

SOLID PERFORMANCE

Integrated Report 2019

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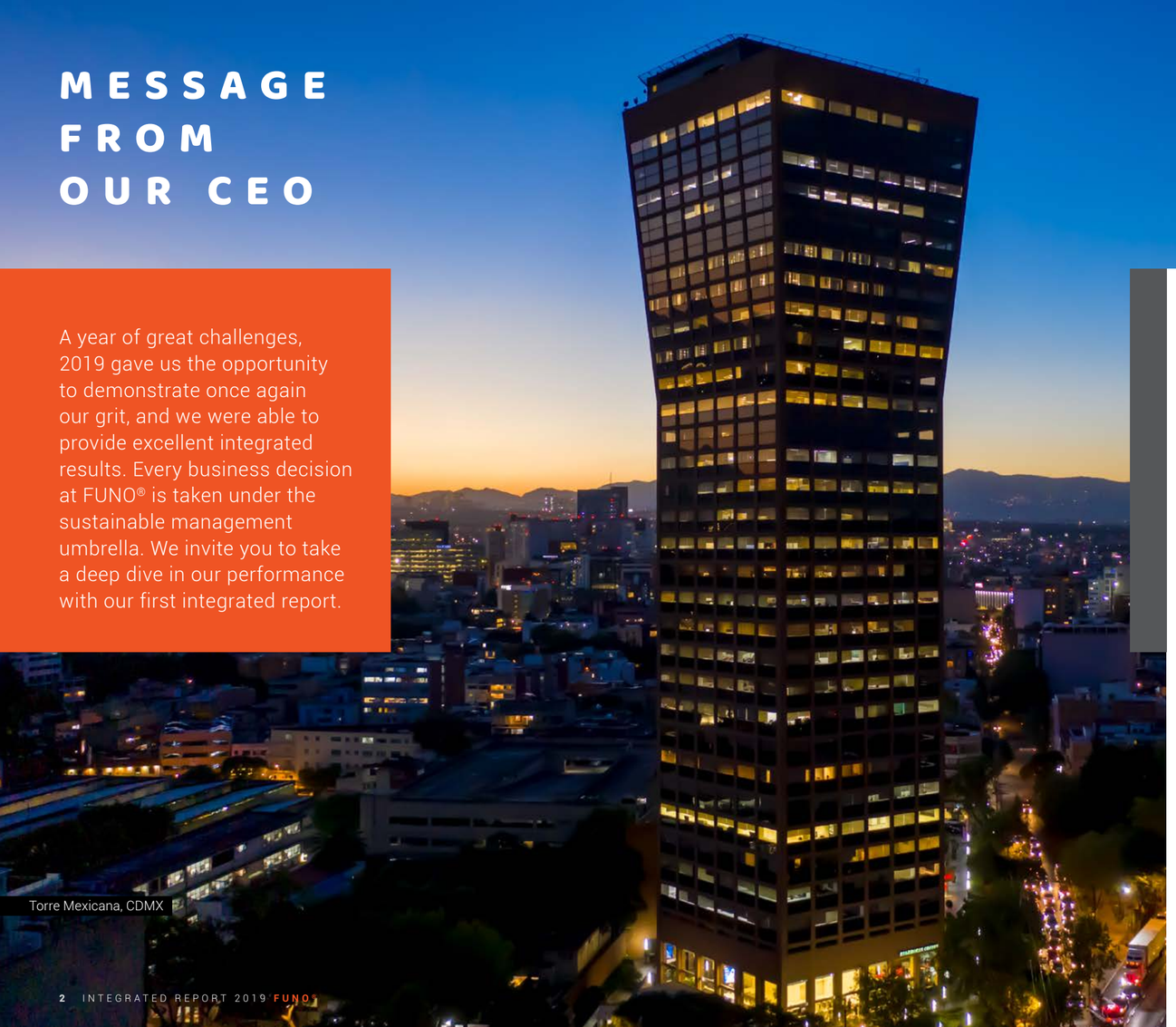
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Centrum Park, CDMX

MESSAGE FROM OUR CEO

A year of great challenges, 2019 gave us the opportunity to demonstrate once again our grit, and we were able to provide excellent integrated results. Every business decision at FUNO® is taken under the sustainable management umbrella. We invite you to take a deep dive in our performance with our first integrated report.



Torre Mexicana, CDMX

12.3% of growth NOI by CBFI.

For us, innovation has always been a distinctive factor, and in 2019 it proved to be such again with the signing of the first sustainability linked syndicated committed credit line in Latin America. Said credit line interest rate is linked to our performance in energy intensity.

Connecting our environmental, social and financial performance has been a constant commitment at FUNO® and it shows the way we perceive sustainability. Looking at the long-term performance of the company from all perspective.

In 2019 the way we approach environmental and social issues made our commitment towards Mexico evident, allowing us to continue our operations and our contribution to the communities in which we are present.

We made a social investment of $84.9 million pesos, with an estimated direct positive impact on more than three million Mexicans, additionally, we reduced our energy and water intensity by 4.5% and 16% respectively, which reflects in our NOI.

Although we are fully aware that 2020 will be a year full of new challenges, we are also positive that FUNO® will persevere on its path of being a growth and cohesion driver for many Mexican communities, as it has been until today.

The relationship with our stakeholders is ever stronger and closer; our closeness to tenants is clear, and, where possible, we have established a “one on one” communication strategy, directly negotiating and supporting them in their growth. Together with our analysts and investors, work has been continuous, and in 2019 we conducted several tours for them to become familiar with FUNO®'s properties, experimenting our business model. As to what the communities in which we operate concerns, these are, with no doubt, the most diverse and complex stakeholder we have. Our social investment has increased considerably every year and in 2019 we launched the “FUNO® te ayuda a ayudar” (FUNO® helps you to help), through which we will support five vulnerable communities, four of them in Guerrero and one other in Quintana Roo.

Managing risks

FUNO®'s Technical Committee acknowledges the importance of forging a culture of transparency and responsibility; in line with the tenth Principle of the UN Global Compact, FUNO® fights against corruption in all its forms, including extorsion and bribery. With this, we continue our support to the UN Global Compact and it´s ten principles for the 5th year in a row.

Each one of our employees is responsible for the corresponding controls in their areas and departments and we strive to provide them with the necessary tools to act and work under the most ethical standards, mainly focused on ongoing training in our Code of Ethics as well as the availability 24/7, 365 days a year of our ethics line, operated by a third independent party. The Ethics Committee is responsible for monitoring every case reported, as well as its investigation.

We will continue on, working for contributing to Mexico, forging relations of trust with investors, banks, communities, tenants, and of course, our people.

André El-Mann

Our performance

19.2 billion
pesos in net income
(+11.5% vs 2018)

94.5%
occupancy

910,566 sqm
of LEED Certified

63.9 kWh per occupied sqm
(-4.5% vs 2018)

10,130,413 sqm
of gross leasing area
(+17.6% vs 2018)

615
properties

0.030 Ton CO_2e per occupied sqm
(-17.8% vs 2018)[1]

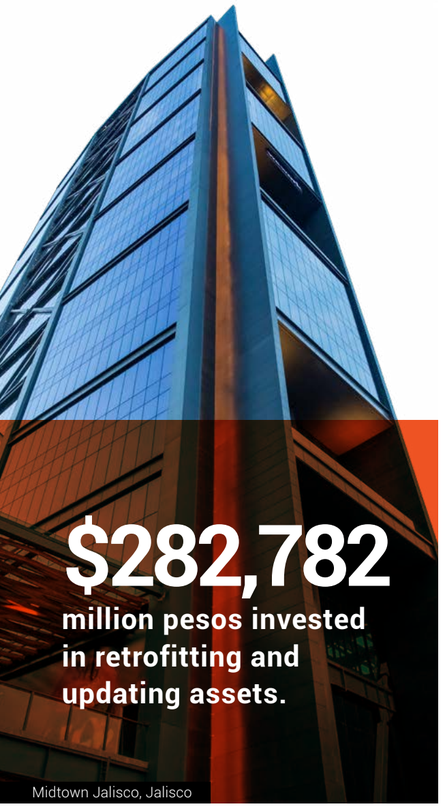
1.7 m^3 of water per occupied sqm
(-16% vs 2018)

[1] The emission intensity shown considers Scope 1 and Scope 2. The total emissions can be found on page 57.

Torre Mayor, CDMX

Centrum Park, Edo. de México

Operations and **Presence**



$282,782
million pesos invested in retrofitting and updating assets.

Midtown Jalisco, Jalisco

We are the first and largest REIT in Mexico. Creating sustainable value for our investors and other stakeholders is the focus of our business strategy, through the lease, operation, acquisition, development and sale of real state.

With more than 615 properties, a total surface of 10.1 million sqm. of gross leasing area and a 94.5% occupancy, FUNO® takes pride in offering spaces that foster economic dynamism across the country. This allows us to be a natural accelerator of sustained growth for the communities we operate in, generating an economic impact of $962 million pesos through the contracting of 90% of local suppliers, and another of $213.5 million pesos by creating direct jobs and boosting human talent.



Tepoz Park, Edo. de México

Total properties in Mexico **615**



Our **sustainability** pathway

2016

» Adherence to the UN Global Compact
» Creation of the Sustainability Management Department
» First Materiality Analysis
» Establishing FUNO®'s Sustainability Strategy

2017

» Members of the DJSI MILA
» Strengthening the link between our business model and the sustainability strategy
» Strengthening the institutionalization of sustainability within FUNO®
» Reinforcement of our sustainability strategy, with a focus on the material aspects for FUNO®
» Publishing the first sustainability report

2018

» Development of our Sustainability Policy
» First sustainability risks mapping process
» Members of the FTSE4Good Index
» Development of the first carbon footprint

2019

» Inclusion in DJSI Emerging Markets Index
» Implementation of FUNO®'s Sustainability Committee
» Creation of the Sustainability Committee in AMEFIBRA
» Sharing best practices and lessons learned with other Mexican REITs
» Presidency of the Sustainability Committee of AMEFIBRA

Centrum Park, Edo. de México

How we create value

As a good corporate governance practice, at FUNO®, all relevant resolutions are voted on, individually at the CBFI holders' meeting and the results are made public for each resolution independently.

The foregoing, taking into consideration the opinions and results of the risk analysis that we carry out and monitor annually which includes all of the company's stakeholders.

Additionally, our ethics line through which we receive their comments, concerns and needs, strengthening both our business and sustainability concerns is publicly available for all stakeholders and the information is available on property offices, Code of Ethics, as well as on our webpage.

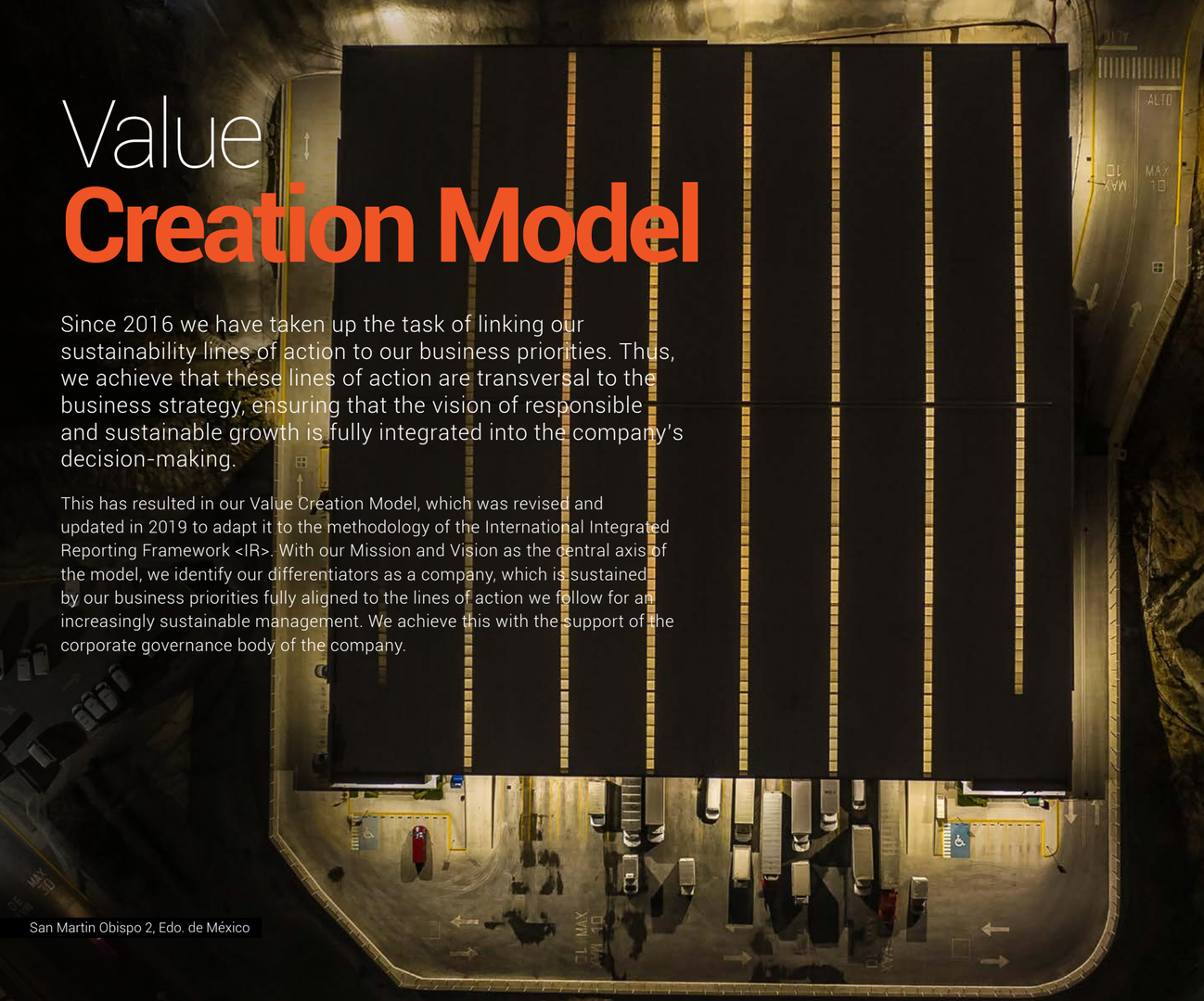
40 cases received and attended through our ethics line.

Portal San Ángel, CDMX

Value Creation Model

Since 2016 we have taken up the task of linking our sustainability lines of action to our business priorities. Thus, we achieve that these lines of action are transversal to the business strategy, ensuring that the vision of responsible and sustainable growth is fully integrated into the company's decision-making.

This has resulted in our Value Creation Model, which was revised and updated in 2019 to adapt it to the methodology of the International Integrated Reporting Framework <IR>. With our Mission and Vision as the central axis of the model, we identify our differentiators as a company, which is sustained by our business priorities fully aligned to the lines of action we follow for an increasingly sustainable management. We achieve this with the support of the corporate governance body of the company.



San Martin Obispo 2, Edo. de México

KEY DIFFERENTIATORS FOR THE ACHIEVEMENT OF PRIORITIES

SUSTAINABILITY MANAGEMENT
- REDUCE THE OPERATIONS COSTS IN THE PRESENT
- MAINTAIN OR INCREASE THE PROPERTIES' VALUE
- BROADEN OUR ESG INVESTORS' BASE

BUSINESS GROWTH
- ACQUISITIONS STRATEGY FOCUSED ON BOOSTING VALUE GENERATION IN THE LONG-TERM

CORPORATE GOVERNANCE
- EXCEPTIONAL SUPPORT FROM THE TECHNICAL COMMITTEE
- ETHICAL AND TRANSPARENT BEHAVIOR
- COMPANY'S VALUES AND CULTURE TRANSMISSION

MISSION

To create sustainable value through leasing, operating, acquiring and developing real estate in key locations with high economic dynamics and favorable growth prospects in Mexico. Always looking to match our business model with our tenants' growth strategies, mainly in the retail, industrial and office segments.

VISSION

a) Be the first option to satisfy our tenants real estate needs.
b) Maintain geographic and segment diversification in markets with favorable growth prospects.
c) Continue to be the leading real estate lessor, operator and developer in Mexico.
d) Contribute positively to the development of Mexico and of the communities where we operate real estate.
e) Grow our property portfolio through profitable acquisitions and developments, under favorable financing conditions aiming at creating sustainable value for our investors.
f) Maintain our commitment towards social and environmental responsibility.
g) Always seek to operate in a sustainable manner.

BUSINESS PRIORITIES

- **EXCEPTIONAL PORTFOLIO AND UNIQUE LOCATION**
- **100% LONG-TERM VISION REIT**
- **CONTRACTS POTENTIAL** (CONVERSION AND BETTERMENT OPTIONS)
- **FOCUS ON TENANTS**
- **TALENT DEVELOPMENT**
- **FINANCIAL PRUDENCE** (INCLUDING LONG-TERM RELATIONS WITH CONTRACTORS AND SUPPLIERS)

SUSTAINABILITY LINES OF ACTION

- **ETHICS**
- **CORPORATE SOCIAL RESPONSIBILITY**
- **OUR PEOPLE**
- **WATER RESOURCE MANAGEMENT**
- **ENERGY ECO-EFFICIENCY**
- **EMISSIONS CONTROL**

Corporate governance:
Vertical leadership

SDG 16: Peace, justice and strong institutions.
GRI Standards: 102-18 a 102-32.
Other indicators: C1.1b; F4.2b; W6.2b.

Highest governance body that, through a series of resolutions, establishes the regulations in accordance to its competency's areas.

IT IS:

PLURAL: COMPOSED BY EVERY PERSON THAT ACQUIRES CBFIS THROUGH THE PUBLIC MARKET OR ANY OTHER MEANS.

INDEPENDENT: THE VAST MAJORITY OF INVESTORS OWN 70% OF THE CBFIS AND ARE REPRESENTED BY A UNIQUE INDEPENDENT TRUST THAT ACTS AS A COMMON REPRESENTATIVE. THIS INDEPENDENCE IS GUARANTEED BY THE OWN LEGAL PROVISIONS AND OUR TRUST CONTRACT.

- LEGAL
- ADMINISTRATION AND IT
- OPERATIONS
- INVESTOR RELATIONS
- FINANCE
- TREASURY

- CEO
- DEPUTY CEO
- VICE PRESIDENCIES

- Involved in economic, environmental and social issues, according to their responsibilities, expertise and operation.
- They are accountable before the CEO and Deputy CEO.
- During the sessions of the Executive Committee they present and analyze challenges, opportunities and impacts identified; if they are conducive, the Technical Committee communicates them to the CBFI Holders Assembly, in which sessions the CEO and / or those vice-presidents involved, present the economic, environmental and social cases when relevant enough.

The process of delegating responsibilities from the CBFI Holders Assembly, passing through the Advisory Body to the executives, is described in FUNO®'s statutes.

Samara, CDMX

- Risk management and preventive decision making.
- Corporate Governance Body, Ethics and Anti-corruption decision making.
- Decision making process regarding environmental issues.
- Decision making process regarding economic issues.
- Decision making process regarding social, community engagement and health and safety issues.

HOLDERS ASSEMBLY

Technical committee
- Composed of 12 members; five of them independent and seven of them owners.
- All of the independent members participate in three Committees - Audit, Corporate Practices and Compensation Practices.
- It has a non-member Secretary.
- The chair of the Technical Committee is not an executive of the organization.
- The functions of the chair are separated from those corresponding to the CEO.
- Its members have wide experience in economic, social, environmental, political and cultural issues, related to FUNO®'s purpose.
- It's the recipient of the guidelines issued by the Holders Assembly.
- Responsible for establishing and approving the organization's purpose, values, mission, strategy, policies and objectives.
- There are some members of the families relevant to the Trust that hold approximately 30% of the CFBIs in circulation.

VOTING TRUST

TECHNICAL COMMITTEE
42% INDEPENDENT

Delegates the execution of all the relevant actions for assuring the compliance of the resolutions taken in:

EXECUTIVE COMMITTEE

Responsible for FUNO®'s sustainabilty performance.

COMMERCIAL COMMITTEE

SUSTAINABILITY COMMITTEE

COLLECTIONS COMMITTEE

ETHICS COMMITTEE

In order to guarantee the correct functioning of the company, it receives support of:

SUBCOMMITTEES

AUDIT COMMITTEE
100% INDEPENDENT

CORPORATE PRACTICES COMMITTEE
100% INDEPENDENT

COMPENSATION AND NOMINATION COMMITTEE
INDEPENDENCE MAJORITY

F U N O
TRUST F/1401

FIBRA UNO MANAGEMENT
ADVISORY BODY

F1 MANAGEMENT

PROPERTIES PORTFOLIO

FUNO® has a dedicated team to monitor operations, in order to prevent money laundering practices and strengthen anti-corruption practices.



Pabellón Cuemanco, CDMX

One of FUNO®'s main competitive advantages is the solidity and reputation of its Technical Committee[2]. It represents an exceptional support with a wide expertise, characterized by transparency and tenacity to guide the organization towards building the success that defines us. This Committee is responsible for providing information on the performance of its functions when the CBFI Holders Assembly so requires.

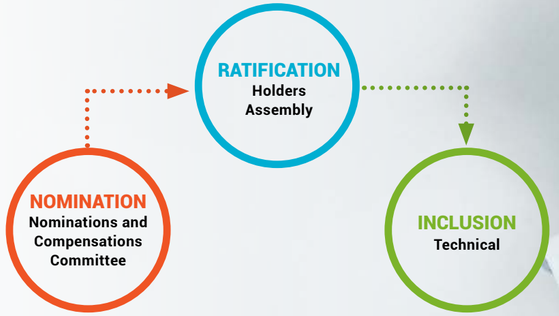
The holders can count on an extensive source of public information about the operation, risks, as well as the governing terms and conditions of the Trust. Furthermore, to facilitate the decision-making process, the holders have the power and possibility to carry out the consultation processes that they consider necessary or convenient to deliberate, vote for or against matters related to economic, environmental and social aspects that are object of the Assembly. They are also empowered to request further information from the highest governance body for consultation and advice on specific issues.

The Technical Committee exercises its functions with the support of the Committees that depend on it and it is these bodies responsibility to communicate all critical concerns (including socio-environmental concerns) detected, based on the interaction they hold with stakeholders. This way, the Technical Committee has all the faculties to address and resolve these types of concerns. Except when, due to its relevance, the issue is exclusively for the Holders Assembly attention. If so, the Assembly is in charge of addressing and resolving them based on FUNO®'s provisions and applicable legislation.

[2] The names and information of the Technical Committee members is available at https://funo.mx/inversionistas/esg-sustainability/corporate-governance/committee

The nomination of the new members for the Technical Committee is responsibility of the Nominations and Compensations Committee, whose independence is represented by 60% of its members, while ratification is carried out by the Holders Assembly. For compensation decisions, only independent committee members have the right to vote and it must be accepted at the Holders Assembly.

This mechanism ensures that the interests of potential members are aligned to the business objectives.



Committee Members have a vast experience regarding the management of the topics corresponding to each Committee and, given that FUNO® is a young company, the average tenure the members of the Committees is eight years.



Principles, ethics and anti-corruption

SDG 16: Peace, justice and solid institutions.
GRI Standards: 102-16, 102-17; 205-1 a 3.

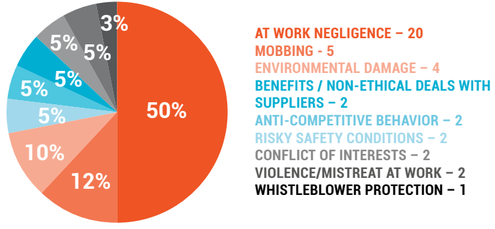
FUNO®'s Code of Ethics[3] establishes the values and guidelines that govern our actions. All employees must adhere to the provisions of the COE, including members of the Technical Committee, subsidiaries and joint ventures. This has led us to comply with all the laws in place for our industry and corporate structure.



FUNO®'s principles, which are the foundation of our corporate culture, are:

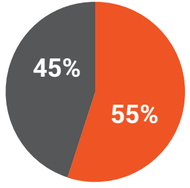
- **RESPECT AND EMPLOYEES' DEVELOPMENT**
- **INTEGRITY AND MODERATION**
- **PASSION FOR CUSTOMER SERVICE**
- **SOCIAL VALUE CREATION**

GRIEVANCES CATEGORIES[4]



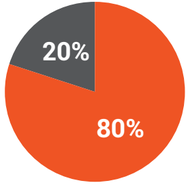
- AT WORK NEGLIGENCE – 20
- MOBBING - 5
- ENVIRONMENTAL DAMAGE – 4
- BENEFITS / NON-ETHICAL DEALS WITH SUPPLIERS – 2
- ANTI-COMPETITIVE BEHAVIOR – 2
- RISKY SAFETY CONDITIONS – 2
- CONFLICT OF INTERESTS – 2
- VIOLENCE/MISTREAT AT WORK – 2
- WHISTLEBLOWER PROTECTION – 1

USERS



- SUPPLIER - 22
- EMPLOYEE - 18

ANONIMITY



- NOT ANONYMOUS - 32
- ANONYMOUS - 8

Compliance and Resolution for Conflict of Interests

To safeguard the integrity of our processes, we have developed FUNO®'s Conflict of Interests Policy, for the benefit of our CBFIs holders by mitigating any situation that may arise. Such Policy establishes that, for the decision making process and before formalizing any contract, transaction or relationship with any related person, the vote of approval of the majority of the members of the Technical Committee is required, as well as the positive vote of most of the independent members of said Committee is needed before the closure of any material contract, transaction or relationship with any related part, including our advisor, the leasing manager, the trustor, the members of the relevant families, members of the Technical Committee or any other person or part that might present a conflict of interest.

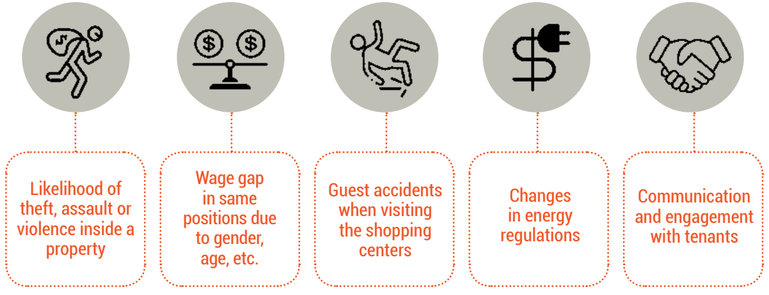
In addition, our conflict of interest mechanism, acquisitions or joint venture policies with related parties, including taxpayers and relevant family members, also require the affirmative vote of the majority of the independent members of our Technical Committee and the positive vote of the majority of the members of said Committee.

To learn more about the process, please refer to **https://en.funo.mx/esg/administracion_de_riesgos.php**

Risk Management

Proactive risk partaking is central to our core business and strategy. Risk management at FUNO® is not about eliminating or avoiding them, but about preventing them as much as possible and developing action protocols in case of occurrence.

In 2018 we carried out a non-financial risk assessment, which was updated in 2019 with a holistic assessment carried out by a third-party. Derived from this, the five most relevant and highest impact ESG risks found for FUNO® are:



(3) To learn more about our Code of Ethics, please visit: https://en.funo.mx/esg/common_files/codigo_etica.pdf

(4) In 2019, the employment relationship of eight people was terminated for breaches to the Code of Ethics.

Money laundering prevention practices

SDG 16: Peace, justice and strong institutions.
GRI Standard: 415-1.

Given the nature of our business, money laundering prevention practices are one of the main actions carried out to maintain a disciplined financial operation that generates value to our holders, as well as to comply with the Federal Law for the Prevention and Identification of Operations with Illegitimate Origin Resources.

Our Legal and Tax[5] departments collaborate strategically to achieve a successful and effective management of this risk, by maintaining a close communication and safeguarding of tenants' personal data and the company's cashflow, generated through monthly collections.

In the same sense, we have a specialized team that monitors the relevant transactions, and monthly reports in accordance with the procedures manual for said transactions, thereby complying with the issuance of reports and the required transparency processes.

It is important to highlight that FUNO® does not grant any economic or any other kind of contributions to political parties.

Vulnerability and physical risks due to Climate Change assessment

GRI Standard: 201-2.
Other indicators: SG 01.6 CC; SG 01.7, 01.8 CC.

It is vitally important to anticipate ourselves to global challenges, such as Climate Change. In this sense, our commitment for 2020 is to assess physical risks and vulnerabilities of our properties in the face of the effects of this phenomenon as a crucial element to be able to adapt to different climate scenarios and thereby achieve an early transition to resilient properties.

Climate scenarios are being analyzed at the national level towards 2050, taking into account two Representative Concentration Pathways (RCP4.5 and RCP8.5) given by the IPCC (Intergovernmental Panel on Climate Change) and based on the TCFD[6] guidelines including variables such as temperature and precipitation that allow us to identify vulnerabilities in our properties against the following risks:

» Increase of the median temperature
» Floods
» Water availability
» Changes in sea levels

The second phase of this project will identify the financial risks related to these physical risks and in the third phase, we will look at developing adaptation strategies aiming at achieving a more resilient portfolio.


Portal San Ángel, CDMX

[5] To consult information about our strategy and tax payment, please go to: https://en.funo.mx/panel/archivos_subidos/data-yPpPsgM2CD.pdf. This information corresponds to and responds to the GRI Standard 207published in 2019.

[6] Present in the document "The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities".

These will be part of our risk management process. Furthermore, we will define the impact of such risks on the leverage levels and their alignment with the company's CAPEX and OPEX policies. In this phase we will be able to obtain an estimated amount of the investment required for adaptation to Climate Change.

In the same sense, we have a specialized team that monitors the relevant transactions, in accordance with the procedures manual for said transactions, thereby complying with the issuance of reports and the required transparency processes.

40
cases received through the Ethics Line

80%
of reports are non-anonymous

Portal San Ángel, CDMX

Business and Sustainability: **side by side**

The Technical Committee, through its Audit Committee, reviews risks (financial, environmental, social and governance) on a quarterly basis, informed by an independent third party who acts as an internal auditor.

$36,937.7 million pesos in economic impact through the investment in our stakeholders.

Centrum Park, Edo. de México

GRI Standards: 102-40 to 44.

In accordance with the six capitals established in the methodology of the International Framework for Integrated Reporting <IR>, and our Value Creation Model, we report in the following graph the challenges, progress, initiatives, commitments and stakeholders addressed in 2019. The Sustainable Development Goals, GRI standards and other international indicators to which we contribute and respond to are also identified.



Mariano Escobedo, CDMX

One of the most important actions to maintain leadership on all fronts is effective communication and dialogue with our stakeholders. Without their feedback and perception of the company, it would be impossible to clearly define the elements that allow us to generate value. For this, we identify the capital, business activities, resources, production and results that lead us to be the first and only REIT in Mexico with a proven vision of sustainable growth.



	CBFIs AND BONUS HOLDERS	TENANTS	GUESTS	COMMUNITIES	GOVERNMENT	FINANCIAL INSTITUTIONS	SUPPLIERS	EMPLOYEES
NUMBER OF PEOPLE	**3,928,194,243 Certificates**	**8,134 Contracts**	**+450 million visitors**	**615**	**163**	**14**	**1,360**	**1,142**
CREATED OR DISTRIBUTED VALUE	**$16,766 million pesos**	**$16,843 million pesos**	**$88.2 million pesos**	**$81.4 million pesos**	**$559.6 million pesos**	**$1,424 million pesos**	**$962 million pesos**	**$213.5 million pesos**
HOW WE ENGAGE WITH THEM	• Investor Relations Team • FUNO® Day • Participation in conferences • Quarterly surveys • Annual Report • Press releases • Quarterly call • Personalized meetings	• Unique Project Representatives (RUP) • Property Manager • Collection Office • Tenant Coordination Department • Social networks • Personal meetings • Tenant Satisfaction Survey	• Social networks • Property Manager • Ethical Line Suggestions mailbox • On-site marketing	• Social networks • Website • Social activities in the buildings • Ethical line • FUNO® Foundation • Property Manager	• Top Management • Legal Department • Property Manager	• Personal meetings • Investor Relations Department • Vice Presidencies of Treasury and Finance	• Procurement Team • Areas requiring goods and services • Suppliers portal • Personal meetings • Ethical line	• Open door policy • Work climate surveys • Human Resources Team • Annual Meeting of Managers • Ethical line • Emails
WHAT'S THE IMPACT	• Financial results: sustainable profitability • Stability and business continuity • Transparency	• Contribution to the generation of indirect jobs = development of the local economy • Trust and loyalty from tenants • Customer satisfaction (tenants) • Strengthening of brands by presence	• Contribution to the integral development of society • Contribution to the improvement in the quality of life of Mexican families • Increased tourism • Safe spaces for recreation	• Contribution to the generation of indirect jobs = tourism = local economy development • Facilitation of favorable environments to generate business • Support for vulnerable groups • Improvement of the infrastructure of neighboring areas to our properties	• Transparency • Development of social programs • Investment in infrastructure • Ending corruption	• Feedback for continuous improvement	• Supplier loyalty • Quality in supplies and services = greater economic benefit for suppliers • Operation under ethical standards • Consolidation of long-term business relationships and mutual benefits • Contribution to the development of local economies	• Motivation through challenges • Culturalization and institutionalization • Conservation of jobs (acquisitions) • Increase in retention rate • Employee satisfaction



Punta Santa Fe, CDMX



Midtown Jalisco, Jalisco

We make available 24/7 our Ethics line for all stakeholders. It is anonymous and confidential:

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

	CBFIs AND BONUS HOLDERS	TENANTS	GUESTS	COMMUNITIES	GOVERNMENT	FINANCIAL INSTITUTIONS	SUPPLIERS	EMPLOYEES
HOW WE GET INVOLVED	• Building trust • Reinvestment • Income growth • Meetings with analysts, banks, qualifiers and others • Dividend distribution	• Quality services • Speed and efficiency in processes and procedures • Real estate improvements to benefit tenants • Marketing activities in favor of tenants	• Security guarantee • The best visitor experiences • Innovative services • Recreation activities • Health campaigns	• Social commitment = creation of the FUNO® Foundation • Recreation activities in the buildings • Health Campaigns in shopping centers • Shopping centers as spaces for social cohesion and integration • Support in case of natural disasters • Support for foundations and social assistance institutions • Support in infrastructure improvement	• Compliance with guidelines and regulations • Cooperation with authorities • Timely sending of information to authorities • Anti-corruption practices • Timely payment of taxes	• Sustainable financial results • Transparency	• Free competition • Transparent selection processes • Payments on time • Hiring local suppliers	• Work safety • Competitive benefits • Contribution to improving the quality of life of employees and their families • Integral development • Occupational safety and health
RELATED CAPITALS	• Financial capital; Social and relationship capital	• Social and relationship capital; Manufactured capital; Natural capital	• Social and relationship capital; Natural capital	• Social and relationship capital; Manufactured capital; Natural capital	• Social and relationship capital; Natural capital	• Financial capital; Intellectual capital	• Financial capital; Manufactured capital; Social and relationship capital; Natural capital	• Human capital
LINE OF ACTION	• All	• Corporate Social Responsibility	• Corporate Social Responsibility	• Ethics and Corporate Social Responsibility	• Ethics and Corporate Social Responsibility	• Ethics	• All	• Our people
BUSINESS PRIORITY	• Competitive prices and occupancy • Tenants quality and unique location; • Strategic positioning in markets and regions	• Competitive prices and occupancy • Strategic positioning in markets and regions • Contracts potential	• Focus on the tenants • Exceptional portfolio and unique location	• Competitive prices and occupancy • Strategic positioning in markets and regions • Contracts potential	• Strategic positioning in markets and regions	• Financial prudence • Contracts potential • Strategic positioning in markets and regions	• Financial prudence • Contracts potential	• Future potential

Performance on the six capitals

Our purpose drives us to add value to the life of our stakeholders: beyond the brick and cement of our properties.

In the following pages, we report on the value that our operation has created, in financial, physical and social results. This would not be possible without the responsible investment approach that characterizes us.

In 2019 we closed the first sustainability linked, revolving, syndicated and committed credit line in Latin America, for $21,350 million pesos.

Samara, CDMX

Intellectual Capital:
Investment Assessments for Responsible Growth

SDGs 1, 9 and 11: End poverty; Industry, Innovation and Infrastructure; Sustainable cities and communities.
GRI Standards: 102-11, 201-2, 416-1.
Other indicators: C3.1a, d; SG 01.6 CC; SG 01.7, 01.8 CC.
ESG Factor: Governance.

The innovation represented by our business model is reflected in our double-digit growth, as well as through the strategy of acquisitions and property development.

Innovating has to do with analyzing the best locations, portfolios, as well as improving what has already been developed if necessary.

BUSINESS PRIORITY ADDRESSED	SUSTAINABILITY LINE OF ACTION	STAKEHOLDER	FINANCIAL RESOURCES ALLOCATED	IDENTIFIED RISK ADDRESSED
• Contracts potential • Exceptional portfolio and unique location • Strategic positioning in markets and regions • Financial prudence	• Ethics • Water management • Energy eco-efficiency • Emissions control	CBFIs holders Financial Institutions Governments Communities Tenants Guests	• $841 million USD in acquisitions	• Changes in energy regulations • Legislative reforms related to operations • Guests accidents • Violence inside a property • Communication with tenants • Impacts to the infrastructure of the community surrounding the property • Natural disasters • Water scarcity and intensive consumption

How we create value?

In a constantly changing environment due to economic uncertainty and driven by technology, at FUNO® we understand that the source of our economic value no longer depends only on our base of properties that generate traditional income, but rather on how we develop, manage and use these properties to contribute to social and environmental well-being. **The way in which we adapt to change is the way to guarantee that we extract the greatest and best use from each property, considering the needs of stakeholders and, thus, fulfill our purpose of sustainable growth.** For this reason, the creation of social and environmental value when evaluating and making business decisions is core to our investment decisions and operations.


Tepeji Park, Hidalgo

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
CREATION OF THE SUSTAINABILITY COMMITTEE.	• The Sustainability Committee was created, under the direction of the Steering Committee, which reports to our Technical Committee.	• We strengthened our sustainability management in the company, by integrating the Sustainability Committee as a governing body of the organization.	• Define FUNO®'s agenda for 2020-2030. • Work together with the different departments on initiatives.
COMPARE WATER AND ENERGY CONSUMPTIONS PER PROPERTY, QUARTERLY AND YEAR TO YEAR.	• We have monitored the electrical intensity and made the comparison with respect to the corresponding period in 2018.	• We identified properties that recycle cardboard generated as waste and the tons recycled were quantified.	• Execute a diagnosis of the Waste Management System. • Publish the main environmental and social indicators in the quarterly financial report.
INCREASE PRESENCE IN SUSTAINABILITY FORUMS, PARTICULARLY THOSE RELATED TO THE REAL ESTATE INDUSTRY.	• Presence in seven forums.	• The AMEFIBRA sustainability committee was created, which together with the sector, allows us to strengthen the ESG agenda.	• Support the issuance of the ESG transparency guide of the Real Estate sector in Mexico.
DEVELOP A SOLUTION PATHWAY FOR THOSE RELEVANT AND EMERGING RISKS RESULTING FROM MAPPING SUSTAINABILITY RISKS.	• We have carried out the first stage of identification and survey of sustainability practices for six properties. The data collected will allow the identification of sustainability risk mitigation strategies.	• The water-stress map was updated and linked to the regions where FUNO® is present. • The water consumption map was updated with 2019 data.	• Develop vulnerability maps to identify the effects of Climate Change and link the results to physical and transition risks.

Industrial Capital:
Our properties portfolio

SDGs 1, 9 and 13: End poverty; Sustainable cities and communities; Climate action.
GRI Standards: 102-7, 203-1, 203-2.
ESG Factors: Governance and Environmental.



Punta Santa Fe, CDMX

At FUNO®, we are developers of sustainable infrastructure. 85% of the office building developed by us, is LEED certified.

In all of them we have included toxic-free materials, and within possibilities, certified materials. We have 910,556 sqm. LEED certified in our portfolio. The internal policies foresee that our properties are generators of social welfare, not only creating spaces for amusement, recreation, safe work or engines of economic growth;; but also favor the development and installation of public services for surrounding communities, such as drinking water, drainage, sewage and nearby transportation. The above, respecting the free passage in communication routes for the communities, and their access to all the elements of their environment.

4.4%
of our industrial portfolio and 38% of the office portfolio (including that developed and acquired by FUNO®) is LEED certified.

BUSINESS PRIORITY ADDRESSED	SUSTAINABILITY LINE OF ACTION	STAKEHOLDER	FINANCIAL RESOURCES ALLOCATED	IDENTIFIED RISK ADDRESSED
• Contracts potential • Exceptional portfolio and unique location • Focus on tenants	• Energy eco-efficiency • Emissions control • Water management	CBFIs holders Tenants Guests Communities Suppliers	• $1,267 million pesos, corresponding to the 7.5% of our yearly net income	• Probability of theft, assault or violence inside a property • Property damage due to meteorological events • Changes in water and energy regulations

How we create value?

We invest capital where we believe that sustained value can be created for all stakeholders and it is possible to mitigate the risks identified for our operation by diversifying our real estate portfolio at the sector and geographic level.

We continue to invest in well-located properties and providing efficient and high-quality spaces that meet the needs of tenants and guests, thereby achieving attractive and competitive developments. Furthermore, we ensure growth in rents, while maintaining our operating margins and improving cash flow. We keep our commitment to optimizing the consumption of water and energy in our properties, taking into account our occupancy growth and the demand for these resources.

In 2019, we moved towards this purpose as follows:

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
DEVELOP A SOCIAL RESPONSIBILITY PLAN APPLICABLE FOR ALL OF FUNO®'S ASSETS.	• Completed.	• The "FUNO® Te Ayuda a Ayudar" initiative was launched. • 75 registered projects. • Three selected projects: two in Guerrero and one in Quintana Roo. • Investment of $10 million pesos in support.	• Increase financial support. • Increase the number of projects received.
DEVELOPMENT OF THREE NEW PROJECTS, ALL OF THEM LEED CERTIFIED.	Three LEED Gold certified projects were delivered: • Torre Churubusco Mitikah • Midtown Jalisco • Lerma Park Nave 1	• By developing with LEED certification, we ensure that the new properties have, from their foundations, the necessary specifications for a better use and consumption of energy and water resources.	• By 2030, increase the certified sqm. by 1 million.
CARRY OUT TWO PROPERTIES' TOURS FOR OUR MAIN TENANTS AND ANALYSTS AND CONTINUE ON WITH THE ACQUISITIONS' STRATEGY DEFINED SINCE THE BEGINNING BY FUNO®.	• Completed.	• The CDMX properties tour was carried out, in which 28 analysts participated visiting 15 properties. • The property experience was carried out in Midtown Jalisco with an attendance of 80 people from various stakeholders' groups.	• Be transparent in quarterly information, for a better understanding of FUNO®'s business model and portfolio. • 3-year guide to the organization of leading indicators: • 10 most relevant tenants • Analyst coverage • ESG information • Stock market information • Investment in land • Tentative reporting dates
STABILIZE AND INTEGRATE ACQUIRED PORTFOLIOS.	• Completed.	Stabilization of: • Torre Cuarzo • Midtown Jalisco • Alaia Guanajuato Integration of: • Titán • Tepejí • Antea • Lago III • Corredor urbano	• Stabilize and integrate 100% of the acquired and developed portfolios in the year.



Torre Mayor, CDMX

LEED CERTIFIED SQM

2019	910,566
2018	706,368
2017	499,007

210 direct jobs
generated by these properties

9,623 million
indirect jobs generated by LEED properties

25,377 million
in value creation

LEED CONSIDERS THE FOLLOWING ELEMENTS:

- PROCURING LOCAL MATERIALS WHEN ACQUIRING GOODS AND SERVICES FOR PROPERTIES
- TOXIC-FREE CONSTRUCTION MATERIALS
- LESS TRAFFIC IN LOCAL TRANSIT
- ZERO IMPACT OF THE CONSTRUCTION ON LOCAL BIODIVERSITY
- REDUCTION IN WATER AND ENERGY CONSUMPTION
- RESPECT OF SURROUNDING COMMUNITIES
- ACCESSIBILITY TO PUBLIC TRANSPORTATION

Human Capital:
Our employees and their integral development

SDGs 4, 5 and 8: Quality education; Gender equality; Decent work and economic growth.
GRI Standards: 403-1 to 10.
ESG Factor: Social.



Human Capital is key and strategic differentiator resource at FUNO®.

We focus our efforts on being responsible employers, offering fair labor practices, engaging our employees and providing them with a fulfilling career pathway; FUNO® is an organization of professional challenges. All of our employees receive a salary above the established minimum wage, which allows them to have a quality of life.

BUSINESS PRIORITY ADDRESSED	SUSTAINABILITY LINE OF ACTION	STAKEHOLDER	FINANCIAL RESOURCES ALLOCATED	IDENTIFIED RISK ADDRESSED
• Future potential (talent development)	• Ethics • Our people • Corporate Social Responsibility	• Employees and contractors	• $1,303 million pesos	• Safety and possible accidents in the operations • Difference between male and female salaries in identical work positions (wage gap)



How we create value?

Our employees are the driving force to our success, leaving lasting impressions through the connections they make. Therefore, we strive at all times to ensure that they are committed to and aligned with the Mission and Vision of the company. By signing and agreeing to the Code of Ethics, and the correct implementation of our Personnel Attraction, Selection and Recruitment Policy, we ensure that the people who come to collaborate with us, even when they come from different profiles and backgrounds, become part of FUNO®'s competitive advantage.

TANGIBLE ASSETS (PROPERTIES) + **INTANGIBLE ASSETS (HUMAN CAPACITIES AND TALENT)** = **VALUE CREATION FOR ALL STAKEHOLDERS**

Torre Reforma Latino, CDMX

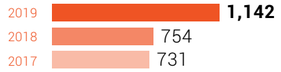
2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
EMPLOYEE SATISFACTION LEVEL.	• Application of the climate survey to all employees. • Publication of the results and dissemination among the participants.	• The second survey was applied at the Corporate level in the fourth quarter of 2019.	• Assess work climate bi-annually. • Seek the "Great Place to Work" Certification.
IMPLEMENT IPE MERCER METHODOLOGY FOR ACHIEVING EQUALITY IN SALARIES.	• Ongoing.	• The valuation project with IPE MERCER began.	• Continue with the development of the valuation project with IPE MERCER.
ESTABLISHMENT OF WORK STANDARDS POSITIONS BY 100%.	• Ongoing.	• 95% of the catalog of standard positions was established.	• Update the catalog for the vice-presidencies and the structure.

Boosting talent within FUNO®

SDG 4: Quality education.
GRI Standards: 404-1 to 3.

We invest time and resources in recruiting and developing high-performing individuals. A committed workforce positively contributes to our aspirations to remain an employer of choice. We regularly carry out employee satisfaction surveys to obtain a better overview of our management and identify areas of improvement. The ratio between the total annual compensation of the highest paid person and the median employee compensation was 29.7x

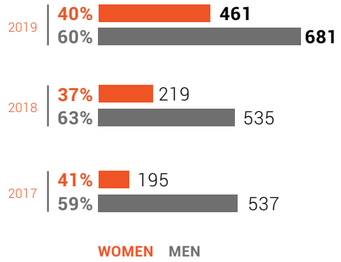
TOTAL WORKFORCE



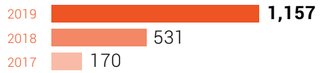
MEN / WOMEN SALARY RATIO FOR:

81% Executives
88% Manager
94% Staff

EMPLOYEES BY GENDER



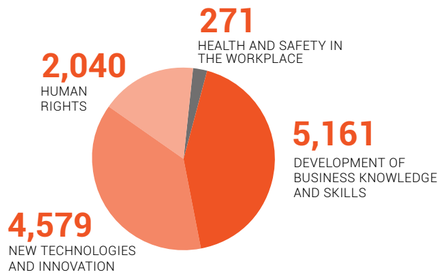
TRAINED EMPLOYEES



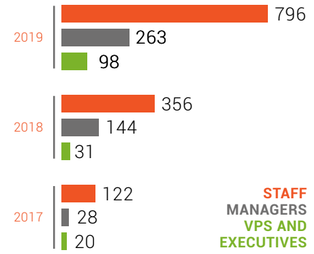
TRAINING MEN-HOURS



TRAINING HOURS



TRAINING BY LEVEL





Punta Santa Fe, CDMX

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
IDENTIFY AREAS OF OPPORTUNITY FOR INDIVIDUAL AND GROUP FEEDBACK, TO TRANSFORM VICE-PRESIDENCIES IN HIGH-PERFORMANCE TEAMS.	• Implementation of workshops (clinics) on providing feedback to Managers and Executives in order to lay the foundations for a culture of meritocracy.	• The *Effective Feedback Workshop* with an external specialized consultant was established in the annual training plan. 60 FUNO® Corporate Leaders (Executives and Managers) with staff in charge are contemplated. • This workshop was evaluated with an overall rating of 9.04.	• Strengthen effective monthly feedback campaigns between leaders and staff. • Continue reinforcing the daily feedback from employees.
• **GRADUATION OF THE FIRST GENERATION OF THE *FUNO® WAY DIPLOMATE*, WITH 20 MANAGERS.** • **KICKSTART OF THE SECOND GENERATION (20 MANAGERS)** • **FOLLOW UP ON THE PROJECTS LAUNCHED IN THE FIRST GENERATION.**	• The adaptation to the form of the content was made in suggestions from students and teachers. • Results tables were included to the selection dynamics. • 2018 projects are channeled to those responsible for the Operations, Facility Management and Sustainability department.	• The development of specific competencies in each module was established. • The projects were aligned with specialists in entrepreneurship projects. • The content of the diploma was refined • The results of the joint evaluations (ITESM-FUNO®) were analyzed.	• Update the course taking into consideration the experience of the first generation of students. • Integration of introductory presentations in each module.

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
DESIGN AND ESTABLISH SUCCESSION PLAN AND REPLACEMENT TEMPLATES FOR KEY POSITIONS AT FUNO®.	• Ongoing.	• Structured interview for successors of Vicepresidents and Directors. • HiPo's, High Performers and Kye Employee identification matrix by department.	• High Potential psychometric tool certification with Thomas International HPTI. • According to the Work Plan, interviews will be conducted with VP's and Executives to evaluate and deliver the Talent Map to the Steering Committee for approval. • Start with individual development programs for selected employees.
DEVELOPMENT OF AN ACTUAL AND POTENTIAL TALENT INVENTORY.	• Ongoing.	• Succession (development) plans and replacement templates for 50% of identified and approved positions by the CEO were established.	• Define the succession plans and potential candidates for replacement, in order to ensure retention and development, by applying the established methodology. • Develop a talent retention plan including an individual development plan, compensation schemes, and other benefits.
MANAGER TRAINING IN MANAGERIAL ABILITIES AT 100% BY 2025.	• Ongoing.	• The first generation of managers graduated.	• Continue the training of the second generation of managers to obtain an advance of 30% of our management staff.
ESTABLISH AN INCLUSION PROGRAM FOR HANDICAPPED PEOPLE AT A CORPORATE LEVEL.	• Implementation with measurable and verifiable objectives.	• 70% of corporate personnel attended the job inclusion awareness workshop. • Inclusion of FUNO® in the book "*Best practices for the labor inclusion of people with disabilities 2020*" of the Éntrale alliance. • 2% of our corporate staff lives with some type of disability. • Start the incorporation of inclusive suppliers in our value chain: *Mosaico Down.*	• Identify the 90 suppliers for the valuation of good practices on inclusion issues. • Continue with the "Diversity and inclusion" strategy, addressing issues such as awareness raising, integration of other vulnerable groups and intergenerational relations. • Advance to the next stage of PwD integration (replacing the inclusion modality). • By 2030, achieve that 5% of FUNO®'s employees belong to vulnerable groups. • Apply in specific areas the NMX-R-025-SCFI-20115 questionnaires on labor equality and non-discrimination.



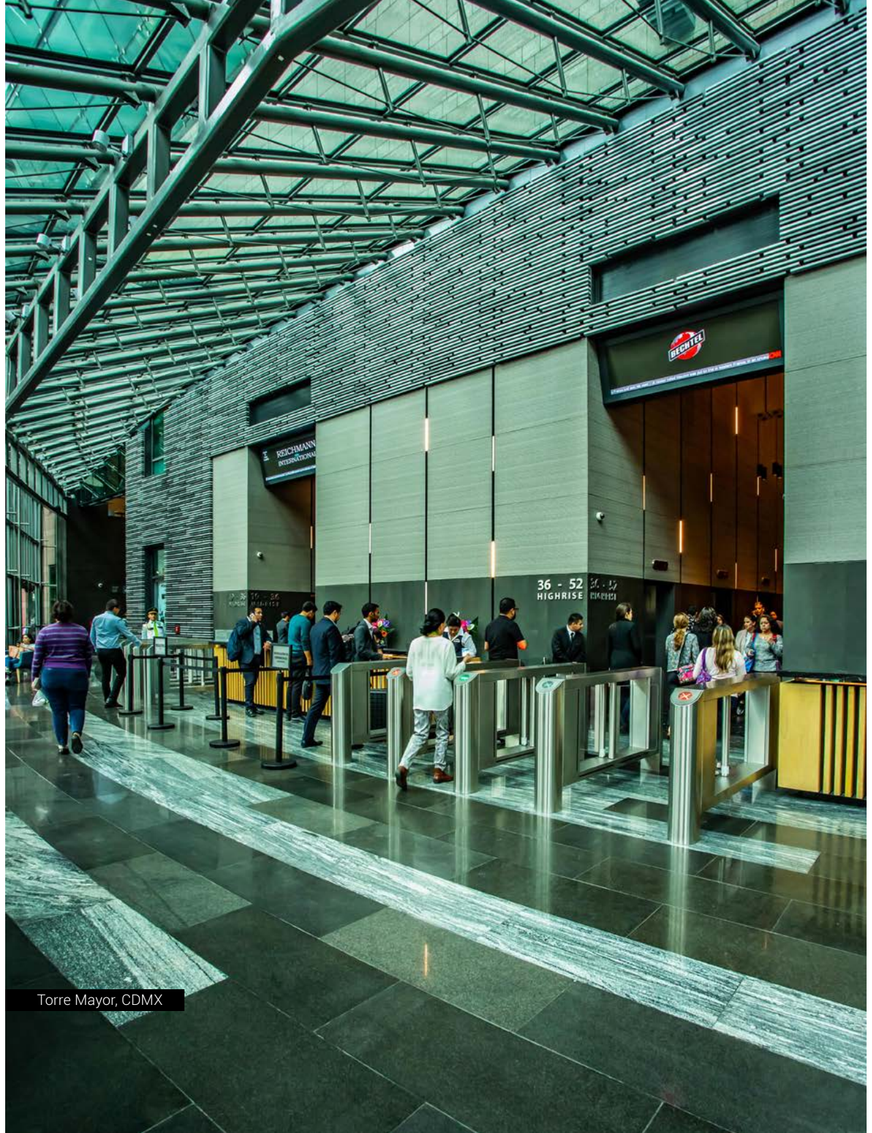
Tepoz Park, Edo. de México

Occupational Health and Safety

The health and safety of every employee at FUNO® is crucial for the continuity of operations, the well-being of our guests and tenants, as well as the promotion of comprehensive well-being that allows the consolidation of an optimal working climate at FUNO®.

To guarantee the safety of our workplace, we have several mechanisms, some of them are:

- Compliance with applicable regulations and legislation on security issues.
- The support of an external expert accredited in emergency management, who trains the staff in our properties as well as with subcontractors.
- Manuals of operations in buildings with service codes for each type of incident which are constantly updated.
- A management system through which 25 accidents were registered in 2019. The main ones were cuts or minor injuries, as well as accidents on the way to the workplace. These include direct and indirect employees and only one accident was related to occupational risk.
- Brigades established in accordance with the Emergency management program.
- Training to reinforce emergency care.
- Drills in which employees, tenants and guests participate.
- Health Inventory that specifies the general health status of each employee, contact details in case of emergency and sensitive information for consultation in the Human Resources area.



Torre Mayor, CDMX

TARGET	STRATEGY	2019 KPIs	2020 TARGET	ECONOMIC IMPACT GENERATED IN 2019
CONTRACT CONDITIONS.	• Guarantee Social Security and Law benefits in the value chain. • Provide training to employees for the performance of their work.	• 100% compliance. • 100% training program.	• Strengthen the requirement for social security coverage with suppliers in their contracts.	$193.5 mp
BALANCE AND COMPLIANCE OF WORKING HOURS.	• Guarantee fluidity of projects and ensure tasks resolution.	• Compliance with work and rest hours in accordance with the law. • Cover 100% of scheduled shifts for holiday enjoyment.	• Maintain staff compliance at 100% and 0% in overtime.	
WORKPLACE SAFETY AND EMERGENCY MANAGEMENT.	Staff training on related topics with the activities performed as well as in risk prevention in the workplace (including suppliers) in: • Risk mitigation • Zero accidents • Management of hazardous substances • Final destination of consumables and hazardous waste • Fire policies and procedures • First aid • Safety protocols • Compliance with safety standards by • tenant • Hazardous waste management	• 100% training program. • Allocation of temporary space for consumables and waste. • Bi-annual training in policies and procedures. • 100% compliance with zero fatalities. • Reduction to zero in the accident rate (25 work accidents = 1.88% accident rate).	• 100% of properties receive training in risk prevention personnel at their workplace, including suppliers.	
MAINTAIN SAFE, HEALTHY AND HYGIENIC WORKPLACES FOR ALL EMPLOYEES.	• Focus on maneuvering yards, warehouses and machine and waste rooms. • Inventory of structural spaces that create a risk for employees, clients and guests (slippery floors, etc.).	• 78%.	• Reach 90%.	
MAINTAIN HEALTH AND SAFETY BRIGADES UPDATED WITH RELATED INFORMATION.	• Civil Protection training is carried out annually to build the Emergency management folder. The same personnel who participate in the training provided by FUNO® on Occupational Health and Safety topics participate in them.	• 80%.	• 100%. It will be achieved along with updates to the Civil Protection folders.	
DEVELOP A DRILLS INVENTORY.	• There is an annual drill program for the stewardship of the Civil Protection dpt. portfolio and additional drills are carried out when the authorities require it (macro drills in September or any other date).	• 100%.	• Update drills schedule in 100% of our properties.	

Social and Relations Capital:
Long-term relations with stakeholders

SDGs 4, 8, 9, 10, 11, 16 and 17: Quality education; Decent work and economic growth; Reduced inequalities; Industry, Innovation and Infrastructure; Sustainable cities and communities; Peace, justice and strong institutions; Partnerships for the goals.
GRI Standards: 413-1 and 2.
ESG Factors: Governance and Social.

As owners and operators of infrastructure, our relationship with neighboring communities is a priority in our sustainability strategy. The economic legacy of infrastructure and real estate has an impact that spans years and generations and can have significant direct results for the local and community benefit. These impacts include, for example, job creation, greater retention of talent and workforce, better safety, health and social welfare practices, greater technical skills in workers, and even reduction of insecurity.


Torre Cuarzo, CDMX

BUSINESS PRIORITY ADDRESSED	SUSTAINABILITY LINE OF ACTION	STAKEHOLDER	FINANCIAL RESOURCES ALLOCATED	IDENTIFIED RISK ADDRESSED
• Contracts potential • Focus on tenants • Talent development • Strategic positioning in markets and regions	• Ethics • Corporate Social Responsibility • Our people	Tenants Guests Communities	• $84.9 million pesos co-rrespondent to 0.4% of our income per lease	• Communication with tenants • Probability of theft, assault or violence inside a property • Guests accidents when visiting the shopping center • Impacts on the infrastructure surrounding the property • Water scarcity and intensive use/consumption

How we create value?

A property impacts positively or negatively on the surrounding environment. Aware of the responsibility this entails, at FUNO® we have taken various steps so that our properties are engines of growth and social development. In addition to the due diligence processes on impacts to soil, water and air we carry out before we acquire a portfolio, we also seek to prevent the displacement or relocation of communities. Likewise, we not only develop real estate, but we also create wellness and social recreation centers; where tenants, guests and communities converge.


Torre Cuarzo, CDMX

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS	ECONOMIC IMPACT GENERATED IN 2019
INCREASE AFFLUENCE OF GUESTS IN 5%.	• 100%.	• A concurrence of more than 450 million guests was achieved, that is, 15% more than in 2018.	• Maintain annual affluence levels.	$108 mp
DEVELOP AND IMPLEMENT A CAMPAIGN AIMED AT TENANTS AND GUESTS FOR THE OPTIMIZATION OF ENERGY, WASTE AND WATER RESOURCES IN RETAIL PROPERTIES.	• Ongoing.	• Support for the transition to an eco-efficient vehicle park. • Waste containers were installed, separating, organic, inorganic, recyclable and batteries in 111 properties. • The initiative to change LED luminaires in our properties kickstarted.	• Develop education and awareness campaigns on the use of electricity, waste and water consumption.	
MAKE THE ETHICS LINE AVAILABLE TO GUESTS.	• 100%.	• All our properties have public information available.	• Continue with the disclosure of the ethical line in our properties.	
ADDRESS WATER SCARCITY IN SOME SHOPPING CENTERS.	• In 2018, we remodeled and commissioned 15 Wastewater Treatment Plants (WTPs).	• By 2019, five WTPs were stabilized throughout the country.	By 2020 four main initiatives will be established to reduce water consumption: • Installation of dry urinals • Optimization of WTPs • Installation of remote meters • Efficiency valves installation	
MONITOR AND REDUCE SECURITY INCIDENTS IN SHOPPING CENTERS.	• CCTV technology was updated.	• 236 robberies and 13 accidents or injuries were reported in our properties.	• Support Mexican society with initiatives aimed at supporting women in dangerous situations. • Reduce security incidents in shopping malls.	
NATURAL DISASTERS ASSISTANCE.	• In 2018, a strengthening of the information security protocol was carried out.	• In 2019, it is still considered a significant risk to be addressed, so the inclusion of physical risks derived from the effects of Climate Change began to be considered as potential risks.	• Develop vulnerability maps of properties to the impacts of Climate Change, in order to develop resilience strategies for properties.	

Creating value for our communities: FUNO® FOUNDATION

Through the FUNO® Foundation we have reached the communities in which we operate strategically, generating mutual benefits of growth and social equity. The Foundation's pillars of action are as follows:

FUNO® FOUNDATION STRATEGIC PILARS

SOCIETY



We help improve the quality of education through working together with other organizations.



We help the economic development of communities through local employment.



We support the communities where we have a presence.

INFRASTRUCTURE



We facilitate the development of reliable, sustainable, resilient and quality infrastructure, supporting the economic development and well-being of our tenants and the communities where we operate.

SAFETY



We help reduce violence and collaborate with authorities to find solutions to insecurity.



We make the most of other institutions' expertise and generate alliances.



Torre Diana, CDMX

$84.9

million pesos of investment for the benefit of more than three million people through 209 organizations that seek to improve the quality of life of the communities in which we operate.

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS	ECONOMIC IMPACT GENERATED IN 2019
CONTINUE SUPPORTING INITIATIVES THAT FOSTER THE DEVELOPMENT OF SUSTAINABLE INFRASTRUCTURE IN MEXICO.	• Three institutions were supported financially.	• P*ro-Bosque de Chapultepe*c Trust: Donation for the construction of the Lomas park. • *A Favor del Niño*: Donation for water supply and swage infrastructure of this private assistance institution. Provides teaching in kindergarten, elementary, middle and high school levels. • In 2019 we carried out the call for social projects with the communities, with the aim of strengthening ties and promoting interaction between tenants, guests and communities. We received 75 projects, of which three were selected for support: • *Unidos por la Montaña*: three communities in the high mountains of Guerrero. • *Unidos por Aitana*: Cancún, Quintana Roo. • *Jardín Botánico Acapulco*: Acapulco, Guerrero.	• Support at least five institutions financially.	$74.7 mp
SUPPORT MORE THAN 100 CONSTRUCTION WORKERS IN FINISHING THEIR PRIMARY AND SECONDARY STUDIES, AS WELL AS IN THE CERTIFICATION OF TRADES.	• 802 construction workers, supported through the "Manos al futuro" project.	• We signed a strategic alliance with the Instituto Nacional para la Educación de los Adultos with the aim of motivate and make available to all users of the "*Manos al futuro*" Comprehensive Training Model, the possibility of completing their basic education studies: primary and / or secondary in the community centers established in each of our training centers. • We built a specialization practice together with the UNAM National School of Social Work, with the purpose of knowing and analyzing the identity links between the community and the territory in order to influence the construction of positive relationships with the MITIKAH real estate project. • We developed a Comprehensive Training Model that includes a training, evaluation and certification program for job skills in all trades. • We formed multidisciplinary teams made up of architects, engineers, construction supervisors, industrial security specialists, social work specialists, historians, education specialists, among others. • We designed a social study and apply diagnostic instruments to assess levels of knowledge, skills, attitudes and values in workers. • We prepared the index of construction trades with their respective procedures. • We produced records for the forging trade with 25 procedures, records for the carpentry trade with 15 procedures, records for the bricklaying trade with 20 procedures. • We integrated construction supervision teams with Bovis Mexico to review the trades booklets. • We identified job categories: assistant, officer and corporal and design specific training programs according to their different responsibilities.	• Conclusion of the "*Manos al futuro*" project.	

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS	ECONOMIC IMPACT GENERATED IN 2019
MAINTAIN IN AT LEAST $20 MILLION PESOS THE FINANCIAL DONATIONS WE GIVE IN THE COMMUNITIES WE OPERATE.	• In 2019, 209 organizations were supported in 264 initiatives. This represents 3,048,298 beneficiaries.	Donations of articles in kind to 10 institutions: • Corazón por iguala AC • Casa Refugiados AC • Niños de Eugenia AC Foundation • Unidos por la Protección de Derechos Humanos Foundation • Firefighters of the Municipality of Ixtapaluca • Meyalli AC Foundation • Mujeres Reconstruyendo Historias AC Foundation • Rayuela para la Cultura AC Foundation • Daunis Gente Excepcional AC • Reforestation activities with CONAFOR Donation of spaces for Development and Integration activities for the community: • Local artisan markets • Gastronomic and / or tourist promotion projects in the communities • Support to different local NGOs • Dances for the elderly • Christmas pastors • Yoga classes • Collection of clothes and books • Institutional strengthening Donation of space in support of Institutions: • CDMX Natural Resources Commission • Fonacot, PROFECO, Predial modules, etc. • Safety campaigns: Automobile-Tattooed • Cancer awareness campaigns and activities • Commodity contract in favor of the Red Cross • Vaccination modules installed by government Health Institutions, such as the IMSS or the Ministry of Health. Influenza, triple viral and measles • Anti-rabies campaign and canine and feline sterilization Donation of space in support of Non-Governmental Organizations • UNHCR • ÚNETE • Save The Children • UNICEF • Red Cross • CORENA • Un Kilo de Ayuda • Greenpeace • International fundraising	• Increase the number of organizations benefited to 220.	$10.2 mp



Torre Mayor, CDMX

Natural Capital:
Building sustainable spaces

SDGs 4, 6, 7, 11, 12 and 13: Quality education; Clean water and sanitation; Affordable and clean energy; Sustainable cities and communities; Responsible consumption and production; Climate action.
GRI Standards: 302-1 to 4, 303-1 to 5, 304-1 to 304-4, 30-51 to 305-7.
Other indicators: SASB IF-RS-410a.1; SASB 1IF-RE-130a.1; C3.1a, d; C1.3a.
ESG Factor: Environment.

The resilience of our properties is a priority. We consider natural capital to be all renewable and non-renewable environmental resources and processes that support the current and future prosperity of our business and that of all our stakeholders. Our 2030 plan and goals prove our commitment with communities and the natural environment.



Centrum Park, Edo. de México

BUSINESS PRIORITY ADDRESSED	SUSTAINABILITY LINE OF ACTION	STAKEHOLDER	FINANCIAL RESOURCES ALLOCATED	IDENTIFIED RISK ADDRESSED
• Contracts potential • Exceptional portfolio and unique location • Focus on the tenants • Financial prudence	• Ethics • Energy eco-efficiency • Emissions control • Water management • Waste management	CBFIs holders Tenants Guests Communities Government	• $ 1,276 million pesos corresponding to 7.6% of our lease income	• Changes in energy regulations • Natural disasters (attention and contingency management) • Impacts on the infrastructure surrounding the property • Better management of solid waste • Water scarcity/intensive use

How we create value?

In environmental matters, we have focused our efforts mainly on reducing water and energy consumption, due to its impacts on the environment and our operating costs. The processes and results are directly supervised by the Vice President of Operations and the Sustainability Direction, as well as by the maintenance directors and managers. On site, they are supervised by property managers as well as maintenance personnel.

For us, facing Climate Change means implementing sustainable strategies in our properties, thus increasing efficiency in the use of resources and preventing financial and operational impacts. For this reason, and in order to guarantee the greatest reliability of the information, in 2019 and again in 2020 we carried out the audit of the material indicators of our sustainability report, by an independent third party.

The focus of our natural capital comprises the following four dimensions, which we address from diverse fronts:

ENERGY CONSUMPTION METERING

The reduction in energy has a significant impact on the environment and on FUNO®'s financial performance.

WATER CONSUMPTION METERING

It represents one of the main impacts that we have, which is why we manifest our commitment to the communities in which we operate, mitigating impacts and responsibly managing this resource.

EMISSION METERING

We contribute to the reduction of emissions in Mexico, through the control and monitoring of the GHG gases generated by the consumption of electricity, refrigerants, the displacement of our collaborators and business trips (land and air).

WASTE DISPOSAL AND METERING

It is one of the risks and material impacts in the operation of our properties.

This would not be possible without three lines of action established to comply with all environmental regulations applicable to our industry:

ONGOING INSPECTION AND AUDIT → **PERSONNEL TRAINING IN ENVIRONMENTAL COMPLIANCE** → **COMPREHENSIVE ENVIRONMENTAL AUDITS WHEN ACQUIRING NEW PROPERTIES**



Corporativo Santa Fe, CDMX

7%

of our income from leases is allocated towards energy, water and efficiency.

Value through measuring energy consumption in our portfolios

The rising cost of electricity in Mexico has significant implications for our business and our tenants. One of the top environmental risks identified are those related to changes in energy regulations. In addition to this, we are aware of the environmental footprint implied by high energy consumption, particularly that coming from non-renewable sources, which is why we continually seek to establish energy efficiency strategies that allow us to reduce our energy operating costs and therefore reduce our impact in this area.

ENERGY INTENSITY
kWh per occupied sqm



2019 COMMITMENTS	PROGRESS VS 2018 (7)	MAIN INITIATIVES / RESULTS IN 2019 (8)	2025 COMMITMENTS (9)	ECONOMIC IMPACT GENERATED IN 2019
INSTALLATION OF COMPENSATION AND HARMONIC FILTERS.	• Initiative presented in 2019.	• In 2019, compensation and harmonic filters were installed, which generated a reduction of approximately 14% in energy consumption in 12 load centers.	• Continue with the installation of compensation and harmonic filters, expecting a 20% saving in electricity consumption of the modified load centers.	$154 mp
USE OF SOLAR PHOTOVOLTAIC ENERGY TECHNOLOGIES.	• This target was established in 2018.	• In 2019, strategies for the implementation of solar energy technologies were searched and selected.	• Install photovoltaic crystals with an air chamber; which is expected to save approximately 2,400,000 kWh.	
LED LIGHTING TECHNOLOGIES IN PARKING LOTS.	• This target was established in 2018.	• Review of the current lighting type and on and off times. • Assessment of lighting needs of buildings.	• Continue with the installation of LED technologies, expecting savings of approximately 16% in energy consumption compared to 2018.	
EVALUATION OF THE IMPLEMENTATION OF BMS (BUILDING MANAGEMENT SYSTEM).	• Initiative presented in 2019.	• In 2019, the monitoring and automation system was implemented in La Isla Shopping and Corporativo Tlalnepantla.	• Continue with the implementation of BMS to reduce electricity consumption by 7%.	
DECREASE THE ELECTRICAL INTENSITY BY 4.8% BY 2023.	• Initiative presented in 2019.	• In 2019, the reduction in electrical intensity was achieved by 4.5% compared to 2018.	• Continue implementing electricity efficiency strategies. • Continue with quarterly monitoring and analysis of electricity intensity.	
ANALYZE DIFFERENT OPTIONS FOR THE INCORPORATION OF RENEWABLE ENERGIES IN OUR PROPERTIES.	• Initiative presented in 2019.	• A consultancy was sought and selected for the analysis of renewable energy purchase proposals.	• Begin the management of the purchase of clean or renewable energy, if market and regulations make it possible.	

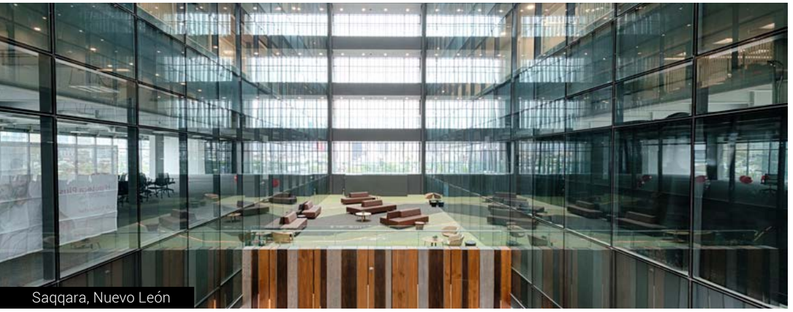
(7) The estimated savings shown in this column are the savings expected to be had in the global consumption of the properties in which the aforementioned strategies are implemented.
(8) The total consumption of electricity in 2019 was: 184,847,064.00 kWh. This figure corresponds to the consumption of 121 properties that operated from January to December.
(9) The 2018 electricity consumption recalculation was generated, obtaining a total of 176,828,661 kWh.
(10) Electricity intensity 2018 and 2019 was calculated based on the consumption and occupied sqm of 109 properties. The above in accordance with the commitment regarding our sustainability linked committed revolving credit facility signed with 11 financial entities.

Midtown Jalisco, Jalisco

Value through water consumption metering

Our water stewardship focuses on ensuring its supply and optimization in the operation of our properties, as well as in the administration and monitoring of its consumption, which is based on the demand of our tenants and guests. In terms of water resources, the current challenges are increasing, since the maturity of regulation, the availability of the resource and its accessibility are elements that continually force us to develop sustainable strategies such as the installation of water efficiency technologies, as well as the uptake and maintenance of wastewater treatment plants.

Our target is to reduce water intensity 30% by 2030.



Saqqara, Nuevo León

WATER INTENSITY m³ per occupied



2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
TREATED WATER.	• Initiative presented in 2018.	• In 2019 we treated 9.5% of the water consumed in our properties (532,598.3 m³).	• Improve the operation and efficiency of our WWTPs to increase the percentage of treated water. • Maintain and monitor the record of the chemical analysis carried out in the WWTPs. • Define a specific methodology for calculating treated water in all of our properties.
SUBSTITUTION IN EQUIPMENT FOR WATER EFFICIENCY ECOTECHNOLOGIES.	• Initiative presented in 2019.	• The needs of the properties where these strategies are planned to be implemented were evaluated. • The different options under which the objective will be achieved were analyzed.	• Install dry urinals. • Place valves and remote meters to improve the monitoring of water consumption.

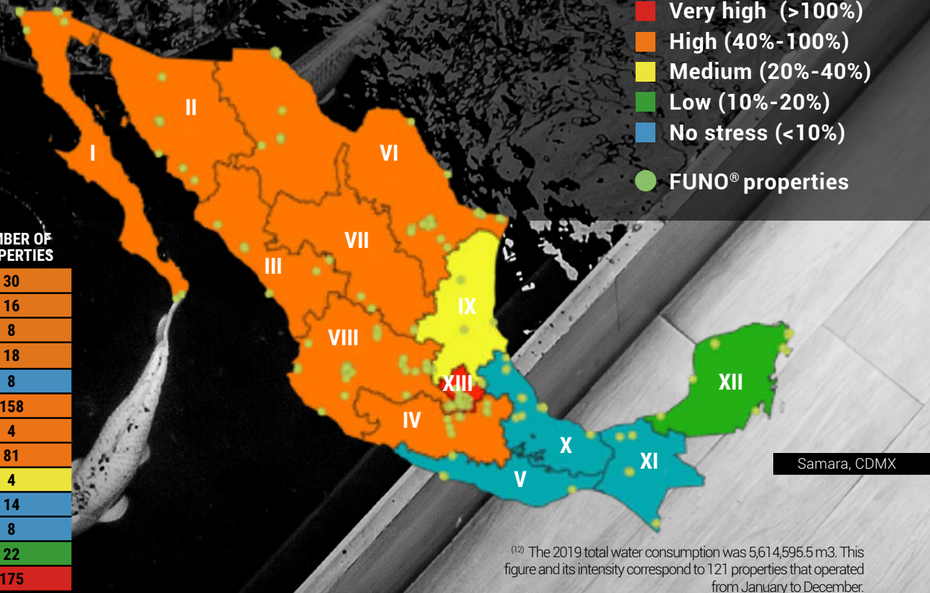
(11) The 2018 intensity was recalculated taking the occupied sqm. as the denominator.

37.8%
of our water consumption came from water-stressed areas, during 2019.

WATER CONSUMPTION PER SOURCE (12):

WELL WATER : 2,768,983.9 m³
MUNICIPAL WATER : 2,131,219.3 m³
PIPE WATER : 714,230.3 m³
RAINWATER HARVESTING: 162 m³

IDENTIFICATION OF OPERATIONS CLOSE TO REGIONS WITH WATER STRESS



RHA	PRESSURE LEVEL (%)	NUMBER OF PROPERTIES
I	81.3	30
II	84.7	16
III	40.4	8
IV	50.2	18
V	5.1	8
VI	75.4	158
VII	47.7	4
VIII	45.2	81
IX	21.1	4
X	6.4	14
XI	1.7	8
XII	16.2	22
XIII	141.4	175

(12) The 2019 total water consumption was 5,614,595.5 m3. This figure and its intensity correspond to 121 properties that operated from January to December.

Value through emissions reduction

At FUNO®, we are committed to supporting the reduction of greenhouse gas (GHG) emissions. GHG emissions calculations, generated by FUNO® include the consumption of electricity, use of fossil fuels and refrigerants in each property, business trips paid by the organization, as well as employee commuting to the workplace. Emissions are classified under three scopes: Scope 1 (direct emissions), Scope 2 (primarily indirect emissions from the consumption of electricity) and Scope 3 (indirect emissions generated by a third party). The calculation methodology is based on the "Green House Gases Protocol"; scope 1 and 2 emissions calculations use emission factors, refrigerant's Global13 *Warming Potentials and calorific power given* by *Secretaría de Medio Ambiente y Recursos Naturales* (SEMARNAT). Regarding Scope 3 emissions, the emission factors are those based on references of the Environmental Protection Agency (EPA).

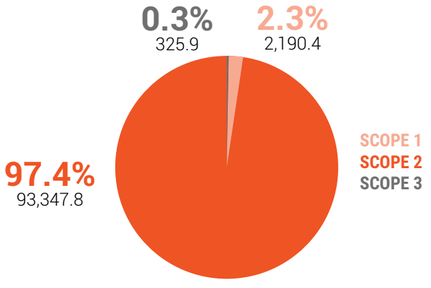


Gómez Morín, Nuevo León

SCOPE 1 EMISSIONS BY GHG [15]		
	Tons	tons in CO_2e
CO_2	549.2	549.2
CH_4	0.01	0.3
N_2O	0.001	0.3
HFCs	1.1	1,640.5

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
INCREASING OUR CHARGING STATIONS FOR ELECTRIC VEHICLES.	• Initiative presented in 2016. • In 2018 there were 63 charging stations.	• In 2019 we doubled the number to a total of 102 charging stations.	• Increase two spaces with a total of five additional charging stations.
OPTIMIZE THE MONITORING AND CONTROL OF OUR GHG EMISSIONS.	• Ongoing.	• Our survey of transfers to work centers was updated for our scope 3 emissions. • The intensity of emissions (scope 1 and 2) was reduced by 17.8% compared to 2018.	• Establish an emission reduction objective based on the "Science based targets" methodology. • Continue to implement strategies for saving and efficient use of energy to reduce our Scope 2 emissions. • Have an advance of at least 30% in the development of the environmental management plan and manual in terms of GHG.
CARBON FOOTPRINT TOOL	• Implemented in 2018.	• In 2019, the tool was updated, and an emissions intensity indicator (tCO_2e / occupied sqm) was included in our KPIs.	• Make the tool more efficient and adapt it to establish greenhouse gas emission reduction targets.

Total emissions by Scope ($tonCO_2e$)



95,863.1 tons of CO_2e
(Scope 1, 2 and 3) emitted

[13] The values of the Global Warming Potentials relative to CO_2, CH_4 and N_2O, are based on the Fifth IPCC evaluation report.
[14] Base year 2018.
[15] For 2018 intensity, the Scope 2 emissions were recalculated with a result of 93,188.7 $tonCO_2e$.
[16] Emission intensity was calculated based on scope 1 and scope 2.
[17] Scope 3 emissions consider employees commuting to work centers and business trips paid by the organization.

Value through a correct and measured waste management

Solid waste management is one of the emerging challenges that we have identified, making it of vital importance to our operations.

Our waste management is highly dependent on municipal and external collection, transport and management services. However, this presents a challenge, as it directly affects the operating costs of the tenants and does not present direct financial returns for FUNO®.

In 2019, nearly 1,005 tons of waste were sent to recycling.



Torre Del Caballito, CDMX

In 2019 we recovered $ 1.1 million pesos through recycling & recoverable waste.

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS	ECONOMIC IMPACT GENERATED R PERCEIVED
DEVELOP AND IMPLEMENT A CAMPAIGN AIMED AT TENANTS AND GUESTS, TO OPTIMIZE WASTE MANAGEMENT IN OFFICES AND SHOPPING CENTERS.	• Relaunch and reinforcement of communication campaign.	• In 2019, the first approach was made with tenants considered large generators. • The "Zero waste 2030" objective was established • Portal San Ángel was defined as the pilot building for the implementation of the waste management diagnosis. • Consultants were selected for the diagnostic.	• Implement the diagnosis of waste management in Portal San Ángel. • Execute the waste management survey in shopping centers and offices. • Define the guidelines and strategies of the "Zero waste 2030" Plan.	
GLASS COLLECTION AGREEMENT WITH GRUPO MODELO.	• Initiative presented in 2019.	• The collection of food grade glass was established in three properties: Patio Santa Fe, Samara and Punta Santa Fe.	• Identify the properties that will join the agreement. • Develop the communication campaign in the participating properties.	$18 mp
CAMPAIGN FOR THE ELIMINATION OF PLASTICS FOR A SINGLE USE ON OUR PROPERTIES THROUGHOUT THE COUNTRY.	• Initiative presented in 2019.	• During 2019, 1,005,801.4 kg of cardboard were sent to recycling. • We voluntarily signed with the government of CDMX an agreement to eliminate in our properties single use plastic.	• Continue with the identification and monitoring of recoverable waste in our properties: • PET • Aluminum	
ELECTRICAL AND ELECTRONIC WASTE	• Proper disposal of electronic devices at our HQ.	• In 2019, 255 electronic devices were sent to recycling and final disposal.	• Donate the functional luminaires resulting from the LED technology replacement program.	

Value through the conservation of biodiversity

For FUNO® it is essential to support the conservation of biodiversity in the communities where we operate. For this reason, in 2019, we participated in the annual reforestation of CONAFOR, in which 570 trees of the Pinus Montezumae species were planted in the Magdalena Petlacalco ejido of the Tlalpan mayor's office.

In addition to this reforestation, we maintained 750 trees located around the Mitikah project, thereby improving their plant health.

In 2019, FUNO® decided to collaborate with Mexican authorities in the maintenance of green areas in Mexico City. This collaboration aims at protecting and reforesting green areas with native and endangered species. This will contribute to increasing the presence of pollinators in urban areas (thanks to the presence of selected endemic species).



Punta Santa Fe, CDMX

88

tonCO_2e were captured approximately through our reforestation initiatives.[18]



(18) For the calculation of the tons captured, the figure reported by the Carbon neutral initiative, available at: https: // carbonneutral. com.au/fa qs /, was used as a reference.



Our 2020 commitment is to continue our operations without biodiversity loss and supporting biodiversity conservation projects near our properties.

Financial Capital:
Economic growth in balance

SDGs 1 and 11: No poverty; Sustainable cities and communities.
GRI Standards: 201-4, 203-1, 203-2.
Other indicators: SG 01.6 CC; SG 01.7 , 01.8 CC.
ESG Factor: Gobernance.

Our financial capital is the set of funds available for investment deployment, which includes debt, retained earnings and capital funds. We are the first and largest Mexican REIT operating a wide range of properties in various states, generating economic benefits for our CBFIs holders, communities, and tenants.



Porta San Ángel, CDMX

BUSINESS PRIORITY ADDRESSED	SUSTAINABILITY LINE OF ACTION	STAKEHOLDER	FINANCIAL RESOURCES ALLOCATED	IDENTIFIED RISK ADDRESSED
• Contracts potential • Exceptional portfolio and unique location • Focus on tenants • Financial prudence	• Energy eco-efficiency • Emissions control • Water management	CBFIs holders Tenants Guests Communities Suppliers and contractors Financial institutions Government Our Corporate Governance Body	• $ 5,578 million pesos as an economic spill derived from general expenses • For our detailed financial statements, please visit: https://en.funo.mx/investors/	• Impacts on the infrastructure surrounding the property • Changes in energy and water regulations



La Isla, Quintana Roo

How we create value?

As aforementioned in previous capitals, the way we manage and use our financial capital is fundamental in order to create sustained value for our stakeholders. Our ability to access financing either through equity or debt is key in our success. Maintaining strong credit metrics and the group's ability to manage its total cost of capital make a significant contribution to our sustainability and ability to finance the expansion of our income-generating distributable asset base. This would not be possible without strong discipline that allows us to maintain constant economic growth, healthy finances, as well as ethical decision-making.

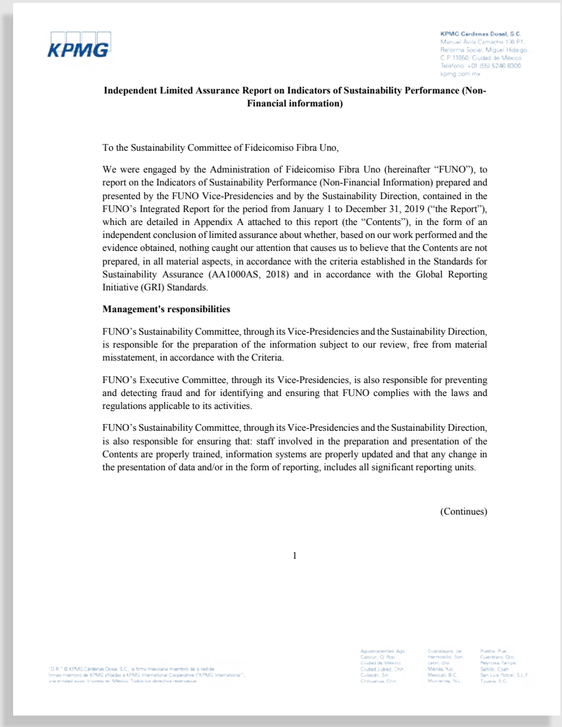


Mariano Escobedo, CDMX

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
COORDINATE AND DOCUMENT THE CELEBRATION OF ASSEMBLIES AND SESSIONS OF THE DIFFERENT FUNO® COMMITTEES, TO COMPLY WITH THE OBJECTIVES AND PURPOSES, AS WELL AS APPLICABLE LEGISLATION.	• 100%.	**Technical Committee** • 6 sessions (January 28th, February 25th, March 19th, April 10th, April 29th, July 23rd and October 23rd) • 97% attendance **Audit Committee** • 5 sessions (April 10th, April 29th, July 23rd, September 25th and October 23rd) • 100% attendance **Corporate Practices Committee** • 2 sessions (April 10th and October 23rd) • 100% attendance **Nominations and compensation Committee** • 1 session (April 10th) • 100% attendance	• Coordinate and document the holders' meetings and sessions of the different FUNO® committees, to comply with the objectives and purposes of REITs and the applicable regulations.
IMPLEMENT A COLLECTION SYSTEM THAT ALLOWS 100% MONITORING OF FUNO®'S PORTFOLIO.	• 80%.	• 100% design • 70% development • Implementation 0%	• Complete development and implement the system.

2019 COMMITMENTS	PROGRESS VS 2018	MAIN INITIATIVES / RESULTS IN 2019	2020 COMMITMENTS
CARRY OUT ACTS WHICH ARE NECESSARY TO COMPLY WITH THE RESOLUTIONS ADOPTED BY THE FUNO®'S HOLDING ASSEMBLY AND THE TECHNICAL COMMITTEE.	• 100%.	• The resolutions adopted by the Holders Assembly and the Technical Committee materialized and carried out the operations (acquisitions, divestments, financing, payment of distributions, to name a few), which are revealed in the quarterly reports of the FIBRA Uno Trust and / or will be disclosed in this Administrator's Annual Report regarding fiscal year 2019.	• The commitment for 2020 is to carry out the acts that are necessary and / or convenient to comply with 100% of the resolutions adopted by the Holders Assembly and the Technical Committee of the FIBRA Uno Trust. With the above, to finalize the acquisitions, divestments, financing, payment of distributions, among others of the Trust.
COORDINATE AND MONITOR THE RECOVERY OF SPACES SUBJECT TO LEASING THAT ARE IN LITIGATION, AS WELL AS ADMINISTRATIVE PROCEDURES AND MANAGEMENTS (PERMITS AND LICENSES).	• 100%.	• The judicial and procedural steps have been carried out if necessary, in order to recover the spaces given for lease and that are in dispute. Likewise, negotiations have been carried out by the responsible internal areas and binding agreements have been concluded to recover those spaces.	• An effort will be made to conclude as many existing legal disputes as possible in order to continue with the recovery of spaces that have come into litigation. • An effort will be made to continue celebrating and carrying out binding agreements and negotiations with tenants who are in default and cannot continue to maintain the rent for commercial spaces or fulfill their contractual obligations, in order to reduce the number of disputes.
CONSOLIDATION OF PROPERTY REGIMES IN CONDOMINIUM.	• 100%.	• Several internal controls have been implemented to monitor the individual and collective needs of the properties that are subject to condominium ownership. Likewise, the condominium assemblies have been held that have been necessary to approve the results of the administration, maintenance decisions, updating of maintenance fees and distribution of income by common areas.	• Report Income Statements and Operations Reports to the owners. • Distribute income from common areas to condominium owners. • Negotiate with condominiums necessary investment works in the properties. • Take care of compliance with the provisions of the Law in Condominium Property, its Regulations, Internal Regulations and Articles of Incorporation.
INTERNALIZATION OF PORTFOLIOS AND PREPARATION OF 100% OF THE LEASE CONTRACTS.	• 100%.	• In March, we internalized the operation of the purple portfolio, with 100% of leases.	• Continue our solid growth strategy.
ADD VALUE THROUGH TRANSACTIONS RESULTING IN OUR HOLDERS, CAPITAL VALUE APPRECIATION AND IN DISTRIBUTIONS.	• 100%.	• FFO grew 16.2% annually. • NAV by CBFI grew 5%.	• Add value through transactions that mean to our Holders, appreciation of their capital value and in the returns generated.
ESTABLISH A BUSINESS CONTINUITY PLAN.	• 90%.	• Interview 100% of the vice presidencies. • 100% business critical mapping and analysis process.	• Implementation of the Continuity Plan by 100%.

Third part assurance



KPMG

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Independent Limited Assurance Report on Indicators of Sustainability Performance (Non-Financial information)

To the Sustainability Committee of Fideicomiso Fibra Uno,

We were engaged by the Administration of Fideicomiso Fibra Uno (hereinafter "FUNO"), to report on the Indicators of Sustainability Performance (Non-Financial Information) prepared and presented by the FUNO Vice-Presidencies and by the Sustainability Direction, contained in the FUNO's Integrated Report for the period from January 1 to December 31, 2019 ("the Report"), which are detailed in Appendix A attached to this report (the "Contents"), in the form of an independent conclusion of limited assurance about whether, based on our work performed and the evidence obtained, nothing caught our attention that causes us to believe that the Contents are not prepared, in all material aspects, in accordance with the criteria established in the Standards for Sustainability Assurance (AA1000AS, 2018) and in accordance with the Global Reporting Initiative (GRI) Standards.

Management's responsibilities

FUNO's Sustainability Committee, through its Vice-Presidencies and the Sustainability Direction, is responsible for the preparation of the information subject to our review, free from material misstatement, in accordance with the Criteria.

FUNO's Executive Committee, through its Vice-Presidencies, is also responsible for preventing and detecting fraud and for identifying and ensuring that FUNO complies with the laws and regulations applicable to its activities.

FUNO's Sustainability Committee, through its Vice-Presidencies and the Sustainability Direction, is also responsible for ensuring that: staff involved in the preparation and presentation of the Contents are properly trained, information systems are properly updated and that any change in the presentation of data and/or in the form of reporting, includes all significant reporting units.

(Continues)

1

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Ciudad de México Mérida, Yuc. Querétaro, Qro.
Ciudad Juárez, Chih. Mexicali, B.C. Reynosa, Tamps.
Culiacán, Sin. Monterrey, N.L. Saltillo, Coah.
Chihuahua, Chih. San Luis Potosí, S.L.P.
Tijuana, B.C.

Our responsibilities

Our responsibility is to review the information related to the Contents included in the Integrated Report and to express an independent conclusion of limited assurance based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). The Standard requires that we plan and perform our procedures to obtain limited assurance about whether, based on our work performed and the evidence obtained, nothing caught our attention that causes us to believe that the Contents included in the Report for the period from January 1st to December 31st, 2019, are not prepared, in all material aspects, in accordance with the criteria established in the Standards for Sustainability Assurance (AA1000AS, 2018) and in accordance with the Global Reporting Initiative (GRI) Standards.

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

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

The procedures performed depend on our judgment and experience on the Contents presented in the Report and other circumstances of the work, and our consideration of the areas in which material misstatements are likely to arise.

By obtaining an understanding of the Contents included in the Report, and other circumstances of the work, we have considered the process used to prepare the Contents, with the purpose of designing assurance procedures that are adequate to the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of FUNO internal control over the preparation of the Contents included in the Report.

Our engagement also includes assessing the appropriateness of the main issue, the suitability of the criteria used by FUNO in the preparation of the Contents, by assessing the appropriateness of the methods, policies and procedures, and models used.

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

(Continues)

2

Criteria

The criteria on which the preparation of the Contents has been assessed, refers to the requirements established in the Standards for Sustainability Assurance (AA1000AS, 2018) and the Global Reporting Initiative (GRI).

Conclusion

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

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

Based on the procedures performed and the evidence obtained, nothing caught our attention that causes us to believe that the Contents detailed in Appendix A attached to this assurance report, prepared by FUNO's Vice-Presidencies and by the Sustainability Direction, and included in FUNO's Integrated Report for the period from January 1 to December 31, 2019, are not prepared, in all material aspects, in accordance with the Standards for Sustainability Assurance (AA1000AS, 2018) and the Global Reporting Initiative (GRI) Standards.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than FUNO's Vice-Presidencies and the Sustainability Direction, for any purpose or in any other context. Any party other than FUNO's Vice-Presidencies and by the Sustainability Direction who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than FUNO for our work, for this independent limited assurance report, or for the conclusions we have reached.

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

KPMG Cárdenas Dosal, S.C.

Juan Carlos Resendiz
Partner
Mexico City, May 29th, 2020.

Appendix A

Description of the Contents of the limited assurance engagement:

GRI Standard	Content	Descripción
General Contents	102-17	Number of ethics line reports.
Performance indicators		
Environmental		
GRI 302 E Energy	302-1	Energy consumption within the organization. • Electricity consumption of the local network (kWh). • Diesel, gasoline and natural gas consumption. • Refrigerant consumption.
	302-3	Energy intensity per m^2 occupied (ratio between consumed electrical energy and occupied square meters).
	302-4	Energy intensity decrease.
GRI 303 Water	303-3	Water withdrawal from different sources, in cubic meters
		Water intensity (ratio between the consumed water and the occupied square meters).
GRI 305 Emissions	305-1	Direct GHG emissions (scope 1).
	305-2	Energy indirect GHG emissions (Scope 2).
		Emissions intensity per m^2 occupied (tonCO2e / occupied square meters).
Socials		
GRI 403 Occupational health and safety	403-10	Work-related ill health • Number of occupational incidents. • Number of lost days due to work incidents. • Number of occupational fatalities.
GRI 404 Training and education	404-1	Average hours of training per year per employee
Local communities		Number of social activities carried out within FUNO properties.



GRI Standards: 102-3, 102-53.

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FTSE4Good

CDP
DRIVING SUSTAINABLE ECONOMIES

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.
We welcome feedback on its contents.

GRESB
REAL ESTATE
Member

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

This Report may include projections or forward-looking statements that involve risks and uncertainty. Words such as "estimates", "project", "plans", "believes", "waits", "anticipates", "tries", and other similar expressions should be identified exclusively as forecasts or estimates. FUNO® advises readers that the statements or estimates in this document, or those made by FUNO®'s administration, are entirely subject to risks and uncertainty that may cause changes based on various factors that are not under FUNO®'s control. Estimates for the future do not reflect the judgment of FUNO® as of the date of this document, and FIBRA reserves the right to update the statements contained in this document or that emanate from it when deemed appropriate. FUNO®'s past or present performance is not an indicator of future performance.

Midtown Jalisco, Jalisco


FUNO