



### 2021 INTEGRATED ANNUAL REPORT

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635 properties with 661 operations throughout Mexico

\$21.87 bn in revenues +13.9% vs 2020 +12.2% vs 2019

116.3 million sqft of Gross Leasable Area (GLA)

92.2% total occupancy rate

IST SUSTAINABLE BOND

issued by a Latin American REIT, with demand totaling more than MXN\$21 billion placed—a bid-to-cover ratio of 2.6 times

EDGE CERTIFICATION

of 2 industrial warehouses totaling 633,617.6 sqft in area

\$93.9 million million in financial support in 2021

<sup>&</sup>lt;sup>1</sup> Operations: A specific use of a property; a single property can have more than one type of operation







"Over the years, Mexico has undergone a transformation, and we are excited and proud of the impact we at FUNO® have on our country's growth, because we can give life to our cities, and that is incredible. As I look back, I am pleased to say that I know the history of each of our properties. Growing alongside our clients has been an enriching experience. We were part of that growth and that's highly satisfying... every story is important to us."

ANDRÉ EL-MANN
Chief Executive Officer



### DEAR INVESTORS AND ASSOCIATES,

It is an honor for me to present to you FUNO®'s results for the close of 2021, a year when we celebrated ten years of achievements and commitments to Mexico. This is just a promising start to the success story we continue to write at FUNO®.

2021 was a vibrant year, one in which resilience and recovery took center stage, not just in the world, or in our country, but in FUNO® itself, because we were able to achieve solid results even during a turbulent cycle induced by the pandemic that began in 2020.

MXN\$21.87 billion in revenues, 13.9% more than in 2020

We brought in revenues of MXN\$21.87 billion, 13.9% higher than in 2020. We also increased our Net Operating Income (NOI) and Funds from Operations (FFO) by 16.7% and 43.8%, respectively, compared to the previous year. These results are highly satisfactory, although our total portfolio occupancy has not yet normalized to 95%, and the figure excludes a substantial amount of overage revenues.

In this context, our business model has played an essential role, because it was conceived from the start as a way to build sustainable value over time. It is a proven and successful model that continued to bear fruit last year through an exceptional and diversified portfolio, our prime strength, which has

enabled us to successfully weather the complexities of the past couple of years.

All three segments of our portfolio performed well, but the most outstanding was the industrial segment. Because of the underlying momentum of the USMCA and the impact of the pandemic on global supply chains, demand for logistical warehouses and spaces for light manufacturing continued to grow. We expect this segment to continue developing in coming years, and FUNO® is ready to seize any opportunities that arise.

Additionally, in 2021 we achieved the goal we set for ourselves: to diversify our sources of capital. We successfully placed the first Sustainable Bond to be issued by a REIT in Latin America, totaling MXN\$8.1 billion in two tranches on the Mexican market. Demand for the notes totaled a record of more than MXN\$21 billion, a sign of the solid creditworthiness of our REIT and investors' confidence in our business model and our country. The issuance ratifies our commitment as a world-class company that creates value for stakeholders, and our industry leadership in environmental, social and governance (ESG) aspects.

Our commitment to Mexico motivates us to continue generating significant social value that transcends our time. We intend to keep on building relations with our tenants based on reciprocity: in 2021 we stretched out a hand to those who needed it and the lease agreement renegotiations with rent deferrals, payment terms and discounts first extended

in late 2020 remained in effect, helping many of our tenants to stay afloat. Furthermore, to deal with the most critical phases of the pandemic and help save lives, early in 2021 we donated 230 oxygen concentrators to patients in need in Mexico City and Monterrey.

The long-range vision and determination FUNO® is known for has made us a benchmark in our industry. Ten years after our story began, we are where we should be, and we could not have done it without the dedication and hard work of our associates, the extensive experience and know-how of our technical committee members, the confidence of our investors, the support of our suppliers and the preference of our tenants and guests. We will continue to stake our future on Mexico, with our sights on improving what we had already achieved and becoming a world-class REIT.

We placed the first sustainable bond issued by a Latin American REIT, with demand totaling more than MXN\$21 billion placed—a bid-to-cover ratio of 2.6 times

ANDRÉ EL-MANN

Chief Executive Officer, FUNO®





"FUNO® is growing alongside Mexico, with a cutting-edge business model. Of course, we are a world-class company, and we strive to be leaders beyond our borders.

We're not going to stop until we get there, but we are proud to say we got our start in Mexico. We have been a magnet for foreign investment; we are a solid investment with hard assets that generate capital gains and, in addition, cash flows."

**GONZALO ROBINA** 

Deputy Chief Executive Officer

 $^{09}$ 



### DEAR STAKEHOLDERS,

It is a tremendous satisfaction to celebrate with you FUNO®'s tenth anniversary, our first decade, during which we have achieved landmarks we can clearly be proud of. We have pioneered in many ways: we were the first REIT in the Mexican market, the first to issue debt on the local market, the first to issue debt on the foreign market, and the first real-estate company to issue debt at thirty years. We have innovated and shattered paradigms in many sense, and this has made the experience an extraordinary one.

When we embarked on this magnificent project, we never imagined achieving the number and quality of properties we have today: 635 buildings, 661 operations and close to 116.3 million square feet built. Of these, 10.8 million square feet are office space, and our current occupancy rate is 92.2%.

The effects of the turbulence that marked 2020 persisted into 2021, but the reactivation and economy recovery of various industries inspired more optimism about Mexico and about FUNO®.

I am convinced that today the market has rewarded us for our diversification; the decision we made at the start was the right one. Just one of the ways we prove this is in the positive results of all three segments of our portfolio. In the office segment, the gradual return of our tenants' employees to work in the office increased footfall in this type of property, while reduced rents encouraged some tenants to expand the amount of space they leased.

There was a steady flow of visitor traffic in our shopping centers, because many of our tenants are engaged in essential activities and thus remained open. As the federal epidemiological "stoplight" system advanced to safer levels, the reopening of non-essential activities in the second half of the year caused the recovery in revenues in this segment to outperform occupancy rates.

It was the industrial segment, however, that showed superior vigor and profitability. One reason was the growth in e-commerce and the resulting need for storage space for these tenants. Also, because our country shares a border with the United States, we benefited from nearshoring trends and the relocation of supply chain links, in which Mexico became an attractive destination for bringing production centers closer to consumer markets in the neighboring country. Together with this, lease renewal increases in this segment have been greater than the rate of inflation.

But with all these successes comes social responsibility. We feel compelled to give something back to the communities, to those who need it most. FUNO® Foundation is the way we do this. We have awarded scholarships, set up a school for children with disabilities, donated more than 200 oxygen concentrators during the most critical phases of the COVID-19 public health emergency, supported the ABC hospital and helped kids with cancer through economic support for transplants and cancer medications. In 2021 alone, we devoted

MXN\$93.9 million pesos to social causes. There is much work still to be done, and we keep our sights set on social issues.

In our ongoing effort to adopt the best practices in ESG matters, year after year we reforest a substantial expanse of woodlands, continuing our effort to apply a sustainable approach in our buildings and obtain environmental certification for 10.8 million square feet of space by 2030. In 2021 we decided to combine LEED and EDGE certifications and became an Edge Champion because of the size of our certifiable portfolio, which accounts for 10% of the certified square feet in Latin America. With this we doubled the number of square feet certified in Mexico.

It is a source of great pride to be leaders in our industry. I would like to extend my deep gratitude to our valuable work team. Every member of FUNO®'s human capital has contributed to our continuing position and our celebration of these 10 years with more success still ahead. The best is yet to come; we will continue to work to distinguish ourselves as benchmarks on an international level, and to transcend.

MXN\$93.9 million pesos in charitable support in 2021

### **GONZALO ROBINA**

Deputy Chief Executive Officer, FUNO®



# 2021 PERFORMANCE

102-7

OPERATIONAL AND FINANCIAL INDICATORS	
Revenues (MXN, mdp)	21,868.7
Gross Leasable Area (GLA, millions of sqft)	116.3
Properties	635
Occupancy	92.2%
NOI	17,421.7
ENVIRONMENTAL INDICATORS	
Energy	
Global energy consumption (kWh)	146,146,566
Global energy intensity (kWh/occupied sqft)	2.7
Credit-linked energy consumption (kWh)	122,379,261
Credit-linked energy intensity (kWh/occupied sqft)	4.6
Water	
Water intensity (m³/occupied sqft)	0.07
Treated water (m³)	477,719.2
Waste	
Generated waste (t)	16,128.8
Recycled waste (t)	1,410.7
Emissions	
Total emissions (tCO <sub>2</sub> e), Scopes 1 and 2	63,275.7
Emissions intensity (tCO <sub>2</sub> e/ occupied sqft)	0.0012
Biodiversity	
Number of reforestations	2*
Number of planted trees	800
Certifications	
LEED-certified area (sqft)	9,801,338
Number of LEED-certified properties	26
EDGE-certified area (sqft)	633,617.6
Number of EDGE-certified properties	2

SOCIAL INDICATORS	
Human capital	
Talent attraction	
Number of new hires	125
Vacancies filled by internal promotions (%)	20.8%
Diversity and inclusion	
Employees trained on diversity and inclusion**	62
Person-hours of training on diversity and inclusion**	107
Employees participating in the priority group identification survey	262
Number of properties with accessibility recognition	2
Workforce	
Number of employees**	999
FUNO® employees identified with female gender (%)	29.3%
FUNO® employees identified with male gender (%)	70.7%
Employees in leadership positions	138
Women in leadership positions (%)	37%
Employees in management positions	111
Women in management positions (%)	42.3%
Employees in executive positions	22
Women in executive positions (%)	18.2%
Employees in revenue-generating positions	186
Women in revenue-generating positions (%)	46.2%
Talent retention	
Overall turnover (%)	21.1%
Voluntary turnover (%)	18.0%
Involuntary turnover (%)	3.1%
Human capital development	
Participation of employees under training**	1,877
Person-hours of training**	10,567



Human capital developme	ent
Hours of training provided on average per employee**	5.6
Total investment in training (MXN, mdp)	0.99
Performance assessed employees (%)	100%
Salary ratio of women vs men in executive positions	67%
Salary ratio of women vs men in management positions	77%
Salary ratio of women vs men in operational positions	97%
Work satisfaction**	
Participating employees	1,050
Response rate	80%
Trust rate***	80% (Corporate offices) 74% (Corporate offices + properties)
Community	
Social Responsibility	
Social initiatives implemented by our shopping centers	65
Number of organizations and foundations supported	99
Number of in-kind donations	2,198
Equivalent amount of in-kind donations (MXN, mdp)	\$26,142,193.2
Total beneficiaries	213,153
Direct beneficiaries of social responsibility activities	194,902
Indirect beneficiaries of social responsibility activities	18,251
FUNO® Foundation	
Total financial support	\$93,934,408.2
Collaboration with authori	ties
Number of government institutions	163
Health and well-being	
Employees trained on safety and health matters	516
Person-hours of training on safety and health matters	3,581.5
Participating employees in the Well-being survey	1,049
Number of cases received through the Well-being channel	9
Number of accidents	12
Number of deaths	0
Lost-time injury (LTI) rate	0.0028

Health and well-being	
lumber of occupational diseases	0
bsenteeism rate  • FUNO®: 0.01 • Specialized services: 0.16	
Supply chain	
lumber of suppliers and specialized services	560
mount allocated for payment of supplies (MXN, mdp)	1,163
GOVERNANCE INDICATORS	
Ethics and integrity	
lumber of cases received through the Whistleblowing mechanism	59
ases received and closed during the reporting period (%)	56%
Anti-corruption Control of the Contr	
perations and contracts evaluated in anti-corruption matters (%)	100%
Contracts with suppliers that include an anti-corruption clause (%)	100%
uppliers that sign FUNO® ethical guidelines (%)	100%
mployees trained on anti-corruption	100%
Human rights	
mployees trained on human rights	128
erson-hours of training on human rights	2.5
ESG risk management and assessment	
SG investor survey response rate (%)	25%
lew contracts that contain cost recovery clauses for resource efficiency, elated to capex improvements (%)	100%
ESG issues in tenant agreements	
GLA represented by tenants participating in the bonding strategy	10%

<sup>\*</sup> Considers maintenance and management of the hectare adopted in 2020 and a new hectare adopted in 2021.

\*\* The data presented include the participation of associates who supply special services.

\*\*\* In 2020 the survey was applied only to corporate headquarters; in 2021 it was also applied to our properties. This is why two results are shown in the confidence rating.

# FUNO THE FIRST AND LARGEST FIBRAIN MEXICO AND LATIN AMERICA

Complejo Industrial San Martín Obispo, State of Mexico

"These past 10 years have brought many successes for FUNO®, for example its rapid growth—so much so that we are today one of the largest companies on the Mexican market in terms of size and market cap.

No other company has risen to the highest ranks of Mexico's publicly-traded firms in such a short time."

FERNANDO ÁLVAREZ

VP, Finance

# **OPERATIONS**

102-2, 102-4, 102-6, 102-7 IF-RE-000.A, IF-RE-000.D

We are the first and largest FIBRA in Mexico and Latin America

635 properties with 661 operations<sup>2</sup> throughout Mexico

116.3 million sqft
Gross Leasable Area (GLA)

92.2% total occupancy rate

3 business segments

MXN \$199 bn pesos raised at the end of 2021

<sup>2</sup> Operations: A specific use of a property; a single property can have more than one type of operation.

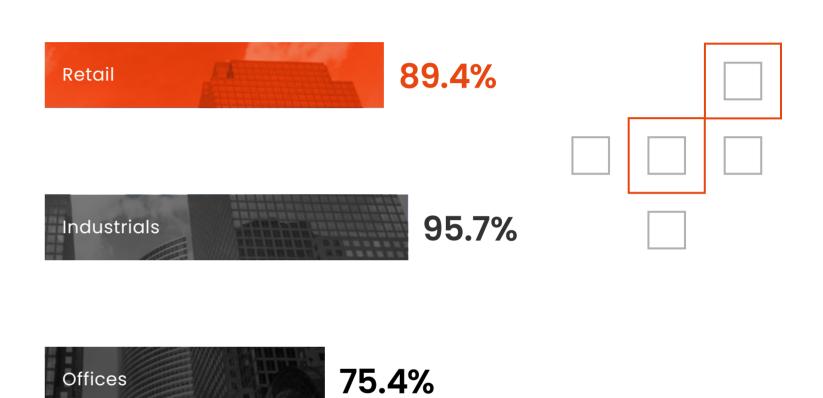
### **OPERATIONS BY SEGMENT**

### OCCUPANCY BY SEGMENT



29% Industrials

15% Offices





Offices

99.4%



# PRESENCE



"It is important that investors who have trusted in Fibra Uno have the certainty that their money is invested in something safe, that this model enables us to generate income through the business cycle when things are going well, and even when things are not going so well, we continue generating revenues, and we do better. It's not that crises don't affect us, but they affect us less than the rest of the market. That's what makes FUNO®'s business so resilient. We are a very solid REIT and we're here not just for the next 10 years, but for the next 50."

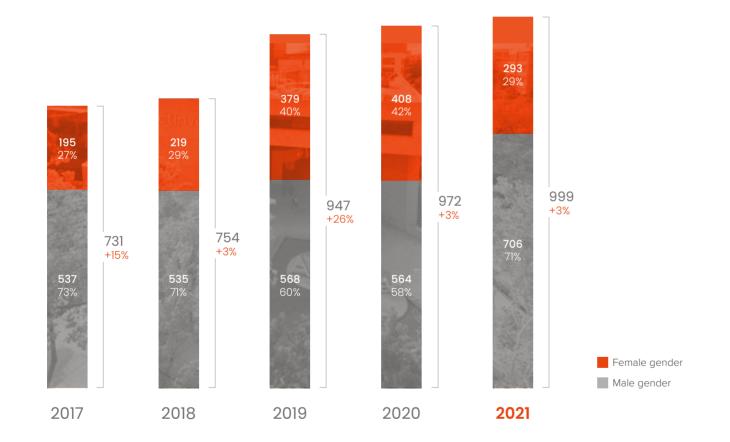
**JORGE PIGEON** 

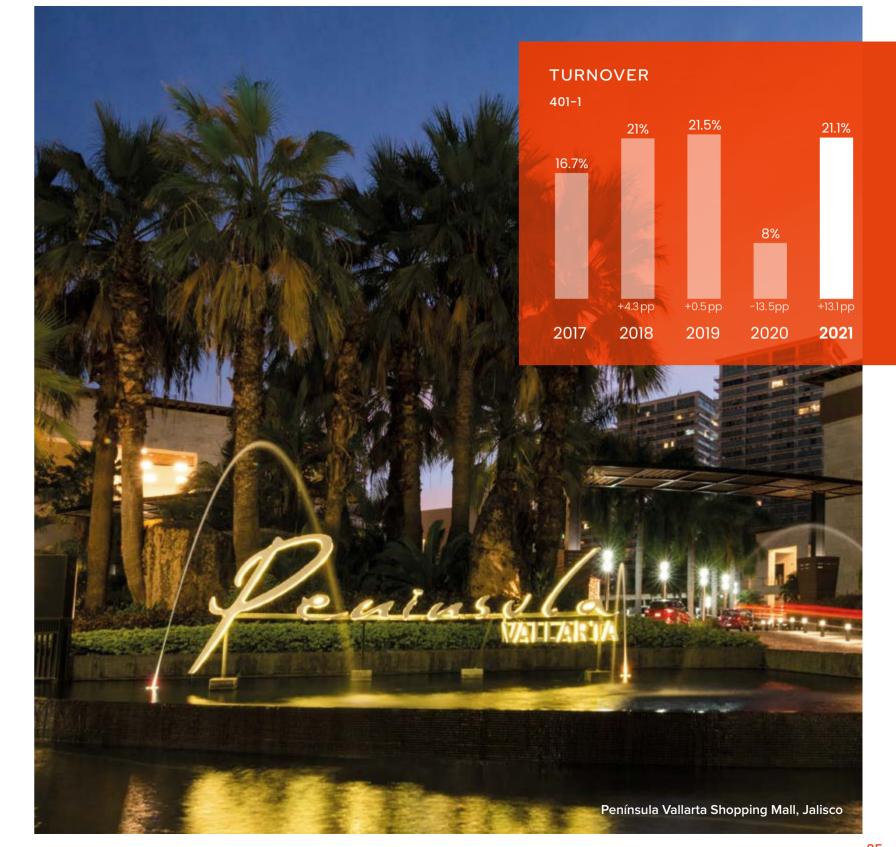
VP, Investor Relations and Equity Markets

# **HUMAN CAPITAL**

WORKFORCE

102-8, 405-1

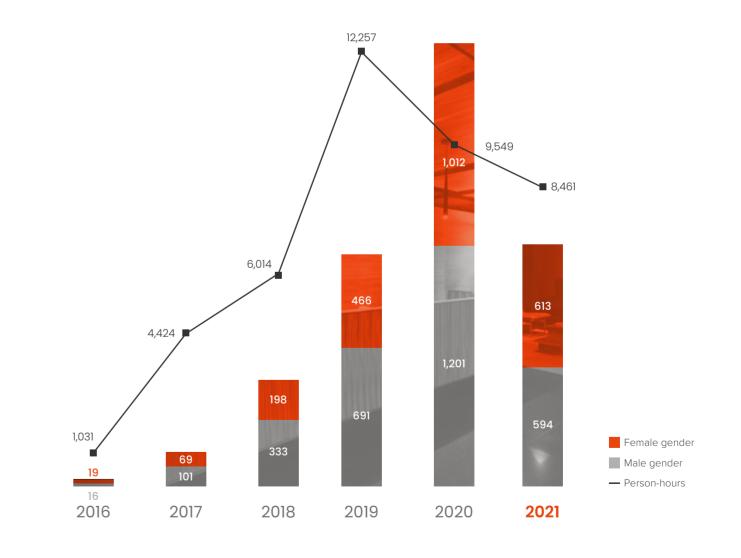






### TALENT DEVELOPMENT

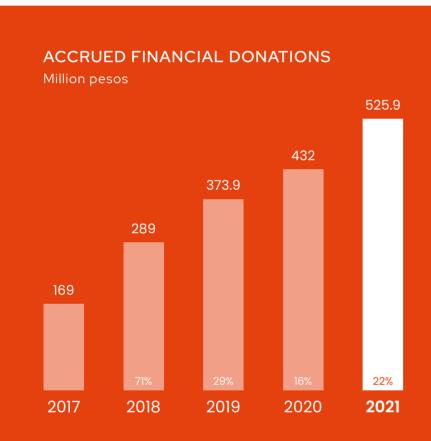
41,736 hours of training and approximately MXN\$5.9 million invested in our team's training since 2016







# SOCIAL CAPITAL















### ORGANIZATIONS SUPPORTED



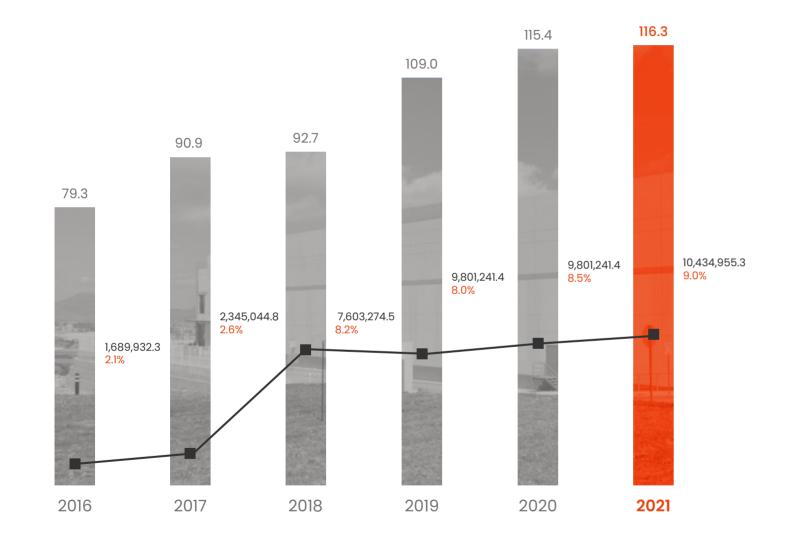




%: percentage growth compared to the immediately preceding year of operations.

# NATURAL CAPITAL

### **CERTIFIED PORTFOLIO**



GLA (millions of sqft) — Certified portfolio (sqft)



# BUSINESS AND VALUE CREATION

201-1



### GOAL

Create sustainable value over time.

We will achieve this through:

### **BUSINESS MODEL**

Location, location, location with high quality assets

Exceptional and diversified portfolio

olio Competitive prices

High occupancy levels

Tenants' quality

Prudent financial strategy

Long-term trust, 100% of Real Estate

### MANAGEMENT OF ASPECTS THAT IMPACT VALUE CREATION IN THE SHORT, MEDIUM AND LONG TERM

Risk management C

Climate change

Energy management

Natural capital

Business ethics

Transparency

Community engagement

Talent management Business model resiliency

Human rights

### 2020-2030 SUSTAINABILITY STRATEGY



ENERGY



WATER



WASTE



**EMISSIONS** 



**BIODIVERSITY** 



BUILDING CERTIFICATIONS



SAFETY



DIVERSITY



GENDER EQUALITY



**TRAINING** 













### FINANCIAL CAPITAL

21 financial institutions

MXN\$165.63 bn of shareholders' equity / trustees' equity

3,799,999,999 CBFIs on circulation

MXN\$21.87 bn in revenues

MXN\$17,42 bn of NOI

MXN\$2.58 bn distributed to CBFIs holders

☐ Inputs

Outputs

### **HUMAN CAPITAL**

1,207 employees

MXN\$248.5 million pesos invested in human capital; MXN\$0.98 million pesos for training

125 new hires

Diversity and inclusion

COPRED recognition

5.6 hours of training provided on average per employee\*

100% of employees received a performance assessment

100% of FUNO®'s employees receive benefits beyond what the law requires

### SOCIAL CAPITAL

99 supported organizations and foundations

163 government institutions

3.448 tenants

+450 million guest visits per year

560 suppliers and specialized services

2,198 in-kind donations, equivalent to MXN\$26.1 million pesos

213,153 total beneficiaries of our social responsibility activities

MXN\$580 million pesos allocated to tax payments (property tax)

Nearly MXN\$1,163 million pesos allocated to the payment of suppliers

### NATURAL CAPITAL

MXN\$12.6 million pesos invested in energy eco-efficiency

146,146,566 kWh of electricity consumption

MXN\$20.5 million pesos invested in water resources management

3,164,072.9 m<sup>3</sup> of water consumption

16,128.8 metric tons of waste generated

63,275.7 metric tons of CO<sub>2</sub>e emitted

-56.7% in overall electricity intensity vs 2018

-64% in overall water intensity vs 2018

8.7% of waste recycled

### INDUSTRIAL CAPITAL

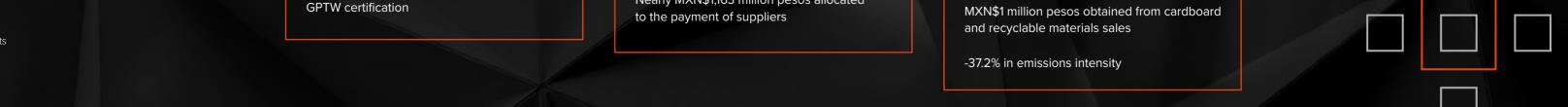
635 properties with 661 operations

116.3 million sqft of GLA

LEED Certification of 26 properties totaling 9,801,338 sqft in area

EDGE Certification of 2 industrial warehouses totaling 633,617.6 sqft in area

**EDGE Champion** 



\* Data presented include specialized services employees' participation.





# CORPORATE GOVERNANCE

102-18, 102-19, 102-20, 102-23, 102-24, 102-26, 102-27

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

### **PLURALITY**

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

### INDEPENDENT

The majority of CBFIs 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 Control Trust establishes the competences and powers regarding economic, environmental, and social issues for the Holders' Meeting, the Technical Committee, the Audit Committee and the Corporate Practices Committee.

FUNO® is celebrating 10 years of being led by the vision of its Technical Committee members and their integrity, experience and thorough knowledge of the industry.

The Technical Committee is equivalent to a Board of Directors. It is the body that receives the guidelines issued by the Holders' Meeting and is responsible for establishing and approving the organization's purpose, values, mission, strategy, policies and objectives.

Our governance commitment is to increase the gender diversity and percentage of independent members of our Technical Committee to 50%



TECHNICAL COMMITTEE



5 independent members



42% independent



Our Audit, Corporate Practices and Nominations and Compensations Committees are 100% independent

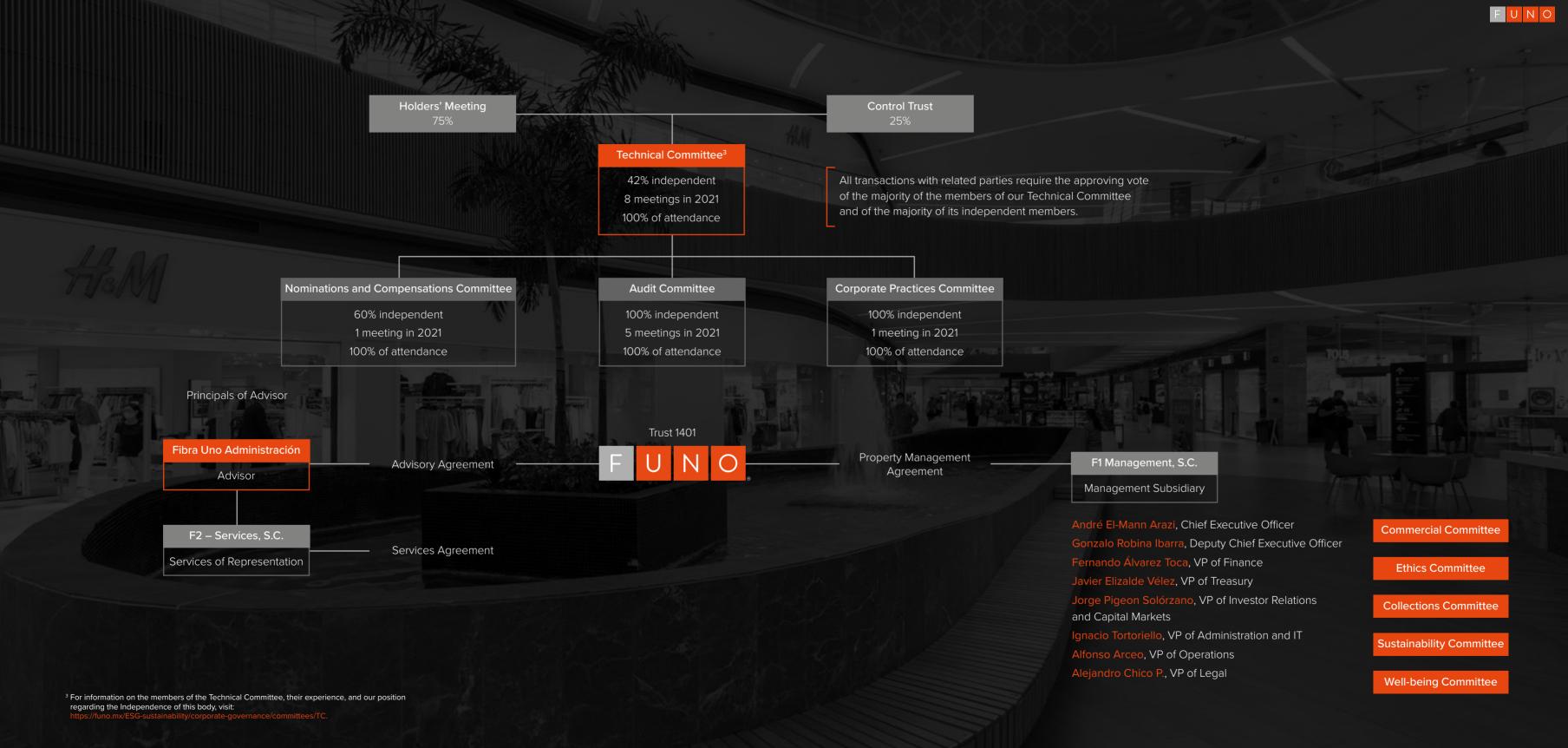
The functions of the President of the Technical Committee and the Chief Executive Officer are separated. Our President is not an executive member of the organization; that is, he is not an employee on the FUNO® payroll.

area, the best margins and being the best operators is simply the result of a great vision and a strategy applied by the best team in the market."

"Having 116 million sqft of leasable

ALFONSO ARCEO

VP, Operations





FUNO® 10th Anniversary Celebration, BMV

# Experience

102-20

YEARS OF EXPERIENCE							
Technical Committee	FUNO®'s Technical Committee	Real estate	Financial risk matters	Environmental issues	Social issues	Corporate governance	Number of terms
Moisés El-Mann Arazi PRESIDENT	11	45	40		40	40	2
André El-Mann Arazi ceo	11	45	20	20	30	40	4
Max El-Mann Arazi	11	45			30	40	3
Abud Attié Dayán	11	40	60	40	40	60	2
Isidoro Attié Laniado	11	40			20	11	1
Elías Sacal Micha	11	40	30	11		11	1
Jaime Kababie Sacal	11	35				11	1
Rubén Goldberg Javkin	11		47	10	35	40	11
Herminio Blanco Mendoza	11						1
Ignacio Trigueros Legarreta	11		22	15	30	10	1
Antonio Franck Cabrera	6		35	25	30	21	6
Alberto Mulás Alonso	5		35	27	21	25	10



### 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% bonus for retention paid every year to all employeess
- ▶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% dividend growth above inflation
- **-** 0 gtp, 20%
- **-** 50 gtp 40%
- 100 gtp 60%
- 150 gtp 80%
- 200 gtp 100%
- 30% certificate price vs CPI
- 0 growth above the CPI is delivered 20%
- 200 growth above the CPI is delivered 40%
- 300 growth above the CPI is delivered 60%
- 400 growth above the CPI is delivered 80%
- 500 growth above the CPI is delivered 100%

There is the catch-up option, in which certificates from previous years can be recovered, 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 4-year vesting period.

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; 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.

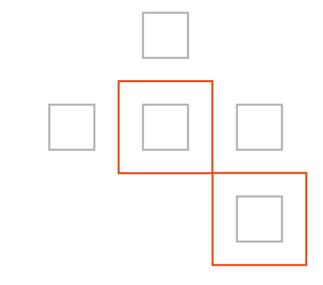
For decisions regarding compensations, only independent members have the right to vote. This mechanism ensures that the interests of related members are aligned with business objectives.

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.

# BUSINESS ETHICS

GRI 205, 206, 207, 307, 415, 418, 419: 103-1 102-16

The success that has characterized FUNO® during the first 10 years of our history can be attributed to the actions of everyone who is part of this REIT and our unparalleled standards of integrity and professionalism. We are responsible for ensuring that we follow the law and our own policies and guidelines in everything we do on behalf of FUNO®.



### **Code of Ethics**

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

In early 2021 we updated our Code of Ethics, stressing respect for human rights and encouraging access to equal treatment and opportunities, as a reflection of our values. We expanded on the description of some terms, like violence, sexual harassment and bullying, so that our employees, tenants, suppliers, guests and all other stakeholders can be aware of the types of conduct that harm others.

We also stressed our ban on any type of discrimination, prejudice, exclusion or restriction based on ethnic or national origin, sex, age, disability, social or economic condition, health, pregnancy, language, religion, opinions, sexual preferences, marital status or other aspect that has the effect of preventing or negating the recognition or exercise of rights and truly equal opportunities for all. 100% of our employees trained in ethics, anti-corruption and money-laundering prevention

As part of the guidelines of our Code of Ethics and other FUNO® policies, we stress familiarity with the Code for all our employees through mandatory training.

In 2021, five employees received training in governance matters, totaling 10 work-hours per person of training, or 2 hours per employee on average.





# Whistleblowing mechanism

GRI 205, 206, 207, 307, 415, 418, 419: 103-2, 103-3 102-17, 102-33, 102-34, 406-1

Phore E-ma

Ámbar Fashion Mall, Chia

This is the channel by which employees, tenants, suppliers, guests and any other interested person can offer suggestions or file complaints about actions that violate FUNO®'s ethical standards, or request advice on any conduct they think may be dishonest.

Our whistleblowing mechanism is managed by an outside firm independent of FUNO® and is available 24 hours a day, 365 days a year, through the following channels:

- Phone: 01 800 9100 311
- E-mail: funo@tipsanonimos.com
- Web: www.tipsanonimos.com/funo

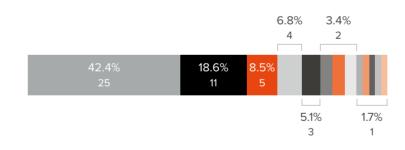
# 59 cases Received through the whistleblowing mechanism

A 9.2% reduction from 2020

Reports received through whistleblowing mechanism are channeled to our Ethics Committee for review and attention, either by the Committee itself or by the area responsible for the issue in question, in order to decide on corrective measures, sanction or response.

### COMPLAINT CATEGORIES

- Labor negligence
- Workplace bullying/mobbing
- Unethical dealings with suppliers
- Theft
- Sexual harassment
- Breach of confidence
- Anti-competitive practices
- COVID-19 emergency
- Discrimination
- Fraud/financial irregularities
- Breaches of the law or official regulations
- Money-laundering
- Workplace violence/abuse



### 100% of cases reported through the whistleblowing mechanism in 2021 were addressed

56% were closed and 44% were still in process at the end of the year

### REPORTER OF THE COMPLAINT

- Tenants
- Employees
- Suppliers



### MEANS FOR COMPLAINT

- E-mail
- Helpline
- Website



 $\label{eq:NOTE:None} \textbf{NOTE:} \ \text{Nine employment terminations for breaching the Code of Ethics.}$ 

 $\mathbf{1}_{\mathbf{0}}$ 



## **Anti-corruption**

GRI 205, 415: 103-1, 103-2, 103-3 205-1, 205-2, 415-1

We abide by all laws and regulations and encourage fair and above-board business practice, ensuring the prevention of bribery and extorsion.

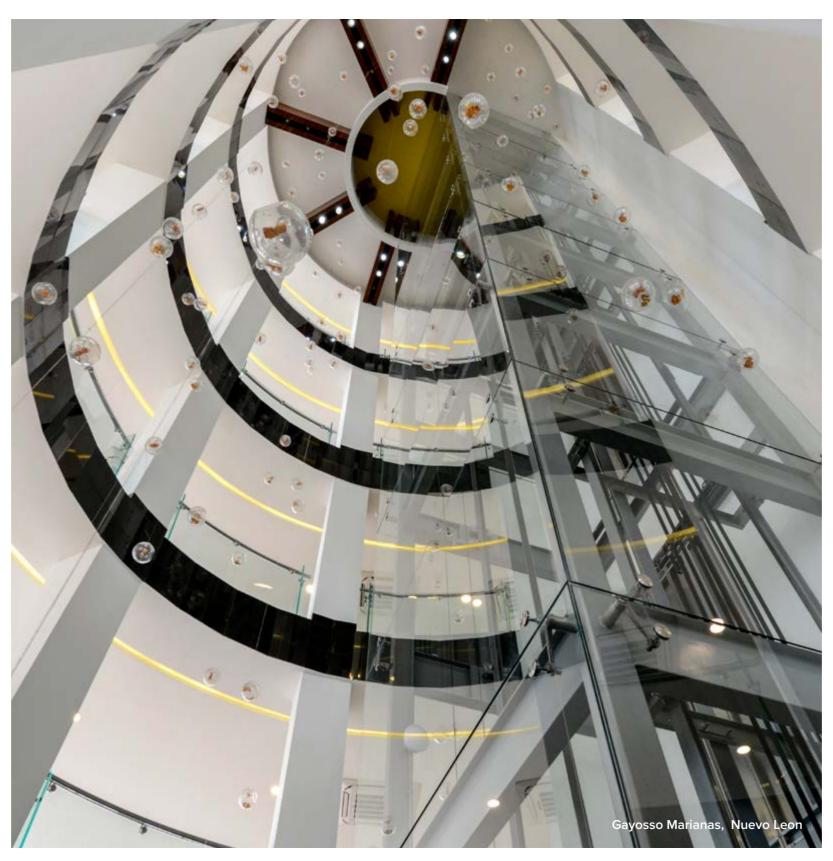
In our dealings with tenants, suppliers, financial institutions, authorities and any other counterparty, we absolutely reject the possibility of offering or receiving improper advantages or benefits of any kind. We neither give nor receive gifts, preferential conditions, pay, travel, kickbacks or any other form of compensation to influence a business decision.

FUNO® strictly prohibits any contribution to political parties. In 2021 we made no contributions of this type.

100% of our operations and contracts are evaluated by anti-corruption criteria

100% of our supplier contracts contain an anti-corruption clause

100% of our suppliers sign our ethical guidelines



# Money-laundering prevention

To ensure that we operate honestly and in a disciplined manner and to guarantee the generation of value for our stakeholders, one of the pillars of FUNO®'s financial strategy is money-laundering prevention. We have a policy that establishes the steps to follow for analyzing information and sending the notices required under federal laws on the identification and prevention of money-laundering, and for storing information regarding the personal data of tenants and the cash flow from collections.

For the fourth year in a row, together with an external auditor, we have an accounting platform that can be accessed by employees working in the office of the Vice President for Finance, to reinforce their knowledge of money-laundering prevention, anti-corruption practices and changes in tax laws.

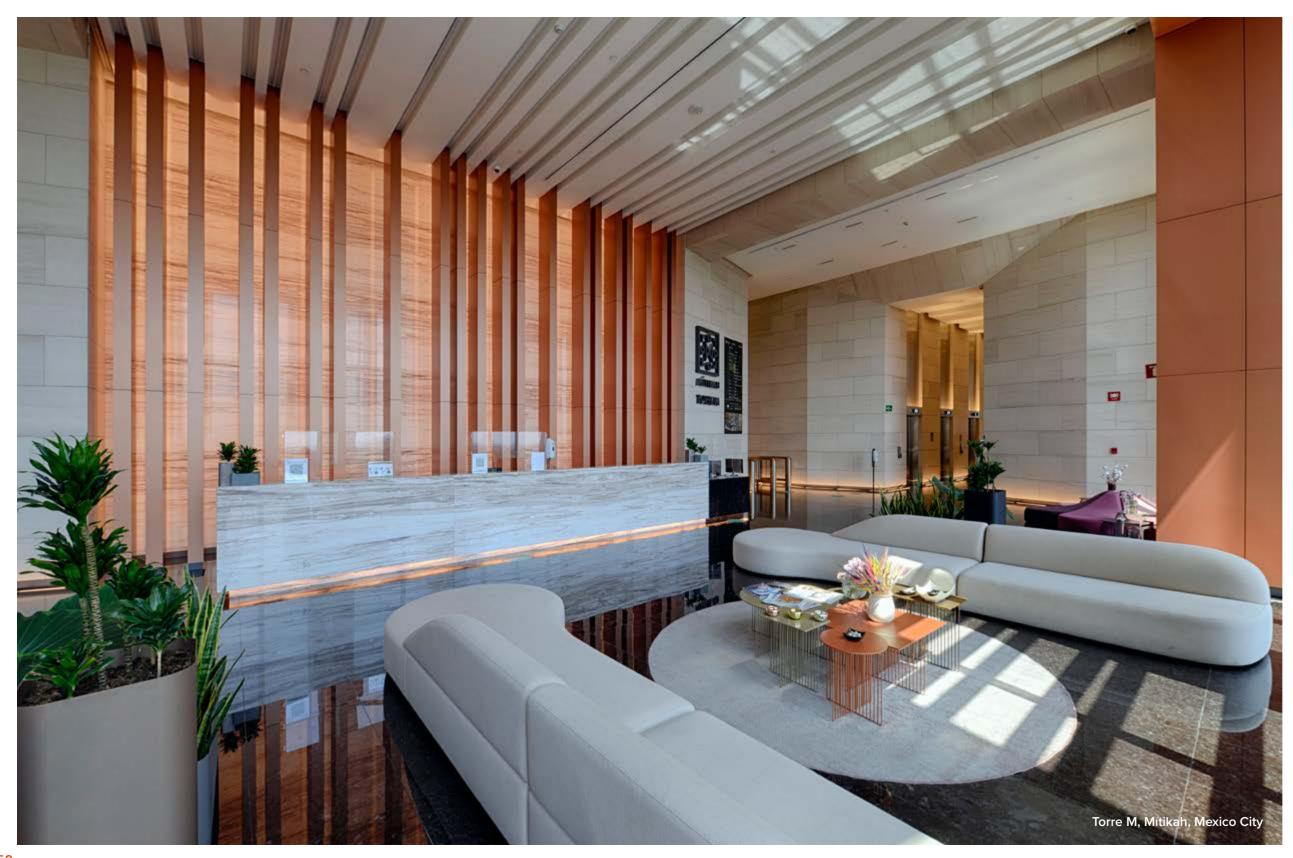
## Fair competition

GRI 206: 103-1, 103-2, 103-3

We encourage equal opportunities and the creation of social and sustainable value for FUNO® and for Mexico. We promote fair competition and reject monopolistic practices. We apply fair, honest, transparent, respectful and professional practices, in keeping with our principles, values, and the prevailing laws and regulations.

 $\mathbf{49}$ 





# **Human rights**

GRI 406, 407, 408, 409, 411, 412: 103-1, 103-2, 103-3 102-41, 412-2

According to the Universal Declaration of Human Rights, our Code of Ethics mandates respect for individual differences of culture, religion, ethnic origin and sex, and support for equal opportunities and advancement for all.

100% of our employees are union members and enjoy freedom of association.

Our Code of Ethics forbids any discrimination on the basis of ethnic or national origin, gender, age, disability, social condition, health, religion, opinions, political ideas, sexual preferences, marital status or other aspect that may violate human dignity or have the effect of preventing or negating individual rights and freedoms.

128 employees trained in human rights<sup>4</sup>

61% women and 39% men

324 work-hours in human rights training<sup>4</sup>

2.5 hours on average per employee

<sup>&</sup>lt;sup>4</sup> This data includes employees who provide specialized services. Out of all the employees trained in human rights, 112 are FUNO® employees (316 work-hours) and 16 are specialized service providers (8 work-hours).



# RISK MANAGEMENT AND COMPLIANCE

"We are FUNO®, a Mexican company that works to consolidate best practices and support discipline in Mexican real-estate investment."

ALEJANDRO CHICO VP, Legal



## ESG risk management and evaluation

RISK MANAGEMENT: 103-1, 103-2, 103-3 102-11, 102-12, 102-13, 102-27, 102-29, 102-30, 102-31, 102-33

Since our beginnings, we have held the conviction that sustainability is a means rather than an end. It is the way we do things at FUNO®, a focus that permeates the entire organization and inspires us to adopt best international practices, raising the standard of sustainability practice in Mexico's real-estate industry and ensuring the creation of long-term value for all stakeholders with whom we interact.

We have a Sustainability Committee in charge of implementing our ESG strategy, which meets quarterly to set annual targets regarding environmental, social and governance issues, as well as health and well-being, and to review progress against our targets along with current and future ESG risks. This committee reports directly to our CEO and Deputy CEO.

FUNO®'s ESG initiatives are audited every 6 months: once by our internal auditors, which report the findings and risks to the Audit Committee, and once by independent auditors, who review the performance and results reported in our Integrated Annual Report. If the findings are relevant, the Audit Committee notifies the Technical Committee, which in turn notifies our CBFI Holders' Meeting.

Our sustainability strategy combines the pursuit of economic returns for our investors with the creation of social value for all of the stakeholders we interact with, by addressing risks and identifying opportunities. Thus, we have defined our 2020-2030 sustainability strategy, which addresses 10 ESG issues:

### FUNO® heads the Sustainability Committees of AMEFIBRA, AMPIP and ULI\*



<sup>\*</sup> AMEFIBRA is the Mexican REIT association; AMPIP is the Mexican Association of Private Industrial Parks; ULI is the Urban Land Institute México.



# SUSTAINABILITY STRATEGY 2020-2030











Reduce our electricity intensity by 20%



Reduce our water intensity by 30%

### WASTE

Zero waste

Reduce our **GHG** emissions intensity by 20%

Rehabilitate/reforest/ maintain 50 km of green areas















### **CERTIFICATION**

Increase by 1 million our certified sam

### **SAFETY**

Zero accidents

20% of our employees belong to a priority group\*

### **EQUALITY**

Increase the percentage of women on the Board

### **TRAINIG**

Provide continuous ESG training to Board members

To ensure we are making steady progress in our adoption and adjustment of sustainability practices at FUNO®, each year senior management and the Technical Committee review and approve initiatives and plans relating to:

- Environment and climate change
- Diversity and inclusion
- Human rights
- Social responsibility
- Corporate governance and ethics

Sustainability Committees are kept informed and up to date on initiatives, frames of reference and standards for ESG reporting, through training that also includes issues such as diversity, physical accessibility, best environmental practices, changes in health and safety regulations, and others.

In 2021 we had 7 employee participations in sustainability training sessions, equivalent to 17 work-hours of training and an average of 2.4 hours per employee.

We also sent out our second ESG survey to investors in 2021, with a 25% response rate.

<sup>\*</sup> People with disabilities, single parents, LGBTQ+, indigenous groups, migrants.



# **MATERIALITY**

102-21, 102-44, 102-46, 102-47

This year we updated our materiality analysis in conjunction with a third party

The findings of the materiality analysis were as below:

### SOURCES OF ANALYZED INFORMATION

# 12% 88% Laws and regulations Voluntary initiatives

### NUMBER OF COMPANIES CONSIDERED

Leaders	5	
Industry and competitors	1	0

2021 MATERIAL TOPIC	2018 MATERIAL TOPIC
Risk management	Risk management
Climate change	N/A
Energy management	Energy eco-efficiency
Natural capital	Biodiversity
Business ethics	Ethics and anti-corruption practices
Transparency	Stakeholder engagement
Community engagement	CSR management
Talent management	Human capital / Labor practices
Business model resiliency	N/A
Human rights	Human rights

New material topics in relation to 2018 analysis.

Material topics whose scope was expanded in relation to the 2018 analysis and includes a wider range of sub-topics.



# Vulnerability analysis for climate change-related risks

CLIMATE CHANGE; RISK MANAGEMENT; GRI 201: 103-1, 103-2, 103-3 102-11, 102-29, 102-30, 102-31, 201-2

In 2021, we continued to work on our analysis of vulnerability to climate change-related risks. We are working to evaluate our entire portfolio according to ESG criteria.

### PERCENTAGE OF PORTFOLIO EVALUATED BASED ON ESG CRITERIA

82.5%

Climate change related risks

14.5%

Biodiversity related risks

88.8%

Water stress related risk

We were also able to estimate the financial impact that would be caused by a materialization of the physical risks identified the year before; the results were as follows:

PHYSICAL RISK	FINANCIAL IMPLICATIONS (MXN)
Heat waves	\$1,272,367,413
Tropical cyclones	\$1,325,255,678
Flooding	\$662,627,839
Droughts	\$4,365,930,723
Increase on sea level	\$10,913,560,671

To learn more about our Vulnerability assessment on the effects and risks related to climate change, please visit: https://funo.mx/ESG-sustainability/eco-efficient-operations/climate-change/vulnerability-assessment.





# **Emerging risks**

RISK MANAGEMENT: 103-1, 103-2, 103-3 102-29, 102-30, 102-31

For FUNO®, continuous improvement and the pursuit of resilience entail assuming risks to which the entire organization is exposed and strengthening prevention and mitigation measures. It also requires that we develop action plans in the event these risks materialize.

To do so, we are continually conducting various risk analyses. One of these is carried out every two years—the last one in 2019—through an independent expert, who assisted in evaluating 31 risks distributed into six categories: strategy, external, financial, operational, compliance, and people and culture.

The nine most relevant and highest-impact sustainability risks for FUNO® are:



TALENT RETENTION

# RISKS HEAT MAP OF FUNO



Third-level risks

Remote POTENTIAL OCCURRENCE High





### DIGITAL COMMERCE AND INNOVATION

- Maintenance of shopping centers as spaces of social cohesion and enhancement of the experience for guests.
- Encouragement of industrial sector.



### REPUTATIONAL DAMAGE

(delinquency, insecurity, and extortions)

- Permanent presence of security staff.
- Assessment of outsourced companies for following the compliance of instructions.



### ETHICS ON BUSINESS

- Update of the Code of Ethics and signature by employees.
- Training.
- Whistleblowing mechanism available for all stakeholders.



### CYBERSECURITY

- Investment.
- Performance of ethical hacking.
- Training.



### **EFFECTIVE COMMUNICATION**

- Procedure for the relationship with stakeholders.
- Calls with investors.
- Meetings with organizations.
- Permanent information for employees.



### LIAISON WITH TENANTS

- Implementation of the tenant satisfaction program in the office and industrial portfolios.
- Support in extraordinary situations for joint risk mitigation.



### BUSINESS CONTINUITY PLAN (BCP)

- Disaster Recovery Plan (DRP) at corporate level.
- Business continuity guideline in properties managed by a third party.
- Performance of ethical hacking.



### INSUFFICIENT OR INADEQUATE STAFF

- Talent mapping.
- Individual Development Plan (IDP).
- Conduction of a compensation study.



### TALENT RETENTION

- Talent mapping.
- Promotion of internal talent and succession planning.
- Participation in job fairs and profile and vacancy exchange boards.
- Training.



Most relevant or highest impact risks for FUNO®

Response and mitigation measures

NOTE: To know more about the measures and initiatives for mitigating the materialization of these risks, refer to pages 44, 73, 89, 91, 95, 98, 100, 110, 121, 125 y 126 of this Report.



# Principles for Responsible Investment and due diligence

GRI 406, 407, 408, 409, 411, 412, 416; RISK MANAGEMENT: 103-1, 103-2, 103-3 102-11, 102-12, 102-29, 102-30, 102-31, 407-1, 408-1, 409-1, 412-1, 412-3, 413-2, 416-1 IF-RE-410A.1

FUNO®'s commitment over the past 10 years has been to help build a sustainable, resilient society by creating economic, social and environmental value in all the communities where we operate.

Our steady growth during this period has been driven primarily by acquisitions. The real-estate market in Mexico is characterized by a reduced number of properties that have been designed and built with an eye to sustainable operational practice. Furthermore, there is a scarcity of properties with LEED, EDGE, BOMA Best or other certifications to acquire. These certification schemes are key for guaranteeing and proving the quality of our properties, and they attest to the incorporation of sustainability aspects in their design, development, operation and maintenance.

These certifications are just one example of the way we follow best international practices, and they also enable us to compare our sustainability performance with that of other REITs or companies in other industries, while monitoring and improving eco-efficiency in our portfolio.

FUNO®'s certified properties have been proven to outperform other similar properties, because they generate a lower energy intensity (9%) and water intensity (18%). This efficiency makes them more attractive to tenants, and with their high environmental ratings they have also shown a higher return on investment and economic savings over time. Furthermore, their design incorporates characteristics that promote social inclusion, accessibility and mobility, and improve the health and well-being of their occupants.

Since 2020 we have been signatories of the United Nations Principles for Responsible Investment, which means we are committed to incorporating ESG aspects into our investment decisions, to better manage risk and generate sustainable, long-term benefits. We also aim to develop and keep our properties up to date to improve their efficiency. This enables us to:

- Reduce our consumption of energy and water and our generation of GHG emissions.
- Mitigate the risks of climate change through resilient properties.
- Reduce current operating costs.
- Maintain or increase the value of our properties.
- Increase our base of investors concerned about ESG issues.
- Establish performance standards for properties in Mexico.
- Strengthen the social fabric through more inclusive, accessible spaces for different vulnerable groups (people with disabilities, older adults, children, people who are smaller or larger than the average).
- Increase security to provide safer recreational spaces, particularly in crime-ridden areas of Mexico.
- Promote the economic development of small and mid-sized companies.

This in turn entails a responsibility to strengthen our due diligence practices in ESG matters in the acquisition process. Some of the factors we analyze are:



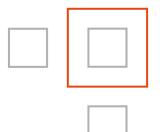
### **ENVIRONMENTAL**

- Property zoning, habitability and occupancy certificates.
- Authorizations like construction licenses, atmospheric emission permits, termination of work and environmental impact permits.
- Generation and management of hazardous and solid urban waste.
- Reuse or recycling of materials.
- Water stewardship, from water supply services to appropriate measures for wastewater discharge.
- Impact on and/or proximity to biodiversity, national waters and their federal zone, federal coastal zone and natural protected areas.
- Existence or absence of polychlorinated biphenyls and asbestos.
- Environmental and Territorial Organization Programs.
- Environmental compliance.
- Presence or absence of ground contamination and the need for remediation.

Our investment decisions must also consider the exposure and vulnerability of the properties to extreme hydrometeorological factors and phenomena that may affect their infrastructure and operation, the intensity of which has been growing due to climate change. These include:

- Hurricanes
- Storms
- Rising sea levels in coastal areas
- Flooding
- · Drought and water availability

100% of our new contracts include clauses on cost recovery for resource efficiency related to Capex improvements







- Non-discrimination, in cases in which building owners or users are individuals, collectives or other vulnerable groups.
- Respect for the rights of all stakeholders involved.
- Respect for the human rights of all the communities where we carry out investments, protecting vulnerable groups such as indigenous peoples, as well as uses, customs and traditions that limit the recognition of ownership by gender.
- In the case of acquisitions that include the property's workforce, FUNO® will take the necessary steps to inform them of the working conditions we offer at least 15 days in advance.

Once we acquire a property under these criteria and begin operations there, we permanently monitor a variety of ESG aspects.

In environmental terms, we review monthly reports and/or daily key performance indicators to identify impacts on consumption of energy and water, or on spending, in order to take corrective action and devise plans to improve performance.

In social terms, we apply best practices in protocols for operation and action with regard to human rights, social inclusion and prevention, monitoring compliance with each property service supplier (security and cleaning, for example) in keeping with existing laws. With this we ensure a positive impact on the quality of life and well-being of employees, tenants and guests.



"It's not just 10 years of history, it's a decade in which we have been pioneers in best practices. I am proud to celebrate this anniversary with FUNO®. It is a great opportunity and a challenge, because it's a long-term business that is continually seeking improvement. It's an industry that is perpetually improving everywhere in the world. FUNO® is at the lead in this industry, and it will remain there."

### **EMILIO GILLY**

Operations Project Director

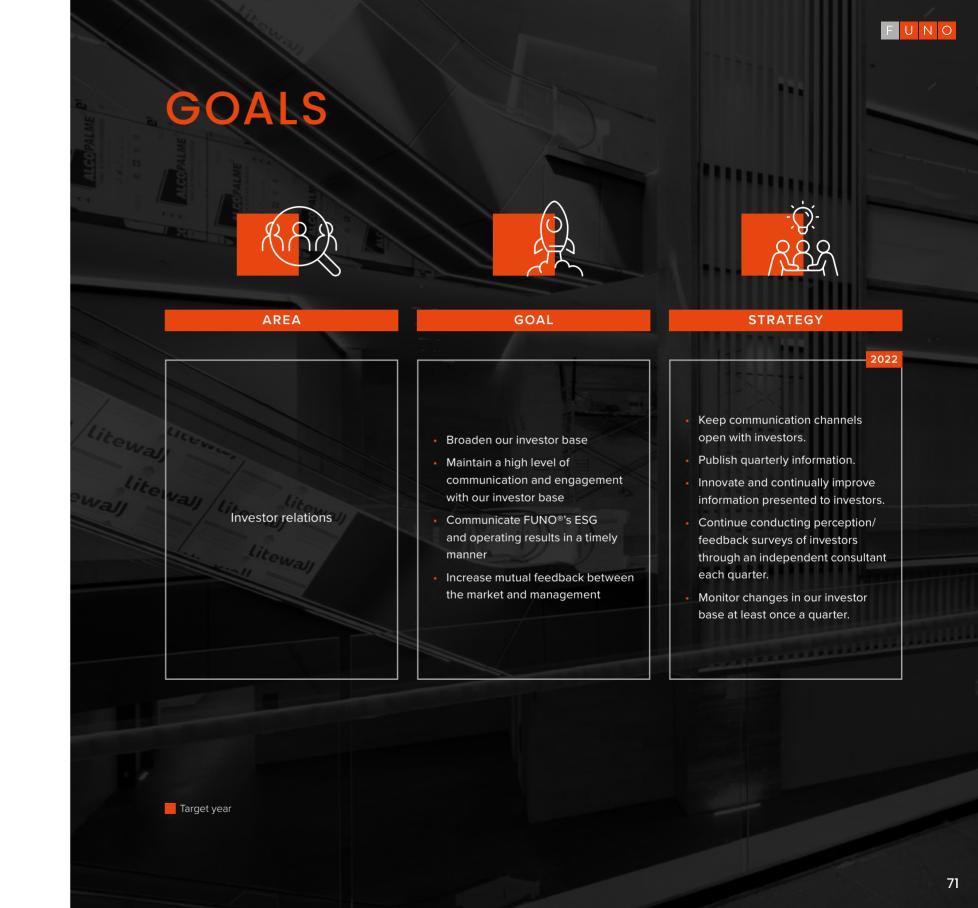
For further information about our procurement practices and the Principles for Responsible Investment that we have adopted, please refer to: https://funo.mx/ESG-sustainability/eco-efficient-operations/sustainable-infrastructure. Please see the Responsible Investment Policy at the following link: https://funo.mx/site\_media/uploads/otros/politica-inversion-responsable.pdf.



"For me, FUNO®'s 10th anniversary is something to truly feel proud of, because we are leaders in our industry and our market. What's hard isn't being a pioneer, it's staying at the leading edge, and in these first 10 years, that's what we've done: I am completely certain that we can continue doing this in every respect."

#### **SOFÍA PEÑA**

Associate Director, Investor Relations





# SUSTAINABLE GROWTH

GRI 201: 10-1, 103-2, 103-3 201-1

In 2021, total revenues were 13.9% higher than in 2020. Among • Exchange-rate depreciation and its impact on dollarthe factors driving this result were:

- An increase in occupied gross leasable area.
- An increase in total revenues net of COVID-19 support.
- An increase in overage.

- denominated rent.
- The effect of rent increases in existing contracts and

401 phone calls with investors<sup>5</sup>

FINANCIAL INDICATORS	2021	2020	Δ 2021 vs 2020
Total income	\$21,868.7	\$19,193.2	13.9%
Rental income	\$19,869.6	\$18,610.3	6.8%
Net Operative Income (NOI)	\$17,421.7	\$14,925.9	16.7%
NOI margin	79.7%	87.4%	-8.8%
Funds from Operations (FFO)	\$8,999.4	\$6,260.0	43.8%
FFO margin	41.2%	36.2%	13.8%
Distribution per CBFI	1.7	1.2	41.7%
Net consolidated income of the year	\$4,010.0	\$13,959.2	-71.3%
OPERATIONAL INDICATORS	2021	2020	Δ 2021 vs 2020
CBFIs in circulation (millons)	3,799	3,872.4	-1.9%
Number of properties	635	619	2.6%
Number of operations	661	646	2.3%
Gross Leasable Area (millions of sqft)	116.3	115.4	1.7%
Gross Leasable Area in development (sqft)	3,389,673.8	7,190,572	-52.9%
Total occupancy	92.2%	93.1%	-1.0%

Figures in millions of pesos.

<sup>5</sup> Without including quarterly phone calls.

# SUSTAINABLE BOND REPORT

GRI 203: 103-1, 103-2, 103-3 203-1, 203-2, 412-3

In 2021 we met our goal of diversifying capital sources, successfully placing the first Sustainable Bond to be issued by a REIT in Latin America.

Issuer	Fibra Uno (BMV: FUNO11)
Format	Sustainable Bond
Placement date	October 19, 2021
Currency	Mexican pesos (MXN)
Expiration	<ul><li>21-X Bond: October 2028</li><li>21-2X Bond: October 2025</li></ul>
Amount placed	MXN\$8.1 billion, with a bid-to-cover of 2.6 times (demand of MXN\$21 billion)
Rating	AAA(mex) from Fitch Ratings     HR AAA from HR Ratings
Use of the proceeds	According to the Frame of Reference for the FUNO® Sustainable Bond, the proceeds of the offering will be used to finance and/or refinance, all or in part, eligible new or existing projects in the categories:  • Energy efficiency • Clean energy • Green infrastructure • Clean transport • Sustainable water and wastewater management • Access to essential services • Job generation, including through the potential effect of SME credit and microfinancing • Socioeconomic progress and empowerment
Conditions	• 21-X Bond: MBONO +165bp • 21-2X Bond: TIIE + 90bp



At the close of 2021, we allocated MXN\$8.1 billion of the proceeds of the first Sustainable Bond to eligible projects, equivalent to 100% of the amount raised

The eligible projects in which we have invested are aimed at creating long-term value for the communities where we operate and benefiting all of our stakeholders.

#### **INVESTMENT CATEGORIES**

99.1% MXN\$8.03 billion

0.7% MXN\$60 million

0.1% MXN\$10 million

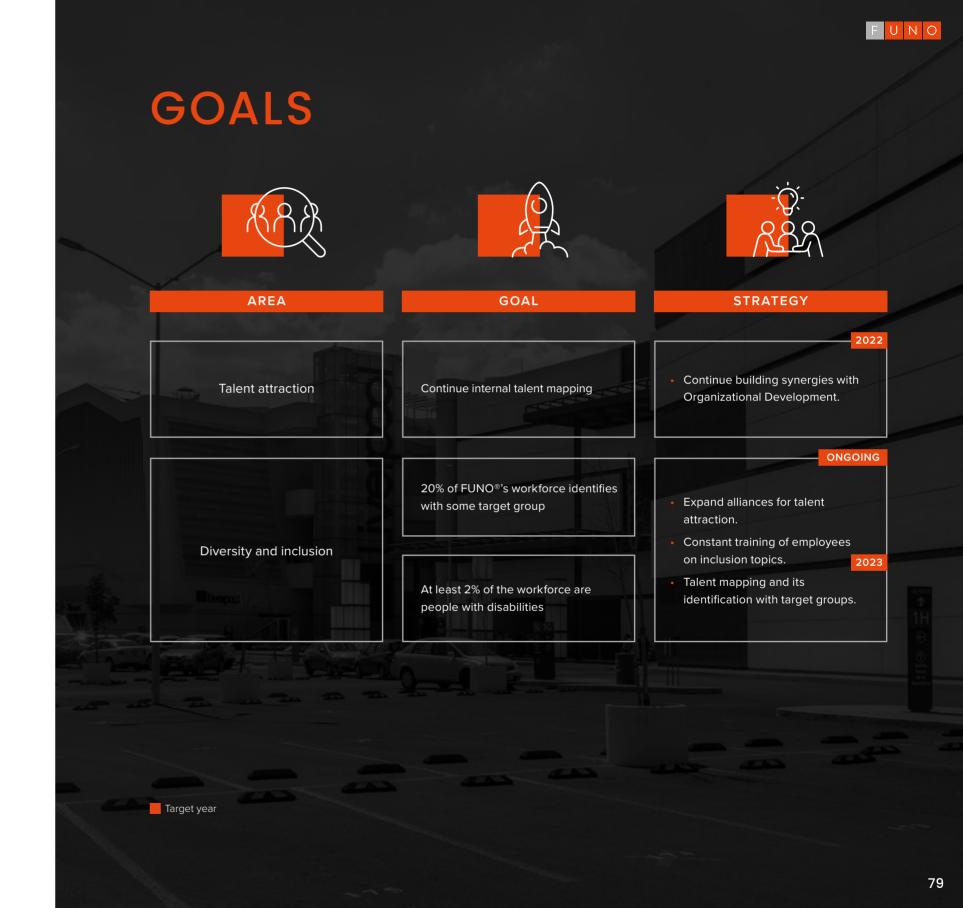
- Green infrastructure
- Energy efficiency
- Water treatment

# LAIMPERIAL LAIMPERIAL capita 10 YEARS DEVELOPING TALENT FUNO® Corporate Offices, Mexico City

"FUNO® is very exacting,
very demanding, and it has a very
challenging culture in terms of
self-development. FUNO® is talent,
passion, commitment, breaking
paradigms...looking for new ways
of doing things."

#### **ARTURO CAMPOS**

Director, Human Resources





AREA	GOAL	STRATEGY	AREA	GOAL	STRATEGY
	Application of talent model, succession plan and training and development plan for identified talent	Continue with 360° evaluation of successors to each Vice President.  Identify talent with high potential, high performance, key talent and top talent at corporate headquarters.  Submit results for approval by the Steering Committee.  Introduction of 360° evaluation of all FUNO® leaders.	Human capital development	Graduation of first class with the "Conscious Leadership for Women Executives" specialization course	Encourage leadership among women executives.     Encourage more women executives to participate in forthcoming courses.  Introduce projects in the Learning Management Systems (LMS).
Human capital development	Introduce Individual Development Plan (IDP) for the talent model	<ul> <li>Identify, define and propose IDPs for the talent model, with the approval of the Steering Committee.</li> <li>Lay the groundwork for training policies for 20% of the model, according to best market practices and FUNO® needs.</li> </ul>		Ensure mandatory and key business training for 100% of employees	Launch the FUNO® Campus.      Professionalize and personalize training and onboarding of new employees according to FUNO®'s needs and the skills to develop for each position.  2022      Take three actions toward
	Graduation of the fourth class with the "FUNO® Way" specialization course	Continue alliance with ITESM for this program.  Open application process and increase number of applicants.	Job satisfaction	Increase confidence index in the GPTW survey	positive leadership, employee respect and personnel development.  Review proposal on flex time and staggered work hours.  Prepare training plan for leaders evaluated in work environment
					survey.  Continue strengthening health and well-being management.

80

Target year



# HUMAN CAPITAL MANAGEMENT

Over the past 10 years we have positioned ourselves as the first and largest FIBRA in Mexico and Latin America. This has been made possible by the strength of our team, the cornerstone of FUNO®, and it is to them that we have pledged to improve.

We aim to help our human capital grow and develop alongside FUNO®, so we seek out new initiatives that can empower the advancement and the well-being of employees and their families.

In 2021, our organization's priorities regarding human capital management were as follows:



#### TALENT MANAGEMENT

- ► Talent mapping:
- High potential
- High performance
- Key talent
- Top Talent or Star Talent
- ► Training based on DTN<sup>6</sup>



#### **POLICIES**

- ▶ Reasonable accommodation
- ► Labor diversity and inclusion
- ► Training (update)



#### INTEGRAL WELL-BEING

- ► Psychosocial well-being
- ▶ Health
- Safe return to work protocol
- Phone consultations
- ► Emotional salary
- Savings fund for corporate employee retirement
- ► Monthly webinars on physical and mental health
- Major medical expense insurance coverage of family members



#### MANAGEMENT SYSTEMS

- Process mapping
- ▶ Data concentration and KPIs
- ► Learning Management System (LMS)

82

o de Convenciones Hilton Vallarta Riviera, Jalisco

<sup>&</sup>lt;sup>6</sup> Detection Training Needs.

# **DIVERSITY AND INCLUSION**

GRI 401, 405, 406; 103-1, 103-2, 103-3

At FUNO®, promoting equal opportunities is a priority, which is why in 2021 we created a Work Diversity and Inclusion Policy, to promote a culture of respect for diversity, non-discrimination and inclusion in the workplace.

With this we can guarantee that our talent management processes offer the same job opportunities to all, in an inclusive, accessible environment, for every level and area within FUNO® headquarters and the buildings we manage internally. All vacancy postings will be drafted with an emphasis on diversity and inclusion, and we encourage training and job advancement based on performance and potential, with no other distinction or discrimination.

To ensure that this policy is enforced, we provide employee training on disability issues and instructions on the use of sensitive and appropriate language, adaptation of recruitment testing and appropriate forms of addressing the candidate. We post vacancies in the media designated for that purpose, stressing that this is an inclusive position. Once the new employee is hired for an inclusive position we build awareness in their immediate area, their superiors and coworkers, to generate spaces of sensitivity and education

62 employees trained in diversity and inclusion7

87% women and 13% men

107 work-hours of training<sup>7</sup>

1.9 hours on average per employee

Based on our Policy on Reasonable Accommodation for Inclusion, we complement these steps by making structural, cultural or digital adaptations and adjustments necessary to reduce or eliminate barriers or obstacles to workplace accessibility, guaranteeing people with disability that they can do their jobs comfortably and fully enjoy their human rights in equal conditions to others.

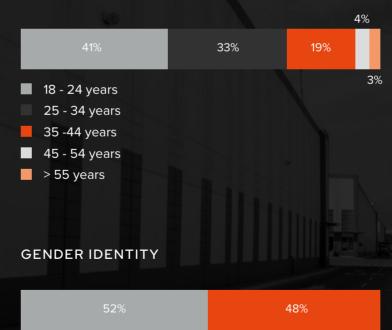
#### **RESULTS OF TARGET GROUP IDENTIFICATION SURVEY**8

We conducted the first survey to identify target groups, with 262 employees responding. Our target for 2022 is to conduct a second survey and provide focused training for priority groups.

> 262 employees participated 52.3% headquarters and 47.7% properties

#### AGE RANGE

Male Female







LGBT+ community



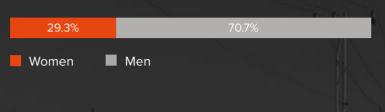
<sup>&</sup>lt;sup>7</sup> Data includes participation of employees providing specialized services. Out of the total number of employees trained in diversity and inclusion, 52 are FUNO® employees (97 work-hours) and 10 are suppliers of specialized services (10 work-hours).

<sup>&</sup>lt;sup>8</sup> Survey results include only FUNO® employees.

### Workforce

102-8, 405-1

# 999 employees on staff<sup>9</sup>



#### WORKFORCE BREAKDOWN BY TYPE OF CONTRACT



#### WORKFORCE BREAKDOWN BY AGE GROUP



# 138 employees in leadership positions 10 as female 37% of them identify as female

management positions 42.3% women

employees 18.2% women

186 employees in revenue-generating positions 46.2% women

WORKFORCE BREAKDOWN BY GENERATION



<sup>&</sup>lt;sup>10</sup> Leadership positions include junior, middle and senior management.







<sup>&</sup>lt;sup>9</sup> Workforce data include FUNO® employees and suppliers of specialized services.



In 2021, FUNO® employees formed an "Alliance for Diversity" to share best diversity and inclusion practices and providing training to other employees.

Our desire to promote diversity, inclusion and non-discrimination led to our membership in Mexico City's Great Agreement for Equal Treatment (GAET), a platform that recognizes the efforts of member companies in this area and provides a forum for sharing best practices. The GAET distinction is awarded by the Mexico City Counsel to Prevent and Eliminate Discrimination (COPRED).

We also maintained and strengthened alliances with different organizations, like:

- Desarrollo Integral de la Familia (DIF)
- Asociación Pro Personas con Parálisis Cerebral (APAC, I.A.P.)
- Éntrale, "Alianza por la inclusión laboral de personas con discapacidad"
- Fundación Mosaico Down

At FUNO®, we are responsible not only for guaranteeing diversity within our company but for helping our buildings to evolve in adopting and promoting inclusive practices. We ratify our commitment to accessible buildings and were recognized for our efforts in our second building—La Isla Shopping Village in Puerto Vallarta.

#### Talent attraction

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

During the year we had 125 new hires and an average investment of MXN\$1,692 for every new employee.

20.8% of vacancies were filled internally

33 people hired for newly created positions

We continued the FUNO® Ambassadors program to create a better experience for new hires in their onboarding process and to strengthen the commitment of ambassadors and new FUNO® employees while shortening the time to adapt to our organizational culture. At the close of 2021, we had 12 FUNO® ambassadors and 87 new employees who benefited from the program.

We maintained the good practice of providing feedback, both to candidates who obtain the position they apply for and to internal candidates who do not, so they can learn about the qualifications they did meet and the areas of opportunities to be worked on. In 2021, we provided feedback to 62 new employees and 42 candidates at the end of the selection process.





#### Talent retention

401-1, 404-2

"I am absolutely certain that we're the most innovative, prepared and talented. FUNO® is a family and I'm very proud to be a part of it."

PABLO GÓMEZ PINAL

Director, Mergers and Acquisitions

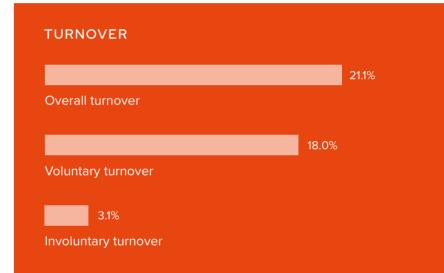
In continuing with our talent mapping effort in recent years, in 2021 we went through a process based on the 9box methodology to map employees with high potential, high performance, or identified as Top Talent or Start Talent in our corporate offices.

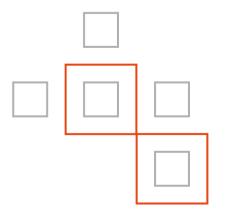
We began by preparing a talent matrix for Vice Presidents. There were two phases to this process:

- ▶ Identification of possible successors to vice presidential positions in the short, medium and long term, through an interview with each Vice President. In order for a potential successor to be eligible for a vice presidential position, they must meet a series of minimum requirements in terms of seniority and experience in a given position and must have shown performance ratings in a range of 95%-100%.
- ▶ Evaluation of candidates, by two types of criteria:
- Quantitative. A series of psychometric tests are applied to assess leadership, potential, emotional intelligence, behavior and speed of learning.
- Qualitative. Panel interviews involving an external consultant and the Human Resources team. This is a structured interview, weighted toward leadership, business knowledge and sense of belonging to FUNO®.

With this, we guarantee that we have high-potential talent interested in remaining with FUNO® in the future, and we can develop the strategies we need to retain the best talent.

For high-potential, high-performing, key talent or Star Talent employees, we plan to develop individual development plans in 2022, personalized for each of them according to the qualities, skills and knowledge identified in the assessment phase, so that they can become successors or may move to some other key position in the organization.





 $_{90}$ 

### FUNO Way

404-2

In partnership with the Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM), we provide a specialization program called "FUNO® Way," aimed at developing the key hard and soft skills needed to be a building manager and a FUNO® leader. The course is intended for direct employees in management positions, both in corporate headquarters and in our buildings.

It covers topics such as Finance, Human Resources, Leadership, Budget, Compliance and Sustainability.

This program is important because it has been influential in lending greater solidity, order, scope and clarity to a number of innovation projects within our organization. It also helped with the setting of specific goals.

The third class of the program graduated in 2021, and it was also the first class to complete the program fully online. The projects designed and presented to the Steering Committee are channeled to resource efficiency, improving tenant experience, monitoring accounts receivable and optimizing communication.



"FUNO® Way" program since the start

3 classes

60 employees participated 7,040 work-hours of training<sup>11</sup> 3 innovation projects applied

# Conscious leadership for women executives

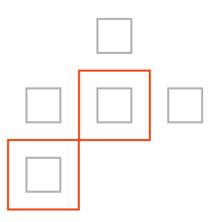
GRI 401, 405: 103-1, 103-2, 103-3 404-2

As part of our work promoting gender equality and empowering women in the workplace, the market and the community, in late 2021, in partnership with ITESM, we launched a specialization course called "Conscious leadership for women executives," directed at women leaders in FUNO®.

Its goal is to support women executives in transitioning to positions of higher leadership by helping them understand their personalities and develop key leadership skills and provide mentoring.

The program begins with a 360° leadership assessment so participants can understand the most representative behaviors and thought habits that limit their effectiveness as leaders. It consists of 42 hours of classroom training and 4 personalized mentoring sessions with a Certified Coach in Leadership Assessment Models.

The first generation consists of two FUNO® employees; the program ends in May 2022.





<sup>&</sup>lt;sup>11</sup> The program totaled 116 hours for the first two classes; for the third class, 4 hours of online project counseling, for a total of 120 hours.





Since our origins, we have been completely confident that to meet our goal of generating sustainable value over time, it is crucial that we promote the advancement of our employees and support their growth together with FUNO®. For that reason, we provide them with the tools they need to firm up their skills, ensuring they acquire and evolve the competencies required to do their jobs optimally.

# TALENT DEVELOPMENT

GRI 404: 103-1, 103-2

"It's a great place to work. We have people who have developed their potential to the fullest, and this is seen in the products we offer our Clients."

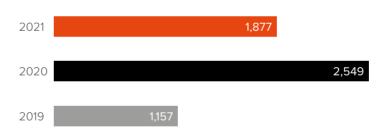
**JAVIER ELIZALDE** 

VP, Treasury

# **Training**

GRI 404: 103-3 102-48, 404-1





#### PERSON-HOURS OF TRAINING 13



5.6 hours of training on average per employee<sup>13</sup>

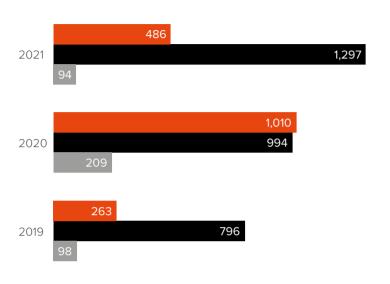
5.9 hours women, 5.1 hours men

<sup>&</sup>lt;sup>12</sup> Number of participants in training sessions.

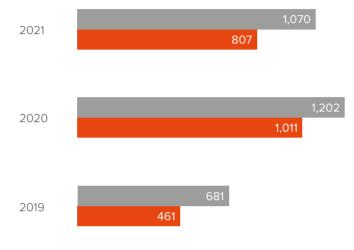
<sup>&</sup>lt;sup>13</sup> Data includes 670 participations by specialized service suppliers. Out of the total work-hours of training, 8,461 were given to FUNO® employees and 2,106 to specialized service suppliers.



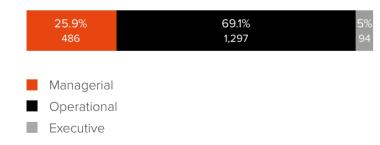
# TRAINED EMPLOYEES BY LABOR CATEGORY 12, 13



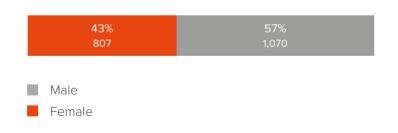
#### TRAINED EMPLOYEES BY GENDER 12, 13



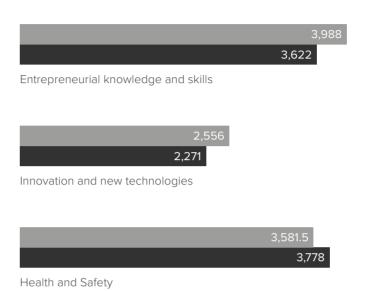
# BREAKDOWN OF TRAINED EMPLOYEES BY LABOR CATEGORY 13

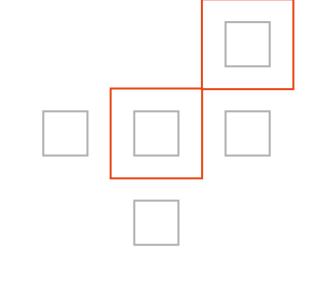


### BREAKDOWN OF TRAINED EMPLOYEES BY GENDER 12, 13



#### TRAINING HOURS BY TOPIC





324 449

Human rights

2021

2020

Around MXN\$985,400 invested in training

# Performance evaluations

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

Evaluating the performance of our employees is an institutional process based on the SMART methodology, in which each employee sets annual goals and reviews their success at meeting them. The information obtained is used to determine their performance bonus.

We evaluate the performance of 100% of our employees, currently under a non-standardized scheme. We will continue working to standardize it in 2022.

<sup>&</sup>lt;sup>12</sup> Number of participants in training sessions.

<sup>&</sup>lt;sup>13</sup> Data includes 670 participations by specialized service suppliers. Out of the total work-hours of training, 8,461 were given to FUNO® employees and 2,106 to specialized service suppliers.



## Compensations

GRI 401, 405: 103-1, 103-2, 103-3 201-3, 401-2, 404-2, 405-2

We try to offer competitive pay and benefits. All of our salaries are above the minimum wage established by Mexican law; they are paid on time and allow our employees to improve their quality of life.

#### SALARY RATIO OF WOMEN VS MEN

Executive 67%

Managerial 77%

Operational 97%

100% of FUNO®'s employees receive benefits beyond what the law requires 14



<sup>&</sup>lt;sup>15</sup> Pursuant to current law (March 2020).



Aguinaldo equivalent to 15 days' salary, or proportional to the time worked when less than one year, paid on or before December 20.



Retirement plan, up to 6% of the annual salary, matching the amount saved by the employee.



Savings fund, matching employee contributions and paid out twice yearly.



Fixed amount in digital vouchers to supplement employees' household grocery budget.



10 days of vacations after the first full year of employment; +25% vacation bonus.



**Social security**, contributions according to the employee's full salary, as required by law.



Life insurance, eequivalent to 36 months of salary.



#### Major medical expense insurance,

with coverage of direct beneficiaries (including same-sex marriages). Benefits include unlimited phone consultation about general medicine, psychology and pediatrics, 100% subsidized by FUNO®.



#### Parental leav

- · Maternity leave: 84 days<sup>15</sup>.
- Nursing break: two 30-minutes periods a day to be agreed upon, within working hours, for 6 months.
- · Adoption leave: 6 weeks for women and 5 days for men.
- · Paternity leave: 5 days.



Annual variable compensation according to performance during the year<sup>16</sup> and linked to ESG goals.

We have a daycare service in facilities affiliated with the IMSS (Children's Development Centers) or outsourced by the government, as well as agreements with daycare centers close to our corporate offices, with discounts for FUNO® employees.

<sup>&</sup>lt;sup>16</sup> Subject to payment terms and conditions of the plan and current policies.

# JOB SATISFACTION

102-21, 102-44

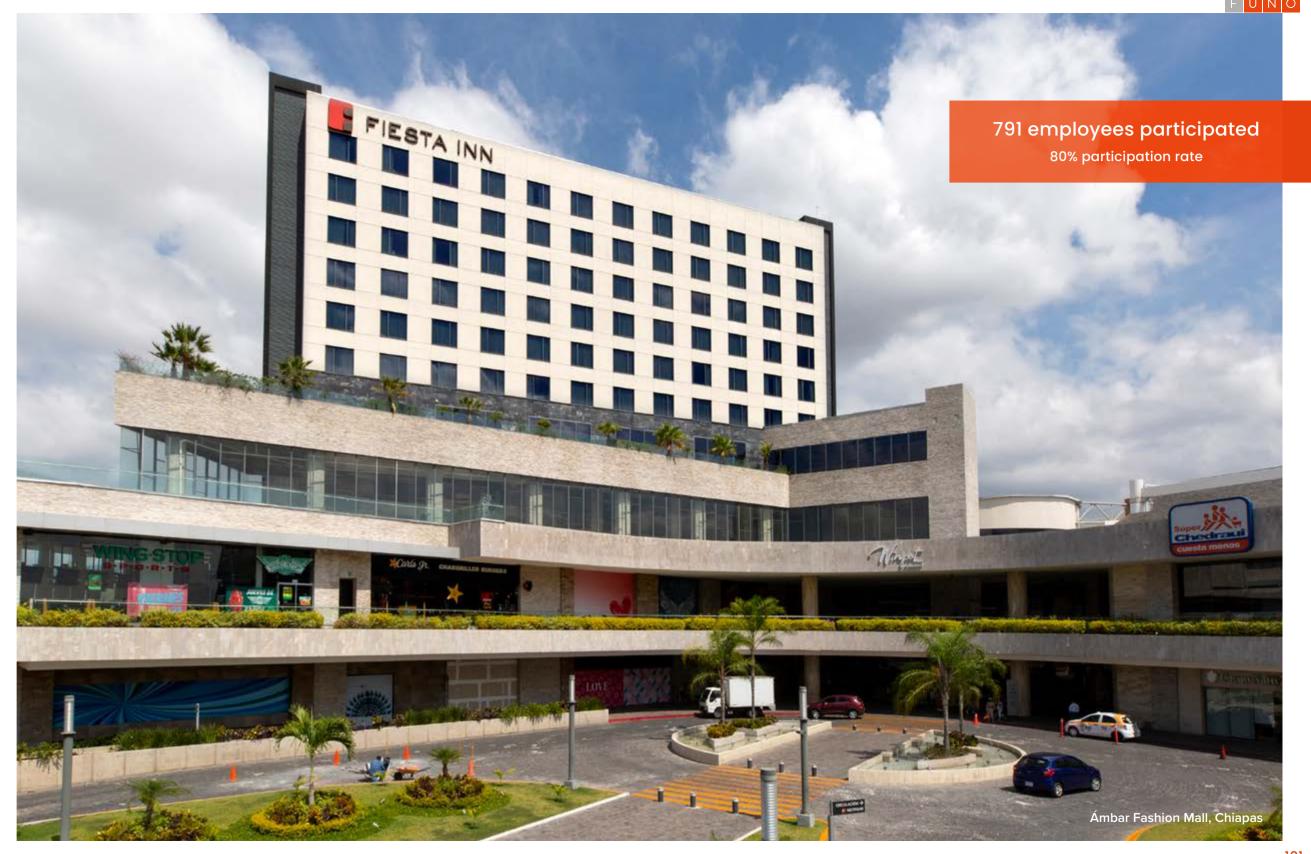
We are proud of our Great Place to Work (GPTW) certification, because it means our employees enjoy peace of mind, job stability and sense of pride and belonging, and that have instilled a culture of greater trust.

Ranked 61 out 80 Great Places to Work in Mexico

Ranked 41 out of 80 Best Places to Work in Challenging Times 2021

In order to further improve employees' perceptions and enhance our confidence rating we promote actions that bolster respect for employees and management of health, well-being and leadership issues.

We intend to earn GPTW recertification, so we once again applied the work environment survey to learn about the confidence they feel in our organization. This survey was applied to employees in both corporate headquarters and buildings.



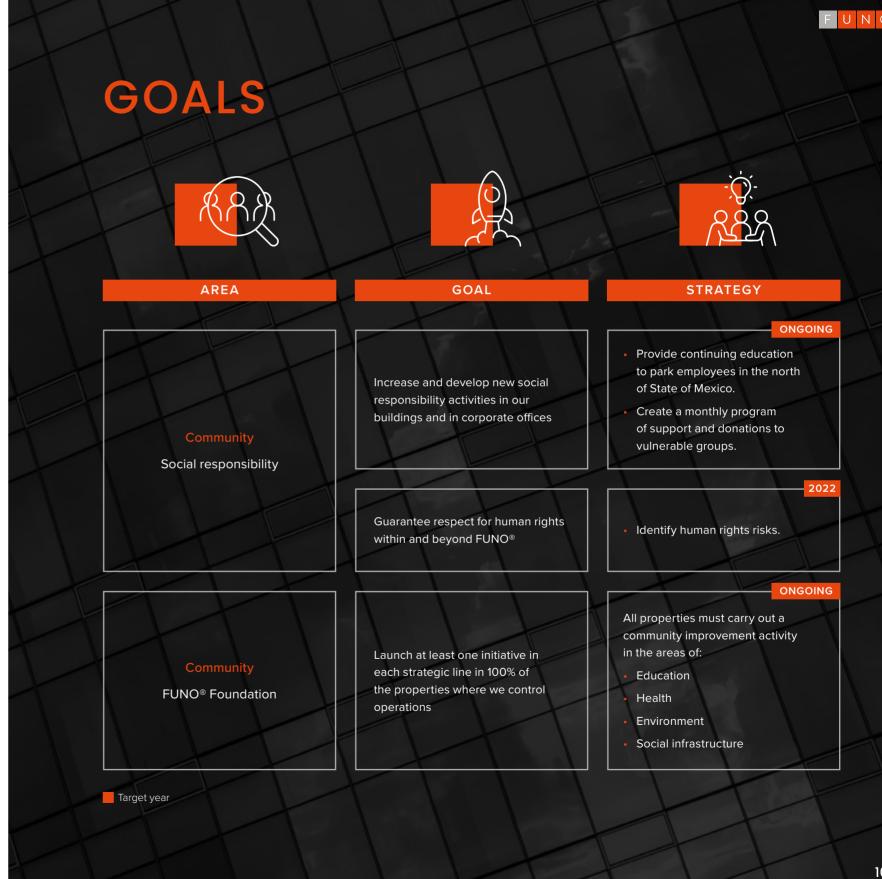
# michelle' 10 YEARS CREATING SOCIAL VALUE Ámbar Fashion Mall Tuxtla, Chiapas 102 103

"I've worked here for more than half of FUNO®'s life, and seeing what it's achieved in this time fills me with pride and satisfaction.

The recognition from the Mexican Stock Exchange is a sign of our stability, confidence, security and sense of belonging, and it's also proof of FUNO®'s resilience, because it was able to overcome adversity and come out ahead with a positive attitude."

MARÍA TERESA OLGUÍN

Manager, Human Resources





AREA	GOAL	STRATEGY	AREA	GOAL	STRATEGY
		ONGOING			ONGOING
		<ul> <li>Encourage the adoption of healthy lifestyles by holding tournaments and sporting events and giving functional classes at FUNO®         Center.     </li> <li>Hold campaigns and webinars and provide consultancy and advice on the use of major medical expense</li> </ul>		Promote health	<ul> <li>Comply fully with official measures to prevent the spread of COVID-19.</li> <li>Continue applying the COVID-19 action manual and health protocols.</li> <li>Guarantee social security in the value chain.</li> </ul>
		insurance.  Hold the second FUNO® Run.  Resume the health circuit.	Health and well-being		ONGOING
		ONGOING  Provide mandatory training to		Zero accidents	<ul> <li>Train 100% of personnel.</li> <li>Hold emergency drills in 100% of the properties.</li> <li>Introduce safety protocols in 100% of our properties.</li> </ul>
Health and well-being	Promote health	corporate and property leaders about psychosocial well-being.			<ul> <li>Provide personal protection equipment to 100% of employees.</li> <li>Modernize firefighting and electrical systems.</li> </ul>
		Evaluate the action plan created in 2021 in 36 buildings identified as having medium, high or very high psychosocial risk.			2022
		Check improvement in employee perceptions in buildings that require improvements in healthy work environment.	Safety	Guarantee building safety	<ul> <li>Continue automating building access.</li> <li>Reinforce security controls inside and outside of buildings.</li> </ul>
		Systematize process for receiving,     addressing and following up on     reports of psychosocial risk.	4/10		<ul> <li>Modernized CCTV system.</li> <li>Engage new security services supplier in 5 shopping centers.</li> </ul>

Target year



AREA	GOAL	STRATEGY	AREA	GOAL	STRATEGY
Innovation	Improve experiences of tenants and visitors	Upgrade escalator and elevator technology.  Upgrade parking equipment technology.		Have 100% of our suppliers compliant with ESG criteria	<ul> <li>Raise supplier awareness about the importance of operating bas on ethical standards and following policies and processes, both in their relationship with FUNO® ar within their business.</li> </ul>
	Standardize security procedures	ONGOING     Create and implement security     policies and procedures on most			Strengthen a culture of transpar communication with suppliers.
		common processes.  2022		Standardize a responsible sourcing culture	<ul> <li>Issue Policy on Environmentally Preferred Sourcing and Policy for Corporate Suppliers.</li> </ul>
		<ul> <li>Migrate the institutional website to the cloud in a flexible environment, ensuring its yield, availability and swift recovery in disaster situations.</li> <li>Constantly recertify installed VPNs to avoid data leaks.</li> </ul>	Supply chain	Trim supplier portfolio by 15%	<ul> <li>Identify specialized suppliers in the purchasing categories.</li> </ul>
Cybersecurity  Guarantee security, integrity, and business continuity at FUNO®	Close the network infrastructure vulnerabilities reported in the annual analysis.  Introduce network access control to have an inventory of devices connect from within or outside		Optimize processes	<ul> <li>Continue creating contracts in system.</li> <li>Reinforce processes for accept or rejecting a registry application and reduce response time.</li> </ul>	
	of the network and respond to those that have compromised or show anomalous activity.  Minimize violations and protect			Improve process to reduce requisitions, benefiting users.	
		critical assets by introducing user identity security.  Introduce control and even correlation system to detect patterns and incidents.		First supplier certification process	<ul> <li>Evaluate 100% of suppliers in 36 categories in a scaled mann to certify those who meet all the requirements.</li> </ul>



# OUR COMMUNITIES

GRI 203, 413: 103-1

Our purpose is to contribute to the development of communities where we operate. We aim to ensure the basic conditions for communities to achieve their optimum development, through sustainable and high-quality infrastructure. We want to be a force for positive transformation in the environment and in the lives of hundreds of families.

# Community relations

GRI 203, 413: 103-2, 103-3 102-12, 102-13, 203-1, 203-2, 413-1

We continued to support various groups and organizations by carrying out community development, social responsibility and community engagement activities. This support directly benefited 213,153 people.

2,198 in-kind donations and 65 social initiatives introduced in our shopping centers



# MXN\$93.9 million in financial support in 2021

Of this amount, MXN\$3,369,000 million pesos were donations to Think Tanks

#### 99 ORGANIZATIONS SUPPORTED

- Dirección de Ecología y Medio Ambiente de Cancún
- Consejo de la Comunicación
- Huella Génica
- Municipio de Saltillo, Caballeros con Causa
- Secretaría de Salud de Chihuahua
- Vive un Mejor Azul para México
- Instituto Mexicano del Seguro Social (IMSS)
- Desarrollo Integral de la Familia (DIF)
- Chefs Anónimos
- Innovación por México
- Ayuntamiento de Hermosillo
- Kanan kab
- Domino's
- ciace
- Be the match
- Mi amigo de la calle A.C.
- Secretaría de Seguridad Pública de Chihuahua
- Semillas de Igualdad y Esperanza A.C.
- Médicos sin fronteras
- Club de Rotarios Cancún
- Instituto Nacional Electoral (INE)
- Fundación Banco de Tapitas
- Instituto Municipal para la Cultura y las Artes de Solidaridad (IMCAS)



IU II

- Subsecretaría de Participación Ciudadana y Prevención del Delito
- Cruz Roja
- Presidencia Municipal de Los Cabos
- Elige México
- Interact Club Texcoco
- Instituto de la Juventud de Playa del Carmen
- Secretaría del Trabajo del Estado de Sonora
- Estoy Contigo Guaymas, I.A.P.
- Bancos de alimentos de Mérida
- Fundación para Niños Prematuros A.C.
- Servicio Nacional del Empleo
- Academia Municipal de Formación Policial
- Ayuda en Acción
- Darenka para niños con cáncer A.C.\*
- ISSSTE
- Ejército de Salvación, A.C. Hogar de Niños Chihuahua
- Protección Civil
- Monte Sinaí
- World vision
- Hospital ABC
- Junta de Asistencia Estado de México
- Asilo Primavera
- Sana en Casa
- Somos comparte
- Asilo Luis Elizondo
- Bienvenido a casa IAP
- Jardín de niños Miguel Cervantes Saavedra
- Fundación Dina A.C.
- Defensa ambiental
- Barrios de Cristo
- Escuela primaria Vicente Guerrero
- Renovación
- Dar es más que ayudar

- Centro de rehabilitación para perros y gatos
- Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM)
- APAC IAP
- Fundación ABC
- Special Olympics Mexico
- ANSER
- Fundación Vuela
- Casa de la amistad
- Mosaico Down
- Pronatura
- CEMEFI
- KADIMA AC
- Sociedad de Beneficencia Alianza Monte Sinaí IAP
- Centro de Documentación e Investigación Judío de México
- Fundación FUNO®
- Un kilo de ayuda
- UNICEF
- International Fundraising
- Save The Children
- UNCHR
- Oxfam
- Aldeas infantiles
- Greenpeace
- Nuestros Pequeños Hermanos
- UNETE
- La escuela más grande del mundo
- Blooders
- México Azul
- Early Institute



In addition, we support local artists, painters and sculptors, as well as local producers.







GRI 403, 416: 103-1, 103-2, 103-3

FUNO® supports building healthy habits that can prevent psychological and physical illness, and we do what we can to promote the well-being of every employee.

We hold health and well-being initiatives within FUNO®, but considering the role our buildings play in social cohesion and building a resilient society, we also carry out activities to benefit the communities where we operate.

#### WITHIN FUNO®

403-3, 403-5, 403-6

Amid the persistent effects of the pandemic in 2021, we established three priorities for the well-being of our human capital. They are listed below, along with the initiatives deployed to address them:

#### SAFETY

- Health and safety training for new hires
- Ministry of Labor regulation course for building leaders within 3 months of their hiring



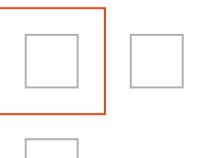
#### HEALTH

- Abiding by and exceeding all official protocols and actions to guarantee an effective and safe return to work for our employees
- Securing workspaces and installation of signage
- Questionnaire regarding vulnerability or contagion in the home
- PCR and blood tests for all people who work at FUNO®, including specialized service suppliers, under an agreement with testing labs and a special module at corporate headquarters and buildings
- Installation of antibacterial gel stations, facial detection cameras and thermography
- Special bins for depositing hazardous biological or infectious waste
- "Ten Commandments of Health"
- Aid for acquiring oxygen concentrators, a FUNO®
   Foundation initiative to benefit employees and members of the public who require these
- Training of new hires and active employees in health and prevention
- Health and well-being information posted on the Intranet
- Monthly webinars on physical and mental health: seasonal flu, resilience, major medical expense insurance, autism and breast cancer
- Active breaks to build healthy lifestyles
- FUNO® virtual run: "10 years with you"



#### PSYCHOSOCIAL WELL-BEING

- With the return to the office, a questionnaire for mapping cases of severe stress, depression, anxiety, grief, etc.
- Specialized clinic for intervention in posttraumatic stress crises
- Telemedicine agreement in addition to major medical expense insurance
- Expansion of major medical expense insurance
- Training of new hires and active employees in psychosocial well-being





Gayosso Félix Cuevas, Mexico City



#### **INDICATORS**

403-5, 403-9, 403-10

INDICATOR	FUNO® EMPLOYEES	SPECIALIZED SERVICES EMPLOYEES
Number of accidents	0	12
Number of deaths	0	0
Disabling injury rates	0	0.0028
Number of occupational diseases	0	0
Absenteeism rate	0.01	0.16

# 516 employees received safety and health training<sup>17</sup>

50% women and 50% men

3,581.5 work-hours of training<sup>17</sup>

6.9 hours on average per employee

As part of our 10<sup>th</sup> anniversary celebration, we held the first FUNO® virtual race with the slogan "10 years with you." Eighty employees from across the country participated, winning an "F" medal.

#### **WELL-BEING PROGRAM**

GRI 403: 103-1, 103-2, 103-3 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7

Our Well-being Policy establishes protocols of action to ensure a culture of heath and integral well-being at FUNO®, and to maintain a positive work environment throughout the organization. This involved the application of various protocols.

One of them was a survey that is conducted annually and per event to identify cases of severe stress in new hires who rejoined FUNO® after COVID-19 lockdowns and others who were showing severe personal or work stress due to crimes, acts of violence, kidnapping, accidents or other events that compromise their physical and mental health.

The results of this survey are presented to the Well-being Committee so that it can apply the pertinent action plans to deal with the identified cases of severe stress, like psychological first aid by internal psychologists, and directing them to a specialized clinic for further care. We identified 72 cases of severe stress in 2021, 49 of them in corporate headquarters and 23 in our buildings, and 25 of them were directed to specialized care.

100% of identified cases of severe stress were analyzed and channeled by the Well-being Committee

<sup>&</sup>lt;sup>17</sup> Includes participation of specialized service providers. Out of all the employees trained in safety and health, 320 were FUNO® employees (2,148 work-hours) and 196 were specialized service suppliers (1,433 work-hours).

# FINDINGS OF THE WORK ENVIRONMENT SURVEY FOR IDENTIFYING PSYCHOSOCIAL RISKS

Another protocol that was followed in keeping with official regulations is the application of a work environment survey focused on identifying seven psychosocial risks and evaluating their impacts:



Workplace conditions



Workloads



Lack of control over work



Excessively long work hours



Interference in work-life relation



Negative leadership and negative relations

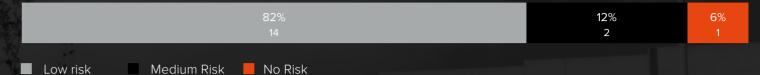


Workplace violence

The survey was given to 913 people across the nation and we evaluated 17 areas of corporate headquarters.

913 participants in the work environment survey
Participation rate of 95.5%

#### AREAS EVALUATED





No risk. There is no perceived risk, so no additional measures are required.



Low risk. Wider distribution is needed of the Policy on Prevention of Psychosocial Risks, programs on preventing psychosocial risk factors, a positive working environment and prevention of workplace violence.



Medium risk. Policy on Prevention of Psychosocial Risks should be reviewed, followed more closely and distributed more widely, through an intervention program that will be managed by the Human Resources area together with the areas involved. 100% of the members of the Steering Committee received training regarding psychosocial well-being

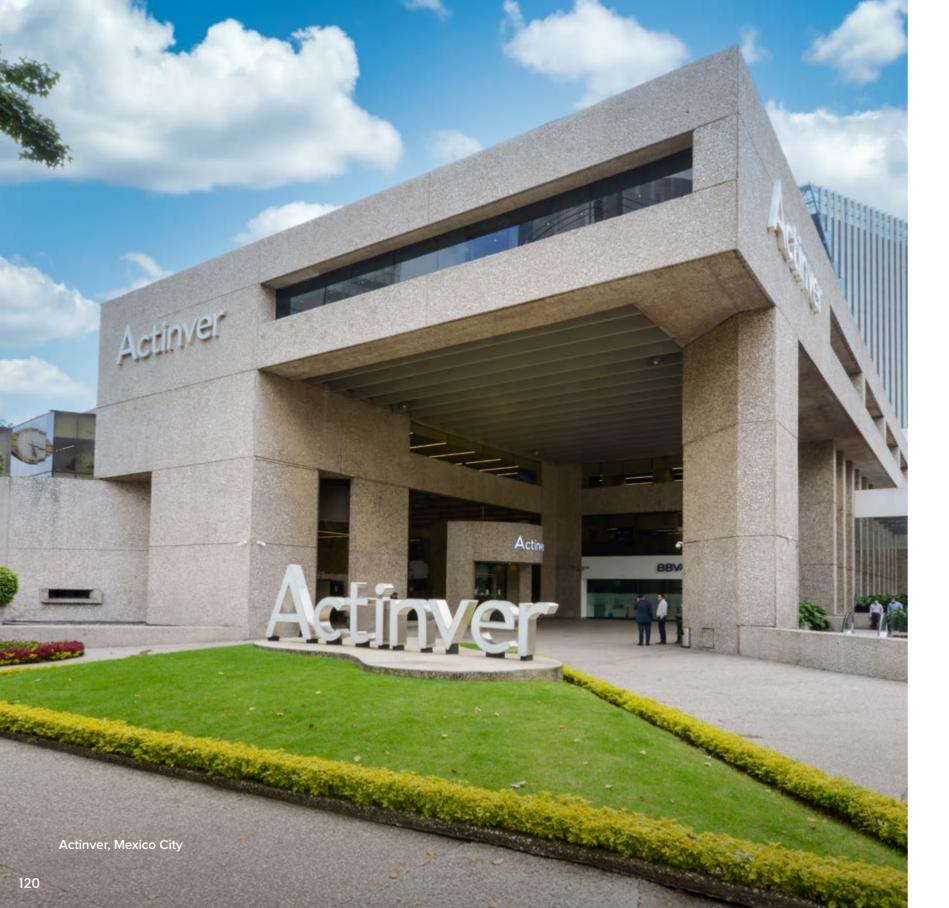
100% of building leaders have received training in psychosocial well-being

In addition to these protocols, we introduced a new channel of communication (bienestar@fibrauno.mx) where employees could report conducts related to the seven psychosocial risk factors mentioned. Eight reports were received in 2021, which were analyzed and addressed by the Well-being Committee.

257 work-hours of training in psychosocial well-being given to 35 building leaders

7.3 hours per employee on average





#### BEYOND FUNO®

GRI 203, 410, 413: 103-1, 103-2, 103-3 203-1, 203-2, 410-1, 413-1

FUNO® is committed to replicating our best practices beyond the company, to positively impact the comprehensive well-being of all our external stakeholders.



#### WELL-BEING

- We provided training to 100% of employees in operating positions in our properties on the correct application of the COVID-19 action manual and health protocols. With this we complied with official provisions, ensured operating continuity, and minimized the risk of contagion.
- We held 11 workshops on physical and emotional well-being.
- We carried out 4 health campaigns aimed at employees and clients: flu vaccine, breast cancer screening, promotion of the COVID-19 vaccine and gastroenterology.
- FUNO® Center was the site of 7 league soccer and basketball tournaments during the year.



- In 2021, we introduced an access control tool based on QR codes and registry of the license plates of vehicles entering two industrial parks.
- Together with the government of Mexico State, we completed a surveillance program for 20 industrial parks located in the north of the state, with air patrol by 6 drones and the installation of more than 50 panic buttons connected to the Control, Command, Communication and Computer Center (5C).
- Together with the Parks area, we reinforced security controls and bolstered reliability and trust through an evaluation of various departments, including Property Security.
- In various shopping centers we installed equipment with the latest technology to strengthen security controls, guarantee system availability and mitigate risks and unsafe conditions, including:
  - Parking equipment that can read vehicle license plates when they enter the building, and credit card payment.
  - · Sprinkler systems.
  - Electrical circuit.
  - Access control with facial recognition and thermography.
  - · Closed-circuit television.
- We replaced the security service provider in some of our shopping centers, reducing personnel turnover.
- We closed the year with no robberies reported.

#### **FUNO® Foundation**

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

Our purpose is to contribute to the development of the communities where we operate, and our goal is to ensure, through sustainable and high-quality infrastructure, the basic conditions necessary for communities to develop to the fullest extent of their capacities, becoming a driver of positive transformation for the community and in the lives of hundreds of families.

Our strategy is aligned with the Sustainable Development Goals, and addressed three strategic lines:

#### SOCIETY

We form alliances with various organizations to support education to benefit communities in Mexico.







#### EDUCATION

Our goal covers all trades, from building and operation to spaces for talent development, like the "FUNO® Art" program.







#### INFRASTRUCTURE

We encourage the optimum development of communities through sustainable, resilient infrastructure supporting local economies.



#### STRATEGIC PARTNERSHIPS



To learn more about the actions developed by FUNO® Foundation, please visit: https://funo.mx/ESG-sustainability/foundation.





# **OUR TENANTS**

"Our tenants play a key role in FUNO®'s sustainability strategy, and today a lot of our efforts go to developing joint projects in the area of ESG, in an effort to join forces and consolidate synergies in each Initiative."

JESSICA PELCASTRE

Sustainability Coordinator

### Tenant engagement strategy

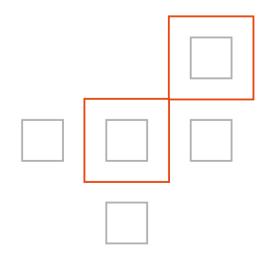
To help our tenants meet their goals, we make sure we have the best value proposition in all our properties, where innovation is key.

In 2021 we developed various initiatives which not only enhanced resource efficiency but improved visitor experience—upgrading escalator and elevator technology, for example, or the tenant engagement strategy. We approached five of our most important tenants to help establish ESG strategies and metrics.

The concern that arose most often in this process was the environment. With this in mind, we began including environmental information in our indicators, primarily the scope 3 emissions metric.

At the close of 2021 we continued working on this engagement initiative, and we expect to begin seeing concrete results in 2022.

These five tenants account for 10% of our Gross Leasable Area (GLA).



 $^{12}$ 



## Cybersecurity and data protection

RISK MANAGEMENT; GRI 418: 103-1, 103-2, 103-3

#### REPORTING LINE

CEO Deputy CEO

VP of Administration and Information Technologies

In 2021 we continued strengthening and improving controls to guarantee information security and data protection. This included:

- Analyzing and closing vulnerabilities.
- Installing and starting up a full, adaptable and efficient protection platform in our data centers, including both physical and virtual records.
- Installation of a network traffic monitor to have information on the amount and type of data flow. We could thus narrow the gaps, improve decision-making and guarantee better data security.
- New technology in firewall devices to improve data security and management
- · Hiring of a security analyst.



- Enabling data compilation and correlation technology with extended detection and response (XDR), for a high level of identification and investigation.
- Technical support and recertification of VPNs assigned to internal users and suppliers to avoid leaks of insider information.

# MXN\$1,555,377 invested in cybersecurity

The current devices and configurations allow for early detection of any threat. In 2021 there were no cybersecurity incidents to report to the regulatory authorities, tenants or our Technical Committee, which means 36 months free of such eventualities.

In 2021, we provided cybersecurity training to 4 employees, totaling 11 workhours of training.

# OUR SUPPLY CHAIN

RISK MANAGEMENT; GRI 204, 308, 414: 103-1, 103-2, 103-3 102-9, 102-10

Supply chain management is a strategic activity for FUNO®, because it is one of the ways we guarantee operating continuity. Our management model is based on supplier network management, through a standardized strategic process we follow regionally and nationally. Its objectives are:

- To guarantee that we are supplied with high-quality goods and services.
- To create and continually improve policies, procedures and tools for planning supplies, negotiations and purchases.
- To maintain long-term relations with our suppliers to improve the cost-benefit ratio of negotiations for the products and services acquired.
- To reinforce a culture of communication based on transparency and integrity, which reflects FUNO®'s goals and the well-being of its suppliers.

Our supply chain encompasses 36 categories of purchases, distributed into two types of suppliers:

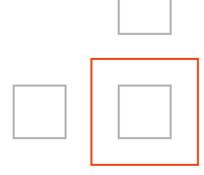
**Level 1.** Suppliers essential for building operation: security, cleaning, maintenance, and utilities.

Level 2. Suppliers that provide other services, like consultants and other non-critical goods.

The geographic zones where most of our suppliers and contractors are located are Mexico City, Bajío, North, South and the Gulf of Mexico.

In terms of the goals we set off our supply chain management model, in 2021 we achieved the following:

- Improved communication between the areas that require goods or services and the suppliers, obtaining significant value propositions.
- Strengthened synergies to capitalize on savings in our processes.
- Optimized the solution process for purchase requisition.
- Reduced execution time, meaning the time from the order for a good or service to the generation of the purchase order.
- Trimmed supplier portfolio by 29%, exceeding our initial target of 12%.





# Supplier selection

GRI 406, 407, 408, 409, 410, 411, 412: 103-1, 103-2, 103-3 308-1, 308-2, 407-1, 408-1, 409-1, 412-3, 414-1, 414-2

When selecting our suppliers we consider various factors: their area of business and experience, cost, delivery time and payment conditions. And to learn about how well they perform according to contract and their quality, we ask for references from their existing clients.

In addition, as part of the selection process, all suppliers must comply with the following ESG requirements:







#### **ENVIRONMENTAL CRITERIA**

#### \_\_\_\_

- Plan or certification on
- environmental management.Policies for waste management.
- Recycling or reuse program for its products or packaging.
- Environmental certification.
- Carbon footprint monitoring under national or international guidelines.

#### SOCIAL CRITERIA

# Social security for its employees. Ethics Code.

- Anti-money laundering and anticorruption activities.
- Avoid hiring minors.
- Training of employees in human rights and ethics.
- Psychosocial risk analysis.
- Diversity and inclusion policies.

#### CORPORATE GOVERNANCE CRITERIA

- Signature of supplier guidelines, which include:
- Anti-corruption clause
- Adherence and alignment with the Universal Declaration of Human Rights
- Alignment with our Ethics Code
- Personal data protection
- Audits
- Whistleblowing mechanism
- Compliance opinion before the Tributary Administration System (SAT, for its Spanish acronym), to ensure the taxation and transparency.



We have identified certain ESG risks in our supply chain, most importantly labor practices out of keeping with FUNO®'s, discrimination and violations of environmental regulations. We try to mitigate these risks by urging our suppliers and contractors to abide by the principles of legality, integrity, capacity and security.

We guarantee equal opportunity for every supplier in the selection process, and we choose those that not only meet the established ESG criteria, but meet other qualifications, such as:

- ▶ Dignified, ethical labor conditions
- Quality employment
- ▶ Hiring of persons with disabilities, social enterprises that focus on employment for the disadvantaged and excluded, and special job centers
- ▶ Design and accessibility for all
- ▶ Promotion of:
- Equal opportunities
- Gender perspective
- Social economy and SMEs
- Local development
- Fair trade
- ▶ Promotion of corporate social responsibility
- Support for community organizations and causes, and employee sponsorships or participation

We have identified certain ESG risks in our supply chain, most importantly labor practices out of keeping with FUNO®'s, discrimination and violations of environmental regulations. We try

Additionally, to support standardization of a culture of socially and environmentally social sourcing, we are working on two policies to issue in 2022:

### ENVIRONMENTALLY RESPONSIBLE SOURCING POLICY

Will include the criteria for purchasing products, raw materials and equipment that reduce the environmental impact of the materials purchased, used and discarded during the building's operation and maintenance. This policy will be mandatory for LEED certified properties or those in the process of certification and may also be adopted by non-certified FUNO® buildings.

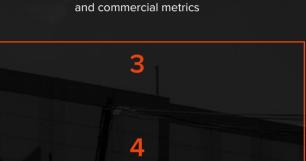
### POLICY FOR CORPORATE SUPPLIERS

Its goal will be to establish guidelines on the selection of suppliers that provide services or products to FUNO® buildings.

To identify suppliers who qualify to provide services and support for FUNO® operations, in 2021 we continued working on the supplier certification process, which we expect to set in place in 2022.

#### SUPPLIER CERTIFICATION PROCESS





Qualification based on quality,

manufacturing, environmental



Conclusions regarding strengths or areas of opportunity for those that have not yet obtained certification; creation of an improvement plan for suppliers

Certification of suppliers we will consider for future projects

To guarantee the security of our properties, we have an integrity standards program, in which we apply tests to all the security personnel. Between the start of the program and the close of the year, we had applied close to 2,500 such tests.



# 

10 YEARS EVOLVING
THE BUSINESS MODEL

Industrial Park Monterrey Guadalupe, Nuevo Leon









AREA

GOAL

STRATEGY

Innovation

Monitoring use of supplies and maintenance processes in shopping centers

 Introduce a centralized platform to provide equipment availability metrics and evaluate image in shopping centers.

Optimize energy consumption

- Automated energy control in 2 buildings.
- Adjustment of meters in one building.
- Install network coding in 3 buildings.

Fr

Energy

Reduce kWh of energy consumed per occupied sqft by 20%

- Replace lighting fixtures with LED devices.
- Install high-efficiency technology.
- Install equipment to make air conditioning system more efficient.
- Use clean energy sources.

ANA KAREN MORA
Director, Sustainability

"It's been 10 years of challenging

the status quo. Every year

since our IPO, we have passed

landmarks that used to be

thought of as unthinkable;

FUNO®'s first 10 years are just the

start of a story full of challenges

and opportunities."

Target year



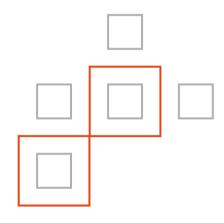
	GOAL	STRATEGY
		Partially renovate wastewater treatment plants (WWTP) in 2
PPel.	Ensure compliance with wastewater discharge regulations	<ul> <li>buildings.</li> <li>Generate an inventory of tests and lab analyses of WWTP.</li> <li>Automate water discharge calculations.</li> </ul>
Water	G Company	203
C0000	Doduce m³ of water consumed per	Continue reviewing facilities to avoid leaks.
	Reduce m³ of water consumed per occupied sqft by 30%	<ul> <li>Introduce high-efficiency technologies to reduce and optimize consumption.</li> </ul>
	was dozen	202
CA S	GUILLIAN CHILL	Continue tenant awareness campaign.
Waste	The state of the s	- Apply manual and roadmap for waste management.
		<ul> <li>Classify waste and align metrics.</li> <li>Optimize management of solid waste and batteries.</li> </ul>
	Zero trash	Place special containers for recovery and separation of solid waste.
		<ul> <li>Recycle paper and cardboard in industrial parks.</li> </ul>
		<ul> <li>Replace pine used in benches with recycled material.</li> </ul>

AREA	GOAL	STRATEGY
Emissions	Reduce tCO <sub>2</sub> e per occupied sqft by 20%	Procession of green areas.
	Strengthen measurement of our environmental footprint (Scope 2)	• Work together with tenants to help them share their environmental information.
Biodiversity	50 km of green areas reforested	Adoption of green areas.  Maintenance of medians.  Annual reforestation.
Certifications	10.8 millions sqft of area certified	Obtain EDGE certification for 10 industrial parks in 2022.



# ENERGY MANAGEMENT AND EFFICIENCY

302-1, 302-2, 302-3, 302-4, 302-5 IF-RE-130A.2



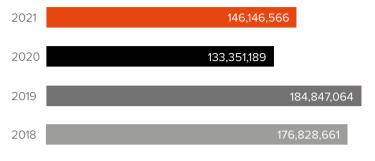
During 2021, we continued to develop projects to optimize energy consumption, including:

- Installation of solar panels on lampposts.
- Measuring electrical power in buildings through wattmeters.
- Energy automation and control.
- Adjustment of meters.
- Replacement of conventional light fixtures with LEDs.

MXN\$12,588,204 invested in energy efficiency strategies in 2021



#### ELECTRIC ENERGY CONSUMPTION (kWh)

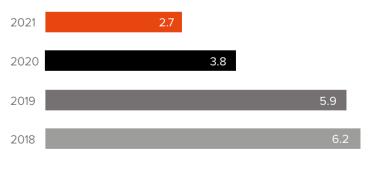


Note: In 2021, the electric energy consumption was 146,146,566 kWh, amount corresponding to the properties over which FUNO® has operational control. Additionally, 3,810,760 kWh were counted from the properties managed by a third party.

-17.4% electric energy consumption vs 2018

#### **GLOBAL ENERGY INTENSITY**

(kWh/occupied sqft)



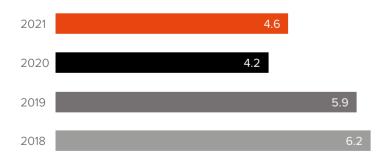
Note. Global energy intensity includes 151 properties.

-56.7% in global energy intensity vs 2018



# EVOLUTION IN ENERGY INTENSITY IN RELATION TO SYNDICATED REVOLVING CREDIT LINKED TO SUSTAINABILITY (kWh/occupied sqft)

102-48



-26.1% in energy intensity relative to our sustainability-linked credit (baseline: 2018)

#### Notes:

- The sustainability-linked revolving syndicated loan was taken out in 2019 for a term of five years; it was signed with 11 financial institutions.
- This commitment includes the performance of 109 properties.

Fossil fuel consumption in 2021 was as follows:

FUEL	PROPERTIES WHERE FUNO® HAS OPERATIONAL CONTROL (GJ)	PROPERTIES MANAGED BY A THIRD PARTY (GJ)
Diesel	824.0	1,091.2
LP Gas	276.0	3,006.6
Natural gas	5,955.6	
Gasoline	19.4	
Total	7,075.0	4,097.8

#### Notes:

- Results of 57 properties of which FUNO® maintains operating control, with a combined surface area of 32,360,383.7 sqft, or 28.6% of our total GLA.
- Results of properties managed independently cover a surface area of 1,668,724.7 sqft, 1.4% of our total GLA.

To learn more about our energy management initiatives, please visit: https://funo.mx/ESG-sustainability/eco-efficient-operations/energy.



# WATER STEWARDSHIP

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

FUNO $^{\circ}$  consumed 3,164,072.9 m³ of water in 2021, 7.6% less than in the previous year.

### WATER EXTRACTION BY SOURCE 18



Drains

IndustrialOffice

Pluvial water collection

#### TOTAL m<sup>3</sup> CONSUMED PER SEGMENT

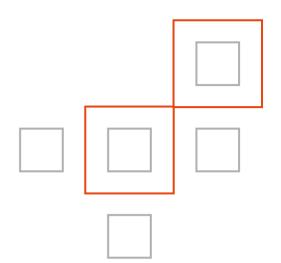


6.7%

Water consumption includes 140 properties under our operational control, equivalent to a GLA of 51,969,798 sqft, or 44.4% of our total GLA. An additional consumption of 342,636 m<sup>3</sup> of water is reported from 67 properties operated independently, equivalent to a GLA of 12,076,931.8 sqft.







-64% in water intensity vs 2018

39 wastewater treatment plants operating in 2021

477,719.2 m<sup>3</sup> of treated water

MXN\$20,546,398 pesos invested in 2021 in water management



### INITIATIVES

- Checking and sealing cisterns to close off leaks.
- Supply of treated water to industrial parks.
- Renovation of wastewater treatment plants to guarantee compliance with regulations on wastewater discharge.
- Replacement of urinals with dry fixtures.

To learn more about water management at FUNO® and the identification of operations located near water-stressed regions, visit: https://funo.mx/ESG-sustainability/eco-efficient-operations/water.

### **WASTE MANAGEMENT**

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



To consolidate and standardize waste management, in 2021 we worked on instilling a culture of solid waste separation through an awareness-building campaign for our tenants. Our aim is to ensure that waste is properly managed and separated from start to finish.

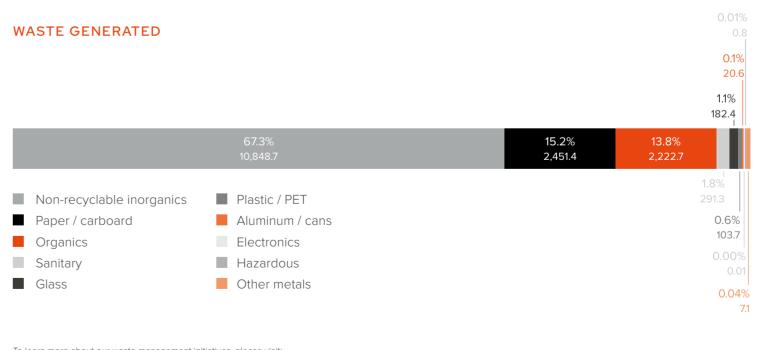


### INITIATIVES

- Startup of the "Batteries included" campaign to collect used batteries in our industrial parks.
- Control of waste collection services to ensure efficient management and expense control.
- Separation of waste into special containers for every type of waste.
- Installation of a trash compactor.
- Rehabilitation of trash storage areas.
- Installation of containers in buildings to collect plastic bottlecaps to support the "Banco de Tapitas" charity to fund treatment for children with cancer.

In properties operated independently, 82.5 metric tons of waste were generated, 80.9 of which were solid urban waste and 0.8 were hazardous waste.





To learn more about our waste management initiatives, please visit: https://funo.mx/ESG-sustainability/eco-efficient-operations/waste.

# CLIMATE CHANGE STRATEGY

CLIMATE CHANGE; GRI 201: 103-1, 103-2, 103-3

Our climate change strategy consists of three main lines of action:







PREVENTION OF CLIMATE

CHANGE-RELATED RISKS

**REDUCING EMISSIONS** 

Reducing emissions by improving our

buildings' energy efficiency.

MONITORING EMISSIONS

Through information on energy consumption in buildings managed and operated by FUNO®, which together with our emissions calculator enables us to track the greenhouse gases emitted by our operations, and to determine our annual carbon footprint.

ONS

Through an evaluation based on TCFD recommendations and IPCC scenarios, which we use to analyze our properties' vulnerability to risks such as:

- Rising medium/average global temperatures
- Flooding
- Water availability
- Changing sea levels

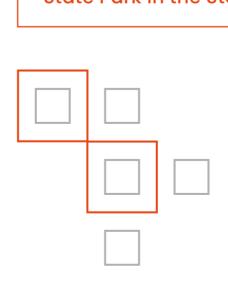
To learn more about our strategy to mitigate the effects of climate change, please visit:

In our effort to transform our properties into resilient buildings, in 2021 we expanded the analysis of climate change vulnerability risks that we began in 2020. For more information, see page 58 of this report.

102 charging stations in our properties

As part of our emissions compensation strategy with the adoption and reforesting of two hectares of the Sierra Morelos State Park in the State of Mexico, we contributed to the capture of 17,360 kg of CO<sub>2</sub> a year for each of these hectares.

34.7 metric tons of CO<sub>2</sub>e captured as a result of the adoption and reforesting of two hectares of the Sierra Morelos State Park in the State of Mexico



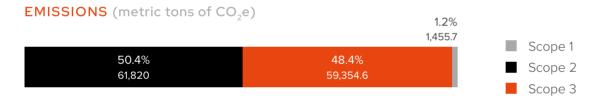


### Our carbon footprint

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

In 2021 to complement our environmental footprint measurement, we identified the material categories of activities for Scope 3 emissions. On this basis we began working with some of our tenants to have them share environmental information with us.

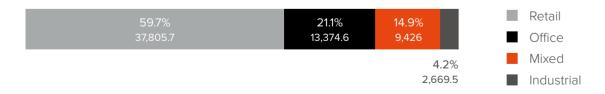
In 2021 we reported 122,630.3 metric tons of CO<sub>2</sub>e in Scopes 1, 2 and 3 emissions



Note. Our Carbon footprint is made up of the following sources of emissions:

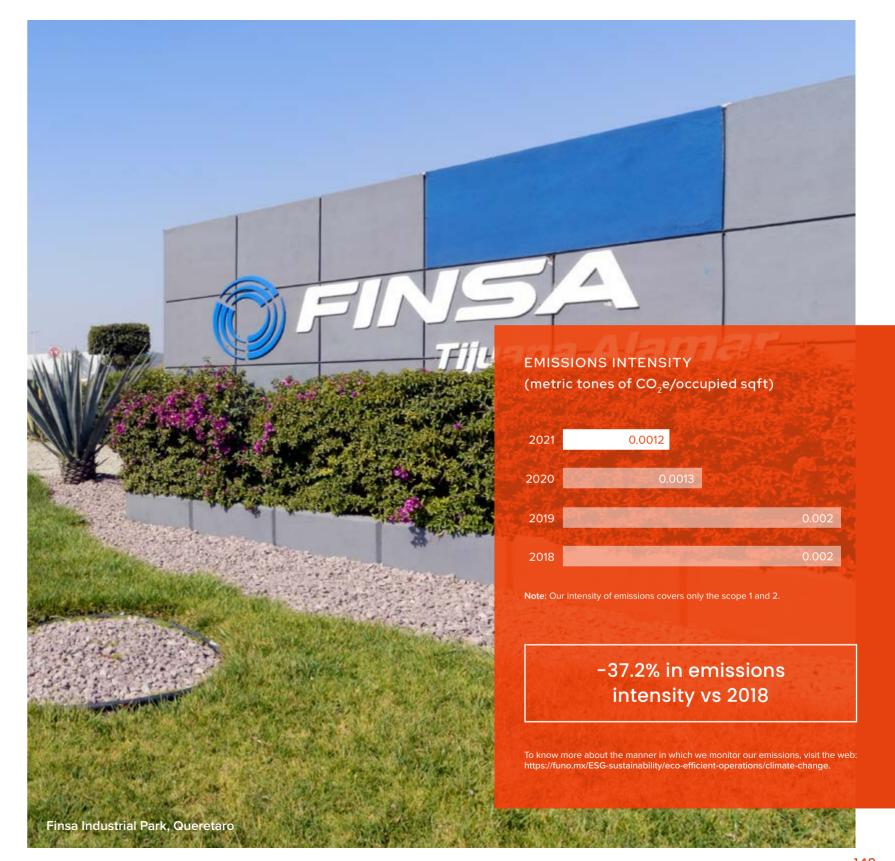
- $\bullet \ \mathsf{Scope} \ \mathsf{1:} \ \mathsf{consumption} \ \mathsf{of} \ \mathsf{fossil} \ \mathsf{fuels}, \mathsf{refrigerant} \ \mathsf{gases} \ \mathsf{and} \ \mathsf{emissions} \ \mathsf{produced} \ \mathsf{by} \ \mathsf{our} \ \mathsf{wastewater} \ \mathsf{treatment} \ \mathsf{plants}.$
- Scope 2: Consumption of electrical energy.
- · Scope 3: Leased assets, goods and services acquired, associated with energy use, waste disposal, employee commuting, business travel and independently operated assets.

### EMISSIONS BY SEGMENT (metric tons of CO<sub>2</sub>e, Scopes 1 and 2)



Note: Scope 3 emissions totaled 59,354.6 metric tons of  $CO_2e$ , divided into the following categories: Leased assets (30,516.84 metric tons of  $CO_2e$ ), Goods and services acquired (934.4 metric tons of  $CO_2e$ ), associated with energy (17,275.4 metric tons of  $CO_2e$ ), waste disposal (8,479.9 metric tons of  $CO_2e$ ), employee commutes (195.2 metric tons of  $CO_2e$ ), business travel (50.6 metric tons of  $CO_2e$ ) and independently operated assets (1,902.2 metric tons of  $CO_2e$ ).

The figure on the "leased assets" line is based on a projection of emissions associated with our tenants' operations in the office portfolio based on electricity consumption data compiled from 14.4% of the total GLA in that portfolio. We plan to include a similar projection for our industrial, retail and mixed-use portfolios in the 2022 report.





# INDUSTRIAL CAPITAL

10 YEARS BUILDING SUSTAINABLE CITIES

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



### **Certified portfolio**

focusing on the creation of long-term value for the communities where we operate, benefiting all the stakeholders we interact with.

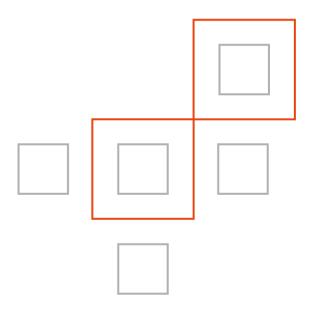
In order to leverage the value of our buildings and move guickly toward our public commitment of certifying 10.8 million sqft in surface area by 2030, we decided to pursue a combination of LEED and EDGE certifications. Late in 2021 we began the process of certifying more than a million square meters in the industrial portfolio under the EDGE scheme, a certification awarded by Green Business Certification Inc. (GBCI) and the International Finance Corporation (IFC). EDGE certification is given to properties that include efficiencies of at least 20% in energy, water and materials. EDGE Advanced certification is available for properties that achieve efficiencies of at least 40% in these same areas.

The size of the portfolio to be certified makes FUNO® an EDGE Champion, because this surface area alone accounts for 10% of the certified surface area in Latin America, a total of 106.6 million sqft.

FUNO® has more square meters of certified space than any FIBRA in Latin America, a total of 10,434,955.3 sqft. The IFC has recognized us as an EDGE Champion based on our commitment to doubling this amount

Sustainable infrastructure is part of our business model, as is The certification of our portfolio alone will double the area of EDGE-certified property in Mexico, currently at 6,609,034.6 sqft. Of this amount, only 423,893.2 sqft are industrial properties.

> In 2021, we obtained EDGE certification for 2 industrial warehouses totaling 633,617.6 sqft in area



For more details on our sustainable infrastructure, please visit the page: https://funo.mx/ESG-sustainability/eco-efficient-operations/sustainable-infrastructure.

# COMMITMENT TO BIODIVERSITY

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

Based on an analysis of biodiversity risks in FUNO® properties carried out in 2018, we underscored our commitment to conserving biodiversity. We continued to monitor 77 properties located close to or within areas of high value for biodiversity¹9 and 18 that are catalogued as priority sites, like areas of protected flora and fauna, natural protected areas, biosphere reserves, national parks and natural monuments. We also continued our work on:

- Increasing the number of endemic species in the natural areas within our shopping centers and office buildings.
- Participation in annual reforestation campaigns.
- Our contributions to conservation activities across the country.

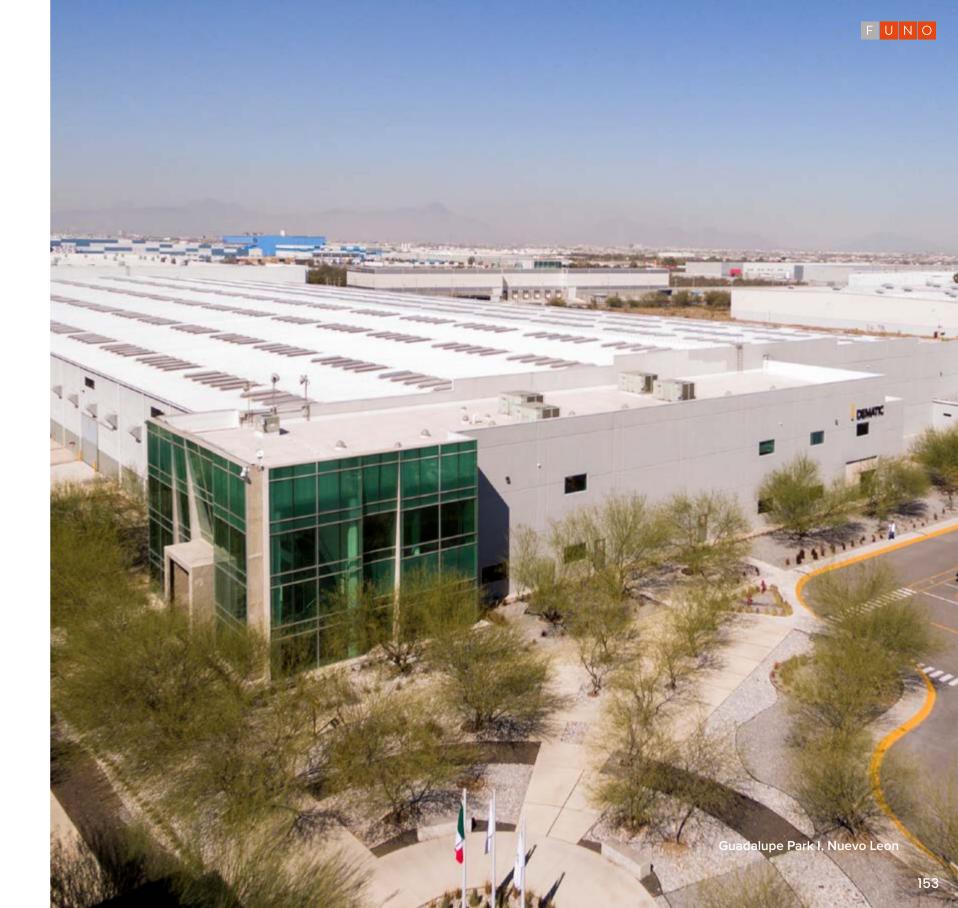
Our target is to reforest 50 km of woodlands by 2030, and to this end we carry out a number of conservation actions, such as:

- Evaluating spaces for recreating woodlands.
- Reforesting green areas with donated trees.
- Replacing trees.
- Adopting a second hectare in the Sierra Morelos State Park, together with Pronatura México, A.C., for a two-year period, planting 800 trees in addition to the 800 planted the year before.
- Maintenance and monitoring of the first hectare adopted in 2020.

### BREAKDOWN OF PROPERTIES IN AREAS OF GLOBAL AND REGIONAL IMPORTANCE



- Global importance with preservation areas
- Global importance with potential for implementing conservation activities
- Regional importance with activities for preservation
- Potential regional importance for implementing conservation activities



<sup>&</sup>lt;sup>19</sup> Areas of high value for biodiversity include areas of protected flora and fauna, natural protected areas, biosphere reserves, national parks and natural monuments.







# ABOUT THIS REPORT

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

For Fibra Uno (FUNO®), 2021 was a special year because we celebrated our 10<sup>th</sup> anniversary amid a brisk recovery from the difficulties induced by the COVID-19 pandemic that began in 2020. In these past 10 years, FUNO® has proven that it is an agent of change and evolution, because our business model and sustainability focus have been key in our work toward the social and economic development of our country.

FUNO®'s 2021 Integrated Annual Report presents the results of our financial, economic, social, environmental and governance performance in the period from January 1 to December 31, 2021.

This report was prepared in accordance with GRI Standards: Core option, following the foundations and principles for determining the content and quality of the report established by the Global Reporting Initiative (GRI). We also report on our contributions to the 10 Principles of the United Nations Global Compact (UNGC), and our incorporation of the criteria established by the GRESB Real Estate Assessment, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the Principles

for Responsible Investment (PRI) of the alliance between the United Nations Environmental Program Financial Initiative (UNEP-FI) and the Global Compact.

We used the guidelines of the Value Reporting Foundation (VRF) made up of the International Integrated Reporting Framework <IR> and the directives of the Sustainability Accounting Standards Board (SASB) for the infrastructure industry, as well as the specific standards for the real-estate industry, in order to provide investors with financially material, precise, comparable and reliable ESG information for decision-making.

In 2022, we updated our materiality analysis and in keeping with the principles of the VRF, we focused on managing the issues that considerably affect our possibility for creating value over time. The most relevant issues for our organization are shown on page 57 of this report.

Material aspects were validated in accordance with our stakeholder engagement procedure, which is comprised of the following phases:

1

Definition of stakeholders to be consulted during the year:

- Permanent: employees, authorities, investors, tenants
- Rotational: suppliers, foundations, banks, insurance companies, communities.

2

The interaction mechanisms are defined. During 2021, our mechanisms were: e-mail, online surveys and virtual calls.

3

Consolidation of the most recurrent issues and main concerns by the area responsible for interaction with each stakeholder, in order to present them to the Sustainability Committee. The responsible areas for the engagement with each stakeholder are:

- Human Resourcess: employees
- Investor Relationss: Investors
- Site Managers, operations Managers, and Project coordinator: tenants
- Site Managers, Operations Managers, FUNO® Official Spokespersons: government
- Purchases: suppliers
- CEO: competitors and other FIBRAS
- FUNO® Foundation: Foundations, non-government organizations, and civil associations
- Plaza Managers and Project Managers: communities and neighborhood groups
- Treasury: banks

Definition of actions for each topic and each group. Each area is responsible for creating the implementation and resolution plan.

5

Restart of the cycle and evaluation of the results of the implemented actions.

We have 661 operations. The social, environmental, and health and safety data presented here consider 216 of them, broken down as follows:

- 150 properties where FUNO® had operating control, meaning the ability to determine policies to improve our operations socially and environmentally, and in terms of safety and health.
- 66 industrial properties that are independently managed, equivalent to 11,875,408 sqft, or 10.1% of our total GLA.

In 445 operations, tenants have operational control, so to avoid duplicating data, they are responsible for publishing that information.

The results of our performance in corporate governance and human capital terms refer to all of our properties.



# INDEPENDENT REVIEW REPORT

102-56

### Deloitte.

Deloitte Asesoría en Riesgos, S.C.
Av. Paseo de la Reforma No. 505, Piso 28
Colonia Cuauhtémoc
06500 Ciudad de México,
México
Tel: + 52 (55) 5080 6000
Fax: + 52 (55) 5080 6001

### LIMITED INDEPENDENT ASSURANCE REPORT ON THE 2021 INTEGRATED ANNUAL REPORT.

A la Administración de F1 Management, S.C.

#### Identification of the subject matter information

We have been engaged by F1 Management, S.C. to perform assurance procedures to provide limited assurance on certain information included in F1 Management's 2021 Integrated Annual Report corresponding to the year ended December 31st, 2021.

Our work was carried out by an independent and multidisciplinary team that includes assurance professionals and sustainability specialists.

#### Criteria

The criteria used by F1 Management to prepare the information included in the 2021 Integrated Annual Report, subject of the limited assurance, were established considering the terms and conditions defined by the GRI (Global Reporting Initiative) Standards and the SASB (Sustainability Accounting Standards Board) disclosures for the industry, which are detailed in the attached Appendix A.

F1 Management's responsibility regarding subject matter information

#### F1 Management is responsible of:

- The content of the 2021 Integrated Annual Report, which includes determining the coverage and the performance indicators to be included, and their relevance to the stakeholders to which it is directed;
- The selection and definition of the applicable criteria for the preparation of the Report. The criteria adopted by the Company are those defined in the GRI Standards and the SASB disclosures for the industry;
- The availability of appropriate records to support the management process of the relevant information and the execution of the performance measurement based on the established criteria.
- The design, implementation and execution of internal controls to prepare the sustainability information free from material misstatement, due to fraud or error;
- The preparation and presentation of the 2021 Integrated Annual Report.

F1 Management 's 2021 Integrated Annual Report is subject to inherent uncertainty due to the use of non-financial information, which is subject to greater inherent limitations than financial information, given the nature of the methods used to determine, calculate, sample or estimate such information. In preparing the 2021 Integrated Annual Report, F1 Management's Management makes qualitative interpretations about the relevance, materiality and accuracy of the information that are subject to assumptions and judgements.

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#### Independence and quality control

We have complied with the ethical and independence requirements defined by the Code of Professional Ethics for Public Accountants issued by the International Ethics Standard Board for Accountants (IESBA), which is based on the principles of integrity, objectivity, professional competence, diligence, confidentiality and professional behavior.

Our Firm applies the International Standard on Quality Control 1 (ISQC 1) and therefore maintains an integral quality control system that includes policies and procedures documented with regards to the compliance with ethical requirements, professional standards and applicable laws and regulations requirements.

#### Responsibility of the independent professionals regarding the assignment

Our responsibility is to express a limited assurance conclusion on certain information included in F1 Management's 2021 Integrated Annual Report based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance work in accordance with the "International Standard for Assurance Engagements, Other than Audits or Reviews of Historical Financial Information" ISAE 3000 - Revised issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires planning and performing work to obtain limited assurance as to whether the information in the 2021 Integrated Annual Report is free from material error.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluation of the suitability of quantification methods and reporting policies, and agreement with the underlying records.

Given the circumstances of the engagement, we have performed the following procedures:

- a. Through inquiries, we gained an understanding of F1 Management 's control environment and relevant information systems, but we did not evaluate the design of specific control activities or obtain evidence on their implementation, nor test their operational effectiveness.
- b. Understanding of the processes and tools used to generate, aggregate and report non-financial information through inquiries with those responsible for related processes.
- c. Substantive testing, based on a sample basis, of sustainability information identified by the Company, to determine the indicators subject to limited assurance and verify that the data have been adequately measured, recorded, collected, and reported through:
  - i. Inspection of policies and procedures established by the Company
  - ii. Inspection of supporting documentation of internal and external sources.
  - iii. Confirmation
  - iv. Recalculation

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v. Analytical procedures

d. Comparison of the contents presented by the Administration with what is established in the criteria section of this report.

The Appendix A details the GRI indicators and SASB disclosures included in the assignment's scope.

Our limited assurance engagement was performed only regarding the sustainability standards and performance indicators included in the Appendix A, for the year ended December 31<sup>st</sup>, 2021; and we have not performed any assurance procedure regarding prior years, future projections and goals, or any other items included in the 2021 Integrated Annual Report and, therefore, we do not express a conclusion thereon.

A limited assurance engagement involves evaluating the appropriateness, in the circumstances, of the Company's use of the criteria as a basis for the preparation of the sustainability information report; assessing the risks of material errors in sustainability reporting due to fraud or error; responding to risks assessed as necessary in the circumstances; and evaluating the overall presentation of sustainability information report information. The scope of limited assurance engagement is substantially less than that of reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, as well as procedures performed in response to the risks assessed. Therefore, we do not express a reasonable assurance conclusion as to whether the information in the Company's sustainability information report has been prepared in all material respects, in accordance with the criteria of the GRI Standards and SASB Disclosures.

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

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#### Conclusion

Based on the work we have done, the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the GRI and SASB disclosures, as detailed under the "Responsibility of independent assurance practitioner" section of this report above, have not been prepared in all material respects in accordance with the reporting requirements established in the GRI and SASB Standards.

#### Restrictions of the use of the assurance report

Our report is issued solely for the purpose defined in the first paragraph and is not to be used for any other purpose or distributed to other parties on its own. This report refers only to the matters mentioned in the preceding sections and to the sustainability information reviewed and does not extend to any other financial and non-financial information included in the 2021 Integrated Annual Report of F1 Management for the year ended December 31st, 2021, nor to its financial statements, taken as a whole.

Deloitte Asesoría en Riesgos, S.C.

Member Firm of Deloitte Touche Tohmatsu Limited Rocío Canal Garrido

Partner of Deloitte Asesoría en Riesgos June 24<sup>th</sup>, 2022

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#### **APPENDIX A**

Performance indicators assured:

Indicator	Description
GRI 102-17 (2016)	Mechanisms for advice and concerns about ethics
GRI 302-1 (2016)	Energy consumption within the organization
GRI 302-2 (2016)	Energy consumption outside of the organization
GRI 302-3 (2016)	Energy intensity
GRI 302-4 (2016)	Reduction of energy consumption
GRI 303-4 (2018)	Water discharge
GRI 303-5 (2018)	Water consumption
GRI 305-1 (2016)	Direct (Scope 1) GHG emissions
GRI 305-2 (2016)	Energy indirect (Scope 2) GHG emissions
GRI 305-3 (2016)	Other indirect (Scope 3) GHG emissions
GRI 306-2 (2020)	Waste by type and disposal method

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Indicator	Description
GRI 403-9 (2018)	Work-related injuries
GRI 404-1 (2016)	Average hours of training per year per employee
GRI 413-1 (2016)	Operations with local community engagement, impact assessments, and development programs
SASB IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector
SASB IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector
SASB IF-RE-140a.1	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 property subsector
SASB IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector
SASB IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector

This appendix is part of our Independent Assurance Report with date of June  $24^{\text{th}}$ , 2022.

Deloitte Asesoría en Riesgos, S.C. Member Firm of Deloitte Touche Tohmatsu Limited Rocío Canal Garrido Partner of Deloitte Asesoría en Riesgos June 24<sup>th</sup>, 2022

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# GRI CONTENT INDEX

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GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE OMISSI					
	GRI 101: FOUNDATION 2016						
	GRI 102: GENERAL DI	SCLOSURES 2016					
	ORGANIZATION	IAL PROFILE					
GRI 102: GENER	AL DISCLOSURES 2016		I				
102-1	Name of the organization	156					
102-2	Activities, brands, products, and services	19					
102-3	Location of headquarters	184					
102-4	Location of operations	2, 19, 22					
102-5	Ownership and legal form	156					
102-6	Markets served	19, 22					
102-7	Scale of the organization	2, 12, 19					
102-8	Information on employees and other workers	24, 86					
102-9	Supply chain	128					
102-10	Significant changes to the organization and its supply chain	128					
102-11	Precautionary Principle or approach	53, 58, 64. Visit our website: <a href="https://funo.mx/ESG-sustainability/eco-efficient-operations">https://funo.mx/ESG-sustainability/eco-efficient-operations</a>					
102-12	External initiatives	53, 64, 84, 110, 122					
102-13	Membership of associations	53, 110					
	STRATE	EGY					
GRI 102: GENER	AL DISCLOSURES 2016						
102-14	Statement from senior decision-maker	4, 8					
102-15	Key impacts, risks, and opportunities	4, 8					
	ETHICS AND I	NTEGRITY					
GRI 102: GENER	AL DISCLOSURES 2016						
102-16	Values, principles, standards, and norms of behavior	44					
102-17	Mechanisms for advice and concerns about ethics	46					

GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION
	I GOVERN	I ANCE	
GRI 102: GENERA	AL DISCLOSURES 2016		
102-18	Governance structure	39. For further information about the independence of the members of the Technical Committee, please refer to the page: <a href="https://funo.mx/ESG-sustainability/corporate-governance/committees/TC/independent-members">https://funo.mx/ESG-sustainability/corporate-governance/committees/TC/independent-members</a>	
102-19	Delegating authority	39. At FUNO®, each share equals 1 vote. We have 3,799,999,999 outstanding CBFIs (shares).  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	39, 42	
102-21	Consulting stakeholders on economic, environmental, and social topics	57, 100	
102-22	Composition of the highest governance body and its committees	There is no restriction of mandates for Technical Committee non-executive/independent members.	
102-23	Chair of the highest governance body	39	
102-24	Nominating and selecting the highest governance body	39	
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 CBFI 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://funo.mx/ESG-sustainability/corporate-governance/risk-mgmt/col-resolution	



GRI STANDARD	D DISCLOSURE PAGE / DIRECT RESPONSE					
	GOVERN	ANCE				
GRI 102: GENER	AL DISCLOSURES 2016					
102-26	Role of highest governance body in setting purpose, values, and strategy	39				
102-27	Collective knowledge of highest governance body	39, 53				
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	53, 58, 60, 64				
102-30	Effectiveness of risk management processes	53, 58, 60, 64				
102-31	Review of economic, environmental, and social topics	53, 58, 60, 64				
102-32	Highest governance body's role in sustainability reporting	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	Communicating critical concerns	46, 53				
102-34	Nature and total number of critical concerns	46				
102-35	Remuneration policies	43. The CEO's executive (variable) compensation is based on the following parameters: • Procurement fee • Management fee • Long-term incentives aligned with the organizational compensations plan  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.				
102-36	Process for determining remuneration	43				
102-37	Stakeholders' involvement in remuneration	43				
102-38	Annual total compensation ratio	23.2x vs the median of all the employees.				
102-39	Percentage increase in annual total compensation ratio		For security reasons, this information is confidential.			

RI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION				
	STAKEHOLDER E	NGAGEMENT					
RI 102: GENER	RAL DISCLOSURES 2016						
102-40	List of stakeholder groups	156					
102-41	Collective bargaining agreements	51. In FUNO®, 100% of our employees are unionized.					
102-42	Identifying and selecting stakeholders	156					
102-43	Approach to stakeholder engagement	156					
102-44	Key topics and concerns raised	57, 100					
	REPORTING F	PRACTICE					
RI 102: GENER	RAL DISCLOSURES 2016						
102-45	Entities included in the consolidated financial statements	156					
102-46	Defining report content and topic Boundaries	57, 156					
102-47	List of material topics	57, 156					
102-48	Restatements of information	95,140					
102-49	Changes in reporting	156					
102-50	Reporting period	156					
102-51	Date of most recent report	2020					
102-52	Reporting cycle	Annual					
102-53	Contact point for questions regarding the report	184					
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103-2	The management approach and its components	53, 58, 60, 64, 126, 128, 146					
103-3	Evaluation of the management approach	53, 58, 60, 64, 126, 128, 146					
RI 201: ECON	OMIC PERFORMANCE 2016						
201-2	Financial implications and other risks and opportunities due to climate change	58					
ease refer to (	General Disclosures 102-29 to 102-31.						



CDICTANDADD	DISCLOSURE	DACE (DIDECT DECRONGE	OMICCION
GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION
	BUSINESS MODE	ELRESILIENCY	
	EMENT APPROACH 2016		
103-1	Explanation of the material topic and its Boundary	58,73	
103-2	The management approach and its components	58, 73	
103-3	Evaluation of the management approach	58, 73	
GRI 201: ECONO	MIC PERFORMANCE 2016		
201-1	Direct economic value generated and distributed	2, 32, 73	
201-3	Defined benefit plan obligations and other retirement plans	98. We have an additional benefit plan, which covers retirement plans by means of regular FUNO® resources.	
201-4	Financial assistance received from government	FUNO® does not receive financial assistance from the government.	
	SUPPLY (	CHAIN	
GRI 103: MANAG	EMENT APPROACH 2016		
103-1	Explanation of the material topic and its Boundary	128	
103-2	The management approach and its components	128	
103-3	Evaluation of the management approach	128	
GRI 204: PROCU	REMENT PRACTICES 2016		
204-1	Proportion of spending on local suppliers		Information not available. We have estimated the percentage of local suppliers in the sense of domestic vs. foreign suppliers, and we are working to have the estimation at the local vs. the national level, so for the moment this information is beyond the scope of this report.
GRI 308: SUPPLI	ER ENVIRONMENTAL ASSESSMENT 2016		
308-1	New suppliers that were screened using environmental criteria	129	
308-2	Negative environmental impacts in the supply chain and actions taken	129	

SRI STANDARD	DISCLOSURE PAGE / DIRECT RESPONSE						
	SUPPLY (	CHAIN					
RI 414: SUPPLII	ER SOCIAL ASSESSMENT 2016						
414-1	New suppliers that were screened using social criteria	129					
414-2	Negative social impacts in the supply chain and actions taken	129					
lease refer to G	eneral Disclosures 102-9 and 102-10.						
	BUSINESS ETHICS   TRANSPARENCY	GOVERNANCE AND COMPLIANCE					
RI 103: MANAG	SEMENT APPROACH 2016						
103-1	Explanation of the material topic and its Boundary	44, 48, 49, 126					
103-2	The management approach and its components	44, 46, 48, 49, 126					
103-3	Evaluation of the management approach	44, 46, 48, 49, 126					
RI 205: ANTI-C	CORRUPTION 2016						
205-1	Operations assessed for risks related to corruption	48					
205-2	Communication and training about anti-corruption policies and procedures	48					
205-3	Confirmed incidents of corruption and actions taken	44. During the reporting period there were no confirmed cases of corruption.					
RI 206: ANTI-C	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 noncompliance with unfair competition laws or regulations.					
RI 207: TAX 20	19						
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	Tax governance, control, and risk management	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.					



RI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION			
	BUSINESS ETHICS   TRANSPARENCY	GOVERNANCE AND COMPLIANCE				
RI 207: TAX 20	019					
207-3	Stakeholder engagement and management of concerns related to tax	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.				
207-4	Country-by-country reporting	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 2021 amounted to MXN\$580 million pesos.				
RI 307: ENVIR	ONMENTAL 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.				
RI 415: PUBLIC	C POLICY 2016					
415-1	Political contributions	48. FUNO® does not make any contributions to political parties or public servants. We prohibit the use of company communication tools and channels, economic or cybernetic resources or any other type to benefit any political party, candidate or public servant.				
RI 418: CUSTO	DMER PRIVACY 2016					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the reporting period, there were no complaints concerning breaches of customer privacy and losses of customer data.				
	ECONOMIC COMPLIANCE 2016					
RI 419: SOCIO						

GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION				
ENERGY MANAGEMENT							
GRI 103: MANAGEMENT APPROACH 2016							
103-1	Explanation of the material topic and its Boundary	150. Visit our website: https://funo.mx/ESG-sustainability/eco-efficient- operations https://funo.mx/ESG-sustainability/eco-efficient- operations/energy					
103-2	The management approach and its components	150					
103-3	Evaluation of the management approach	150					
GRI 302: ENERG	Y 2016						
302-1	Energy consumption within the organization	138. Fossil fuel consumption in 2021 was as follows: - 176,214,159.9 liters in properties whose operational control was performed by FUNO®. The breakdown is the following: 21,870.2 liters of diesel, 10,566 LP gas, 176,181,140 natural gas, and 583.7 of gasoline 119,685 liters in the properties managed by a third party. The breakdown was as follows: 28,964 liters of diesel and 90,721.0 of gasoline.  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.					
302-2	Energy consumption outside of the organization	138					
302-3	Energy intensity	138					
302-4	Reduction of energy consumption	138. 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	Reduction in energy requirements of products and services	138. To know FUNO®'s performance with respect to this indicator, since 2018 (base year) we consider the reduction in energy intensity from electricity consumption.					
	WATER MANA	AGEMENT					
GRI 103: MANAG	EEMENT APPROACH 2016						
103-1	Explanation of the material topic and its Boundary	142. Visit our website: https://funo.mx/ESG_sustainability/eco-efficient-operations/water					
103-2	The management approach and its components	142					
103-3	Evaluation of the management approach	142					



GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION				
	I WATER MAN.	AGEMENT					
GRI 303: WATER	AND EFFLUENTS 2018						
303-1	Interactions with water as a shared resource	142. Visit our website: https://funo.mx/ESG-sustainability/eco-efficient-operations/water					
303-2	Management of water discharge-related impacts	142					
303-3	Water withdrawal	No water sources have been significantly affected by FUNO® consumption.					
303-4	Water discharge	2,680,805.5 m³ of water discharge; a figure that corresponds to 140 properties that are responsible for their water discharges, equivalent to a GLA of 52,489,253.18 sqft.					
		FUNO®'s water discharges comply with NOM-002 and NOM-003.					
303-5	Water consumption	142					
	NATURAL (	CAPITAL					
GRI 103: MANAG	GEMENT APPROACH 2016						
103-1	Explanation of the material topic and its Boundary	152. Visit our website: https://funo.mx/ESG-sustainability/eco-efficient-operations/climate-change/strategy					
103-2	The management approach and its components	152					
103-3	Evaluation of the management approach	152					
GRI 304: BIODIV	/ERSITY 2016						
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	152					
304-2	Significant impacts of activities, products, and services on biodiversity	152					
304-3	Habitats protected or restored	152					
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	152					
	GHG EMIS	SSIONS					
GRI 103: MANAG	SEMENT APPROACH 2016						
103-1	Explanation of the material topic and its Boundary	148. Visit our website: https://funo.mx/ESG-sustainability/eco-efficient-operations/climate-change					
103-2	The management approach and its components	148					
103-3	Evaluation of the management approach	148					

GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE					OMISSION	
	GHG EMIS	SIONS						
GRI 305: EMISSI	ONS 2016							
305-1	Direct (Scope 1) GHG emissions		148. Gases emitted per fuels and/or emission sources considered in the estimation are the following:					
		Fuel type (Scopes 1 and 2)	CO <sub>2</sub> (metric tons of CO <sub>2</sub> e) 61,820.0	CH <sub>4</sub> (metric tons of CO <sub>2</sub> e)	N <sub>2</sub> 0 (metric tons of CO <sub>2</sub> e)	HFC (metric tons of CO <sub>2</sub> e)	Total (metric tons of CO <sub>2</sub> e) 61,820.0	
		Electric energy Diesel Dry gas	61.1	0.1	0.1		61.3	
305-2	Energy indirect (Scope 2) GHG emissions	Gasoline and naphtha LP gas	1.3 17.4	0.0	0.0		1.3	
		Refrigerants WWTP Total	62,233.9	7.8 8.1	0.3	1,035.5  1,035.5	1,033.5 7.8 63,275.7	
		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).				s, and the MARNAT. nsidered al gas, LP c energy) ne Scope		
305-3	Other indirect (Scope 3) GHG emissions	148						
305-4	GHG emissions intensity	148						
305-5	Reduction of GHG emissions	148						
305-6	Emissions of ozone-depleting substances (ODS)	1,033.5 metric t	ons of (	CO <sub>2</sub> e				
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	0.3 metric tons	of CO <sub>2</sub>	9				
	WASTE MANA	AGEMENT						
GRI 103: MANAG	EMENT APPROACH 2016							
103-1	Explanation of the material topic and its Boundary	144. Visit our website: https://funo.mx/ESG-sustainability/eco-efficient-operations/waste						
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103-3	Evaluation of the management approach	144						
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306-2	Management of significant waste-related impacts	144						
306-3	Waste generated	144						



RI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION		
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RI 103: MANAG	SEMENT APPROACH 2016				
103-1	Explanation of the material topic and its Boundary	84, 89, 93, 94, 97, 98			
103-2	The management approach and its components	84, 89, 93, 94, 97, 98			
103-3	Evaluation of the management approach	84, 89, 93, 94, 97, 98			
RI 401: EMPLO	YMENT 2016				
401-1	New employee hires and employee turnover	25, 90			
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	98			
401-3	Parental leave	In 2021, 8 female employees were entitled to temporary maternity leave: 3 FUNO® employees and 5 of specialized services. 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.  7 employees were entitled to temporary paternity leave; 1 FUNO® employee and 6 of specialized services. 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.			
		year after their return to work.			
	/MANAGEMENT RELATIONS 2016				
402-1	Minimum notice periods regarding operational changes	At FUNO, employees are given between 10 and 15 days advance notice of changes in company operations or in the areas where they work, depending on the situation in each building.			
RI 404: TRAINI	NG AND EDUCATION 2016				
404-1	Average hours of training per year per employee	95			
404-2	Programs for upgrading employee skills and transition assistance programs	90, 92, 93, 98			
404-3	Percentage of employees receiving regular performance and career development reviews	97			
	I	I .			

GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION			
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405-1	Diversity of governance bodies and employees	24, 86				
405-2	Ratio of basic salary and remuneration of women to men	98				
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GRI 103: MANA	GEMENT APPROACH 2016					
103-1	Explanation of the material topic and its Boundary	114, 117				
103-2	The management approach and its components	114, 117				
103-3	Evaluation of the management approach	114, 117				
GRI 403: OCCU	PATIONAL HEALTH AND SAFETY 2018					
403-1	Occupational health and safety management system	117				
403-2	Hazard identification, risk assessment, and incident investigation	117				
403-3	Occupational health services	114, 117				
403-4	Worker participation, consultation, and communication on occupational health and safety	117				
403-5	Worker training on occupational health and safety	114, 116, 117				
403-6	Promotion of worker health	114, 117				
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	117				
403-8	Workers covered by an occupational health and safety management system	100% of FUNO® employees and specialized services.				
403-9	Work-related injuries	116				
403-10	Work-related ill health	116. There is no positions relating to work-related accident or illness.				
	HUMAN	RIGHTS				
GRI 103: MANA	GEMENT APPROACH 2016					
103-1	Explanation of the material topic and its Boundary	51, 64, 84, 121, 129				
103-2	The management approach and its components	51, 64, 84, 121, 129				
103-3	Evaluation of the management approach	51, 64, 84, 121, 129				
GRI 406: NON-	DISCRIMINATION 2016					
406-1	Incidents of discrimination and corrective actions taken	46				



GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION			
	HUMAN R	іднтѕ				
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016						
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	64, 129				
GRI 408: CHILD	LABOR 2016					
408-1	Operations and suppliers at significant risk for incidents of child labor	64, 129				
GRI 409: FORCE	D OR COMPULSORY LABOR 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	64, 129				
GRI 410: SECURI	TY PRACTICES 2016					
410-1	Security personnel trained in human rights policies or procedures	121				
GRI 411: RIGHTS	GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016					
411-1	Incidents of violations involving rights of indigenous peoples	As a result of our due diligence process, we have ensured that during the reporting period there were no cases of violation of the rights of indigenous peoples.				
GRI 412: HUMAN	RIGHTS ASSESSMENT 2016					
412-1	Operations that have been subject to human rights reviews or impact assessments	64				
412-2	Employee training on human rights policies or procedures	51				
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	64, 74, 129				
	COMMUNITY EN	IGAGEMENT				
GRI 103: MANAG	GEMENT APPROACH 2016					
103-1	Explanation of the material topic and its Boundary	74, 110, 121, 122				
103-2	The management approach and its components	74, 110, 121, 122				
103-3	Evaluation of the management approach	74, 110, 121, 122				
GRI 203: INDIRE	CT ECONOMIC IMPACTS 2016					
203-1	Infrastructure investments and services supported	74, 110, 121, 122				
203-2	Significant indirect economic impacts	74, 110, 121, 122				

GRI STANDARD	DISCLOSURE	PAGE / DIRECT RESPONSE	OMISSION		
	COMMUNITY EN	GAGEMENT			
GRI 413: LOCAL	COMMUNITIES 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	110, 121, 122			
413-2	Operations with significant actual and potential negative impacts on local communities	64. Visit our website: https://funo.mx/ESG- sustainability/sustainable-communities/impact			
	PRODUCT AND SERVICES	SAFETY AND QUALITY			
GRI 103: MANAG	EMENT APPROACH 2016				
103-1	Explanation of the material topic and its Boundary	64, 114			
103-2	The management approach and its components	64, 114			
103-3	Evaluation of the management approach	64, 114			
GRI 416: CUSTO	GRI 416: CUSTOMER HEALTH AND SAFETY 2016				
416-1	Assessment of the health and safety impacts of product and service categories	64			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	With timely management of ESG risks and the culture of compliance we are known for, there were no instances of non-compliance with health and safety regulations in our products and services in 2021.			



# SASB DISCLOSURE

### INFRASTRUCTURE SECTOR: REAL ESTATE

SUSTAINABILITY DISCLOSURE TOPICS AND ACCOUNTABILITY METRICS

ENERGY MANAGE Percentage (%) by floor area	IF-RE-130a.1	Please refer	to About (	ELECTRI	t, pg. 156.
Percentage (%) by floor area	IF-RE-130a.1	SEGMENT	to About (	ELECTRI	
					C ENERGY
		Retail		CONSUMPI	ION PER GLA
				5-	4.9%
		Industrial		4	.2%
		Office		17	7.0%
		Mixed		23	3.9%
Gigajoules (GJ), percentage (%)	IF-RE-130a.2	Please refer to Energy Management and Efficiency section, pg. 138.			
Percentage (%)	IF-RE-130a.3	SEGMENT			VARIATION
			2021	2020	
		Retail	3.7	3.2	16%
		Industrial	0.3	1.6	-81%
		Mixed	5.1	4.2	21%
		Office	6.0	6.2	-3%
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.			
n/a	IF-RE-130a.5				
		related risk: - Principles for Due Diligen - Energy Man - Industrial C sustainable	s, pg. 58. or Respon ice, pg. 64 nagement apital: 10 y cities, pg	sible Investal.  and Efficience de l'ears build.  150.	ency, pg. 138.
	Percentage (%)  Percentage (%) by floor area	Percentage (%)  IF-RE-130a.3  Percentage (%) by floor area  IF-RE-130a.4	Percentage (%)  IF-RE-130a.3  SEGMENT  Retail Industrial Mixed Office  Percentage (%) by floor area  IF-RE-130a.4  ENERGY ST Mexico; howe Certification  IF-RE-130a.5  Please refer - Vulnerabilit related risk: - Principles for Due Diliger - Energy Mar - Industrial C sustainable  Please visit:	Percentage (%)  IF-RE-130a.3  INTEL SEGMENT  (kWh/occi 2021 Retail 3.7 Industrial 0.3 Mixed 5.1 Office 6.0  Percentage (%) by floor area  IF-RE-130a.4  ENERGY STAR is not Mexico; however, we pr Certification in our por  IF-RE-130a.5  Please refer to these s - Vulnerability analysis related risks, pg. 58 Principles for Respon Due Diligence, pg. 64 - Energy Management - Industrial Capital: 10 y sustainable cities, pg  Please visit: https://fun	Efficiency section, pg. 138.

ACCOUNTING METRIC	UNIT OF MEASURE	CODE	PAGE / LOCATION OF RESPONSE			
WATER MANAGEMENT						
Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions	Percentage (%) by floor area	IF-RE-140a.1	SEGMENT	WATER CONSUMPTION BY GLA		
with High or Extremely High Baseline Water			Retail	48%		
Stress, by segment			Industrial	7%		
			Office	6%		
			Mixed	40%		
			Please refer to Vulnera change-related risks s	ability analysis for climate ection, pg. 58.		
(1) Total water withdrawn by portfolio area with data coverage and (2) percentage water with- drawn in regions with High or Extremely High Baseline Water Stress, by segment	Thousands of cubic meters (m³),	IF-RE-140a.2	Please refer to Water Stewardship section, pg. 142.			
Percentage change in water withdrawn for portfolio area with data coverage, by segment	Percentage (%)	IF-RE-140a.3				
Description of water management risks and discussion of strategies and practices to mitigate those risks	n/a	IF-RE-140a.4				
	MANAGEMENT OF TENANT SUST	TAINABILITY 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,	IF-RE-410a.1	Please refer to Principles for Responsible Investment and Due Diligence, pg. 64.			
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. 138 - Water Stewardship, pg. 142 About Our Report, pg. 156.			
Discussion of approach to measure, incentivize, and improve tenant sustainability impacts	n/a	IF-RE-410a.3	Please refer to these sections: - Tenant Engagement Strategy, pg. 125 Energy Management and Efficiency, pg. 13:			
	CLIMATE CHANGE AD	PAPTATION				
Area of properties located in 100-year flood zones, by segment	Square feet (ft²)	IF-RE-450a.1	Please refer to Vulnera change-related risks s	ability analysis for climate ection, pg. 58.		
Description of climate change risk exposure analysis, degree of systemic portfolio exposure, and strategies for mitigating risks	n/a	IF-RE-450a.2	Please refer to these sections: - Vulnerability analysis for climate change-related risks section, pg. 58 Climate Change Strategy, pg. 146.			

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### **ACTIVITY METRIC**

ACTIVITY METRIC	UNIT OF MEASURE	CODE	PAGE / LOCATION OF RESPONSE		
Number of assets, by segment	Number	IF-RE-000.A	Please refer to Operations section, pg. 19.		
			SEGMENT	NUMBER OF PROPERTIES	PERCENTAGE
			Retail	134	21%
			Industrial	197	31%
			Office	87	14%
			Mixed	217	34%
Leasable floor area, by segment	Square feet (ft²)	IF-RE-000.B	SEGMENT	GLA (MILLIONS OF SQFT)	GLA (%)
			Retail	31.2	27%
			Industrial	64.6	56%
			Office	11.8	10%
			Mixed	8.6	7%
Percentage of indirectly managed assets, by segment	Percentage (%) by floor area	IF-RE-000.C	Please refer to pg. 156.	o About Our Rep	port section,
Average occupancy rate, by segment	Percentage (%)	IF-RE-000.D	Please refer to Operations section, pg. 19.		

# TCFD RECOMMENDATIONS

RECOMMENDATIONS	REFERENCE PAGE				
GOVERNANCE 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				
Management's role in assessing and managing climate-related risks and opportunities	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					
Impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Please refer to Vulnerability analysis for climate change-related risks section, pg. 58.				
Resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario (IPCC)					
	NAGEMENT SSES, 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. 58.				
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.				

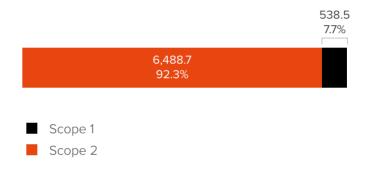
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RECOMMENDATIONS	REFERENCE PAGE			
METRICS AND OBJECTIVES  USED TO ASSESS AND MANAGE RELEVANT CLIMATE-RELATED RISKS AND OPPORTUNITIES				
Metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	<ul> <li>Climate change scenarios provided by the IPCC</li> <li>Number of properties with high vulnerability to physical risks</li> <li>Financial and operational implications of physical and transitional risks</li> <li>Metric tons of CO<sub>2</sub>e generated by the organization</li> </ul>			
Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Please refer to Vulnerability assessment for climate change-related risks (pg. 58) and Our Carbon Footprint sections (pg. 148).			
Targets used by the organization to manage climate and performance-related risks and opportunities compared to objectives	Please refer to Vulnerability assessment for climate change-related risks (pg. 58), Objectives (pg. 135) and Our Carbon Footprint sections (pg. 148).			

# CLIMATE ALLIANCE JALISCO

7,027.19 METRIC TONS OF CO<sub>2</sub>e EMITTED IN JALISCO DURING 2021



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