Environmental, Social and Governance Disclosure (ESG) in the Real Estate Sector
Manual of ESG Indicators for the Mexican Association of Real Estate FIBRAS A.C.

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Introduction

Setting the Foundations for the Future

AMEFIBRA is pleased to provide its members the Environmental, Social, and Governance (ESG) Manual. This guideline shows the commitment that the members of AMEFIBRA have to manage, report and make transparent the various environmental, social and governance issues, through specific indicators, for the sector and the socio-political environment.

This guide is the product of a review of the most relevant ESG information frameworks in the market today. It provides an overview of the most commonly used metrics in a single, easy-to-understand document.

This manual will be of great use to AMEFIBRA members because of the growing importance that ESG issues play in the financial markets, especially for institutional and private investors, rating agencies and index providers.

Due to the prevalence of reporting standards of ESG information, it is fundamental that organizations - in this case FIBRAs - manage actively and effectively their ESG commitment. The manual helps to provide the context, explanation and understanding needed to manage ESG issues in today’s marketplace through the following three sections:

- General Indicators.
- Sector Indicators.
- Key Concepts Definition.
About this Manual

Objective

With this voluntary manual, FIBRAs are seeking to strengthen their commitment with Mexico and its investors, by standardizing indicators for the consolidation and report of the non-financial information for each member of AMEFIBRA. We seek to improve and monitor the performance, both of each of the FIBRAs and of the association as a whole, in environmental, social and governance matters.

Through the indicators shown below, we intend to achieve the release of ESG information on key and relevant issues in order to meet the needs and requirements of stakeholders.

The General indicators for AMEFIBRA section includes the environmental, social and governance indicators that apply to all the FIBRAs that are part of AMEFIBRA, regardless of their sector. These indicators, in turn, are divided into three different phases, according to the time it will take to consolidate and publish the information.

AMEFIBRA’S ESG Indicators by Dimension and Phase

<table>
<thead>
<tr>
<th>Governance</th>
<th>Management</th>
<th>Environment</th>
<th>Social</th>
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<tr>
<td>- Governance bodies</td>
<td>- General Data</td>
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<td>- ESG criteria on Due Diligence of Acquisitions</td>
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<td>- Regulatory compliance</td>
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<td>- Waste generation</td>
<td></td>
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<tr>
<td>- Strategy on ESG topics for new constructions</td>
<td></td>
<td>- Greenhouse Gasi (GHG) Emissions</td>
<td></td>
</tr>
</tbody>
</table>

Adherence to these indicators at the established phases is voluntary and will depend on the maturity and approach of each FIBRA on sustainability issues.
Methodology

For the screening of the indicators shown below, several international standards were analyzed: Global Reporting Initiative (GRI), Dow Jones Sustainability Index (DJSI), Carbon Disclosure Project (CDP), Global Real Estate Sustainability Benchmark (GRESB), European Public Real Estate Association (EPRA), Sustainability Accounting Standards Board (SASB), FTSE4Good, BIVA Index, Principles for Responsible Investment (PRI), and Task Force on Climate-related Financial Disclosures (TCFD). Such standards were carefully selected to meet the most relevant environmental, social and governance requirements, in line with the real estate sector and financial requirements.

Furthermore, the legal framework and the best practices on ESG topics of the industry were considered, in order to align the indicators to the requirements of the real estate sector in Mexico. To warrant the contribution of FIBRAs to the global efforts, the United Nations’ Sustainable Development Goals were considered.

Once each of the standards was analyzed, the initial indicators were identified and then analyzed using five fundamental principles, to ensure the added value of the indicators:

1. **Relevance:** The indicator is useful for investors in order to know the performance and impact of the FIBRA.
2. **Management:** FIBRAs have available and manageable information for the compliance of the indicator.
3. **Consolidation:** The indicator is compatible and standardized among all FIBRAs.
4. **Strengthening:** The indicator strengthens AMEFIBRA as a group.
5. **Negotiation:** The indicator enhances the capacity of speaking and negotiating with third parties.

Additional indicators were also established for the industrial and education sectors, aligned with material and specific issues of their operation.
General Indicators for AMEFIBRA

Below are the 20 key indicators identified for FIBRAs, according to its relevance to the sector and the expectations of its stakeholders.
ESG Management Indicators

1. General Data

Description
General indicators aim to describe the organization for a better understanding of its context, activities, and reported information.

Such information provides the stakeholders raw data which will be helpful to better understand the nature of the organization and the scope of its environmental, social, and governance (ESG) impacts.

Information to be Reported
a) Name of the Organization

State the legal name of the trust.

b) Reporting Year

State the natural year of the report (January 1 – December 31). All the data reported below must show this reporting period or include a remark specifying the discrepancy.

c) Number of collaborators

The number of collaborators must be divided by:
- **Internal staff**: People hired by the organization and/or its subsidiaries, directly related to it/them by an employment contract.
- **External staff**: People hired through intermediaries or third parties, either permanently or temporarily.
d) **Total number of assets by type**

The different assets to be considered are the following:
- Hotel.
- Commercial.
- Industrial.
- Educational.
- Offices.

e) **Number of Mexican states where assets are held**

f) **Gross Leasable Area (GLA) or number of rooms of the operational properties**

Report the Gross Leasable Area on square meters [m²].
If the FIBRA is a hotel operator, state the number of rooms in the properties.

g) **Occupancy Rate of Assets [%]**

Percentage of the Gross Leasable Area / occupied rooms during the year.

h) **Net Operating Income (NOI)**

The value reported must be in Mexican pesos [MXN] and must be the final net income of the reporting period.

2. **Management of Stakeholders on ESG Topics**

**Description**

This indicator aims to identify the stakeholders that FIBRA considers relevant and to which it is committed. This commitment may include formal and informal communications, surveys, collaborations, training or donations.

Cooperation with stakeholders is important to understand the external expectations and thus enhance the ESG performance of the real estate portfolio.

**Scope**

Groups or individuals affected positively or negatively by the organizational activities and decisions of the Management at corporate level.

**Information to Be Reported**

a) **Listing of Stakeholders**

These can be employees, clients, tenants, guests, owners, managers, investors, government officers, community residents, contractors, and suppliers.
Additional Considerations

Identifying stakeholders is the first step in stakeholder management. The list will form the basis for identifying the appropriate channels and content to meet the requirements and expectations of the different audiences.

The *International Standard ISO 26000:2010, clause 5.3. (Social Responsibility Guidelines)* suggests asking the following questions to identify the stakeholders:

- With whom the organization has legal liabilities?
- Who can be affected positively or negatively by the decisions or activities of the organization?
- Who is most likely to express concerns about the organization’s decisions and activities?
- Who was involved in the past when similar concerns needed to be addressed?
- Who may help the organization to address specific impacts?
- Who can affect the capacity of the organization to meet its responsibilities?
- Who would be disadvantaged by being excluded from involvement?
- Who is affected by the value chain?

In stakeholders management, it is recommended:

- To include the leaders of the different groups of stakeholders (for example: the community, workers, shareholders, among others).
- To involve the general population to obtain different points of view.
- To emphasize two-way communication (listening stakeholders, as well as providing explanations to them).
- Keep a realistic and positive tone; avoid making vague or ambitious promises that can’t be kept.
3. ESG Objectives and Action Plans

**Description**
This indicator aims to assess the existence and alignment of key activities in relation to the environment, society and governance in daily management practice and business strategy.

Having clear objectives on ESG issues contributes to the integration of material issues in the daily activities of the organization, mitigating risks and attacking essential problems in the operation. Likewise, it demonstrates the organization’s commitment to environmental, social and governance issues and their constant monitoring. Setting and achieving ESG goals creates value through improved stakeholder relations, cost reduction, regulatory compliance, increased productivity due to employee satisfaction and motivation, and improves return on investment by allocating capital to more sustainable and long-lasting projects.

**Scope**
Objectives for the whole organization, its properties on operation, and on development. | Management at corporate level.

**Information to Be Reported**

a) Does the organization set annual objectives related to environmental, social, governance and health and welfare issues?

The organization must set specific, measurable, attainable, relevant, and time-based ESG objectives (SMART\(^1\)) aligned to the industry and the organization’s activities, and monitor them periodically (annually, quarterly, weekly) to ensure continuous improvement.

b) Are ESG criteria included in the annual performance objectives of directors or decision makers?

ESG criteria set in the annual development evaluations of directors or decision makers.

For the compliance of annual objectives, certain consequences or incentives, either financial or non-financial, may be established according to the performance on the stated ESG objectives:

- **Financial consequences or incentives**: Benefits or economic sanctions are included in the compensation structure of directors or decision makers.
- **Non-financial consequences or incentives**: Benefits or sanctions such as acknowledgements or written and oral warnings, non-monetary rewards or sanctions or opportunities.

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\(^1\) SMART is an acronym for Specific, Measurable, Achievable, Reasonable and Time Bound, used as criterion for the clear setting of objectives.
Additional Considerations

Regarding section a):

- If the organization has not identified objectives related to ESG issues, it is recommended to follow a systematic and logical process and ensure that all material issues are covered. It is important to consider the United Nations’ Sustainable Development Objectives (SDO) and other international principles, to ensure the compatibility of the objectives with the global efforts. In addition, it is recommended to engage the executive staff and/or governing staff when identifying the objectives to ensure commitment at the highest level.
- Once the objectives have been defined, it is recommended to define the subjects responsible (managerial/executive level) for each objective, to provide a timely and continuous follow up.
- To show the commitment to external stakeholders, it is recommended to publish the objectives in a transparent way and report the progress on each one of them in a periodic manner (annually, quarterly, monthly).

Regarding section b):

- Performance objectives with environmental, social and governance considerations are intended to measure the performance of managers and decision makers on these issues, through feedback that contributes to their motivation and encourages personal development.
- Monitoring them annually verifies the compliance and progress of governance bodies on ESG issues.
4. ESG Reporting

Description
The objective of the indicator is to identify the reporting and validation practices of the ESG information that the FIBRA communicates to the different stakeholders. The importance of these indicators lies in the fact that public information is the main source for investors, raters, authorities and civil society to understand the company's ESG impact.

Scope
All the organization, its properties operating and under development in the reporting period | Management at corporate level.

Information to Be Reported
a) Is the organization aligned to any ESG standard or principle?

The organization must align its objectives, policies, and/or procedures to the international standards on environmental, social, and governance topics.

The organization can commit to global objectives or standards in order to achieve maturity of its processes on ESG aspects.

Some examples of these relevant standards are:

- United Nations’ Sustainable Development Goals (SDG).
- Ten Principles of the United Nations Global Compact.
- International Labour Organization’ (ILO) International Labour Standard.
- OECD’s Guidelines for Multinational Enterprises.
- IFC’s Performance Standards.
- IDB’s Safeguards.
- Equator Principles.
b) Does the organization prepare an Annual Sustainability Report?

The sustainability report may or may not be a public document, which aims to communicate information on the material issues in the organisation's ESG aspects to its stakeholders.

There are different reporting standards with different approaches, depending on the different stakeholders they represent. Organizations select the standard that best reflects their needs and those of their stakeholders. An annual report including material subjects on ESG topics can also be considered valid for this response.

Some examples of relevant reporting standards are the following:

- Global Reporting Initiative (GRI).
- Integrated Reporting (IR).
- Global Real Estate Sustainability Benchmark (GRESB).
- Carbon Disclosure Project (CDP).
- Task Force for Climate Related Financial Disclosures (TCFD).
- Sustainability Accounting Standards Board (SASB).
- Principles for Responsible Investment (PRI).

c) Is there an external verification of ESG information?

External verification of the sustainability report allows stakeholders to be sure that the data and information published complies with the desired methodology and has the necessary support to provide traceability of the information.
Additional Considerations

Regarding section a):

- If the organization has not committed to any ESG standard or principle, it is recommended to identify the most relevant standard for its stakeholders.

Regarding section b):

- If the organization has not chosen a reporting standard, it is recommended to assess which of the available standards is most aligned with its needs, those of its sector, and those of its stakeholders.
- To increase the efficiency on data gathering, it is recommended to use technological tools and data processes or specialized tools in the management of ESG information.
- For the correct management of information, it is recommended to identify the holders of the information and to define responsibilities throughout the organization and its properties.
- The organization has several options to publish its information on the ESG matters: A sustainability report, an integration on the annual report, or a communication within its Web page.
- The WBCSD's Reporting Matters initiative each year analyses the sustainability reports of approximately 200 companies and identifies best practices for ESG reporting.

Regarding section c):

- It is recommended to ensure that the methodology used in the external verification guarantees the traceability of the verified information.

5. Suppliers and Contractors

Description
The indicator clarifies whether the FIBRA considers ESG aspects in the selection, evaluation and management of suppliers and contractors.

A considerable part of the ESG impacts and risks are in the supply chain. ESG incidents related to the supply chain can represent a reputational risk and can jeopardize the strategies of purchase and hiring.

Scope
Organizations or people providing a product or service used in the supply chain of the organization (for instance, direct suppliers, contractors, external operators/managers of properties) | Management at corporate level.
Information to Be Reported

Is there a strategy for managing and developing ESG issues in suppliers and contractors?

A supplier and contractor management and development strategy is a systematic process that seeks to evaluate and understand the organization’s value chain from an ESG point of view, in order to achieve objectives and goals. Such a strategy demonstrates the company’s commitment to ESG issues beyond its own boundaries.

The strategy for managing and developing suppliers and contractors may consist of the following elements:

- Policies, procedures, internal/external evaluations, questionnaires, training or developmental programs.

\textbf{d) Are the environmental and social impacts of the value chain assessed?}

The ESG impact evaluation can be defined as a process to identify, understand, assess, and address the adverse effects at the supply chain. The evaluation of suppliers, managers, and contractors reduces environmental, social, and reputational risks, and identifies opportunity areas for continuous improvement. Such evaluation can be conducted through supplier audits to validate compliance, review of alignment to standards and principles or through analysis of public information. The following ESG topics can be considered for the evaluation:

<table>
<thead>
<tr>
<th>Business Ethics</th>
<th>Environmental and health on processes and products standards.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Rights and Labor Regulations.</td>
<td>Occupational Safety</td>
</tr>
<tr>
<td>Health and Well-being</td>
<td>Requirements for Subcontractors</td>
</tr>
</tbody>
</table>

Additional Considerations

Regarding section a):

- If the organization does not have a strategy, it is recommended to rely on the policies and material topics identified and to align the strategy with the objectives at corporate level.
- Furthermore, it is recommended to integrate this strategy on the existing processes for managing and monitoring suppliers.

Regarding section b):

- Cities and states claim investments, although their social impact usually remains uncertain. Thus, more enterprises seek to communicate the benefits and impacts of their investments to stockholders and other stakeholders. Analytical models are helpful to measure and predict the increasing effect of an investment, including, for example, new employments in different sectors, levels of education and incomes, or changes in the mobility, which probably would not happen without the investment.
Governance Indicators

6. Governance Bodies.
7. Policy(ies) on Governance Topics.
8. Regulatory Compliance.
10. ESG Risk Assessments.
6. Governance Bodies

Description
This indicator aims to communicate to stakeholders the governance structure within the organization for managing ESG issues; in addition to reporting how committees are formed and how they integrate these issues into the organization’s business strategy, identifying decision makers and their responsibilities with respect to key issues.
Corporate governance regulates the relationship between stakeholders and the administration of an organization, through the definition of roles for better management. Having a robust governance structure builds trust and increases the likelihood of meeting ESG objectives and targets.

Scope
Governance bodies within the organization | Management at corporate level.

Information to Be Reported
a) Description of the governance structure of the organization
The governance structure can be shown as an organizational chart, including the Technical Committee, the supporting committees, and the executive positions of the organization (Executive Direction, Financial Direction, Marketing Direction, Operational Direction, etc.).

b) Number of members of the Technical Committee
The National Banking and Securities Commission (CNBV, for its Spanish acronym) has established an equivalence of structure, functions and responsibilities of the trust governing bodies to Publicly-traded Corporations (S.A.B., for its Spanish acronym), therefore the Technical Committee represents the Board of Directors.

c) Percentage of attendance of members to the Technical Committee
Percentage of attendance to the Technical Committee, according to the minutes generated during the sessions.
The average attendance of all sessions held between January 1 and December 31 of the reporting year will be used.

d) Is the FIBRA’s CEO the chairman of the Technical Committee?
- Are the following support committees available?
  - Audit Committee.
  - Practices Committee.
  - Nominations Committee
  - Compensations Committee.

e) Percentage of women on each of the above-mentioned committees
**Percentage of independent members of each of the above-mentioned committees**

In order for a member to be considered independent, it must not have any of the following characteristics:

- Be a collaborator or manager of the organization.
- Have been a collaborator or director of the organization for the last 12 months prior to the date of the appointment.
- Without being a collaborator or manager, have significant influence or commanding power over the organization’s managers.
- Be a collaborator of a firm that serves as an advisor or consultant to the organization and that its income depends significantly on the contractual relationship.
- Be a customer, supplier, debtor or creditor of the organization or part of a company that is.
- Be part of a society that receives significant donations from the organization.
- Be a relative of one of the persons mentioned in the previous sections.

f) **Establish whether the organization has a specific committee responsible for environmental, social and governance risks and impacts**

If the committee has been already mentioned, specify which is.

In the event there is no committee responsible for the ESG risks and impacts, but there is an area or individual responsible for such topics, state the name of the area or the name and position of the individual in charge. Those for whom sustainability is the main responsibility are considered employees and employees to whom sustainability is found among their responsibilities.

Likewise, in the event there is no specific committee for ESG risks and impacts, mention if environmental, social, and governance topics are included in the agenda of the governance bodies of the organization.

### Additional Considerations

Regarding section a):

- There are 12 basic principles that a good corporate governance system must have according to the *Code of Principles and Best Practices of Corporate Governance*. In the event of adopting the principles, it is important that the members of the technical committee state their compliance with the same. For more information, see [here](#).
- Committees and governance bodies vary according to the size of the organization. It is vital to have a screening and evaluation process of the government bodies in order that these comply with the desired objectives regarding the performance, independence, diversity, abilities, etc. For more about corporate governance practices, see [6th Survey on Corporate Governance Practices](#).

Regarding section c):

- For ensuring the attendance, even if physical participation is not possible, it is recommended to consider virtual attendance with technological tools.

Regarding section h):

- Having a sustainability committee or manager contributes to better integration of ESG issues in the business. Generating awareness and a clear understanding of the relevance and impact that sustainability can have on an organization without limiting the concept to environmental, social or volunteer and donation-related issues facilitates the implementation of an effective strategy.
7. Policy(ies) on Governance Topics

**Description**

This indicator assesses the existence of policies on governance issues within the organization. It seeks to provide an understanding of the framework that governs the behaviour of governance bodies, as well as the criteria that are taken into account for the performance of their activities.

A governance policy provides transparency and consistency in the operations of the organization, which creates trust with stakeholders and increases the reliability of the company, by setting the framework for its actions and decisions and by considering the positive and negative impacts that this may have.

**Scope**

Policy for all the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

**Information to Be Reported**

a) Does the organization have one or more policies covering the management of governance and corporate governance issues?

A governance policy or ethical code describes a commitment or intention that is formally adopted by the organization.

It should be brief, simple to understand and easy to communicate to employees. The main characteristics of a policy are the following:

- Attainable: The commitments established must be feasible and realistic.
- It establishes the guidelines as a basis for the procedures and processes to be followed.
- It provides a one-way guideline for the decisions related with the organization, to standardize processes, services and or products, both internal and external.

A governance policy and an ethical code aim to establish performance and behavioral guidelines of the organization for managing governance topics and must be aligned to the compliance of certain standards or principles that the organization intends to meet. They can be public or only for internal use. Some of the topics to be considered within a governance policy and an ethical code are the following:

<table>
<thead>
<tr>
<th>Conflicts of interest</th>
<th>Human Rights</th>
<th>Fraud</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independence</td>
<td>Fair Competition</td>
<td>Political Contributions</td>
</tr>
<tr>
<td>Confidential Information</td>
<td>Cyber Security</td>
<td>Fiduciary Duty</td>
</tr>
<tr>
<td>Personal Data Protection</td>
<td>Compensations</td>
<td>Antitrust Practices</td>
</tr>
<tr>
<td>Anti-corruption, Bribery, and Money Laundry</td>
<td>Gifts and events between investors</td>
<td>Relationship with external suppliers</td>
</tr>
<tr>
<td>Stockholders’ Rights</td>
<td>Discrimination</td>
<td>Privacy</td>
</tr>
</tbody>
</table>
b) Does the organization have a reporting channel for incident reporting?

A reporting channel represents a formal process that can be used by individuals, communities and/or civil society organizations that are adversely affected by the company’s activities. The process allows you to raise a topic and seek repair or remedy. The process can consist of regular dialogues, care centers, lines of denunciation, etc. and can be handled internally or by an independent external.

c) Does the organization train employees on governance issues?

Training related to governance issues is considered (examples on section a). Training can be delivered in person, online or in other formats. The sections below are considered:

- All types of training and career training.
- Educational license paid provided by the organization for its employees.
- Training or education applied externally and fully or partially paid by the organization.

### Additional Considerations

#### Regarding section a):

- For the creation of a policy, it can be started by the criteria requested by the standards of the International Organization for Standardization (ISO) for example, ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 50001 (Energy Management System), or 45001 (Occupational Health and Safety Management System)
  - Be appropriate to the purpose and context of the organization and support its strategic direction
  - Provide a reference framework for setting ESG objectives
  - Include a commitment to comply with legal requirements and other applicable requirements.
  - Include a commitment to continuous improvement.

#### Regarding section b):

- When implementing a complaint channel, it is recommended to ensure accessibility, transparency and the security and privacy of individuals.
- For ensuring continuous improvement and prevent future damages, it is recommended to establish a clear procedure with defined response times, responsibilities, and specifying the types of processes and measures available.

#### Regarding section c):

- If the organization does not train its staff in governance issues, it is recommended to start with the staff in critical positions for the fulfillment of these issues.
8. Regulatory Compliance

**Description**

This indicator aims to identify the degree of compliance with the rules and regulations applicable to the sector. The continuous monitoring of rules and regulations avoids exposing the company to sanctions or fines and negative impacts on its reputation.

**Scope**

Issuers obliged to submit their quarterly financial, economic, accounting, and managing information to the Mexican Stock Exchange, S.A.B. de C.V. (BMV Group) | Management at corporate level.

**Information to Be Reported**

1. The organisation must report the result of the compliance traffic light on financial information disclosure from the National Banking and Securities Commission (CNBV, for its Spanish acronym) in terms of the *Mexican Securities Market Law*

The National Banking and Securities Commission (CNBV) publishes the compliance indicator for quarterly financial disclosure in order to give continuity to the supervision that the CNBV carries out on issuers with securities in the National Securities Registry (RNV, for its Spanish acronym). This indicator helps investors to be aware of the compliance of organizations with the provisions of the *Securities Market Law* in financial, economic, accounting, administrative and legal matters.

Currently, the last update of the CNBV's compliance indicator is 2017 so the results for that year will be reported until the initiative is reactivated and the information updated.

To learn more about the concepts that the traffic light evaluates, we recommend reviewing the indicator published by the CNBV [here](#).

**Additional Considerations**

- It is recommended to monitor continuously the number of complaints and confirmed cases related to privacy, information security, corruption, etc. Such monitoring can be performed through a complaint channel, as mentioned in the indicator *Policy(ies) on Governance Topics* section b).
9. ESG Criteria in the Due Diligence Process for New Acquisitions

**Description**

The indicator clarifies whether the FIBRA includes ESG criteria in the *due diligence* process for the acquisition of new assets, in order to reduce the environmental and social impact during construction and operation; whether these are policies, procedures, protocols, committees, intermediate bodies, advisors, internal/external evaluations or questionnaires.

The integration of ESG criteria reduces exposure to long-term sustainability risks, mitigates risks that could affect the income, and supports the development of a future-oriented portfolio.

**Scope**

All new property acquisitions in the reporting period | Management at the corporate level

**Information to Be Reported**

a) Are ESG criteria considered in the *due diligence* for new acquisitions?

The objective of the ESG due diligence process is to identify the compliance of projects or new acquisitions in environmental, social and governance aspects; as well as to identify and mitigate related risks, based on international standards. The process can be managed internally or by a third party.

For the real estate sector, the due diligence process can address and consider the following issues and documents:

<table>
<thead>
<tr>
<th>Safety of buildings</th>
<th>Sustainable materials</th>
<th>Waste management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adaptation to climate change</td>
<td>Energy supply</td>
<td>Social-economic impacts</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>GHG emissions</td>
<td>Risk Atlas</td>
</tr>
<tr>
<td>Floods</td>
<td>Hydraulic efficiency</td>
<td>Atlas of Vulnerability to Climate Change</td>
</tr>
<tr>
<td>Health and well-being</td>
<td>Water supply</td>
<td>Enviromental Impact statement</td>
</tr>
<tr>
<td>Natural disasters</td>
<td>Regulatory compliance</td>
<td>National Emissions Inventory</td>
</tr>
</tbody>
</table>
Additional Considerations

When implementing ESG criteria in the due diligence process, it is recommended to consider the following sections:

- Reflect issues identified in the materiality study and included in ESG policies.
- Define how short and long term ESG criteria are incorporated into the due diligence process, considering differences in property types.
- Evaluate the entire asset lifecycle and identify cost-effective ESG improvements to increase asset value.
- Estimate the savings to be gained from the potential CapEx measures identified during the due diligence process.
- Integrate the mitigation measures costs into renewal budgets.
- Contractually require vendor information on the ESG characteristics of new acquisitions.
- Measure how ESG criteria have influence on the value and yield of investments, based on international standards (for example, RICS Global Sustainability and Commercial Property Valuation).

It is recommended to base the due diligence process on available data sources, including:

- Primary data of the asset/owner company
- Evaluations/audits/external consultants
- Estimates/valuation of similar assets
- Data aligned to sector standards and certifications
- Data derived from commitments with interested parties (for example, surveys to tenants, guests, and the local community)

10. ESG Risk Assessments

Description

This indicator clarifies whether the organization identifies, assesses and manages ESG risks as part of its risk assessment processes, as these may adversely affect the reputation of the entity and expose it to sanctions or fines.
ESG issues have become an indispensable element for business development as they assist in mitigating risks with investors and various stakeholders, as well as reputational risks. Given the growing evidence of the financial impacts of ESG risks, investors and other stakeholders are seeking to assess the risk profile of the entity and the level of resilience of its strategy and operations.

**Scope**  
Risks for all the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

**Information to Be Reported**

a) **Does the organization consider ESG criteria in its risk assessment process?**

Risk assessment refers to an analysis of factors that could have an adverse impact on the value or longevity of an asset. The results of the assessment help identify the measures that should be implemented to prevent and mitigate the risks.

A systematic process is required to include ESG criteria in the portfolio risk assessment and is documented in a policy, protocol, or procedure. Some of the risks which can be assessed are the following:

**Examples of environmental risks:**

<table>
<thead>
<tr>
<th>Biodiversity</th>
<th>Adaptation to climate change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with environmental regulations</td>
<td>Soil pollution</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>Energy supply</td>
</tr>
<tr>
<td>Floods</td>
<td>GHG emissions</td>
</tr>
<tr>
<td>Natural disasters</td>
<td>Hydraulic efficiency</td>
</tr>
<tr>
<td>Waste management</td>
<td>Water supply</td>
</tr>
</tbody>
</table>

**Examples of social risks:**

<table>
<thead>
<tr>
<th>Compliance with labor regulations</th>
<th>Inclusion and diversity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health, safety, and well-being of collaborators, contractors, tenants, guests, and the community</td>
<td>Human rights</td>
</tr>
<tr>
<td>Forced labor</td>
<td>Child labor</td>
</tr>
<tr>
<td>Relationships with stakeholders</td>
<td>Community controversies</td>
</tr>
<tr>
<td>Freedom of association</td>
<td></td>
</tr>
</tbody>
</table>
Examples of governance risks:

<table>
<thead>
<tr>
<th>Independence</th>
<th>Conflicts of interests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiduciary duty</td>
<td>Stockholders’ rights</td>
</tr>
<tr>
<td>Bribery and anti-corruption</td>
<td>Political contributions</td>
</tr>
<tr>
<td>Compensation of directors</td>
<td>Fraud</td>
</tr>
<tr>
<td>Cyber security</td>
<td>Data protection and privacy</td>
</tr>
<tr>
<td>Compliance of regulations</td>
<td></td>
</tr>
</tbody>
</table>

b) If ESG risks are covered, state the percentage of standing investments and/or new constructions assessed under such risks, and state the standards or criteria used

State the percentage of investment projects assessed on ESG aspects. If applicable, state the percentage of development projects assessed on ESG aspects. Likewise, if applicable, state the standards used for this process.

c) Does the organization have a crisis management program?

A crisis management program allows the organization to get prepared to, understand, respond, and recover from potential crisis. It has policies and/or procedures stating the definitions and standard names, clear limits, escalation protocols, and an organizational chart with specific responsibilities.
### Additional Considerations

**Regarding section a):**

- If the organization does not include ESG risks on its risk process, it is recommended:
  - Identify, prioritize and quantify the main ESG risks and integrate them into the overall risk management strategy
  - Identify and designate responsibilities at the management level for the assessment and management of ESG risks and opportunities.
  - Transfer knowledge of key ESG risks and opportunities to governance bodies (for example, in quarterly reports from the General Direction and Operational Direction to the Audit and Technical Committees).
  - Develop scenarios and cost-benefit analysis, including the impact evaluation of potential risks and opportunities.
  - Develop an action plan to mitigate risks.
  - Identify the main data needs, scope and objectives and define performance indicators.

**Regarding section b):**

- Some international standards and methodologies, as well as technical documents that can serve as guidance for identifying and managing ESG risks are the following:
  - The ESG risk management framework of the Equator Principles ([link](#)).
  - The recommendations for financial risk management of climate change from the Task Force on Climate Related Financial Disclosures (TCFD) ([link](#)).
  - The sustainability risk map from the Sustainability Accounting Standards Board (SASB) ([link](#)).
  - The *ISO 31000, Risk Management Guidelines* of the International Organization for Standardization ([link](#)).
  - Risk Atlas ([link](#))
  - Atlas of Vulnerability to Climate Change ([link](#))
  - Environmental Impact Statement ([link](#))
  - National Emissions Inventory ([link](#))

**Regarding section c):**

- The *ISO 22300, Security and Resilience* ([link](#)) Guideline or the Guidance BS 11200, Crisis Management ([link](#)), can work as orientation for defining policies and implementing procedures for managing incidents.
11. ESG Strategy for New Constructions

Description
This indicator consolidates the organization’s efforts to consider ESG criteria during the design, construction, and renovation of buildings. Project development has a significant impact on both the environment and society. The integration of ESG criteria can help mitigate negative impacts while improving the environmental efficiency of buildings in the operational phase. By applying best practices, local communities can be positively influenced.

Scope
All new property developments and major renovations in the reporting period | Management at corporate level.

Information to Be Reported
a) Are environmental, social, and governance aspects considered for new constructions?

Major renovations are those modifications affecting more than 50% of the total surface of the building or causing the relocation of more than 50% of the usual occupants of the building.

The indicator refers to those properties under construction / renovation at any time of the reporting period.

For the property sector, some of the issues and documents to consider during the development of projects may be the following:

<table>
<thead>
<tr>
<th>Life cycle assessment</th>
<th>Resilience to catastrophes and disasters</th>
<th>Security of the building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biodiversity</td>
<td>Selection of the Site</td>
<td>Health and well-being</td>
</tr>
<tr>
<td>Climate change</td>
<td>Soil use</td>
<td>Location and transportation</td>
</tr>
<tr>
<td>Energy consumption</td>
<td>Sustainable hiring process</td>
<td>Pollution</td>
</tr>
<tr>
<td>GHG emissions</td>
<td>Waste management</td>
<td>Risk Atlas</td>
</tr>
<tr>
<td>Selection of materials</td>
<td>Water consumption</td>
<td>Atlas of Vulnerability to climate change</td>
</tr>
<tr>
<td>Zero emission design</td>
<td>Indoor environmental quality</td>
<td>Environmental Impact Statement</td>
</tr>
<tr>
<td>Renewable energy</td>
<td>Certifications</td>
<td>National Emissions Inventory</td>
</tr>
</tbody>
</table>
Additional Considerations

Regarding section a):

- If the organization does not contemplate ESG aspects for new constructions, it is recommended to rely on regulation requirements, ESG policies, material topics, and objectives at corporate level.
- In addition, it is recommended to integrate ESG aspects into existing processes and requirements for new constructions (for example, on construction contracts, or on the evaluation and selection of constructors).
- Environmental Impact Statements (EIS) and Social Impact Evaluations (SIE) can be considered for compliance with this indicator, as long as they are contemplated in the documented mechanisms for project planning and development.
Environmental Indicators

15. Water Consumption.
12. Policy(ies) on Environmental Topics

Description
This indicator assesses the existence of policies on environmental issues within the organization. It seeks to understand the criteria considered in the business strategy that influence the organization’s behavior and decisions in relation to the environment.

Every organization affects and is affected by the environment. Climate change is an issue that can have a negative impact on the organization’s economic growth, for example, due to flooding or natural disasters. Similarly, investors and stakeholders are now more aware of the economic implications of environmental degradation, and their requirements and expectations on this issue have increased. Having established environmental policies and guidelines within the business strategy helps to satisfy stakeholder expectations and comply with local regulations in this area.

Scope
Policy for all employees of the organization, its subsidiaries, or affiliates | Management at corporate level.

Information to Be Reported
a) Does the organization have one or more policies and/or procedures that include environmental issues?

A policy describes a commitment or intent that is formally adopted by the organization. It should be brief, simple to understand and easy to communicate to employees. The main characteristics of a policy are usually:

- Attainable: The commitments established must be feasible and realistic.
- It sets the objectives and goals as a foundation for the procedures and processes to be followed.
- It provides a one-way guideline for the decisions related with the organization, to standardize processes, services and/or products, both internal and external.

The policy seeks to establish the organization’s guidelines for managing environmental issues and should align itself with compliance with certain standards or principles that the organization seeks to meet. The document may be of a public nature or only internally handled. Some of the issues and risks to be considered and acknowledged formally within an environmental policy can be the following:

<table>
<thead>
<tr>
<th>Biodiversity</th>
<th>Greenhouse Gases (GHG) Effect Emmissions</th>
<th>Resilience to catastrophes and natural disasters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change</td>
<td>Selection of materials</td>
<td>Waste management</td>
</tr>
<tr>
<td>Energy consumption and renewable energy</td>
<td>Prevention of pollution</td>
<td>Water consumption and treatment</td>
</tr>
</tbody>
</table>
Additional Considerations

For the creation of a policy, it can be started by the criteria requested by the standards of the International Organization for Standardization (ISO) for example, ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 50001 (Energy Management System), or 45001 (Occupational Health and Safety Management System)

- Be appropriate to the purpose and context of the organization and support its strategic direction
- Provide a reference framework for setting ESG objectives
- Include a commitment to comply with legal requirements and other applicable requirements
- Include a commitment to continuous improvement

For ensuring continuous improvement and prevent future damages, it is recommended to establish a clear procedure with defined response times, responsibilities, and clarity about the processes and measures available.
13. Building Certifications

**Description**
The indicator clarifies whether FIBRA has certifications in its portfolio in operation. By obtaining building certifications, FIBRA adheres to international standards and is committed to compliance through regular independent reviews.

**Scope**
All properties in the reporting period | Management at property level, consolidation at corporate level.

**Information to Be Reported**
a) Percentage of Gross Leasable Area certified on environmental efficiency or sustainability

In the real estate sector, there are several certifications for environmental and social buildings. The most common in the sector are LEED, NABERS, Green Star, Earth Check, WELL, EDGE, SITES, among others. Non-mandatory certifications in Mexico include the Green Building Program Certification (PCES, for its Spanish Acronym) and the standard NMX-AA-164-SCF1-2013 Sustainable Building.

Certifications for new constructions and existing buildings under renovations are taken into consideration.

**Additional Considerations**
If the organization does not have certifications, it is recommended to evaluate which of the available certifications is more aligned with its needs, those of its sector, and those of its stakeholders.
14. Energy Consumption

Description
This indicator addresses the issue of energy consumption for which the organization is responsible, along with indicators that describe both energy intensity and the efforts and initiatives carried out to reduce consumption.

Energy consumption is understood as the use of fuels, electricity, heat, cooling, and/or any action that requires energy to operate.

Scope
All properties in the reporting period | Management at property level, consolidation at corporate level.

a) Does FIBRA monitor energy consumption?
b) Indicate fuel consumption considering assets and corporate. Report in MWh.

The energy consumed by an organization can be purchased from a third party, such as CFE (Federal Electricity Commission), or, in some cases, it can be generated by the organization itself. For this section, the amount of fuels consumed for energy self-generation through boilers, heaters, turbines, emergency power plants, owned vehicles, among others, must be included.

c) Indicate total electricity consumption, taking into account assets and corporate consumption. Report in MWh.

Only the energy consumption from renewable and non-renewable sources under the name of the trust or the manager will be included.

d) Examples of measures to reduce energy consumption
Describe the actions and initiatives that have been implemented to reduce energy consumption and/or the estimated reduction of developing initiatives.

e) Report the energy consumption reduction as a result of the actions carried out by the organization in MWh.

f) A base year (baseline) must be included to compare both in percentage and in results the amount of reduced energy in the reporting year.
Additional Considerations

Regarding section b) y c):

- The information and documentation corresponding to the methodologies, assumptions, tools, and calculations used should be available.
- Managing and reporting fuel base unit consumption adds value to the report (litters, square meters) and helps trace how energy unit results are obtained for independent reviews.
- If the source data has any measurement unit such as litters, square meters, kilograms, etc., it is important to document the estimation process, conversion factors, and methodology used.
- It is recommended to calculate the energy intensity of the organization. This ratio can be determined using different parameters to be considered by the organization, the most common are:
  - Number of rooms.
  - Number of m² occupied.
  - Gross Leasable Area (GLA)
  - Number of collaborators.
  - Monetary units.
- It is suggested to perform the estimation based on the total electric energy by the total number of GLA (m²), or total number of rooms.

15. Water Consumption

Description
This indicator aims to show the commitment with the preservation of hydric resources by monitoring its consumption. To address the issue of water it is important to start with an approach that takes into account the local context of this resource, recognizing its importance and the responsible management of water as a shared resource.

Scope
All the properties in the reporting period | Management at property level, consolidation at corporate level.

Information to Be Reported
a) Does the organization monitor water consumption?
b) Indicate the total water consumption in millions of m³:

If properties have no information on their water consumption, the reason must be specified.
c) **Examples of measures to reduce water consumption:**

Describe the actions and initiatives implemented to reduce water consumption in the organization.

**Additional Considerations**

Regarding section b):

- Document how water consumption information is obtained (invoices, directly from water meters, hydric balances, etc.).
- It is recommended to state the sources for obtaining water (surface water, groundwater, sea water, and produced by third parties).

Regarding section c):

- It is recommended to report the reduction in water consumption as a result of the organization’s actions in millions of m$^3$. If it is decided to report the reduction, a base year (baseline) should be included to compare, both in percentage and in results, the amount of water reduced in the reporting year.
16. Waste Generation

**Description**
This indicator is aimed to show the commitment with the environment through the classification, treatment, and disposal of waste generated by the organization.

The wastes to be reported are all those hazardous and non-hazardous wastes that the organization generates both at the corporate offices and at the standing investments.

**Scope**
All the properties in the reporting period | Management at property level, consolidation at corporate level.

**Information to Be Reported**

a) Does the organization monitor waste generation?
b) Report the total waste generated by the organization in tons, separating hazardous and non-hazardous wastes

**Additional Considerations**

Regarding section b):

- For waste in other units, such as oils (either in cubic meters or liters), the methodology used for the conversion to tons must be documented.
- It is recommended to classify hazardous and non-hazardous waste according to the disposal method.

The classification of disposal methods is the following:

- Reuse
- Recovery (including energy recovery)
- Landfills
- Recycling
- Incineration (mass burn)
- Storage at the site
- Composting
- Deep well injection
- Others (specify)
17. Greenhouse Gases (GHG) Effect Emmissions

**Description**
This indicator aims to quantify and visualize the impact that the organization has on the environment through the emissions generated by its operations.

Emissions are substances that are released into the atmosphere from burning fuel to generate energy and processes from organizations' operations.

1. Greenhouse Gases (GHG):
   a. Carbon dioxide (CO₂).
   b. Methane (CH₄).
   c. Nitrous oxide (N₂O).
   d. Hydrofluorocarbons (HFCs).
   e. Perfluorocarbons (PFCs).
   f. Sulfur hexafluoride (SF₆).
   g. Nitrogen trifluoride (NF₃).
2. Ozone depleting substances (SAO).
3. Nitrogen oxides (NOx) and sulfur oxides (SOx).

**Scope**
All the properties in the reporting period | Management at property level, consolidation at corporate level.

**Information to Be Reported**

a) Does FIBRA monitor emissions generation?
b) If yes:

State the total direct (Scope 1) and indirect (Scope 2) emissions in metric tons of equivalent CO₂ (tonCO₂e).

- To perform the estimation of emissions for Scope 1, derived from fuel consumption of fixed and mobile sources, use the total consumption of fuel during the calendar year and use the valid emission factors of the National Emissions Register (RENE, for its Spanish acronym).
- To perform the estimation of the emissions for Scope 2, derived from electric energy consumption, the electric emission factor must be used.

**Electric emission factor:** It is published at the official government web page of the National Emissions Register (RENE) or requested directly if the supplier is private. Such factor changes every year; therefore, it must be updated according to the reporting period.
Additional Considerations

Regarding section b):

- It is recommended to include the methodology used (for example, *GHG-Protocol Corporate Standard*), scope, base year and conversion factors used for the emissions registration.
- It must be ensured that the total fuel consumption reported in the indicator of “Energy Consumption of the Organization” matches with the energy used for the estimation of emissions in the Scope 1. If the Scope is different or other aspects are considered, document it for independent reviews.
- It is recommended to estimate the emission intensity of the organization.
- It is recommended to estimate the ratio based on the total GHG emissions (Scope 1 y 2) by the total number of GLA (m²).
Social Indicators

18. Diversity.


20. Policy(ies) on Social Topics.

1. Diversity

Description
This indicator is aimed to communicate the interest and priority of the organization to promote diversity and equality of opportunities through the quantitative evidence of its actions and efforts.

Including diversity as a business priority can improve reputation, contribute to innovation, and strengthen the market position. Likewise, it may contribute to the motivation and satisfaction of collaborators, due to an improvement in the work climate, which results in an improvement in their performance and productivity.

Scope
All the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

Information to Be Reported
a) Percentage of female collaborators

A collaborator is someone who is hired by the organisation and is directly linked to it through an employment contract that gives him/her certain duties and rights with the employer, who is responsible for his/her salary.

b) State the percentage of collaborators within the organization earning the minimum salary

The minimum salary is the minimum amount that workers must receive for their services provided in a working day (chapter 6, Federal Labor Law).
Additional Considerations

Regarding section a):

- It is recommended to report the workforce classified between men and women considering their work category and age range in addition to the percentage of women.
- As best diversity practices, it is recommended to consider equal opportunities throughout the human resources process, that is, in recruitment, development or training, promotion, remuneration and benefits, career plans, etc.

2. Monitoring of Satisfaction, Health, Safety, and Well-being of Collaborators

Description
This indicator seeks to show the organization’s commitment to the occupational health, safety, and well-being of its employees. Monitoring these issues allows the company to know the critical issues for its employees, relate to them and increase their satisfaction, which can contribute to improve retention and productivity rates.

Due to the Standard NOM-035-STPS-2018 Occupational psychosocial risk factors – Identification, analysis, and prevention, monitoring the health and psychological well-being of collaborators is a regulatory standard.

Scope
All the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

Information to Be Reported

a) Is a satisfaction survey performed to collaborators?

A satisfaction survey prepared internally or by a third party can consist of personal interviews or more formal processes, such as structured questionnaires.

The use of satisfaction surveys can be translated in easily interpretable metrics which facilitate the analysis and the comparison among the results of different properties.
Additional Considerations

- The requirements of the standard NOM-035-STPS-2018 include:
  - Creation of a policy including psychosocial risk prevention.
  - Establishment of preventive and management measures of psychosocial risks.
  - Identification of traumatic events.
  - Spread of information on health and safety to collaborators.
  - Working days according to that set forth in the Federal Labor Law.
- In addition to the standardized requirements (NOM-035-STPS-2018), the following topics can be considered for their satisfaction surveys:

<table>
<thead>
<tr>
<th>Indoor air quality</th>
<th>Inclusive design</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acoustic comfort</td>
<td>Flexible working hours</td>
</tr>
<tr>
<td>Thermal comfort</td>
<td>Physical activity</td>
</tr>
<tr>
<td>Humidity monitoring</td>
<td>Maternity leave</td>
</tr>
<tr>
<td>Lighting monitoring</td>
<td></td>
</tr>
</tbody>
</table>

3. Policy(ies) on social topics

**Description**

This indicator assesses the existence of policies on social issues within the organization. It seeks to gain an understanding of the criteria considered in the business strategy that influence the organization’s behavior and decisions in relation to the impact and contribution to society.

Including social considerations in a policy contributes to sustainable development by increasing the stability and duration of the business. Similarly, having a social responsibility policy improves a company’s reputation and image, creating lasting relationships with both internal and external stakeholders.

**Scope**

Policy for all employees of the organization, its subsidiaries, or affiliates | Management at corporate level.
**Information to Be Reported**

**Does the organization have a policy, procedure or code of ethics that includes social issues?**

A social policy or code of ethics describes a commitment or intention to promote health, well-being, and growth of individuals affected directly or influenced by the activities of the organization, and which is formally adopted by the organization.

It should be brief, simple to understand and easy to communicate to employees. The main characteristics of a policy are usually:

- Attainable: The commitments made must be possible and real.
- It sets the objectives and goals as a foundation for the procedures and processes to be followed.
- It guides the related decisions of the organization in one direction, to standardize processes, services and/or products both internally and externally.

Policies and code of ethics aim to establish the organization's performance and behavior guidelines for managing social issues and should align itself with compliance with certain standards or principles that the organization seeks to meet. The document can be public or only for internal use.

Some of the issues to be considered within an environmental policy may be the following:

<table>
<thead>
<tr>
<th>Diversity and inclusion</th>
<th>Health and well-being of collaborators, tenants, guests, contractors, and communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human rights</td>
<td>Freedom of association</td>
</tr>
<tr>
<td>Child labor</td>
<td>Commitment with collaborators</td>
</tr>
<tr>
<td>Community development</td>
<td>Working conditions</td>
</tr>
</tbody>
</table>

**Additional Considerations**

For the creation of a policy, it can be started by the criteria requested by the standards of the International Organization for Standardization (ISO) for example, ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO 50001 (Energy Management System), or 45001 (Occupational Health and Safety Management System)

- Be appropriate to the purpose and context of the organization and support its strategic direction
- Provide a reference framework for setting ESG objectives
- Include a commitment to comply with legal requirements and other applicable requirements
- Include a commitment to continuous improvement

For ensuring continuous improvement and prevent future damages, it is recommended to establish a clear procedure with defined response times, responsibilities, and specifying the types of processes and measures available. It is important to consider and mention within the social policy the regulatory compliance.
Sectoral Indicators

Additional indicators identified for the industrial and education sectors are presented below, according to their relevance to the sector and the expectations of their stakeholders.
Industrial Sector Indicators

To reflect the specific risks of the industrial sector and to meet the expectations of individual stakeholders, the following additional indicators were identified for the industrial sector:

<table>
<thead>
<tr>
<th>ESG Indicators</th>
<th>Industrial sector by dimension and phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020-2021</td>
<td>2022-2024</td>
</tr>
<tr>
<td>2025</td>
<td></td>
</tr>
<tr>
<td>Social</td>
<td>Social</td>
</tr>
<tr>
<td></td>
<td>Indicators of healthy and safety of</td>
</tr>
<tr>
<td></td>
<td>the employees</td>
</tr>
<tr>
<td></td>
<td>Satisfaction survey for tenants</td>
</tr>
<tr>
<td>Environmental</td>
<td>Environmental</td>
</tr>
<tr>
<td></td>
<td>• Design and implementation of</td>
</tr>
<tr>
<td></td>
<td>renewable energy at the site</td>
</tr>
<tr>
<td></td>
<td>• Management systems</td>
</tr>
</tbody>
</table>

Fibra Prologis
I1. Employee health and safety indicators

**Description**
This indicator aims to constantly monitor the health and safety of employees within the organization, by recording each incident, for better management and continuous improvement.

Having a record of occupational incidents demonstrates the organization’s commitment to its employees. It allows the identification of areas of opportunity in the prevention of incidents and promotion of health and safety at work, for the generation of a plan or management system, in order to achieve an adequate and safe performance of the organization’s tasks.

**Scope**
All the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

**Information to Be Reported**

a) Number of fatalities

b) Accidents:
   - Number
   - Rate

Any organic injury or functional disturbance, immediate or subsequent, death or disappearance derived from an act of delinquency suddenly produced from the exercise of the job or due to the job, irrespective of the place and time of its occurrence, is considered a recordable occupational accident. Accidents that occur during commuting directly from home to the workplace and vice versa are included in this definition (in accordance with article 474, *Federal Labor Law*).

The accident rate is calculated taking into account the total number of accidents in the reporting year over the total number of the organization’s employees.

Lost Time Injury Frequency Rate (*LTIFR*): The number of lost time injuries occurring in the workplace per 1 million hours worked. To calculate the *LTIFR*, use the following formula: (number of lost time injuries in the reporting period / Total hours worked in the reporting period) x 1,000,000.
c) Occupational diseases:

- Number.
- Type of diseases.
- Absenteeism rate.

Any pathological state derived from the continuous action of a cause that has its origin or motive in the work or in the environment in which the worker is obliged to provide his or her services is considered an occupational disease. In any case, the diseases listed in the table of article 513 of the Federal Labour Act shall be considered occupational diseases.

Absenteeism rate is a measure expressed as a percentage considering the number of attendance days over the total working days of the staff in the reporting year.

**Additional Considerations**

Regarding sections a) and b):

- If an occupational accident occurs at the enterprise or workplace, or in the route, a “Notice of Occupational Accident” must be submitted within the following 70 hours of the incident, to the Labor inspection, the Conciliation and Arbitration Board, and the Secretariat of Labor and Social Well-being (STPS) (article 504, fraction V, *Federal Labor Law*). The use of these notices is recommended as database for the indicator.

### I2. Satisfaction Survey and Improvement Program for Tenants

**Description**

This indicator aims to show the commitment of the organization with its tenants, by monitoring their needs and preferences.

Listening to the needs and preferences of the tenants strengthens the relationship with one of the stakeholders. Likewise, a satisfaction survey helps the organization to understand key issues for the business and to identify improvement opportunity areas for the growth and long-term permanence of the organization.

**Scope**

All the properties in the reporting period | Management at property level, consolidation at corporate level.

**Information to Be Reported**

a) State the percentage of tenants who performed a satisfaction survey

A satisfaction survey must be short and easy to understand. Tenants must have the chance to provide a feedback on the quality of the building and service, as well as of their experience as clients. The survey can be conducted internally or by an independent third party.
Additional Considerations

If the company does not have a satisfaction survey, it is recommended to use widely recognized methodologies to measure customer satisfaction (for example, the Net Promoter Score), to follow a systematic and logic process and to ensure that all the relevant topics are covered. Monitoring the results regularly verifies the satisfaction level and ensures timely and continuous follow-up.

The use of consistent satisfaction surveys over the time translates in easily interpretable metrics which may help to analyze and compare the results among different properties over the time.

I3. Management Systems

Description
This indicator seeks to clarify whether the FIBRA has a management system in place, including robust policies and procedures on ESG issues in order to increase the stability and duration of the business.

The use of an aligned or certified management system assures both companies and external stakeholders that the ESG impacts are measured and acted upon, using a recognized and proven methodology. Regular assessments of the system contribute to continuous improvement and greater efficiency.

Scope
All the properties in the reporting period | Management at property level, consolidation at corporate level.

Information to Be Reported
a) Does the organization have any of the following management systems?
A management system is an internal framework that structures all procedures, projects and tactics into a cohesive programme that aligns the sustainability efforts in the organisation. It can help organisations manage and improve their performance on ESG issues, comply with relevant laws and regulations, identify financial savings through improved efficiency in operational practices, and improve the image of the company to staff, customers, partners and other stakeholders.

- There are several management systems that cover ESG issues. The most common are the International Organization for Standardization (ISO) standards:
  - ISO 14001 (Environment).
  - ISO 50001 (Energy).
  - ISO 27001 (Information Security).
  - ISO 45001 (Health and Safety).
Additional Considerations

If the organization does not have management systems, it is recommended to consider the following when selecting the management system:

- Requirements of clients and other stakeholders
- Level of maturity of the organization
- Primary needs of the organization requiring an improvement in the information management.

I4. Design and Implementation of Renewable Energy at the Site

Description
This indicator aims to monitor the organization's energy consumption from renewable sources.

The energy consumption represents the main part of greenhouse gases effect emission of an organization. Having renewable energy contributes to the reduction of the environmental impact, and even to cost reduction from energy consumption.

Scope
All the properties in the reporting period | Management at property level, consolidation at corporate level.

Information to Be Reported
a) State the type of renewable energy that the site has, as well as the percentage of energy covered over the total consumption or, if it is a development project, the percentage estimated to be covered.

The percentage of energy obtained from renewable sources is the percentage of electric consumption the whole portfolio has over the total consumption of electric energy.

The consumption of the whole portfolio must be considered based on the response of the indicator “Energy Consumption of the Organization”.
Additional Considerations

You can consider your own renewable energy generation systems, external ones or Clean Energy Certificates (CEL, for its Spanish acronym).

- The Electric Industry Law (LIE, for its Spanish acronym) defines on its article 3, fraction VIII, the Clean Energy Certificates (CEL) as the bonds issued by the Energy Regulatory Commission (“The Commission”) certifying the production of a specific electric energy derived from clean energies and which serve to comply with the requirements associated with Load Centers (link).
Education Sector Indicators

To reflect the specific risks of the education sector and to meet the expectations of particular stakeholders, the following indicators were identified:

<table>
<thead>
<tr>
<th>Social</th>
<th>2020-2021</th>
<th>2022-2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Clauses on ESG topics included in the contracts with tenants</td>
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</tbody>
</table>

Fibra Educa
E1. Clauses on ESG topics included in the Contracts with Tenants

Description
This indicator is intended to describe the strategies to promote the performance on ESG issues through leasing. The content of tenant contracts is the starting point of the relationship between the owner and the tenant, and defines the respective rights and duties of both parties.

Scope
All the properties in the reporting period | Management at corporate level.

Information to Be Reported
a) Are environmental, social, and governance requirements included in contracts with tenants?

ESG requirements in tenant contracts may include arrangements for cooperation, management, and reporting on ESG issues.

Additional Considerations

Leases may include cooperative arrangements, for example:

- Tenant participation in any type of initiative related to environmental sustainability, such as recycling, green cleaning or land use ecology.
- Facilitate or require initiatives aimed to improve the well-being of neighbouring communities. Initiatives may be related to the provision of healthy food, commitments to gender diversity, health and safety or above-average remuneration for managers, responsible land and public space use, etc.
- Clauses for cooperation between the parties, in order to facilitate the conduction of works intended to improve the efficiency or environmental sustainability of the building.
- The lease may require one or both parties to appoint a representative responsible for sharing ESG information.
- Clauses for the owner’s acceptance of a good quality payment instead of rehabilitation works to facilitate reuse, recycling and redirection of installations/furniture.
Additionally, arrangements can be included for the management of ESG aspects, for example:

- Clauses for the installation of water, energy and waste metering equipment, programs to reduce consumption, education of employees on energy and water use, sharing of consumption data, installation of efficient products, etc.
- Clauses for the reduction of paper consumption, the supply of biodegradable materials, the use of recycled paper, sustainable building materials, etc.
- Clauses for the distribution of information about public transport, end-of-trip facilities, bike racks, car-sharing services, etc.
- Clauses for the installation of renewable energy plants and equipment, water recycling plants, etc.
- Clauses for the use of eco-friendly cleaning products, adjustment of the building’s waste strategy, etc.

Finally, arrangements for reporting ESG information can be included, for example:

- Clauses for the cooperation between the parties to ensure the comfort, including the follow-up of complaints, and programming a management system of the building, to maximize the efficient supply of air conditioning.
- Clauses for compliance or maintenance of a certification, sharing certificates when achieved, etc.
- Clauses to provide the owner with access to the tenant’s meter, or to automated monthly reports that are sent to both parties.
- Clauses to require building and maintenance contractors to adhere to waste programs, or not to interfere with building performance.
Offices and Commercial Sector Indicators

To reflect the specific risks of the office and commercial sectors, and to meet the expectations of particular stakeholders, the following additional indicators were identified:

**ESG Indicators for Offices and Commercial Sector by Dimension and Phase**

<table>
<thead>
<tr>
<th>Social</th>
<th>2020-2021</th>
<th>2022-2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Satisfaction Program of Collaborators</td>
<td>• Rapprochement program with the community and tenants on ESG</td>
<td>• Engagement program at the supply chain</td>
<td>• Furnishing and renovation program based on ESG topics</td>
</tr>
</tbody>
</table>

Fibra Shop
OC1. Programs to improve employee satisfaction

Description
This indicator aims to identify the organization's commitment to employee engagement and to promoting, developing and maintaining employee satisfaction. It assesses the company's response to the results of a satisfaction survey.

Scope
All the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

Information to Be Reported
a) Is there a programme to improve employee satisfaction?

A programme to improve satisfaction can consist of the following points that should be generated systematically:

- Development of action plans, focus groups, trainings, and feedback sessions.
- To ensure a continuous improvement, it is recommended to monitor periodically the progress (annually, quarterly, monthly, weekly).

b) If there is a program, specify the measures implemented

To improve satisfaction in the sector, the following measures (among others) can be considered:

- Increase acoustic comfort/noise control.
- Flexible working hours.
- Healthy food.
- Humidity control.
- Inclusive design.
- Indoor air quality.
- Lighting and/or daylight controls.
- Fatherhood/motherhood leave above the minimum legally required.
- Facilitate access to daycare.
- Physical activity.
- Access to physical and or mental medical care.
- Interacción y relaciones sociales.
- Thermal comfort.
- Water quality.
- Schemes for Home Office.
Additional Considerations

Regarding section a):

- If no program is available, it is recommended to set Specific, Measurable, Achievable, Relevant and Time Based (SMART) objectives.
- For the design of the program, it is recommended to develop and approve a short, medium and long term action plan.

Regarding section b):

- To establish the measures, it is recommended to consider the satisfaction survey results and the best practices of the sector.

OC2. Rapprochement Programs with the community and tenants on ESG issues

Description
This indicator aims to identify whether the entity has adopted a formal program of engagement with tenants and communities and identifies the issues covered.

An effective engagement program facilitates communication and provides an avenue for the needs, concerns and suggestions of tenants and communities to be integrated into operational decision-making and ESG issues.

Scope
All the properties in the reporting period | Management at corporate level.

Information to Be Reported
a) Do your facilities identify a negative impact on surrounding communities?
b) Does a rapprochement program exist with the community on ESG issues?

A rapprochement program with the community can include the following topics:
- Community health and well-being.
- Programs to improve public spaces.
- Job creation in local communities.
- Effective communication process to resolve community concerns.
- Activities with local community members for research and interaction.
- Community resilience, including disaster assistance or support.
- Support for charities and community groups.
- Training on ESG topics.
c) Is there a reapproachment program with the tenants on ESG issues?

A rapprochement program with the tenants may consist of the following points:

- Mutual feedback sessions with property operators or individual tenants on ESG issues.
- Events to increase consciousness on ESG issues.
- Trainings and guidelines on ESG issues.
- Communication channels with tenants for ESG issues.
- Focus groups.
- Regular follow-up meetings.
- Review and evaluation sessions.

Additional Considerations

- If no program is available, it is recommended to set Specific, Measurable, Achievable, Relevant and Time Based (SMART) objectives.
- For the design of the program, it is recommended to develop and approve a short-, medium-, and long-term action plan.
- A rapprochement program can be specific for each property; it can cover properties of the same kind or it can be established at a corporate level.
- To ensure continuous improvement, it is recommended to monitor the progress (annually, quarterly, monthly, weekly).
OC3. Supply Chain Engagement Programs

Description
This indicator is aimed to identify rapprochement programs with the supply chain, in order to know the decisions and activities carried out within it, for a better understanding of sustainability and to achieve the ESG goals and objectives.

Through a supply chain engagement program, the organization shows its commitment with the sustainability beyond its boundaries.

Scope
Organizations for individuals providing a product or service used in the organization’s supply chain (for example, direct suppliers, contractors, external operators/managers of properties) | Management at corporate level.

Information to Be Reported
a) Is there an ESG participating program available for the supply chain?

A program may consist of the following points:

- Development of action plans, trainings, backfeed sessions with suppliers or contractors, collaboration in the development of ESG policies.
- To ensure continuous improvement, it is recommended to monitor the progress periodically (annually, quarterly, monthly, weekly).

The program may include the following topics:

<table>
<thead>
<tr>
<th>Business ethics</th>
<th>Environmental and health standards in processes and products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human rights and labor regulations</td>
<td>Occupational Safety</td>
</tr>
<tr>
<td>Health and well-being</td>
<td>Requirements for subcontractors</td>
</tr>
</tbody>
</table>

Additional Considerations

- If no program is available, it is recommended to set Specific, Measurable, Achievable, Relevant and Time Based (SMART) objectives.
- For designing the program, it is recommended to develop and approve a short-, medium-, and long-term action plan.
OC4. Furnishing and Renovation Program Based on ESG Issues

**Description**
This indicator evaluates how the company deals with ESG issues in the equipment and renovation of property space.

A furnishing and renovation program helps to align the perspectives and activities of owners and tenants during an early stage of occupation, before the property is occupied. Guidance and support from the beginning of the lease reinforces the importance given to ESG issues and creates the basis for operating the buildings in a sustainable manner.

**Scope**
All the properties in the reporting period | Management at corporate level.

**Information to Be Reported**

a) Does FIBRA have an ASG-based equipment and remodeling program?

An program may consist of:

- Definition of standards/minimum criteria for furnishing and renovating
- Renovation guidelines considering ESG issues
- Action plan with defined times and objectives
- Assistance to tenants in the renovation to meet minimum standards
- Assistance to tenants throughout the purchasing process of furnitures

b) Set the percentage of properties with a furnishing and renovation program (in %)

**Additional Considerations**

Regarding section a):

- Minimum standards/criteria for furnishing and renovation may include the following: sector certification criteria (WELL and LEED), use of renewable energy, water consumption reduction, more efficient air conditioning, ergonomics, etc.
- Assistance in the furniture purchase process may include guides to “green” or eco-friendly purchases, provide purchasing channels, and recommendations from sustainable suppliers.
Hotel Sector Indicators

To reflect the specific risks of the hotel sector and to meet the expectations of particular stakeholders, the following additional indicators for the sector were identified:

**ESG Indicators for Hotel Sector by Dimension and Phase**

<table>
<thead>
<tr>
<th>Social</th>
<th>2020-2021</th>
<th>2022-2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and welfare programs of collaborators</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Health and safety indicators of collaborators</td>
<td></td>
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</tbody>
</table>

Fibra Inn
H1. Employee Health and Well-being Program

Description
This indicator aims to identify the organization’s commitment to the health and well-being of employees and to promote, develop and maintain an adequate working environment.

A health and wellness program creates value through systematic measures to manage and mitigate risks.

Scope
All the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.

Information to Be Reported
a) Do you have a health and well-being programme for your employees?

A health and well-being program can consist of the following points:
- Process to identify and understand employee health and wellness needs (for example, satisfaction surveys or medical examinations).
- Setting goals to promote physical, mental and social health and well-being.
- Mechanisms to monitor the progress periodically (annually, quarterly, monthly, weekly).

b) If a program exists, specify the measures implemented

To promote health and well-being in the sector, the following measures (among others) can be considered:
- Increase acoustic comfort/noise control.
- Flexible working hours.
- Healthy food.
- Humidity control.
- Inclusive design.
- Indoor air quality.
- Lighting and/or daylight controls.
- Fatherhood/motherhood leave above the minimum legally required.
- Facilitate access to daycare.
- Physical activity.
- Access to physical and or mental medical care.
- Interacción y relaciones sociales.
- Thermal comfort.
- Water quality.
- Schemes for Home Office.
Additional Considerations

Regarding section a):

- If no program is available, it is recommended to set Specific, Measurable, Achievable, Relevant and Time Based (SMART) objectives.

- For the design of the program, it is recommended to develop and approve a short, medium and long term action plan.

Regarding section b):

- To establish the measures, it is recommended to consider the satisfaction survey results and the best practices of the sector.

H2. Employee Health and Safety Indicators

Description

This indicator aims to constantly monitor the occupational health and safety of employees within the organization, through the registration of each of the incidents, for better management and continuous improvement.

Having a record of those occupational incidents shows the commitment of the organization with its employees. It allows to identify areas of opportunity in incident prevention and promotion of occupational health and safety for the generation of a plan or management system, in order to achieve an adequate and safe performance of the work of the organization.

Scope

All the collaborators of the organization, its subsidiaries, or affiliates | Management at corporate level.
Information to Be Reported

c) Number of fatalities:
d) Accidents:
   o Number
   o Rate

A recordable occupational accident is considered any immediate or later organic lesion or functional disturbance, death or disappearance derived from an act of delinquency suddenly produced from the exercise of the job or due to the job, irrespective of the place and time of its occurrence. Accidents that occur during commuting directly from home to the workplace and vice versa are included in this definition (in accordance with article 474, Federal Labor Law).

The accident rate is estimated including the total number of accidents during their reporting year over the total number of collaborators of the organization.

Lost Time Injury Frequency Rate (LTIFR): The number of lost time injuries occurring in the workplace per 1 million hours worked. To estimate the LTIFR, use the following formula: (number of lost time injuries in the reporting period / Total hours worked in the reporting period) x 200,000.

e) Occupational diseases:
   o Number.
   o Type of diseases.
   o Absenteeism rate.

Any pathological state derived from the continuous action of a cause that has its origin or motive in the work or in the environment in which the worker is obliged to provide his or her services is considered an occupational disease. In any case, the diseases listed in the table of article 513 of the Federal Labour Act shall be considered occupational diseases.

Absenteeism rate is a measure expressed as a percentage considering the number of attendance days over the total working days of the staff in the reporting year.

Additional Considerations

Regarding section a) y b):

- If an occupational accident occurs at the enterprise or workplace, or in the route, a “Notice of Occupational Accident” must be submitted within the following 70 hours of the incident, to Labor inspection, the Conciliation and Arbitration Board, and the Secretariat of Labor and Social Welfare (STPS) (article 504, fraction V, Federal Labor Law). The use of these notices is recommended as database for the indicator.
Key Concepts Definition

This section defines the key concepts that are required for proper understanding of the indicators presented.
Standing investments

Real estate properties in which construction work has been completed and are intended to lease and generate lease income. The occupancy level is not relevant to this definition.


Climate change adaptation

Preparation for long-term change in climatic conditions or climate related events. Some examples of climate change adaptation measures are the following: building flood-resistant infrastructures, using tree species resistant to storms and fires, adapting building codes to extreme weather events.


Drinking water

Water use for drinking and domestic purposes, cooking, and personal hygiene. To be considered as drinking water it must meet certain microbiological and chemical standards set at the WHO Drinking-water Quality Guidelines.


Groundwater

Water contained under the soil, at the holes connected of rocks.


Surface water

All those that are found on the surface of the ground and that come from rain, springs or thaw and do not infiltrate the soil or return to the atmosphere through evaporation. They can be found flowing or at rest. Includes: wetlands, lakes, rivers, and streams of water, among others.


Gross Leasable Area (ABR)

Total leasable area of assets.


Biodiversity

It refers to the variety of life and species; including several levels of biological organization: plants, animals, fungus, microrganisms living in a specific space.

Value chain
The value chain is the set of resources and processes that starts with the raw material and production of a product or service until its delivery to the end user. It includes all the companies that participate in the production, distribution, handling, storage and marketing of a product or service and the following agents are involved: suppliers, contractors, transporters, distributors, among others.


Indoor air quality
The physical or biological characteristics of air within buildings. Indoor air quality is typically the product of outdoor quality measured by the design and operation of building systems.


Auditing Committee
Responsible for monitoring the company through the establishment and follow-up of the internal control system and ensuring transparency. A Board of Directors or governing body establishes an Audit Committee to help fulfil its fiduciary responsibility. An effective Audit Committee should have a clear description of duties and responsibilities. It should consist of at least three independent members.


Compensation Committee
It is an intermediate body established to govern employee compensation and ensure that employee remuneration decisions are made fairly, consistently and independently. It must consist of at least three members appointed by the Technical Committee.


Nomination Committee
It is an intermediate body established for the search, analysis and evaluation of candidates for election as Independent Members of the Technical Committee and controls and reviews all matters related to the independence of such members. It must be constituted by at least three independent members.


Practices Committee
It is an intermediate body established as a mechanism for solving conflicts of interest and for the management of relevant operations with the interested parties. It must be constituted by at least three independent members.


Fair competition
It occurs when enterprises performing the same activity compete freely without illegal tactics creating advantage and affecting the free competition process.

Employee Engagement
The participation, approach and satisfaction of an employee with the entity in which he works.


Conflict of interest
The possible effect on the impartial and objective performance of an organization's activities due to personal, family or business interests.


Acoustic comfort
Minimize sound to promote mental well-being and in some cases, ear health. This could include building design and material selection to promote acoustic comfort for employees and tenants, as well as efforts and mechanisms to protect hearing health and limit acoustic disturbances in the communities surrounding the entity's assets during construction and operations.


Thermal comfort
The thermal environment, including air temperature, speed and humidity, can influence the thermal comfort of employees. This, in turn, contributes to their productivity and well-being.


Water consumption
The water volume used to cover the needs of users.


Atmospheric pollutants
Pollutants of major public health concern include ozone depleting substances (ODS), NOx, SOx, Particulate Matter (PM), and/or other standard categories of air emissions identified in relevant regulations.

Contractors
Organizations or persons working on-site or off-site on behalf of an entity with a relationship determined by a contract. A contractor may hire their own staff directly or hire sub-contractors or independent contractors.


Fiduciary duty
There are two types of fiduciary duties that directors or board members have with the society or third parties:

- **Due diligence**: acting in good faith and in the best interest of the society and corporate persons that this controls.
- **Duty of loyalty**: to keep confidential information and matters of which they have knowledge due to their position when such information is not of a public nature.

Human rights

Human rights are rights inherent to all human beings, regardless of nationality, place of residency, sex, ethnicity, color, religion, language, or any other status. These rights include the following: the right to life, liberty, education, work, freedom of opinion and expression, among others.


Community development

A process in which the community meets with the organization to create a plan to minimize, mitigate, or offset impacts and take action to generate solutions to common social issues.


Discrimination

Practice that consists in giving unfavorable treatment or undeserved contempt to a certain person or group due to their physical characteristics, way of life, ethnic or national origin, sex, age, disability, social or economic status, health condition, religion, sexual preferences, marital status, among others; causing negative effects such as inequality, violence and isolation.


Inclusive design

Design that incorporates and considers individuals of different religions, genders, ages, ethnicities, cultures, disabilities, etc. For example, multi-religious space, nursing rooms, ramps, wheelchair lifts, among others.


Diversity

It means variety. It refers to things that are different from each other. Human diversity includes: nationality, ethnic origin, race, gender, age, culture, professional background, political and religious beliefs, personality, among others.


Due diligence

Systematic process which collects and interprets information about a potential project or new acquisition.

Scope 3 emissions
Indirect emissions of greenhouse gases effect which Indirect emissions of greenhouse gases that are a consequence of the activities of an entity but are not controlled by it because they arise from sources of greenhouse gases that are owned or controlled by other organizations. In this case, emissions generated by tenants and customers, as long as they are not in the name of the trust or manager, and the supply chain are considered as Scope three.


Greenhouse Gases (GHG) Emissions
Greenhouse Effect Gases refer to the seven gases listed in the GHG Protocol Corporate Standard: carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFC); perfluorocarbons (PFC); nitrogen trifluoride (NF₃), and sulphur hexafluoride (SF₆). They are expressed in CO₂ equivalents (CO₂e).


Direct emissions (Scope 1)
These are those that come from a source that is owned or controlled directly by the organization. They include CO₂ emissions from fuel consumption at the property, and if the organization owns a mobile emission source (cars, trucks, motorbikes) they should also be considered as scope 1.


Indirect emissions (Scope 2)
These are derived from the consumption of electrical energy purchased from a third party for lighting, heating, cooling, ventilation, pumps, among others.


Electric energy
Any source of energy generated or bought from either renewable or non-renewable sources.


Gender equality
Set of rules that allow the equal participation of men and women in their organizational and social environment, thus avoiding the implementation of stereotypes or discrimination.


Endangered species and threatened by extinction
Endangered species are those which populations have been decreasing due to human activities such as the transformation of their habitat, overexploitation, interaction among invaders, pollution effects, to the extent of considering necessary their protection. In Mexico, four categories for endangered species are used contained in the standard NOM-059.

Mexican Commission for the Knowledge and Use of Biodiversity. Retrieved from: https://www.biodiversidad.gob.mx/especies/catRiesMexico
ICF's performance standards

Sustainable development is an integral part of the International Finance Corporation's (IFC) approach to risk management. It defines commitments, roles and responsibilities in environmental and social sustainability in order to guide its clients in identifying and mitigating risks and impacts as a way of doing business in a sustainable manner.


FIBRA (Mexican REITs)

Real Estate Investment Trusts (FIBRAs, for its Spanish acronym) have the objective of collecting resources in the stock market to conform large real estate portfolios. FIBRA is a vehicle focused on both the acquisition and construction of real estate properties to be rented in Mexico. As an investment instrument, FIBRAs are focused on different segments of the real estate sector, such as: offices, industrial, hotels, commercial (retail) and self-storage (storage).

Glossary. AMEFIBRA. Retrieved from https://amefibra.com/conoce-las-fibras/que-son-las-fibras/

Fraud

The crime of fraud is committed by the person who has misled someone or has taken advantage of the error a person has committed by illegally obtaining a thing or reaching an undue profit.

Chamber of Deputies of the Congress of the Union. (January 24, 2020). Federal Penal Code. From the Federal Official Gazette:

Gender

Social concepts of roles, behaviors, activities, and attributes that each society considers appropriate for men and women.


Corporate governance

It is the system under which companies are managed and controlled, involving relations between the company’s administration, its Board, its shareholders and interested third parties.


Social interaction

The provision of common spaces to promote social cohesion such as a coffee area, courtyard, garden, and/or activities that promote social interaction such as employee appreciation days, lunchtime policies, etc.


ISO 9001


ISO 14001


ISO 20400


ISO 26000


ISO 50001


Freedom of association

Right of employers and workers to form, to join and to run their own organizations without prior authorization or interference by the state or any other entity.


Materiality

ESG aspects reflecting significant economic, environmental, and social impacts; or with substantive influence on the assessments and decisions of stakeholders.


International Labour Organization (ILO) Standards

International labour standards are legal instruments drawn up by the ILO's constituents (governments, employers and workers) and setting out basic principles and rights at work.


New construction

It includes all activities to obtain or change construction or land use permits and financing. Includes construction work on the project with the intention of increasing the value of the property. The development of new buildings and additions to existing buildings that affect usable space can be treated as new construction. New construction projects refer to buildings that were under construction at any time during the reporting year.


Sustainable Development Goals of United Nations

It is a universal call for action to end poverty, protect our planet and ensure peace and prosperity for all. The 17 Goals were adopted by all United Nations Member States in 2015, as part of the 2030 Agenda for Sustainable Development, which established a 15-year plan for achieving the Goals.

Retrieved from https://sdgs.un.org/goals
SMART objectives

SMART is an acronym for specific, measurable, achievable, reasonable, and time bound, which is used as a criterion for the clear definition of objectives.

OECD - Guidelines for Multinational Enterprises

They are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They provide principles and standards for responsible business conduct in a global context consistent with applicable laws and internationally recognised standards.


Principles for Responsible Investment (PRI)

PRIs work with its international network of signatories to execute the six Principles for Responsible Investment. Its goals are to understand the investment implications of environmental, social and governance factors and to support the signatories for incorporating these factors into their investment decisions.


United Nations Global Compact

Voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support United Nations goals.


Action plan

A detailed plan outlining actions needed to enhance tenant satisfaction. An action plan has three major elements: 1) Specific tasks: what will be done and by whom; 2) Time horizon: when will it be done; 3) Resource allocation: what specific funds are available for specific activities, and 4) Measurable outcomes.


Policy

It defines a commitment, direction or intent as formally adopted by the entity.


Principios de Ecuador

The Equator Principles Financial Institutions (EPFI), as financiers and advisors, are focused on collaborating with their clients to assess and manage environmental risks and impacts in a structured way. Such collaboration promotes sustainable development and performance to achieve better financial, environmental, and social outcomes and verifies that the financed and advised projects are developed in a manner that is socially responsible and using the best environmental management practices.

Privacy

It is the right not to be disturbed in your person, family, home, papers or possessions and not to suffer interference or intrusion.


Personal data protection

With the fundamental right to data protection there is the aim to ensure the person the power to control his/her information regarding its collection, use, and destination with the purpose of preventing its illegal management. The Federal Law on Protection of Personal Data is aimed to protect personal data held by private parties for regulating its legitimate, controlled, and informed management.


Suppliers

Organizations or persons that provide a product or service used in the supply chain.


Waste

Material or product whose owner discards and which is found in a solid or semi-solid state, or in liquid or gas contained in containers or tanks, and which can be susceptible to valorization or required to suffer a treatment or its final disposal pursuant to that set forth in the General Law for the Prevention and Integral Management of Wastes (LGPGIR, for its Spanish acronym).


Hazardous wastes

A waste or combination of solid wastes that due to their quantity, concentration or physical or chemical characteristics, may cause or contribute significantly to critical illness or damage. To be considered as hazardous waste it must comply with one of the following characteristics: Corrosive, Reactive, Explosive, Toxic, Inflammable and Infectious Biological (CRETIB).


Resilience

1. A person’s ability to adapt to a change, disaster or disruptive agent.

2. Ability of a material, construction or system to recover its initial state after undergoing a disturbance or disaster.

Diccionario Real Academia Española (DLE) (23). Retrieved from https://dle.rae.es/resiliencia
**IDB safeguards**

The Inter-American Development Bank (IDB) designs environmental and social risk assessment and management measures to improve the sustainability of its operations.


**Task Force on Climate Related Financial Disclosures (TCFD)**

The TCFD seeks to develop recommendations for the voluntary disclosure of financial information related to climate change that is consistent, comparable, reliable, clear and efficient, and that provides useful information for decision-making by lenders, insurers and investors.


**Forced labor**

Any work or service required of any person under the threat of any sanction and for which such person has not volunteered.


**Child labor**

Work that children should not be doing because they are too young, or, if they have reached the minimum age, because it is dangerous or otherwise unsuitable for them.


**Net operating income (NOI)**

It means the net operating income generated by the trust, in the understanding that it includes the total income of the trust minus its expenses (excluding bank commission amortization and non-recurrent expenses).