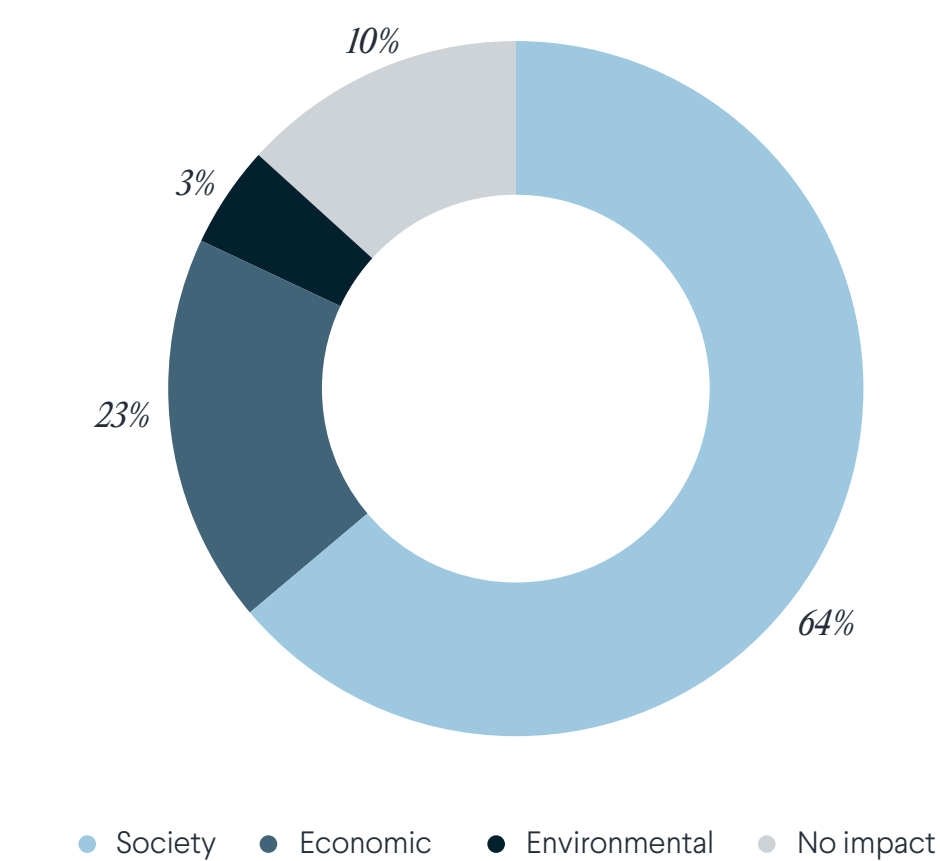


# Impact Taxonomy

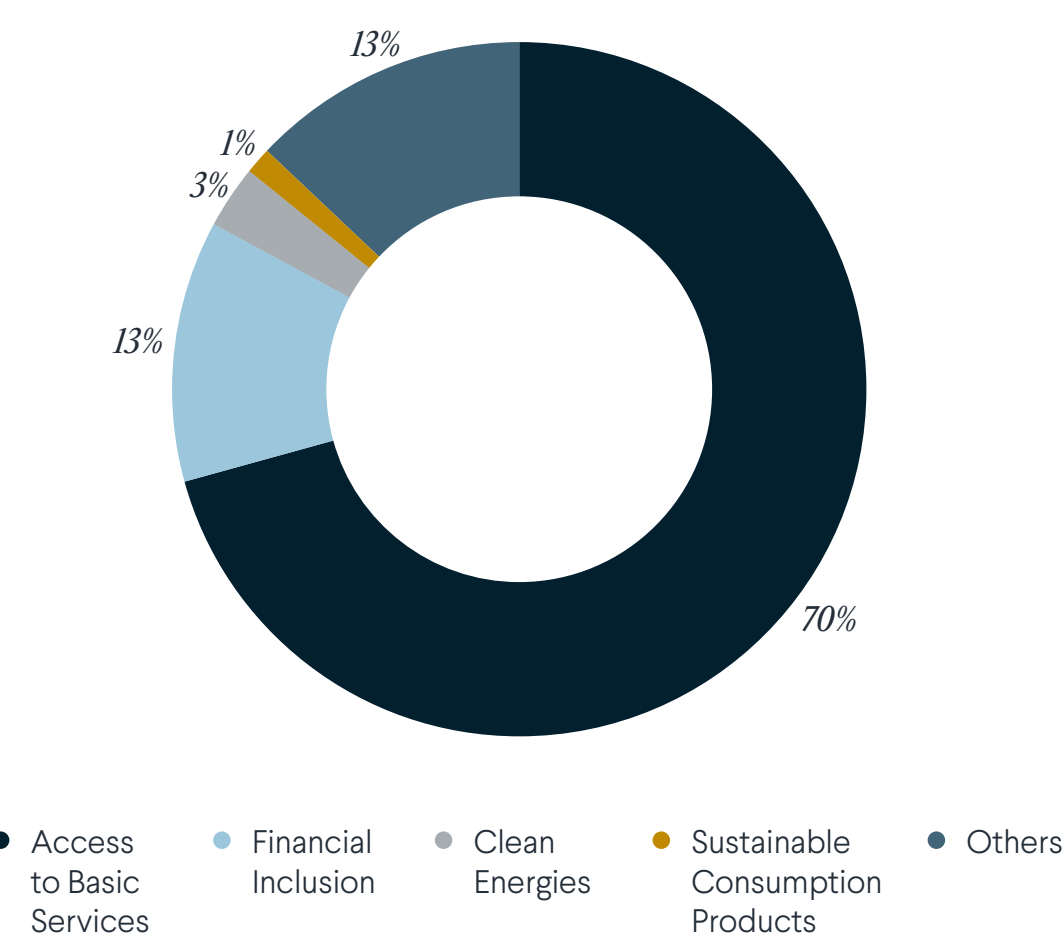
As active players in the investment sector, we work diligently to incorporate common standards for impact investing that enhance the quality and consistency of our decision-making processes. In this regard, we have adopted internationally recognized tools, such as the IRIS+ thematic taxonomy and the GIIN's Impact Base Snapshot, with the purpose of structuring, measuring, and clearly communicating the impact generated by our investments.

However, due to the specific nature of the sectors in which we participate, we sometimes face limitations in fully aligning with these frameworks. Therefore, our forward-looking approach focuses on identifying and developing complementary methodologies that will help us refine our impact taxonomy and more accurately reflect the social, environmental, and economic value our investments generate in the surrounding environment.

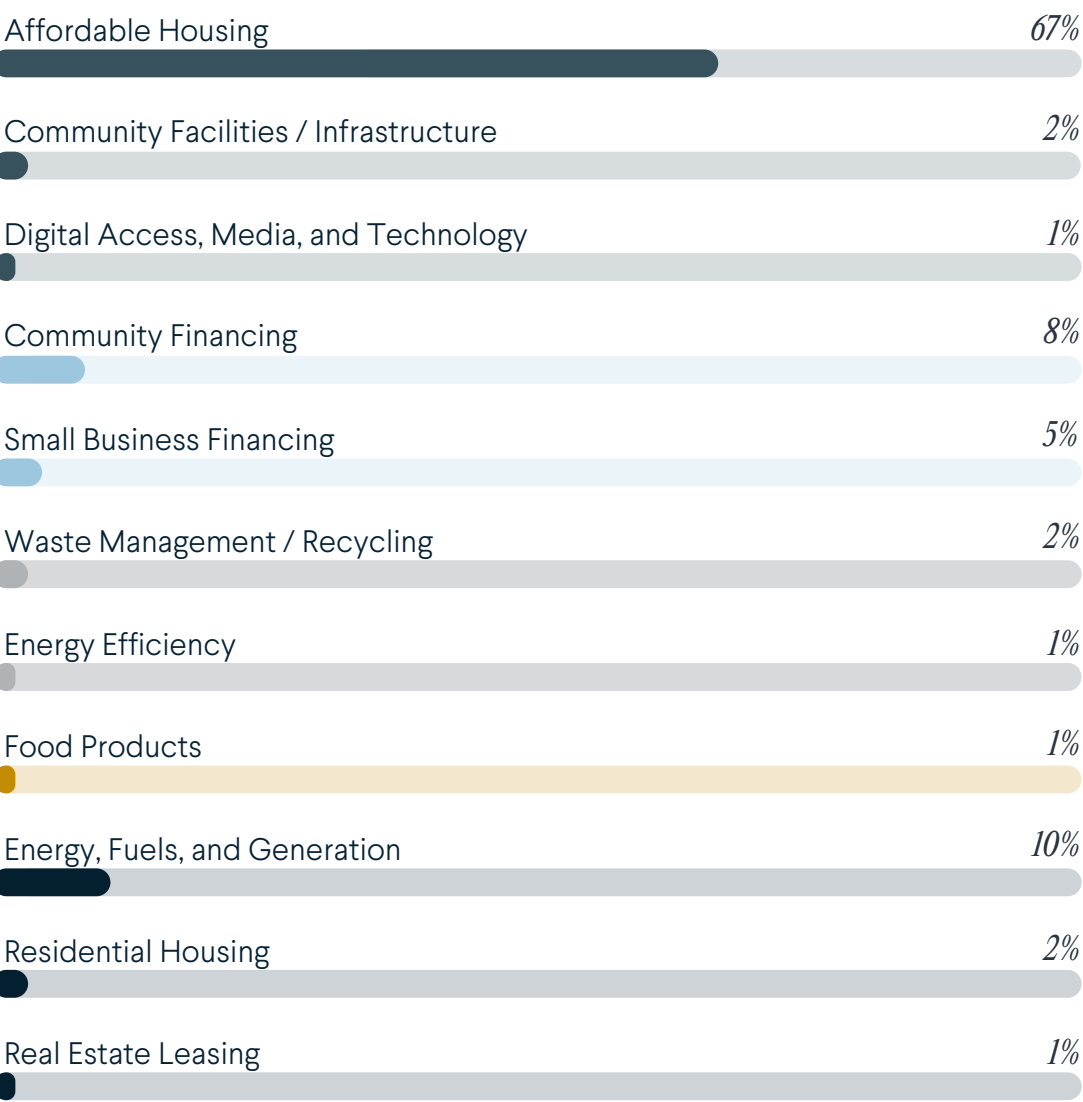
Impact on Sustainability



Main Topics



Subtopics



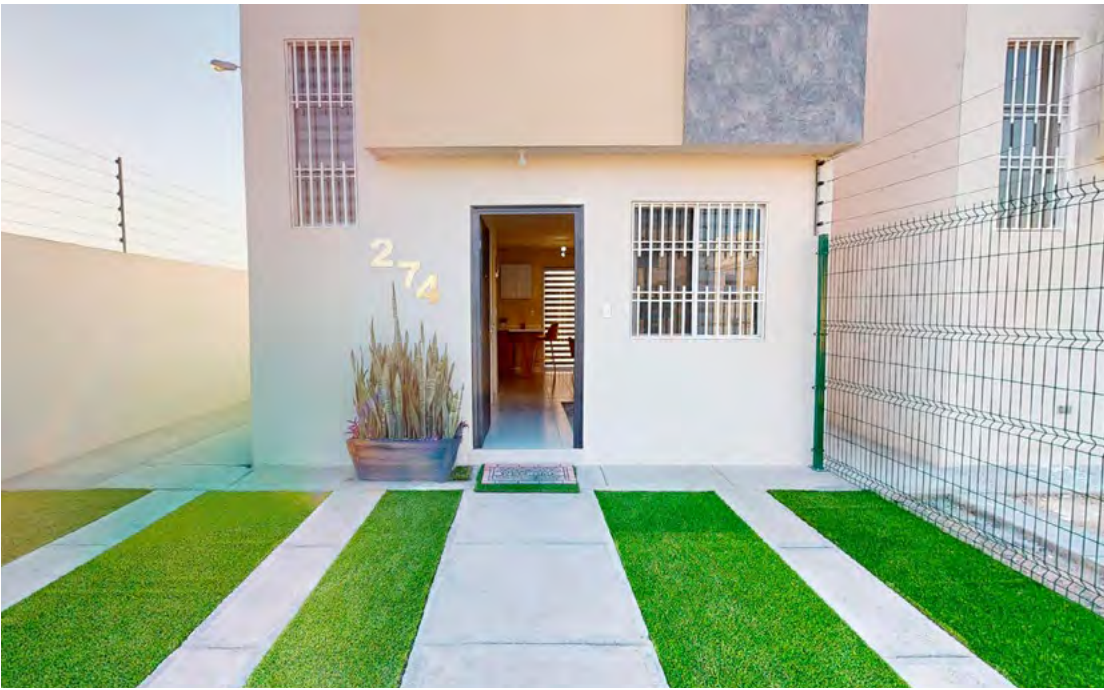
# Responsible Investment Case: Institutional and Social Strengthening in Affordable Housing Development in the Monterrey Metropolitan Area







At Alsis Funds, we believe that responsible financing not only mobilizes capital but also drives transformations in the management of our Borrowers. This case demonstrates how an investment with ESG criteria can strengthen internal capabilities and generate sustainable impacts beyond the real estate asset itself.

The project is located in an expanding **industrial suburb of the Monterrey metropolitan area**, with high demand for affordable, formal housing. The investment addresses this need, contributing to improving quality of life and reducing the housing deficit in a key region for the economic development of northern Mexico.

The development includes the construction of **1,382 affordable entry-level homes** for low-income families. Beyond the residential impact, the case reflects how **Alsis Funds' ESG requirements** contributed to the institutional strengthening of the Borrower. Through an environmental and social action plan (ESAP) and three years of technical support, the project went from having no formal management system to implementing practices aligned with IFC Performance Standards.

A social housing project that evolved into a more structured management approach, thanks to Alsis Funds' ESG support



	Location: Monterrey metropolitan area
	Sector: Affordable low-income housing
	Expected impact: 1,382 homes
	Implementation period: Three years
	ESG mechanism applied: ESAP + technical support
	Reference standard: IFC Performance Standards





Key Results

- Implementation of an Environmental and Social Management System (ESMS)
- Improved labor and safety protocols
- Formalized training and contractor monitoring
- Enhanced documentation traceability and whistleblower mechanisms

This case illustrates how responsible capital can drive social impact and real operational improvements, enabling stronger and more sustainable developers.

Alsis Funds Taxonomy



Alignment with the Sustainable Development Goals (SDGs)



This case reflects Alsis Funds’ vision to finance projects that not only deliver financial returns but also **raise management standards and foster social development** in strategic areas of the country. This type of support reinforces our commitment to the Principles for Responsible Investment (UNPRI) and ISSB guidelines.



# *04* Corporate Governance

GRI: 2-7, 2-9, 2-12, 2-13, 2-15, 2-16, 2-17, 2-23, 2-24, 2-26 and 205-2

SASB: FN-AC-330a.1 and FN-AC-510a.2



# Management Team

The management team of Alsis Funds is composed of professionals with a solid track record in the private equity, financial, and real estate sectors. They have held executive positions at well-known financial institutions in both Mexico and the United States, which has enabled them to develop a remarkable capacity to adapt to different economic contexts. Their experience spans from structuring complex transactions to managing funds aimed at institutional investors, consolidating a strategic and specialized approach.



**David Sánchez-Tembleque**  
Managing Partner

Tenure: 18 years

**Work Experience:**

- 25+ years of industry experience
- CEO at Homex
- CFO at INFONAVIT
- Deputy General Director of Corporate Finance and Investor Relations at BBVA Bancomer

**Academic Background:**

- MBA from Tulane University and bachelor’s degree in economics from the University of Santiago de Compostela



**Xavier González-Sanfeliu**  
Partner

Tenure: 18 years

**Work Experience:**

- 25+ years of industry experience
- CEO at Biscayne Bay Group
- Vice President and Head of Asset-Backed Securities (ABS) for Latin America at Bear Stearns.
- Associate, Investment Banking at JP Morgan Chase & Co.

**Academic Background:**

- MBA from Wharton and bachelor’s degree in international business from McGill University



**Orlando Méndez Piñón**  
Partner – Structured Finance

Tenure: 16 years

**Work Experience:**

- 15+ years of industry experience
- Began his career at Alsis Funds as an intern and continued to grow as Analyst, Associate, Vice President, Director, and Executive Director

**Academic Background:**

- MBA from IESE Business School and bachelor’s degree in economics and business administration from the University of Oviedo

With a combined track record of more than 25 years, the executive team has developed a synergy that has been key in defining and strengthening Alsis Funds’ strategic vision. This close collaboration has been crucial to the firm’s development, allowing them to anticipate trends and effectively adapt to changes in the financial environment.



**Luis Alberto Burgos**  
Managing Director – Finance

Tenure: 9 years

**Work Experience:**

- 10+ years of industry experience
- Began his career at Alsis Funds as an Analyst, and continued his growth as Associate and Director
- ICP Group
- Intercam

**Academic Background:**

- MBA from IPADE and bachelor’s degree in financial management from the Instituto Tecnológico y de Estudios Superiores de Monterrey



**Ángel García Vázquez**  
Managing Director – Administration and Accounting

Tenure: 6 years

**Work Experience:**

- 25+ years of industry experience
- Senior Manager and Chief Accountant at INFONAVIT
- Homex
- BBVA Bancomer
- PwC

**Academic Background:**

- Bachelor’s degree in accounting from Universidad La Salle



**Arturo Zamora Urióstegui**  
Director – Legal and Loan Administration

Tenure: 8 years

**Work Experience:**

- 15+ years of industry experience
- Held various positions at well-known notary offices in Mexico City, managing clients from different industries
- Lecturer for 10 years at the Escuela Libre de Derecho

**Academic Background:**

- Lawyer from Escuela Libre de Derecho



# Our Committees

At Alsis Funds, Management Team is supported by several committees that play a key role in decision-making and in the supervision of the investment portfolio. These committees ensure a comprehensive and strategic approach, enabling efficient management aligned with the firm’s objectives.

<p><b>Advisory Committee</b></p> <p>Focused on decision-making in accordance with the guidelines and provisions established in the documentation of each investment vehicle.</p> <p><b>Members:</b> Investors, Managing Partner, and Partner</p>	<p><b>Operations Committee</b></p> <p>Responsible for reviewing general operational aspects pertaining to the various areas of Alsis Funds.</p> <p><b>Members:</b> Managing Partner, Administration and Accounting Managing Director, and Treasury and HR Director</p>	<p><b>Sustainability and Impact Committee</b></p> <p>Leads decision-making on matters related to sustainability within the firm and defines the strategic direction on ESG issues.</p> <p><b>Members:</b> Managing Partner, Finance Managing Director, and Treasury and HR Director</p>
<p><b>Investment Committee</b></p> <p>Responsible for authorizing new investments, monitoring the performance of existing ones, and activating specific strategies in response to situations in the active portfolio.</p> <p><b>Members:</b> Managing Partner, Partner, Structured Finance Partner, and Independents (as required for specific discussions)</p>	<p><b>Valuation Committee</b></p> <p>Oversees compliance with the firm's Comprehensive Ethics System and serves as support for the professional ethics tools intended for Partners / Borrowers.</p> <p><b>Members:</b> Managing Partner, Finance Managing Director, and Administration and Accounting Managing Director</p>	<p><b>Asset Management Committee</b></p> <p>Responsible for ongoing monitoring of the investment portfolio through specific subcommittees for each strategy.</p> <p><b>Members:</b> Managing Partner, Structured Finance Partner, Finance Managing Director, Administration and Accounting Managing Director, and Legal and Loan Administration Director</p>
<p><b>Qualification Committee</b></p> <p>Responsible for presenting and submitting for approval the terms and conditions related to new investments, as well as the restructuring of existing projects.</p> <p><b>Members:</b> Managing Partner and Structured Finance Partner</p>	<p><b>Ethics and Anti-Corruption Committee</b></p> <p>Oversees compliance with the firm's Comprehensive Ethics System and serves as support for the professional ethics tools intended for Partners / Borrowers.</p> <p><b>Members:</b> Managing Partner, Legal and Loan Administration Director, and Treasury and HR Director</p>	

# Our Team

By the end of 2024, Alsis Funds had a team of 22 professionals<sup>1</sup>, of whom 8 were women, representing 36% of our total workforce. We take pride in having a highly qualified team committed to excellence and continuous professional development across each of their areas of expertise.

100% of Alsis Funds employees have full-time, permanent contracts, which reflects our commitment to stability, formality, and the well-being of our human talent. This vision has allowed us to foster a positive, productive, and growth-oriented work environment for the firm.



David Sánchez-Tembleque  
Managing Partner



Xavier González-Sanfelíu  
Partner



Orlando Méndez Piñón  
Partner  
Structured Finance



Luis Alberto Burgos  
Managing Director  
Finance



Ángel García Vázquez  
Managing Director  
Administration & Accounting



Arturo Zamora Urióstegui  
Director  
Legal & Loan Administration



Alejandra Ruiz Carriedo  
Director  
Admin. & Accounting and HR



Mariela Figueroa  
US Comptroller  
Administration & Accounting



Juan José Ortiz  
Vice President  
Structured Finance



Maximiliano Noriega  
Vice President  
Finance



Gabriel Espinosa  
Housing Projects Manager  
Structured Finance



Jorge Hernández  
Associate  
Finance



Itzel Vilchis  
Accountant  
Administration & Accounting



Omar Vidal Mercado  
Legal  
Legal & Loan Administration



Georgina Paguía  
Housing Support  
Legal & Loan Administration



Sergio Díez  
Analyst  
Structured Finance



Eva Paloma Juárez  
ESG Analyst  
Finance



Emiliano Martínez  
Analyst  
Structured Finance



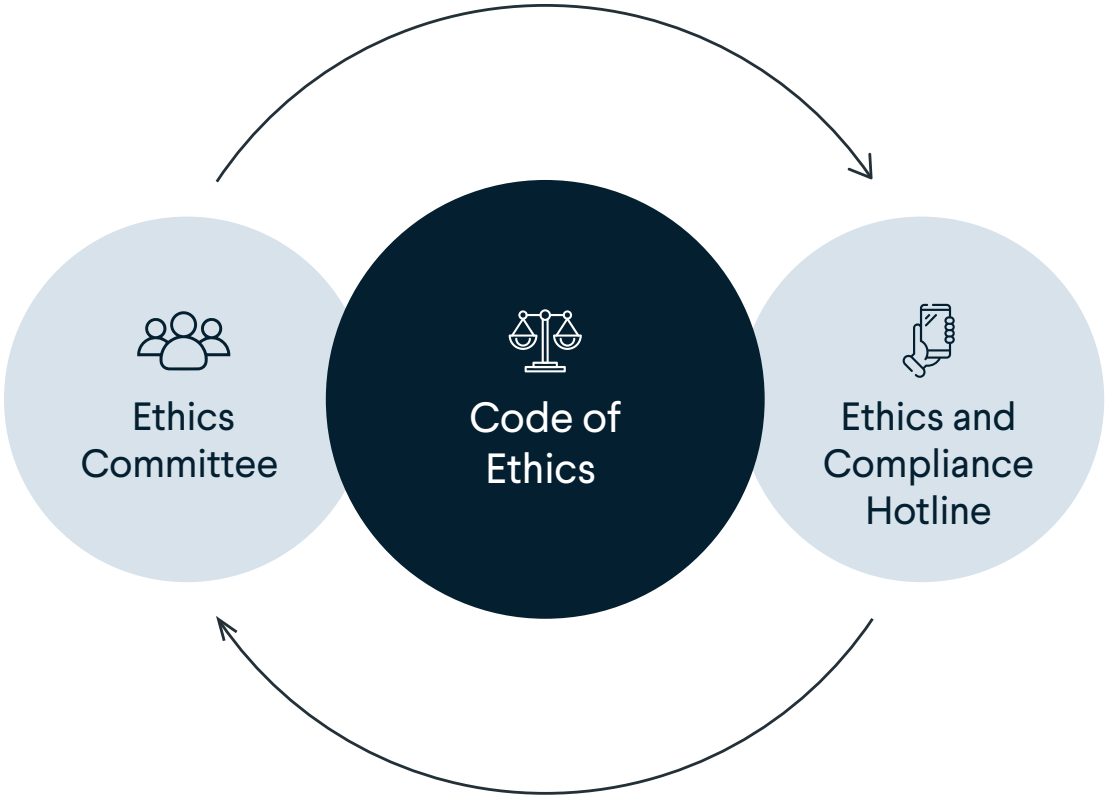
María Isabel García  
Administration  
Administration & Accounting

<sup>1</sup>The Alsis Funds team had 22 members in 2024; we currently have 20.



# Comprehensive Ethics System

At Alsis Funds, we have a comprehensive ethics system composed of an Ethics Committee, a Code of Ethics and Professional Conduct, and an Ethics Hotline. These tools are fundamental to promoting the practice of the values that define our organizational culture. Additionally, they serve as a tool for our internal and external ecosystems to foster fair, respectful, and integrity-aligned work environments.



## Code of Ethics and Business Conduct

The Alsis Funds Code of Ethics and Professional Conduct is designed to ensure integrity and transparency in all our operations, both internal and external. It applies to employees, advisors, and business partners at all levels and locations. This document provides guidelines and tools for decision-making, promoting the values and behavioral expectations of Alsis Funds. The Code emphasizes our core values, reinforcing trust both inside and outside the organization. It sets clear expectations for workplace behavior and complements the internal policies package.

Alsis Funds encourages open communication, so any questions or concerns should be raised with direct supervisors, HR, or through the Ethics and Compliance Hotline, always ensuring confidentiality and protection against retaliation. The Code is aligned with international standards and reflects our firm commitment to ethical and responsible management.

*100%* of Alsis Funds team members signed having read the induction policy package, which includes 8 policies and guidelines, including the Code of Ethics and Professional Conduct



Communication of Concerns

As part of Alsis Funds’ Comprehensive Ethics System, we have an Ethics Reporting Channel operated by an external provider, accessible to all members of our ecosystem. This mechanism ensures confidentiality and security when reporting potential irregularities, reinforcing our commitment to a culture of transparency.

The system is complemented by a risk map that identifies and classifies the most relevant incidents in the sector, grouping them by severity: high, medium, or low. This tool allows us to anticipate potential risk scenarios and proactively manage situations that may compromise organizational integrity.



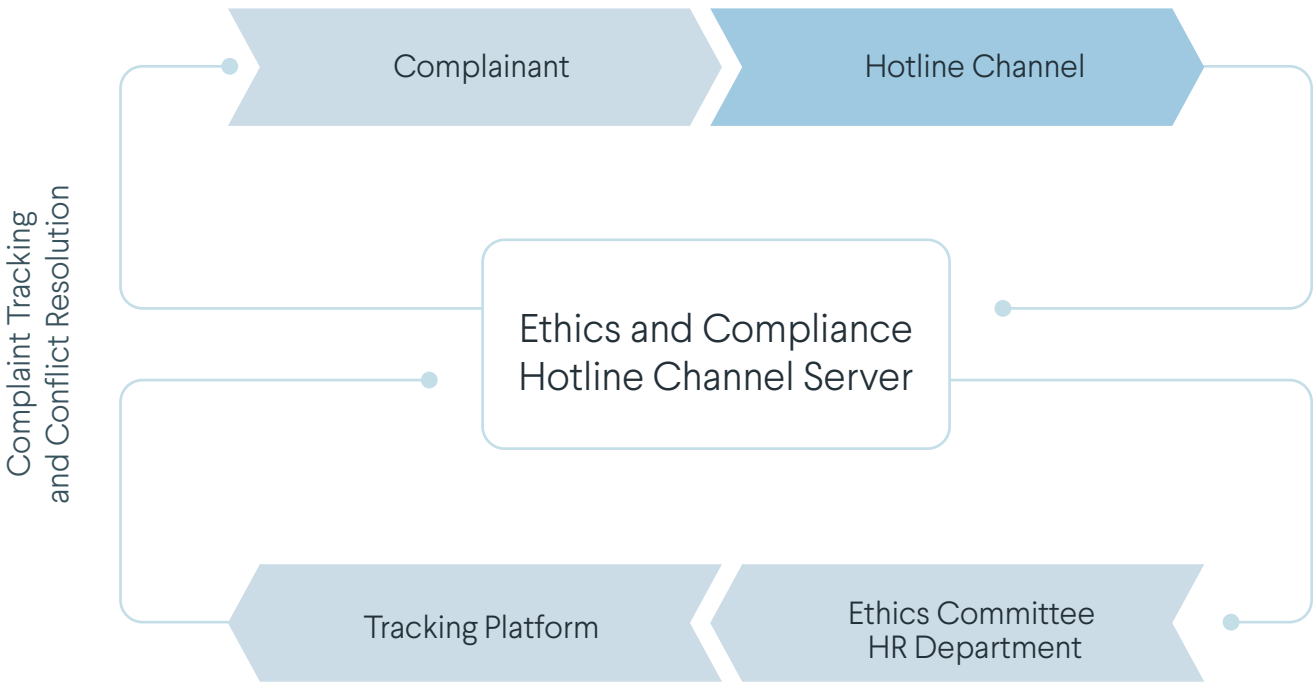
Means of Reporting

- Website

The Alsis Funds reporting channel is a key tool to strengthen trust in the enforcement of our Code of Ethics and Professional Conduct and internal policies. It is available to employees, clients, and suppliers, allowing them to confidentially report any behavior that is suspicious or contrary to our organizational and ethical principles.

Reports received are processed under principles of confidentiality, impartiality, and data protection. The information is shared only with those responsible for the analysis and resolution of each case. Alsis Funds has an explicit non-retaliation policy for reports made in good faith, in accordance with international standards.

Report Management Process





# Commitments of Our Operations

At Alsis Funds, our policies and procedures are designed to protect the firm’s interests and ensure compliance with recognized international standards. We aim for our operational and investment practices to be aligned with global frameworks such as the International Finance Corporation (IFC) Performance Standards on Social and Environmental Sustainability, the IFC Sustainability Framework, the Principles for Responsible Investment (UNPRI), the UN Guiding Principles on Business and Human Rights, the United Nations Global Compact, as well as the Sustainable Development Goals (SDGs).

## Conflicts of Interest

We recognize that conflicts of interest are one of the most frequent ethical challenges in the corporate environment. These occur when the personal interests of an employee or partner conflict with those of the company, its clients, or suppliers, compromising both compliance with our Code of Ethics and Professional Conduct and the integrity of the individual employment relationship.

To address this issue, we apply the guidelines established with our investors, ensuring transparency and integrity in every decision and action we take. This commitment strengthens the trust of those who invest with us and ensures that each operation is conducted under the highest ethical and professional standards.

## Anti-Corruption and Anti-Bribery

At Alsis Funds, we consider it essential to responsibly manage the acceptance and offering of gifts or entertainment activities, as these may be interpreted as attempts to influence professional decisions. For this reason, we clearly state that no employee shall accept or give gifts or invitations that could call into question their integrity or that of the company.

We explicitly prohibit the following:

- Cash payments
- Transactions equivalent to cash
- Gifts intended to secure preferential treatment for the giver or a third party
- Any gift or hospitality involving illegal activities

All employees are expected to maintain conduct based on the highest standards of integrity. Therefore, any participation in fraudulent practices, acts of corruption, or theft within the work environment is strictly prohibited. Such conduct contradicts our core values and undermines both organizational performance and individual responsibilities toward the firm.









# Cybersecurity Initiatives

Alsis Funds maintains a technology infrastructure focused on information protection and operational continuity. Integrity, confidentiality, and data traceability are key principles in managing our internal and external communications. For this reason, we have developed a set of specific actions regarding cybersecurity.

Among the main measures implemented are:

-  Regular and controlled maintenance of information storage, including periodic backups and data integrity testing.
-  Geographic access control to our systems and platforms, which restricts login attempts from unauthorized locations (geofencing).
-  Automatic account blocking in the event of suspicious activity, such as multiple failed access attempts or unusual movements.
-  Ongoing staff training on threat identification, identity spoofing attempts, and incident response protocols.
-  Use of off-site backup storage as a contingency for data rooms, ensuring the availability of critical information in the event of a technical contingency.
-  Management of our technology infrastructure by a specialized IT services company, ensuring professional support, proactive monitoring, and compliance with industry best practices.

In the event of an attempt to breach information by any team member, the incident must be reported immediately to the Human Resources department. Additionally, an informational alert is sent to the entire team, detailing the type of scam or attempted fraud identified, in order to prevent future risks.



# 05 Environmental and Social Impact

GRI: 2-7, 2-27, 205-1, 205-3, 305-1, 305-2, 306-2, 401-1, 404-1, 406-1, 408-1, 409-1, 410-1, 411-1, 413-1 and 418-1



# Key ESG Indicators

36%

of our workforce is made up of women

Zero

gender pay gap within Alsis Funds

100%

of our team is trained in ESG matters

+140

training hours completed by the Alsis Funds team during 2024

100%

of analysts recruited through the talent development program

+20

institutional policies governing our activities

Zero

fines for non-compliance with laws and regulations

+60

SMEs financed since our foundation

100%

of housing projects evaluated for environmental risks and impacts prior to financing

80%

of housing projects complied with Alsis Funds' ESG guidelines during 2024

+400

jobs created in 2024, of which +80 were for women

+800

families benefited through housing units built during 2024



# Our Environmental and Social Considerations

## Eligibility Criteria and Risks

At Alsis Funds, we apply a defined framework of risk analysis and eligibility criteria to every investment decision, ensuring responsible and effective management. Thanks to this approach, we strengthen the financial sustainability of our investments while complying with current environmental regulations and promoting social and labor practices aligned with the highest standards.



## Risks Related to Eligibility

Our eligibility criteria define the parameters under which we identify and analyze relevant risks, considering both the characteristics of the project and the profile of the counterparty, as an integral part of our investment process.

### Counterparty Risks

- Execution experience
- Regulatory compliance
- Financial solvency and access to bank credit
- Moral solvency (reputational background)

### Project Risks

- Regional scope (inventory months or state competitiveness index)
- Political environment (rule of law)
- Physical location
- Verification of land use
- Property background
- Verification of absence of human settlements
- Regulatory compliance, housing types, and financial viability
- Relationship with stakeholders



## Environmental and Social Requirements

We believe that the long-term profitability and sustainability of our investments depend on proactive management of environmental and social risks, complemented by thorough financial analysis and strict compliance with legal and regulatory requirements.



Environmental and Social Policy

At Alsis Funds, efficient risk management represents a key added value that we have strengthened in our investments over time. This approach is based on the principle of continuous improvement, implemented across our various processes:

- Identification of investment opportunities
- Definition of eligibility criteria for counterparties
- Meticulous analysis of projects and their context
- Constant monitoring throughout the project life cycle



We have also strengthened our organizational culture and operating principles by incorporating regulations that promote respect for the environment, protection of local communities, and the safety and integrity of workers involved in the projects we finance.

Our commitment to social and environmental responsibility is reflected in the definition of specific objectives that drive truly sustainable development.



Protecting the environment by preventing pollution that could be caused by our operations, products, and services.



Ensuring the safety and well-being of our employees, customers, and the communities where our financed projects are carried out.



Design and finance investments that promote lasting environmental and social benefits.



Implement an environmental and social management system that enables us to continuously supervise, evaluate, execute, monitor, and optimize the administration of our projects.



Principles Guiding Our Institutional Conduct

With the aim of integrating sustainability into our daily operations, at Alsis Funds we have developed ten internal principles that guide and support the implementation of our strategy.

- 1

Meet or exceed the requirements of environmental legislation and regulations in business operations.
- 2

Adhere to environmental, social, and health and safety regulations in financed projects, adopting international practices.
- 3

Contribute to community initiatives to enhance and protect the local environment.
- 4

Protect and promote biodiversity, contributing to ecosystem conservation, and complying with national and international laws on protected species and habitats.
- 5

Prioritize the safety of personnel, clients, and communities in project areas.
- 6

Respect human rights and act ethically, promoting values of honesty, fairness, and integrity.
- 7

Establish mutually beneficial relationships, transparency, and accountability with stakeholder groups.
- 8

Promote diversity in work teams and ensure a discrimination-free environment.
- 9

Implement occupational health and safety protocols, and verify training and capacity building in safety for employees involved in projects.
- 10

Ensure consistent implementation of commitments and principles through the Environmental and Social Management System.





Best Labor Practices

At Alsis Funds, our labor policies are governed by Mexico's Federal Labor Law, strictly complying with national regulations and adopting best practices in the workplace. In addition, we align our processes with international standards of reference, ensuring a professional environment that meets the most demanding global expectations in our industry.

This commitment to quality in the workplace was recognized in 2023, when we obtained the Great Place To Work certification, an award that validates our efforts to foster an inclusive, motivating, and wellness-focused work culture. The renewal of this certification in 2024 once again validates our commitment to the well-being of our team and the excellence of our work environment.

In 2024 we achieved an outstanding retention rate of *95.7%*, confirming the high level of satisfaction and belonging among our employees

Training and Development of Our Employees

We consider excellence to be an essential value, and we are convinced that continuous learning is key to achieving it. That is why we promote a culture of constant development through mentoring and feedback programs led by our management team,

as well as semi-annual evaluations that drive professional growth. We complement this approach with internal training, including annual training in money laundering and terrorist financing prevention, thereby reinforcing our commitment to best practices and operational integrity. With the aim of strengthening understanding of ESG factors and building capacity in this area, at Alsis Funds we provide ongoing support to our partners/borrowers through training programs. We encourage them to have representatives responsible for ESG issues and support them in adopting best practices aligned with international standards.

In line with our commitment to continuous training and the integration of sustainable principles into our decisions, in 2024 we updated our ESG course with the aim of strengthening our internal capabilities and ensuring that our entire team has the necessary tools to effectively apply ESG criteria at every stage of our investment process.

During the year we trained *100%* of our team on key corporate ESG issues, as well as on the prevention of money laundering and terrorist financing

We also trained three members of our team in programs focused on climate change and gender perspective, with each program lasting approximately 10 hours. These training sessions allowed us to strengthen their technical knowledge and awareness of key issues for responsible and sustainable management, in line with the principles we promote at Alsis Funds.

We maintain an ongoing commitment to training and professional development at all levels of the organization, promoting a sustainable strategy, operation, and culture focused on long-term value creation. Through our collaboration with Buk, a platform specializing in talent management, we not only manage human capital but also strengthen our team's technical skills, ensuring they are constantly updated in line with market trends. This commitment to talent development translates into greater efficiency and quality in our projects, while promoting an innovative and highly committed work environment.





Programa de Interns

At Alsis Funds, we recognize that talent, diversity, and inclusion are fundamental to driving growth in our industry. We understand that companies are built by people, and it is precisely our team that makes the difference in generating value for our Partners and Investors.

Throughout our first 10 years of operation, at Alsis Funds we identified the challenges of recruitment in our industry, as well as the need to strengthen gender diversity. In response, in 2018 we launched an internship program, offering temporary 3 month contracts with the possibility of extension up to a maximum of 12 months.

Since its inception, our internship program has involved 33 professionals, mostly recent graduates with limited experience, who have had the opportunity to lay the foundations for their professional lives and accelerate their development, either within Alsis Funds or at other firms in the sector. This program is designed to generate sustainable results in the medium and long term, focusing on identifying and retaining those who demonstrate outstanding performance and a growth mindset, with the aim of building a successful career within our organization.

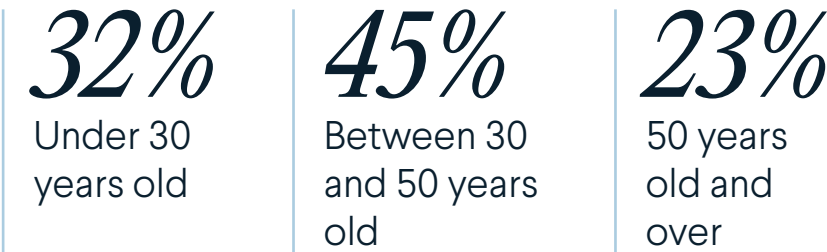
Diversity, Equity, and Inclusion

We are convinced that Diversity, Equity, and Inclusion are fundamental to organizational success. Therefore, we ensure fair and transparent hiring processes, eliminating any form of discrimination, and promote a safe, respectful work environment free from violence or harassment, where professional development is based exclusively on merit, skills, and individual abilities. We also extend this commitment to our investments, requiring that the human resources policies of the projects we finance include clear principles of gender equality and non-discrimination.

At the end of 2024, Alsis Funds had a staff of 22 employees:



Our team consists of:



As part of our commitment to an inclusive and respectful work environment, at Alsis Funds we have a Diversity and Prevention of Violence, Discrimination, and Harassment Policy, which supports and strengthens our actions to ensure fair and safe conditions for all our employees

Community Compensation

During the last Christmas season, our office in Mexico City carried out a charitable initiative to benefit a local children's home, delivering gifts to 12 children. This activity saw the active participation of 46% of our employees, who helped bring moments of joy and hope to those who need it most. The initiative reaffirms our commitment to social responsibility and support for vulnerable populations. Looking ahead, we plan to continue strengthening this initiative, increasing both its reach and participation to generate an even more significant impact on the community.

# Environmental Performance

## Office Waste Management - Recycling (Annual)

At Alsis Funds, we recognize the importance of proper waste disposal and promoting recycling within our offices as part of our commitment to sustainability. These actions help reduce our environmental impact, promote a responsible organizational culture, and raise awareness among our employees about the importance of adopting habits that promote environmental care in the workplace.



359

Multilayer Packaging



599

PET



112

Caps



10

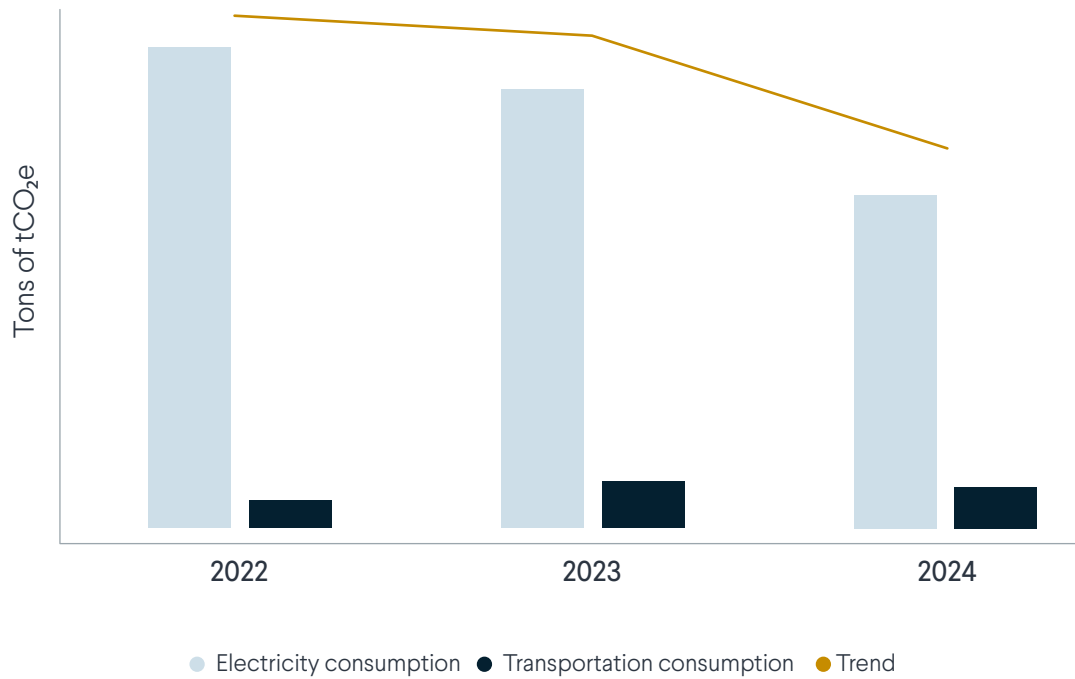
Batteries

## tCO<sub>2</sub>e Emissions Scope 1 and 2

We monitor our Scope 1 and Scope 2 emissions because it represents a fundamental step in our sustainability strategy. This exercise allows us to accurately identify the direct and indirect impact we generate through energy consumption and fuel use in our operations. By knowing this data, we not only strengthen our commitment to transparency and responsible environmental management but also create a solid foundation for setting reduction targets and implementing best operational practices.

CO <sub>2</sub> e Emissions Scope I & II – 2024	10.9107 tCO <sub>2</sub> e
tCO <sub>2</sub> e from office electricity consumption	9.684883 tCO <sub>2</sub> e
tCO <sub>2</sub> e from corporate travel	1.225816 tCO <sub>2</sub> e
CO <sub>2</sub> e Emissions Scope I & II – 2023	14.15255 tCO <sub>2</sub> e
tCO <sub>2</sub> e from office electricity consumption	12.80515 tCO <sub>2</sub> e
tCO <sub>2</sub> e from corporate travel	1.3474 tCO <sub>2</sub> e
CO <sub>2</sub> e Emissions Scope I & II – 2022	14.69659 tCO <sub>2</sub> e
tCO <sub>2</sub> e from office electricity consumption	13.96509 tCO <sub>2</sub> e
tCO <sub>2</sub> e from corporate travel	0.7315 tCO <sub>2</sub> e

## Emissions tCO<sub>2</sub>e





# Environmental and Social Considerations of Our Portfolio



## Alignment with IFC Performance Standards

At Alsis Funds, we use IFC’s performance standards as the basis for structuring risk assessment and management in our investment projects. This approach ensures that we operate under the highest principles of sustainability and responsibility. Adopting these guidelines not only strengthens our ability to minimize financial, environmental, and social risks, but also positions us in line with the demands for greater transparency and accountability raised by both investors and regulatory authorities.



1. Risk Management



2. Labor Conditions



3. Resource Efficiency



4. Community Health and Safety



5. Land Resettlement



6. Biodiversity



7. Indigenous Peoples



8. Cultural Heritage

## Best Labor Practices

For each loan we grant, we legally and explicitly establish the obligation for the counterparty to ensure compliance with applicable labor legislation, both for its direct staff and for workers hired in the development of the project. This requirement is part of our commitment to respect labor rights at all stages of execution.

Similarly, projects are subject to compliance with additional requirements defined in **Performance Standard 2**, which include the following guidelines:

- Disclose working conditions to direct and indirect employees
- Respect freedom of association
- Promote non-discrimination and equal opportunities
- Complaint mechanism for workers
- Prevent child or forced labor
- Monitor contractors and working conditions

In order to support our creditors, provides an ethics hotline service to projects that require it. During 2024, this tool was implemented in 100% of active housing investments.

To ensure compliance with the established conditions, at Alsis Funds we carry out monthly technical monitoring and bimonthly ESG supervision, complemented by an annual Environmental and Social Due Diligence (ESDD) assessment for each project. These inspections, led by our ESG team in conjunction with the Technical Reviewer, are essential for verifying health, safety, and compliance with applicable labor standards.

In 2024, *80%* of our active investments in the housing sector achieved a passing grade

Health and Safety in Our Communities

At Alsis Funds, as part of our due diligence process prior to loan approval, we conduct a comprehensive analysis of stakeholders within the project's area of influence. This analysis identifies local authorities, neighbors, local economic activities, and non-governmental organizations, and establishes clear guidelines for managing the relationship between the Borrower and these key actors. We recognize that anticipating risks in these interactions is essential to minimizing impacts during the construction and execution phases of the project.

In addition, ratification of land use is an essential step in project development. Although the Urban Development Plan (PDU) determines the type of project allowed, the municipal authority must conduct a public consultation with residents of the area as a prerequisite for the formal issuance of land use. This procedure ensures that the proposed development is consistent with local expectations and regulations.

In addition to minimizing risks by aligning the project with the requirements established in the PDU, the borrower undertakes to comply with the following additional conditions:

Community health and safety

The Borrowers must ensure the prevention of disease spread by providing basic benefits, such as medical care and disability management services for its workers. Additionally, depending on the risks and impacts identified, it may involve the local community in its emergency response protocols.



Security personnel

When hiring private security services, priority will be given to companies with proven experience and/or specific training in preventing excessive use of force and acts of abuse. Likewise, a protocol will be implemented to manage illegal findings or unauthorized entry into the project area.



In 2024, we are pleased to report that we had *no accidents* at the corporate level, nor any serious or fatal incidents in the developments we support







Indigenous Peoples and Cultural Heritage

At Alsis Funds, we ensure the protection of indigenous communities and their cultural heritage through compliance with **Performance Standard 7**. An essential part of our approach is to promote the active and meaningful participation of communities, requiring, where appropriate, their free, prior, and informed consent before moving forward with any project.





During our evaluation process, we use the tools of the Spatial Data Infrastructure (IDE) Project of the National Institute of Anthropology and History (INAH) to identify areas of cultural importance. Based on this information, we automatically exclude projects located in these protected areas from financing. Likewise, in certain regions, we require Borrowers to obtain the necessary authorizations from the INAH as part of the construction permit process, thus ensuring compliance with current regulations.

In addition, we require that Borrowers implement clear protocols for dealing with chance discoveries of cultural remains during project execution, which must be reported and managed in accordance with the guidelines issued by the INAH. Through these actions, we reaffirm our commitment to preserving Mexico's cultural heritage.

In 2024, we are proud to report that *no cases of violations* of indigenous peoples' rights were identified in the projects we finance

Waste Management and Pollution Prevention

Our policy on efficient use of resources and pollution prevention focuses on four key areas:

-  Waste management
-  Prohibition of toxic materials
-  Soil mechanics (soil types and implications for earthquakes and structural calculations)
-  Compliance with the conditions of the Environmental Impact Statement (EIS) or similar document

We promote waste management during the demolition and construction phases in accordance with the General Law for the Prevention and Comprehensive Management of Waste (LGPGIR), NOM-161-SEMARNAT-2011, and the best practices established in the CMIC Waste Management Plan.

As part of our portfolio-level ESG management process, we request not only the implementation of measures to promote resource efficiency and prevent pollution, but also the documentation of evidence supporting compliance with these actions.

Land Resettlement

Our investment policy establishes minimum eligibility criteria that must be strictly adhered to, ensuring that the projects we finance do not involve population relocation.

- Investment is directed solely toward projects that involve the acquisition of privately owned land, with financing for the purchase of communal or ejido land expressly excluded
- The project developed on the acquired land must be in line with the land use established in the Urban Development Plan and ratified by the official land use document
- The property must be formally registered in the Public Registry of Property and Commerce
- Before formalizing the loan, a physical inspection of the property is carried out to verify the absence of human settlements. This review is carried out by designated representatives of Alsis Funds and, during the closing due diligence visit, at least two members of the Investment Committee (Partners) participate in the inspection of the land

At Alsis Funds, we prioritize the prevention of economic displacement or displacement related to natural resources in the projects we finance. To this end, we verify key aspects such as alignment with the PDU, land use, and the existence of basic services. If a significant risk of displacement is identified during the analysis, the borrower is required to propose appropriate mitigation measures, in coordination with local authorities and relevant stakeholders.

As part of our due diligence process, we conduct a preliminary risk and impact analysis, complemented by a georeferenced study, which allows us to understand the social and environmental context of each project. This approach allows us to anticipate impacts and establish mitigation strategies in a timely manner, working hand in hand with Borrowers when necessary.

Alsis Funds does *not register* investments involving land resettlement processes

Biodiversity Conservation and Sustainable Management of Living Natural Resources

We require that the projects we support comply with all environmental requirements established by federal and local authorities. This compliance is validated through official documents provided by the borrower and subsequently verified by the supervisors assigned to the project.

Projects receiving funding must fully comply with the guidelines established in **Performance Standard 6**, through:



Protection and conservation of biodiversity

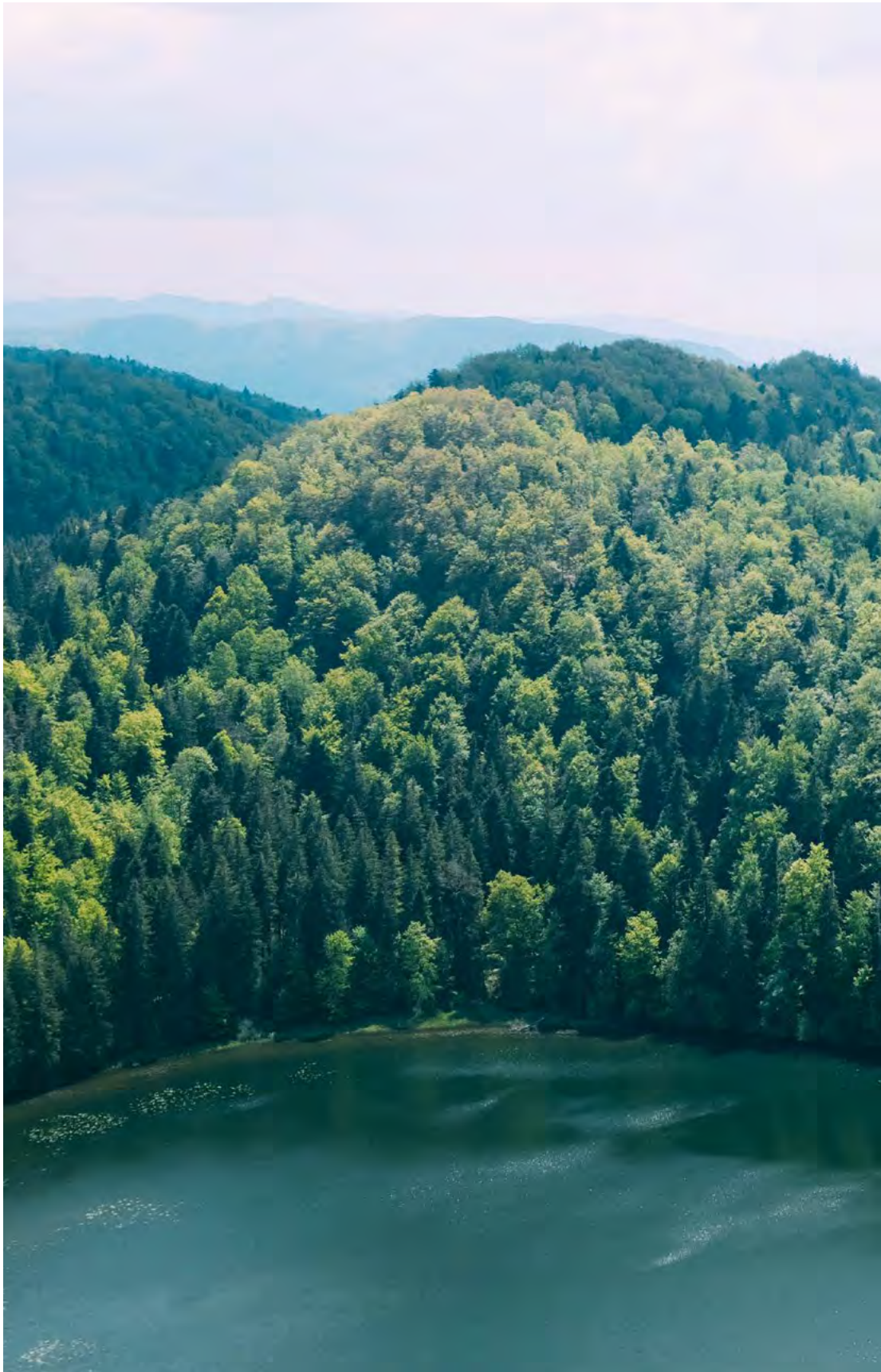


Ecosystem services management

We promote biodiversity conservation and environmental risk management through a bimonthly monitoring system carried out by our network of inspectors. This process allows us to verify compliance with the EIS and the Environmental Impact Resolution, ensuring the prevention of pollution and the protection of biodiversity, in line with **Performance Standards 3 and 6**.

Additionally, we develop an environmental risk map based on the recommendations of the EIS, which allows us to identify potential risks early on and establish proactive measures for their management.





# Sustainable Goals Toward 2025

At Alsis Funds, we view sustainability as a cross-cutting principle that permeates every aspect of our daily operations, rejecting the idea of treating it as an isolated or independent strategy. We are convinced that sustainability must be an integral part of our organizational culture and our business decisions, thus forming an essential part of our corporate DNA.

Our commitment goes beyond achieving financial profitability objectives: we seek to ensure that each investment generates a positive impact on the well-being of communities and that its benefits are maintained and multiplied in a sustainable manner over time. To strengthen this vision, we have established continuous improvement in the measurement and quantification of the impacts generated as one of our priorities, allowing us to operate with greater efficiency and transparency.

Similarly, we recognize that inclusion, ethics, and consistency are not accessory values, but fundamental pillars that guide our conduct and our way of interacting with different stakeholders. Thus, we reaffirm our commitment to consolidating an honest, sustainable, and responsible operation in the long term.

Below are the three strategic guidelines that will constitute the fundamental pillars to guide the implementation of continuous improvement actions in ESG matters, ensuring a structured approach aligned with our vision of sustainability:



Catalyst Projects for 2025

Accountability		ESG Strategy		Corporate Governance	
<div></div> <div>Sustainability and Impact Report</div> <div>Actions:</div> <div><ul style="list-style-type: none"><li>Report aligned with the highest sustainability reporting standards</li><li>Report verified by an independent third party</li><li>Communication on Progress</li></ul></div> <div><div></div><div></div><div><div>TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</div></div></div>		<div></div> <div>Integrated Anti-Corruption System</div> <div>Actions:</div> <div><ul style="list-style-type: none"><li>Integration of anti-corruption tools</li></ul></div>		<div></div>	
<div></div> <div>Corporate Governance</div> <div>Actions:</div> <div><ul style="list-style-type: none"><li>Integration and consolidation of Corporate Governance</li><li>Strengthening of Corporate Governance bodies</li><li>New tools for managing the use of institutional information (data security)</li></ul></div>		<div></div> <div>ESG Strategy</div> <div>Actions:</div> <div><ul style="list-style-type: none"><li>ESG Strategy</li><li>Responsible investment standards update</li><li>Selection of responsible investment enablers</li></ul></div>			



# 06 About this Report

GRI: 2-3, 2-5 and 2-14



# Statement of Use

This report is designed to provide a comprehensive and detailed overview of our activities, underscoring our efforts in sustainability and our steadfast commitment to accountability. It covers the period from January 1, 2024, to December 31, 2024, and offers a summary of our initiatives, efforts, and achievements in ESG performance.

The report has been prepared in accordance with the Global Reporting Initiative (GRI) standards, the Sustainability Accounting Standards Board (SASB) standards, and the recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). This adherence ensures that our reporting aligns with the best international practices in sustainability reporting and enables transparent disclosure of information of interest for investors and other stakeholders.

The information presented in this Sustainability and Impact Report was managed by the heads of the corresponding departments. Subsequently, it was consolidated and validated by our internal ESG team and received final approval from the Finance Managing Director and the Managing Partner, who reviewed and authorized its publication. Additionally, this report underwent external verification by Vert Desarrollo Sustentable, a firm specialized in sustainability reporting and compliance verification standards.

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Content		Description	Chapter	Location
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# GRI and SASB External Verification Letter



**Sustainability and Impact Report, 2024**  
**Independent External Verification Letter**

To the stakeholders of Alsis Funds, this document corresponds to the opinion of Vert, Desarrollo Sustentable (Vert), regarding the Sustainability and Impact Report 2024 of Alsis Funds.

The objective of Vert is to issue an independent verification regarding the contents of this report, taking as reference the standards of the Global Reporting Initiative 2021 and the Sustainability Accounting Standards Board applicable to the Asset Management and Custody Activities industry 2018.

**Verification Methodology:**

In order to have a complete understanding of the structure of the reports, Vert held meetings with the Alsis Funds Finance team (responsible for preparing the report in question) who, in turn, acted as a communication link with the other departments of the Company.

Furthermore, evaluations were conducted on the information collection mechanisms used to gather the numbers expressed in the content of the document, examining the qualitative and quantitative information included in this report.

Finally, the correct application of the topics was validated based on the Guidelines for the Preparation of GRI 2021 and SASB Standards applicable to the Asset Management and Custody Activities industry 2018, verifying their accuracy, traceability, and materiality, based on the material provided by Alsis Funds and its team, establishing the basis for compliance with the principles of accuracy, balance, clarity, completeness, comparability, timeliness, sustainability context, and verifiability in these and subsequent reports.

**Conclusions:**

As a result of the verification process, it was concluded that the Sustainability and Impact Report 2024 of Alsis Funds was prepared with reference to the GRI 2021 and SASB Standards applicable to the Asset Management and Custody Activities industry 2018. No evidence was found to suggest that compliance and adherence to the GRI and SASB methodology were not carried out adequately, nor that there are errors in the information presented or that any material topic was intentionally omitted.



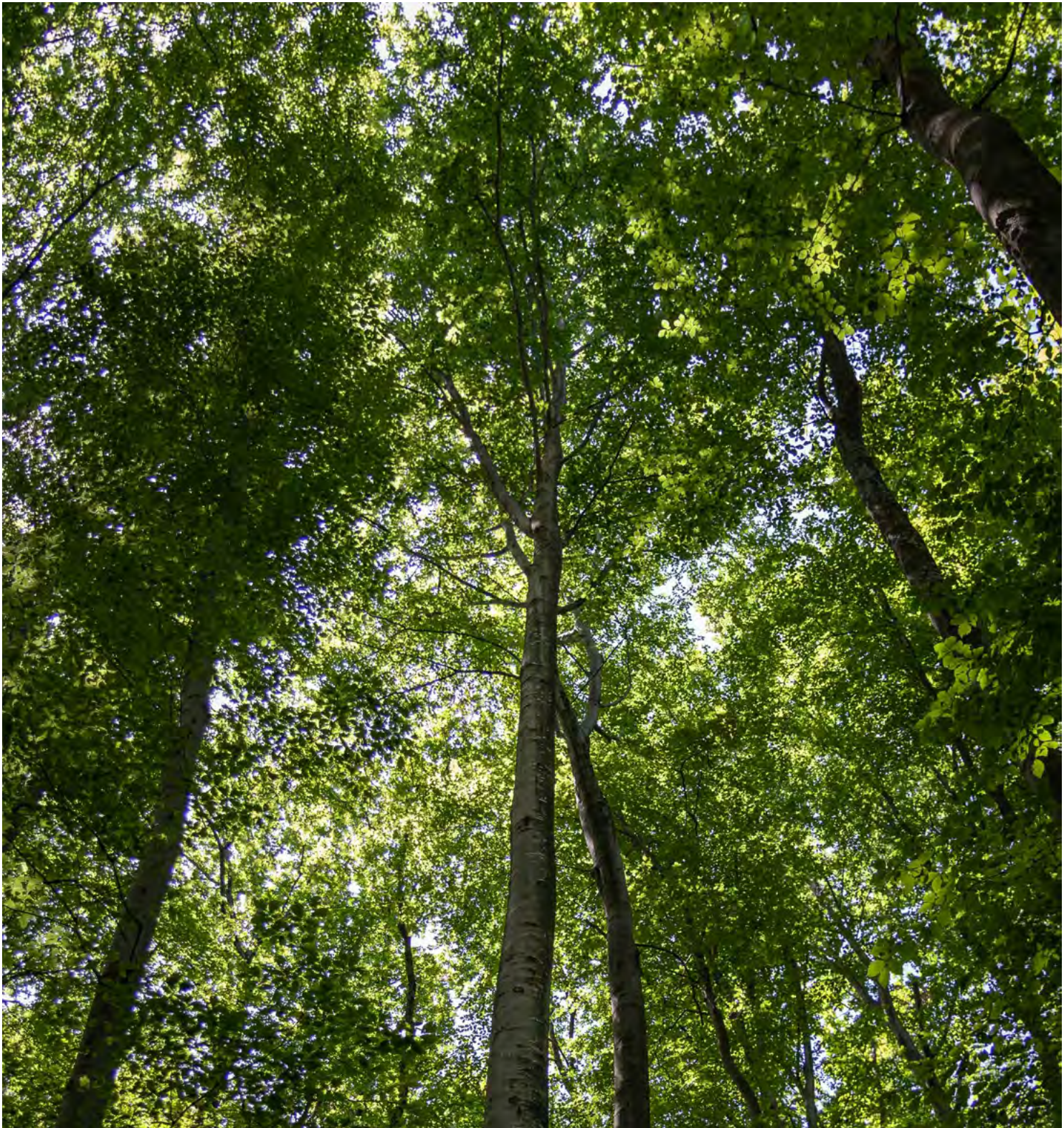
Miguel Gonzalo Bermejo Rocher (Socio)  
GRI Certified Sustainability Professional -  
(based on the GRI Universal Standards 2021)  
Expedition: nov. 2023  
Certification ID: 88330479



Benjamín Salgado Pérez  
FSA Credential Holder

**About the Verification**

The associates of Vert possess the fundamental preparation to examine and validate the correct compliance with the necessary guidelines for the preparation and publication of Sustainability Reports, which allows them to express a professional opinion regarding the adherence of all non-financial content of the report to the GRI 2021 and SASB standards, based at all times on the principles of independence, objectivity, and confidentiality. Vert does not assume any commitment regarding the information collection processes implemented in this report. This verification is issued on July 7, 2025, and will remain valid as long as no modifications or subsequent publications are made after this date.





# Legal Notice

The information contained in this report includes data and commentary solely for informational and educational purposes as of a specific date. In some cases, it reflects estimates or forward-looking statements that should not be interpreted as forecasts or guarantees and may be subject to change without prior notice. This information is not binding for Alsis Funds. Although the factual statements contained in this presentation have been obtained from, and are based on, sources either owned by Alsis Funds or believed by Alsis Funds to be reliable, Alsis Funds does not guarantee their accuracy, and any information may be incomplete or condensed. Alsis Funds is not responsible for information provided by third parties. This document does not constitute investment advice or promotional, marketing, or advertising information about any type of securities or services. It does not represent an offer, solicitation, or recommendation to sell or a solicitation of an offer to buy any securities, investment products, or advisory services. Any reference to or mention of specific strategies or instruments in this presentation should not be construed as a recommendation or opinion that you should engage in any purchase, sale, or transaction.

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