

**TOGETHER WE ARE  
STRONG  
AND STRONG  
WE ARE THE FUTURE**

**2017 SUSTAINABILITY REPORT  
TV AZTECA**



Throughout its 24-year history, TV Azteca has become an important social interlocutor. Today, it continues its steady and successful pace on the road to its Reinvention/Evolution inspiring the creation of:

**Economic value:** through job creation and innovative contents.

**Social value:** with initiatives such as “Juguetón”, the world’s greatest toy drive, and “Vive Sin Drogas” (Live Without Drugs), the choice of a healthy and addiction-free lifestyle.

**Environmental value:** with “Un Nuevo Bosque”, a permanent reforestation campaign, as well as through other actions that mitigate the company’s impact on the environment.

Thus begins a new era in which together we are strong, and strong we are the future.



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## 2017 AT A GLANCE

**4 of the 6** national open television channels in Mexico are owned by TV Azteca: Azteca 7, Azteca 13\*, a+, and adn40

**\$13,829 million**

pesos, TV Azteca net sales

Over **39,000** hours of internally-produced content

TV Azteca reaches approximately **28.8 million** Mexican households



16,751,423 toys (approximately **\$502 million** pesos) distributed to children from low-income families on January 6, 2017



Close to **\$90 million** pesos dedicated to supporting actions developed by *Fundación Azteca*



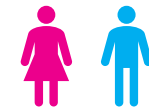
More than **\$63 million** pesos raised for the 100<sup>th</sup> edition of *Movimiento Azteca*. The amount was assigned to the reconstruction of homes affected by the September earthquakes



**28%** of the energy consumed by TV Azteca derives from renewable sources

**6,095**

TV Azteca employees



Over **1.2 million** trees planted in 1,147 hectares with the participation of more than 120,000 volunteers who contributed to the national reforestation drive *Un Nuevo Bosque*

\* As of January 1, 2018, Azteca 13 becomes Azteca uno.

## TV AZTECA: EVOLUTION THAT INSPIRES

102-1, 102-2, 102-4, 102-5, 102-6



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One of the main achievements of TV Azteca in 2017 was the launch of two new television channels licensed for nation-wide coverage by the Federal Telecommunications Institute (IFT): adn40 and a+

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TV Azteca, S.A.B. de C.V. is one of the two main producers of content for Spanish language television worldwide. Operating in five countries –Mexico, Guatemala, Honduras, Peru and the United States–, it offers quality entertainment news, sports, music and *telenovelas*.

In 2017 TV Azteca operated four television networks in Mexico:

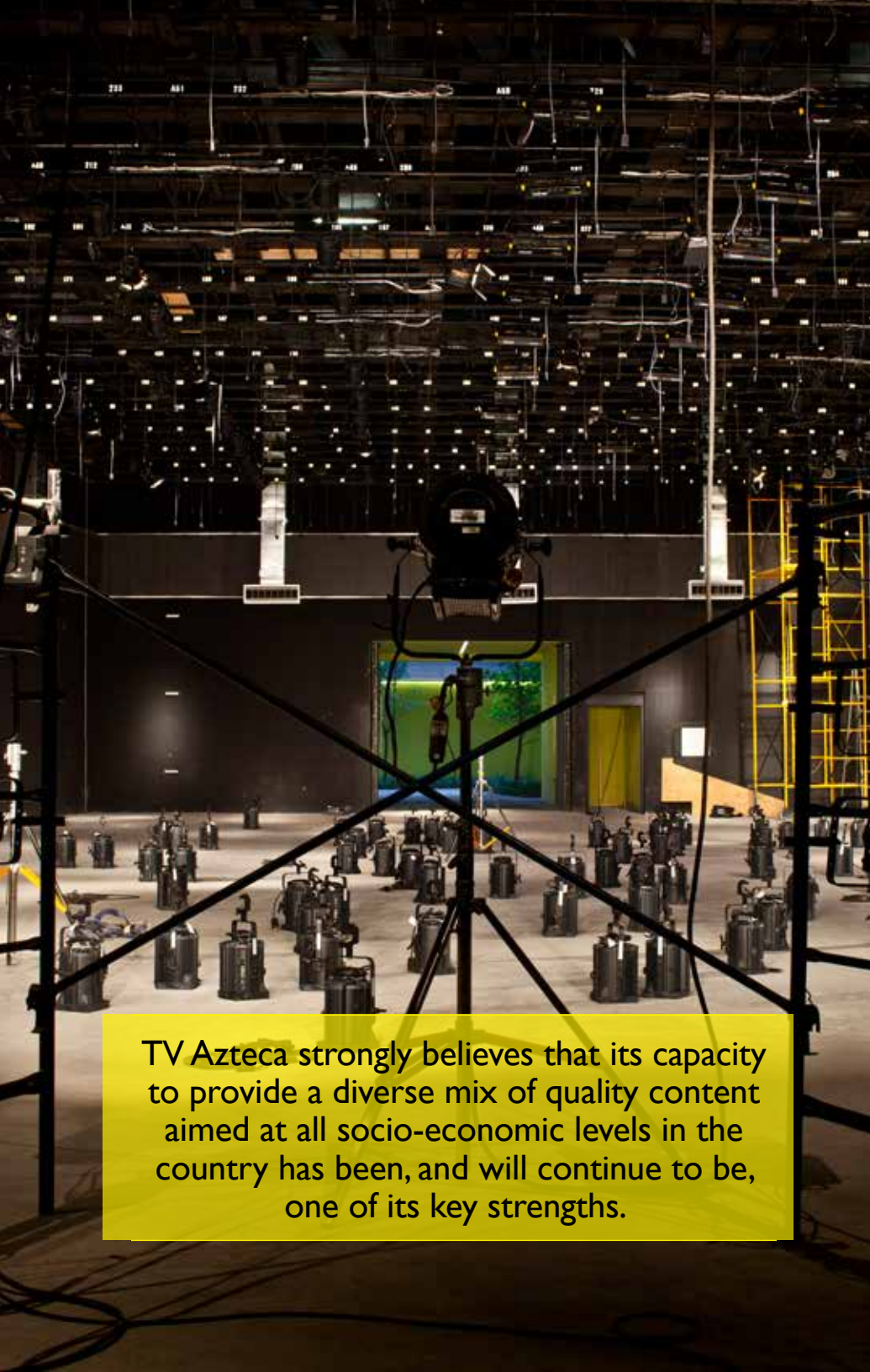
- Azteca 7, focused on contemporary families  
[www.azteca7.com](http://www.azteca7.com)
- Azteca uno, a women-oriented channel  
[www.aztecauno.com](http://www.aztecauno.com)
- adn40, first 24-hour information open television channel  
[www.adn40.mx](http://www.adn40.mx)
- a+, local station network  
[www.amastv.com](http://www.amastv.com)



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TV Azteca equipped and operated channel a+ to start broadcasting in 2017

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Azteca Digital is also part of TV Azteca's offer as operator of several of the most visited websites and social networks in Mexico.

TV Azteca currently owns two first-division soccer teams in the Mexican Soccer Federation:

- Monarcas Morelia

[www.fuerzamonarca.com](http://www.fuerzamonarca.com)

- Atlas FC

[www.atlasfc.com.mx](http://www.atlasfc.com.mx)

102-7

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**41** conventional and  
**13** virtual forums

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 **462** digital broadcasters  
and **874** signals

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2017 saw the integration of 4K-technology mobile units and studio equipment

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TV Azteca strongly believes that its capacity to provide a diverse mix of quality content aimed at all socio-economic levels in the country has been, and will continue to be, one of its key strengths.

## ALLIANCES



TV Azteca continued to strengthen the network of alliances it has established since its beginnings, in order to add value to its unique and successful offer through a wide range of innovative contents. Some of these alliances are:

**Buena Vista:** In 1998, TV Azteca signed an exclusive licensing contract with Buena Vista International, Inc., a subsidiary of The Walt Disney Company. Renewed in 2013, the contract, which licenses TV Azteca to broadcast Buena Vista content in the channels it operates, remained in force in 2017.

**FOX:** In 2009, TV Azteca signed an exclusive licensing contract with Twentieth Century Fox International Television, Inc. (Fox), which allows TV Azteca to broadcast a variety of Fox content including movies and TV series in the channels it operates. The contract, renewed in 2015, continued in force in 2017.

**Sony:** In addition, in 2009, TV Azteca signed an exclusive licensing agreement with CPT Holdings, Inc. (Sony). This agreement makes it possible for the Company to broadcast a variety of Sony content in the channels it operates. The contract, renewed in 2014, continued in force in 2017.

**Google/YouTube:** At the end of 2017, TV Azteca established an alliance with Google in order to broaden its digital platform offer and satisfy the needs and expectations of an ever more demanding public for information, sports and entertainment options.

This agreement strengthens TV Azteca's YouTube distribution, offering its viewers the advantage of a wider range of contents over its digital platforms, azteca.com and apps, as well as the possibility of on-demand viewing on any device. In addition, the YouTube player enhances the experience and content consumption, providing support for improved video and audio quality.

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In 2017, TV Azteca and Google established an important synergy for broadcasting of TV Azteca content over the YouTube

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## Other Alliances

New commercial alliances were established in 2017. One of them was with AcunMedya (Turkey), the producer of *Exatlón* for Mexico, which has managed to garner the viewers' preference and has shown a positive performance in all audience indicators. On the other hand, *La Isla* (The

Isle) continued to be the reference for reality shows in Mexico.

In addition, Fremantle produced *Cocineros Mexicanos* and Endemol Shine Latine led the development of *Master Chef* and *Master Chef Jr.* for Mexico.





## SUBSIDIARIES

102-2



### Azteca Comunicaciones Perú

In 2014, the *Ministerio de Transportes y Comunicación of Peru* assigned TV Azteca the project for interconnecting 23 regions, 180 cities and 136 municipalities through management of 13,500 kilometers of a fiber optic network which was successfully completed in 2016. In 2017, the Management Board and the Executive Office began an assessment of the outlook of investments in the telecommunications business in Peru in order to define the long-term strategic focus of TV Azteca.

[www.aztecacomunicaciones.com](http://www.aztecacomunicaciones.com)



### TV Azteca Guatemala and TV Azteca Honduras

In 2008, TV Azteca arrived in Guatemala through an Alliance with Latitud TV, and ever since has brought enter-

tainment and news options to thousands of Guatemalan households. By the end of 2017, TV Azteca had broadcasters in 17 cities in Guatemala and marketing over three channels.

[www.azteca.com.gt](http://www.azteca.com.gt)

In 2013, TV Azteca obtained a license to provide a 15-year nationwide digital-channel broadcast service in Honduras. At the end of 2017, TV Azteca had broadcasters in four cities in Honduras and awaited the authorization of the local regulator to start broadcasting in two more sites.

[www.azteca.com.hn](http://www.azteca.com.hn)



### Azteca America

Azteca International Corporation (AIC), namely Azteca America, offers high-quality Spanish-language contents for a significant part of the Hispanic population in the United

States, estimated at more than 50 million people.

On November 29, 2017, AIC and Northstar Media, LLC signed an Asset Purchase Agreement with HC2 Network Inc. ("AA Sale Contract"). With the AA Sale Contract between HC2 and AIC, all assets necessary to operate Azteca America and Northstar Media LLC stations were transferred to HC2. The contract went into effect on November 29, 2017.

Through the AA Sale Contract between Northstar Media LLC and HC2, the licenses of the Northstar Media stations that were part of Azteca America were transferred.

On January 19, 2018, the FCC authorized the AA Sale Contract between Northstar Media LLC and HC2, as well as the transfer of the licenses to operate the Northstar Media LLC television stations in favor of HC2. According to the AA Sale Contract, the sale was closed on February 7, 2018 on payment of US\$33 million.



## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

102-14, 102-15

TV Azteca's income showed double-digit growth, which combined with efficient management translated into a 5% increase in operating profit

In 2017, TV Azteca continued to advance its unwavering Evolution process through a clear strategy of topical and high-quality content programming to boost even more our solid position in the Mexican market.

Likewise, during the year we started broadcasting over two additional channels, adn40 and a+, now with nationwide coverage; both channels are effectively competing for domestic audiences and constitute a world-class alternative for local and national advertisers.

Thanks to the generation of these contents and to our greater broadcast capacity, we have captivated larger audiences who recognize TV Azteca's moment by tuning in and spending more time on our screens.

In addition, we have managed to monetize many of these audiences through programming that targets the markets of a large number of advertisers in Mexico.

Consequently, in 2017 income experienced a double-digit growth, which combined with management efficiency translated into a 5% increase in operating profit.

On the other hand, at the end of the year we announced that consistent with our strategic approach of solid media operations in Mexico and maximization of external profitability, we had sold assets from Azteca America to HC2 Network.

With this operation –besides placing more attention on domestic operations– we advanced our commitment of providing external audiences with the most relevant, highest-quality and profitable contents, through content distribution agreements.

TV Azteca's positive business results together with confidence on our solid performance permitted a significant boost of our capital structure. Thus, we managed to decrease our total debt, extend debt maturity and

reduce our foreign currency liability exposure.

This was achieved through the issuance of debt in the national and international markets, which together with company-generated cash, helped to cover shorter-term liabilities in advance.

TV Azteca is focused on inclusive prosperity; therefore, besides creating economic value, it also generated social value by advancing the welfare of its employees and implementing initiatives that promote the progress of the communities in which it operates, and environmental value, by mitigating the impact of its value chain on the environment.

Through *Fundación Azteca*, which is going on 20 years of promoting health, education, the environment and strengthening civil society, TV Azteca supported various causes. Six *Movimientos Azteca* took place during the year to promote direct donation



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TV Azteca is focused on inclusive prosperity through the creation of economic, social and environmental value

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to civil associations with worthy causes through TV campaigns.

Of these *Movimientos Azteca*, the 100<sup>th</sup> raised more than \$63 million pesos which were used to build over 400 houses of people affected by the September earthquakes through assisted do-it-yourself construction projects in communities in State of Mexico, Puebla, Morelos, Chiapas and Oaxaca.

*Esperanza Azteca*, the program which has been promoting values such as discipline, excellence and teamwork through music, integrated a network of 88 symphony orchestras and children choirs throughout Mexico in benefit of more than 17,000 children and young people from low-income families.

Through *El Juguetón*, the world's largest toy drive, more than 16 million gifts were received and distributed to needy children on *Día de Reyes* (Twelfth Night) in 2017. The 22 editions of the drive have distributed more than 205 million toys that have brought joy and smiles to the faces of a growing number of families.

*Plantel Azteca* provided value-driven, technical-excellence secondary and

high school education for 2,100 outstanding students from low-income families, who were granted full scholarships. Throughout its 20 years of existence, this educational institution has seen 11,000 students graduate in fulfillment of our commitment to equal opportunity and quality of life through education.

In environmental matters, we have promoted the reforestation program *Un Nuevo Bosque*, which has brought together over 120,000 volunteers to plant 1,200,000 trees throughout Mexico, recovering 1,147 hectares of forests. In 15 years the program has brought together 2.3 million people who have planted over 6.3 million trees.

Similarly, we have developed processes to optimize efficiency in the use of resources in our everyday activities and now use environment-friendly energy. The consumption of renewable energy represented 28% of the total energy consumed by TV Azteca, a percentage that is meant to be gradually increased.

In 2018 our objective is to consolidate our Evolution in order to generate significant economic value, pro-

mote initiatives that will advance the capacities of society for improvement, and foster actions in favor of the environment. With this, we are convinced that together we are strong, and strong we are the future!

**Benjamín Salinas Sada**  
CEO



# CREATION OF SUSTAINABLE VALUE

## MAKING HISTORY



### TV Azteca

<b>1993</b>	A group of Investors led by Ricardo B. Salinas Pliego, acquires a group of television stations and their respective licenses from the Mexican government for US\$643 million, giving birth to TV Azteca.
<b>1994</b>	Launch of the "Hechos" newscast.
<b>1996</b>	First <i>Juguetería</i> takes place distributing 18,000 toys to needy children.
<b>1997</b>	Initial public offering at the Mexican Stock Exchange.
	Creation of the Code of Ethics for Self-regulation and of the Ethics Committee for content evaluation.
	Creation of <i>Fundación Azteca</i> , to carry out social responsibility and environmental projects in important areas to Grupo Salinas, the group of companies to which TV Azteca belongs; since its creation, <i>Fundación Azteca</i> has touched and improved the lives of millions of people, linking the most pressing problems and needs of society with organizations and people willing to commit themselves.
<b>1998</b>	Start of <i>Plantel Azteca</i> . The only private mixed school that offers high school and technical high school studies to low-income young Mexicans with high academic performance. It provides an integral high-quality education with values and technical excellence.
	Start of the campaign <i>Vive Sin Drogas</i> (Live Without Drugs), whose objective is to promote the choice of a healthy and addiction-free lifestyle, especially among young people.
<b>1999</b>	The UN recognizes <i>Fundación Azteca</i> with its Civil Society Medal for the <i>Vive Sin Drogas</i> campaign.
<b>2000</b>	Graduation of the first generation of the technical secondary school of <i>Plantel Azteca</i> .
<b>2001</b>	TV Azteca's digital signal is uploaded onto the Satmex 5 satellite.
	Beginning of the <i>Carrera Azteca</i> (Azteca Race), with the objective of fostering a rapprochement of public and advertisers.
<b>2002</b>	First <i>Movimiento Azteca</i> (Azteca Movement), a social and environmental campaign whereby society is invited to make their contributions directly to social organizations with national impact; the movement raised \$11 million pesos in favor of the Transplant Foundation (Funat), through which 716 people received a cornea transplant.
	Start of the "Un Nuevo Bosque" (A New Forest), ecology drive confirming the commitment of Grupo Salinas and TV Azteca with the creation of environmental value.
<b>2008</b>	Start of operations of TV Azteca in Guatemala.
	Creation of the Energy and Environment Area of Grupo Salinas in order to make energy consumption efficient and scale environmental impact.
	Creation of <i>Fundación Azteca Guatemala</i> , in order to provide social projects for the most vulnerable groups in the country.



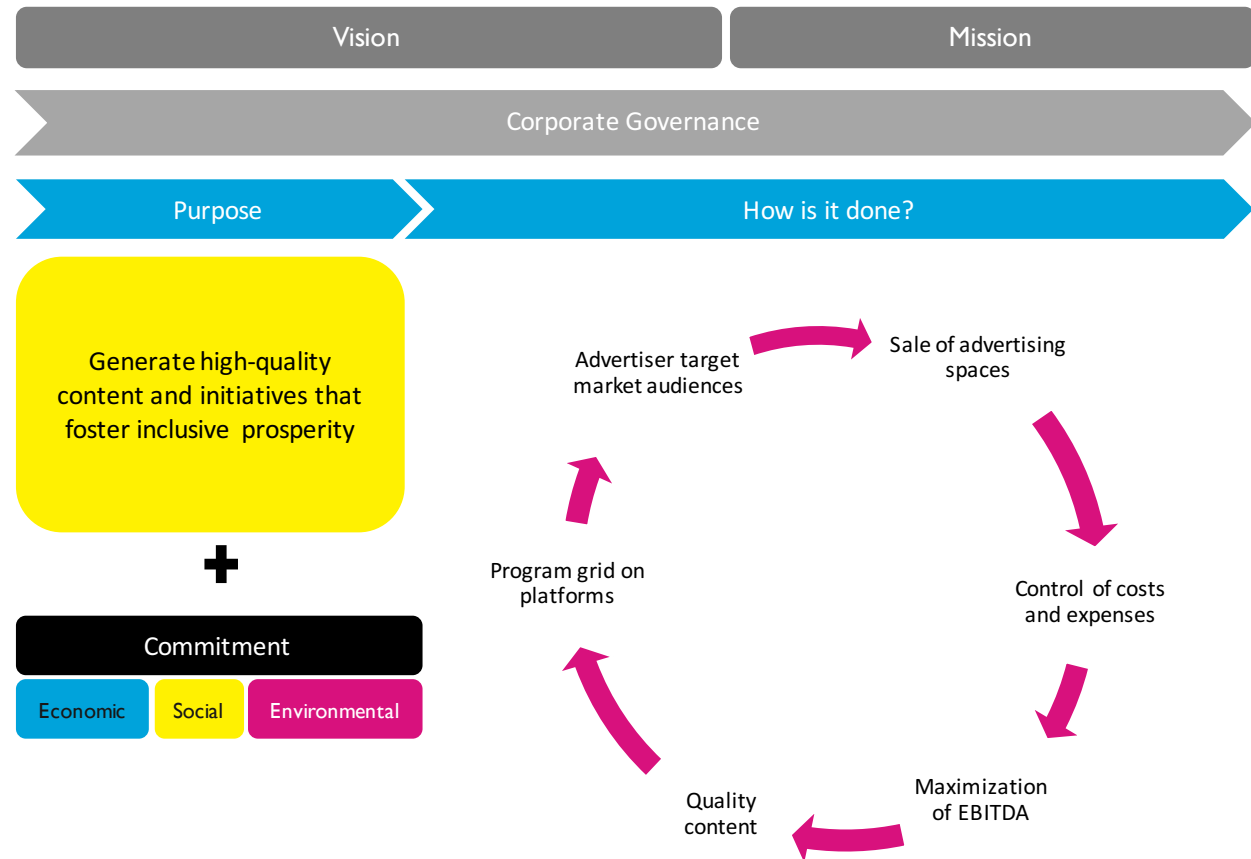
<b>2009</b>	Presentation of the <i>México Verde</i> (Green Mexico) campaign in conjunction with <i>Fundación Azteca</i> .
	Launch of the <i>Limpiemos Nuestro México</i> (Let's Clean Up Mexico) campaign, with the participation of 1,055,00 volunteers in 20,000 brigades to collect and separate 3,500 metric tons of trash.
	Launch of the <i>Orquestas Sinfónicas y Coros Esperanza Azteca</i> socio-musical program created to improve the lives of needy children and youth through music.
	Creation of the Energy Management System (SIGEN) for carbon footprint measurement.
<b>2010</b>	Grupo Salinas is recognized with the 2010 National Electric Energy Savings Award.
<b>2011</b>	Publication of the first TV Azteca Sustainability Report.
<b>2012</b>	Grupo Salinas starts using renewable (aeolian) energy. Beginning of the first <i>Movimiento Azteca Locales</i> , which once a year will support 32 different causes throughout the country.
<b>2013</b>	TV Azteca joins the first exhibition of the sustainable S&P/BMV IPC of the Mexican Stock Exchange.
<b>2014</b>	First compliance with the <i>Registro Nacional de Emisiones</i> (RENE) of the <i>Ley General de Cambio Climático</i> , an annual report with levels of carbon dioxide (CO <sub>2</sub> ) and Greenhouse Effect (GEI) emissions, in order to contribute to Mexico's international objectives: reducing emissions by 30% by the year 2025 and by 50% by the year 2050.
	Grupo Salinas begins using renewable (geothermal) energy.
<b>2015</b>	Planting of over 1.5 million trees through the initiative led by TV Azteca Locales.
	<i>Movimiento Azteca</i> is awarded the CIRT prize for the best social campaign in Mexico.
<b>2016</b>	Start of TV Azteca's Reinvention, with the goal of staying at the forefront and offering quality and topical contents.
	Inauguration of " <i>La Incubadora</i> " (The Incubator), a space open to creativity and the exchange of ideas among TV Azteca employees which contributes to improving the quality of life within the company and to bolstering team work.
<b>2017</b>	Planting of 3 million trees in 3,000 hectares through the " <i>Un Nuevo Bosque</i> " initiative and the participation of over 100,000 volunteers.
	Launch of two new television channels authorized by the <i>Instituto Federal de Telecomunicaciones</i> (IFT) for nationwide coverage: adn40 and a+.
	Inauguration of the gastronomical <i>Mercado Azteca</i> and the Work Café at the TV Azteca facilities in order to improve quality of life of the employees.
	Great Place to Work certification by TV Azteca.
	Registering of Code of Ethics for Self-regulation with the <i>Instituto Federal de Telecomunicaciones</i> (IFT).
	Start of the second phase of TV Azteca's Reinvention process: the Evolution.
	100 <sup>th</sup> edition of <i>Movimiento Azteca</i> in benefit of the victims of the September earthquakes.

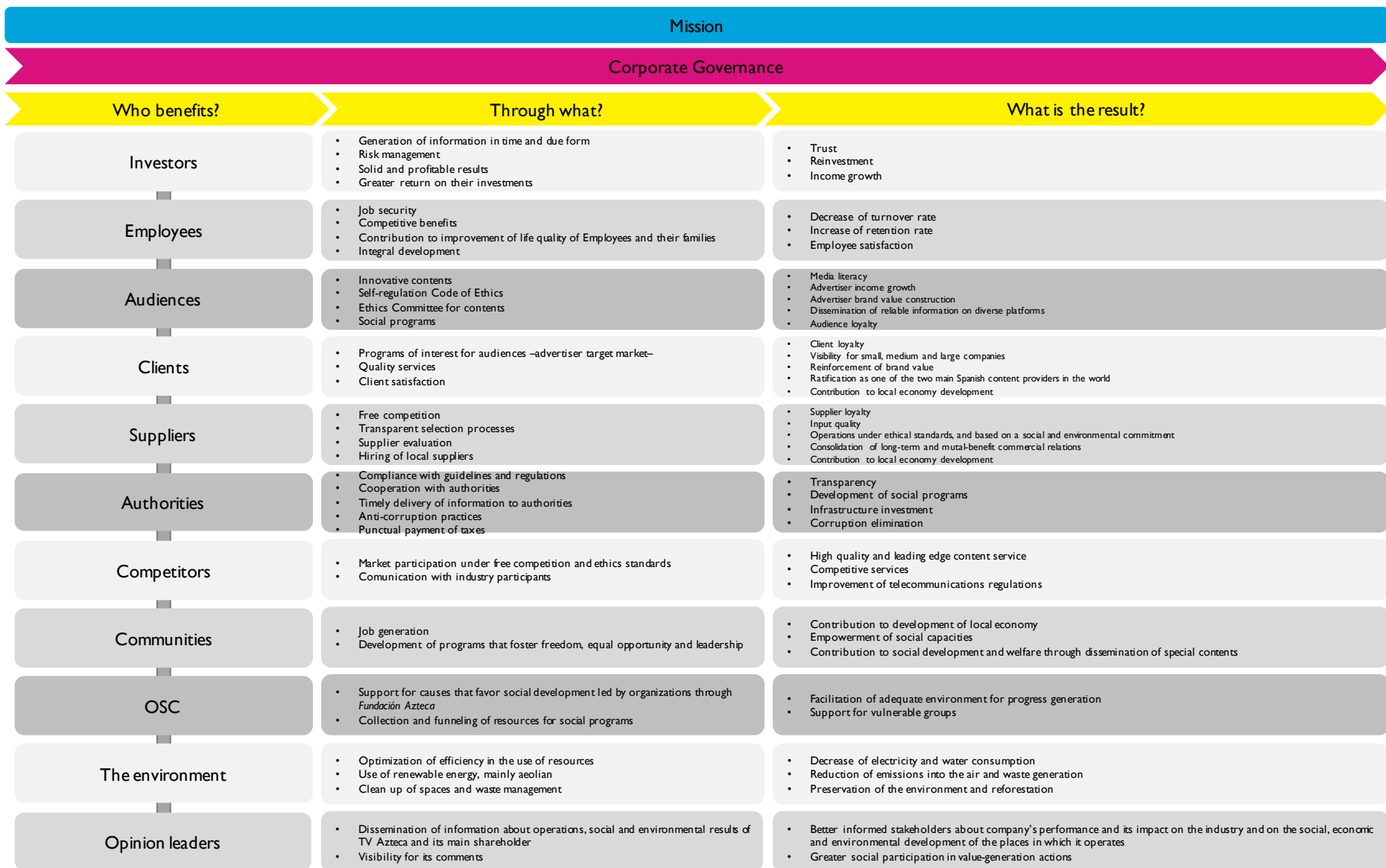


# VALUE-CREATION MODEL

102-40, 102-42, 102-43

Based on TV Azteca's ethical and corporate principles, the company works continuously on the definition and reinforcement of lines of action that lead to long-term value generation for all its stakeholders. In this way, it has consolidated its value-creation model based on a win-win binomial in order to be strong together, and being strong, be the future in all countries in which it is present.

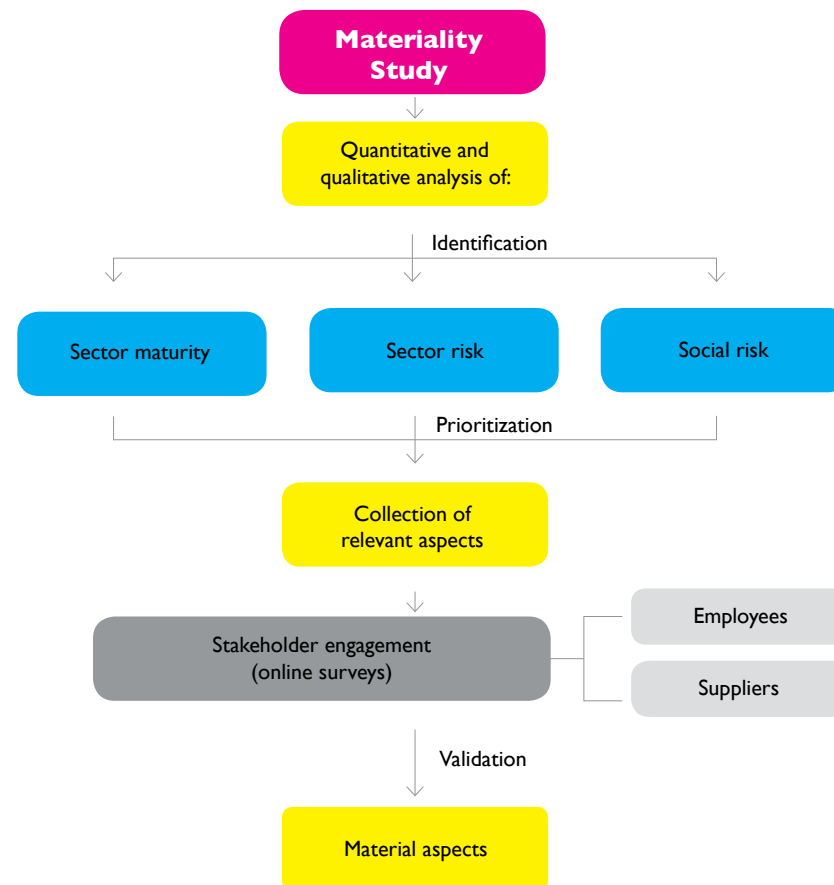




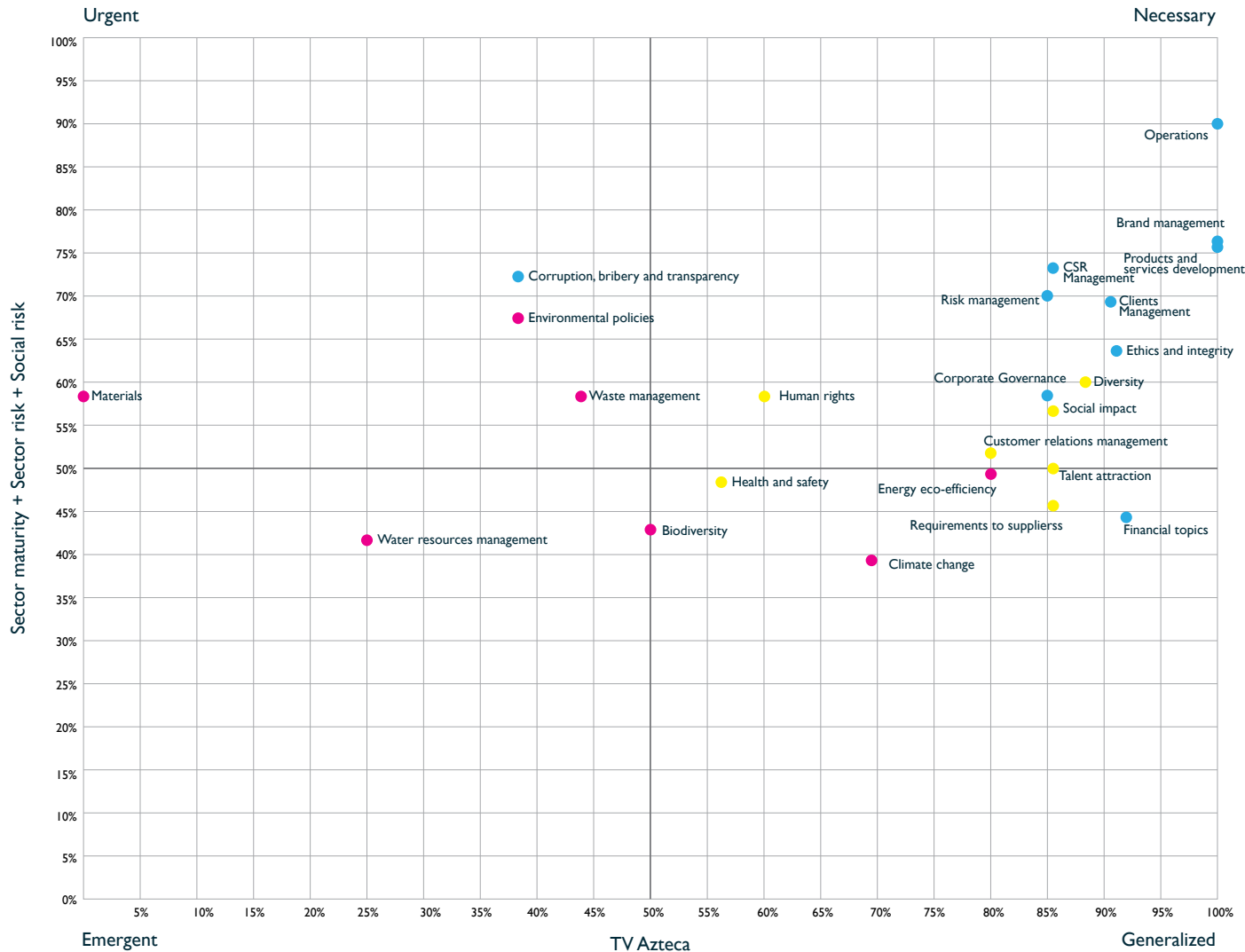
# MATERIALITY

I02-43

In 2017, TV Azteca continued to consolidate its focus on the issues that impact its operations and vice versa. Thus, in conjunction with an independent third party, it carried out a materiality study to identify the aspects of key relevance, both for the company and for its stakeholders using the methodology shown below:



## Relevant issues to TV Azteca



Once the relevant aspects to TV Azteca were collected, they were submitted to stakeholders through online surveys in order to get their feedback.

The sample was made as follows:

- 25 TV Azteca employees
- 28 TV Azteca suppliers

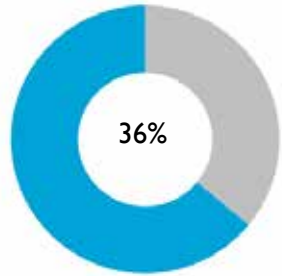
The survey was made up of two sections:

1. Questions for finding out stakeholders' opinion as well as the context of their relationship with the company in qualitative terms.
2. Questions that allowed a quantitative assessment of relevant issues in the first phase of the study.

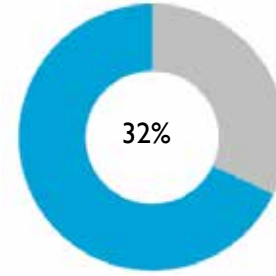
I02-44

The main results were the following:

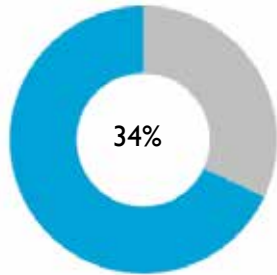
## Employees



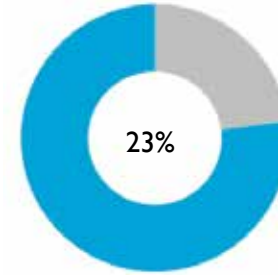
of surveyed employees believe that the most important work issue is job stability, since it allows the adequate development, integral balance, and economic progress of their families.



of employees say that permanent training is the most important work issue, since it enables knowledge updating, contributes to the achievement of business goals and increases company competitiveness.



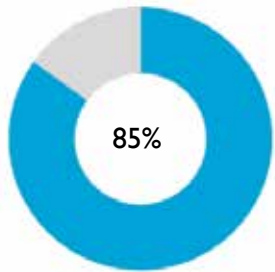
considers training and client service knowledge reinforcement as a key issue for their integral development.



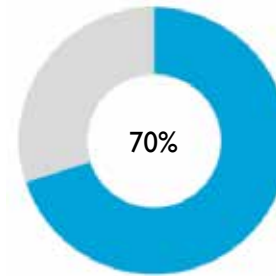
of surveyed employees chose value and Code of Ethics training as a necessary aspect of their integral development.

Issues of major relevance	Dimension	Issues of minor relevance
Corporate Social Responsibility Management (CSR)	Economic	Financial issues
Waste management	Environmental	Energy ecoefficiency
Human rights	Social	Requirements to suppliers

## Suppliers



of surveyed suppliers considers important to hire local suppliers since it stimulates growth of the local economy and generates job sources; in addition, it favors the capacity to attend and respond to client needs, optimizing time and costs.

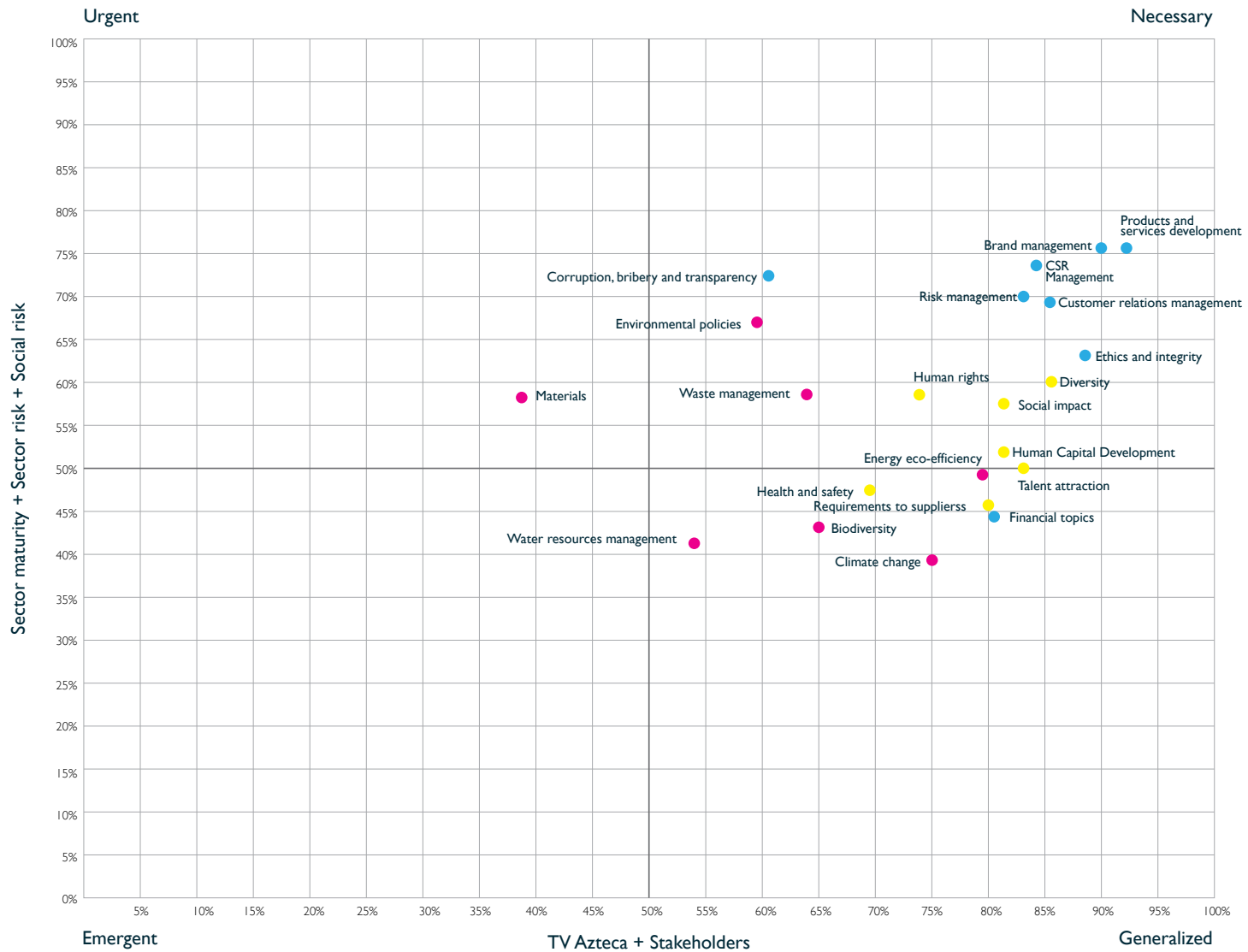


are sure that their companies have policies that address the environment, labor, human rights, community outreach, anti-corruption, fair trade, free competition, and regulation compliance.

Issues of major relevance	Dimension	Issues of minor relevance
Corruption, bribery and transparency	Economic	Financial issues
Waste management	Environmental	Environmental policies / Environment management system
Human rights	Social	Requirements to suppliers



## Material topics for TV Azteca



I02-46, I02-47

Once the material aspects were validated, they were revised and translated into aspects as established by the Global Reporting Initiative (GRI) Standards as shown below:

Material topics	Topic-specific Standards (GRI Standards)
Corporate Social Responsibility management	GRI 102: General Disclosures > Organizational profile
	GRI 102: General Disclosures > Ethics and Integrity
Risk management	GRI 102: General Disclosures > Strategy
	GRI 102: General Disclosures > Organizational profile
	GRI 102: General Disclosures > Governance
Ethics and integrity	GRI 102: General Disclosures > Ethics and Integrity
Corruption, bribery and transparency	GRI 205: Anti-corruption
	GRI 206: Anti-competitive Behavior
	GRI 415: Public Policy
Brand management	GRI 102: General Disclosures > Organizational profile
Products and services development / product responsibility	GRI 416: Customer Health and Safety
	GRI 417: Marketing and Labeling
	GRI 419: Socioeconomic Compliance
Customer relations management	GRI 416: Customer Health and Safety
	GRI 417: Marketing and Labeling
Environmental policies / Environmental management system	GRI 302: Energy
	GRI 307: Environmental Compliance
	GRI 308: Supplier Environmental Assessment
Waste management	GRI 306: Effluents and Waste
Talent attraction and retention	GRI 102: General Disclosures > Organizational profile
	GRI 401: Employment
Human capital development	GRI 404: Training and Education
Diversity and equal opportunity	GRI 405: Diversity and Equal Opportunity
Social impact	GRI 413: Local Communities
	GRI 203: Indirect Economic Impacts
Human rights	GRI 406: Non-discrimination
	GRI 407: Freedom of Association and Collective Bargaining
	GRI 408: Child Labor
	GRI 409: Forced or Compulsory Labor
	GRI 412: Human Rights Assessment

## INDUSTRY PARTICIPATION

GRI 206, 415: 103-1, 103-2, 103-3  
102-13

At TV Azteca we strongly believe that together we are strong and strong we are the future, thus, the company actively participates in industry chambers and associations in order to generate value for its many stakeholders within a framework of ethical operations and free competitiveness. Some of the organizations the company is affiliated to are the following:

### Mexico

- *Cámara de la Industria de Radio y Televisión (CIRT)*, an association belonging belongs to the Sistema de Información Empresarial Mexicano (SIEM)
- *Asociación Mexicana de Internet (AMIPCI)*
- Agreement with the *Sociedad de Autores y Compositores de México, S.G.C. de I.P. (SACM)* and participation in *Editores Mexicanos de Música, A.C. (EMMAC)*. Both associations are part of the *Coalición por el Acceso Legal a la Cultura, A.C.*

- *Comité de Emisoras de la Bolsa Mexicana de Valores*

The company collaborates in the making of public policy through its support for different government entities which are in the process of improving regulations, as well as with comments issued to fine-tune operational, economic and technical aspects. Thus, in 2017 TV Azteca participated in two consultations called by the *Instituto Federal de Telecomunicaciones (IFT)*:

- Public consultation on the “IFT-007-2016 Technical Disposition Draft: Maximum exposure limits to electromagnetic radiation of non-ionizing radio frequencies in the 100 kHz to 300 GHz band for human beings in the surroundings of radio communication stations”.
- Public consultation on the Draft of Guidelines for granting authorization regarding the use and exploitation of frequency bands of the radio spectrum for secondary use.

### United States

- North American Broadcasters Association (NABA)



ECONOMIC  
VALUE

**TRUST-INSPIRING**  
SOUNDNESS

## ECONOMIC VALUE

## TRUST-INSPIRING SOUNDNESS

I02-7

Financial indicators	2016	2017	2017 vs 2016 Variation
Net sales	\$12,410	\$13,829	11%
Costs	\$6,792	\$8,187	21%
Sales and administration expenses	\$1,520	\$1,552	2%
Operating income	\$2,938	\$2,554	(13%)
Total assets	\$37,564	\$31,306	(17%)
Total liabilities	\$31,900	\$27,067	(15%)
Stockholders' equity	\$5,664	\$4,239	(25%)
Advertising advancements	\$7,669	\$7,662	(0.1%)
Capital investment	\$461	\$712	54%
Tax and duties	\$911	\$897	(2%)

Note. Figures are shown in millions of pesos.

Generated economic value		Distributed economic value		Retained economic value	
2016	2017	2016	2017	2016	2017
\$12,410	\$13,829	\$8,312	\$9,739	\$4,098	\$4,090
Variation: 11%		Variation: 17%		Variation: (0.2%)	

Note. Figures are shown in millions of pesos.

**\$4,090 million** pesos EBITDA at the end of 2017



In order to assess its economic performance, TV Azteca has instruments such as the following:

- Results from:
  - Net sales
  - Operating income
  - Retained economic value
- Comparison of results vs. competitors
- Recommendations from analysts regarding the behavior of TV Azteca stocks
- External audit of annual financial results
- Share, rating and audience content reach measurements

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Income of **\$178 million**  
pesos from operation of TV Azteca Internet  
websites: 65% above the results in 2016

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Over **39,000** hours  
of internally-produced content

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203-1

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Over **\$31 million**  
pesos invested by TV Azteca Locales on  
infrastructure development and improvement

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## RESPONSIBLE LEADERSHIP

102-22, 102-23

The Board of Directors has **ten** members, of which four are independent members (40%):

Name	Position	Member since	Age
Ricardo Benjamín Salinas Pliego	Chairman of the Board	1993	62
Pedro Padilla Longoria	Member	1993	52
Guillermo E. Salinas Pliego	Member	1998	58
Mario San Román Flores	Member	2004	59
Luis Jorge Echarte Fernández	Member	1999	73
Joaquín Arrangoiz Orvañanos	Member	1998	61
Francisco Javier Murguía Díaz	Member	2004	78
Sergio Manuel Gutiérrez Mugerza	Member	2000	66
Ignacio Cobián Villegas	Member	2006	63
José Ignacio Sánchez Conde	Member	2010	65

Note. Alternate members regardless of Board: Carlos Díaz Alonso and Rodrigo Fernández Capdevielle.

TV Azteca's leadership, whose talent and vision have set the company on the road to its Evolution, has ample industry-wide experience and a strong commitment to sustainability.

### Board of Directors

102-18

In order to establish general strategies to run the Company and the moral entities it controls, as well as to oversee their actions in accordance to their relevance to the financial, administrative and legal situation of the company, TV Azteca is governed by a Board of Directors.

The Board appoints, selects and dismisses the Company Chief Executive

Officer and approves relevant transactions and removes or appoints key personnel.

In addition, it submits the reports required by the Mexican Securities Law (LMV) and the General Corporation and Partnership Law (LGSM) to the General Shareholders' Meeting and monitors the principal risks to which the Company and the corporate entities which it controls are exposed to.

102-19, 102-21, 102-27

In order to delegate authority to senior executives of the company regarding diverse issues, regular meetings are held with them. In addition, reports and memoranda are sent to them based on the objectives and goals established by the Board of Directors.

**A Series**

Holders of Series "A" Shares have the right to elect at least 60% of the Board of Directors membership.

**D-A Series  
D-L Series**

Each holder of at least 10% of the share capital of TV Azteca with limited voting rights, has the right to elect one of the members of the Board of Directors.



102-33

Communication with the Board of Directors is carried out through different channels, such as the website for Grupo Salinas (the group of companies to which TV Azteca belongs), the Socios Azteca website, e-mail, Honestel, the Company Hotline, internal magazines and social networks.

## Selection process /102-24

All members of the Board of Directors serve for at least one-year and are elected by the Shareholders of the company at each shareholders' meeting. Based on the Corporate Bylaws of TV Azteca, the maximum number of members is 21, of which 25% must be independent.

## Audit Committee /102-22, 102-28

The Audit Committee supports the Board of Directors in the making of decisions. It consists of at least three independent members, who are appointed by the Board of Directors in accordance to the Corporate Bylaws of TV Azteca and the Stock Market Law. Some of its activities are the following:

- Inform the Board of Directors of any significant irregularities detected as a result of its functions, the steps taken to correct them and those it suggests are implemented.
- Review the financial statements and internal control systems, as well as the independence of the external auditors and of the entity itself.
- Refer to the Legal Director of TV Azteca any legal proceeding which has been begun against TV Azteca employees.
- Ensure that the Company's Chief Executive Officer complies with the determinations agreed upon at the Shareholder's Meeting.

- Comment on the transactions that should be approved by the Board of Directors, if these have a value equal or greater than 5% of the consolidated assets of TV Azteca, based on the figures corresponding to the immediately preceding quarter.
- Suggest the appointment of independent experts in cases where it is considered convenient.
- Recommend to the Board of Directors the appointment, remuneration and retention of an accounting firm and furthermore supervise its activities.

In 2017, the Audit Committee had three Independent members:

Name	Member type	Member since	Age
Francisco Javier Murguía Díaz	Independent	2004	78
Sergio Manuel Gutiérrez Muguerza	Independent	2000	66
Ignacio Cobián Villegas	Independent	2006	63

In 2017, TV Azteca named Mr. Sergio Gutiérrez Muguerza (Independent member) financial expert in support of the Audit Committee's functions.

## Management Team /102-20

TV Azteca's management team distinguishes itself for its combination of experience and talent in the company's diverse business areas and for making TV Azteca a solid and innovative company. In 2017 its membership was the following:

Name	Position
Benjamín Francisco Salinas Sada	Chief Executive Officer
Joaquín Arrangoiz Orvañanos	General Sales Co-director
Esteban Galíndez Aguirre	Chief Financial Officer
José Alberto Ciurana Macías	Content and Distribution Director
Jorge Adolfo Garralda Ochoa	Corporate Culture Director and General Director of Azteca Social
Carlos Díaz Alonso	General Sales Director
Rafael Rodríguez Sánchez	Legal Director

## Compensation of Relevant Board Members and Directors /102-35, 102-36, 102-37

In 2017, the total amount established as variable compensation of Board members (including the Chairman of the Board), relevant corporate executives and related individuals for services rendered, was approximately \$647 million pesos. This amount was determined considering the achievements of the company in its daily operation and the events carried out to improve its profitability, as well as compliance with savings –present and future– related to the financial cost of the resources of TV Azteca. Variable compensation was authorized by the Audit Committee and the Board of Directors.

## Conflict of Interests /102-25

TV Azteca understands conflict of interest as any effect, occurrence or situation of a personal nature which in any sense interferes with the pursuit of the Company's best interest in an objective way. Also considered as conflict of interest are any undue personal benefits received by the relevant directors or executives as a result of their position in the Company.

In the event that any of the directors or executives have a conflict of interest, they must withdraw from decision making in the conflict situation, and immediately notify their superior in the hierarchy in order for the latter to take the decision most beneficial to the Company's interest.

## Risk management / 102-29, 102-30, 102-31

In order to guarantee the permanence and success of the business, TV Azteca has established a comprehensive risk management scheme which includes wide coverage of the eventualities and contingencies which could impact on the continuity of its operations. The scheme covers human, technological, material and financial resources.

To prevent risk materializing, Corporate Governance of TV Azteca is backed up by its Internal Control Department and a strict security and information backup system.

The function of the Board of Directors in terms of risk management is to monitor the risks to which society and the moral individuals it controls are exposed. Risks are identified on the basis of the information presented by the Audit Committee, the CEO and the external auditors; as well as by the accounting systems, internal control and audit, records, and files or information supplied by the selfsame Audit Committee.

# CORPORATE CULTURE

adn40 reaches  
**85 million**  
people through open  
television and through  
the main Pay-TV systems



TV Azteca plays an important social role reaching 28.8 Mexican households, therefore its actions are based on ethical principles that guide its conduct within and without the company.

The Board of Directors and the Executive Office, both have an important function in permeating to the company the mission, vision, purpose and values of TV Azteca during the Reinvention/Evolution process. Thus, meetings are held to address diverse subjects and to contribute ideas for the creation and improvement of the strategic tools to be complied with by all areas in the company in order to keep the company at the forefront and consolidate the company's ethical principles among its employees.

## Reinvention/Evolution

102-26

In 2017 TV Azteca continued to make a solid headway on its path to Reinvention/Evolution –a four-year plan established by Benjamín Salinas Sada (CEO)– consisting of an offer of leading-edge, high-quality contents for Mexican audiences, and making of TV Azteca one of the best places to work in.

TV Azteca began 2017 with two solid nationwide channels: Azteca Uno and Azteca 7. Both channels compete effectively for national audiences and included two networks to its offer in order to cover important social segments which have heretofore been unattended by television.

The first of them, adn40, is a space designed to provide agile and opportune information within a dynamic, high-technology context; it is an evolution of the Proyecto 40 platform and offers three news analysis shows with the participation of experts: *Así Amanece*, *Es Tendencia* and *Es Noticia*.

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In December 2017, the *Instituto Federal de Telecomunicaciones* (IFT) announced that **4 of the 6** nationwide open tv channels broadcast in 63 of the most populous cities in Mexico were TV Azteca's; Azteca uno, Azteca 7, a+ and adn40

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The second one, a+, is a network of local channels that will produce contents aimed at the needs and preferences of their communities. Through a+, TV Azteca offers nationwide audiences a diversity of contents in every state with newscasts and sports programming produced regionally, which together with the national signal of TV Azteca and other content producers, ensure a TV offering which local audiences can identify with.

Regarding human capital, two years after having started the Reinvention/Evolution and derived from the progress achieved and the consolidation of the Welfare, Internal Communication and Corporate Development areas, TV Azteca received the Great Place to Work certification.

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In 2017, TV Azteca was recognized as one of the best companies to work in Mexico

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The Reinvention/Evolution of TV Azteca is based on an open-door policy at all levels and the implementation of spaces that encourage ingenuity and innovation in the creation of proposals and contents. An example was the opening of the gastronomical Mercado Azteca and the Work Café, both meeting places which contribute to reinforcing teamwork and consolidating employee bonding.

In 2017, Benjamín Salinas Sada started the next phase of the Reinvention: the Evolution. Its goal is to professionalize evaluation and decision-making in the creation of program contents in addition to continuing to attract screen and behind-camera staff talent. In this way TV Azteca bolsters its foundations for making better television: employees with innovative, high-quality ideas led by a team at the forefront of television. Thus, 2017 was the year in which new programming and contents were incorporated in TV Azteca, Azteca uno, Azteca 7, and Azteca Digital.

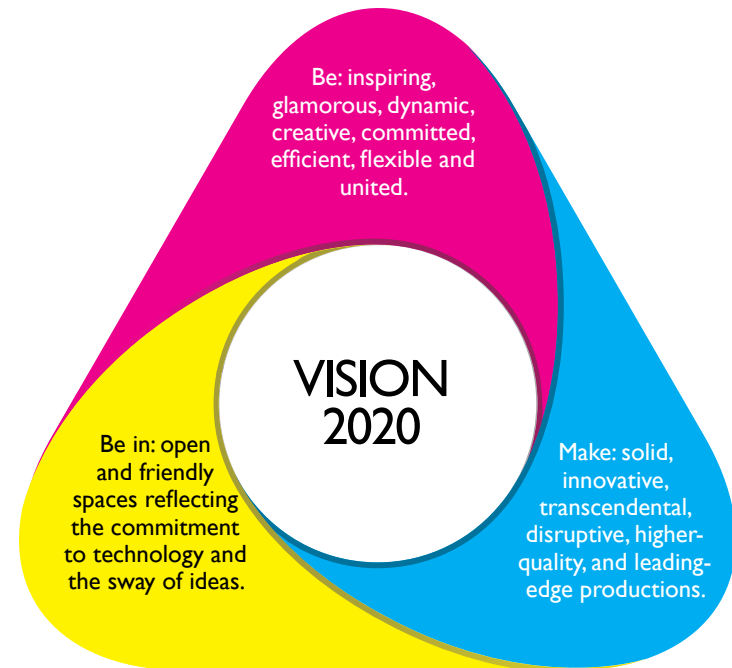


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## The Evolution –second phase of the Reinvention– has started

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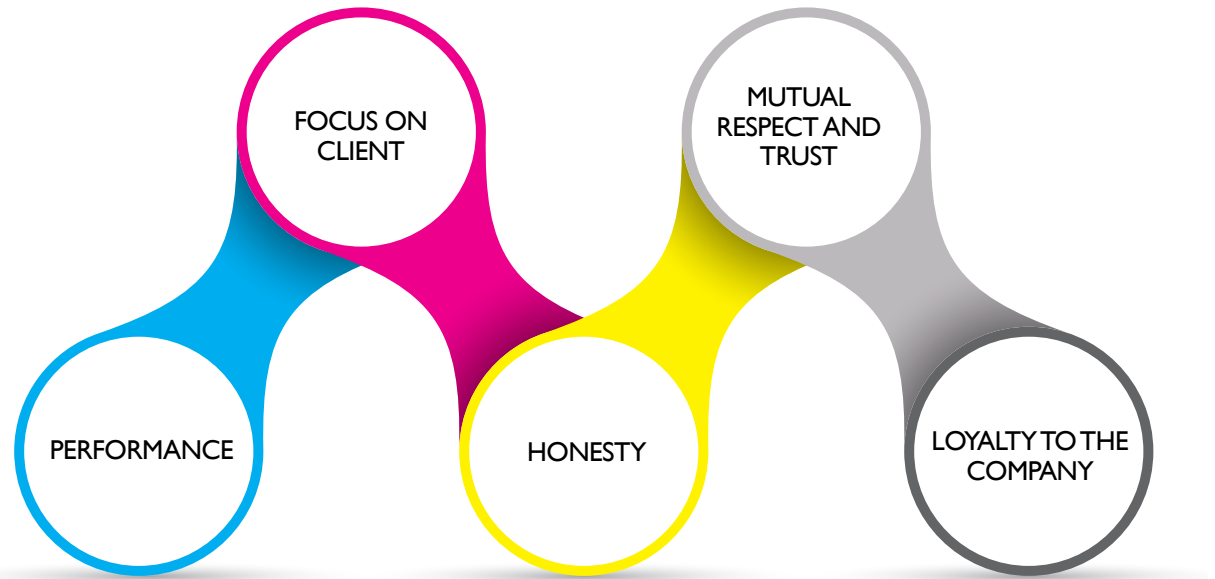
In sync with the Reinvention/Evolution, Benjamín Salinas Sada has established “La Nueva TV Azteca” (The New TV Azteca), a project that imagines Vision 2020 as the beginning of a new era in which we all are part of the plan for a better television: together we are strong and strong we are the future. Thus, TV Azteca is set to achieve the following in four years:



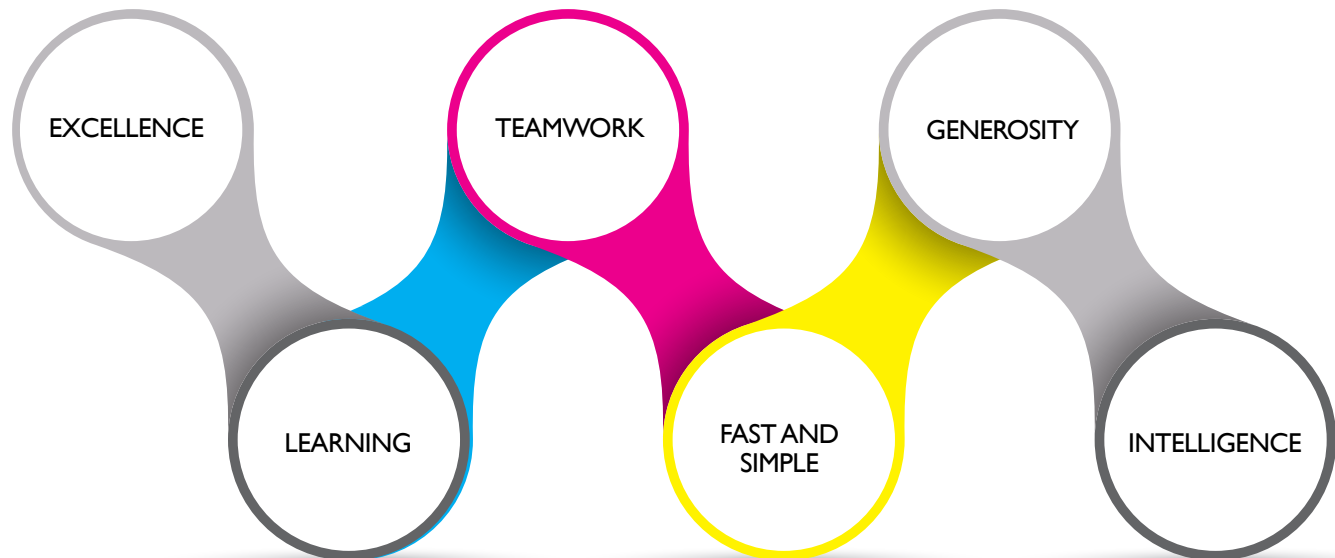
## Values

102-16

Essential conditions:



Qualities needed to stand out:





## Code of Ethics

102-16

TV Azteca has a Code of Ethics that is essential in promoting the highest standards of honesty, integrity and adherence to current laws in all the activities carried out by board members and executives of the company.

Among the issues addressed are the ethical handling of conflicts of interest, as well as clear, sufficient, accurate, opportune and transparent information of all documents stemming from the operations of the company addressed to its stakeholders. It also addresses the company's performance with its stakeholders, implementation of anti-corruption practices, and respect for local customs and human rights, among other matters.

205-2, 412-2

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**1,881**  
employees of TV Azteca  
received training on  
ethics issues, for a total  
of 566 of training

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Besides a solid culture of compliance based on permanent monitoring of the law on different matters such as telecommunications, elections, gaming and lottery and stock obligations, among others, TV Azteca bases its operations on a series of editorial principles which are expressed in the Code of Ethics; some of these are:

- Ownership rights. It is the defense of the effective promotion of ownership rights, especially respect for all types of private property as the basis for economic prosperity and factor of economic and social certainty.
- Market freedom. Considers a responsible market freedom based on the law of supply and demand in order to contribute to a general and sustainable development that generates quality, harnesses resources and drives technological innovation.
- Consumer rights. Promotes freedom of consumption, rejects protectionism and gives a voice to consumers.
- Economic modernization. TV Azteca believes that prosperity derives from a modern economy and market guidance.

417-1

In 2017, The Code of Ethics for Self-regulation was registered with the *Instituto Federal de Telecomunicaciones* (IFT), in compliance with the modifications to the *Ley Federal de Telecomunicaciones y Radiodifusión* (Federal Law of Telecommunications and Broadcasting) on audience matters

[www.tvazteca.com/descargas/TVAZTECACodigodeEtica.pdf](http://www.tvazteca.com/descargas/TVAZTECACodigodeEtica.pdf)



- Financial and monetary responsibility. Favors the generation of wealth by promoting responsible financial, monetary and fiscal State policies.
- Ecological awareness. Drives respect for the environment and expansion of ecological culture as the basis of sustainable development in the country.
- Democracy. Fosters democracy as an exercise in co-responsibility.

For more information about TV Azteca's Code of Ethics go to:  
<http://irtvazteca.com/es/codigo-de-etica>

## Ethics Committee and Code of Ethics for Self-regulation

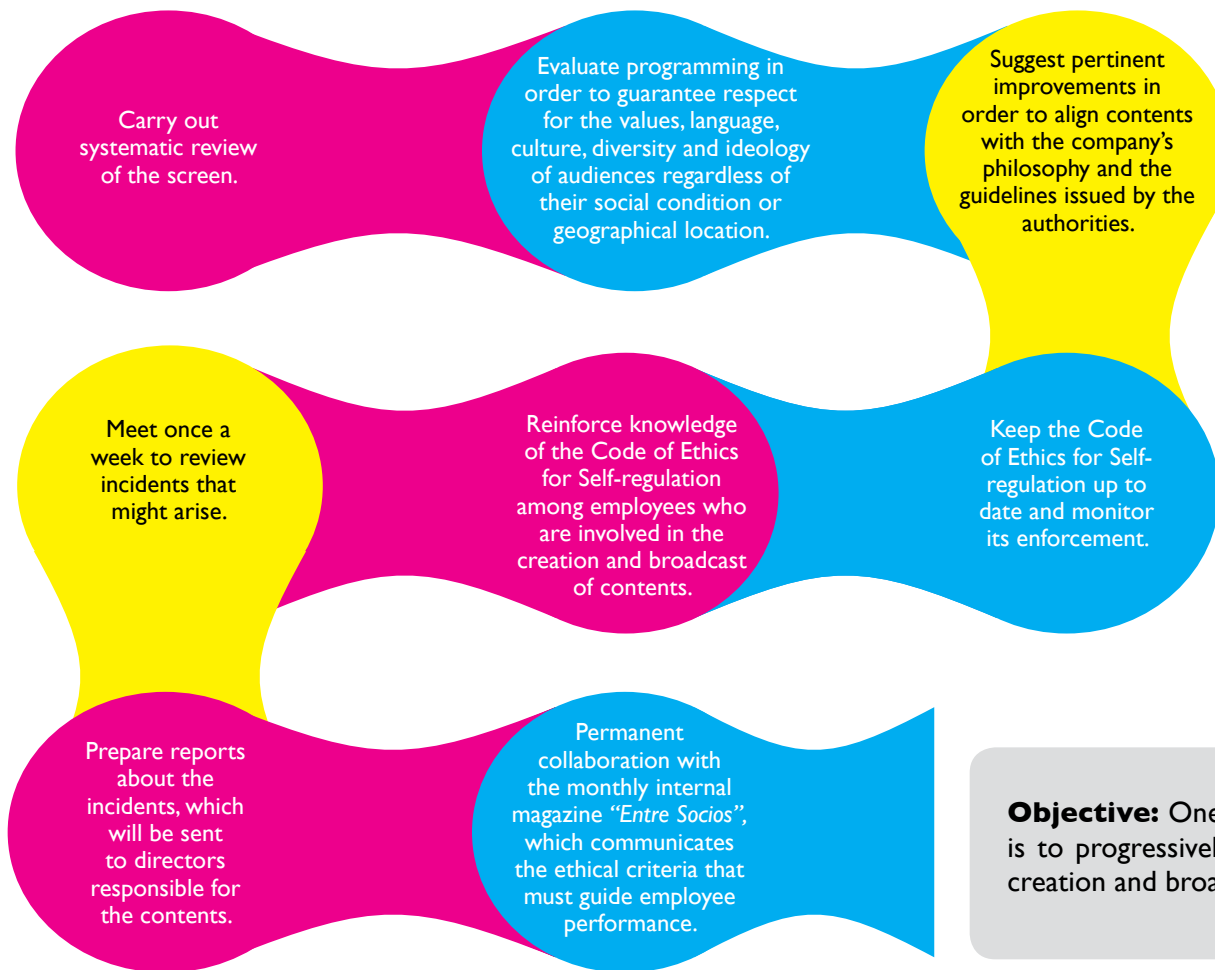
GRI 416, 419: I03-1, I03-2, I03-3  
I02-16, M2, M3, M4, M5

In addition to the Code of Ethics, for 20 years TV Azteca has had an Ethics Committee –a strategic collegiate body responsible for making self-regulation agile, uniform and company-wide. This area is presided by Jorge Garralda and consists of 10 internal and external advisers.

Moreover, in 1997, TV Azteca created a Code of Ethics for self-regulation which founded on the fundamental principles set in TV Azteca's communication project. These aim to promote high-quality television as the result of professional and responsible work based on freedom of expression and the right to information.

The Committee and Code of Ethics for Self-regulation represent a system of control that ensures that the company and its employees have the conditions and capacity to conduct the contents of programming and their professional activities with ethical conviction. Thus, in order to bolster knowledge of the Code of Ethics for Self-regulation among employees, the Committee has developed a Training and Certification system.

## Functions of the Ethics Committee

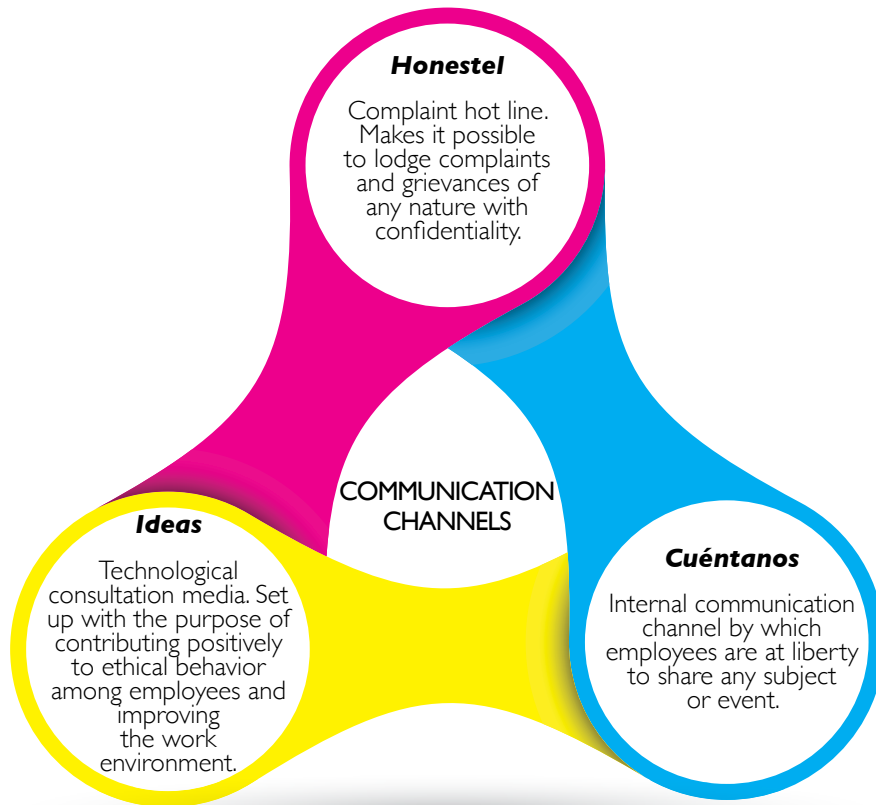


416-1

The channels for complaints or suggestions to the Committee of Ethics regarding contents are:

- E-mail
- Employee comments
- Observations made by the On-screen Audit Area, who together with the Committee of Ethics monitor programs broadcast by TV Azteca 24 hours a day and issues reports for content authorization and audience schedule compliance, and implementation of the necessary improvements.

**Objective:** One of TV Azteca's objectives in matters of self-regulation is to progressively certify 100% of the employees involved in content creation and broadcasting.



## Fight against corruption

GRI 205: 103-1, 103-2, 103-3 / 205-1

TV Azteca strongly believes that honesty is the basis for trustful and respectful relationships, as well as an essential element for teamwork and credibility. Therefore, the company rejects any act of corruption, whether internal or external.

In accordance to its Code of Ethics, TV Azteca has implemented response mechanisms and decision-making that follows the philosophy of the company regarding incidents of corruption. Moreover, in order to guarantee the legality of the resources received by TV Azteca, the company has established a policy for licit income.

## Honesty

102-17, 102-44

In order to reinforce its internal communications, TV Azteca has designed tools that foster direct contact between employees and Management. Thus, employees are informed of company goings-on and ensure that their ideas, consultations and reports are heard. Such tools are:

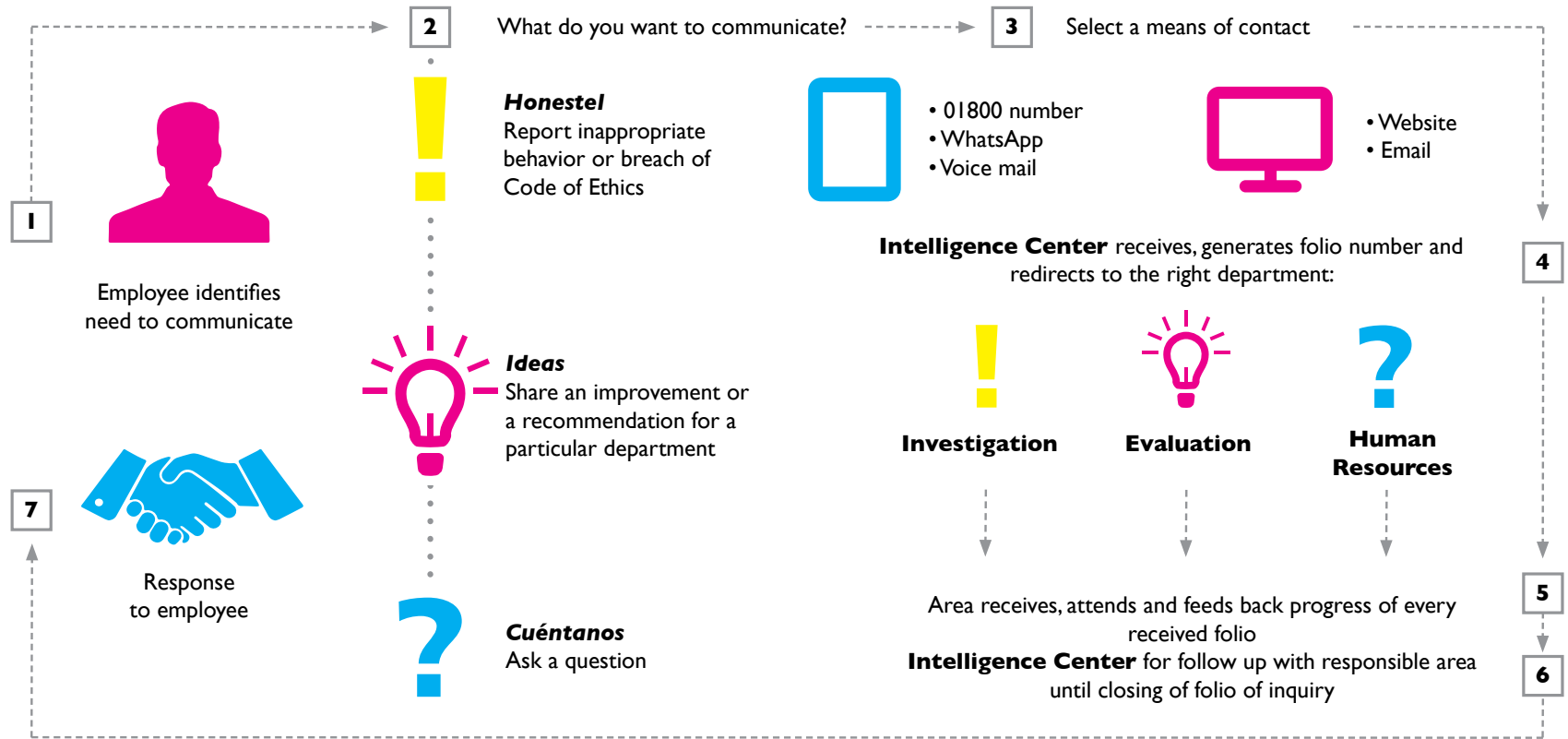
- *Honestel*
- *Ideas*
- *Cuéntanos*

All tools provide various points of contact and are available 24 hours a day, 365 days a week.

Management of the communication channels is done through:

- A defined general process:





- Specific procedures for each of them.
- Personnel dedicated to attention, channeling and follow-up of result of every contact.
- Evaluation indicators:
  - Received folios
  - Trust
  - Anonymity
  - Effectiveness



In 2017, **116 complaints** were received through *Honestel*; 85 investigations were conducted of which 64% were well-founded

**99%** of investigations conducted were closed in 2017

**424** TV Azteca employees were trained on the use of *Honestel*, *Ideas* and *Cuéntanos* in 2017

**212 hours** of training given to employees on the use of communication channels in TV Azteca in 2017

**116 complaints** received through *Honestel* in 2017; decrease of 3% with respect to the previous year

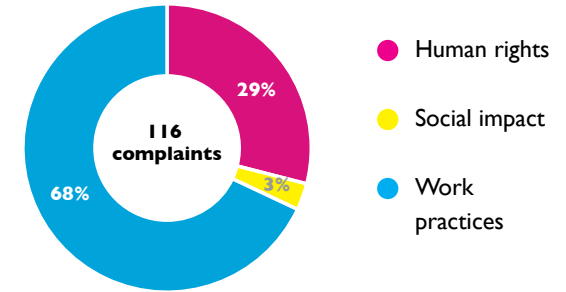
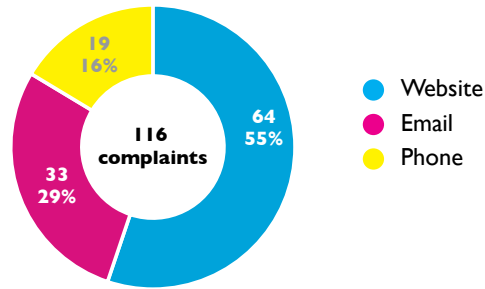
**23 interactions** received through *Ideas* in 2017; an increase of 10% with respect to the previous year

**531 interactions** received through *Cuéntanos*; an increase of 57% with respect to 2016

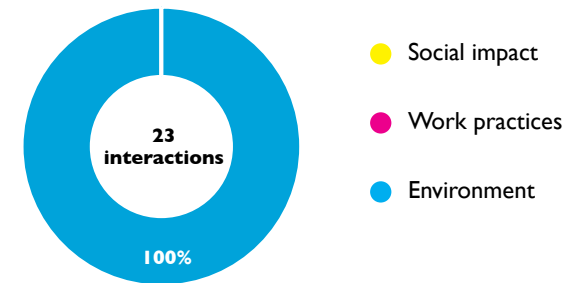
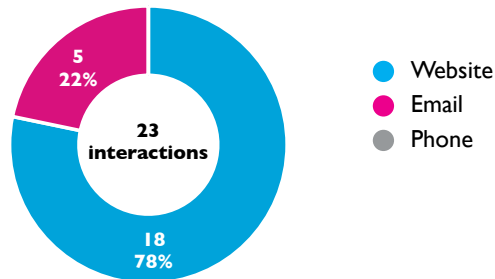
**Means of Contact**

**Issues Addressed**

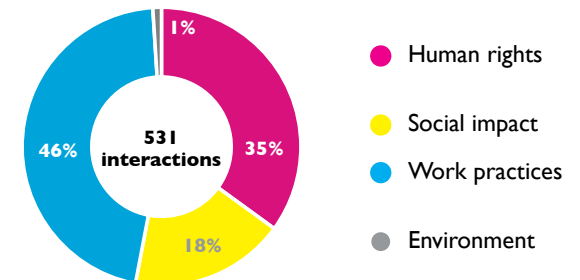
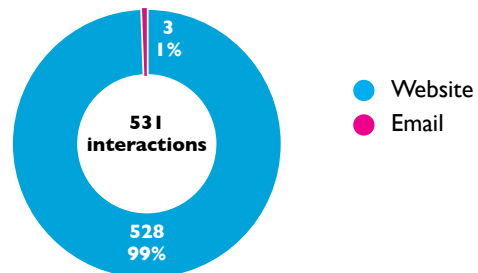
*Honestel*



*Ideas*



*Cuéntanos*



As can be seen, the use of communication channels implemented by TV Azteca had a significant increase in the previous year as a result of training provided to employees to reinforce company knowledge, and from constant encouragement for open dialog within the company.

The following channels are available to viewers to send complaints or requests:



## A Quien Corresponda (To Whom It May Concern) Program /M6, M7

The show is a communication platform for active participation of audiences in situations of social impact; it promotes justice and ethical conduct and has been hosted by Jorge Garralda for more than 27 years.

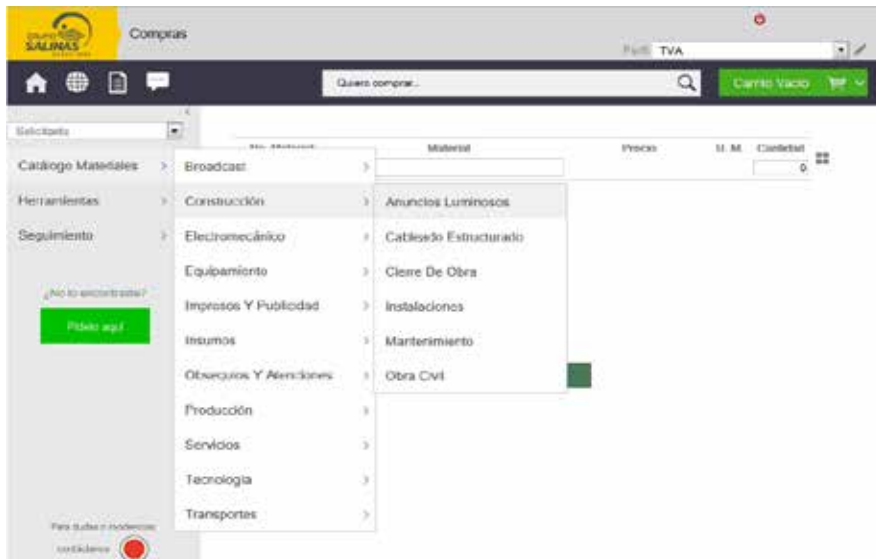
Complaints or petitions were all successfully channeled to more than 190 government entities, foundations, civil associations or private entities.

In 2017, A Quien Corresponda, provided free legal advice for 960 monthly inquiries through the legal firms it has agreements with.



## JOINT WORK FOR VALUE CREATION

102-9



102-10

At the end of 2017, TV Azteca had **1,701 suppliers** managed by *Central de Compras*

At TV Azteca, the supply chain is an essential sustainability pillar; therefore, a thorough selection process is necessary for bolstering the company's value offer: to be strong together, and being strong, be the future. Thus, in addition to providing commercial partners specialized in their trade who comply with all requirements and attributes for quality content and service to audiences and clients, the process mitigates risk factors which may exist in the operations of the company.

Besides *Central de Compras* (Procurement Central) –the specialized area for supplier management- TV Azteca has diverse tools to support the selection of better commercial partners; some of those tools are the following:

- Documentation that allows necessary and sufficient information to identify supplier compliance with the requirements needed to become an official supplier.
- Procurement system that concentrates the information of active suppliers which generates the orders required by every business unit.
- Policies. These are the instruments that govern the internal commercial framework for the stages of negotiation, purchase and delivery of products and services.
- Comprehensive Risk Management. This is the stage during which processes are evaluated and where improvement plans, and preventive and corrective actions to operational flow are generated.
- Certification. A tool that allows knowing the legal, financial, fiscal, commercial, credit and environmental situation of a company; it facilitates channeling a supplier to the corresponding procurement category.

*Central de Compras* evaluates the effectiveness of these instruments through its Bidding and Comparative Studies website, as well as through internal and external audits.

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**621** TV Azteca suppliers  
were hired in 2017

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**88%** of the amount paid  
to TV Azteca suppliers was assigned  
to domestic suppliers

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## 2018 Objectives

The goals set by TV Azteca for 2017 for supplier management were achieved; however, the improvement process is permanent: Thus, in 2018 work will focus on:

- Reduction of time for supplier registration.
- Specialization of real estate suppliers.
- Constant evaluation of supplier deliveries.
- Inclusion of sustainability guidelines in certification reports.
- Having a register of the number of suppliers that comply with the criteria for environmental and social commitment.

Once the assigned supplier work is ended, TV Azteca carries out an evaluation to determine quality and delivery time compliance or need for improvements. If the work gets a passing grade, the supplier becomes a candidate for further assignments; if the grade is failing, the supplier is deactivated and given feedback for performance improvement. In case the supplier is later on able to demonstrate the implementation of corrective actions, it may be considered for future assignments.





### Certificación Círculo de Proveedores

GRI 308, 405, 406, 407, 408, 409, 412: 103-1, 103-2, 103-3

In accordance to Grupo Salinas' solid policy regarding environmental and social commitment, and in addition to the evaluations of services provided by its suppliers, TV Azteca has created the Certificación Círculo de Proveedores (Supplier Circle Certification). This instrument guarantees responsible procurement based on ethical, work, social and environmental criteria, allowing the implementation of good practices in the supply chain.

In this way, suppliers of TV Azteca are subject to compliance with diverse requirements, among them, a social and environmental commitment through which they become responsible for obligatory compliance with current laws and regulations for environmental conservation and respect for human rights, including the rejection of discrimination, child labor and forced labor.

308-1, 412-1, 412-3

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**539** suppliers of Grupo Salinas had the *Círculo de Proveedores Certification* at the end of 2017

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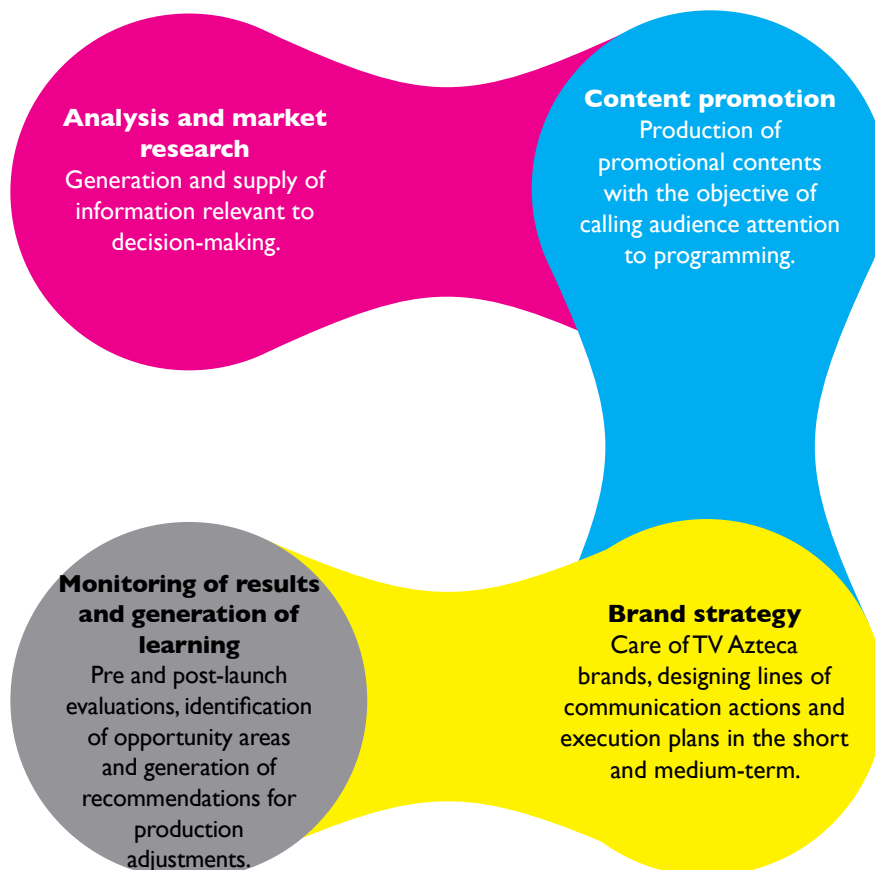
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**93** suppliers of Grupo Salinas implemented improvements in their company, achieving a better level through the *Círculo de Proveedores Certification*

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## VALUE OFFER

417-1



Broadcast television continues to be the medium of greater consumption in Mexico. In 2017, 99.1 million people on average watched broadcast television every month, a figure greater than in the two previous years. In addition, audiences have become increasingly demanding, so the offer of contents is subjected to a continuous improvement process in order to increase the quality of the value offer.

In 2017, TV Azteca worked together with Dr. Clotilde Rapaille –a world-renowned specialist and expert on the cultural archetype, creativity and innovation– in the identification of the “Cultural Code” for broadcast television in Mexico, and for TV Azteca and its principal channels. The result of the study was that, due to its leading position, TV Azteca plays a “challenging” role for both, industry and society, a premise that constitutes an essential guide for the company’s long-term strategy.

Thus, throughout its 24-year history, TV Azteca’s inbred innovation and differentiated offer has surpassed audience expectations and has contributed to maximizing client brand value. Therefore, in 2017 the company renewed its commitment with both groups offering constant evolution and diversity of contents in order to reflect current reality.

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Within the framework of the International Market of Communications Programs (MIPOCOM) international fair, TV Azteca was recognized for its achievements and success throughout its history

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To achieve this, TV Azteca has a Marketing Area which strategically contributes to capturing the interest of audiences on different fronts. In 2017, this area strengthened its functions as follows:

## Audiences / GRI 416, 417: 103-1, 103-2, 103-3 / M2, M6

Audiences are the main factor in TV Azteca's decision-making. Thus, the company has several tools to find out about its expectations and needs; among them:

- Qualitative and quantitative evaluation of audiences and contents; both, internal and external
- Team of experts in various fields
- In-depth interview sessions
- Research groups
- Quantitative preference studies
- Social Listening

In addition, TV Azteca has developed measurement procedures and parameters to verify that contents comply with the company's quality standards; some of these are:

### PREVENTIVE MEASUREMENT

This tool anticipates interest for the contents, enabling necessary adjustments before launching.

### CORRECTIVE MEASUREMENT

This is done on the course of an onscreen program in any of the TV Azteca platforms and measures content performance from different perspectives in order to identify opportunity areas which must be improved.

### FINANCIAL MEASUREMENT

Evaluates financial performance of each of the contents seeking to maximize return throughout the value chain.

### ETHICAL MEASUREMENT

Carried out by the Ethics Committee, who evaluates all contents based on the Code of Ethics for Self-regulation and on the guidelines established by various government entities such as the *Comisión Federal para la Prevención de Riesgos Sanitarios* (COFEPRIS), the *Instituto Federal de Telecomunicaciones* (IFT) and the *Dirección General de Radio, Televisión y Cinematografía* (RTC).



M3

In addition to these evaluations, in 2017 TV Azteca strengthened diverse synergies with strategic partners in order to maintain a high level of competitiveness and ensure better market conditions. Such is the case of HR Ratings, with whom it collaborated for audience measurement in the main cities in Mexico.

Thus, the Evolution of TV Azteca is a reality. With the findings from the use of these tools and a strong determination to create the best contents, the company's signals grow in audiences during prime times; recognition of its production quality by the global content industry is reflected by the interest of other international producers to work with TV Azteca in co-production projects. Moreover, the acquisition of world-class contents has surprised Mexican audiences with stories from other parts of the world.

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TV Azteca reached  
**28.8 million**  
Mexican households in 2017

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**104,278,744**  
individuals reached by TV Azteca in 2017

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Furthermore, recognizing that digital platforms are most relevant in terms of content dissemination, TV Azteca works in the consolidation of its value offer considering this type of tools. As part of the agreement between TV Azteca and Google, the company implemented the Player for Publishers (PFP) initiative which uses YouTube and its infrastructure to improve user experience through the adaptability of contents to different devices.

**20 million**  
monthly reproductions  
and 315 million minutes in 2017,  
enabling infrastructure savings

M6, M7

In this context, it should be noted that in recent years social networks have become a key tool for improving communication and information. TV Azteca uses this opportunity to increase its scope and encourage discussion of the contents it offers in order to find out audience opinion and preferences, attend its needs and improve its value offer.

Derived from the implementation of this type of strategies and from content that encourages family interaction, one audience group which has greatly increased is that of those below 35 years of age; namely, the Millennial and "Z" Generation group.

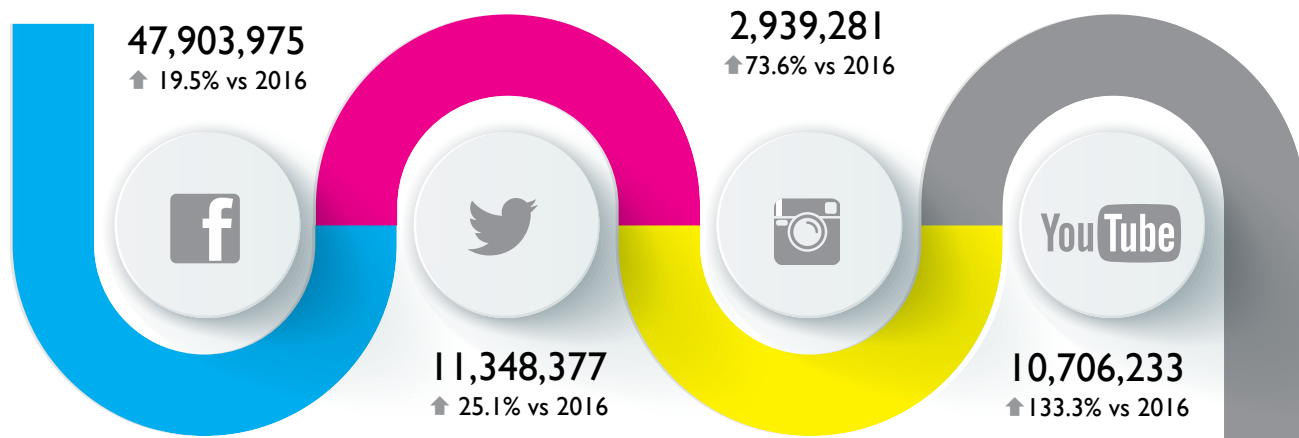


The Millennial generation has increased by  
**20%** the time of TV Azteca content consumption

Within the framework of the 19<sup>th</sup> edition of the Festival Pantalla de Cristal, TV Azteca was recognized with 5 awards for talent and professionalism of the productions by Azteca Documentales and ADN Opinión. The received awards were for: Best Art Direction; Best post-production and Color Grading; Best Onscreen Production Values; Best Soundtrack and Audio Edition.

TV Azteca's performance in 2017, in terms of audiences, surpassed that of previous years due to program innovation and dynamic and bold contents.

## 2017 Social network followers



In 2017, TV Azteca led with diverse content broadcasts, especially sports events



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Due to client satisfaction, TV Azteca added 26 exclusive clients with respect to the previous year.

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## Clients

GRI 416: 103-1, 103-2, 103-3

TV Azteca's clients are agencies and commercial partners, namely, advertisers who buy advertising spaces during the broadcast of contents and whose satisfaction is essential for providing them with high-quality service. The company is focused on creating opportunities that will contribute to maximizing the value of their brands through an in-depth knowledge of the advertisers' businesses and by offering the best solutions for achieving their objectives and surpassing their expectations.





## 2018 Objectives

Consolidation of TV Azteca's position in the market, both in sales and audiences.

Monetization of audience increase.

Be a relevant part of a plural and democratic dialog in the 2018 electoral process, through special coverages.

Implementation of a new tool for marketing broadcast television in Mexico in order to provide greater investment certainty for clients.

416-1

To ensure the achievement of the clients' objectives, TV Azteca has implemented a strict monitoring process of the sales force, whose purpose is to maintain a close relationship with clients and agencies, in addition to having regular meetings with advertisers to opportunistically analyze and correct opportunity areas.

In this way TV Azteca has adopted a methodology to gauge client satisfaction and loyalty: the Net Promoter Index (IPN). This indicator is calculated on a scale of 1 to 10 by classifying clients into three categories: detractor clients –those who are unsatisfied with the service. Passive clients, those who are unsatisfied, but who will not recommend the service, and promoter clients –those who recommend the company.

The tangible product of the results of this tool was the use of 100% of the investments from all clients, showing that TV Azteca fulfilled its commitment with the advertising spaces of each one of them.

Moreover, TV Azteca is focused on the creation of new strategies to measure impact and depth of the promotion of its clients' objectives. Deriving from the synergy established between TV Azteca and Google, a commercial agreement was signed to optimize the value offer to clients. The result was Dynamic ad Insertion (DAI), a project defined at the end of the year to be developed in 2018, consisting of the integration of digital client ads in the reproduction of TV Azteca contents over YouTube with the objective of extending the impact on audiences.

GRI 417: 103-1, 103-2, 103-3

In terms of responsible advertising, in addition to the fact that over 90% of the company's advertisers are transnational and therefore comply with global guidelines regarding clear messages to audiences, TV Azteca has a quality control process whereby every spot is analyzed to guarantee its integrity.

SOCIAL  
VALUE  
**TALENT**

# SOCIAL VALUE

## TALENT

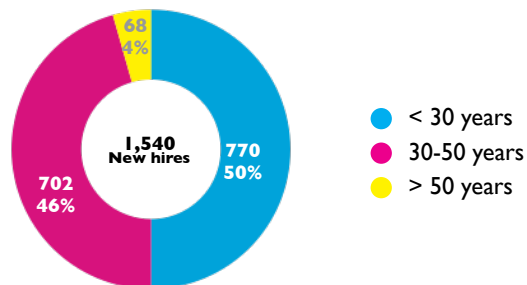
**20%** turnover rate in 2017; decrease by 12% with respect to the previous year

102-8

**6,095** employees, the total TV Azteca workforce; an increase of 1% with respect to the previous year

**74%** direct hire and  
**26%** independents

### New hires by age group in 2017



GRI 401, 405, 406, 407: 103-1, 103-2, 103-3

In 2016, as part of the of TV Azteca’s Evolution, the company set out to be one of the best places to work and to attract the best talent in the industry in order to boost its value offer, provide the best contents to audiences and benefit clients.

On this basis, in 2017 TV Azteca added to its team national and international talent with ample programming and content experience, consolidating its global leadership and its long-term growth plans.

TV Azteca has tools for finding human capital that will add value to its strategy such as the use of digital platforms such as OCC, Bumeran and LinkedIn, and a headhunting executive team. In addition, to reinforce the results of this process, TV Azteca is currently undergoing a phase of improvement and review of its policies.

401-1



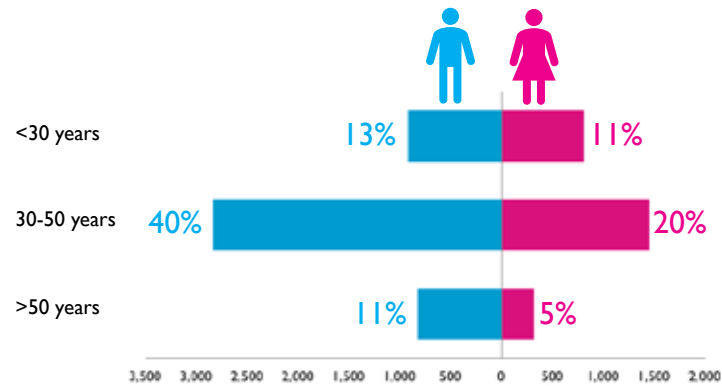
**1,540** new hires by TV Azteca in 2017;  
 59% men and 41% women



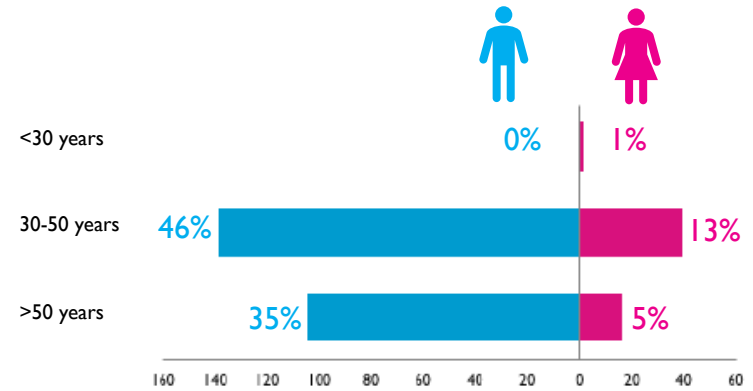
TV Azteca focuses its efforts on forming an inclusive team; therefore in 2017 the company aligned its talent management and cultural change to the Great Place to Work (GPTW) methodology and continued with its commitment to the quality of life of its employees, gender equality, non-discrimination, and equal opportunity. In this way, the company attracts talent with industry experience who contributes to improving the company’s value offer regardless of gender, age, physical condition, etc.

405-1

### Workforce by gender and age group



### Executive positions by gender and age group



**19%** **300** executives in TV Azteca;  
 of the positions are occupied by women

**96%** of the executive team comes from countries  
 where TV Azteca operates and performs its functions  
 in its site of origin

102-41

**696** TV Azteca Employees are unionized, i.e.  
**11%** of the workforce

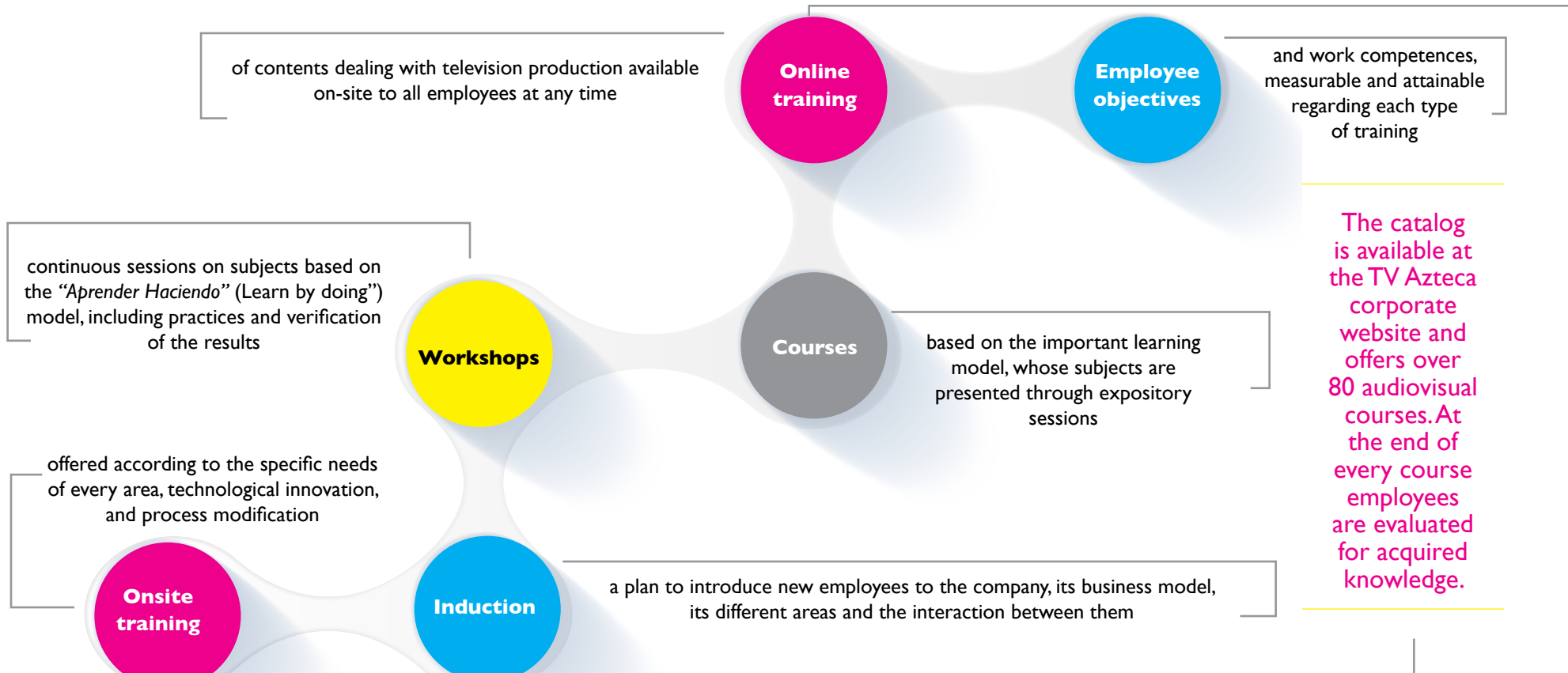
#### Objective

Starting in 2018, TV Azteca will focus its efforts on NMX-R-025-SCFI-2015 standard certification dealing with job equality and non-discrimination.

## Talent development / GRI 404: 103-1, 103-2, 103-3

Given the nature of the business, technology and creativity are dynamic factors that impact the operations of TV Azteca. Therefore, the company keeps abreast of technology and provides its employees with a professional level of knowledge regarding the tools useful to the performance of their functions in addition to creating an environment that favors the development of creativity.

Moreover, in 2017 TV Azteca created the Training Direction in order to bolster human and technological resources. In addition to this new area, the company has diverse instruments to manage talent development:





404-2

Among the type of courses and subjects offered to employees are the following:

- Corporate:
  - Information security
  - *Honestel*
- Production technicians:
  - Camera
  - Edition
  - Lighting
  - Virtual production
- Television business:
  - Sales
  - Audience rating
  - Programming
- Civil Protection
  - Evacuation brigades
- Induction
  - For new employees
- Systems Management
  - Azteca Tube, Online certification to obtain authorization to use the system
  - Inews
  - Final Cut
- Ethics
  - Code of Ethics for Self-regulation

In addition, TV Azteca continued with various employee training programs; one of these was “*Semillero de Talento*”, a three-month training program for recent young graduates from public and private universities. Each edition has 20 trainees formed into two groups every year. The program addresses four aspects of the television business: Production, Sales, Programming and Audience, and includes a period of practices, a knowledge exam and feedback interviews. At the end of the program, graduates are awarded a diploma and are eligible to be hired for starting positions in the productive chain of the company.

**50%** of the graduates from the *Trainees* program were hired at the end of the project in 2017

Another training program in 2017 was Azteca Educación, a common core for TV Azteca employees with at least one-year seniority who are interested in specific aspects of the business. The duration of the program is 16 weeks; each edition includes 16 trainees in two groups every year. Under this model, the recommendation and support of the leaders of every trainee is essential.

404-3

Most importantly, technical training was carried out to cover the requirements of every area in order to professionalize specific employee functions and add value to TV Azteca’s offer. At the end of these specialized courses, employees undergo practical evaluation by internal experts.

**6,009** trained employees in 2017;  
61% men and 39% women



**9.8** average hours of training per employee participating in training courses





404-1

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**11,081** employee participations\* in technical reinforcement training courses;  
**6,629** total training hours

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**\$919,360** pesos, amount invested in training in 2017

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In addition to these initiatives, in 2017 the company started the Career Plan Development Program –an offer for a wide group of employees in a similar situations.

\*The number of employee participations in training courses may be greater than the workforce due to the fact that an employee may take several courses in one year, or due to the turnover rate.

## Quality of Life

In line with the essential principles of the Evolution, TV Azteca believes that the quality of life of its employees in the workplace is a top priority since it promotes team development and well-being, encouraging loyalty and commitment to the company and better job performance.

401-2

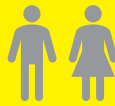
In accordance to the position they hold in the countries in which the

company is present, employees have access to social security, housing credits, vacations, end-of-year bonus, vacation bonus and in compliance with the law, a retirement savings plans (Afore), among other collective-bargain benefits which may vary.

In addition to social benefits for its employees, TV Azteca fosters quality of life in the work place through its department of Well-being, Internal Communication and Organizational Culture, whose main objectives are:



Strengthen pride, identity, commitment and sense of belonging among employees.



Improve the quality of life of employees through the creation and strengthening of welfare initiatives.



Communicate in a timely manner programs to encourage employee participation through various channels such as the internal website, email and screens.

GREAT  
PLACE  
TO  
WORK

Monitor and develop indicators deriving from the Great Place to Work methodology: credibility, respect, impartiality, pride and fellowship.



Among the activities promoted by this area are: good workplace practices, celebrations, fairs, bazaars and special sales which give employees access to benefits such as new work spaces, food products, courses and medicines at preferential prices.

The quality-of-life programs implemented by TV Azteca in 2017 were the following:

### Traditional Events

Their objective is to foster traditions and reinforce employee sense of belonging and commitment.

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**3,905** participating employees

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### Children's Day

Fosters family integration through an event at an amusement park; the event's objective is to make children proud that their mom or dad works at TV Azteca.

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**5,546** event attendees

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### Bowling tournament

Encourages area integration, teamwork and fellowship through a three-month-long, once-a-week tournament.

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**100** participating employees

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### Soccer tournament

This is a six-month long, intramural tournament that encourages integration and companionship among collaborators.

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**322** participating employees

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### TV Azteca in balance

Its objective is to foster physical activity through cross training, fit dance, insanity, kickboxing, and yoga classes at the company's facilities.

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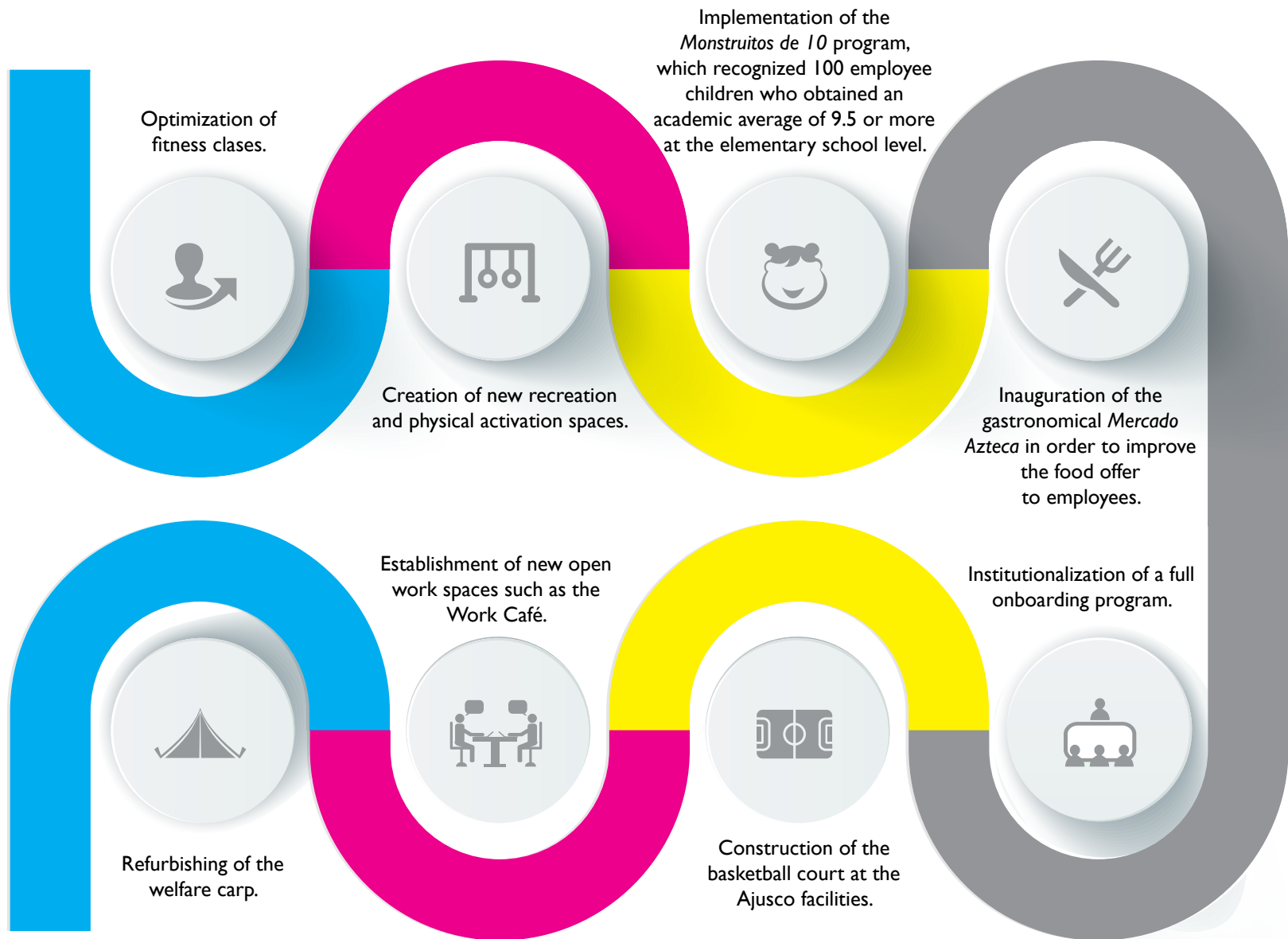
**325** employee attendees at the classes  
in July-November 2017

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102-44

In addition –and deriving from the expectations and needs expressed by employees through different channels– in 2017 some of the programs carried out in the previous year were reconsidered in order to improve coordination and their dissemination. Among the company's responses to increase employee satisfaction are the following:





The Corporate Well-being Area of Grupo Salinas –TV Azteca and Grupo Elektra– not only establishes but also disseminates the initiatives that contribute to the quality of life of its employees, promoting a work-family balance, physical activity and healthy life styles among other activities essential for development.

In 2017, this area continued to develop initiatives to maximize the values of Grupo Salinas among employees, and increased the number of programs. In addition, the company incorporated the Social-environmental into its model, totaling six aspects. The main results obtained in the year are shown below:

Activity	Program	Objective and achievements
Health	<i>Kilotón</i>	Team tournament whose objective is to help employees lose weight and adopt healthy lifestyles. 1,008 Grupo Salinas employees in the program managed to shed a total of over 6.8 tons.
	Health Week	Fosters internal and external balance among employees and the improvement of healthy habits allowing for more labor productivity and achievement of goals. Approximately 533 Grupo Salinas collaborators benefited. 987 studies were made.
	Nutrition	Promotes a healthy lifestyle among employees reducing the risk of eating habit-related illnesses and fostering follow up and constant health check-ups through attention focused on their needs and goals. 3,000 Grupo Salinas employees attended.
Lifeline	<i>Uno más en la Familia</i>	Program for mentoring employees who will become parents during the period of gestation, generating solid bonds with them and their families and fostering the values of Grupo Salinas. 1,255 Grupo Salinas employees registered. 25 mothers used the Lactarium at Grupo Salinas Corporate Office.
	<i>Verdaderos Amigos</i>	Promotes a culture of fellowship at work by sharing companionship experiences through the <i>Cuéntanos</i> channel favoring productivity and efficient employee performance in a harmonious and cordial environment. 419 friendship and companionship stories received from Grupo Salinas employees.
	<i>Actitud Socios</i>	Program aimed at strengthening bonds between employees and at the consolidation of the sense of belonging, fostering values of the Group, integration, motivation and companionship. 6,500 Grupo Salinas employees impacted by the program.
	Deceases	Its purpose is to provide support for employees undergoing the loss of a family member or a loved one by means of psychological or emotional support. 120 Grupo Salinas employees supported.
	<i>Gracias Mamá</i>	Program formerly known as " <i>Mamá es una Joya</i> ", whose aim is to encourage employees who are mothers by recognizing their efforts and performance as women and professionals, thus fostering family values. 9,501 Grupo Salinas employees recognized.
	<i>Papá Campeón</i>	Program formerly known as " <i>Papá... vive tu vida como un campeón</i> ". Recognizes employees who are fathers and who distinguish themselves for their efforts, dedication and perseverance, highlighting the importance of family as one of essential values of the company. 11,520 Grupo Salinas employees registered in the program.

Activity	Program	Objective and achievements
Family integration	<i>Club Pequeños Socios</i>	Its objective is to create an emotional bond between the children of employees and the company, and motivate pride for their parents. Children activities are organized the last Friday of every month in support of parents whose children have days off from school. 624 children whose parents work at TV Azteca Corporate offices have become club members.
	<i>Pequeños Monstruitos</i>	Campaign to celebrate the children of employees at Grupo Salinas' corporate offices in April, that promotes family well-being, sense of belonging, and company pride. 1,052 participating children at Grupo Salinas.
Social-environmental	Recycling campaign	Its objective is to raise awareness among employees regarding the importance of waste collection and conservation of the environment, making a positive impact on their quality of life in the workplace. Almost 1.5 tons of recycled material and 2,920 participating employees in the campaign.
Sports	<i>Copa Socios</i>	The program aims to offer off-work activities to promote integration, companionship and a better work climate. 3,514 participating Grupo Salinas employees in 200 teams.
	<i>Socios Corredores</i>	Encourages the adoption of healthy lifestyles by providing a club where employees can practice sports, relax and carry out healthy activities. 576 participating Grupo Salinas employees.
	<i>Juegos Bancarios</i>	Based on the creation of a culture of health care through sports, fosters companionship, teamwork and Group values, for a harmonious work environment. 600 participating Grupo Salinas employees.
	Tournaments	Promotes practice of physical exercise, discipline and effort as well as the values of Grupo Salinas among employees. 100 participating Grupo Salinas employees in the Bowling Tournament; 600 in the soccer tournament; 48 in the domino tournament; 325 in basketball and 112 in "tochito".
	<i>Actívate Socio</i>	Program that promotes physical activity, a healthy lifestyle and physical and spiritual balance through yoga classes. 60 attending employees at the yoga classes.
Culture	Reading Club	Fosters reading among employees and their families to broaden their culture. 1,382 books requested by Grupo Salinas employees.
	<i>Universo Socio</i>	Promotes basic study habits, reading, music, and art for acquisition of new competences. 33,280 participating Grupo Salinas employees.
	<i>Socios en Armonía</i>	Encourages the desire for knowledge and promotes employee interaction that contributes to personal and professional balance through the acquisition of new competences. 31,000 participating Grupo Salinas employees.
	<i>Microcuento</i>	Its purpose is to foster employee creativity, development of new skills –language and communication, for example– as well as self-knowledge. It is a contest for which employees write a mini story –only 500 characters long– in a genre of their choice. 727 mini stories received from Grupo Salinas employees.



## Employee recognition

TV Azteca recognizes the importance of the work done by its work team, as it is the excellence of its performance which contributes to the achievement of the company's goals and objectives making the company one of the best places to work. In 2017, two recognition events took place:

- **Mujeres Superpoderosas.** This is an initiative that recognized women nominees for their outstanding qualities at a company event.
- **First Anniversary breakfast.** An event aimed at employees who are celebrating their first anniversary in the company.

## Occupational health and safety

TV Azteca's employees are its main asset; therefore, the company has developed a culture of prevention in order to guarantee their integrity and safe work places through a robust set of tools; some of these are:

- **Industrial Safety and Occupational Health Program** - Provides the basic and practical foundations of optimum facility conditions for employee activity.
- **Civil Protection Team** - Integrated by paramedics trained on prevention, aid and recovery in case of emergencies. It conducts regular revisions of the fire protection systems and the physical state of buildings, in addition to training the work community and forming fire, evacuation and first-aid brigades.
- **Work center brigades** - Their main functions are: to identify and report risks that buildings may be under in order to establish preventive and corrective measures; give attention and support to employees in case of emergencies; participate in evacuation drills; know and revise the emergency plans at every work center in order to reduce materialization of risks.

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**38** brigades distributed among  
TV Azteca's facilities

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**433** trained brigade members in 2017

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Regarding occupational health, TV Azteca conducts preventive actions and health promotion in order to achieve physical and mental well-being of its employees through four initiatives:

- Maintenance and promotion of employee health: implemented by the Medical Service Policy through two health fairs that take place every year with the objective of detecting health risk factors. These events are aimed at employees and their families and monitor levels of glucose, cholesterol, triglycerides, uric acid, blood pressure, prostate-specific antigen and HIV detection, as well as vaccines and parasite elimination and de-worming.

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**850** employees and **150** relatives benefited in every edition of Health Week

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Almost **250** free medical studies conducted in both editions of the 2017 Health Week

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- Nutrition counseling - focused on improving the eating habits of employees.

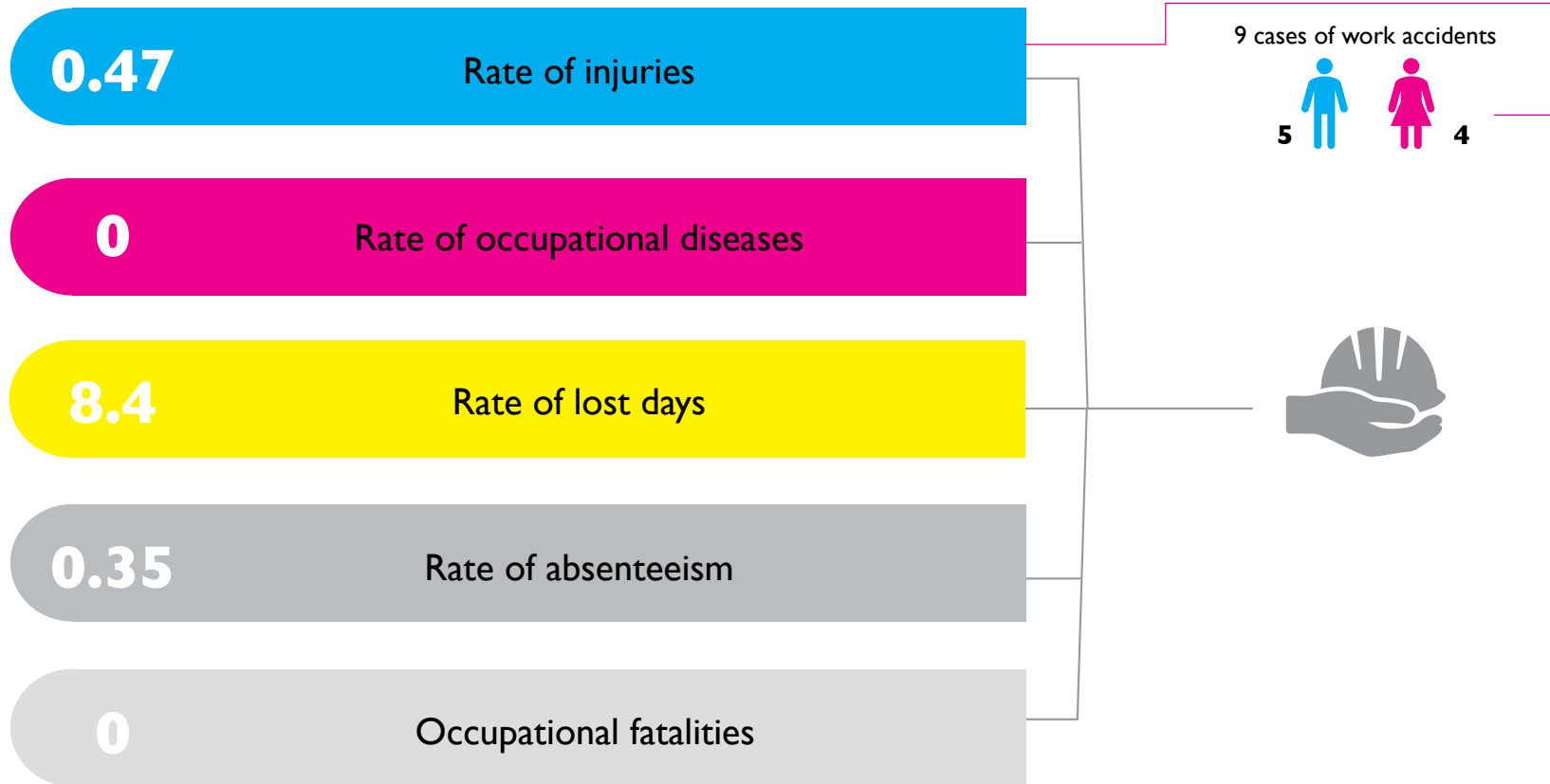
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More than **600** nutrition consultations in 2017

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- Monthly health drives that offer varicose vein detection, spirometries, densitometries, glucose, cholesterol and prostatic antigen tests, as well as free health certificates for children of employees and vaccination against the Human Papilloma virus at an affordable cost for employees and their families.
- Control of accidents and occupational diseases by monitoring the accident rate and the identification of work factors which may cause diseases.

## Occupational health and safety 2017 Results





## STRENGTHENING SOCIETY

GRI 203: 103-1, 103-2, 103-3  
413-1, 413-2

More than **11,500** volunteers from government and private institutions supported the *Jugueton* program



## Contribution to development

TV Azteca has been an important interlocutor with society for 24 years by disseminating stories, facing challenges and collaborating with *Fundación Azteca* and other Grupo Salinas business units.

In this way, TV Azteca creates economic, social and environmental value contributing to environmental improvement and strengthening the bonds with the communities in which it operates, providing them with the tools necessary to achieve inclusive prosperity.

Through Azteca Locales, the Company generates direct and indirect jobs –the latter deriving from the hiring of local suppliers– and promotes consumption of Mexican products by broadcasting ads of micro, small, medium and large companies in benefit of the regions in which it operates.

203-2

**1,420** direct jobs generated by TV Azteca Locales; 100 of which were created in 2017

## Jugueton

This is the largest toy drive in the world. In 2017 it reached schools, orphanages, foster homes, indigenous communities, hospitals, community kitchens, prisons and day care centers to bring happiness to thousands of children in adverse conditions.

**16,751,423** toys distributed on January 6, 2017, equal to approximately \$502 million pesos





[www.tvazteca.com/vive](http://www.tvazteca.com/vive)



## Vive sin Drogas

The campaign aims to promote –mainly among young people– a healthy, drug-free lifestyle.

It addresses matters related to drugs, alcoholism, correct use of social networks, bullying, tobacco abuse, eating disorders, and also fosters sports and artistic and cultural activities.

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**23** events in 2017 that disseminated the prevention message

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More than **28,600** people directly impacted in Mexico and Guatemala

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## Donations

TV Azteca's *A Quien Corresponda* is a clear example of the promotion of social values. The platform has an area focused on reception and attention of applications for donations; from medicines to complex medical surgeries.

4,200 cases were received in 2017; 2,200 of these were for services in hospitals and organizations; the 2,000 remaining cases were for in-kind donations.

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Almost **\$15 million** pesos in donations received in 2017: studies, medical consultations and assessments, surgeries and hydrotherapies

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Delivery of **80** hearing aids, with a value of 840 thousand pesos, 1 customized prosthesis with limb articulation and 3 auditory bone headbands and 2 cochlear implants with a value of 45 thousand dollars each.

**\$22 million** pesos in donation of medicines addressed to institutions, hospitals, foundations, dispensaries, churches, clinics and health centers

More than **\$2 million** pesos in donations for different causes through campaigns such as “Amor a Mamá”, “Adopta un abuelito” and visits to female prisons in Mexico City and Morelos



Distribution of over **40,608** new clothes and shoes to low-income communities in the State of Mexico, Oaxaca, Veracruz, Guerrero, Hidalgo, Morelos and shelters of the Mexico City for the benefit of people affected by the September earthquakes; donation equivalent to more than **\$10 million** pesos

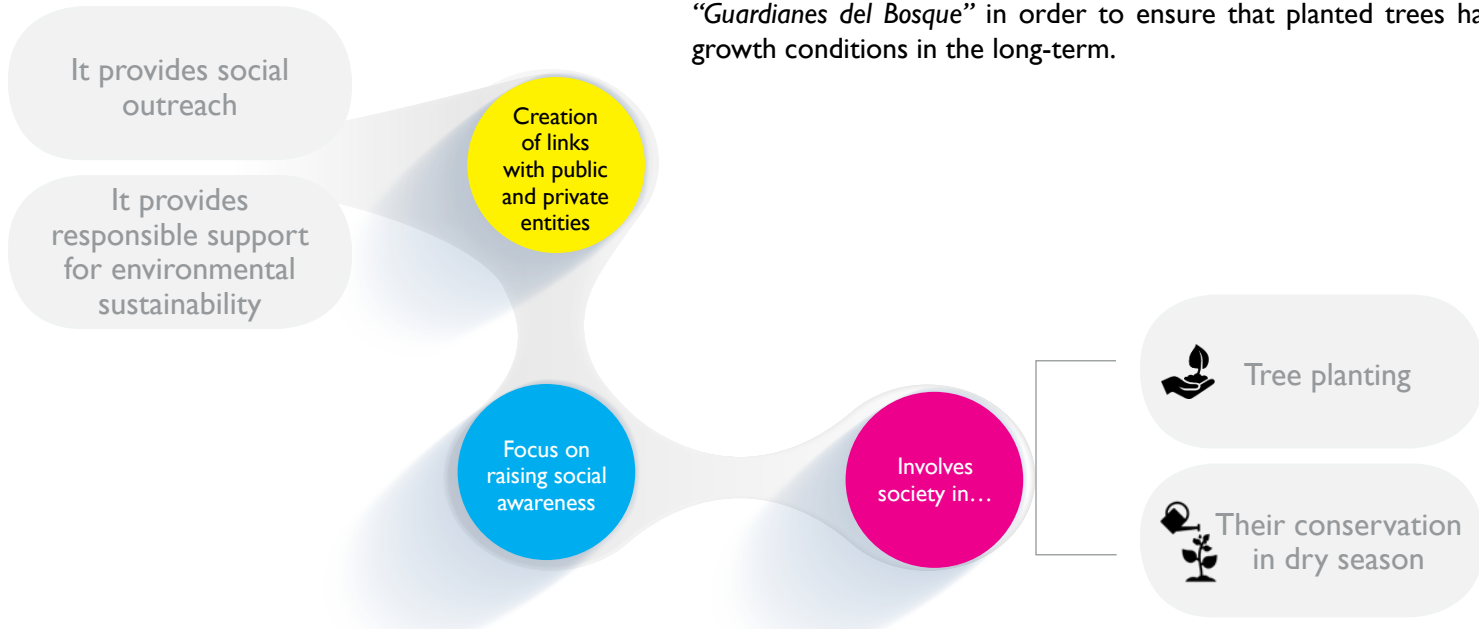
Donation of hygiene products, food and medicines to animal protection institutions in benefit of more than 8,000 pets; equal to **\$480,000** pesos

**438** wheelchairs delivered with a total value of more than 1 million pesos



The reforestation campaign achieved a record number of tree plantings with **1.2 million** million trees planted in **1,147 hectares** and the participation of approximately **120,000** volunteers

**Its importance is that...**



## Un Nuevo Bosque

[www.gruposalinas.com.mx/es/un-nuevo-bosque](http://www.gruposalinas.com.mx/es/un-nuevo-bosque)

*Un Nuevo Bosque* is a permanent reforestation drive that materializes the commitment of Grupo Salinas and its companies with environmental conservation. It consists of events that are broadcast by local TV Azteca stations with the objective of recovering areas which have been affected by nature itself or by human action.

*Un Nuevo Bosque* is supported by the *Comisión Nacional Forestal (CONAFOR)*; it is an entity that contributes with land selection and preparation, training for brigade members and volunteers, and with trees to be planted that are selected by species and region in order to guarantee their survival.

*Un Nuevo Bosque* carried out **35** planting drives in Mexico in 2017

As a follow-up to the *Un Nuevo Bosque* program, TV Azteca created the event “*Guardianes del Bosque*” in order to ensure that planted trees have suitable growth conditions in the long-term.







## Healthy lifestyles

For TV Azteca, the promotion of sports, healthy competition and healthy well-being habits are of utmost importance, therefore through TV Azteca Locales, once a year the company organizes events for men, women and children such as races and tournaments in different regions in Mexico.

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More than **20,000** participants in the races  
that took place in 2017

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Approximately **500** people participated in the  
2017 Golf Tournament

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### “Corre con Alma”

In 2017, Monarcas Morelia also encouraged physical activation by supporting the “Corre con Alma” race in benefit of children with cancer; the race is organized by the *Asociación Mexicana de Ayuda a Niños con Cáncer (AMANC)*. The event had 1,100 participants and was widely covered in social networks. In addition, an autograph-signing session with the team’s players took place as part of the event, and was attended by 200 fans.

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Approximately **80 children** benefited  
by the “Corre con Alma” race

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## Health care

Besides the promotion of healthy lifestyles through physical activity, in 2017 TV Azteca Locales carried out various events which addressed health care and prevention, among them:

- Health Week - This TV Azteca event provides audiences with affordable health and integral well-being services. Among the services provided are: free medical consultations, mammograms, vaccination, glucose tests, diabetes counseling, eyesight examinations, HIV testing, nutritional advice, prostate-specific antigen and homeopathy. More than 1,000 medical tests were conducted in 2017.
- Self-regulation Week - Its objective is to provide people of the community with affordable integral health and well-being services. In addition, exhibitions take place every year with the participation of various public institutions to help attendees with different administrative procedures such as how to get a license, registration in the Popular Health Service, how to get a business license, and brand registration. In addition, legal advice is also provided.
- Fight Against Breast Cancer – This is an event organized within the framework of Health Week that emphasizes attention and prevention of breast cancer.

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Approximately **20,000** attendees  
at health events that took place  
throughout Mexico in 2017

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Two initiatives that take place every year are:

### MEDIA 13

Workshops for hosting, production and journalism, conducted by specialized personnel, aimed at the general public, but especially directed at students and graduates from the areas of Humanities, Communication, Journalism, and Electronic Media, Communication Sciences and Journalism teachers.

### EXPO VOCACIÓN

Exhibition that brings together a wide range of educational institutions with the purpose of presenting their educational options, from elementary, to higher education levels.

## Fostering education

As one of the most important social interlocutors, TV Azteca uses the opportunity of reaching millions of households to foster education. Thus, it organizes educational events such as exhibitions and conferences whose main objectives are:

- Provide young people with different options and alternatives about professional careers.
- Provide young people with sufficient information to help them make decisions regarding their professional future.
- Facilitate career guidance.

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More than **20,000** attendees at educational events organized by TV Azteca Locales in 2017

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## Fundación Azteca

[www.fundacionazteca.org/](http://www.fundacionazteca.org/)

GRI 203, 413: 103-1, 103-2, 103-3  
102-12, 203-2, 413-1, 413-2

This is the organization whereby Grupo Salinas and TV Azteca put into practice their goal of promoting inclusive prosperity through actions that benefit society, particularly the neediest segments and the environment. It does so through the corporate social responsibility in benefit for benefiting the new generations in Mexico and the countries where it operates: the United States, Guatemala, El Salvador and Peru.

Thus, *Fundación Azteca* of Grupo Salinas has touched and improved the lives of millions of people, linking the most pressing social problems and needs with organizations and people willing to make a commitment. It promotes and supports transparent and concrete actions that further awareness and deep social transformation, both within Grupo Salinas and society.

*Fundación Azteca* uses two essential tools to pursue its mission:

- Accountability reports such as an annual transparency report to the Sistema de Administración Tributaria (SAT) and the monthly donation reports made in compliance with the Ley de Prevención e Identificación de Recursos de Procedencia Ilícita.
- Red Social Azteca (Azteca Social Network), through which civil organizations that apply for aid are registered, and also through Committee for Donation Evaluation, which proposes, coordinates, executes and monitors compliance with the processes and policies that allow transparency in the assignment of aid.

**\$89,544,695** pesos is the amount destined by TV Azteca for supporting the actions developed by *Fundación Azteca* in 2017

The actions of *Fundación Azteca* are divided into four categories according to the cause they support: Education and Culture, Health, Social Development and the Environment.







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42,703 students and  
1,540 teachers benefited  
by the Collaborative  
Learning Model at 434  
schools in Puebla in 2017

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## Education and Culture

### **Plantel Azteca**

Education is the most powerful means to improve quality of life; thus, *Fundación Azteca* grants *Plantel Azteca* scholarships for young people from low-income families in order to enable their access to quality education, technical excellence, values and technological tools.

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**2,100** scholarship  
students every year at the  
Mexico City campus

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**100** scholarship  
students in Leon,  
Guanajuato, in 2017

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### **Collaborative Learning Model**

This model is aimed at improving the quality of elementary education in Puebla through the implementation of a new pedagogical student-centered model which transforms learning by including daily life experiences as well as family and community context.



### **Generación Bicentenario (Bicentennial Generation) Scholarships**

In 2010, the 1,000 best students at the elementary, secondary and high school level were chosen to receive aid throughout their educational process. CONACYT joined this initiative by providing these students with scholarships for post-graduate studies.

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Aid for the **1,000** best students continued to be provided in 2017 through the *Generación Bicentenario* scholarships.

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### **México de 10**

Since 2016, *Fundación Azteca* supports young university students of excellence with scholarships that cover food, transportation and school supplies.

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In 2017 aid was provided for **50** university students through the *México de 10* scholarship program

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## Robotics

This is an initiative which promotes interest for science and technology in children and young people by developing multiple skills through sponsored, play-based, entertaining learning. The final aim is the participation of those children in local and international Robotics contests and competitions.

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**5** participating teams sponsored by *Fundación Azteca* in 2017

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## Orquestas Sinfónicas y Coros Esperanza Azteca

This is a social and musical program whose objective is to improve the quality of life of young people from low-income families and their families and communities, through music and its associated values of discipline, excellence and teamwork.

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**87** children and youth symphony orchestras and choirs: 84 in Mexico, 1 in the United States and 2 in El Salvador

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**551** concerts in 2017 with the participation of major figures such as Paquito D’Rivera, Valery Gergiev, Saúl Ibarra, Jesús Torres, Elena Durán and Armando Manzanero

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113 social assistance civil organizations benefited with *Donativo Hormiga* in 18 states: Mexico City, State of Mexico, Guerrero, San Luis Potosi, Sinaloa, Tamaulipas, Coahuila, Morelos, Nuevo Leon, Chihuahua, Yucatan, Tabasco, Michoacan, Jalisco, Veracruz, Puebla, Sonora and Queretaro

## Social development

### Red Social Azteca

Multi-action program aimed at linking civil society organizations with individuals who can provide direct or indirect assistance, mainly through goods and social and health services.

More than **1,700** civil society organizations registered in *Red Social Azteca*

**700** attendees at the *II Encuentro de Organizaciones Civiles de Red Social Azteca* in 2017

12<sup>th</sup> edition of the *Donativo Hormiga* ceremony; 1,000 donated items with a value of **\$2.7 million** pesos

**45** institutions benefited with direct deliveries

Strengthening of *Voluntariado Azteca*, formed by 20 members and more than **1,860** hours of volunteer work per person







### **Bancomunidad Azteca**

Through the *Centro de Desarrollo Comunitario Centéotl* –a non-profit organization working in benefit of marginalized society in Oaxaca since 1990– *Fundación Azteca* has granted microcredits to more than 4,500 low-income women in order to aid them in starting businesses that will improve their quality of life and that of their families.

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**\$4 million** pesos granted to 4,600 women  
in the *Bancomunidad Azteca* program

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### **Tocando Vidas**

This *Fundación Azteca* program, hosted by Esteban Moctezuma, presents life stories that inspire positive change for a better future.

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**38** episodes of “*Tocando Vidas*”  
broadcast in 2017

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## Salud

### **Parteras Profesionales (Professional Midwives)**

The program is aimed at training women for attending births in their communities, which are generally located in remote or isolated places with difficult access to public health services. Its objective is to help decrease mother-child mortality.

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6 female scholarships holders

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## The environment

**Limpiemos Nuestro México** - Due to the earthquakes that occurred in September, this activity was rescheduled to February 2018.

This *Fundación Azteca* program raises social awareness about the seriousness of waste pollution and the possible solutions for remedying this situation. It is the most important clean up drive in Mexico, and calls on companies, institutions, the government, the media, schools, unions, organizations and society in general to collaborate in a common cause with a clear objective: make Mexico cleaner and healthier.



“Desierto de los Leones Orgullosamente Limpio”: collection of 20 tons of solid waste in 26 clean-up workdays

- 35 environmental education workdays with 1,300 impacts
- 22 information tours and 10 activation sessions
- Upgrading to the new NADF-024-AMBT environmental standard on information about the four types of containers for waste separation
- 2 Environmental leaders and 250 volunteers



Recognition of winners of the contests that took place in 2016

Approximately **7** million volunteers in **140,000** brigades in the Clean-up Drive

**40 thousand** tons of waste collected in 4 hours

“Torreón Orgullosamente Limpio”:

- 1 Environmental education megadrive at the Bosque Urbano de Torreón (Torreón Urban Forest)
- 1 Clean-up mega drive
- 175 special activity volunteers and 200 brigade members in activities led by environmental leaders
- 550 volunteer hours

The program has been replicated in Guatemala with the name of *Limpiemos Nuestra Guatemala*; the campaign has an accumulated total of over one million volunteers, creating ecological and social awareness among the youth and children. The short-term objective is beginning *Limpiemos Nuestro Perú* and *Limpiemos Nuestra Colombia* campaigns.





### **¡Que Viva la Selva Lacandona!**

This initiative raises social awareness –especially in children– regarding the importance of preserving protected natural areas. *Fundación Azteca* contributes to stopping illegal logging, burning and destruction of the region through diverse productive projects and the drawing contest *¡Que Viva la Selva Lacandona!*.

Children between 9 and 15 years of age participate in the contest; winners have the chance of traveling to the Montes Azules Reserve in Chiapas, visiting the Lacandon Jungle and being instructed on importance of preservation of this natural protected area by 20 biologists, teachers and volunteers from *Natura y Ecosistemas Mexicanos, A.C.*, enabling them to become ambassadors and spokespersons.

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**40,500** drawings received

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**36** winning children traveled to the Lacandon Jungle:  
1 per state in Mexico, 1 from *Plantel Azteca* and 3  
from *Grupo Salinas*

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The program was implemented in Guatemala with the name *¡Que Vivan Nuestros Lagos!* and the winners will also visit the Lacandon Jungle



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With the funds raised in 2017, it was possible to buy more instruments for children of the orchestras; ensure treatment for 400 individuals and avoid transplanted organ rejection; buy 6,000 chair beds and 60 new ambulances; contribute to the rescue of the jaguar; support other 32 local causes in the country; and construct 400 houses in the wake of the September earthquakes.

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### ***Movimiento Azteca***

This is a social and environmental campaign carried out jointly with TV Azteca that calls on society in general to contribute to diverse organizations.

100 *Movimientos Azteca* (MOVA) have granted aid to 330 organizations and to more than 1.5 million people: boys, girls, young people, adults and senior citizens.

Due to the earthquakes that hit Mexico in 2017, the 100th MOVA took place in support of affected communities.

The following actions took place in 2017:

2 international contests, 1 national contest  
and 1 contest aimed at Grupo Salinas employees

4 exhibitions  
in Mexico City

Participation in  
24 international  
forums

Organization of  
9 contests and  
seminaries

Organization  
of 22 forums,  
presentations  
and conferences

Research in Mexico for the Index  
of Economic in North America  
and for the International  
Property Rights Index

Recording of  
18 television  
interviews with  
Liberals

Work with 49  
international  
and 23 national  
organizations

## Caminos de la Libertad

This is a Grupo Salinas social initiative that represents an important forum for the conveyance of the ideas and the principles of Grupo Salinas in Iberoamerica. It intends to influence national and international public opinion regarding issues such as the economy, the rule of law, free trade, individual and civil liberties, the fight against poverty, wealth creation, the social value of entrepreneurship, and fundamental human rights such as freedom of expression.

[www.caminosdelalibertad.com/](http://www.caminosdelalibertad.com/)



Since its beginnings, *La Ciudad de las Ideas* has achieved...

Reaching more than 32 million people audience through diverse communication media.	Drawing 36,000 attendees to its different festivals; among them, opinion leaders, business men, politicians, journalists, academics and students.	Making audiences reflect through paradigms that raise new ways of looking at the world.
Celebrating creativity, imagination and ingenuity in approximately 1,350 hours.	Creating close to 30 partnerships with universities, companies and government institutions.	

## La Ciudad de las Ideas

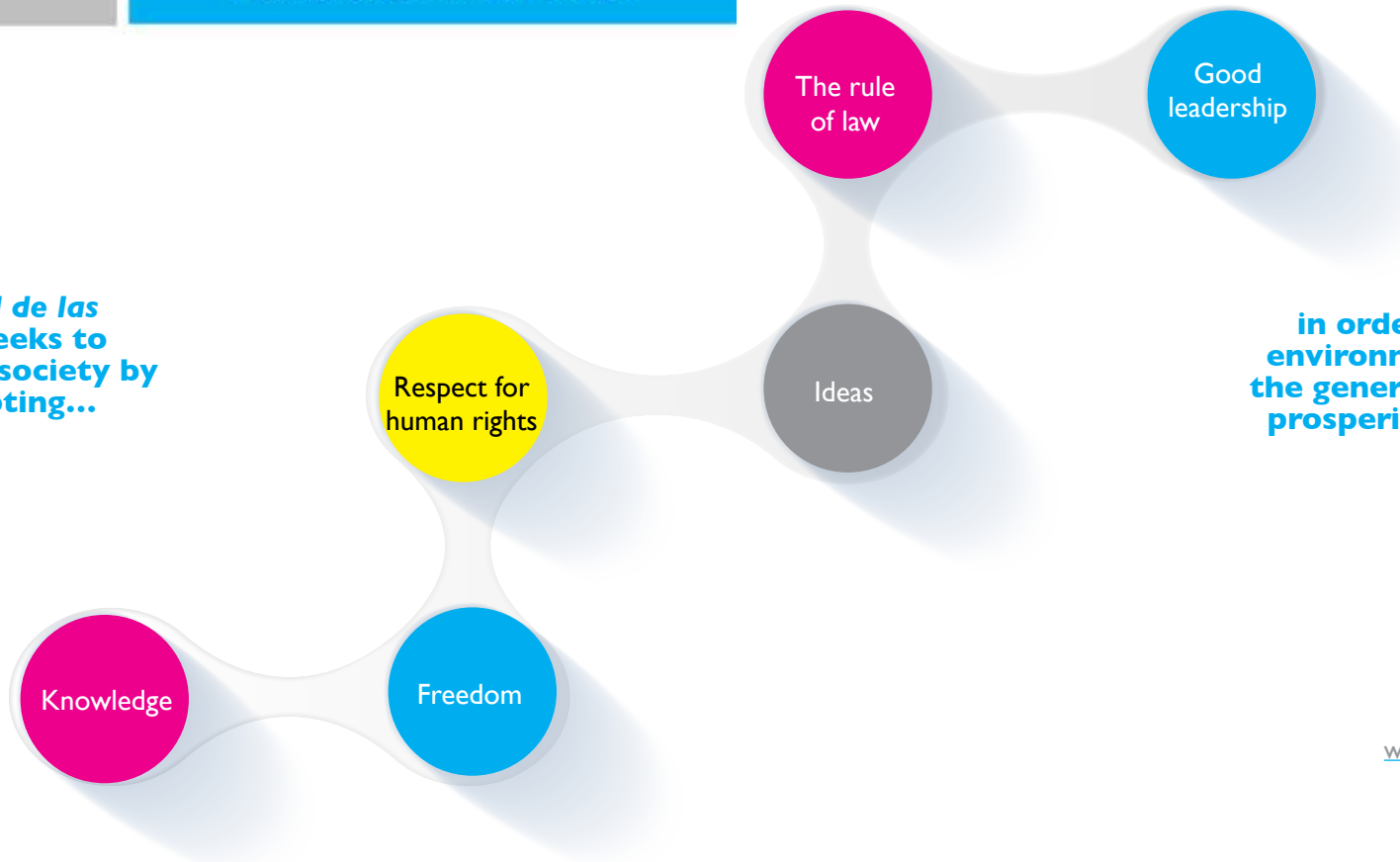
This is a festival that brings together the brilliant minds that are changing the world. Its objective is to empower society through knowledge and the celebration of creativity and human curiosity.

It stands out for highlighting talent and cultivating critical thought

through the dissemination of science, art, innovation, and all those tasks which are transforming international economic, social, environmental and cultural aspects.

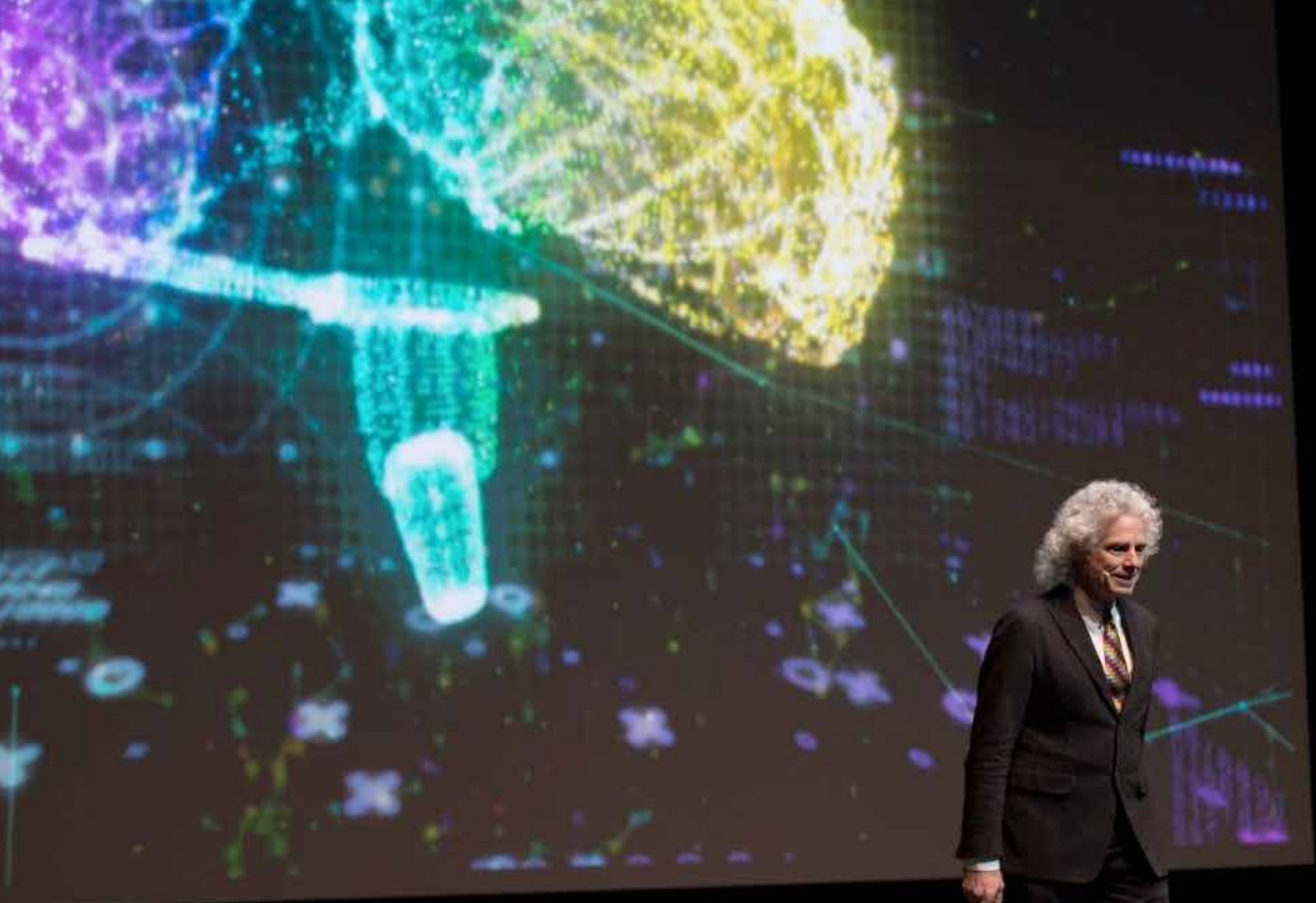
Approximately 60 speakers –scientists, humanists, and opinion leaders– participate in the forum. In parallel, it is also the stage for a cultural program that includes short films and artistic activities.

**Ciudad de las Ideas seeks to empower society by promoting...**



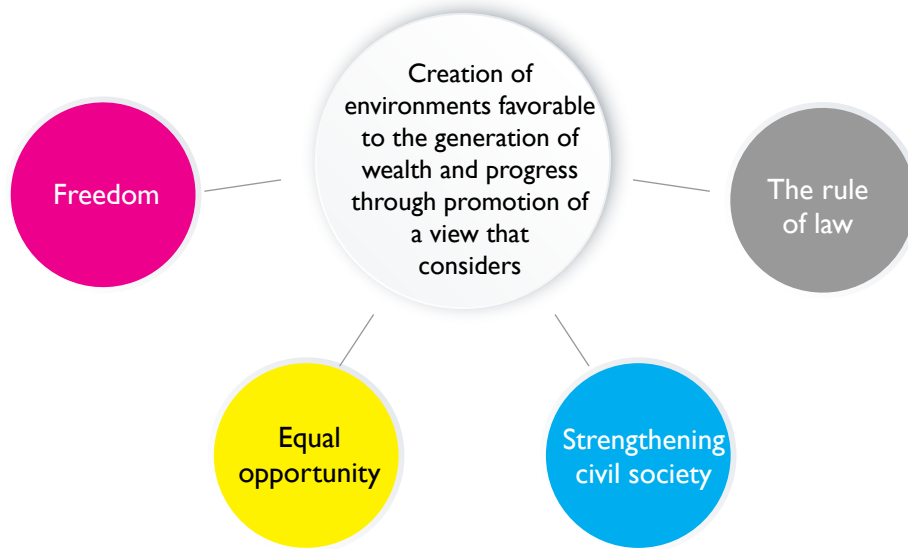
**in order to create an environment that favors the generation of inclusive prosperity and progress.**





# BEYOND X

X INTERNATIONAL FESTIVAL OF BRILLIANT MINDS



## Kybernus

This is a Grupo Salinas program created to share social value whose objective is to promote and disseminate the importance of excellence in leadership –vision, skills and ethics– in order to build environments that favor inclusive prosperity.

[www.kybernus.org](http://www.kybernus.org)

### 2017 Results



Through the celebration of 36 local and 5 regional forums with relevant actors of the 32 entities of the country



## *Fieles a la Causa*

The program began in 2014 to boost social responsibility campaigns implemented by the Atlas, F.C. soccer team and to raise social awareness of the importance of breast and prostate cancer prevention.

As part of the program, every year, Atlas, F.C. contributes economic resources to a grant trust fund in support of women who have been diagnosed with breast cancer. The grants include lodging, food, nutritional and psychological counseling for the patients and a family companion at the facilities of the Guadalajara Pink Cross.

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**73** grant beneficiaries since 2014

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In 2017, the program was complemented with two more initiatives. In the first, the women's team of Atlas, F.C. cut their hair to promote donations to the Guadalajara Pink Cross in benefit of women affected by breast cancer.

The second initiative recognized breast cancer survivors through a media campaign in which 11 women promoted the team's games, together with the players themselves, in order to raise awareness among fans about the illness.

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**100** mammograms donated every year since the start of the program in benefit of low-income women in order to detect or prevent breast cancer

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## Grupo Salinas disaster relief

2017 was a year of great challenges to the country. The earthquakes of September 7 and 19 shook the earth, stirred memories, and scarred a new generation. However, the hearts of Mexicans were also intensely moved.

These events caused severe damages in 15 states. Nevertheless, they turned into one more occasion to show that solidarity, unity and teamwork are distinguishing traits of the Mexican people in the face of adversity.

TV Azteca joined the tasks led by Grupo Salinas –both motivated by the generosity of their great teams and the human quality that characterizes both companies– in order to aid affected employees, inform audiences of the unfolding events and to channel relief to the places where it was most needed.



### **México está de pie**

Showing the solidarity that distinguishes them, both soccer teams, Atlas, F.C. and Monarcas Morelia, provided disaster relief for the victims of the September 19, 2017 earthquake.

Atlas, F.C. focused on aiding victims in the states of Morelos, Puebla and in Mexico City by organizing two food collection drives:

- The first one took place at their home field of Jalisco Stadium,

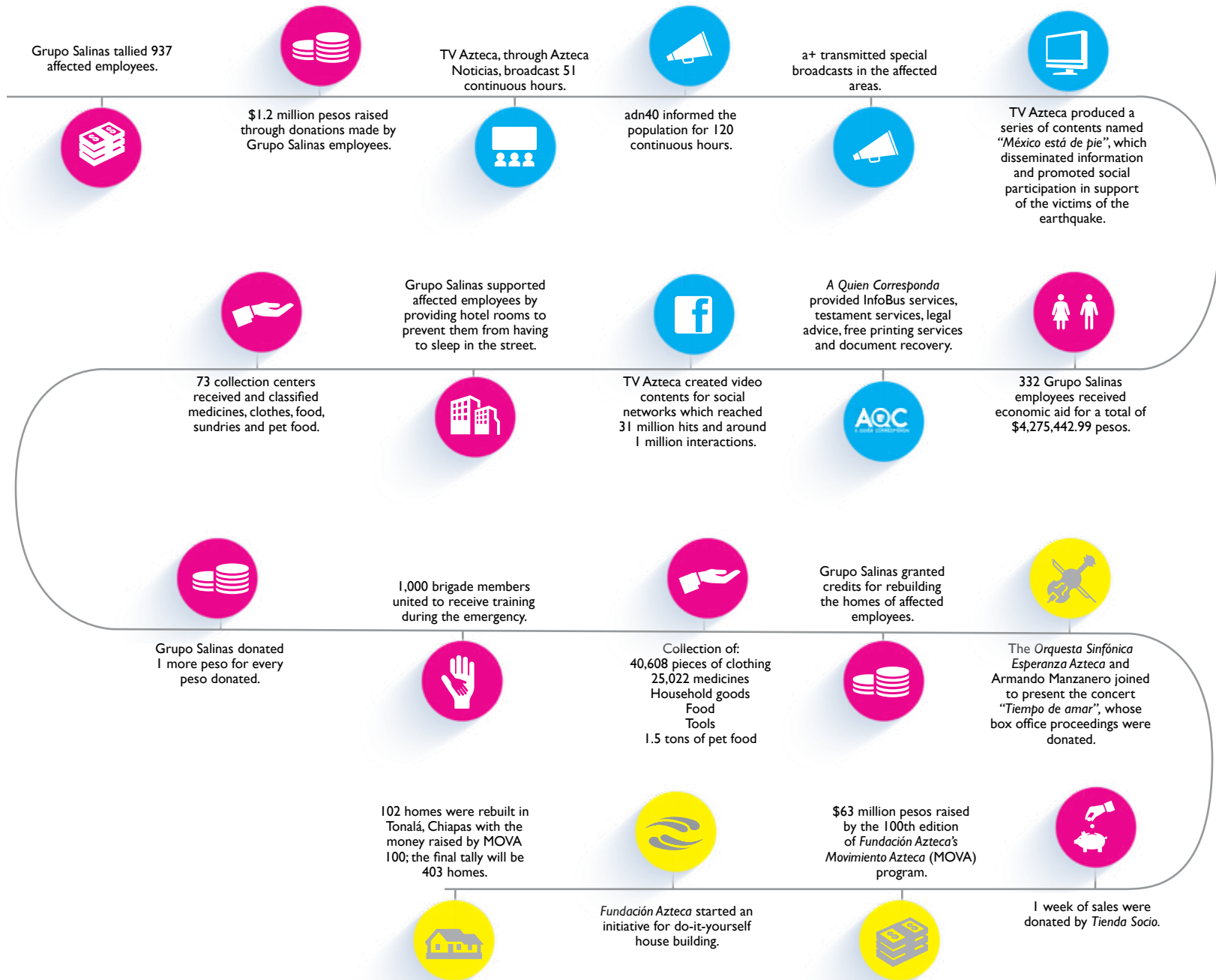
where hundreds of fans came together for the cause and managed to collect 70 tons of canned food, tools, medicines and other basic need articles in benefit of the victims.

- The second one, named “Clásico por México”, brought Atlas FC and the Guadalajara soccer team together at a commercial mall for a fan autograph and photograph signing session in exchange of food for the victims: the collected aid was sent

to the Pink Cross collection centers in Mexico City and Morelos.

On the other hand, members of the first division and junior teams of Monarcas Morelia, together with the state DIF, participated in a food drive for the victims of the earthquake. In addition, part of the box office receipts of a match between Monarcas and Necaxa, were also donated to the victims.





ENVIRONMENTAL  
VALUE

**COMMITMENT**



## ENVIRONMENTAL VALUE

### COMMITMENT

Monitoring the behavior of group or individual consumption of the buildings in a specific period of time.

Follow-up of the activities and objectives established by the Area.

Manual data collection by the people in charge of each building.

Generation of notifications and alarms of consumption-related events.

Approximately **\$1.6 million** pesos invested by TV Azteca on improvements to the conservation of the environment in 2017

TV Azteca strongly believes that for generation of environmental value, together we are strong and strong we are the future. Thus, recognizing the importance of natural resources, it designs actions to decrease the impact of the environment and to expand opportunities for present and future generations.

### Responsible management

102-11

In order to achieve proper management of the processes aimed at mitigating environmental impact, Grupo Salinas has created the Energy and Environment Area –a unit specialized in energy efficiency and environmental matters which provides strategic solutions such as technological, innovation and applied research projects. The area also ensures compliance with environmental regulations to guarantee optimal use of natural resources and contributes to profitability of the business.

In consequence, the Energy and Environment Area designed the Energy Management System (EMS) as a key technological tool for the analysis of electricity consumption, since it contains information about the electricity consumption of the Group's companies; its objective is to prepare specific diagnoses for each building. Among the benefits of the platform are:

### Energy

GRI 302, 307: 103-1, 103-2, 103-3

Due to the fact that electricity is one of the main inputs necessary for the operations of TV Azteca, the company is subject to diverse standards that guarantee the safety of its employees and work center processes, as well as of the efficient use of electricity; among these:

- NOM-001-SEDE-2012, Electric installations (use).



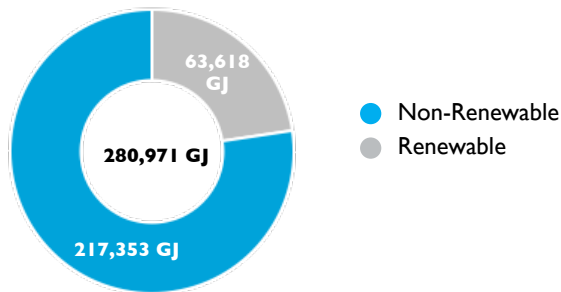
302-1

In 2017, **28%** of the energy consumed by TV Azteca derived from renewable sources

302-4, 302-5

**2.3 Gigawatts-hour (GWh)**, decrease in the consumption of electricity by TV Azteca in 2017 derived from energy efficiency initiatives, equal to savings of \$4.3 million pesos in the year

### TV Azteca Energy consumption (Gigajoules)



Notes.

- GJ means Gigajoules.
- The distribution of consumption of non-renewable energy by source is: 45.8 Gigawatts-hour (GWh) of electricity; 1,512,687 liters of gasoline; 10,562 liters of diesel; 15,679 liters of LP Gas; and 952 m<sup>3</sup> of natural gas.
- The distribution of renewable energy consumption by sources is: 17.7 Gigawatts-hour (GWh) of electricity, of which 11.9 GWh are aeolian energy and 5.8 GWh geothermal.

- NOM-030 y 031-ENER-2012, Energy efficiency and minimum parameters for LED lighting.
- NOM-025-STPS-2008, Lighting conditions of work centers.
- NMX-AA-164-SCFI-2013, Minimum environmental criteria for sustainable buildings.

To ensure standard compliance, the Energy and Environment Area permanently monitors TV Azteca's operations through different processes such as:

- Monthly analysis of electricity consumption in order to obtain a comparison against historical consumption.
- Energy audits of the most representative buildings in order to enable design of environmental mitigation programs.

For the calculation of energy consumption, TV Azteca relies on the international protocol designed by the Efficiency Valuation Organization (EVO), whose objective is to measure and guarantee energy savings, reduce costs and systematize the process for measurement and verification of energy performance.

302-1

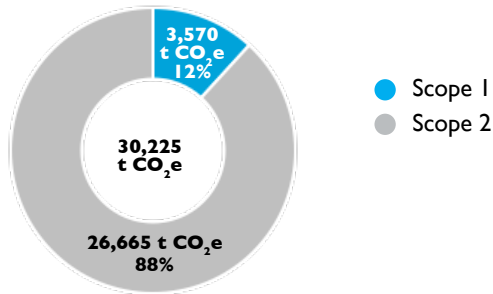
**63.5 Gigawatts-hour (GWh)** of electricity consumed by TV Azteca in 2017

302-3

**0.267 Gigawatts-hour (GWh)** of electricity consumed by each location in 2017, a decrease of 67% with respect to the previous year

In 2017, the composition of TV Azteca's greenhouse gas emissions was as follows:

**TV Azteca**  
**Greenhouse gas emissions**  
 (tons of equivalent carbon dioxide)



Notes.

- Direct emissions are composed by carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O).
- In 2017, TV Azteca emitted 3,433 tons of CO<sub>2</sub>e biogenic carbon dioxide.

**156 tons** of CO<sub>2</sub>e emitted per site in 2017 (scope 1 and 2), reduction of 49% with respect to the previous year

**Emissions**

GRI 307: 103-1, 103-2, 103-3

In compliance with the provisions in the General Law for Climate Change, every year TV Azteca prepares a National Emissions Registry in order to aid in the achievement of the international objectives set by Mexico regarding its decrease of emissions: 30% by the year 2025 and 50% by 2050.

This report incorporates carbon dioxide (CO<sub>2</sub>) and greenhouse gas levels since most of TV Azteca's emissions derive from energy consumption required by the operations. In addition it is a tool that permits identifying the main sources of the company's emissions in order to establish programs for reducing consumption and mitigating environmental impact.

Thus, based on an operational control approach, the National Emissions Registry is the methodology used by TV Azteca to calculate emissions, whereas the emission factors used are the indexes published by the *Secretaría de Medio Ambiente y Recursos Naturales* (SEMARNAT).

Due to the initiatives for optimization of energy consumption established by TV Azteca such as the substitution of conventional equipment for high-efficiency equipment, increase in the consumption of renewable energies (aeolian and geothermal), and the reinforcement of energy saving measures applicable to headquarters and the rest of the locations, the company stopped the emission of 1,339 t CO<sub>2</sub>e in 2017.

**Water**

By reaching millions of people TV Azteca continues seizing the opportunity to raise social awareness concerning responsible use of water, educate its employees and strengthen actions that save and care for water.



306-5

Based on TV Azteca's environmental policy and the nature of the business, there are no water sources affected by consumption overexploitation or by discharges of contaminating substances.

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**73,408 m<sup>3</sup>** of water consumed  
by TV Azteca in 2017\*

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\* Measurement of TV Azteca's water consumption is done considering real consumption at the five TV Azteca corporate sites, the calculation of days of operation at serviced stations (national network) and at TV Azteca local affiliates, as well as the number of employees and the number of buckets of water per day used for cleaning in order to find the number of total cubic meters.

## Materials

Given the nature of the business, the materials used by TV Azteca in its operation are mostly lighting items:

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Almost **90 tons** of materials purchased\* by TV Azteca in 2017; 29% of them paper and 5% printing toner

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Within the scope of the Procurement Area is acquiring equipment and materials that comply with the highest efficiency standards in benefit of the environment; for example:

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**24** air conditioning items and 1,420 lighting items purchased\* by TV Azteca in 2017

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\* Note. Data supplied by the Central de Compras of Grupo Salinas. Purchased consumables were not necessarily used in their entirety in 2017.

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**15 tons** of waste recovered  
from the *Juguetón* event

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## Waste

GRI 306, 307: 103-1, 103-2, 103-3

In compliance with the internal manual for classification of solid waste and the NADF-024-AMBT-2013 environmental standard, TV Azteca maintains an on-going waste separation program at all corporate offices considering four waste categories: organic, inorganic, recyclable and hazardous.

In 2017, TV Azteca broadcast messages which addressed environmental issues and also started a campaign to promote comprehensive waste management.

306-4

It should be noted that the elimination of solid waste is done through external companies authorized to carry out the collection, transportation and disposal of waste into landfills, and who at the end of the process release a manifesto that gives evidence of proper handling methodology.

306-2

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Almost a million and a half tons of waste were generated by  
TV Azteca, of which approximately  
**19 tons**  
were sent out for recycling

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**14 tons** of hazardous waste were generated; its  
disposal was carried out through external parties authorized  
for handling this type of waste

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## ABOUT THIS REPORT

102-50

TV Azteca is pleased to present its 5th Sustainability Report, showing the results of the economic, social and environmental performance of the operations of TV Azteca, S.A.B. de C.V. for the period between January 1 and December 31, 2017.

102-49, 102-54

TV Azteca carries out a process of permanent improvement; thus, for the first time, this report has been prepared following the Global Reporting Initiative (GRI) Guide: essential option, and continues to report the information regarding the Media Sector Supplement (MSS).

102-45

The scope of the information corresponds to operations in Mexico, Guatemala, Honduras, Peru and the United States, whenever possible. It should be noted that at the end of 2017 TV Azteca announced that in accordance to the strategic approach of the company –which concentrates on solid media operations in Mexico and on maximizing profitability– it had sold the assets of Azteca America to HC2 Network Inc. As a result of the sale, Azteca

América no longer consolidates its results into the financial statements of TV Azteca, only registering its net results for this and previous periods as discontinued operations.

In the case of environmental data, information corresponds to Mexico only.

Figures herein are reported in Mexican pesos (MXN/ MN), unless otherwise noted.

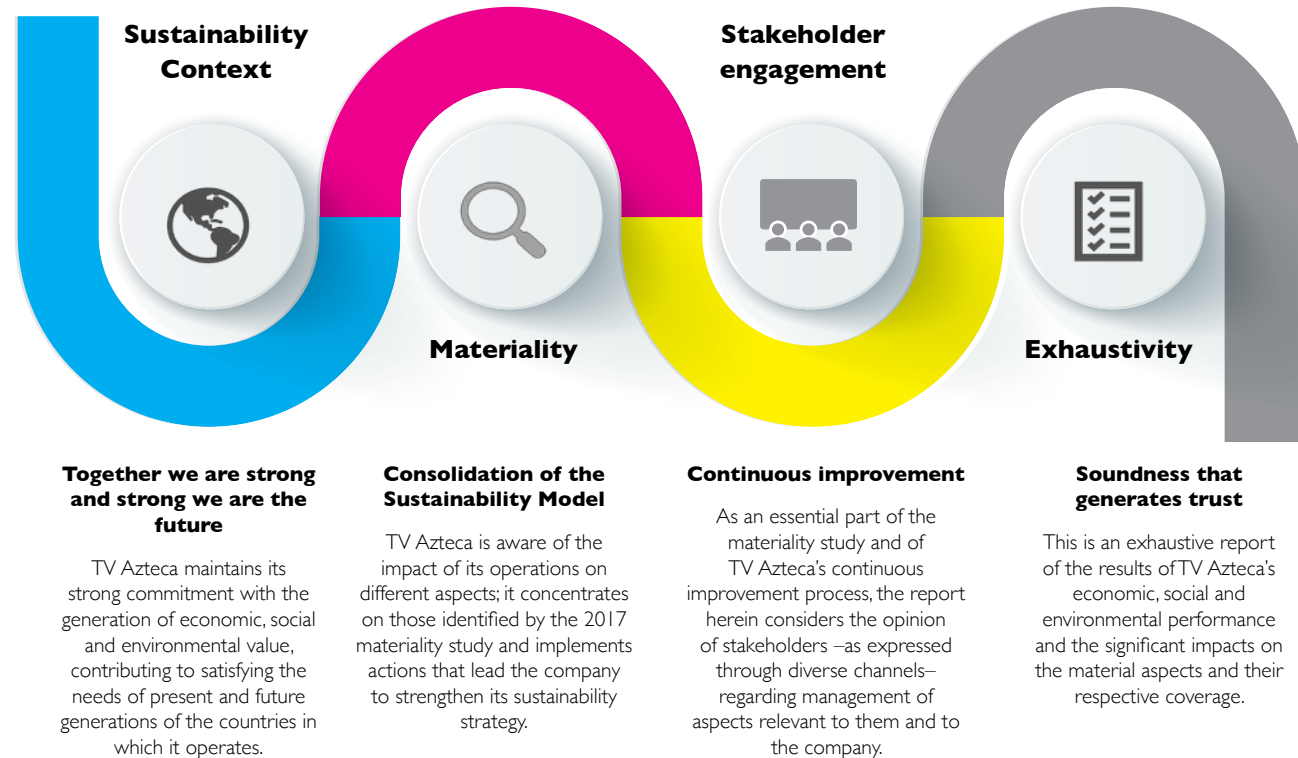
102-48

Due to changes in the operations of TV Azteca in 2016 and 2017, there is re-statement of data:

- Net sales 2016. The amount \$14,197 million pesos was reported in the previous year, while this report is modified to report \$12,410 million pesos due to the fact that the Colombia was deconsolidated in 2016.
- Costs 2016. The 2016 Sustainability Report reported \$8,988 million pesos, while this report is modified to report \$8,312 million pesos in compliance with the principle of comparability, given that deconsolidation of Azteca America was done in 2017.

## PRINCIPLES FOR THE PREPARATION OF THIS REPORT

TV Azteca's 2017 Sustainability Report is a clear, balanced, comparable, accurate, timely and reliable communication piece which fully complies with the principles established by the Global Reporting Initiative (GRI) to determine its content and quality in accordance to the following:



### Comparability

The information and comparisons presented allow stakeholders to examine the evolution of TV Azteca's performance and enables their analysis against the performance of other companies.



### Timeliness

TV Azteca publishes its Sustainability Report every year in compliance with the principle of transparency and to provide its stakeholders with the data necessary for well-informed decision-making.



### Balance

TV Azteca provides a well-supported reference which facilitates understanding of its performance, reporting in an objective way the positive and negative aspects of its management process



### Reliability

In accordance to TV Azteca's corporate culture and the ethical principles that govern its operations, the company provides its stakeholders with certainty regarding the data presented in the report through its internal data verification.

### Accuracy

TV Azteca provides its stakeholders with qualitative and quantitative information which is accurate and enough to evaluate the performance of the company.



### Clarity

The information is expressed in terms clear and easy to understand to stakeholders who have a reasonable knowledge of TV Azteca and its industry sector.

# GRI CONTENT INDEX 102-55

GRI Standard	Disclosure	Page / Direct Response	Omission	
General Disclosures				
GRI 102: General Disclosures 2016	Organizational profile			
	I02-1	Name of the organization	5	
	I02-2	Activities, brands, products, and services	5-6, 9	
	I02-3	Headquarters location	113	
	I02-4	Location of operations	5	
	I02-5	Ownership and legal form	5	
	I02-6	Markets served	5	
	I02-7	Organization Size	6, 25	
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	I02-12	External initiatives	76-95	
	I02-13	Associations memberships	23	
	Strategy			
	I02-14	Statement from senior decision-maker	11-12	
	I02-15	Key impacts, risks, and opportunities	11-12	
	Ethics and integrity			
	I02-16	Values, principles, standards, and norms of behavior	34-37	
	I02-17	Mechanisms for advice and concerns about ethics	38-41	
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	I02-18	Governance structure	27	
	I02-19	Delegating authority	27	
I02-20	Executive-level responsibility for economic, environmental, and social topics	29		
I02-21	Consulting stakeholders on economic, environmental, and social topics	27		
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I02-23	Chair of the highest governance body	27		



GRI Standard	Disclosure		Page / Direct Response	Omission	
GRI 102: General Disclosures 2016	I02-24	Nominating and selecting the highest governance body	28		
	I02-25	Conflicts of interest	30		
	I02-26	Role of highest governance body in setting purposes, values, and strategy	31		
	I02-27	Collective knowledge of highest governance body	27		
	I02-28	Evaluating the highest governance body's performance	28		
	I02-29	Identification and management of economic, environmental and social impacts	30		
	I02-30	Efficiency in the risk management process	30		
	I02-31	Evaluation of economic, environmental, and social topics	30		
	I02-32	Highest governance body's role on sustainability report	All areas participate in approving the Sustainability Report; the Sustainability area, inside Investment Relation area, meanwhile carries out a permanent monitoring of the process.		
	I02-33	Communicating on critical concerns	28		
	I02-34	Nature and total number of critical concerns	No critical concerns existed during the reporting period.		
	I02-35	Remuneration policies	30		
	I02-36	Process for determining remuneration	30		
	I02-37	Stakeholders' involvement in remuneration	30		
	I02-38	Annual total compensation ratio	-	For security reasons, this information is confidential.	
	I02-39	Percentage increase in total annual compensation ratio	-	For security reasons, this information is confidential.	
	<b>Stakeholder engagement</b>				
	I02-40	List of stakeholder groups	15-16		
	I02-41	Collective bargain agreements	55		
	I02-42	Identifying and selecting stakeholders	15-16		
I02-43	Approach to stakeholder engagement	15-16, 17			
I02-44	Key concerns and topics raised	19-20, 38-41, 61-62			
<b>Reporting practice</b>					
I02-45	Entities included in the consolidated financial statements	102			

GRI Standard	Disclosure		Page / Direct Response	Omission
	I02-46	Defining report content and topic Boundaries	22	
	I02-47	List of material topics	22	
	I02-48	Restatements of information	102	
	I02-49	Changes in reporting	102	
	I02-50	Reporting period	102	
	I02-51	Date of most recent report	2016	
	I02-52	Reporting cycle	Annual	
	I02-53	Contact point for questions regarding the report	113	
	I02-54	Claims of reporting in accordance with the GRI Standards	102	
	I02-55	GRI content index	105-112	
	I02-56	External assurance	All data in the report herein is reviewed internally, foregoing external verification.	
<b>Material topics</b>				
<b>Corruption, Bribery and Transparency</b>				
GRI 103: Management Approach 2016	I03-1	Explanation of the material topic and its Boundary	38	
	I03-2	The management approach and its components	38	
	I03-3	Evaluation of the management approach	38	
GRI 205: Anti-corruption 2016	205-1	Evaluated operations for risks related to corruption	38	
	205-2	Communication and training about anti-corruption policies and procedures	38	
	205-3	Confirmed incidents of corruption and actions taken	No confirmed cases of corruption existed in the reporting period.	
GRI 103: Management Approach 2016	I03-1	Explanation of the material topic and its Boundary	23	
	I03-2	The management approach and its components	23	
	I03-3	Evaluation of the management approach	23	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No anti-competitive or monopolistic incidents existed in the reporting period.	

GRI Standard	Disclosure		Page / Direct Response	Omission
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23	
	103-2	The management approach and its components	23	
	103-3	Evaluation of the management approach	23	
GRI 415: Public Policy 2016	415-1	Political contributions	In compliance with the law, TV Azteca does not contribute in any way to political parties or representatives.	
<b>Environmental Policies / Environmental Management System</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	97-98	
	103-2	The management approach and its components	97-98	
	103-3	Evaluation of the management approach	97-98	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	98	
		Energy intensity	98	
	302-4	Reduction of energy consumption	98	
	302-5	Reducción de los requerimientos energéticos de productos y servicios	98	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	97-99, 101	
	103-2	The management approach and its components	97-99, 101	
	103-3	Evaluation of the management approach	97-99, 101	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Due to TV Azteca's full compliance with environmental laws, there were no violations of the standards in the reporting period.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45	
	103-2	The management approach and its components	45	
	103-3	Evaluation of the management approach	45	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that have passed selection filters in accordance to the environmental criteria	45	
<b>Waste Management</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	101	
	103-2	The management approach and its components	101	
	103-3	Evaluation of the management approach	101	

GRI Standard	Disclosure		Page / Direct Response	Omission
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	101	
	306-3	Significant spills	Given the nature of the business, there are no significant spills.	
	306-4	Transport of hazardous waste	101	
	306-5	Water bodies affected by water discharges and/or runoff	100	
<b>Talent attraction and retention</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	54	
	103-2	The management approach and its components	54	
	103-3	Evaluation of the management approach	54	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	54	
		Benefits provided to full-time employees that are not provided to temporary or part-time employees	59	
	401-3	Parental leave	5 women exercised their right to maternity leave in 2017. 100% of them returned to work once the maternity period ended and still kept their job a year after their return.	
<b>Human Capital Development</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	56-58	
	103-2	The management approach and its components	56-58	
	103-3	Evaluation of the management approach	56-58	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	58	
		Programs for upgrading employee skills and transition assistance programs	57 Retirement plans are carried out in accordance to the law, and in compliance with the number of weeks of contribution registered by Instituto Mexicano del Seguro Social (IMSS).	
	404-3	Percentage of employees receiving regular performance and career development reviews	57 100% of trained employees undergo performance evaluations based on the courses they were imparted.	
<b>Diversity and Equal Opportunity</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45, 54-55	
	103-2	The management approach and its components	45, 54-55	
	103-3	Evaluation of the management approach	45, 54-55	

GRI Standard	Disclosure		Page / Direct Response	Omission
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity in governance structure and employees	55	
	405-2	Ratio of basic salary and remuneration of women to men	Men's salaries are 27.9% superior to women's.	
<b>Human Rights</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45, 54-55	
	103-2	The management approach and its components	45, 54-55	
	103-3	Evaluation of the management approach	45, 54-55	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	No cases of discrimination were reported in the period.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45, 54-55	
	103-2	The management approach and its components	45, 54-55	
	103-3	Evaluation of the management approach	45, 54-55	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	"Operations and suppliers in which the right to freedom	No operations or suppliers exist under which there is a risk to freedom of association or collective bargaining.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45	
	103-2	The management approach and its components	45	
	103-3	Evaluation of the management approach	45	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	No operations or suppliers exist under which there is a risk of child labor being involved.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45	
	103-2	The management approach and its components	45	
	103-3	Evaluation of the management approach	45	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No operations or suppliers exist under which there is a risk of forced labor being involved.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	45	
	103-2	The management approach and its components	45	
	103-3	Evaluation of the management approach	45	



GRI Standard	Disclosure		Page / Direct Response	Omission
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	45	Procurement processes require evaluations of the impact of suppliers on human rights. TV Azteca does not make internal evaluations.
	412-2	Employee training on human rights policies or procedures	35	
	412-3	Significant investment agreements and contracts that include human rights clauses or that are under human rights evaluation	45	
<b>Social Impact</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	68, 76-77	
	103-2	The management approach and its components	68, 76-77	
	103-3	Evaluation of the management approach	68, 76-77	
"GRI 203: Indirect Economic Impacts 2016"	203-1	Infrastructure investments and services supported	26	
		Significant indirect economic impacts	68, 76-95	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	68, 76-77	
	103-2	The management approach and its components	68, 76-77	
	103-3	Evaluation of the management approach	68, 76-77	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	68, 76-87	
	413-2	Operations with significant actual and potential negative impacts on local communities	68, 76	
<b>Products and Services Development / Customer Relations Management</b>				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	36-37, 47-52	
	103-2	The management approach and its components	36-37, 47-52	
	103-3	Evaluation of the management approach	36-37, 47-52	
"GRI 416: Customer Health and Safety 2016"	416-1	Assessment of the health and safety impacts of product and service categories	37, 52	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No cases of violations regarding impact on client and audience health and safety existed in the reporting period.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	47-50, 52	
	103-2	The management approach and its components	47-50, 52	
	103-3	Evaluation of the management approach	47-50, 52	

GRI Standard	Disclosure		Page / Direct Response	Omission
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	36, 46	
	417-2	Incidents of non-compliance concerning product and service information and labeling	No non-compliances by advertising or content information distributed by TV Azteca existed in the reporting period.	
	417-3	"Incidents of non-compliance concerning	No non-compliances by advertising or content information distributed by TV Azteca existed in the reporting period.	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	36-37	
	103-2	The management approach and its components	36-37	
	103-3	Evaluation of the management approach	36-37	
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Due to TV Azteca's full compliance with applicable laws, no social or economic violations existed in the reporting period.	
MSS Economic Performance	M1	Significant funding and other support received from non-governmental sources	TV Azteca does not receive any financing from any non-government sources.	
MSS Content Creation	M2	Methodology for assessing and monitoring adherence to content creation values	36-37, 47	
	M3	Actions taken to improve adherence to content creation values, and results obtained	36-37, 48	
MSS Content Dissemination	M4	Actions taken to improve performance in relation to content distribution issues (accessibility and protection of vulnerable audiences and informed decision making) and results obtained	36-37	
	M5	Number and nature of responses (feedback/complaints) related to content distribution, including protection of vulnerable audiences, informed decision making and accesibility, and process for addressing these responses	36-37	
MSS Audience Interaction	M6	Methods to interact with audiences and results	42, 47, 49-50	
MSS Media Literacy	M7	Actions taken to empower audiences through media literacy skills development and results obtained	42, 49-50	

## CONTACT

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