



THE
POWER
OF
ACTION

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RESULTS 2020

102-7, 102-13

We started operations of **“M” Tower**, Mitikah, with an occupancy rate of 83.4%.

10,720,998 sqm of GLA.

We retrofitted four office properties:

Torre Mexicana

Torres Adalid

Insurgentes Sur 476

Insurgentes Sur 1811

Torre Mayor

FUNO® chairs the **Sustainability Committee** of the Mexican Association of FIBRAs (AMEFIBRA).

We have a **long-term contract** with the world’s leading logistics provider. We build a **stand alone-build to suit** warehouse.

646 operations.

MXN \$19,193.2 million, total income.

Torre Mexicana



ECONOMIC VALUE DISTRIBUTED TO STAKEHOLDERS



FUNO® Center



972 EMPLOYEES

MXN\$241.6 million invested¹
in human capital.



790 SUPPLIERS AND CONTRACTORS

Approximately **MXN\$1,107 million of economic spillover** through suppliers and contractors.



163 GOVERNMENT INSTITUTIONS



14 FINANCIAL INSTITUTIONS



3,872,415,403 CBFIs ON CIRCULATION

MXN\$3,824.4 million distributed
to CBFIs holders.



**MXN\$58.1 MILLION DONATED FOR
THE BENEFIT OF COMMUNITIES**

94 supported organizations and foundations²

50 in kind donations, equivalent to
MXN\$4.4 million pesos

Total beneficiaries of our social responsibility
activities³

• **15,125 direct** beneficiaries

• **Approx. 814,477 indirect** beneficiaries

¹ Including salaries, benefits, variable compensation, training, among other concepts.

² The number of organizations supported includes both the organizations benefited by FUNO's social responsibility initiatives, as well as the organizations with which we collaborate to jointly execute social impact initiatives.

³ Beneficiaries' breakdown:

- Direct: 5,109 from in-kind donations; 5,320 from social initiatives in properties; and 4,696 from financial donations.

- Indirect: 814,377 from in-kind donations and 100 from financial donations.

PRESENTATION



MESSAGE FROM OUR CEO

GRI 201: 103-1, 103-2, 103-3
102-14, 102-15, 201-1

Dear Investors and Employees,

As I have mentioned previously, the existence of a crisis is natural in every economic cycle; however, the COVID-19 Pandemic and its impacts on economy represent an unprecedented crisis at the modern age. This contingency tested our business model, in which we consider the ESG risks, and it is a great satisfaction to assure you, that our commitment with sustainability yielded positive financial and operating results.

By the end of 2020, FUNO's total income was 0.02% higher than the amount achieved the previous year, while the operating margin remains close to 87.4%. Our leasing area reached 10.7 million sqm, with a total consolidated occupancy of 93.1%.

Even when the context affected our income, the business model of FUNO—which by definition is to create sustainable long-term value—the strength and resilience characterizing FUNO, allowed us to face it efficiently and seize opportunities.

This strength is the result of the combination of several factors: The unique and unrepeatable location of our properties; the caution characterizing our financial strategy and the competitiveness of our rents, as well as our focus on tenants, together with an increasingly solid and close relationship with them. All

of this is based on the broad experience and knowledge of the leaders who guide us to continue with sustained growth.

However, diversification continues to be one of FUNO's key strengths, from the geographic and strategic point of view of our properties, due to the number and type of customers, together with the variety of segments and industries to which our tenants belong. It was this competitive advantage that allowed

S&P included FUNO® in the *Sustainability Yearbook*, a document that recognizes companies in the top global 15% for its good practices on ESG matters.

us to achieve satisfactory results, mainly due to the dynamism, stability, and sound performance of the industrial segment, since in addition to the fact that this segment was strengthened by the acquisition of the properties in the Titán portfolio at the end of 2019, a significant number of our tenants in this segment manufacture or distribute essential products, so their activities did not diminish during the contingency.

I am very pleased to report that, despite the complexity of the context, we were able to successfully complete a USD\$650 million placement of unsecured bonds in the international market, with an over-subscription of 3.4 times the book and the consequent surpassing of the initial target amount of USD\$500 million. This confirms the strength of our credit value and business model, as well as the investors' trusts in Mexico and FUNO®.

We continue to strengthen our sustainability strategy and maintain our commitment to the 10 Principles of the United

This contingency tested our business model, where we considered the ESG risks, and it is a great satisfaction to assure that our commitment with sustainability yielded positive financial and operating results.

Nations Global Compact. The focus in the management of ESG aspects has led us to keep our position as sector leaders and to obtain satisfactory results, thus becoming part again of the DJSI MILA, DJSI Emerging Markets, and FTSE4Good; furthermore, we became members of the S&P/BMV Total Mexico ESG Index, the latest in the Global ESG Index family of S&P DJI.

Additionally, in 2020 and in line with our vision not only as investment recipients, but as responsible investors, FUNO® became signatory of the Principles for Responsible Investment (PRI); we adopted the TCFD recommendations on fi-

nancial risks related with climate, and we joined the Green Finance Advisory Board (CCFV, for its Spanish acronym) in the request for climate risks disclosure to public issuers.

The situation we went through on 2020 will bring several challenges in the near future; however, the culture of prevention that characterizes us, the effort and dedication of our employees, as well as the trust that investors, tenants and suppliers place in FUNO® will be the elements that will allow us to meet our goal of returning to normal and safe operations of our properties -as far as possible and in accordance with the provisions that may arise- and recover the occupancy levels we had prior to the contingency.

Let's continue to work together to materialize the power of action in FUNO®.

One of our main achievements on 2020 was the creation of a positive NOI and an operational flow of MXN\$14,925.9 million.

We achieved a successful placement of unsecured bonds at the international market for USD\$650 million.

André El-Mann
CEO of FUNO®

MESSAGE FROM OUR DEPUTY CEO

GRI 413: 103-1, 103-2, 103-3
102-14, 102-15

To All Our Stakeholders,

It is a pleasure for me to share with you the results of FUNO® at the close of the fiscal year 2020, which even with the complexity of the setting derived from the global sanitary crisis, were favorable and reason for satisfaction for our FIBRA.

2020 was the year when we consolidated our relationship with our stakeholders as consequence of our resilience.

2020 was the year in which we strengthened our relationship with stakeholders, by virtue of the development of different

actions as a consequence of our resilience. But it was also the year in which our operating and financial results were compromised, mainly due to the restrictions imposed by authorities for activities categorized as non-essential, a measure taken to prevent the spread of the virus, which implied the minimum affluence of employees and visitors to our properties, therefore impacting rental income.

This made it difficult for our tenants to generate income and comply with their contractual obligations, so our reach out to them was key. In addition to competitive rents, the personalized attention we provided to tenants to offer them tailor-made support plans-such as discounts, deferrals or contract term

extensions- based on the nature of their business and needs, were actions that allowed us to mitigate financial risks-such as the impact on cash flow and an increase in the delinquency rate-as well as to maintain a minimum level of vacancies.

Our most important asset is our employees and, since the beginning of the contingency, we deployed several actions to warrant their integral well-being. Thus, part of our team worked from home, while maintenance personnel and those whose presence was required in the buildings or offices continued to perform their work with all the safety and hygiene measures.

Ensuring full employment of our collaborators in the best conditions is our priority, so I am proud to announce that there were no reductions in personnel or a cut to their benefits and compensations; on

the contrary, we were in a position to, as far as possible, recognize their effort through performance bonuses.

In addition, we paid our suppliers in full, maintained our investors' peace of mind, and paid out dividends to our shareholders. All of this was possible thanks to a key element in FUNO®'s strategy: financial prudence. Thus, in order to guarantee liquidity, further strengthen our balance sheet and preserve capital in times of uncertainty, we decided to withdraw 50% of the committed revolving credit line linked to sustainability, renewed in 2019 with a five-year maturity. This represented MXN\$6,750 million and USD\$205 million that we kept in cash; that is, we anticipated to ensure the continued and stable operation of our business over time, but we did not use the resources and decided to pay it by the end of the year.

In January 2020 we received the acknowledgement “2019 Deal of the Year”, granted by the Magazine LatinFinance to our compromised revolving credit line related with sustainability in the category “Financial Innovation of the year”.

It was also a fruitful year for FUNO® Foundation since we allocated MXN\$58.1 million pesos to social support. We are aware that during this contingency, the social needs were exacerbated, and our commitment was, to double efforts to support the communities in which we operate, as a way to retribute for what they give to us. We donated an ambulance, provided support for accommodation for medical personnel and physicians, granted a perpetual scholarship to the *Instituto Tecnológico y de Estudios Superiores de Monterrey* (ITESM), and created spaces for the well-being of communities, such as FUNO® Center, among other actions.

However, we know that the impacts of this contingency will continue in the near future, and we have the capacity to help and contribute even more; our goal is to extend

the social, geographical, and population scope of the FUNO® Foundation.

All of the above is just a sample of the relevance of FUNO®'s focus on sustainability. We will continue to grow as a driver of opportunities for our communities, tenants and suppliers, to consolidate our position as a world-class company and maintain our position as a benchmark in the sector, meeting the highest global standards and the demands of our investors.

We are convinced that 2021 will be a productive year of greater intensity, participation and collaboration. Thank you for your trust.

Gonzalo Robina
Deputy CEO of FUNO®



FUNO® Headquarters

WE ARE FUNO®



CREATION OF SUSTAINABLE VALUE

102-2, 102-4, 102-5, 102-6, 102-7

Business Model



GOAL

Create sustainable value over time



Location, location, location with high-quality assets



Exceptional and diversified portfolio



Competitive prices



High occupancy levels



Tenants' quality



Prudent financial strategy



Long-term trust, 100% of Real Estate



Ethics



Corporate social responsibility



Human capital



Water resources management

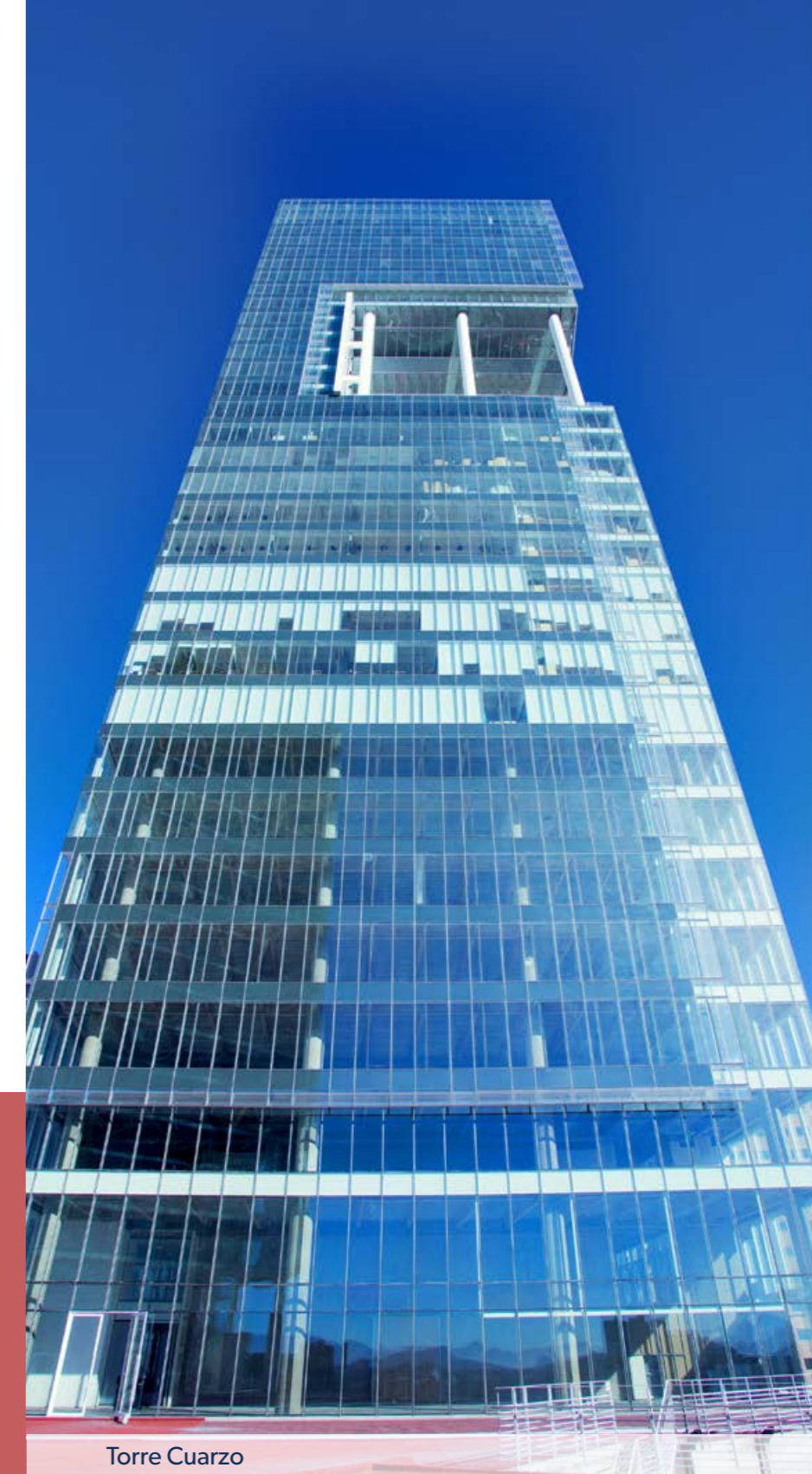


Energy efficiency and Emission control



Waste management

We are the first **FIBRA** in **Mexico** and the **biggest** in **Latin America**.



Torre Cuarzo

RESILIENCE

For FUNO®, 2020 was the year in which we had the opportunity to demonstrate the strength of our business model to overcome any challenge that comes our way. Our excellent results are due to the experience and culture of risk mitigation and prevention that have always characterized us, as well as our ability to anticipate, respond to eventualities, be resilient, and leverage our strengths.

FUNO® COVID prevention actions

In FUNO®, there are several competitive advantages that distinguish us as the most important Real Estate Group of Mexico; factors that were the key to continue creating value despite the effects of the contingency, including:



PERSONALIZED TREATMENT

We are the biggest lessor in Latin America, but our hallmark is the particular attention we give to our tenants, using a variety of resources to listen to them, treat them as business partners and meet their expectations.



APPROACH WITH TENANTS

Our relationship with our tenants has always been solid, but in this context, we became closer to them to provide them with support through the negotiation and design of tailor-made plans, in order to jointly absorb the impacts of the pandemic. In this way, we implemented rent deferral and rent discount plans, among others.



SPEED IN DECISION MAKING

Due to the foresight that characterizes us and the tools we have, such as the Disaster Recovery Plan (DRP), we make decisions and act immediately, for instance, in less than a week we sent the whole team to work from home. This gives us the flexibility to adopt temporary solutions with maximum efficiency.



COMPLIANCE OF 100% OF OUR COMMITMENTS

Even though our income was reduced due to the closure of non-essential activities and the reduction in the number of guests, we maintained our expenses related to our human capital (employment security, salaries, and benefits), payment to suppliers, maintenance and cleaning activities at the properties, thus

The speed in decision making and action with total determination are our differentiators.



CRISIS RESPONSE

For some years now, we have platforms that, for the nature of the operation, allow the remote mobility among locations and accountability, which in this outlook enabled the possibility of creating a collaborative working scheme from several locations from one day to the next without affecting the service.



EFFECTIVE COMMUNICATION

We have different means to keep all our personnel informed and motivated, providing them with peace of mind, as well as follow-up activities to guide them in an agile and optimal manner.

FUNO®'s experience and the strength of our business model enabled us to successfully address the COVID-19 health emergency during 2020.

complying with 100% of our commitments. Additionally, we continue with our commitments and investments on ESG subjects.



Gran Patio Valle de Chalco



PORTFOLIO DIVERSIFICATION AND MARKET SEGMENTATION

The diversification that characterizes our portfolio made it possible to reduce the impact on our income, especially from the operation of the industrial portfolio, due to the fact that some of the tenants of this type of properties are essential or first line.



Gran Patio Valle de Chalco



Galerías Guadalajara

IF-RE-130a.5

The specific actions and initiatives that we deployed and which allowed us to respond comprehensively to the contingency were as follows:



DEVELOPMENT AND UPDATE OF OUR EMPLOYEES RISK MAP

We have full knowledge of our personnel, which enabled the development and update of the risk map of our employees by age and other vulnerability, segmenting them in accordance with their medical characteristics and roles. This allowed us to identify teams whose presence in offices and buildings was not essential to continue with the development of our activities, so they could work from home.



PARTIAL DISPOSITION OF REVOLVING CREDIT LINE LINKED TO SUSTAINABILITY

In 2019, we renewed and extended the committed credit line that we had obtained in 2015; it is a revolving credit line linked to sustainability, specifically, to energy eco-efficiency, for a total amount of MXN\$13,500 million plus USD\$410 million.

In April 2020, due to the high degree of uncertainty perceived at the onset of COVID-19 pandemic, we decided to draw down 50% of the line in order to guarantee our balance sheet, strength and continued compliance with our commitments, allowing us to firmly

We achieved savings in funding costs by meeting our energy intensity reduction target.

face the immediate future, which presented an unknown and potentially adverse outlook.

This has been the only occasion in which we have made a drawdown of the revolving credit line and it is noteworthy that the resource obtained was kept all the time in cash.

At the end of 2020, we decided to repay the credit line mainly due to the resilience shown by our property portfolio, based on the strength of our business model.

Furthermore, it is important to point out that derived from the financial responsibility and prudence that characterize us, we did not utilize support program offered by banks, since we believe that this type of assistance should be provided to the groups that really need it.



IMPLEMENTATION OF BEST PRACTICES

We remained attentive to the new sanitary measures issued by the authorities, which evolved rapidly and continuously. We responded immediately to the new regulations and provisions by executing the prevention protocol.

We sought the advice of experts to learn about and adopt the appropriate measures to reduce contagions to a minimum in the operation, such as the placement of signage to guarantee a healthy distance, automation for temperature measurement, regular sanitization of shopping centers, maintenance of vent systems to ensure the maximum air quality, limitation of the number of people in elevators, adequation of working spaces in offices, and separation of tables for food consumption, enabling "pick-up" or "drive-thru" spaces for the operational continuity of our tenants, among others.

We made significant investments in preventing the spread of the COVID-19 virus, not only with our people, but also in the communities where we operate.

We established several working groups for the proper implementation of the sanitary protocol, together with leaders of the in-house committee specialized on COVID-19, physicians, as well as the administrative and operative teams of each property.

We provided the necessary protective gear to all the cleaning and security staff, including googles and/or mask. Likewise, we also perform random PCR tests on employees who come to work at those properties with essential activities.



SECURITY REINFORCEMENT AT THE PROPERTIES

As one of the measures dictated by the authorities to prevent the spread of COVID-19 was the closure of businesses with non-essential activities, the influx of tenants and guests decreased, so we reinforced the security of our properties to guarantee the integrity of people, spaces and material assets.



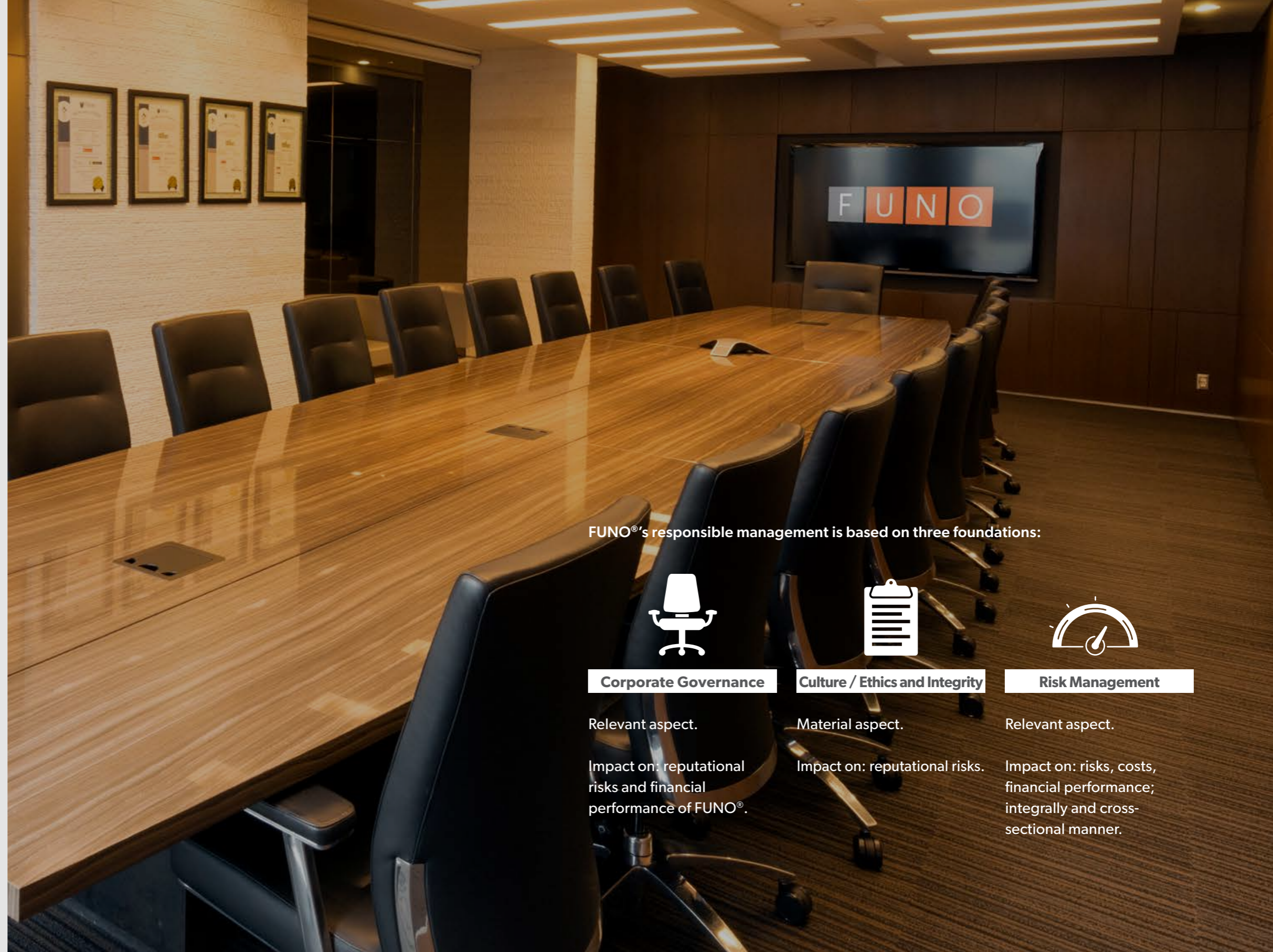
SOCIAL RESPONSIBILITY

We carried out actions for the benefit of our communities and society, such as:

- Support to doctors in CDMX and Yucatán for accommodation and food for 30 days.
- Donation of an ambulance for public charity.

RESPECTABLE

RESPONSIBLE MANAGEMENT LEADERSHIP AND CORPORATE GOVERNANCE



FUNO®'s responsible management is based on three foundations:



Corporate Governance

Relevant aspect.

Impact on: reputational risks and financial performance of FUNO®.



Culture / Ethics and Integrity

Material aspect.

Impact on: reputational risks.



Risk Management

Relevant aspect.

Impact on: risks, costs, financial performance; integrally and cross-sectional manner.

OBJECTIVES

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 <p>Ethics and Integrity</p>	To communicate and guarantee the application of the Code of Ethics and promote transparency of information for the correct use of resources	<ul style="list-style-type: none"> To reinforce the knowledge of the Code of Ethics through the conduction of a course two times a year. Carry out an assessment of the suppliers in the tender process by the Internal Auditing team. 	2021
 <p>ESG Risks Management and Assessment</p>	Update the risk assessment study performed in 2019	<ul style="list-style-type: none"> Process performed by the independent third party. Update of business risks management, including the ESG. Calibration from the Board of Directors. Review from the Auditing Committee. 	2021



Uptown Mérida

EXCEPTIONAL FUNDAMENTALS

Our business philosophy has its basis on the extensive and profound knowledge of our leaders in real estate, as well as in a decision making process totally focused on it.

The Trust establishes the competences and powers regarding economic, environmental, and social issues for:

Corporate Governance

102-18, 102-19, 102-20, 102-23, 102-26, 102-27

The Holders' Meeting is the maximum governance body which, through resolutions, establishes the guidelines in accordance with the topics of its authority. It is characterized by:



PLURALITY

It is constituted by all those people acquiring CB-Fls (certificates of participation in the assets that comprise REIT's property portfolio) through the public market or any other means.



INDEPENDENT

The majority of CB-Fls are held by the general public investor and are represented by a single independent fiduciary institution that acts as a Common Representative. This independence is guaranteed by our legal provisions and by our Trust Contract.



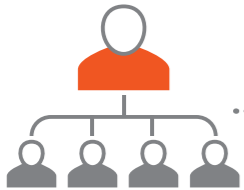
The Technical Committee is the body that receives the guidelines issued by the Holders' Meeting and is constituted by:



12 members

5 independent members

42% independent



5 of the independent members of the Technical Committee participate in 3 auxiliary Committees: Audit, Corporate Practices, and Nominations and Compensations



The functions of the Chairman of the Technical Committee and the Chief Executive Officer are separated. Additionally, our Chairman is not an executive member of the organization; that is, he is not an employee of FUNO® and has no executive functions at FUNO®.








The Technical Committee is responsible for establishing and approving the organization's purpose, values, mission, strategy, policies and objectives.

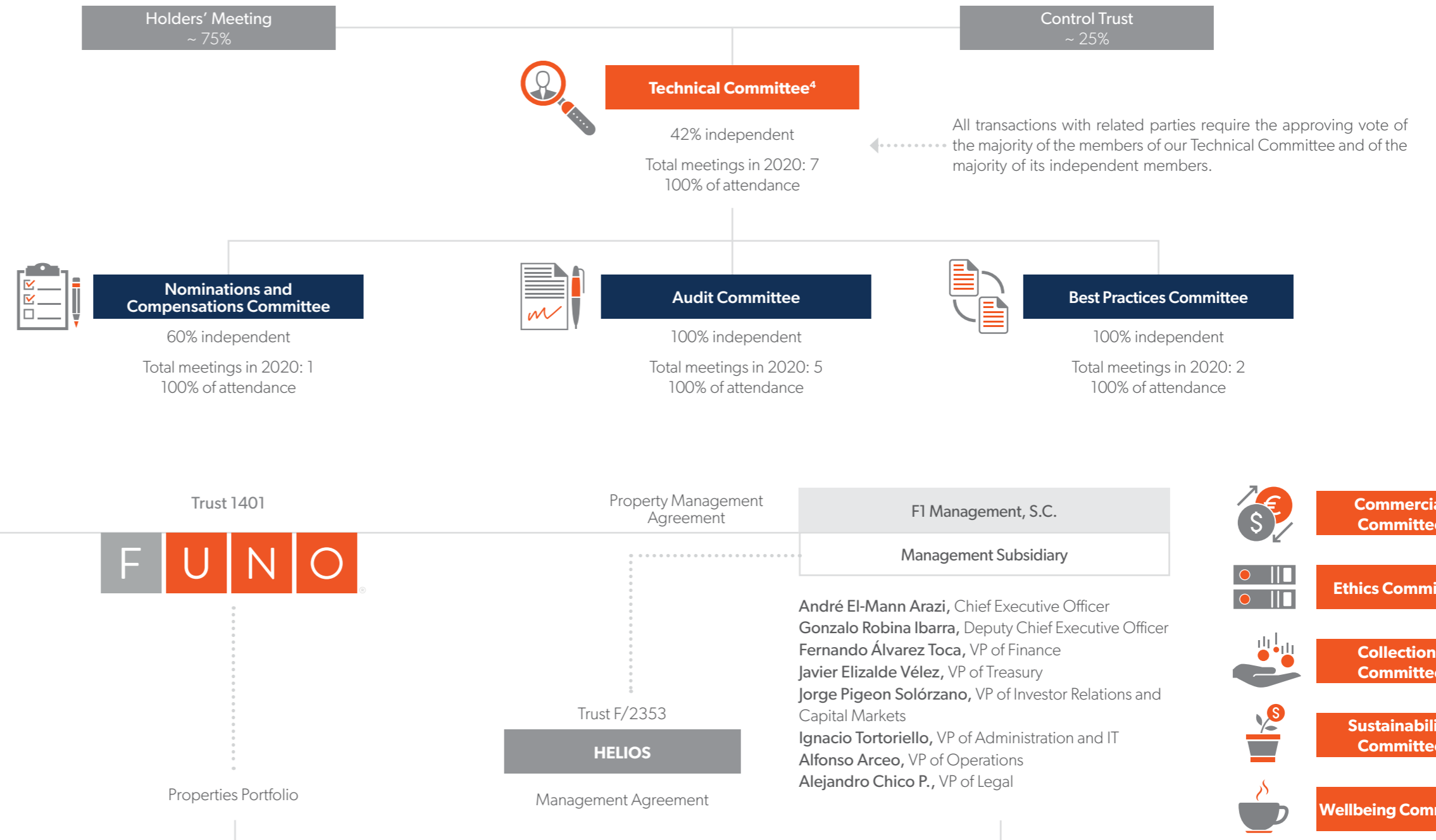


Torre Mayor

Related parties

Principals of Advisor

	Fibra Uno Administración Advisor	Advisory Agreement
	F2 Services, S.C. Services of Representation	Services Agreement
	FW Industrial Portfolio IV, S. de R.L. de C.V. Manager of Vermont Portfolio and Titán Portfolio	Management Agreement
	Operadora Hotel Centro Histórico, S. de R.L. de C.V. Manager of "Centro Histórico" Portfolio	
	Operadora Galgua, S.A. de C.V. Manager of Galerías Guadalajara Property	Appointed by the condominium assembly

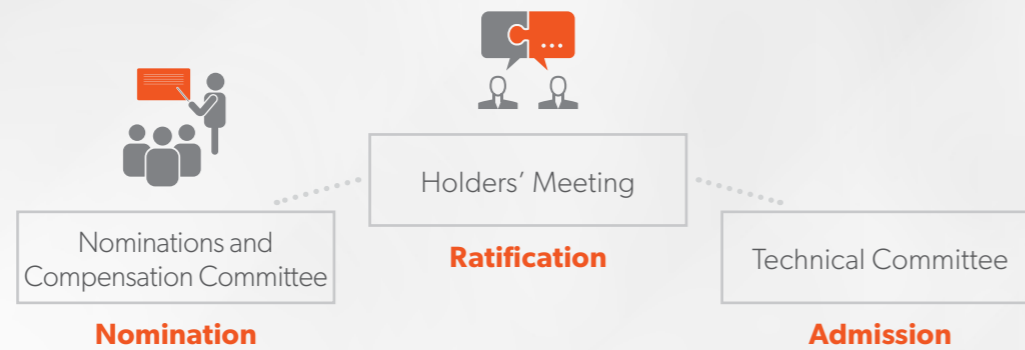


⁴ For information on the members of the Technical Committee, their experience, and our position regarding the Independence of this body, visit: <https://en.funomx/investors/esg/corporate-governance/committees>.

Nominations

102-24

The nomination of new Technical Committee Members is under the responsibility of the Nominations and Compensation Committee while the ratification is under the responsibility of the Holders' Meeting.



Experience

102-20

Area of Experience	Number of members of the Technical Committee with experience										Percentage	
Real Estate	█	█	█	█	█	█	█	█	█	█	█	82%
Financial Sector	█	█	█	█	█	█	█	█	█	█	█	73%
Industrial Sector	█	█	█	█	█	█	█	█	█	█	█	55%
Consumer Discretionary Sector	█	█	█	█	█	█	█	█	█	█	█	55%
Materials	█	█	█	█	█	█	█	█	█	█	█	45%
Utilities	█	█	█	█	█	█	█	█	█	█	█	27%
ESG Topics	█	█	█	█	█	█	█	█	█	█	█	27%
Information Technologies	█	█	█	█	█	█	█	█	█	█	█	18%
Commodities	█	█	█	█	█	█	█	█	█	█	█	18%
Health	█	█	█	█	█	█	█	█	█	█	█	18%
Energy	█	█	█	█	█	█	█	█	█	█	█	18%

Compensations

102-35, 102-36, 102-37

Our Long-Term Incentive (LTI) Variable Compensation Plan has a 10-year term, is limited to 162,950,664 CBFIs and is composed as follows:

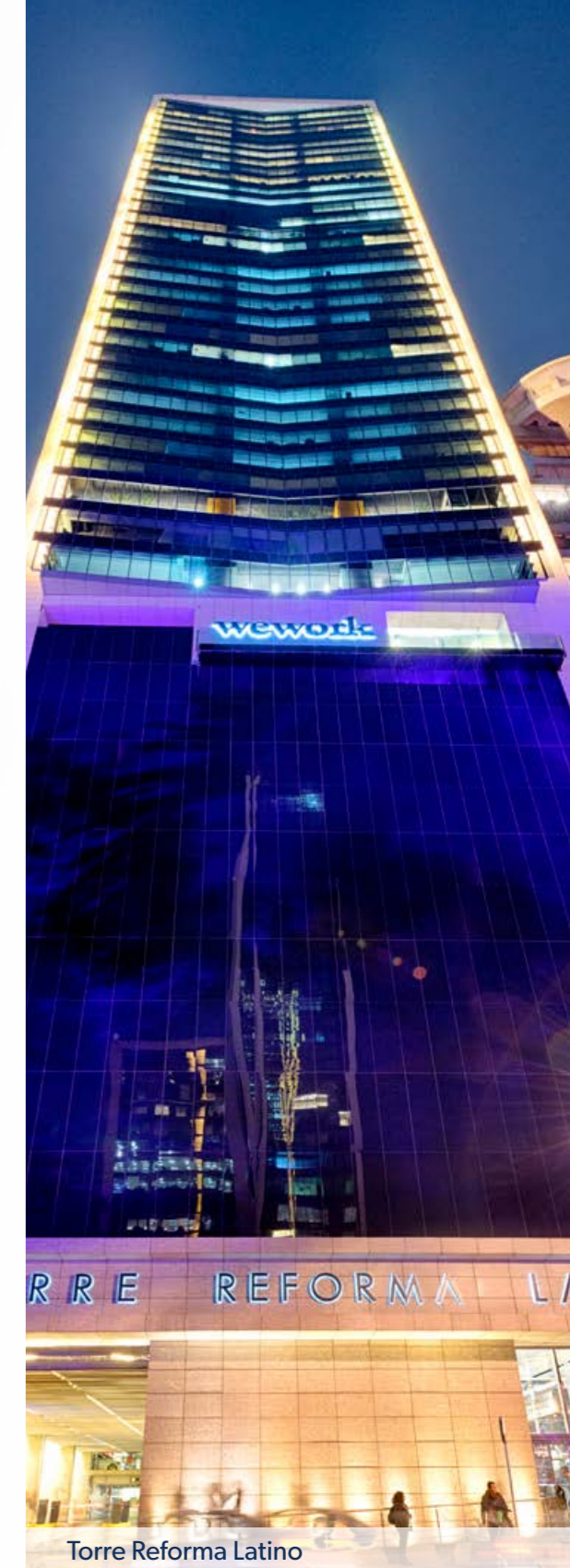
- 162.95 million shares in 10 years.
 - » 20% as bonus for retention paid every year to all employees
 - » 80%
 - 40% FFO growth above inflation per CBFi
 - 100 gtp is delivered 20%
 - 200 gtp is delivered 40%
 - 300 gtp is delivered 60%
 - 400 gtp is delivered 80%
 - 500 gtp is delivered 100%
- 30% yield growth above inflation
 - 0 gtp 20%
 - 50 gtp 40%
 - 100 gtp 60%
 - 150 gtp 80%
 - 200 gtp 100%
- 30% certificate price vs. CPI
 - 0 gtp above the CPI, 20%
 - 200 gtp above the CPI, 40%
 - 300 gtp above the CPI, 60%
 - 400 gtp above the CPI, 80%
 - 500 gtp above the CPI, 100%
- There is the catch-up option, in which certificates from previous years can be obtained, if in any given year there is a performance above the maximum that can be delivered that year. Only 33.4 million CBFIs or 20% of the plan can be issued in one year.

- With a 3-year vesting period from the date of grant.
- If the employee leaves the company by his or her own decision, the certificates assigned that have not been released are lost.

The Nominations and Compensations Committee manages this plan, through its independent members; the management process begins when the management proposes an annual compensation to the Compensations Committee, who after analyzing it, will provide its recommendation to our Technical Committee for its execution. The Technical Committee will analyze the compensation recommendation and will instruct the management to carry out the compensation to employees and the management will execute the Technical Committee's instructions.

For decisions regarding compensations, only independent members have the right to vote. This mechanism ensures that the interests of related members are aligned with business objectives.

The benefits of our Long-Term Variable Compensation Plan translate into rewarding employee performance, retaining talent, and aligning the Holders' interests with those of our staff.



Torre Reforma Latino

CULTURE

GRI 205, 206, 307, 415, 419: 103-1
102-16

Ethics and integrity are the foundation of our actions, operations, and transactions. We base our conduct on the best practices of corporate governance and social responsibility, as well as in the compliance with current legislation, our values, principles, and guidelines established in the Code of Ethics.

Code of Ethics

GRI 205, 206, 307, 415, 419: 103-1, 103-2, 103-3
102-16

It guides the actions of our Technical Committee members, all FUNO® employees, affiliates, and subsidiaries. Through it we seek to strengthen and comply with the mission, vision, values, objectives, and standards that we have set for ourselves; to ensure a competitive service, with quality and commitment with our tenants, holders, suppliers, authorities, and employees; as well as to promote respect for the environment and our competitors.

In 2020 we updated our Code of Ethics.

In accordance with our determination to anticipate, avoid the materialization of risks that generate any ethical conflict and adopt the best practices in ethics and integrity, in 2020 we updated our Code of Ethics, which was approved by the Technical Committee.

- Among the topics it addresses, the following are found:
- Human rights in accordance with the Universal Declaration of Human Rights.
 - Diversity and inclusion which are an important part of the training provided to our employees.
 - Total rejection to any kind of discrimination.
 - General ethics standards, such as zero tolerance for harassment and sexual or any other type of harass-

ment, as well as compliance with anti-money laundering legislation.

- Specific ethics standards:
 - » Relationship with tenants, authorities, service providers and contractors, as well as among employees
 - » Conflict of interests
 - » Privileged information
 - » Software and e-mail usage policies
 - » Advertising and marketing
 - » Gifts
 - » Anti-corruption
 - » Caring for the environment
- Gifts and donations
- Free competition
- Whistleblowing mechanism
- Sanctions
- Responsibilities

In addition to training our employees on the Code of Ethics, we collected the acknowledgement of receipt, conflict of interest statement, reading, and commitment.

Likewise, we included the content of the Code of Ethics in the on-boarding programs, and trained 100% of our staff, thus allowing us to comply properly with our goals.

To know more about our Code of Ethics, visit:
https://en.funomx/esg/common_files/codigo_etica.pdf

Whistleblowing mechanism

102-17, 102-33, 102-34, 205-2, 205-3

Open to employees, suppliers, tenants, guests, and any interested person may request guidance and share suggestions and claims about conducts contravening our principles.

Our whistleblowing mechanism is managed by a third party separated from FUNO® and is available 365/24/7.

CONTACT



Telephone number: 01 800 9100 311

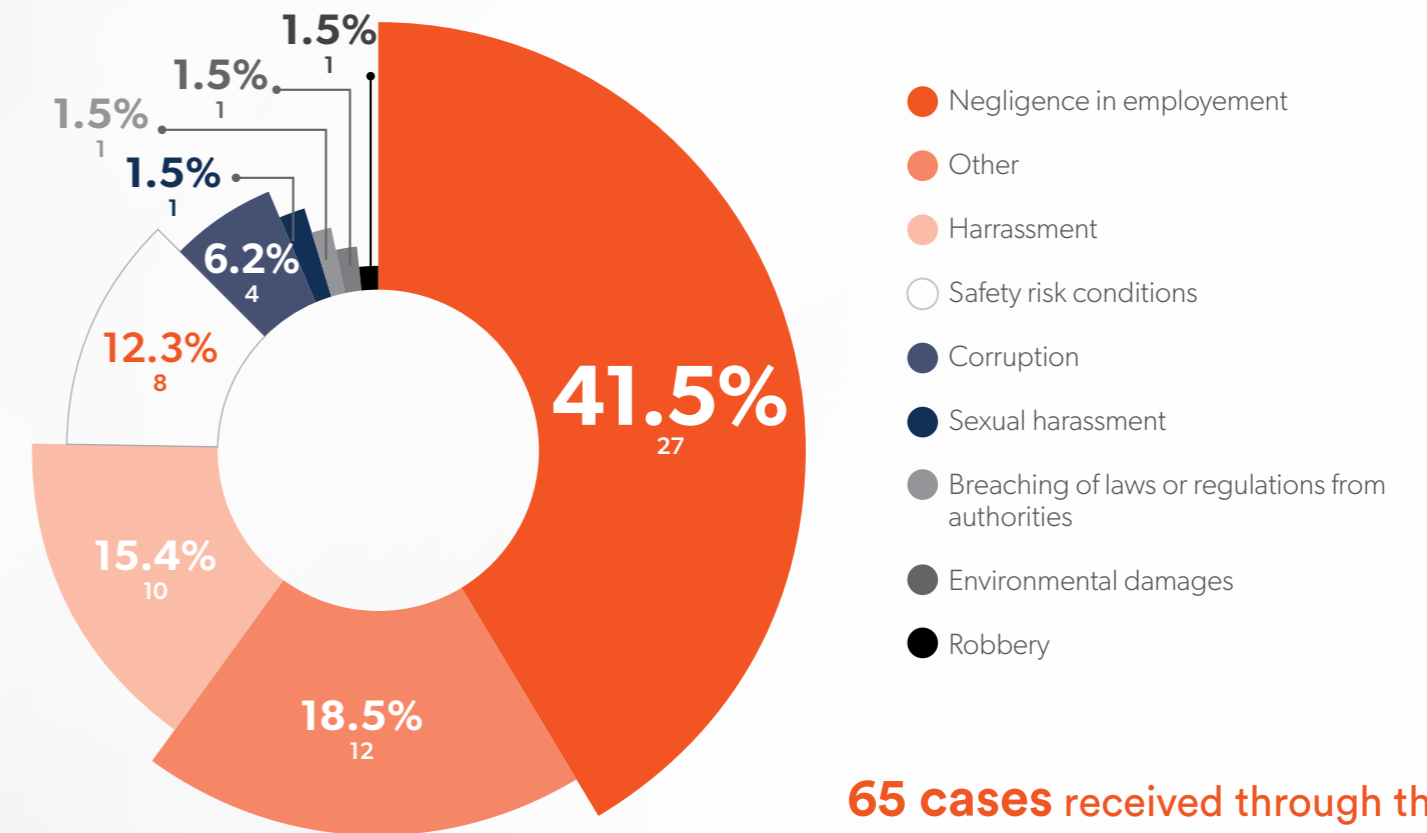


e-mail: funo@tipsanonimos.com



Web: www.tipsanonimos.com/funo

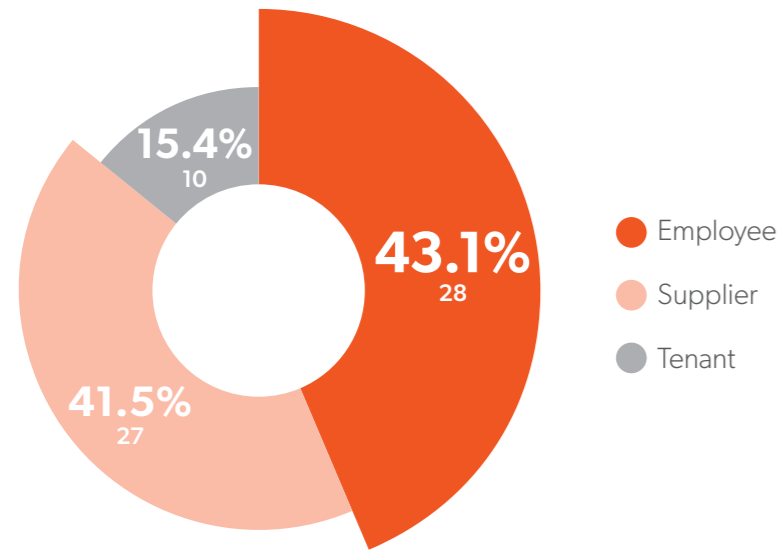
CATEGORIES OF ACCUSATIONS



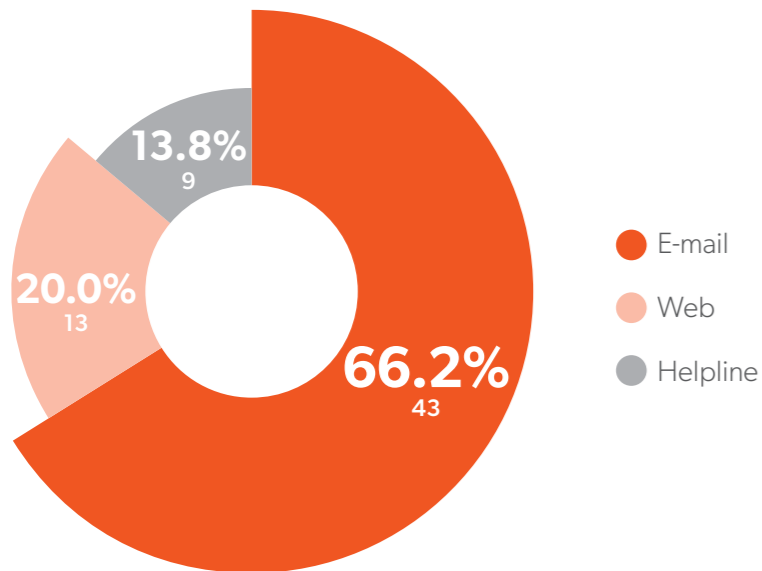
65 cases received through the Whistleblowing mechanism.

* Two employment terminations for breaching the Code of Ethics.

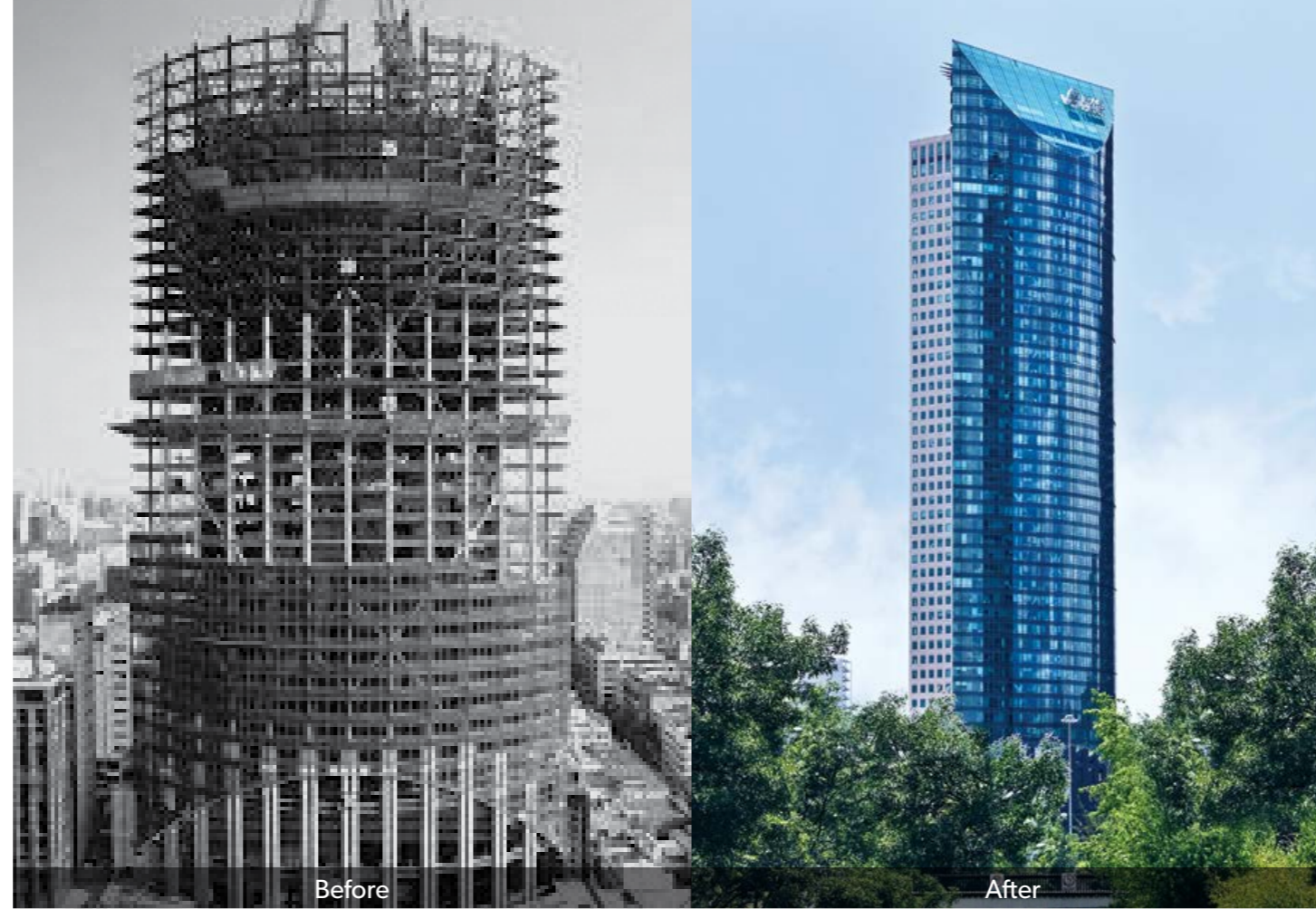
REPORTERS OF ACCUSATIONS



MEANS FOR ACCUSATIONS



In 2020 there was an increased number of interactions through the Whistleblowing mechanism due to, among other factors, the recent opening of the channel to our suppliers, tenants, and customers.



Before

After

Torre Mayor

56 of the cases received during the year were closed, equivalent to 86.2%; 9 are ongoing.

Ethics Committee

102-17, 102-33, 102-34

All reports received by the Whistleblowing mechanism are sent to our Ethics Committee, which is a body integrated by five members. The Committee checks all the reports and, depending on the nature of each report, they may be managed directly by the Committee or addressed to the area responsible for the issue in question. If one of the Ethics committee members is involved in the report, then this person does not receive the notification, and it's only sent to the rest of the members.

To ensure impartiality, transparency, visibility, and objectivity, each case managed directly by the Ethics Committee is examined by one of its members, who is not a member of the areas involved in the report.

Anti-corruption

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

We promote legality and comply with current and applicable anti-corruption regulations, guaranteeing the prevention of bribery and extortion.

In any relationship with tenants, suppliers, financial institutions, authorities, or any other body with which we perform operations, we strongly reject the acceptance or granting of benefits, gifts, advantages or any other type of compensation aimed at influencing a business decision.

100% of our operations and contracts are evaluated in anti-corruption matters.

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

100% of suppliers sign the ethical guidelines.

1.5 training hours per employee in average on anti-corruption matters.

Money Laundering Prevention

GRI 415, 419: 103-2, 103-3
415-1

Derived from the nature of the business, money laundering prevention represents one of the cornerstone financial strategies of FUNO® in order to maintain ethical and disciplined operations that create value for Holders, as well as to comply with the Federal Law for the Prevention and Identification of operations with illegal proceeds (LFPIORPI, for its Spanish acronym).

In order to optimally and effectively manage the risks related to money laundering, the Legal and Tax areas collaborate strategically, maintaining close communication and safeguarding tenants' personal data and the cash flow generated by collections.

It should be noted that FUNO® does not make contributions of any kind to political parties.



Industrial Park Tlanepark

RISK MANAGEMENT AND COMPLIANCE

ESG Risks Management and Assessment

102-12, 102-29, 102-30, 102-31
IF-RE-410a.1

Since the origin of FUNO®, business management has been focused on continuous improvement and the consequent adoption of best practices to build a successful, sustainable and enduring organization.

area identifies the impacts of its focus topics and where the role of the Sustainability Committee is key, since it is the body responsible for managing environmental, social, and governance (ESG) topics.

tions, Legal, Capital Markets and Investor Relations, the Directors of Operations, Projects, Human Resources, Finances, Sustainability, and the Deputy Director of Corporate Marketing, as well as the Managers of Maintenance, Operations, and Procurement.

Risk management at FUNO® is a robust and cross-sectional process in which each

This Committee is led by the VP of Administration and includes the VPs of Opera-

ESG Aspects in FUNO® over Time



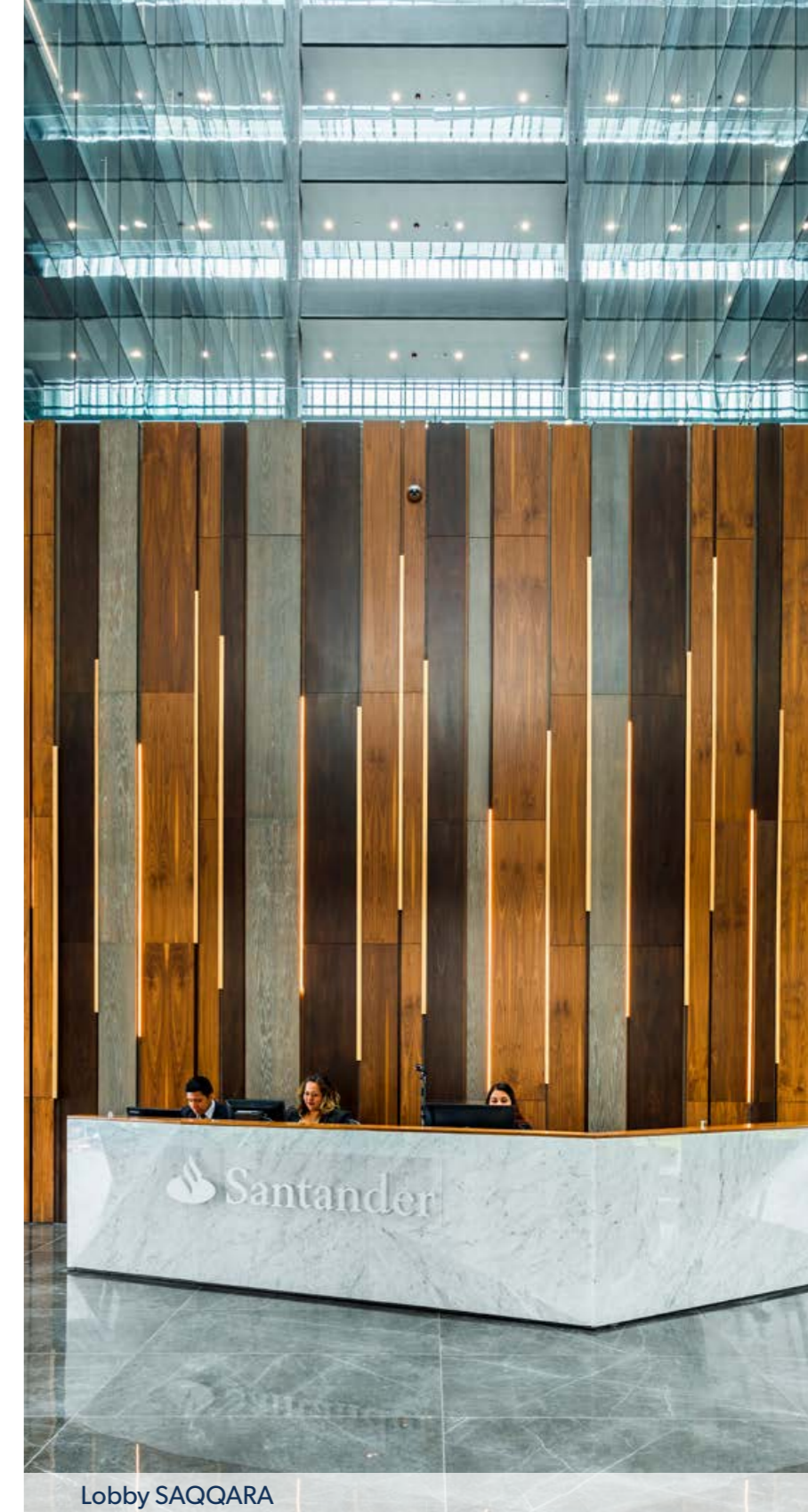
In 2020 we became **signatories of the Principles for Responsible Investment (PRI)**.

In addition to an exhaustive risk management that permeates the mitigation of ESG impacts throughout the whole organization, we have a Disaster Recovery Plan (DRP) at corporate level, while in the properties managed by a third party there is a business continuity guideline. In the contingency response plans, disruptive agents are identified, among which environmental aspects are considered.

In addition to the above, to ensure compliance by contractors, the integrity guide requires that the activities they carry out are executed in accordance with applicable environmental laws and regulations.

We conducted the **first ESG survey for investors with 57% of response.**

100% of the new contracts contain cost recovery clauses for resource efficiency, related to capex improvements.



Lobby SAQQARA

Emerging Risks

At FUNO® we assume the risks to which our organization is exposed and we focus our efforts on strengthening the mechanisms for their prevention or mitigation, as well as on developing action plans in case they materialize.

In 2019, through a third party, we conducted a risk assessment study where we analyzed 31 risks distributed in six categories:

<p>Strategy</p> <ul style="list-style-type: none"> • FUNO® strategy • Business and growth • Acquisitions (inorganic growth) 	<p>External</p> <ul style="list-style-type: none"> • Political setting • Economic setting • Cybersecurity • Reputational damage (delinquency, insecurity, and extortions) 	<p>Financial</p> <ul style="list-style-type: none"> • Financial resources • Revaluation of properties of investment • Interest rates • Exchange rate
<p>Operational</p> <ul style="list-style-type: none"> • Effective communication • BCP (Business Continuity Plan) • Homologation of real estate assets operations • Property management • Liaison with tenants • Integrity and data management • Maintenance • Internal processes and control • Digital commerce and innovation 	<p>Compliance</p> <ul style="list-style-type: none"> • Personal data protection • Conflicts of interest • Business ethics • Questions due to the use of Non-GAAP financial measures • Inadequate compliance of financial reports to BMV and CNBV • Compliance of regulations and permits 	<p>People / Culture</p> <ul style="list-style-type: none"> • Succession planning • Insufficient or inadequate staff • Talent retention • Work environment • Evaluations

Nine were the most relevant risks related with sustainability and those with the greatest impact for FUNO®, which we continue

to manage in 2020. Their possibility of occurrence and impact is shown below:

Risks Heat Map of FUNO®



Most relevant or highest impact risks for FUNO®



Digital commerce and innovation



Reputational damage (delinquency, insecurity, and extortions)



Ethics on Business



Cybersecurity



Effective communication



Liaison with tenants



Business Continuity Plan (BCP)



Talent Retention



Insufficient or inadequate staff

Response and mitigation measures⁵

- Maintenance of shopping centers as spaces of social cohesion and enhancement of the experience for guests.
- Encouragement of industrial sector.
- Permanent presence of security staff.
- Assessment of outsourced companies for following the compliance of instructions.
- Update of the Code of Ethics and signature by employees.
- Training.
- Ethics Helpline available for all stakeholders.
- Investment.
- Performance of ethical hacking.
- Training.
- Procedure for the relationship with stakeholders.
- Calls with investors.
- Meetings with organizations.
- Permanent information for employees.
- Implementation of the tenant satisfaction program in the office and industrial portfolios.
- Support in extraordinary situations for joint risk mitigation.
- Disaster Recovery Plan (DRP) at corporate level.
- Business continuity guideline in properties managed by a third party.
- Performance of ethical hacking.
- Talent mapping.
- Individual Development Plan (IDP).
- Conduction of a compensation study.
- Talent mapping.
- Promotion of internal talent and succession planning.
- Participation in job fairs and profile and vacancy exchange boards.
- Training.



⁵ To know more about the measures and initiatives for mitigating the materialization of these risks, refer to pages 31-35, 37, 55-75, 87-92 and 95-96 of this Report.



Due Diligence on New Acquisitions and Principles for Responsible Investment

402-1

In order to mitigate risks in the process of new acquisitions and optimally apply the Principles for Responsible Investment (PRI) established by UNEP FI, we have strengthened the due diligence process, established in the Responsible Investment Policy and in which we consider the evaluation of various ESG criteria, among them:

ENVIRONMENTAL CRITERIA

-  Road impact studies
-  Land use certificates
-  Environmental impact authorization
-  Biodiversity impact
-  Management of solid wastes and material recycling
-  Creation and registration of hazardous wastes
-  Delivery-reception statement for hazardous wastes issued by an authorized company for their transportation and final disposal or by the municipal waste collection system

-  Water supply services
-  Adequate means for water discharge
-  Sole Environmental License (LAU, for its Spanish acronym) on atmospheric emissions
-  Existence or absence of polychlorinated biphenyls (asbestos)
-  Existence or absence of environmental penalties
-  Existence or absence of soil contamination
-  The vulnerability of properties to effects of climate change and to impacts from:
 - » Hurricanes
 - » Storms
 - » Increased sea level in coastal zones
 - » Flooding
 - » Drought and hydric availability

SOCIAL CRITERIA

-  We do not discriminate property owners or users, communities, indigenous groups, women, etc., and we respect all the time the rights of the counterparty.
-  We recognize that in Mexico there are indigenous groups or women that can have uncertainty in their right to a property or a piece of land, but that their traditions and customs validate it. FUNO® knows and reassures the duty of consulting, informing, and collaborating with the main affected parties in the event this occurs.
-  We try to have a high talent retention rate in the acquisition of new properties.
-  We inform employees the working conditions that we offer with a notice 15 day in advance at least.

FINANCIAL CAPITAL: ALL DISCIPLINE, OUR STRENGTH

The financial capital management of FUNO® is based on:



Financial Prudence

Main aspect.

Impact on: financial performance of FUNO®, internal and external risks, costs, reputation, trust from all stakeholders.

Impacted Stakeholders		
CBFH Holders	Employees	Tenants
Guests	Communities	Suppliers and contractors
Financial Institutions	Authorities	Corporate Governance

OBJECTIVES

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 Investors Relationship	To identify and widen the investors database To diversify our sources of capital To keep the levels of engagement with the current investors	<ul style="list-style-type: none"> To report the financial results in a duly manner to investors. To continue applying satisfaction surveys to investors. 	2021



Valle Oriente

WE MET OUR COMMITMENT

GRI 201, 207: 103-1, 103-2, 103-3
102-7, 102-21, 102-44, 201-1

In 2020, supporting our tenants was crucial to generate long-term value, deliver results, and fulfill our responsibility to pay yields on time to our investors.

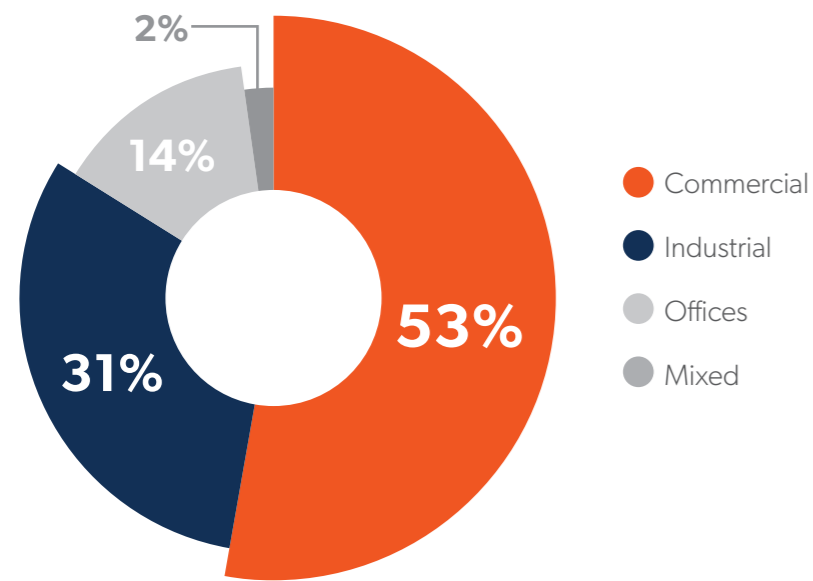
Seizing opportunities is inherent in FUNO®'s DNA. We maintain a commitment to inform our investors and report every

transaction and operation to the market in a clear and transparent manner.

MXN\$19,193.2 millions of income.

	2020	2019	Δ 2020 vs 2019
Financial Indicators			
Total income	\$19,193.2	\$19,189.1	0.02%
Rental Income	\$18,610.3	\$16,843.1	10.5%
Net Operative Income (NOI)	\$14,925.9	\$15,213.6	-1.9%
NOI margin	87.4%	88.1%	-0.8%
Funds from Operations (FFO)	\$6,260.0	\$9,126.9	-31.4%
FFO margin	36.2%	47.5%	-23.8%
Distribution per CBF	1.2004	2.3492	-48.9%
Net consolidated income of the year	\$13,959.2	\$18,150.3	-23.1%
Operational Indicators			
CBFI in circulation (millions)	3,872.4	3,928.2	-1.4%
Gross leasable area (millions of sqm)	10.7	10.1	5.9%
Gross leasable area in development (sqm)	668,026	783,645.5	-14.8%
Total occupancy	93.1%	94.5%	-1.5%

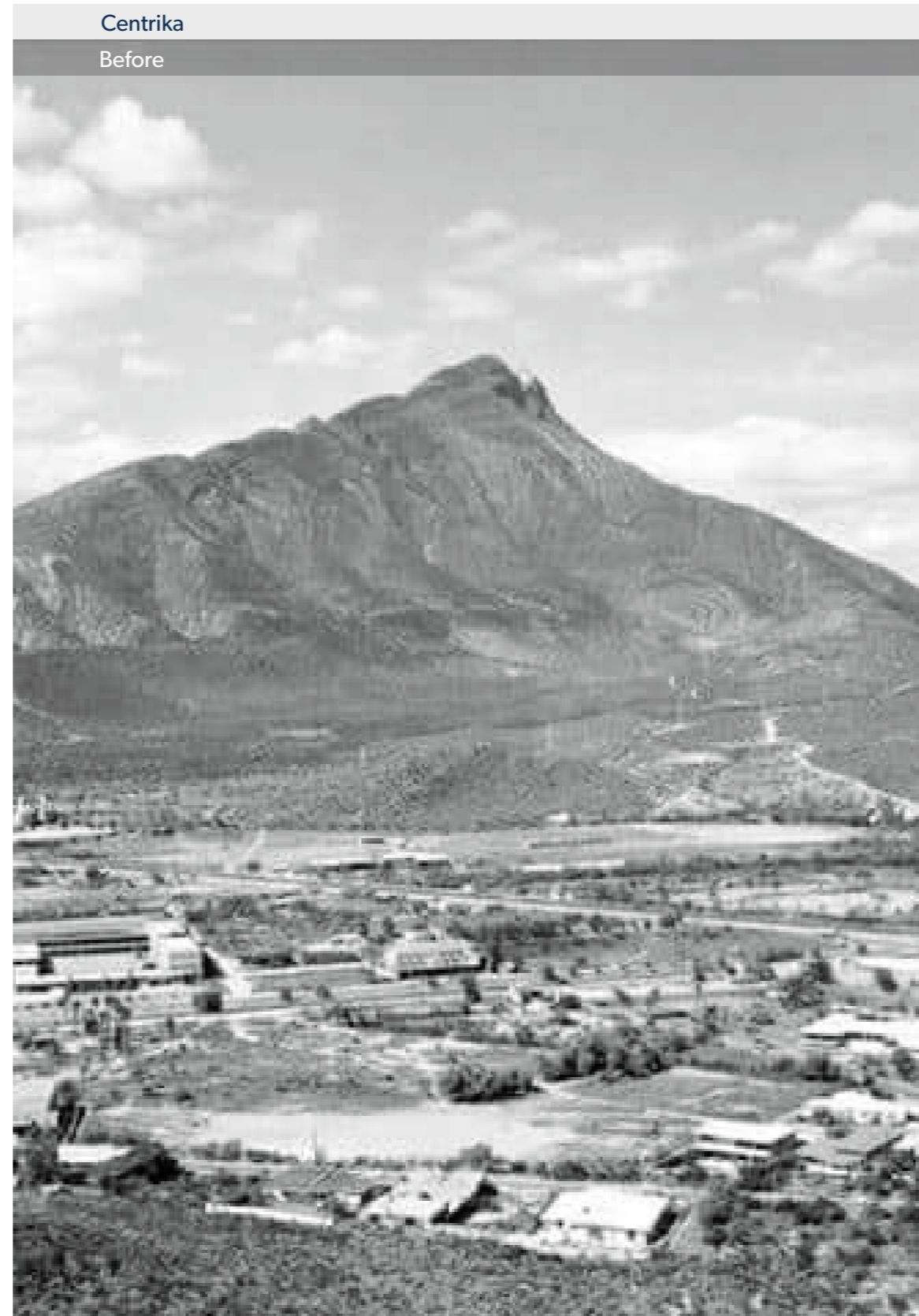
PORTFOLIO DISTRIBUTION



As a result of the competitive rents that distinguish us and **despite the crisis, we were able to renew contracts in pesos in the three segments with an inflation spread**, thus consolidating our position in the market.

425 phone calls with investors⁶.

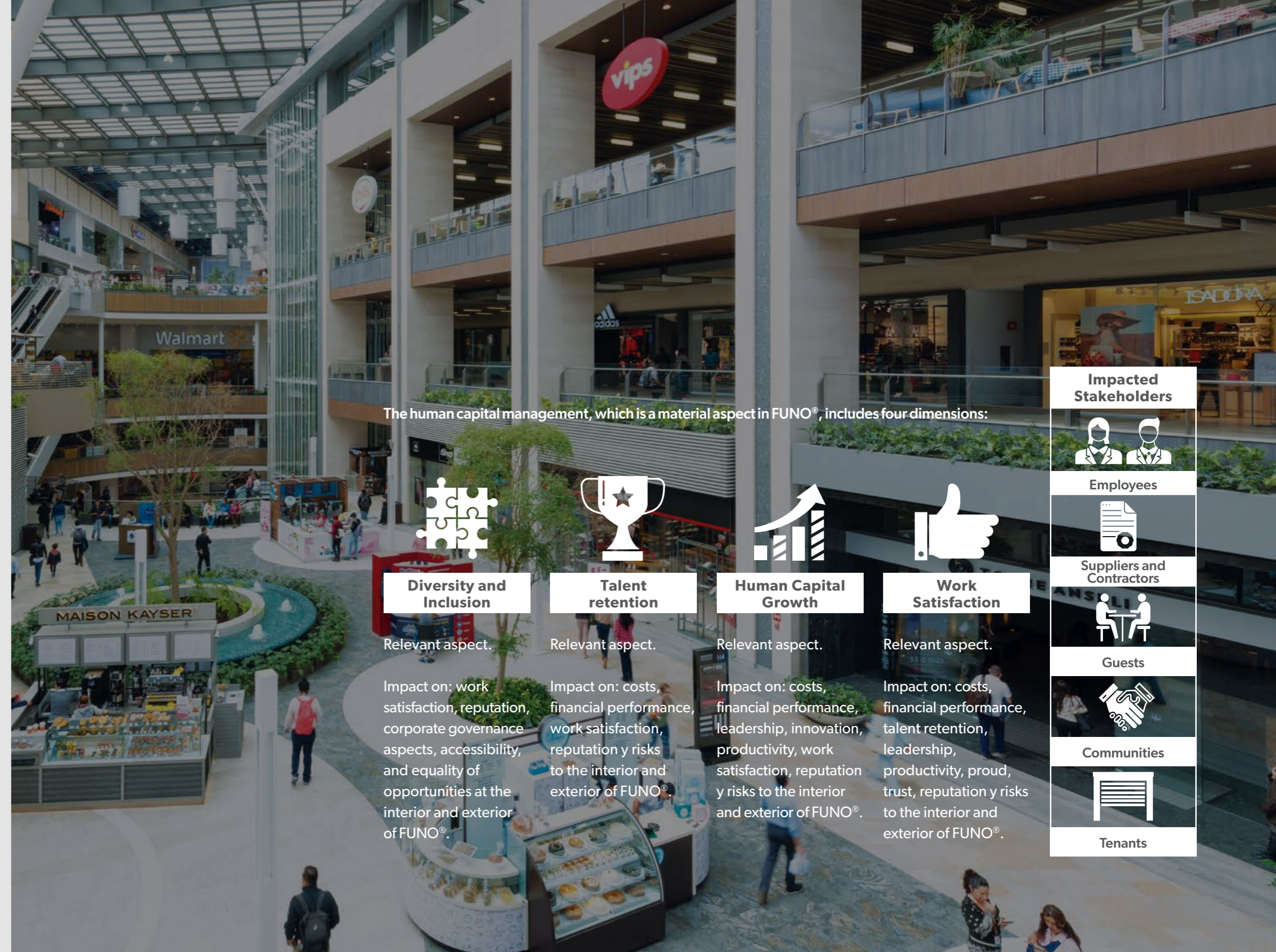
⁶ Without including quarterly phone calls.










Portal San Ángel

HUMAN CAPITAL: OUR DRIVING FORCE




The human capital management, which is a material aspect in FUNO®, includes four dimensions:

 <p>Diversity and Inclusion</p> <p>Relevant aspect.</p> <p>Impact on: work satisfaction, reputation, corporate governance aspects, accessibility, and equality of opportunities at the interior and exterior of FUNO®.</p>	 <p>Talent retention</p> <p>Relevant aspect.</p> <p>Impact on: costs, financial performance, work satisfaction, reputation y risks to the interior and exterior of FUNO®.</p>	 <p>Human Capital Growth</p> <p>Relevant aspect.</p> <p>Impact on: costs, financial performance, leadership, innovation, productivity, work satisfaction, reputation y risks to the interior and exterior of FUNO®.</p>	 <p>Work Satisfaction</p> <p>Relevant aspect.</p> <p>Impact on: costs, financial performance, talent retention, leadership, productivity, proud, trust, reputation y risks to the interior and exterior of FUNO®.</p>
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Impacted Stakeholders

Employees

Suppliers and Contractors

Guests

Communities

Tenants

OBJECTIVES

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 Talent attraction	At least 25% of vacancies must be covered by internal staff	<ul style="list-style-type: none"> Compliance of positive actions. To encourage the growth and development of employees in hand in hand with FUNO®. 	2021
	To keep the internal talent mapping	To strengthen the synergy with Organizational Growth.	2021
	To homologate 100% of positions with a neutral gender	Compliance with positive actions.	2021
 Diversity and Inclusion	20% of population in FUNO® identifies with any target group	<ul style="list-style-type: none"> To expand alliances for talent attraction. Constant training for employees on inclusion matters. 	Continuous objective
	At least 2% of the staff will be employees with a disability	<ul style="list-style-type: none"> Talent mapping and identification with target groups. 	2023
	Onset of functions of the "Alliance for Diversity"	<ul style="list-style-type: none"> Creation and execution of work schedule. Quarterly meetings. Report to the Sustainability Committee. 	2021
	To certify at least 2 properties as accessible	<ul style="list-style-type: none"> To perform the necessary adaptations for complying with the accessibility and universal design standards. To replicate the best practices implemented by La Isla Entertainment. 	2021

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 Human Capital Growth	To warrant mandatory and key training of the business for 100% of employees	<ul style="list-style-type: none"> To provide induction courses. To apply the TNA* to ensure the minimal and specialized training for employees according to their area and position. To train the three highest priority positions in the TNA*, as well as the identified successors of Vice Presidents. To use new technologies to extend the scope of some courses. To establish training agreements for corporate training on resilience or key competencies in times of crisis and leadership plan. 	2021
	Graduation of the third generation on the Diploma course "FUNO Way"	<ul style="list-style-type: none"> To continue the Alliance with the ITESM for its teaching. To open the announcement and application for applicants. 	2021
	To perform the Work Plan of the Talent Mapping Model	To the methodology and tools defined in 2020 to identify and evaluate FUNO® Top Talent (High Performer, High Potential, Key Employee, and STAR).	2021
 Satisfaction of employees	To obtain the Great Place to Work® recertification	To ensure that FUNO® scales up to the next evaluation rank in the GPTW, generating strategies that improve the perception of employees in the trust model of the organizational climate survey applied for the 2021 recertification (Trust Index).	2021

*Training Needs Analysis.

HUMAN CAPITAL DEVELOPMENT

GRI 401, 403, 404, 405: 103-1, 103-2, 103-3



2020 Great Place to Work® Certification.



Individual Development Plan (IDPI)



Compensation Studies



Talent Mapping

We are the first FIBRA in Mexico and the largest Real Estate organization in Latin America, with a proven business model and sound results. This would not be possible without the work and commitment of the best team, reason why our responsibility is to create value through initiatives in line with our philosophy, providing the best working conditions and rewarding their effort.



Diversity and Inclusion

- Equal opportunity
- Internal talent promotion
- Encouragement for equality
- Alliances with several institutions



Policies:

- Attraction, selection, and hiring talent
- Training and development
- Wellbeing and prevention of psycho-social risks
- Reasonable adaptations



Wellbeing Committee



Intranet redesign



Description of 100% of positions

Profile with hard and soft skills, correlated with the skills by psychometrics.



Training Needs Analysis (TNA) Matrix

Diversity and Inclusion

GRI 401, 402, 405: 103-1, 103-2, 103-3
401-1, 404-2

One of our priorities is to attract the best talent based on diversity and inclusion. Therefore, during the last two years we have focused on creating indicators that allow us to identify different sources of talent, consolidate our position as an employer brand, and distinguish ourselves as the place where everyone wants to work.

Even though 2020 was a challenging year in several aspects and in which the number of vacancies did not grow, it represented a milestone for the talent attraction process at FUNO®, as we established new alliances and synergies with public and private universities; we participated in virtual fairs, where we published common vacancies and carried out a preventive recruitment to make the formation of shortlists of candidates with specific profiles more efficient; we attended virtual forums, where our employees shared their experience and success stories; and we increased our communication on social networks, reaching a larger number of people and generating greater interaction with potential candidates.

We are part of 2 profile and vacancy exchange boards: a specialized Real Estate network and a multi-sector network.

We were able to expand our talent search sources and create a close relationship with external stakeholders, increase our candidate portfolio by area or profile, and attract specialized talent.

Additionally, in August 2020 we implemented a talent attraction program, *Embajadores FUNO®* (FUNO® ambassadors). The importance of this initiative relies on the fact that our work team get involved in the talent attraction process, thus fostering the internal networking and creating synergies among different teams or areas, keeping a close communica-

tion with candidates, providing support and accompanying the new employees throughout the onboarding process and improving their experience. By the end of the year, we had six FUNO® ambassadors, and 27 new employees were benefited by the program.

For FUNO® transparency in every process is essential, which is why we provide feedback to candidates who obtain the position for which they apply, as well as a precise description of the roles of the position they will cover. Likewise, we provide feedback to internal candidates who do not obtain the position, pointing out the skills of the profile they managed to cover, the areas of opportunity and some recommendations for them to work on them and take advantage of.

During 2020, we provided feedback to 105 employees on psychometrics and the selection process, as well as to 450 candidates at the end of the process.

Of the 46 new hirings, 21 were for our headquarters and 25 for other locations. The average amount invested in each new hiring was MXN\$15,589.

28.5% of vacancies was covered through internal promotions.

We encourage diversity and inclusion in all our processes, which is why these issues are addressed comprehensively in various documents rather than in a single policy. The Sustainability Committee is the body responsible for approving, supervising, and implementing initiatives related to these issues.

46 new hirings to cover newly created positions.

Positive actions implemented:

- To consult if there is an internal candidate who may cover the position.
- To have at least one internal candidate in all the shortlists.
- To have at least one woman in the shortlists.
- To diversify our talent at the different recruitment sources, providing transparency to the process.
- To omit terms that distinguish between gender or age in the description of vacancies, that is, we seek to describe positions and profiles with total neutrality, in addition to including a legend that specifies that we promote diversity and non-discrimination.
- To review the job descriptions and map those that can be covered by people with disabilities.

100% of the vacancies we publish are neutral and inclusive, that is, they do not contain terms that could distinguish gender, age or any characteristic that indicates discrimination.

In FUNO® we have identified five target groups: women, LGBT+ community, cultural diversity –foreign people or belonging to a specific social sector–, multigenerational, and people with disabilities. We are working to provide them equal opportunity and to create the optimal conditions on terms of talent attraction and training, in addition to provide education and sensibilization on these topics to all our staff.

The interest of our employees in participating in FUNO® processes is note-

100% of our corporate employees were trained on topics of diversity and inclusion.

worthy. Thus, as a result of the initiative and work of some of our team members, we decided to create the “Alliance for Diversity”; our goal is to start working during 2021.

In 2020, we formalized our reasonable accommodation policy, which promotes equal opportunities through the adaptation of spaces and conditions that are appropriate and necessary in particular cases, without being disproportionate, in order to ensure that people with disabilities can exercise their fundamental rights and freedoms on an equal footing.

All the above mentioned has been possible through the alliances that we have established with several organizations and associations, including:

- National System for Integral Family Development (DIF, for its Spanish acronym)
- *Éntrale*, “Alliance for the inclusion of people with disabilities into the labor market”, organization where we have a representative in the first Diversity Certification
- Council to Prevent and Eliminate Discrimination (COPRED, for its Spanish acronym) in Mexico City
- Mexican National Commission for Human Rights (CNDH, for its Spanish acronym), that supported us on Civil Protection and provided training
- Mosaico Down Foundation, with whom we promoted the issue of inclusion in the value chain and who has become our first inclusive supplier
- *Asociación Pro Personas con Parálisis Cerebral* (APAC, I.A.P.) (Association in Favor of People with Cerebral Palsy)
- *Daunis Gente Excepcional*, I.A.P.
- Global Compact, who has guided us in adopting the Women’s Empowerment Principles (WEPIs), giving workshops and conducting a diagnosis to identify our position with respect to these principles and establish a roadmap to strengthen measures in favor of inclusion and equity

We created the “Alliance for Diversity”, team that will start operating on 2021.

100% of vacancies that we post and the content we share on social media have digital accessibility.



Industrial Park TlanePark III

We were recognized by **Éntrale** as **one of the fastest growing companies in terms of labor inclusion of people with disabilities**. We obtained a score of 80/100, placing us among the top four out of +400 companies participating in the network.

We are **COPRED** partners and **one of the companies adhered to the Great Agreement** for Equal Treatment of Mexico City.

We obtained an **intermediate level** in the diagnosis of the **Women's Empowerment Principles (WEPs)**.

LA ISLA ENTERTAINMENT, UNIVERSAL ACCESSIBILITY

At FUNO® we are strongly committed with human rights, diversity, inclusion, equal opportunity, and non-discrimination, both within our organization, with our employees, and externally, with our tenants, guests, and communities.

Therefore, we aim to consolidate our properties as spaces of social cohesion where we encourage and value accessibility, thus supporting our tenants and guests, and constructing a bigger and inclusive community. Accessibility means modifying public and private spaces, in order to promote the development of all people in the environment in an equitable manner.

At FUNO® we are convinced that accessibility not only includes people living with disabilities, but everyone, because by reducing physical, urban and communication barriers we seek to benefit seniors,

In FUNO® we have committed to universal accessibility, and believe is essential for building a more inclusive community, enabling people's mobility without a differentiated treatment.

pregnant women, children, families with strollers, people of different sizes and heights.

In 2020, we sought after the support of experts for the conversion of La Isla Entertainment into a fully accessible shopping center, aimed at facilitating the mobility of all people, whether or not they live with a disability. Thus, in a record time of four months, our property underwent several adjustments:

La Isla Entertainment: First shopping center in Mexico to obtain the universal accessibility acknowledgement of “Distintivo A”, Silver Level.

These improvements led La Isla Entertainment to obtain the “Distintivo A”, Silver level, recognition based on accessibility and universal design standards, promoted by different organizations such as Todo Accesible, Cushman & Wakefield and the *Fundación para la Inclusión y Desarrollo de las Personas con Discapacidad A.C.* (Foundation for the Inclusion and Development of People with Disabilities). This distinction guarantees that the facilities of the building have universal accessibility, that is to say, that they not only facilitate access to people with disabilities, but also to the rest of the population.




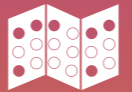








The Silver Level is granted when the property complies with all the indispensable requirements set forth in the standards, that is: Accessibility at the facilities, signs and furniture in order that such property can receive people with different disabilities, thus ensuring the free circulation and achieving full inclusion.



Before



After

					
Accessible toilets	Family toilets	Signs with Braille diagrams and information	Haptic maps	Accessibility and signs from the parking lot	Fixtures in elevators
					
Pod tactile guides	Ramps on the mall	Mobile ramps for the entrance and exit of businesses	Accessible urban furniture	Braille language in elevators	Rest areas and pet friendly spaces for support animals

Talent Retention

GRI 401: 103-2, 103-3
401-1

In order to encourage the retention of our employees and to help them grow together with FUNO® we mapped 100% talent in three categories:

- Top Talent
- High-potential talent
- High-performance talent

Based on that and on the Nine Box methodology, we established the Individual Development Plan (IDP) whose purpose is to create a succession plan for VPs and Directors.

Indicator	Employees of FUNO®	Indirect employees
Overall turnover	8.0%	41.0%
Voluntary turnover	5.5%	25.6%
Involuntary turnover	2.5%	15.4%

42.1% of the staff of **direct employees** is integrated by women.

115 employees in managerial positions; **39.1%** are women⁸.

18% of **indirect employees** is integrated by **women**.

18 employees in **executive positions**; **27.8%** are **women**⁸.

139 employees in **leadership positions**⁷; **36.7%** of them are women⁸.

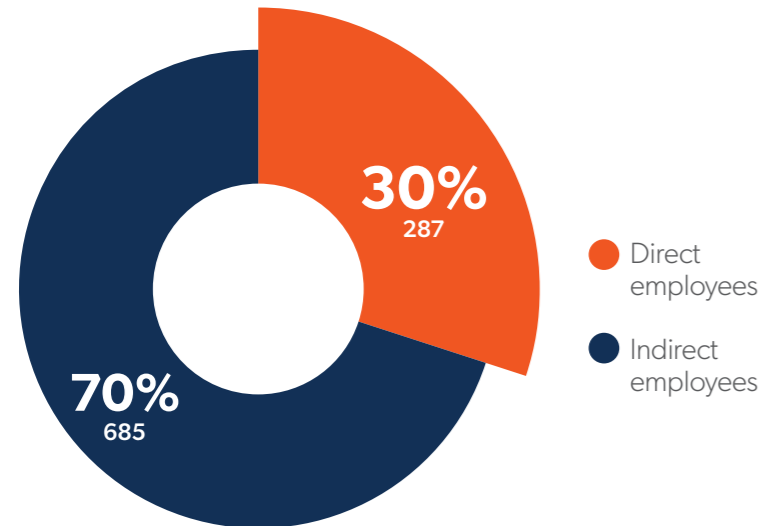
189 employees in **income-creating positions**; **45.5%** of them are **women**^{8*}.

Staff

GRI 405: 103-3
102-8, 405-1

972 employees.

BREAKDOWN OF STAFF BY CONTRACT TYPE



⁷ Leadership positions comprise management functions including junior, middle and senior management.

⁸ The data presented consider FUNO®'s direct employees.

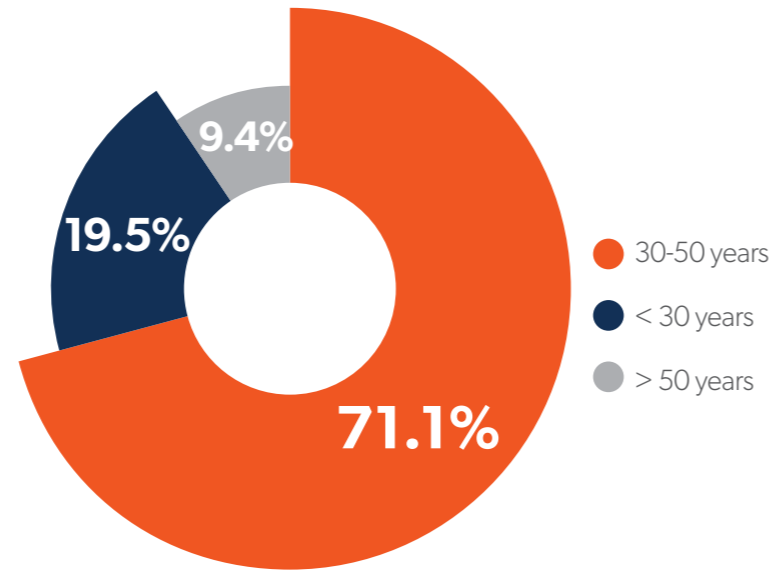
* The percentage of women in revenue-generating positions considers Operations, Revenue Assurance and Treasury areas.



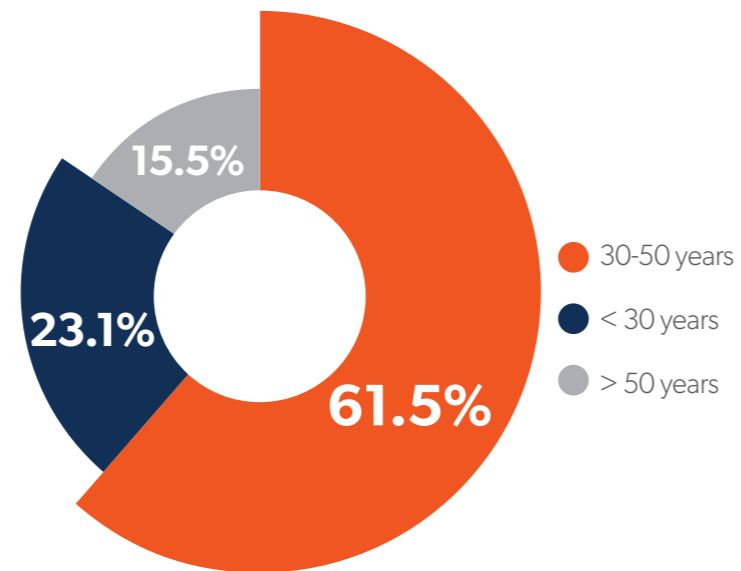


Torre Caballito

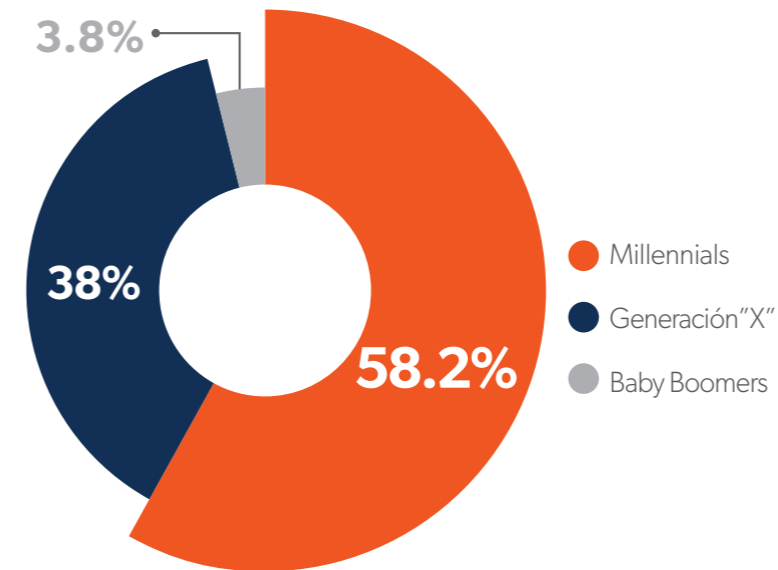
BREAKDOWN OF DIRECT EMPLOYEES BY AGE GROUP



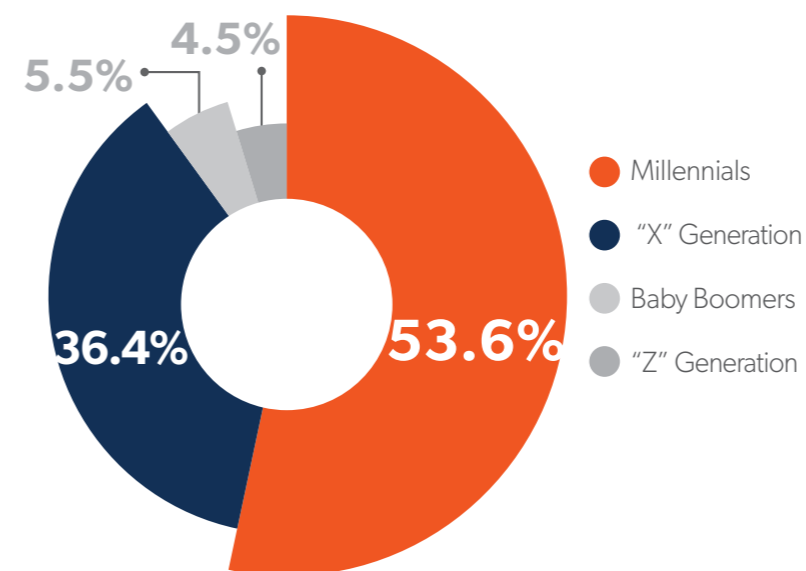
BREAKDOWN OF INDIRECT EMPLOYEES BY AGE GROUP



BREAKDOWN OF DIRECT EMPLOYEES BY GENERATION



BREAKDOWN OF INDIRECT EMPLOYEES BY GENERATION



16% of FUNO® employees identify with a **Diversity and Inclusion target group.**

3.4% of our employees identify themselves as **part of the LGBT+ target group.**

2.1% of our employees consider themselves to **belong to a cultural target group made up of foreigners or indigenous groups.**

0.8% of our staff is identified as **part of the people with disabilities target group.**

WE PROMOTE DEVELOPMENT

GRI 404: 103-1, 103-2, 103-3

To our employees, strengthening our training and development models are key, so we provide the conditions for them to unleash their full potential and build their career plan.

The situation that we went through in 2020 dilucidated that we must keep our employees updated and work as a team to better adapt to changing environments.

100% of the staff was trained in 2020.

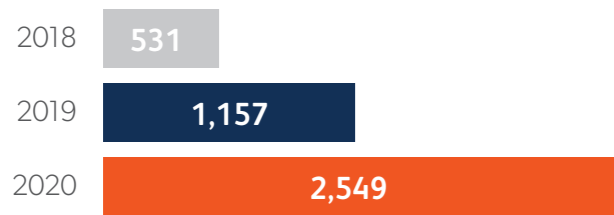
Training

404-1, 404-2

In 2020, in addition to accomplishing the description of 100% of the positions, we applied a global training needs analysis (TNA), with which we mapped by Vice Presidency and by department, the technical and soft skills needed. The objective is to provide the specialized training needed, to employees according to the area to which they are assigned and the position they hold.

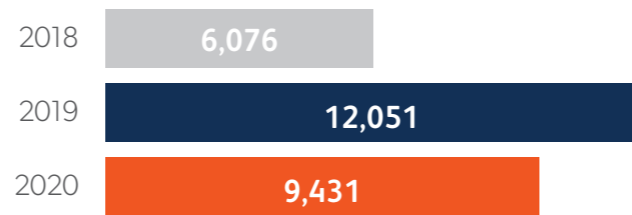
nical and soft skills needed. The objective is to provide the specialized training needed, to employees according to the area to which they are assigned and the position they hold.

PARTICIPATION OF EMPLOYEES UNDER TRAINING



3.8 hours of training provided on average per employee; 4.3 hours for men and 4.2 hours for women*.

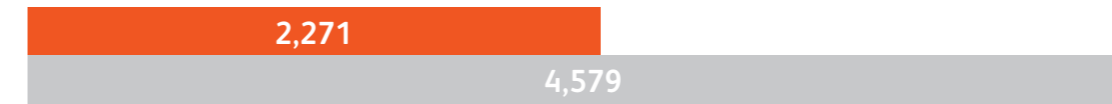
PERSON-HOURS OF TRAINING



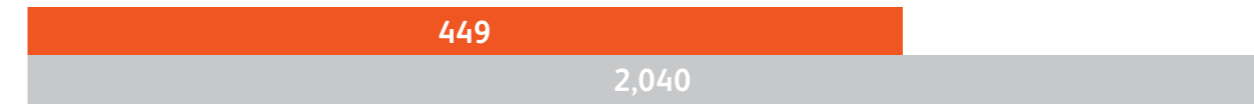
Of the amount invested in training, **54.3%** was directed to training men and **45.7%** to training women*.

TRAINING HOURS BY TOPIC

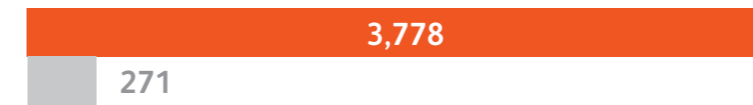
Innovation and new technologies



Human rights



Health and Safety

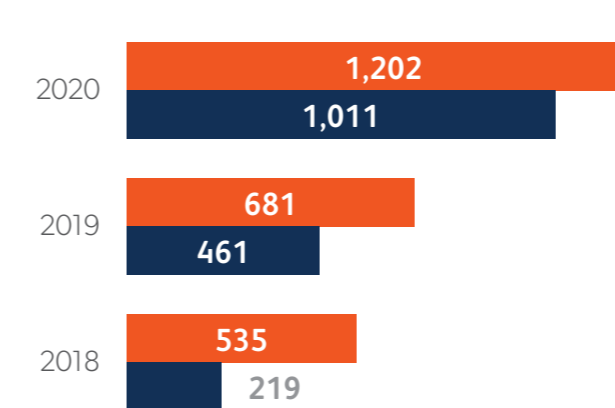


Entrepreneurial knowledge and skills

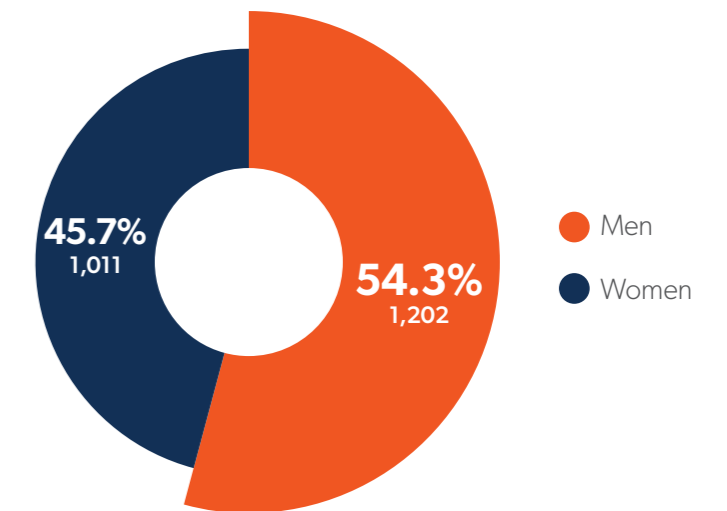


● 2020
● 2019

TRAINED EMPLOYEES BY GENDER*



BREAKDOWN OF TRAINED EMPLOYEES BY GENDER* (2020)

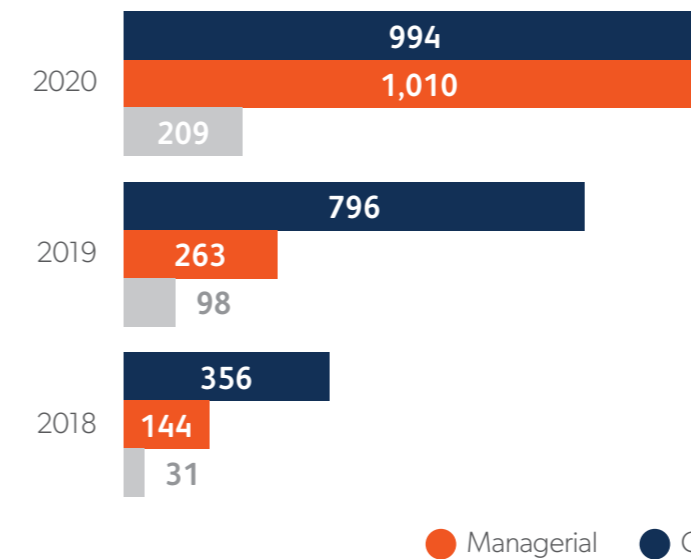


* Training indicators by gender and by labor category exclude 337 indirect employees. Data consider the number of participants in training sessions.

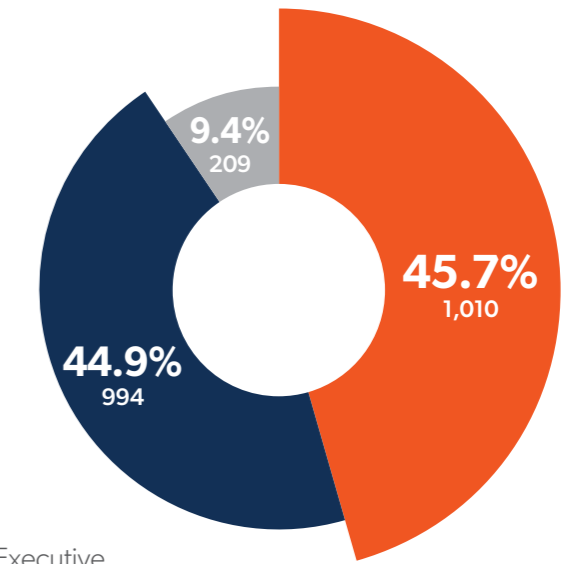


Patio Tlalpan

TRAINED EMPLOYEES BY LABOR CATEGORY*

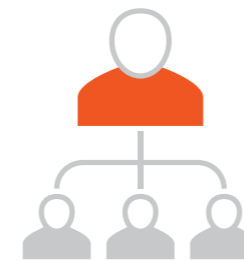


BREAKDOWN OF TRAINED EMPLOYEES BY LABOR CATEGORY* (2020)



● Managerial ● Operational ● Executive

* Training indicators by gender and by labor category exclude 337 indirect employees. Data consider the number of participants in training sessions.



100% of outsourced employees were trained on governance matters: Code of Ethics, Induction Manual, Human Rights Policy, and Social Responsibility Manual.

FUNO WAY

For the second consecutive year, we offered the “FUNO Way” management skills course, in partnership with the *Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM)*.

This program is aimed at our operational and management teams, both Corporate HQ and at our properties; it addresses in depth the soft and hard skills to be a real estate administrator and a FUNO® Leader, among them:



Finance



Human Resources



Leadership



Budget



Permits and licenses



Sustainability

Graduation of the 2nd generation of the “FUNO Way” Diploma course in 2020, constituted by 20 managers.

Participants are selected through the following process:

1. Announcement.
2. Nomination by the leaders.
3. Analysis of certain criteria:
 - With a background of at least one year working at FUNO®, or that the applicant has a permanent position
 - Formal education
 - Minimum compliance of 80% of the annual goal board
4. Signature of a letter of commitment by the applicant, in accordance with our Training and Development Policy.

640 hours of training provided in the “FUNO Way” Diploma course in 2020.

At the end of the Diploma course, employees create projects focused on innovation, which are presented to the Board of Directors, a forum where it is decided whether these initiatives will be implemented. Projects designed on 2020 were oriented to the training specialization, data monitoring, and to provide an efficacious and quality care to tenants.



Before



After

Samara

Performance Assessment

404-3

We have a SMART-based process for assessing the performance of our employees, which is executed annually to obtain the necessary information for the allocation of the percentage of performance bonus. Our goal is to homologate it through all the organization and institutionalize it in a policy.

100% of employees received a performance assessment.

Compensations

GRI 401, 405: 103-1, 103-2, 103-3
102-35, 102-36, 401-2, 405-2

We aim to offer competitive salaries and benefits. In order to reduce any pay gap that might exist, and with the support of an external consultant, we were able to fulfill our 2019 commitment to conduct a compensation study that consisted of a job evaluation to determine the degree of competitiveness in the market and fairness within the company.

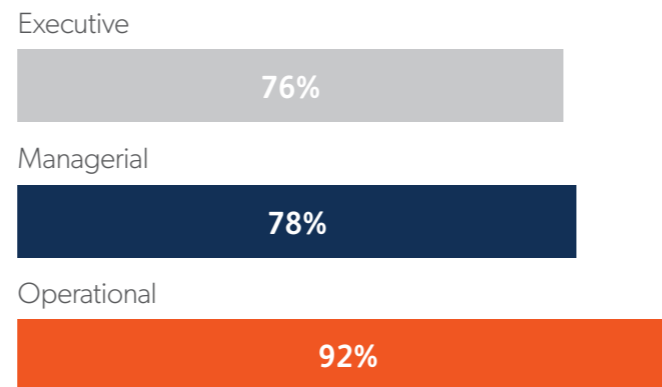
We fulfilled our 2019 commitment to carry out a companywide compensation study.

All salaries are above the minimum wage established by the Mexican regulations, which are paid on time and allow our collaborators to have a lifestyle in accordance with their needs.

100% of FUNO®'s direct employees receive the following compensation and benefits:

- Base salary.
- Major medical insurance.
- Social security.
- Food coupons.
- Food support.
- Annual gratification.
- Vacation bonus.
- Annual variable compensation, linked to personal performance, FUNO® financial performance and ESG criteria.

SALARY RATIO OF WOMEN VS MEN



All direct and subcontracted FUNO® employees have major medical insurance, this can be extended to their direct family free of cost.

Annual Variable Compensations

Variable compensation granted once a year include ESG indicators, depending on the position and role, for instance:

- VP of Operations, Project Directors and Property managers have specific indicators of energy efficiency, water efficiency, security, and accidents.
- The VP of Investors Relations and Sustainability Director have specific indicators for social responsibility, environment and climate change.
- The VP of Administration and IT, Human Resources Director, and Information Technologies Director have specific indicators for attracting and retaining talent, training, cybersecurity, among others.

100% of employees have ethics indicators, where the breaches to the Code of Ethics are reflected in the variable compensation and that, according to the severity of the failure, also may cause employment termination.

In addition to the prior compensations and benefits, executive positions have:

- Variable compensation with certificates of FUNO® –Long Term Incentive (LTI)–.
- Annual medical checkups.
- Mobile telephone benefits.
- Executive Compensation Plan (ECP).

We seek to offer additional benefits to the benefits and compensation we provide them, through corporate agreements that have a positive impact on their productivity, well-being and professional development. In 2020, we maintained our agreements in telephony, education, meditation, mental health, day-care, automobiles, and extended the benefits in some of them.



Patio Querétaro

We are proud to have consistently granted compensations and benefits to our employees even in the uncertain situation we are going through in 2020, and we have extended benefits to our indirect employees.

WORK SATISFACTION

102-21, 102-44

In 2020 we applied the first global employee survey for Great Place to Work® (GPTW), which evaluates the level of trust in the organization and facilitates the identification of areas of opportunity to improve the workplace.

This survey evaluates Communication, Competence, Integrity, Support, Collaboration, Care, Individual Work, Team, Organization, Close Relationships, Hospitality, Sense of Unity, Equality, Absence of Favoritism, and Justice distributed in five dimensions:

CREDIBILITY	RESPECT	IMPARTIALITY	PRIDE	TEAM SPIRIT
How the employee perceives the leaders and the organization	How the employee thinks he/she is viewed by his/her superiors	Absence of discrimination, clear rules, timely decision making	Corporative image in society	Family and team feeling

FUNO® received the 2020 Great Place to Work® certification; ranked 41 out of 80.

97% of our employees are proud to work at FUNO®.

78%, satisfaction rate.

1st Global survey of employees for GPTW with 78% of response.

95% of employees confirms that when they see what FUNO® has achieved, they feel proud.

95% of employees perceives FUNO® as a safe physical place to work at.

92% of participants believe that leaders run the business honestly and ethically, and 91% say they do so competently.

96% of participants assure that people receive a fair treatment regardless their sexual preference or orientation.

90% of employees feel good about the way FUNO® contributes to society.



SOCIAL CAPITAL: CA

OUR COMMITMENT



The management of social capital in FUNO® has four dimensions:



Community

Relevant operational aspect of our properties and the generation of social value of our FIBRA and FUNO® Foundation.

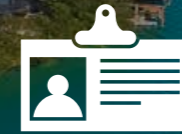
Impact on: setting, costs, and financial performance of FUNO®.



Safety and Health / Wellbeing

Material aspect.

Impact on: costs and risks to the interior and exterior of FUNO®.



Relationship with Tenants

Relevant aspect of the operation of our properties.

Impact on: setting, costs, and risks to the interior and exterior of FUNO®.



Supply Chain

Relevant aspect.

Impact on: setting, costs, and financial performance of FUNO®.

Impacted Stakeholders



Tenants



Guests



Communities



Suppliers and Contractors








Employees

OBJECTIVES

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
	To increase and develop new activities of social responsibility at property and corporate level	To activate NGO and foundations in our shopping centers: <ul style="list-style-type: none"> • Financial donations • Donations in kind 	Continuous objective
 <p>Community Social Responsibility</p>	To increase by 20% the number of supported NGOs, CSOs, and CAs	To diversify our social responsibility strategy, identifying the lines of action with the greatest positive impact on the communities in which we operate and, based on this, create alliances with local organizations.	2021
	To keep at least 2 annual meetings with each supported organization	To incorporate semestral feedback meetings with the organizations in our annual social responsibility plan.	2021
	To have a social responsibility flagship program installed in all the properties	<ul style="list-style-type: none"> • To define the priority for FUNO®. • To define a flagship project. • To implement it at the properties. 	2021
 <p>Community FUNO® Foundation</p>	To support initiatives that improve the infrastructure of communities where we have operations, that support education, employment, and/or environment	<ul style="list-style-type: none"> • To perform a second edition of the Contest "FUNO® te ayuda a ayudar" [FUNO® outreach program]. • To keep and strengthen our support through financial donations. 	2021
 <p>Liaisons with Authorities</p>	To warrant safety at the properties	To promote the use of the corresponding channels for each level, established in our policies and procedures.	2021

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 <p>Health and safety</p>	To warrant safety at the properties	<ul style="list-style-type: none"> • To automatize access to properties of the industrial portfolio with QR code, plate registration, and database. • To have surveillance drones and panic buttons to warrant the security at the surroundings of the properties of the industrial portfolio in synergy with the authorities. • To warrant integrity and trust from the safety team through training on ethical topics and application of tests. • To maintain the implementation of the Operations Manual. 	2021
	Zero accidents	<ul style="list-style-type: none"> • Training to 100% of the staff. • Drills at 100% of properties. • Implementation of safety protocols at 100% of our properties. • To provide personal protective gears to 100% of employees. 	Continuous objective
	To promote health	To enable the medical service in Torre Reforma Latino as part of the value proposition, which may be accessed by employees of this and other FUNO® properties located in Paseo de la Reforma.	2021
		<ul style="list-style-type: none"> • Comply 100% with measures required by the authorities to prevent spreading of COVID-19. • To promote social wellbeing in the value chain. 	Continuous objective

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 <p>Well-being</p>	To strengthen the Well-being culture in FUNO®	<ul style="list-style-type: none"> To implement the NOM-035-STPS-2018 management methodology. To seek experts counseling. To provide training and performing dynamics, workshops, and/or readings for the personal and professional development. To perform three sessions of training and readings of relevant books for the clear development of competences focused on Wellbeing, organizational development, psychosocial risks, and human talent management. To implement a flexible schedule scheme. 	2021
 <p>ESG topics in contracts with tenants</p>	To update the green clause in 100% of contracts	To include the update in renewals and new contracts of the three portfolios.	2035
	To increase ESG tenant information reporting coverage by 20%	To include our five major tenants in the ESG information report.	2021
 <p>Tenant Satisfaction</p>	To improve tenant satisfaction levels in the office portfolio by at least 1 point	<ul style="list-style-type: none"> To maintain personalized attention to our tenants in order to know their expectations and needs. To continue managing the opportunity areas resulting from the first survey. 	2021
 <p>Supply Chain</p>	To achieve that 100% of our suppliers meet the ESG criteria	<ul style="list-style-type: none"> To make our suppliers aware on the importance of operating based on ethical standards and complying with policies and processes, both in the relationship with FUNO® and at the core of their businesses. To strengthen a transparent communication culture with suppliers. 	2030
	To reduce our suppliers roster by 12%	To identify suppliers with national coverage.	2021

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 <p>Supply Chain</p>	To optimize processes	<ul style="list-style-type: none"> To continue creating contracts in the system. To strengthen processes for accepting or refusing an admission request and decrease response times. To improve the process for the benefit of the user to reduce purchase requisitions. 	2021
	To perform the first supplier certification	To assess 100% of suppliers, from the 36 categories, in a step-wised manner, to certify those that comply with all the requirements.	2021



WE CREATE COMMUNITIES

GRI 413: 103-1
413-2

At FUNO® we are convinced that our properties are drivers of development, and we are proud of it, even in complex situations such as the one we are currently experiencing, we create value for our tenants, their employees and the communities through these spaces of social cohesion.

To mitigate negative impacts and enhance positive ones, in addition to the due diligence process on environmental matters, we ensure that we do not make investments that require the displacement or relocation of communities.

Approach and Relationship with Communities

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

In 2020, we carried out various social responsibility and community outreach activities, supporting various groups and organizations.

In addition to local producers, artists, educational institutions, companies and federal, state, and municipal governmental entities, some of the beneficiary organizations were:

79 social responsibility activities managed in our shopping centers.



MXN\$58.1 million
in financial donations

For FUNO®, constant communication with non-governmental organizations (NGOs), civil society organizations (CSOs) and civil associations (CAs) that receive our support is important to obtain their feedback regarding our social responsibility activities and initiatives.

Likewise, in 2020 we conducted more than 20 meetings with AFOREs (Retirement Funds Administrators), insurance companies, consultants, FIBRAs, and other relevant groups to receive the feedback on the first ESG Manual for the Mexican Real Estate sector.

36 meetings with the main NGOs, CSOs, and CAs receiving support from FUNO®.

We collaborate with government institutions for the execution of vaccination campaigns, reforestation and support to local producers.

Contributions to Trade Associations

102-13

MXN\$508,000 pesos in contributions to several trade and gremial organizations, such as:

- Mexican Association of Real Estate FIBRAs (REITs)
- Mexican Association of Industrial Parks (AMPIP, for its Spanish acronym)
- GRI Real Estate Club
- Mexican Center for Philanthropy (CEMEFI, for its Spanish acronym)
- Consejo de la Comunicación [Mexican communication council]



Health and Well-being

At the Core of FUNO®

GRI 403: 103-1, 103-2, 103-3
403-5, 403-7

Guaranteeing safe and healthy working conditions for our employees, as well as an optimal quality of life, is essential for the development of their activities, the increase in their satisfaction and, therefore, the strengthen-

ing of their commitment to FUNO®, ensuring the continuity of the business and the generation of long-term value.

802 employees trained on safety and health matters; 4.7 hours on average per person.

Due to the context developed throughout the year, the priority at FUNO® was to protect our employees and foster a culture of prevention and care among them, promoting well-being in the personal and professional scenarios.

We reinforced health management and followed-up the conduction of annual medical checkups to our VPs and the Management staff, the implementation of general and dental health talks, as well as free eye exams.

70% of the administrative staff performed their activities at home and the working cycles of the maintenance and cleaning staff were modified at the industrial parks without affecting the service.

Well-being Program

403-1, 403-2, 403-3, 403-4, 403-6

In 2020, with the aim of promoting a favorable work environment, we strengthened the management of the health and well-being of our employees through the launching of the Well-being Committee and the creation of the Well-being and Psycho-social Risk Prevention Policy.

100% of our employees were trained on COVID-19 prevention skills and actions for a safe return to activities.

We launched the Well-being Committee and the Well-being and Psycho-social Risk Prevention Policy.

Well-being Committee

It is constituted by:

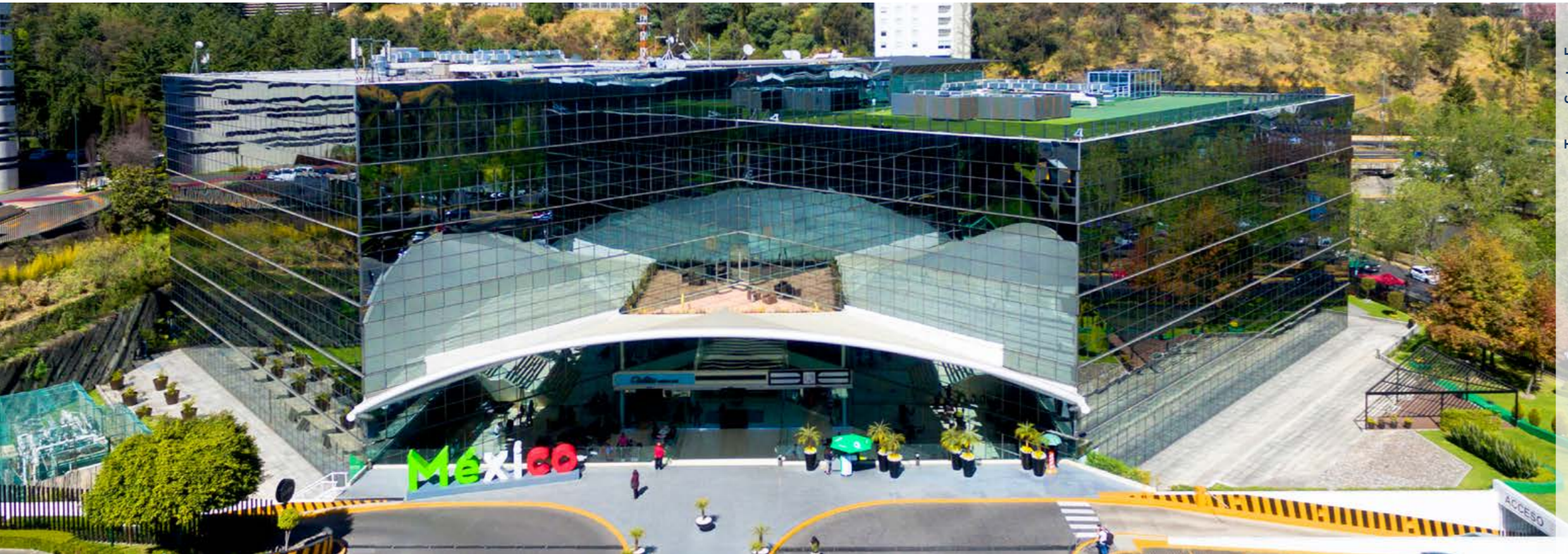
- Deputy General Manager
- VP of Administration and IT
- Human Resources Director
- Specialist in Clinical Psychology
- External advisor with training in Psychology and specialization in Psychotherapy

It gathers bimonthly; in these meetings, indicators are presented to review its evolution.

The Committee's functions are to identify, analyze and channel cases of employees with severe stress. The process consists of:

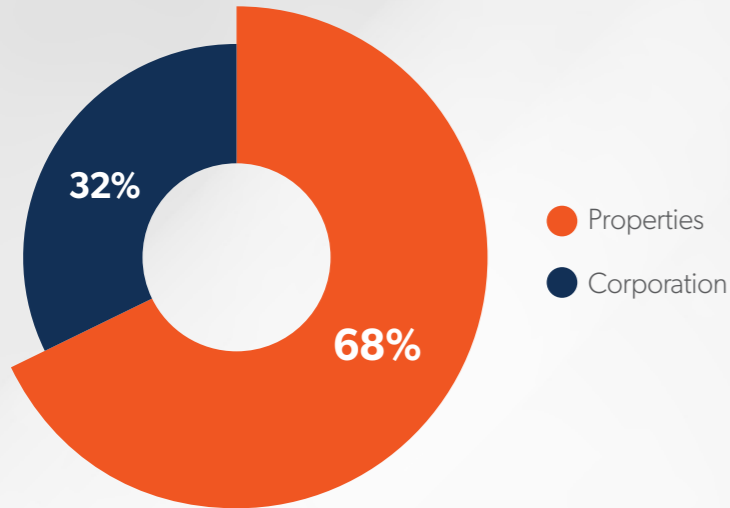
1. Application (per event and annually) of a guideline to identify cases of employees who have been exposed to severe stress situations.
2. To execute an action plan for each case:
 - Individual interview of employees by a Psychologist and based on a protocol.
 - Validation that the responses match with the event to which the stress is attributed.
 - Clinical follow-up to each case.

904 interviews applied by the Well-being Committee in 2020 to identify psychosocial risk factors; 162 positive cases.

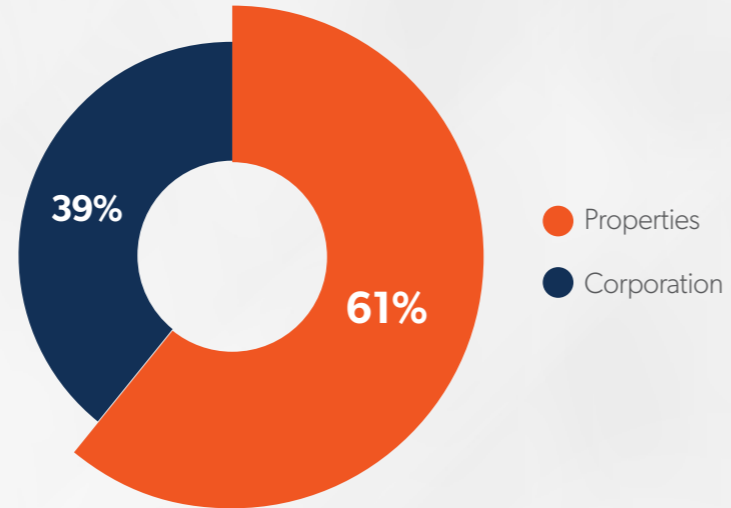


Torre Santa Fe

INTERVIEWS APPLIED FOR IDENTIFYING PSYCHOSOCIAL RISK FACTORS



CASES IDENTIFIED WITH PSYCHOSOCIAL RISK FACTORS



We support 15 employees identified with severe stress and referred them to a Clinical Psychology Specialist.

173 employees received training related with psychosocial risks at work; 7.6 hours on average per person rage.

In order to anticipate, prevent risks and guarantee the necessary knowledge for optimal compliance with NOM-035-STPS-2018, Psychosocial Risk Factors at Work- Identification, Analysis and Prevention, we work on the generation, adaptation and strengthening of some initiatives, including:

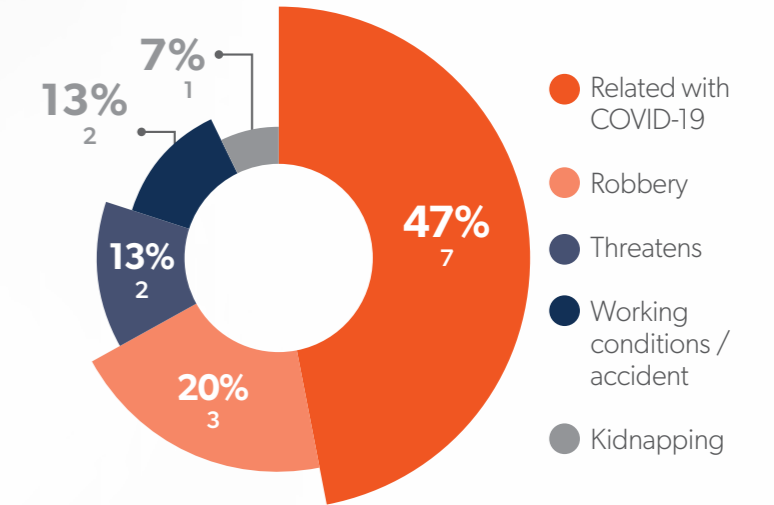
- Training to our corporate and real estate directors and managers, through a 16-hour virtual course given in the Distance Training Program for Workers (PROCADIST, for its Spanish acronym) of the Ministry of Labor and Social Security (STPS, for its Spanish acronym), that must be passed with a minimum grade of 8/10.
- Agreement with a group of health professionals to provide services of telemedicine to our employees at a national level.
- Strengthening of the Major Medical Insurance (MM) provided by FUNO®, which includes the subject of mental health as long as a complaint is made.

We keep our employees informed on well-being, security, and occupational health matters through Intranet; we reinforce this communication weekly.

In addition to the above, in the event of identifying any unsafe or hazardous condition, employees can contact us by e-mail; all interactions are channeled to the corresponding area to be addressed.

75 leaders of properties trained on psychosocial risks at work; 1,200 total training hours.

CASES IDENTIFIED WITH PSYCHOSOCIAL RISK FACTORS AND REFERRED TO A SPECIALIST

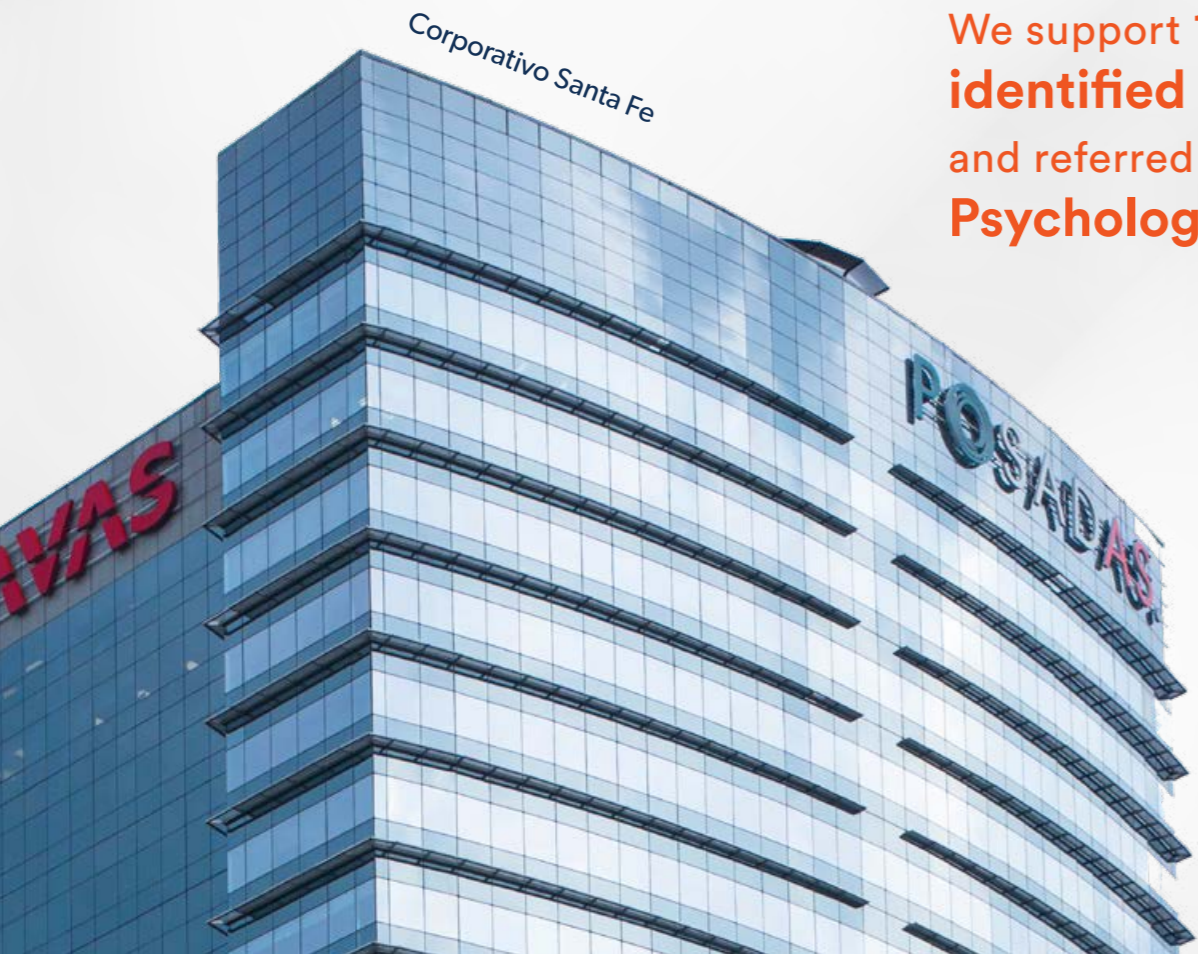


100% of our corporate and real estate Directors and managers were trained on psychosocial risks.

Indicators

403-8, 403-9, 403-10

Indicator	FUNO® employees	Indirect employees
Number of accidents	2	35
Number of fatalities	0	0
Disabling injury rates	0	0
Number of occupational diseases	0	0
Absenteeism rate	0.0183	0.0039



At the Outside of FUNO®

413-1

FUNO® Center

At FUNO® we focus on generating sustainable value for our stakeholders. That is why, in 2020, we completed the construction of the FUNO® Center, the first social coexistence space and the only one of its kind within 4 industrial parks.

It is an outdoor sports-recreation center and is the result of the combined efforts of FUNO® and our supplier Parks, as well as

an example of our FI-BRA's strategic alliance with tenants, authorities, and suppliers. Its objective is to promote sports, health and the adoption of a healthy lifestyle among all the people who work daily in these industrial parks, positively impacting the work environment, the quality of life of the users and their well-being.

FUNO® Center has all the safety and sanitation measures required to operate safely and provide its users with quality service. In a record time of six months, the construction and equipment of the following was achieved:



Soccer court



Open gym



Locker-rooms



Lockers



Food truck area



Outdoor food court



Green and recreational areas for the development of various activities, such as yoga and zumba

Located in the core of the industrial Park San Martín Obispo and Lago de Guadalupe.

5,300 people benefitted by FUNO® Center, who daily work in the +70 companies distributed in the 5 industrial parks.

+6,000 sqm assigned to perform sport, recreational, and well-being activities.

Athletics Track

To encourage the adoption of healthy lifestyles, we implemented a running track in an area near the industrial park TepozPark, located in Tepozotlan, State of Mexico.

Security

- We designed a custom software prototype to control access to industrial parks, a reliable tool that we are committed to implement in all industrial parks by 2021.
- In conjunction with Parks, the Control, Command, Communications and Computing Center (C5) of the State of Mexico and the specialized security agency Maguen Team, we created a security program where six of the regions where our industrial parks are located, are connected to the C5, including aerial surveillance drones, to overfly more than 20 industrial facilities, shopping centers and their surroundings, along with more than 30 panic buttons to incidents reporting. This is a dynamic program in constant evolution and improvement, in order to optimize security in properties.

Human Rights

At FUNO® we are convinced that respecting people's rights and freedoms, as well as promoting diversity, generate great benefits for the business and the country.

In 2020, we provided our employees with 57 training sessions that addressed Human Rights issues.

159 employees trained on Human Rights; with a ratio of approximately 60% women and 40% men.

449 training hours on Human Rights; 2.8 hours on average per employee.



FUNO® Foundation

We continue working to promote the positive transformation of life quality in the communities where we operate. We do this through the FUNO® Foundation and the four strategic lines that support the generation of social value:



“FUNO® Outreach Program”

3 initiatives supported in 2020: Fundación Unidos por Aitana, A.C., Jardín botánico de Acapulco, and Unidos por la Montaña, A.C.

MXN\$9,932,203.1, total amount donated in support of the winning organizations of the Contest [FUNO® Outreach Program] *“FUNO® te ayuda a ayudar”*.

To know more about this initiative, visit: <https://en.funo.mx/investors/esg/funo-foundation/funo-outreach-program>.



VALUE PROPOSITION FOR OUR TENANTS

Improvement Program for Tenants

We are convinced that in order for the actions we develop at FUNO® to measure and drive sustainability to have a greater positive impact on our tenants, their participation is crucial.

For this reason, in 2020 we conducted two webinars that addressed energy issues focused on increasing efficiency in the operation of our tenants, while in social matters, we constantly invite our tenants in the industrial parks to participate in different campaigns to support the community.

Satisfaction Survey for Tenants

102-21, 102-44

Achieving maximum tenant satisfaction is our priority. We are able to achieve it thanks to several factors: the solid and long-term relationships we establish with them, the closeness and personalized attention we provide them, the focus on continuous improvement that characterizes us, the understanding of their needs,

the search for best practices and the speed with which we act.

Thus, in 2020 we implemented the tenant satisfaction program in the office and industrial portfolios. This feedback mechanism consists of two rounds of satisfaction surveys with key staff members from the companies that work in our properties.

We obtained 71% of tenants satisfaction.

We implemented the satisfaction survey in our office portfolio, with a 67% response.



Better rated aspects

- Service attitude
- Cleanliness in common areas
- Cleanliness in lobbies
- Fast and secure check-in process



Main opportunity areas

- Operation of elevators
- Operation of air conditioning
- Bathroom aromatization
- Signage in parking lots



Improvement initiatives implemented to address areas of opportunity

- Key actions with vertical transportation providers for prevention
- Simultaneous meetings with tenants and suppliers of elevators and / or air conditioners to establish points of efficiency and comfort
- Installation of deodorizing mechanisms
- Increase security and cleaning rounds
- Signage audits for:
 - » Having appropriate signage in parking lots
 - » Installing the missing signage

Cybersecurity and Data Protection

102-15, 102-29

Data protection has always been essential to guarantee FUNO®'s operation. Therefore, we have the highest standards on cybersecurity matters. The VP of Administration and Information Technologies is the area responsible for its management, who reports to the General Direction and the Technical Committee, at least six and twice a year, respectively.

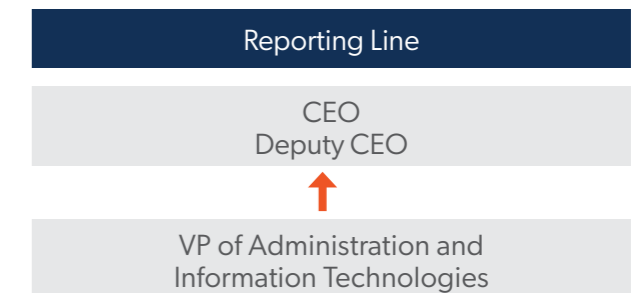
25% of the members of the Technical Committee has experience on cybersecurity.

The team is made up of six employees, who work in compliance with IT security laws and regulations, including data privacy regulations, and are responsible for searching for cyber threats and vulnerability management.

Among the procedures we have in place are:

- Response plan for cybernetic incidents, which is updated annually, and tested four times a year.
- Simulations to evaluate response plans.
- Procedure for solving problems found during the tests for intrusion.
- Daily backup of data and systems.
- Risk assessment of new suppliers with access to the organization's computer systems and periodic review.
- Multi-factor authentication.

Derived from this set of tools, our organization has the capacity to correct vulnerabilities in various platforms in an average of one



day. Together with that, in the last 24 months we have not experienced any cybersecurity incident that we were required to report to the regulator, tenants or our Technical Committee.

The context that took place in 2020 brought with it challenges related to information security, where we confirmed that our efforts and increasingly strict controls must continue to be part of our daily routine in order to anticipate any eventuality.

220.5 training hours provided on cybersecurity; 1.5 training hours per employee.

At FUNO® we were able to overcome these challenges with the deployment of different actions, among them:

- Implementation of a Virtual Private Network (VPN).
- Personal trainings.
- Double authentication.
- Taking advantage of the systems that we already had, designed to be operated remotely.
- Assurance of the connectivity of employees, considering their adaptation to the internal dynamics at home, and time management.
- Logbook with all the required confidentiality systems and in compliance with all government regulations, to follow up on any symptoms that may be presented by the personnel and to identify if they belong to risk groups.

In addition, we maintained our investment in cybersecurity management, strengthened with the

Almost 20% of the total technology budget was assigned for cybersecurity in 2020.

training program for threat detection and with the recurring penetration testing to verify the levels of protection and address the vulnerabilities identified.

We know that, even though we have the best perimeter controls and protections, and we keep the entire organization informed, the evolution of cybersecurity is advancing at an accelerated pace, so there are latent risks. Our objective for the following years is to continue working on the security shielding of our processes and systems, to the extent possible.

147 employees trained in cybersecurity; 77 men and 70 women.

Our objective for the following years is to continue working on the security shielding of our processes and systems, to the extent possible.

LONG-TERM RELATIONSHIPS

102-9, 102-10

Supply chain management at FUNO® is a virtuous circle, since in addition to being customers, we are also suppliers to our tenants. That is why we understand its importance to guarantee an integral management of our organization's supplier network, through a uniform strategic process at local and national levels in order to:

- Provide continuity of operations, both ours and our tenants', through the timely procurement of quality goods and services.
- Create policies and processes for our negotiation and purchasing functions.
- Manage the strategic relationship with our suppliers in the medium and long term, with the purpose of improving the cost-benefit of the negotiations on prices, guarantees, services and quality of the products or goods that FUNO® acquires.

- To generate a culture of constant, accurate and transparent communication that reflects FUNO®'s objectives and the well-being of our suppliers.

Our supply chain is constituted by two types of suppliers:

Tier 1
Those that are essential to the operation of our properties, including security, cleaning, maintenance, electricity and water service providers.
Tier 2
Those that provide other types of services such as consulting and goods that are not essential to our operation.

In 2020, we were able to reduce our supplier portfolio by 20% compared to the previous year.

In order to know the level of compliance and quality, in addition to considering the supplier's line of business and experience, cost, delivery times and payment terms, as part of the supplier selection process we conduct research with customers who have received the service or product from the potential supplier.

The geographic regions with the **highest concentration of our suppliers and contractors** are Mexico City, Bajío, Northern Mexico and Gulf of Mexico.



Likewise, to be selected, suppliers must comply with the following ESG criteria:

Corporate Governance Criteria	Environmental Criteria	Social Criteria
<ul style="list-style-type: none"> • Signature of supplier guidelines, which include: <ul style="list-style-type: none"> » Anti-corruption clause » Adherence and alignment with the Universal Declaration of Human Rights » Alignment with our Code of Ethics » Compliance with anti-money laundering laws » Personal data protection » Audits » Whistleblowing mechanism • Compliance opinion before the Tributary Administration System (SAT, for its Spanish acronym), to ensure the taxation and transparency. 	<ul style="list-style-type: none"> • To have: <ul style="list-style-type: none"> » A plan or certification on environmental management. » Policies for wastes management. » Recycling or reuse program for its products or packaging. • Environmental certification. • Carbon footprint monitoring under national or international guidelines. 	<ul style="list-style-type: none"> • Social security for its employees. • Code of Ethics. • Anti-money laundering and anti-corruption activities. • Avoid hiring minors. • Training of employees in human rights and ethics. • Psychosocial risk analysis. • Diversity and inclusion policies.



Galerías Diana

Even though we set high standards for supplier and contractor compliance, we have identified ESG risks; the main ones are:

- Non-compliance with FUNO® labor practices.
- Acts of discrimination.
- Non-compliance with environmental regulations.

To mitigate the occurrence of these risks and verify that our suppliers act responsibly under the principles of legality, integrity, capacity and safety, in 2020 we established the basis for supplier certification, which will begin in 2021. The main objective of this certification is to identify suppliers qualified to provide services and support to FUNO® operations.

Among the criteria that we have established in the certification, several controls on diversity and inclusion and in labor practices are found to prevent minors and elderly exploitation, thus promoting the respect for human rights.

This certification entails five stages:



Type "A" Suppliers. They comply and obtain certification.

Type "B" Suppliers. They do not achieve certification due to a minimum lack of information, but they are reliable. They have the possibility to address the areas of opportunity within three months and, thus, become type "A" and obtain certification.

Type "C" Suppliers. They do not comply with most of the information; they will be considered in future projects, only in case suppliers "A" and "B" do not comply with certain requirements.

Type "D" Suppliers. They do not meet the minimum requirements; therefore, they are blocked in the system and will not be considered in a year.

In 2020 we set out the guidelines to begin supplier certification.

In order to ensure that the properties maintain a safe and friendly environment with well-lit, well-supervised spaces and an adequate number of elements, we also evaluate subcontracted companies to follow up on their compliance with instructions. In this evaluation, if the contractor gets a score of less than 85% on three consecutive occasions, it is discharged, and we change the supplier.



Industrial Park San Martín Obispo

NATURAL CAPITAL:

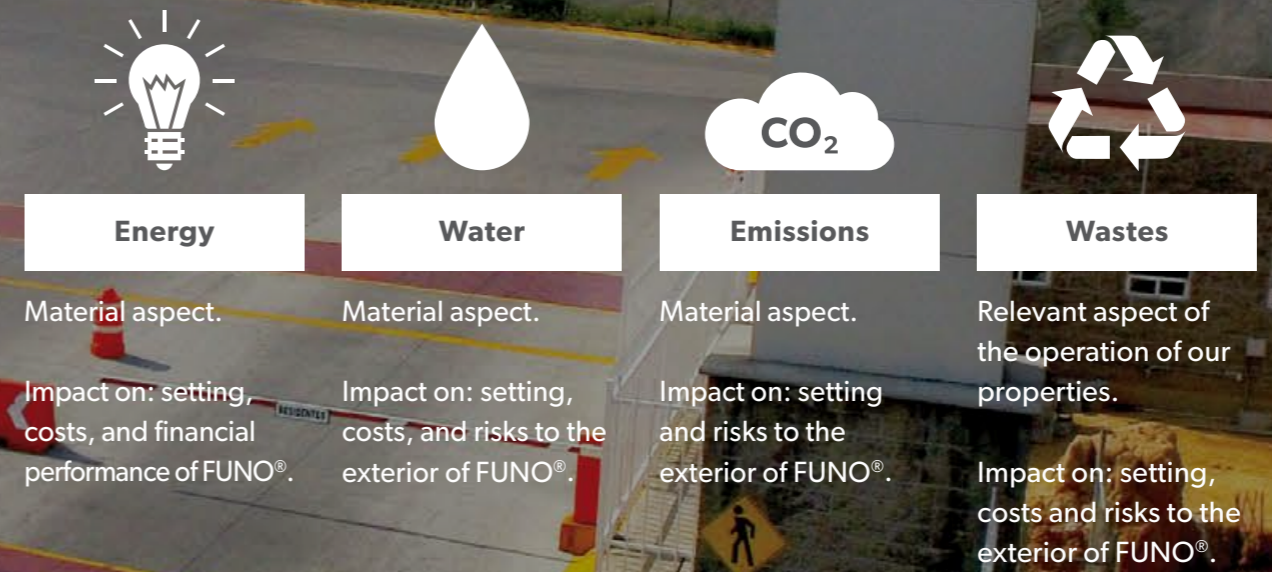
OUR RESPONSIBILITY

Obispo Park

304-2

FUNO® assumes Natural Capital as one of its main responsibilities, and it is through our focus on sustainable management that we continue to generate value for our stakeholders, designing projects and making investments that provide resilience to our properties and lead to the reduction of our environmental footprint.

Natural Capital management in FUNO® includes four dimensions:

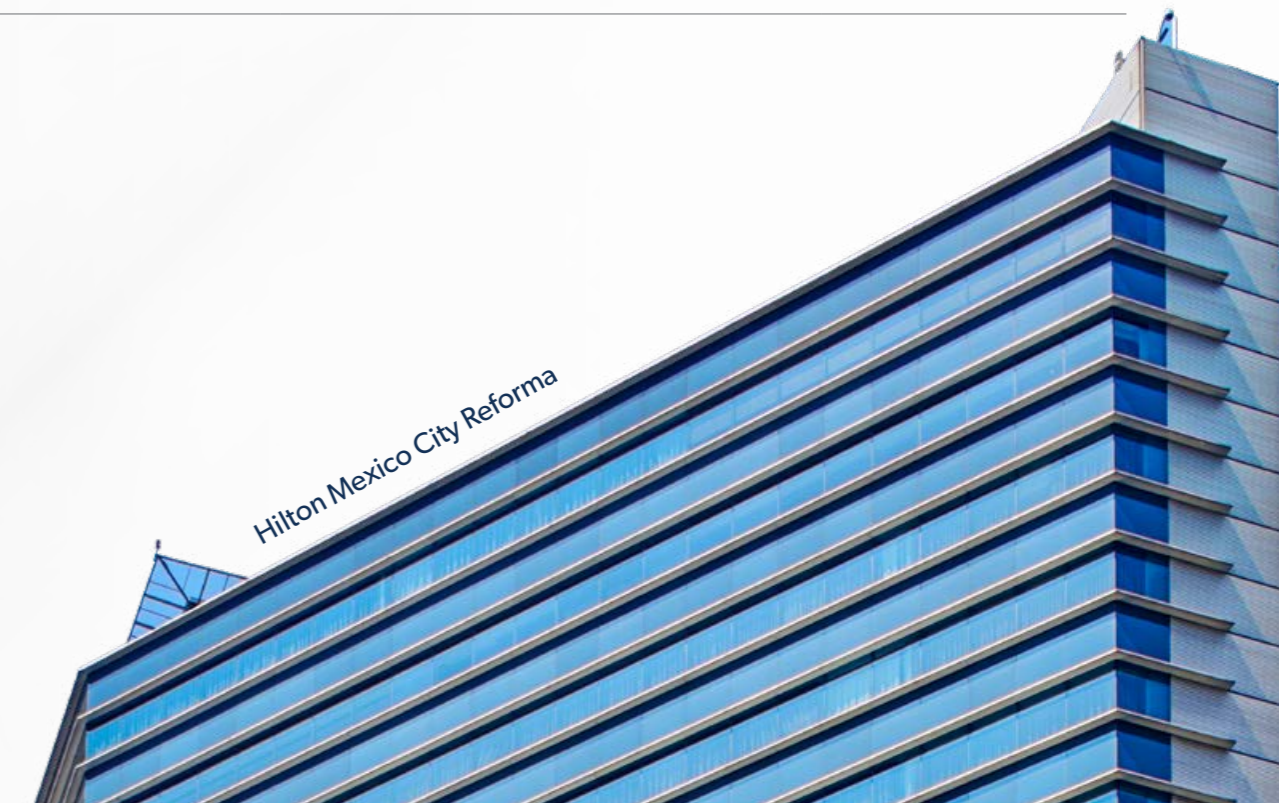


- Impacted Stakeholders**
- CBFIs Holders
 - Employees
 - Tenants
 - Guests
 - Communities
 - Authorities

OBJECTIVES

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 Energy	To reduce by 20% our energy intensity	<ul style="list-style-type: none"> To reduce energy consumption. Install high-efficiency technologies. To purchase clean energy. To renovate to increase natural light. To generate in site energy. To implement the Energy Efficiency Procedure. 	2030
	Encouragement of clean energy usage	<ul style="list-style-type: none"> To implement mobility services (bicycle loans, transportation routes to the subway). Install solar panels on posts and roofs of buildings. To assess additional strategies for in site energy production. 	2021
 Water	To reduce by 30% our hydric intensity	<ul style="list-style-type: none"> To reduce the consumption through high-efficiency technologies. To increase residual water treatment. To increase treated water use. To increase pluvial water collection. 	2030
	Zero waste	<ul style="list-style-type: none"> To execute strategies based on a "True zero Waste" approach. Separation of residues. Reuse strategies. Adequate management of hazardous wastes. Alliances with tenants. Incorporation of certified suppliers for the collection and recycling of solid wastes. 	2030

SCOPE	OBJECTIVE	STRATEGY	TARGET YEAR
 Emissions	To reduce by 20% our GHG emissions intensity	<ul style="list-style-type: none"> To reduce the electric energy consumption. Installation of high-efficiency energy technologies and in site generation of renewable energy. Zero waste strategy. Reforestation and maintenance of green areas. 	2030
	To rehabilitate / reforest / maintain 50 km of green areas	<ul style="list-style-type: none"> Adoption of green areas. Maintenance of center dividers. Annual reforestations. 	2025
 Certifications	To increase by 1 million the certified sqm	<ul style="list-style-type: none"> To continue with the cost-benefit assessment of the certifications applicable to each property. To invest in adaptations. 	2030



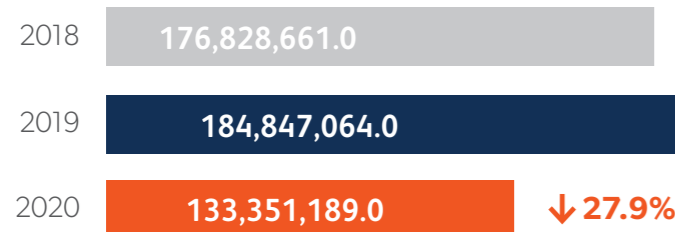
Hilton Mexico City Reforma

ENERGY MANAGEMENT AND EFFICIENCY

GRI 302: 103-1, 103-2, 103-3
302-1, 302-2, 302-3, 302-4, 302-5
IF-RE-130a.2, IF-RE-130a.3, IF-RE-410a.3

As there are different types of tenants, the objectives of each one is different, due to the particularity of their needs. The challenge for FUNO® is to generate scalable and replicable initiatives, analyzing the potential benefit of the improvements to be made in key environmental indicators and, based on this, to design programs to obtain the expected results.

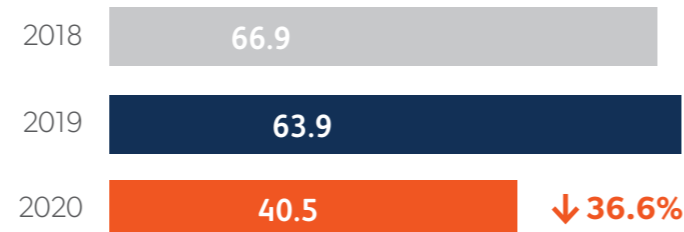
ELECTRICITY CONSUMPTION (kWh)



Note. In 2020, the electric energy consumption was 133,351,189.0 kWh, amount corresponding to the properties over which FUNO® has operational control. Additionally, 2,902,815.3 kWh were counted from the properties managed by a third party.

36.6% reduction in electricity intensity vs 2019.

ELECTRICITY INTENSITY (kWh/sqm OCCUPIED)



Note. The electric energy intensity considers 124 properties according with the commitment of FUNO® regarding our syndicated revolving credit linked to sustainability signed with 11 financial bodies.

The conditions that have allowed the reduction in energy consumption are:

- Establishment of translucent sheets in industrial buildings, which allows better use of natural light.
- Monitoring and automation systems.
- Implementation of harmonic filters and capacitor banks in six properties.
- Installation of LED illumination in four properties.

In 2020, we invested MXN\$14,023,038.1 pesos in the implementation of energy eco-efficiency strategies.

Our priorities for the coming years are the transition to clean energy and efficiency in current consumption.

30% savings in energy consumption in industrial parks operated by a third party, derived from the improvements implemented.

Regarding the consumption of fossil fuels, the results were as follows:

Fuel	Properties where FUNO® has operational control (Gj)	Properties managed by a third party (Gj)
Diesel	638.7	2,207.8
LPG	298.7	
Natural gas	6,803.2	
Gasoline	4.8	6,296.8
Total	7,745.4	8,504.6

Note. During 2020, only 17 properties had fuel purchase, whose surface is equivalent to 636,998.3 sqm, that is, 5.9% of the total GLA whose results are shown in the table.



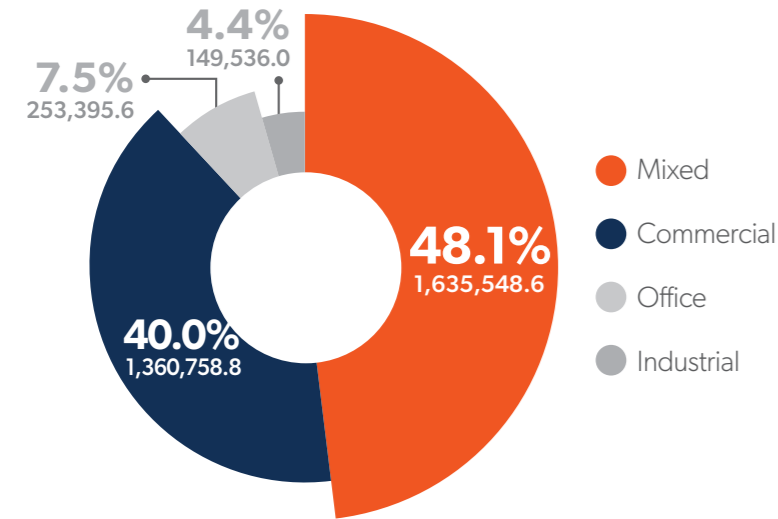
Jardín Botánico de Acapulco

WATER STEWARDSHIP

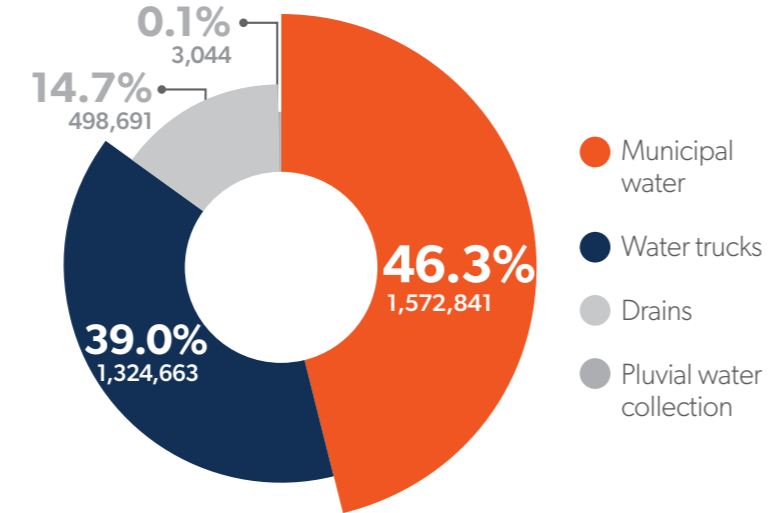
GRI 303: 103-1, 103-2, 103-3, 303-1, 303-2, 303-3, 303-4, 303-5, IF-RE-140a.2, IF-RE-140a.4

In 2020 we had 3,399,238.99 m³ of water consumption⁹.

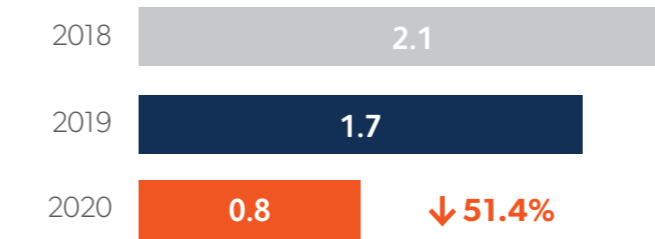
WATER CONSUMPTION BY m³



WATER EXTRACTION BY SOURCE



WATER INTENSITY (m³/sqm occupied)



Note. For 2020 hydric intensity, 133 properties are considered.

In 2019 we conducted the identification of the properties regarding the regions of water stress¹⁰; 175 and 315 properties are located near areas with a high and very high hydric stress, respectively.

Derived from the above, we seek to optimize and reduce potable water consumption through operational efficiency; among the initiatives that have allowed us to advance in this purpose are:

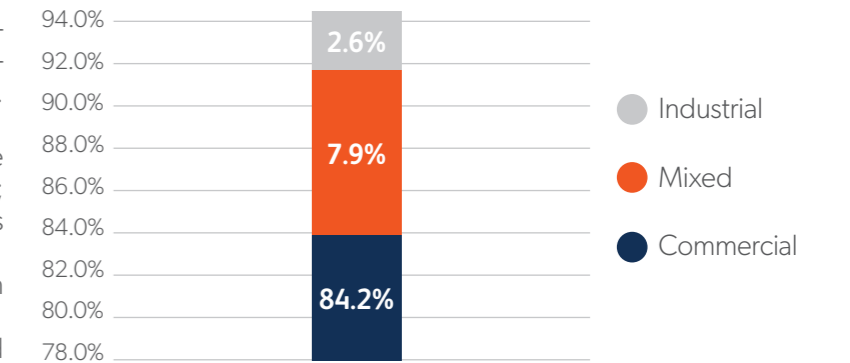
- Awareness campaign on the responsible water consumption with tenants.
- Daily control of water consumption per property, services, and tenants through water measurers at locals and common areas.
- Water flow and opening times reduction in sinks.
- Leverage of pluvial water for irrigating green areas and toilets, as well as treated water for its reuse at sanitary furniture, fountains, irrigation of green areas, washing parking lots, and exterior yards.
- Replacement of urinals with dry urinals in 10 properties.
- Installation of air elimination or retention valves in 11 properties.

One of our main strengths in water resource management is that we have wastewater treatment plants (WWTPs) in 38 properties.

51.4% reduction in water intensity compared to the previous year.

512,385.7 m³ of treated water.

PERCENTAGE OF PROPERTIES THAT HAVE A WWTP BY SEGMENT



MXN\$522,885 pesos invested in 2020 in strategies to optimize hydric resources management.

⁹Water consumption considers 133 properties. Additionally, 2 million sqm consumed were counted in the properties managed by a third party.

¹⁰For more information about the operations located in areas of hydric stress, see the page: <https://en.funomx.com/investors/esg/eco-efficient-operations/water>.



WASTE MANAGEMENT

GRI 306: 103-1, 103-2, 103-3
306-1, 306-2, 306-3, 306-4, 306-5

In 2020, we developed two strategic lines for waste management:

PILOT TEST

In alliance with four of our main tenants, we conducted a pilot test for urban solid waste management at Portal San Ángel, in Mexico City.

It consisted of carrying out a diagnosis with the specialized supplier in order to:

- Identify the categories of the waste generated.
- Mapping recovery strategies.

The results allowed to develop action lines to:

- Reorganize and manage the temporary waste warehouse, as well as the adequate separation and classification of them.
- Undertake communication with tenants to implement the management plan.

DEVELOPMENT OF AN INTEGRAL WASTE MANAGEMENT PLAN

The integral waste management plan of FUNO® was developed based on the True Zero Waste approach of Green Building Certification Inc, and consists of five stages that range from the diagnosis of waste management in our properties, to the fulfillment of the “Zero Waste 2030” goal. During 2020, the implementation of the first two stages was carried out, which consisted of:

- Diagnosis of:
 - » Adequate waste management and separation.
 - » Collection frequency and amount of waste generated.
 - » Infrastructure of temporary waste storage.
 - » Current revaluation strategies.
- Definition of the strategy for the adequacy of temporary waste storage facilities, including the implementation of signage, in order to adequately separate and categorize waste.
- Implementation of a standard waste logbook for properties in order to make the measurement of waste generated more efficient.

Additionally, in 2020, we formalized an alliance with one of Mexico’s leading brewing groups for the revalorization of food-grade glass at three of our properties.

MXN\$470,476.1 pesos
invested in recycling wastes
in 2020.

Category of wastes	Weight (metric tons)
Non-recyclable inorganics	8,373.6
Organics	1,424.9
Sanitary	145.6
PET / plastic	80.8
Glass	76.4
Cans / aluminum	14.3
Paper / carboard	1,419.4
Hazardous	2.2
Electronics	0.0
Other metals	2.6
Total	11,539.7

11,539.7 metric tons of waste generated in 2020.



Gran Patio Pachuca



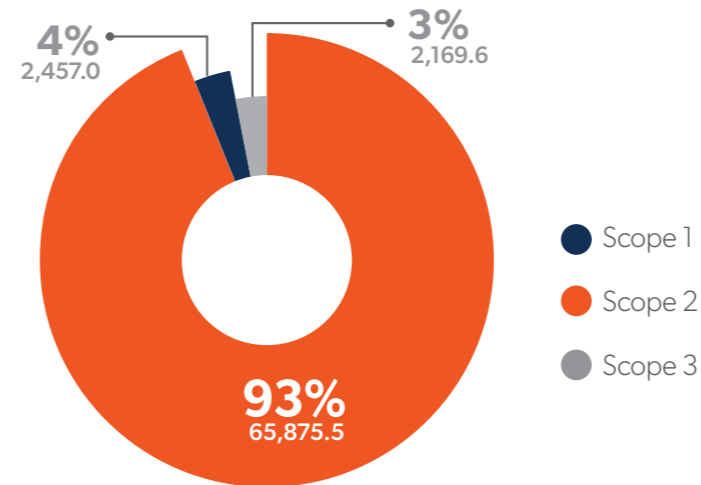
Jardín Botánico de Acapulco

CLIMATE CHANGE STRATEGY

Our Carbon Footprint

GRI 305: 103-1, 103-2, 103-3
305-1, 305-2, 305-3, 305-4, 305-5

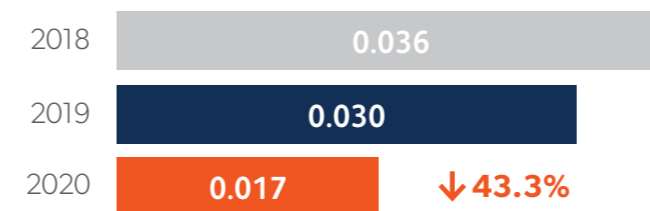
EMISSIONS (metric tons of CO₂e)



Note. Our carbon footprint is constituted by the following sources of emission:

- Scope 1: fossil fuel consumption, refrigerant gases, and emissions produced by our residual water treating plants.
- Scope 2: consumption of electric energy.
- Scope 3: consumption of fuels and electric energy of the properties managed by a third party, the transportation of our employees to their work centers, and business travels. Emissions associated with employee transfers correspond to 33.6% of reported headcount.

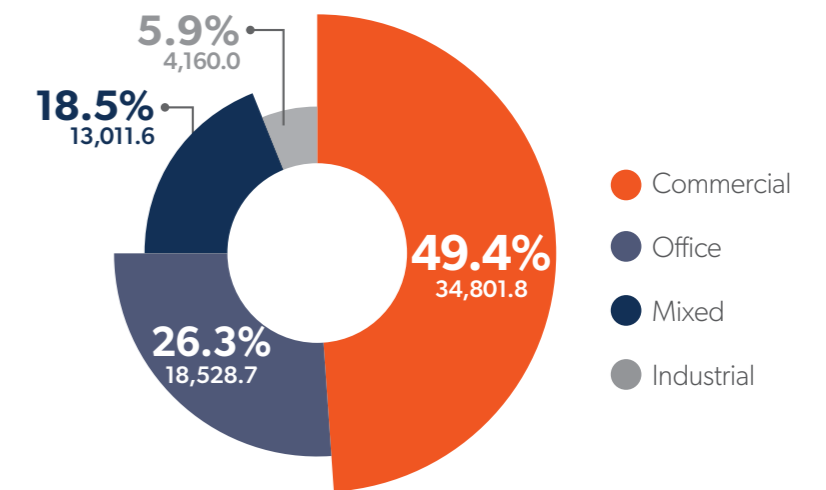
GHG EMISSIONS INTENSITY (metric tons of CO₂e /sqm OCCUPIED)



Note. Our intensity of emissions covers only the scope 1 and 2

43.3% reduction in GHG emissions intensity compared to the previous year.

EMISSIONS BY SEGMENT (metric tons of CO₂e)



In order to be resilient, we continue to measure our carbon footprint. Thus, in 2020 we emitted **70,502.1 metric tons of CO₂e**, for scopes 1, 2 and 3; a reduction of **26.5%** compared to the previous year.

To know more about the manner in which we monitor our emissions, visit the web: <https://en.funio.mx/investors/esg/eco-efficient-operations/climate-change-and-ghg>.

Vulnerability analysis for climate change-related risks

GRI 305: 103-1, 103-2, 103-3
102-11, 201-2
IF-RE-130a.5, IF-RE-450a.1, IF-RE-450a.2

In January 2020, we began the assessment of physical risks and vulnerabilities of our properties to the effects and of climate change. This represents a crucial element to be able to adapt to different climate scenarios and thus achieve an early transition to resilient properties. Our climate change risk vulnerability assessment includes three stages:



1 Identification of Climate change related risks

This stage consisted in the identification of transitional and physical risks; the latter were analyzed based on the behavior of the temperature and precipitation in two periods, Representative Concentration Pathways (RCPs 4.5 y 8.5), and the current vulnerability of 534 properties to climate-related physical risks, thus obtaining the following results:

Physical risks	2015-2039		2045-2069	
	RCPs 4.5	RCPs 8.5	RCPs 4.5	RCPs 8.5
Number of properties with vulnerabilities				
Heat waves	224	233	250	257
Tropical cyclones	79			
Flooding	144	363	137	151
Droughts	406	379	405	412
Increase on sea level	36			

Note: The number of properties shown is based on the high and/or very high vulnerability.

Transition risks to a low-carbon emissions economy

Following the recommendations of the "Task Force on Climate-Related Financial Disclosures" (TCFD), the transition risks to a low-carbon economy were identified under the scenario provided by the "Deep Decarbonization Pathways Project" (DDPP), whose approach is consistent with limiting the global temperature increase to below 2°C. This scenario shows the deep decarbonization pathways to be followed by the 16 countries that account for 74% of global GHG emissions, including Mexico, as well as the necessary changes in infrastructure to achieve decarbonization. In this sense, the main risks in this scenario are as follows:

- Changes to the national regulations on matters of GHG emissions reporting
- Need to reduce energy demand and energy intensity at the national level
- To reduce the energy use from fossil fuels
- Increase in the number of electric cars at the national level
- Demand of low-carbon infrastructure

2 Physical, operational, and financial impacts

Based on the identification of physical risks, the largest number of vulnerable properties are located in a scenario in which greenhouse gas emissions continue to increase and the vast majority of organizations maintain a "business as usual" approach. This scenario brings with it implications for the operations and infrastructure of our properties, therefore, the physical and operational impacts were identified based on the key elements to maintain the operation of our properties, such as adequate infrastructure and water and energy supply. In this regard:

Physical, operational, and financial impacts	Financial Implications
<p>In the long term, around 257 properties may show:</p> <ul style="list-style-type: none"> Increased demand of air conditioning Increased demand of energy for air conditioning 	Ongoing
<p>It is estimated that around 79 properties will be exposed to:</p> <ul style="list-style-type: none"> Temporary loss of electric supply Infrastructure damages Temporary closure of properties due to property damages Partial loss of properties 	
<p>In the medium term, approximately 363 properties* could be subject to:</p> <ul style="list-style-type: none"> Infrastructure damages Temporary closure of properties due to property damages Partial loss of properties <p><small>*Equivalent to 6,832,130.5 sqm</small></p>	
<p>In the long term, around 412 properties will be exposed to:</p> <ul style="list-style-type: none"> Decreased hydric availability Increased prices on water supply 	
<p>It is estimated that 36 properties may present:</p> <ul style="list-style-type: none"> Partial loss of properties or rentals in coastal areas Need for renewals with strategies for adaptation 	

The implications and financial impacts associated with the transitional risks were determined based on three foundations of decarbonization in the DPPP scenario, preservation and energy efficiency, electricity decarbonization, and change the final use of energy with energies of less carbon. Based on that, the implications associated with the transitional risks are the following:

Operational implications	Financial Implications
Annual GHG Emissions Report to the authorities	Ongoing
Implementation of energy saving and efficiency processes and equipment	
<ul style="list-style-type: none"> To increase the renewable energy matrix at our properties Uncertainty of the national electric market regulations Potential increase on the cost of renewable energy Replacement of devices operating with fossil fuels 	
More investment on the installation of additional charging stations in our properties	
More investment in remodeling for increasing the number of low-carbon infrastructure properties	

3 Definition of strategies for resilient properties

In this stage, mitigation strategies for the physical and transitional risks previously identified are defined.

- Upgrading air-conditioning systems with higher efficiency and lower emissions
- Strengthening of structures in coastal areas
- Reforestation of natural coastal barriers
- Redesign of sewage facilities
- Strengthening of protocols for actions before flooding
- 38 RWTP installed
- Rainwater harvesting systems for the exploitation of sporadic precipitation
- Water efficiency technologies
- Natural coastal barriers

- Ongoing measurement and monitoring of our carbon footprint since 2016
- Public reporting and transparency in our carbon footprint
- Installation of capacitor banks and automated systems and control in our properties
- Development of projects for generation and/or acquisition of renewable energies
- Search of renewable energy suppliers with low-risk contracts
- Installation of devices and technologies compatible with biofuels
- To promote the establishment of alliances with the automotive sector for installing jointly charging stations
- Definition of objectives of sqm certified under programs such as LEED, BOMA, and EDGE


✓ Implemented strategy ➔ In process of being defined



Plaza Las Américas

In 2020, two climatic phenomena affected the Yucatan Peninsula: Hurricane Delta and Hurricane Zeta. However, FUNO®'s robust culture of prevention, anticipation, and resilience were the strengths that allowed us to act immediately and minimize the impacts on the operation of our properties.

Among the actions we followed in the 24 hours prior to the impact of the hurricanes were:

-  Spread of the protocol to be followed among tenants
-  Closure of commercial locations
-  Supply of diesel for emergency plants
-  Glass protection
-  Review and cleaning of facilities
-  Information for tenants on status updates
-  Synergy with our suppliers to identify shelters and meeting points for security, cleaning and maintenance teams, in order to act quickly once the contingency is over

The latter allowed us to ensure the availability of the service and to have reduced crews that, after the impact, carried out the monitoring of properties, managing to return to normal operation of our properties in an average period of 36 hours after the phenomena ended.

Our properties returned to normal operations in an average of 36 hours after the occurrence of two hurricanes in the Yucatan peninsula.

LEED PORTFOLIO: OUR INDUSTRIAL CAPITAL AND DIFFERENTIATOR

IF-RE-130a.4, IF-RE-130a.5

32.6% of our portfolio of offices and **4.2%** of the industrial portfolio has **LEED certification**.

In 2020 we started the LEED certification process of 4 properties: Torre Mexicana, Corporativo Punta Santa Fe, Torre Reforma Cuarzo, and Samara.

Assessment Criteria for LEED certification



Integrative Process



Location and Transportation



Sustainable Sites



Water Efficiency



Energy and Atmosphere



Materials and resources respectful with the environment



Innovation



Regional priority



Interior environment quality for optimal habitability

Punta Santa Fe

Before



After





COMMITMENT AND ACTIONS IN FAVOR OF BIODIVERSITY IN MEXICO

GRI 304: 103-1, 103-2, 103-3
304-1, 304-3, 304-4

We continue to reinforce our commitment to the preservation of biodiversity in Mexico, ensuring that we comply with regulations that promote non-deforestation and non-exploitation.

In 2018, we conducted the first biodiversity risk analysis of FUNO® properties; as a result, we identified 77 properties located near or within areas of high biodiversity value, such as Flora and Fauna Protection Areas, Natural Protected Areas, Biosphere Reserves, National Parks and Natural Monuments. As a result, we determined:

- To increase the number of endemic species at natural areas within shopping centers and office buildings.
- To participate in annual reforestations.
- To increase our participation in conservation activities throughout the country.

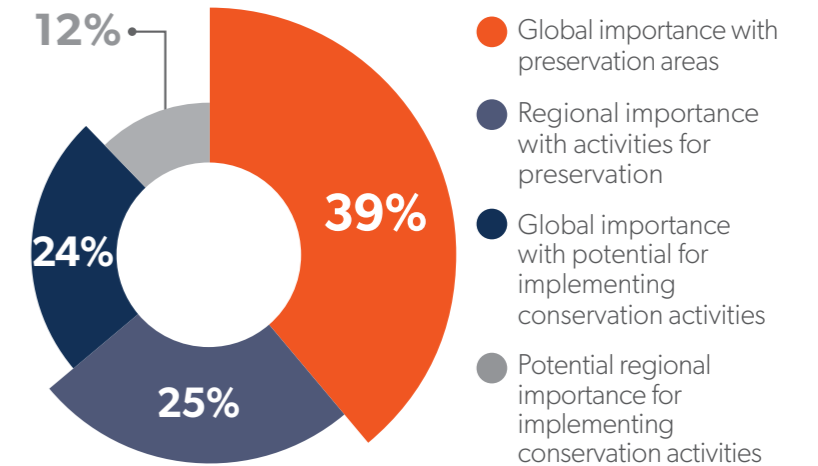
As part of our commitment with biodiversity, in 2020, we carried out the following actions:

- Reforestation of 6,000 trees in the high mountain of Guerrero, with six endemic species of the area: *Gliricidia sepium*, *Quercus sp.*, *Quercus acutifolia Née*, *Quercus rugosa Née*, *Quercus salicifolia Née*, and *Byrsonima crassifolia*.
- In conjunction with Pronatura México, A.C., we adopted for a two-year period one hectare in the State Park Sierra Morelos, with the Mexican endemic species *Pinus Greggii*.
- Construction of 35 backyard vegetable farms of 25 sqm of Surface each one, maintaining a diversity of 13 different species, 30% of which were endemic.
- Reforestation of 1,500 sqm of mangrove forest in Cancún, Quintana Roo with: chaká tree, cordia sebestena, ficus of the region, orchid tree, mangrove fern, beach spider lilly, *thrinax radiata*, bayhops, and pink poui.

The implementation of the above initiatives is equivalent to the capture of approximately 136 tons of CO₂ *.

* Estimation based on the information available at: <https://www.climateneutralgroup.com/en/news/what-exactly-is-1-tonne-of-co2/>.

BREAKDOWN OF PROPERTIES IN AREAS OF GLOBAL AND REGIONAL IMPORTANCE



77 of our properties are located near or within areas of high biodiversity value; 18 of them are priority sites.



FUNO® Corporate Offices

ANNEXES



ABOUT OUR REPORT

102-1, 102-5, 102-40, 102-42, 102-43, 102-45, 102-46, 102-47, 102-49, 102-50, 102-54, 102-56
IF-RE-130a.1, IF-RE-410a.2, IF-RE-000.C

For Fibrá Uno (FUNO®), fiscal year 2020 was a challenging year, but one in which, based on the extensive experience of our leaders and a solid focus on sustainability, we managed to continue generating value for all our stakeholders.





FUNO®'s 2020 Integrated Annual Report provides an overview of our activities and performance in our financial, economic, social, environmental, and corporate governance matters during the period between January 1 and December 31, 2020.






This report was prepared in accordance with the GRI Standards: Essential Option, in compliance with the principles for determining the content and quality of the report established by the Global Reporting Initiative (GRI), the 10 Principles of the United Nations Global Compact (UNGC), the criteria established by the GRESB Real Estate Assessment, the recommendations of the Task Force on Climate-related Financial Disclosures, and the Principles for Responsible Investment

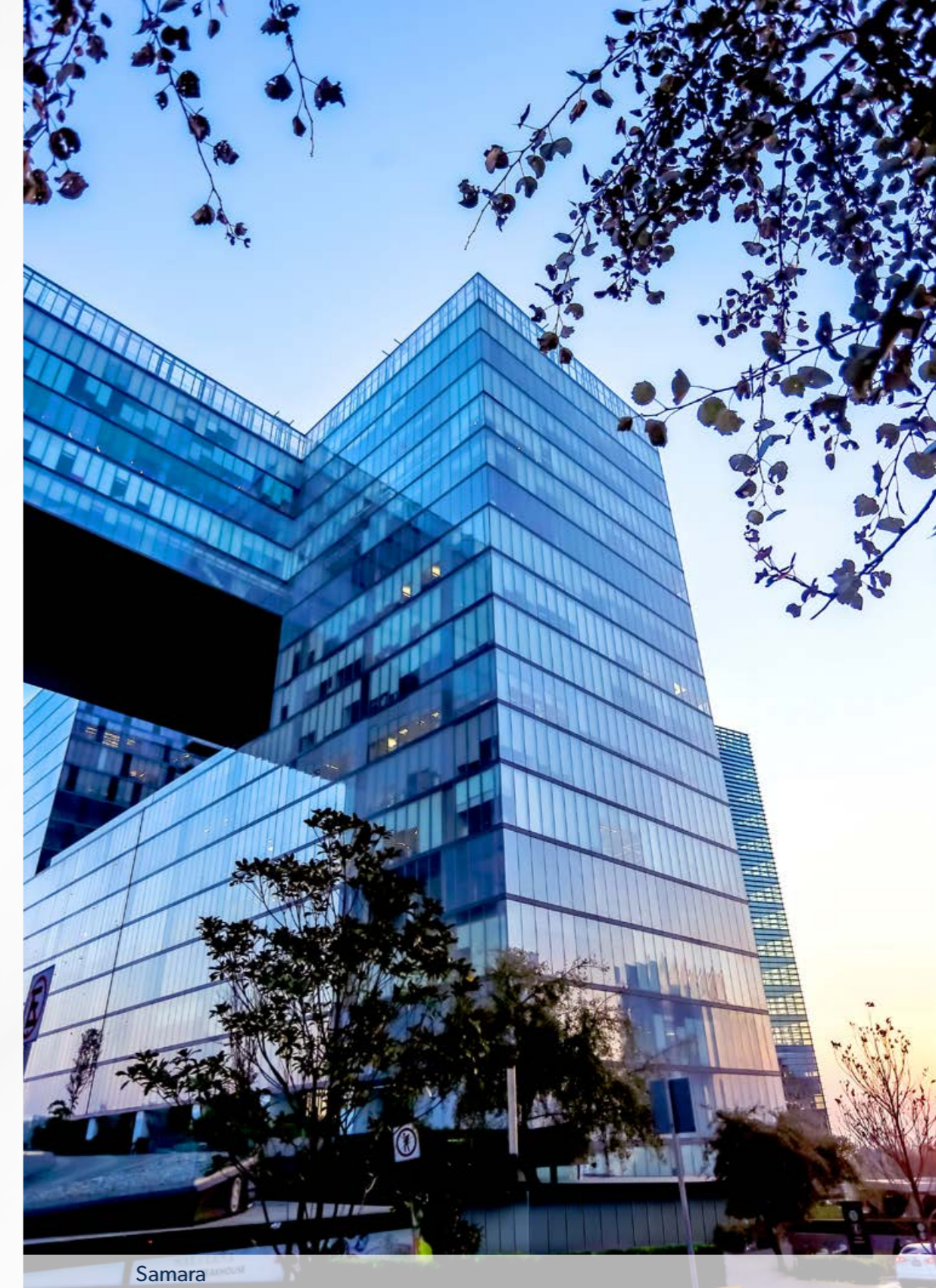
(PRI) of the United Nations Environment Financial Initiative (UNEP FI) and the Global Compact.

Likewise, we used the International Integrated Reporting Framework <IR> –established by the International Integrated Reporting Council (IIRC)– and the guidelines of the Sustainability Accounting Standards Board (SASB) for the infrastructure sector and the specific standards for Real Estate, with the objective of providing investors with accurate, comparable and reliable financially material ESG information for decision making.

The structure of our report responds to the identification of 26 ESG factors that affect the creation of business value and their distribution in the five dimensions proposed by SASB: Innovation and Business model, Leadership and corporate governance, Human capital, Social capital, and Environmental capital. Likewise, in the chapters related to the capitals, we identified the stakeholders impacted by each of them with the following iconography:

- 
CBFIs holders
- 
Tenants
- 
Communities
- 
Financial Institutions

- 
Employees
- 
Guests
- 
Suppliers and contractors
- 
Authorities
- 
Corporate Governance



Samara

Torre Cuarzo

Regarding materiality¹¹, in accordance with the principles of the International Integrated Reporting Framework <IR >, we continue to focus our management on the six main action lines that substantially affect our ability to create value in the short, medium, and long term, among other issues that we consider relevant to the organization:



HUMAN CAPITAL



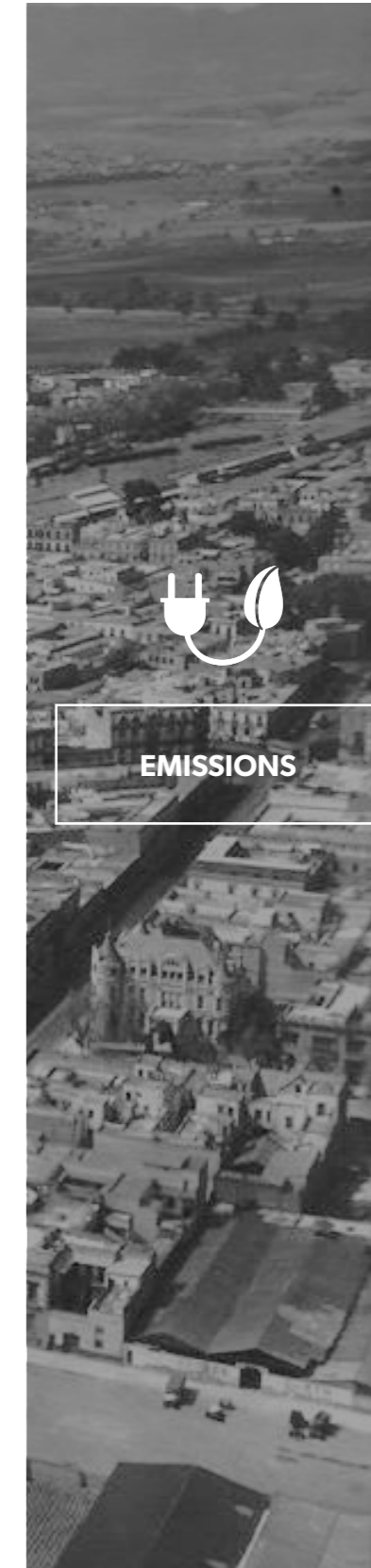
ETHICS



CORPORATE SOCIAL RESPONSIBILITY



ENERGY EFFICIENCY



EMISSIONS



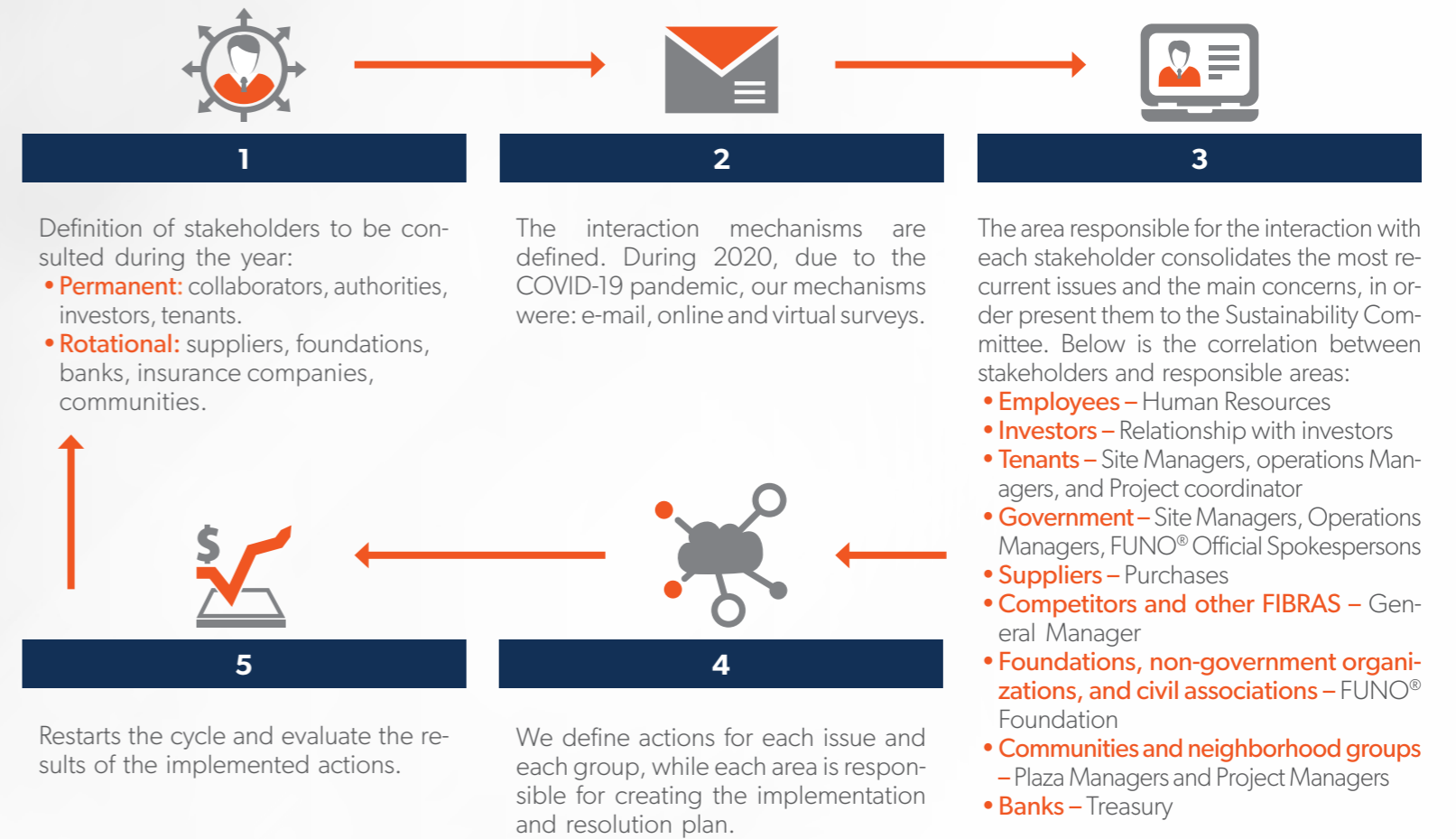
HYDRIC RESOURCES MANAGEMENT

¹¹ For more information on our process for defining material aspects, visit: [https://en.funomx.com/investors/esg/sustainability-management,section "Materiality"](https://en.funomx.com/investors/esg/sustainability-management,section%20Materiality).



Mariano Escobedo

The validation of material aspects is ratified on an annual basis based on our stakeholder engagement procedure, the stages of which are as follows:



We have 646 operations; we consider 198 of them in the social, environmental, health and safety indicators reported in this report, which are distributed as follows:

- 135 over which FUNO® has operational control, that is, it has the power to implement policies to improve our operation in social, environmental, as well as safety and health matters.
- 63 industrial properties managed by a third party, equivalent to 1,038,856.6 sqm, or 9.7% of the total GLA.


In 448 operations, tenants have operational control and, therefore, to avoid data duplication, they are responsible for the publication of such information.

Corporate governance and human capital performance results consider the totality of our properties.

It should be noted that the decrease in electricity and water consumption, as well as in the generation of emissions, was directly influenced by operational reductions during the COVID-19 contingency.

INDEPENDENT REVIEW REPORT

102-56



KPMG Cárdenas Dosal, S.C.
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Independent Limited Assurance Report on the Contents of the *Global Reporting Initiative* (“GRI”) Standards (Non-Financial Information)

To Fideicomiso Fibra Uno Sustainability Committee:

We were engaged by the Administration of Fideicomiso Fibra UNO. (hereinafter "Fideicomiso Fibra UNO" or "FUNO") to report on the Contents of the Global Reporting Initiative ("GRI") (Non-Financial Information), prepared and presented by the Vice presidencies of FUNO included in the FUNO 2020 Integrated Annual Report for the period from January 1 to December 31, 2020 (the "Report"), that are detailed in Annex A attached to this report (the "Contents"), in the form of an independent conclusion of limited assurance, regarding whether, based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Contents are not prepared in all material respects, in accordance with the Standards of the Global Reporting Initiative (GRI).

Management responsibilities

The FUNO Sustainability Committee, through its Vice presidencies and the Director of Sustainability is responsible for the preparation and presentation of the information subject to our review and the information and statements contained within it.

FUNO Executive Committee, through its Vice presidencies is responsible for designing, implementing, and maintaining relevant internal controls for the preparation and presentation of the information subject to our review, to be free from material errors, whether due to fraud or error. Likewise, FUNO Executive Committee, through its Vice presidencies is responsible for preventing and detecting fraud, as well as identifying and ensuring that FUNO complies with the laws and regulations applicable to its activities

FUNO Sustainability Committee, through its Vice presidencies and the Director of Sustainability, is also responsible for ensuring that the personnel involved in the preparation of the Contents are adequately trained, the information systems are duly updated and that any change in the presentation of data and/or in the form of reporting, include all significant reporting units.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement on the information concerning the Contents included in the FUNO 2020 Integrated Annual Report and to express an independent conclusion of limited assurance based on the evidence obtained. We carry out our work based on the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International

(Continue)

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Apizaco, Agu.	Guadalupe, Jal.	Puerto Pue.
Cancon, Q. Roo.	Hermosillo, Son.	Querétaro, Qro.
Cuicatlan, Oax.	León, Gto.	Reynosa, Tama.
Cuicatlan, Oax.	Merida, Yuc.	Saltito, Coah.
Culiacán, Sinaloa	Mexico, S.C.	San Luis Potosí, S.L.P.
Chihuahua, Chih.	Monterrey, N.L.	Toluca, S.E.

Auditing and Assurance Standards Board, that standard requires that we plan and perform the engagement to obtain limited assurance about whether, based on our work and the evidence obtained, nothing has come to our attention that causes us to believe that the Contents included in the FUNO 2020 Integrated Annual Report for the period from January 1 to December 31, 2020, are not prepared in all material respects, in accordance with the Standards of the Global Reporting Initiative (GRI).

KPMG CARDENAS DOSAL S.C. (the "Firm") applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our knowledge and experience of the Contents presented in the FUNO 2020 Integrated Annual Report and other circumstances of the work, and our consideration of the areas in which material errors may occur.

When obtaining an understanding of the Contents included in the FUNO 2020 Integrated Annual Report, and other work circumstances, we have considered the processes used to prepare the Contents, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of FUNO internal control over the preparation and presentation of the Contents included in the FUNO 2020 Integrated Annual Report.

Our engagement also included assessing the appropriateness of the main subject, the suitability of the criteria used by FUNO in the preparation of the Contents, assessing the appropriateness of the methods, policies and procedures, as well as models used.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Criteria

The criteria on which the preparation of the Contents has been evaluated refer to the established requirements and in accordance with the Standards of the Global Reporting Initiative (GRI) that are detailed in Annex A.

(Continue)

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Our conclusion has been formed based on, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Contents detailed in Annex A attached to this assurance report, prepared by FUNO's Vice presidencies and the Directorate of Sustainability and included in the FUNO 2020 Integrated Annual Report for the period from January 1 to December 31, 2020, are not prepared in all material aspects, in accordance with the Global Reporting Initiative (GRI).

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party to acquire rights against us other than FUNO Sustainability Committee, for any purpose or in any other context. Any party other than FUNO Sustainability Committee, its Vice presidencies and the Director of Sustainability who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than FUNO for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to FUNO, on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent.

KPMG CARDENAS DOSAL S.C.



Alberto Dosal Montero
Partner
Monterrey, Nuevo Leon, May 24th, 2021.

Appendix A

Description of the Contents object of the limited assurance engagement.

GRI Standard	Content	Description
GRI 102 General disclosures	102-8	Information on employees and other workers.
	102-17	Mechanisms for advice and concerns about ethics.
Performance indicators		
Environmental Performance		
Energy ecoefficiency		
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary.
	103-2	The management approach and its components.
	103-3	Evaluation of the management approach.
GRI 302 Energy 2016	302-1	Energy consumption within the organization.
	302-3	Energy intensity.
	302-4	Reduction of energy consumption.
Hydric resources management		
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary.
	103-2	The management approach and its components.
	103-3	Evaluation of the management approach.
GRI 303 Water and effluents 2018	303-3	Water withdrawal.
	303-4	Water discharge.
Emissions		
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary.
	103-2	The management approach and its components.
	103-3	Evaluation of the management approach.
GRI 305 Emissions 2016	305-1	Direct (Scope 1) GHG emissions.
	305-2	Energy indirect (Scope 2) GHG emissions.
	305-3	Other indirect (Scope 3) GHG emissions from air travel and employee commuting.

Waste		
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary.
	103-2	The management approach and its components.
	103-3	Evaluation of the management approach.
GRI 306 Waste 2020	306-3	Waste generated.
Social Performance		
Human capital		
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary.
	103-2	The management approach and its components.
	103-3	Evaluation of the management approach.
GRI 401 Employment 2016	401-3	Parental leave.
GRI 403 Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety.
	403-9	Work-related injuries.
GRI 404 Training and education 2016	404-1	Average hours of training per year per employee.
Corporate social responsibility		
GRI 103 Management Approach	103-1	Explanation of the material topic and its Boundary.
	103-2	The management approach and its components.
	103-3	Evaluation of the management approach.
GRI 413 Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs.

GRI CONTENT INDEX

102-55

GRI Standard	Content	Pages / Direct response	Omission
GRI 101: Foundation 2016			
General Disclosures			
Organizational profile			
102-1	Name of the organization	123	
102-2	Activities, brands, products, and services	15	
102-3	Location of headquarters	153	
102-4	Location of operations	15	
102-5	Ownership and legal form	15, 123	
102-6	Markets served	15	
102-7	Scale of the organization	3, 15, 48	
102-8	Information on employees and other workers	63	
102-9	Supply chain	98	
102-10	Significant changes to the organization and its supply chain	98	
102-11	Precautionary Principle or approach	113	
102-12	External initiatives	37, 83	
102-13	Membership of associations	3, 85	
Strategy			
102-14	Statement from senior decision-maker	9, 11	

GRI 102: General Disclosures 2016

GRI Standard	Content	Pages / Direct response	Omission
102-15	Key impacts, risks, and opportunities	9, 11, 96	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	31	
102-17	Mechanisms for advice and concerns about ethics	32, 34	
Governance			
102-18	Governance structure	24	24. At FUNO®, each share equals 1 vote. We have 3,872,415,403 outstanding CBFIs (shares).
102-19	Delegating authority		The Technical Committee includes some members of the Trust's relevant families who own approximately 24% of the outstanding CBFIs.
			No governmental institution owns shares, with the exception of Mexican and foreign pension funds, which are decentralized.
102-20	Executive-level responsibility for economic, environmental, and social topics	24, 29	
102-21	Stakeholder consultation on economic, environmental and social issues.	48, 75, 95	

GRI 102: General Disclosures 2016

GRI Standard	Content	Pages / Direct response	Omission
			In our Technical Committee there is no term restriction for non-executive or independent members.
102-22	Composition of the highest governance body and its committees	Members with four or less additional terms are the following: Rubén Goldberg Javkin, Herminio Alonso Blanco Mendoza, Ignacio Trigueros Legarreta, Antonio Franck Cabrera, and Alberto Felipe Mulás Alonso.	
102-23	Chair of the highest governance body	24	
102-24	Nomination and selection of the highest governance body	29	
GRI 102: General Disclosures 2016	102-25	Conflicts of interest	FUNO®'s Conflicts of Interest Policy is the instrument through which we ensure the integrity of our processes and mitigate the materialization of this type of risk, for the benefit of the CBFH Holders.
			This policy establishes that, in order to make decisions and prior to the formalization of any contract, transaction or relationship with a related person, the affirmative vote of the majority of the members of the Technical Committee is required, as well as the affirmative vote of the majority of the independent members.
			Together with the aforementioned, the acquisitions or co-investments with related parties, including the contributors and members of the relevant families, also require the affirmative vote of most of the independent members of our Technical Committee and the affirmative vote of most of the members.
			https://en.funomx.com/investors/esg/corporate-governance/risk-management

GRI Standard	Content	Pages / Direct response	Omission
102-26	Role of the highest governance body in the selection of purpose, values, and strategy	24	
102-27	Collective knowledge of the highest governance body	24	
102-28	Evaluating the highest governance body's performance		No performance evaluation processes of the members of the Technical Committee have been performed; however, the Holders Meeting requests information to this Committee when it deems it appropriate, in order to assess the results of the Trust.
102-29	Identifying and managing economic, environmental, and social impacts	37, 96	
102-30	Effectiveness of risk management processes	37	
102-31	Review of economic, environmental, and social topics	37	
102-32	Highest governance body's role in the preparation of sustainability reports		All areas that make up FUNO® provide information for the Report, while the Sustainability Department is responsible for its preparation and presentation to the Technical Committee for approval.
102-33	Communication of critical concerns	32, 34	
102-34	Nature and total number of critical concerns	32, 34	

GRI 102:
General
Disclosures
2016

GRI Standard	Content	Pages / Direct response	Omission
GRI 102: General Disclosures 2016	102-35 Remuneration Policies	The CEO's executive (variable) compensation is based on the following parameters: <ul style="list-style-type: none"> • Acquisitions fee • Management fee • Long-term incentives aligned with the organizational compensations plan 	
	102-36 Process for determining remuneration	30, 73	The CEO and other members of the Technical Committee own 25.15% of the outstanding CBFIs and FUNO® does not have specific requirements for this.
	102-37 Stakeholders' involvement in remuneration	30	
	102-38 Annual total compensation ratio	28.8x vs the median of all the employees.	
	102-39 Percentage increase in annual total compensation ratio		For security reasons, this information is confidential
Stakeholder engagement			
102-40 List of stakeholders	123		
102-41 Collective bargaining agreements	In FUNO®, 100% of our employees are unionized.		
102-42 Stakeholder identification and selection	123		
102-43 Approach to stakeholder engagement	123		
102-44 Key issues and concerns raised	48, 75, 95		

GRI Standard	Content	Pages / Direct response	Omission
Reporting practice			
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated financial statements	3	
	102-46 Definition of reporting content and subject matter coverage	123	
	102-47 List of material topics	123	
	102-48 Restatement of information		There was no restatement of information in this report.
	102-49 Changes in reporting	123	
	102-50 Reporting period	123	
	102-51 Date of last report	2019	
	102-52 Reporting cycle	Annual	
	102-53 Contact point for questions regarding the report	153	
	102-54 Statement of GRI Standards-compliant reporting	123	
	102-55 GRI content index	133	
	102-56 External verification	123, 129	
Material Topics			
Long-term value generation			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its coverage	9, 48	
	103-2 The management approach and its components	9, 48	
	103-3 Evaluation of the management approach	9, 48	

GRI Standard	Content	Pages / Direct response	Omission
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	9, 48
	201-2	Financial implications and other risks and opportunities due to climate change	113
	201-3	Defined benefit plan obligations and other retirement plans	We have an additional benefit plan, which covers retirement plans, through FUNO® ordinary resources.
	201-4	Financial assistance received from the government	FUNO® does not receive financial assistance from the government.
GRI 207: Tax 2019	207-1	Approach to tax	The focus of our tax strategy is to comply properly with the tax provisions of the Income Tax Law (ISR), specially, articles 187 and 188, which establish the obligations of REITs.
	207-2	Governance, control and risk management in tax matters	In order to guarantee compliance, we have a Tax Sub-Directorate, which reports to the Financial Information Department and is in charge of timely and properly following up on the tax matters that concern FUNO® in order to generate sustainable value for our Holders.
	207-3	Relationship between management and stakeholders in tax matters	The management of tax matters is always carried out in compliance with current tax laws and regulations; the priority stakeholders in this process are the holders, who receive their results and distributions in accordance with the provisions of articles 187 and 188 of the valid Income Tax Law.

GRI Standard	Content	Pages / Direct response	Omission
GRI 207: Tax 2019	207-4	Tax reporting by country	For having the status of REIT, FUNO® does not generate ISR. In this case, the CBFIs' Holders are the ones generating ISR; therefore, for FUNO® there is no differential between the estimated tax rate and the effective tax rate payable. The only direct tax paid by FUNO® corresponds to property tax, which in 2020 amounted to 450 million pesos.
	Ethics		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Coverage	31, 34
	103-2	The management approach and its components	31, 34, 35
	103-3	Evaluation of the management approach	31, 34, 35
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	34
	205-2	Communication and training on anti-corruption policies and procedures	32
	205-3	Confirmed incidents of corruption and actions taken	32
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Derived from our actions in favor of fair competition, FUNO® has not been subject to any legal action for monopolistic or anti-competitive behavior, nor have we received significant fines or sanctions for non-compliance with unfair competition laws or regulations.
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Derived from our commitment with sustainability and care of environment, in the reporting period there was no environmental non-compliance.

GRI Standard	Content	Pages / Direct response	Omission
GRI 415: Public Policy 2016	415-1 Contributions to political parties and/or representatives		In compliance with current legislation and in accordance with our philosophy, FUNO® does not make contributions of any kind to political parties and/or representatives.
GRI 419: Socio-economic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic spheres		In the reporting period there was no socio-economic non-compliance.
Energy ecoefficiency			
GRI 103: Management Approach	103-1 Explanation of the material topic and its Coverage	105	
	103-2 The management approach and its components	105	
	103-3 Evaluation of the management approach	105	
GRI 302: Energy 2016	302-1 Energy consumption within the organization		<p>Fossil fuel consumption in 2020 was as follows:</p> <ul style="list-style-type: none"> • 178,006,153.5 liters in properties whose operational control was performed by FUNO®. The breakdown is the following: 16,953.2 liters of diesel, 11,436.0 LP gas, 177,977,620 natural gas, and 144.3 of gasoline. • 248,600.0 liters in the properties managed by a third party. The breakdown was as follows: 58,600.0 liters of diesel and 190,000.0 of gasoline. <p>The conversion factors used are those established by the National Commission for the Efficient Use of Energy (CONUEE, for its Spanish acronym), of the Ministry of Energy (SENER, for its Spanish acronym), in the document: https://www.gob.mx/cms/uploads/attachment/file/619062/Lista_Combustibles_2021_26feb2021.pdf.</p>
	302-2 Energy consumption outside the organization	105	

GRI Standard	Content	Pages / Direct response	Omission
GRI 302: Energy 2016	302-3 Energy intensity	105	
	302-4 Reduction in energy consumption		To know FUNO®'s performance with respect to this indicator, since 2018 (base year) we consider the reduction in energy intensity from electricity consumption.
	302-5 Reductions in energy requirements of products and services		To know FUNO®'s performance with respect to this indicator, since 2018 (base year) we consider the reduction in energy intensity per electrical energy consumption.
Hydric resources management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Coverage	107	
	103-2 The management approach and its components	107	
	103-3 Evaluation of the management approach	107	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	107	
	303-2 Management of water discharge-related impacts	107	
	303-3 Water withdrawal		107. It should be noted that there are no water sources significantly affected by FUNO®'s water consumption.
	303-4 Water discharge		107. 2,976,407.5 m ³ of water discharge; a figure that corresponds to 133 properties that are responsible for their water discharges.
	303-5 Water consumption	107	FUNO®'s water discharges comply with NOM-002 and NOM-003.

GRI Standard	Content	Pages / Direct response	Omission
Biodiversity			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Coverage	120
	103-2	The management approach and its components	120
	103-3	Evaluation of the management approach	120
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	120
	304-2	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	102
	304-3	Habitats protected or restored	120
	304-4	Species on the IUCN Red List and national conservation lists whose habitats are in areas affected by the operations	
Emissions			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Coverage	112, 113
	103-2	The management approach and its components	112, 113
	103-3	Evaluation of the management approach	112, 113

GRI Standard	Content	Pages / Direct response	Omission																																																						
GRI 305: Emissions 2016	305-1	Direct greenhouse gas (GHG) emissions (scope 1)	112. Gases emitted per fuels and/or emission sources considered in the estimation are the following: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Fuel Type (Scopes 1 and 2)</th> <th>metric tons of CO_{2e}</th> <th>CH₄ (metric tons of CO_{2e})</th> <th>N₂O (metric tons of CO_{2e})</th> <th>HFC (metric tons of tCO_{2e})</th> <th>Total (tCO_{2e})</th> </tr> </thead> <tbody> <tr> <td>Electric energy</td> <td>65,875.5</td> <td>-</td> <td>-</td> <td>-</td> <td>65,875.5</td> </tr> <tr> <td>Diesel</td> <td>47.3</td> <td>0.1</td> <td>0.1</td> <td>-</td> <td>47.5</td> </tr> <tr> <td>Natural gas</td> <td>381.7</td> <td>0.2</td> <td>0.2</td> <td>-</td> <td>382.0</td> </tr> <tr> <td>Gasoline</td> <td>0.3</td> <td>0.0</td> <td>0.0</td> <td>-</td> <td>0.3</td> </tr> <tr> <td>LP gas</td> <td>18.8</td> <td>0.0</td> <td>0.0</td> <td>-</td> <td>18.9</td> </tr> <tr> <td>Refrigerants</td> <td>-</td> <td>-</td> <td>-</td> <td>1,996.1</td> <td>1,996.1</td> </tr> <tr> <td>WWTP</td> <td>-</td> <td>12.1</td> <td>-</td> <td>-</td> <td>12.1</td> </tr> <tr> <td>Total</td> <td>66,323.7</td> <td>12.4</td> <td>0.3</td> <td>1,996.1</td> <td>68,332.5</td> </tr> </tbody> </table>	Fuel Type (Scopes 1 and 2)	metric tons of CO _{2e}	CH ₄ (metric tons of CO _{2e})	N ₂ O (metric tons of CO _{2e})	HFC (metric tons of tCO _{2e})	Total (tCO _{2e})	Electric energy	65,875.5	-	-	-	65,875.5	Diesel	47.3	0.1	0.1	-	47.5	Natural gas	381.7	0.2	0.2	-	382.0	Gasoline	0.3	0.0	0.0	-	0.3	LP gas	18.8	0.0	0.0	-	18.9	Refrigerants	-	-	-	1,996.1	1,996.1	WWTP	-	12.1	-	-	12.1	Total	66,323.7	12.4	0.3	1,996.1	68,332.5
	Fuel Type (Scopes 1 and 2)	metric tons of CO _{2e}	CH ₄ (metric tons of CO _{2e})	N ₂ O (metric tons of CO _{2e})	HFC (metric tons of tCO _{2e})	Total (tCO _{2e})																																																			
	Electric energy	65,875.5	-	-	-	65,875.5																																																			
	Diesel	47.3	0.1	0.1	-	47.5																																																			
	Natural gas	381.7	0.2	0.2	-	382.0																																																			
	Gasoline	0.3	0.0	0.0	-	0.3																																																			
	LP gas	18.8	0.0	0.0	-	18.9																																																			
Refrigerants	-	-	-	1,996.1	1,996.1																																																				
WWTP	-	12.1	-	-	12.1																																																				
Total	66,323.7	12.4	0.3	1,996.1	68,332.5																																																				
305-2	Indirect GHG emissions from energy generation (Scope 2)	The methodologies used to calculate the carbon footprint are based on the GHG Protocol, IPCC guidelines, and the National Registry of Emissions (RENE) of the SEMARNAT. The emission factors and the calorific power considered for the estimation for the Scope 1 (diesel, natural gas, LP gas, and refrigerants) and the Scope 2 (electric energy) are those established by the RENE; while for the Scope 3, are those established by the Environmental Protection Agency (EPA).																																																							
305-3	Other indirect greenhouse gas (GHG) emissions (scope 3)																																																								
305-4	Greenhouse gas (GHG) emissions intensity	112																																																							
305-5	Reduction of greenhouse gas (GHG) emissions	112																																																							
305-6	Emissions of ozone-depleting substances (ODS)	HFC: 1,996.1 metric tons of CO _{2e} .																																																							
305-7	NOX, SOX, and other significant air emissions	0.3 metric tons of CO _{2e}																																																							

GRI Standard	Content	Pages / Direct response	Omission
Effluents and waste			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Coverage	109
	103-2	The management approach and its components	109
	103-3	Evaluation of the management approach	109
GRI 306: Waste 2020	306-1	Total water discharge by quality and destination	109
	306-2	Total weight of waste by type and disposal method	109
	306-3	Waste generated	109
	306-4	Wastes directed to reuse, recycling, or other forms of recovery	109
	306-5	Waste directed to incineration with or without recovery of energy, landfill, or other forms of disposal	109
Human capital			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Coverage	55, 57, 67, 73, 87
	103-2	The management approach and its components	55, 57, 63, 67, 73, 87
	103-3	Evaluation of the management approach	55, 57, 63, 67, 73, 87
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	57, 63
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	73

GRI Standard	Content	Pages / Direct response	Omission
GRI 401: Employment 2016	401-3	Parental leave	In 2020, 5 female employees were entitled to temporary maternity leave: 4 direct and 1 indirect. 100% of them took their leave, returned to work at the end of the period and remained in their position one year after their return. 11 employees were entitled to temporary paternity leave; all of them were subcontracted. 100% of them took their temporary leave, returned to work at the end of the period and remained in their position one year after their return to work.
	GRI 402: Labor/management relations 2016	402-1	Minimum notice periods for operational changes.
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	88
	403-2	Hazard identification, risk assessment, and incident investigation	88
	403-3	Occupational health services	88
	403-4	Worker participation, consultation, and communication on occupational health and safety	88
	403-5	Worker training on occupational health and safety	87
	403-6	Worker health promotion	

GRI Standard	Content	Pages / Direct response	Omission
GRI 403: Occupational health and safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	87
	403-8	Workers covered by an occupational health and safety management system	90. 100% employees of FUNO® and indirect.
	403-9	Work-related injuries	90
	403-10	Work-related ill health (including fatal victims)	90. There are no positions with risks of labor accidents or professional diseases
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	67. MXN\$499,377 invested in training.
	404-2	Programs for upgrading employee skills and transition assistance programs	57, 67
	404-3	Percentage of employees receiving regular performance and career development reviews	73
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	63
	405-2	Ratio of basic salary and remuneration of women to men	73
Corporate social responsibility			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Coverage	11, 83
	103-2	The management approach and its components	11, 83
	103-3	Evaluation of the management approach	11, 83

GRI Standard	Content	Pages / Direct response	Omission
GRI 413: Local communities 2016	413-1	Operations with local community involvement, impact assessments and development programs	83, 91
	413-2	Operations with significant actual and potential negative impacts on local communities	83

SASB DISCLOSURE

Infrastructure Sector: Real Estate

Sustainability Disclosure Topics and Accountability Metrics

Topic	Accounting Metric	Unit of Measure	Code	Page / Location of Response																				
Energy Management	Energy consumption data coverage as a percentage of floor area, by segment	Percentage (%) by floor area	IF-RE-130a.1	Please refer to About Our Report, pg. 128.																				
				<table border="1"> <thead> <tr> <th>Segment</th> <th>Electric Energy consumption per GLA</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>64.9%</td> </tr> <tr> <td>Industrial</td> <td>36.9%</td> </tr> <tr> <td>Office</td> <td>69.1%</td> </tr> <tr> <td>Mixed</td> <td>89.6%</td> </tr> </tbody> </table>	Segment	Electric Energy consumption per GLA	Commercial	64.9%	Industrial	36.9%	Office	69.1%	Mixed	89.6%										
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Energy Management	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage of renewable energy, by segment	Gigajoules (GJ), percentage (%)	IF-RE-130a.2	Please refer to Energy Management and Efficiency section, pg. 105.																				
Energy Management	Percentage change in energy consumption for the portfolio area with data coverage, by segment	Percentage (%)	IF-RE-130a.3	Please refer to Energy Management and Efficiency section, pg. 105.																				
				<table border="1"> <thead> <tr> <th>Segment</th> <th>Intensity (kWh/sqm occupied) 2020</th> <th>Intensity (kWh/sqm occupied) 2019</th> <th>Variation</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>34.3</td> <td>55.8</td> <td>-38.5%</td> </tr> <tr> <td>Industrial</td> <td>16.9</td> <td>N/A</td> <td>N/D</td> </tr> <tr> <td>Mixed</td> <td>44.8</td> <td>70.7</td> <td>-36.6%</td> </tr> <tr> <td>Office</td> <td>67.2</td> <td>82.0</td> <td>-18.0%</td> </tr> </tbody> </table>	Segment	Intensity (kWh/sqm occupied) 2020	Intensity (kWh/sqm occupied) 2019	Variation	Commercial	34.3	55.8	-38.5%	Industrial	16.9	N/A	N/D	Mixed	44.8	70.7	-36.6%	Office	67.2	82.0	-18.0%
				Segment	Intensity (kWh/sqm occupied) 2020	Intensity (kWh/sqm occupied) 2019	Variation																	
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Office	67.2	82.0	-18.0%																					
N/A means not applicable. N/D means not available.																								

Topic	Accounting Metric	Unit of Measure	Code	Page / Location of Response										
Energy Management	Percentage of eligible portfolio that (1) has an energy rating and (2) has an ENERGY STAR certification, by segment	Percentage (%) by floor area	IF-RE-130a.4	ENERGY STAR is not a valid certification in Mexico; however, we present the existing LEED Certification in our portfolio. Please refer to LEED Portfolio: Our Industrial Capital and differentiator section, pg. 117.										
				Description of how building energy management considerations are integrated into property investment analysis and operational strategy										
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by segment	Percentage (%) by floor area	IF-RE-140a.1	<table border="1"> <thead> <tr> <th>Segment</th> <th>Water Consumption by GLA</th> </tr> </thead> <tbody> <tr> <td>Commercial</td> <td>64.9%</td> </tr> <tr> <td>Industrial</td> <td>35.4%</td> </tr> <tr> <td>Office</td> <td>69.1%</td> </tr> <tr> <td>Mixed</td> <td>89.6%</td> </tr> </tbody> </table>	Segment	Water Consumption by GLA	Commercial	64.9%	Industrial	35.4%	Office	69.1%	Mixed	89.6%
				Segment	Water Consumption by GLA									
Commercial	64.9%													
Industrial	35.4%													
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Management of tenant sustainability impacts	(1) Percentage of new leases that contain a cost recovery clause for capital improvements related to resource efficiency and (2) associated leased area, by segment	Percentage (%) by floor area, square feet (ft ²)	IF-RE-410a.1	Please refer to ESG Risks Management and Assessment section, pg. 37.										
				(1) Total water withdrawn by portfolio area with data coverage and (2) percentage water withdrawn in regions with High or Extremely High Baseline Water Stress, by segment										
				Percentage change in water withdrawn for portfolio area with data coverage, by segment										
				Description of water management risks and discussion of strategies and practices to mitigate those risks										
Water Management	Percentage change in water withdrawn for portfolio area with data coverage, by segment	Percentage (%)	IF-RE-140a.3	Please refer to Water Stewardship section, pg. 107.										
Water Management	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage water withdrawn in regions with High or Extremely High Baseline Water Stress, by segment	Thousands of cubic meters (m ³), percentage (%)	IF-RE-140a.2											

Topic	Accounting Metric	Unit of Measure	Code	Page / Location of Response
Management of tenant sustainability impacts	Percentage of tenants that have their own or separate meters for (1) grid electricity consumption and (2) water withdrawal, by segment	Percentage (%) by floor area	IF-RE-410a.2	Please refer to these sections: - Energy Management and Efficiency, pg. 105. - Water Stewardship, pg. 107. - About Our Report, pg. 128.
	Discussion of approach to measure, incentivize, and improve tenant sustainability impacts	n/a	IF-RE-410a.3	Please refer to these sections: - Improvement Program for Tenants, pg. 95. - Energy Management and Efficiency, pg. 105.
Climate change adaptation	Area of properties located in 100-year flood zones, by segment	Square feet (ft ²)	IF-RE-450a.1	Please refer to Vulnerability analysis for climate change-related risks section, pg. 113.
	Description of climate change risk exposure analysis, degree of systemic portfolio exposure, and strategies for mitigating risks	n/a	IF-RE-450a.2	

Activity Metric	Unit of Measure	Code	Page / Location of Response		
			Segment	Number of properties	Percentage
Number of assets, by segment	Number	IF-RE-000.A	Commercial	331	53.3%
			Industrial	191	30.8%
			Office	85	13.7%
			Mixed	14	2.3%
Leasable floor area, by segment	Square feet (ft ²)	IF-RE-000.B	Commercial	2,852,981	26.6%
			Industrial	5,788,744	54.0%
			Office	1,312,033	12.2%
			Mixed	767,240	7.2%
Percentage of indirectly managed assets, by segment	Percentage (%) by floor area	IF-RE-000.C	Please refer to About Our Report section, pg. 128.		
Average occupancy rate, by segment	Percentage (%)	IF-RE-000.D	Commercial	90.9%	
			Industrial	96.3%	
			Office	78.6%	
			Mixed	99.7%	

Note. The unit of measure for floor area used by FUNO® is square meters (m²) instead of square feet (ft²).

TCFD Recommendations

Recommendations	Reference Page
Organizational governance around climate-related risks and opportunities.	
Board oversight of climate-related risks and opportunities	Our CEO is responsible for approving all matters related to sustainability management, including the strategy for climate change-related risks and opportunities.
Management's role in assessing and managing climate-related risks and opportunities	
Strategy	
Current and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	
Climate-related risks and opportunities the organization has identified in the short, medium, and long term	Please refer to Vulnerability analysis for climate change-related risks section, pg. 113.
Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	
Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario (IPCC)	
Risk Management	
How the organization identifies, assesses, and manages climate-related risks	
Organization's processes for identifying and assessing climate-related risks	Please refer to Vulnerability analysis for climate change-related risks section, pg. 113.
Organization's processes for managing climate-related risk	Through our Sustainability Committee, we define climate-related physical and transitional risk management strategies. This includes adaptation and resilience initiatives for our properties and the involvement of the Operations and Finance departments.
How the processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management of the organization	Currently, the Sustainability Committee, through the Sustainability Department, integrates the processes to identify, evaluate and manage climate-related risks. We plan that in the mid-term, the management process will be developed in a transversal strategy with the Audit Committee, through the organization's comprehensive risk management.
Metrics and Objectives used to assess and manage relevant climate-related risks and opportunities	
Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	- Climate change scenarios provided by the IPCC - Number of properties with high vulnerability to physical risks - Financial and operational implications of physical and transitional risks - Metric tons of CO ₂ e generated by the organization
Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Please refer to these sections: - Our Carbon Footprint (pg. 112) - Vulnerability assessment for climate change-related risks (pg. 113)
Targets used by the organization to manage climate and performance-related risks and opportunities compared to objectives	Please refer to these sections: - Objectives (pg. 103) - Our Carbon Footprint (pg. 112) - Vulnerability assessment for climate change-related risks (pg. 113)

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Patio Querétaro



INTEGRATED ANNUAL REPORT 2020