

FIBRA  
Macquarie  
México



# 2020 ESG Report



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As I reflect on the global challenges we have collectively faced since the onset of the COVID-19 pandemic, I am reminded of the ways in which sustainability governs each and every decision we make at FIBRA Macquarie. Our ongoing focus to doing business the right way, and to building a truly sustainable platform in every respect, has proven to be a vital asset to FIBRA Macquarie.

Our sustainability progress, which we are proud to share with you in this report, has enabled us to be resilient in the face of challenges, to adapt to changing customer needs during the global COVID-19 pandemic, to care for the well-being of our employees and property users, and to continually deliver value to our investors while making a positive impact in the community. We continue to proactively manage and improve our sustainability performance, and, through our efforts, have achieved recognition from leading organizations. In particular we are proud to have participated in the 2020 Global Real Estate Sustainability Benchmark (GRESB), in which we were awarded three Green Stars, representing the second continuous year of annual improvement in our Green Star rating and another demonstration of our ESG leadership within the vibrant Mexican real estate sector.

### **Stakeholder Engagement**

2020 was an unprecedented year driven by the COVID-19 pandemic, which continues to have a meaningful impact on the economy, our communities, and lasting changes in the way we work and conduct business. Our team deployed a comprehensive COVID-19 response plan that enabled us to maintain trust and excellence among customers, communities, and employees. Since the earliest effects of the COVID-19 pandemic, we adopted a series of actions that enabled us to respond to the impacts of the pandemic proactively and quickly. At the tenant engagement level, we have also been focused on further improving our customer satisfaction level and are excited with the strong results seen in our most recent customer satisfaction surveys. In addition, we believe the lease contract is one of the most important ways to formally engage with our customers to achieve sustainable practices at our properties. We were therefore honored to be the first Mexican real estate participant to be recently recognized in the Green Lease Leader program, developed by the Institute for Market Transformation (IMT) and the U.S. Department of Energy's (DOE) Better Buildings Alliance.

### **Managing Our Environmental Impact**

Our commitment to asset-level sustainability performance accelerated in 2020, entering the execution phase of our Green Building Certification Program, which led us to achieve our first two LEED® certifications (for industrial development assets) and six BOMA Best certifications (for retail standing assets). Of note, the certification achieved on our most recently completed industrial development in Ciudad Juarez represents the first industrial property in all of Latin America to achieve Gold status in the LEED v4 for BD+C: Core and Shell category, bringing a new standard of sustainability to the real estate sector in the region.

We will continue our commitment to asset-level environmental excellence through our goal of certifying 100 percent of new industrial developments under our recently approved LEED Volume Prototype; and to implementing our LEED-aligned Sustainability Guidelines for Property Improvements and Alterations for all other projects, which will help us to progressively achieve green building certifications such as EDGE and BOMA Best for existing properties.

We recognize that climate change poses potential risks to our business. FIBRA Macquarie has reaffirmed our commitment to managing risks through our robust ESG program, and we seek to use them as opportunities for impact, innovation, and continued success.

### **Social Responsibility**

FIBRA Macquarie continues to recognize the important role it plays in society, and we are proud of actions taken over the prior year across different aspects of our business, utilizing our properties and partnering with various not for profits and government organizations to undertake social initiatives ranging from the sponsorship of family support programs for tenant staff and their families, through to the initiation of internship opportunities within our own staff base for socially disadvantaged youth and the provision of support centers at our retail centers for domestic abuse survivors.

### **Excellence in Governance**

As an externally managed vehicle, FIBRA Macquarie's governance and manager fee structure aligns the Manager with the equity returns of FIBRA Macquarie's investors. During the year there has been refreshment across the key governing bodies with three new appointments. The Manager's Board of Directors has been expanded in 2020 with two new members added; Eric Wurtzebach, the Head of the Americas and a Senior Managing Director in the North American real estate arm of Macquarie Infrastructure and Real Assets, with over 26 years of experience; and Brett Robson, who leads Macquarie Infrastructure and Real Assets global real estate business and has over 30 years of experience. Furthermore, we announced earlier this year that Sara Neff has been appointed as an independent member of the Technical Committee, bringing extensive leadership experience from the U.S. REIT sector, with a focus on sustainability.

FIBRA Macquarie strives to integrate ESG into all levels of operations; therefore, our Board of Directors and Technical Committee directly oversees material ESG risks to the Company, as well as investment, cybersecurity, and other risks. Our governance framework is structured around a corporate culture of uncompromising ethics and integrity, proactive risk management, and Board of Directors' and Technical Committee oversight to ensure continued excellence across our organization. Our continuous commitment to good governance at all levels drives corporate responsibility to promote the long-term interests of our investors. This commitment is driven by the same principles that guide FIBRA Macquarie's business: Opportunity, Accountability, and Integrity.

In closing, we are well prepared to continue our strong performance amid ongoing challenges, and I am excited about the culmination of FIBRA Macquarie's efforts being recently recognized through our first-time inclusion in the 2021 S&P/BMV Total Mexico ESG Index. We will continue doing what we do best—optimizing our portfolio; demonstrating flexibility, creativity, and service to meet our customers' needs; and leading in Environmental, Social, and Governance performance.

**Juan Monroy**  
Chief Executive Officer



# About FIBRA Macquarie

FIBRA Macquarie is a real estate investment trust (REIT) listed on the Mexican stock exchange (FIBRAMQ) and owner of one of the largest portfolios of industrial and retail properties in Mexico. Our trust is focused on the acquisition, ownership, leasing, management, and development of real estate properties in Mexico.

FIBRA Macquarie is well positioned to capitalize on the favorable long-term economic and demographic trends in Mexico. We realize this opportunity for customers and investors through our high-quality portfolio, scalable internal property administration platform, disciplined capital management, strong operational and financial performance, and our experienced property administration, leasing, engineering, and management teams.

This is FIBRA Macquarie's third ESG report.





# Our Integrated ESG Business Strategy

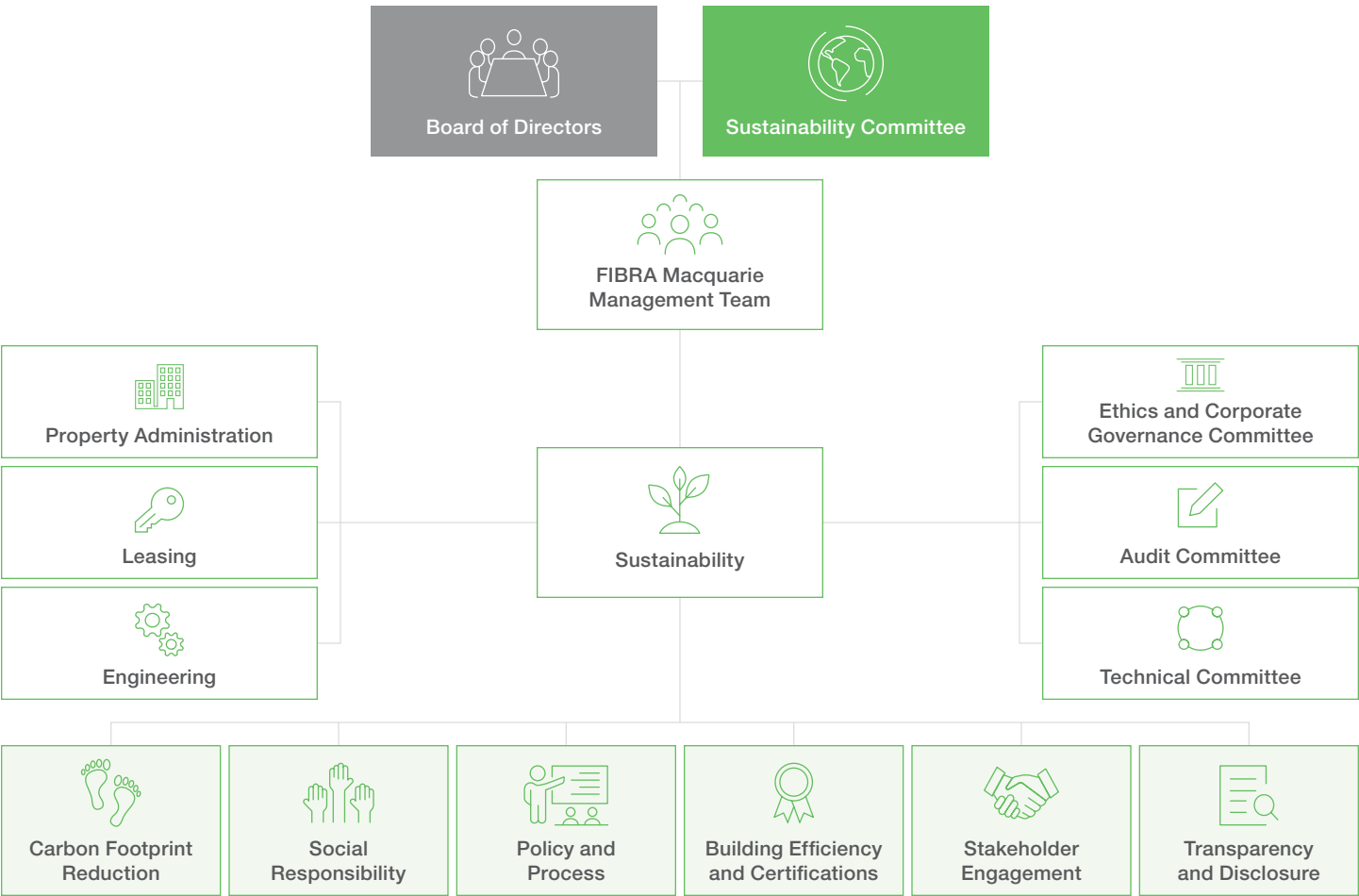
FIBRA Macquarie has a comprehensive ESG business strategy guided by our Board of Directors and our Sustainability and Technical Committees and implemented throughout all levels of the organization from senior leadership to every employee. Our strong ESG practices and operational strategy create value for our investors, provide efficient and healthy buildings for our tenants, forge strong partnerships in our communities, and generate a thriving workplace for our employees.

Established in 2018 by our Board, FIBRA Macquarie’s Sustainability Committee, composed of Board members, executive management, and in-house sustainability experts, is responsible for overseeing and advising on the integration of environmental and social responsibility aspects within our business operations. The Sustainability Committee evaluates the performance of sustainability policies and targets and, together with the Technical Committee, ensures compliance with our corporate governance initiatives, risk management, and potential impacts to our investors.

At FIBRA Macquarie, ESG considerations are embedded within our investment decision-making approach and the asset management framework through which we assess and improve performance. Our approach to responsible

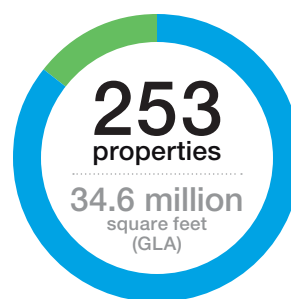
investment is supported by our ESG and risk experts, policies and processes, and the expertise of our management teams and ESG advisors.

Furthermore, our company continues to strive for increased transparency in our business operations and initiatives. We understand the importance of maintaining a culture of openness and a corporate governance framework that closely aligns the management of the business with the interests of our investors. At FIBRA Macquarie, we pride ourselves on fostering an inclusive and diverse workforce with a multinational company culture. We are committed to driving a culture of excellence by sustaining a workplace reflective of our customers, employees, and the communities where we operate.



# Portfolio Overview

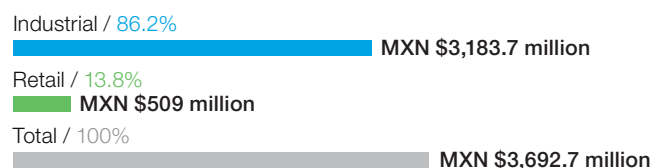
As of December 31, 2020, our diversified portfolio consists of 236 industrial properties and 17 retail properties (nine of which are held through a 50-50 joint venture) located in 20 cities across 16 states in Mexico. This report covers all properties within the fund, which comprises approximately 30 million square feet of industrial gross leasable area (GLA) and 4.6 million square feet of retail GLA.



Portfolio-wide  
GLA Distribution  
by Property Type<sup>1</sup>  
In thousands of square feet ('000 sqft)



## 2020 Net Operating Income (NOI)



## Portfolio-wide GLA Distribution by City<sup>1</sup>

In thousands of square feet ('000 sqft)

- Number of properties
- Total GLA ('000 sqft)
- Industrial GLA %
- Retail GLA %

<b>Cancún</b>  [ 100% ]	<b>Chihuahua</b>  [ 100% ]	<b>Ciudad Juárez</b>  [ 100% ]	<b>Guadalajara</b>  [ 87% / 13% ]	*México City Metropolitan Area			
<b>Hermosillo</b>  [ 100% ]	<b>Irapuato</b>  [ 100% ]	<b>Los Mochis</b>  [ 100% ]	<b>Matamoros</b>  [ 100% ]	<b>MCMA*</b>  [ 11.8% / 88.2% ]	<b>Mexicali</b>  [ 100% ]	<b>Monterrey</b>  [ 93.8% / 6.2% ]	<b>Nogales</b>  [ 100% ]
<b>Nuevo Laredo</b>  [ 100% ]	<b>Puebla</b>  [ 100% ]	<b>Querétaro</b>  [ 100% ]	<b>Reynosa</b>  [ 100% ]	<b>Saltillo</b>  [ 100% ]	<b>San Luis Potosí</b>  [ 100% ]	<b>Tijuana</b>  [ 100% ]	<b>Tuxtepec</b>  [ 100% ]

(1) As of December 31, 2020.



# Key Achievements



## Environmental Performance

### Data Coverage

From 2019 to 2020, energy consumption data coverage increased by 850bps to 82.6% and water consumption data coverage by 259bps to 65.9%.\*

### Greenhouse Gas Emissions

17.7% reduction in portfolio greenhouse gas emissions from 2019 to 2020.\*\*

### Green Building Certification Program

Development and implementation of a comprehensive green building certification strategy. As part of this strategy:

- We certified six existing retail properties under the BOMA Best program and two new industrial properties under the LEED for Core and Shell program.
- We received approval from the USGBC for our LEED Volume Prototype, which will guide all new development projects.
- And we published LEED-aligned Sustainability Guidelines for Property Improvements and Alterations.

### Green Lease Leader

In May, 2021, FIBRA Macquarie was recognized as a Green Lease Leader by the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance. We are honored to be the first Mexican real estate participant to be recognized as part of the Green Lease Leader program.

# 17.7%

reduction in greenhouse gas emissions from 2019 to 2020.\*\*

\*Based on Gross Floor Area (GFA).

\*\*With respect to 207 properties with like-for-like data (2019 and 2020 full calendar year data). The COVID-19 pandemic caused a reduction in operational activities in many of our buildings during 2020, resulting in corresponding reductions in GHG emissions.



## Social Responsibility

### COVID-19 Response

Since the earliest impacts of the COVID-19 pandemic, FIBRA Macquarie adopted a series of actions that enabled us to respond to the impacts of COVID-19 proactively and quickly.

- **Customers:** Our property management team implemented numerous hygiene measures, aligned to both international and local standards, to ensure the health and safety of our customers and property visitors in both our retail and industrial assets.
- **Employees:** We provided our employees with all available tools and resources to allow them to perform in a virtual setting, all while ensuring their physical and mental well-being through continuous check-ins with our leadership team, access to professional psychologists and nutritionists, and wellness webinars and newsletters through our "MPA Contigo" program.
- **Communities:** We established care centers for female victims of pandemic-related domestic violence in our retail assets through our "Contingencia Sin Violencia" program.
- We implemented digital 360° digital tours of select industrial properties to minimize in-person tours and reduce risks of COVID-19 transmission.

### Philanthropy

We continued to support and expand the work of Fundación Criantia, a not-for-profit Mexican organization which provides parents with tools that allow them to better educate their children through loving relationships, the establishment of firm and healthy limits, and helping their children through the development of self-esteem patterns. Using videoconferencing platforms, seminars were extended to all markets for both employees and customers.

### Leasing Broker Satisfaction Survey

FIBRA Macquarie conducted its third-party-administered biennial broker satisfaction survey. Results show that all key performance indicators and leasing process rating areas improved significantly from the prior study (2018) and outperform industry averages.



## Corporate Governance

### Disclosure

During 2020, FIBRA Macquarie expended alignment of its ESG reporting to globally recognized disclosure standards by including the Task Force on Climate-Related Financial Disclosures (TCFD) in addition to the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB).

### Board of Directors

We expanded our Manager's Board of Directors by adding two new members: Eric Wurtzebach and Brett Robson.

### Cybersecurity

Our Cybersecurity Risk Management Strategy was updated to improve systems access protocols and policies, phish threat test and training for employees, and enhanced IT security policies and capabilities.

### ESG Principles for Suppliers

We implemented our ESG Principles for Suppliers to help FIBRA Macquarie uphold its core values while fostering long-term, transparent, and collaborative relationships with suppliers.

### Technical Committee

We recently announced Sara Neff's appointment as an independent member of the Technical Committee. Ms. Neff brings extensive leadership experience at U.S. REITs, with a focus on sustainability.






We strive to maximize the positive impact we make through our sustainability initiatives and to improve our performance against key metrics to achieve progress. We have established commitments as they relate to these metrics, as well as a Sustainability Action Plan based on our “plan-do-check-act” strategy, which allows us to continually measure advancement and adapt to our evolving needs.

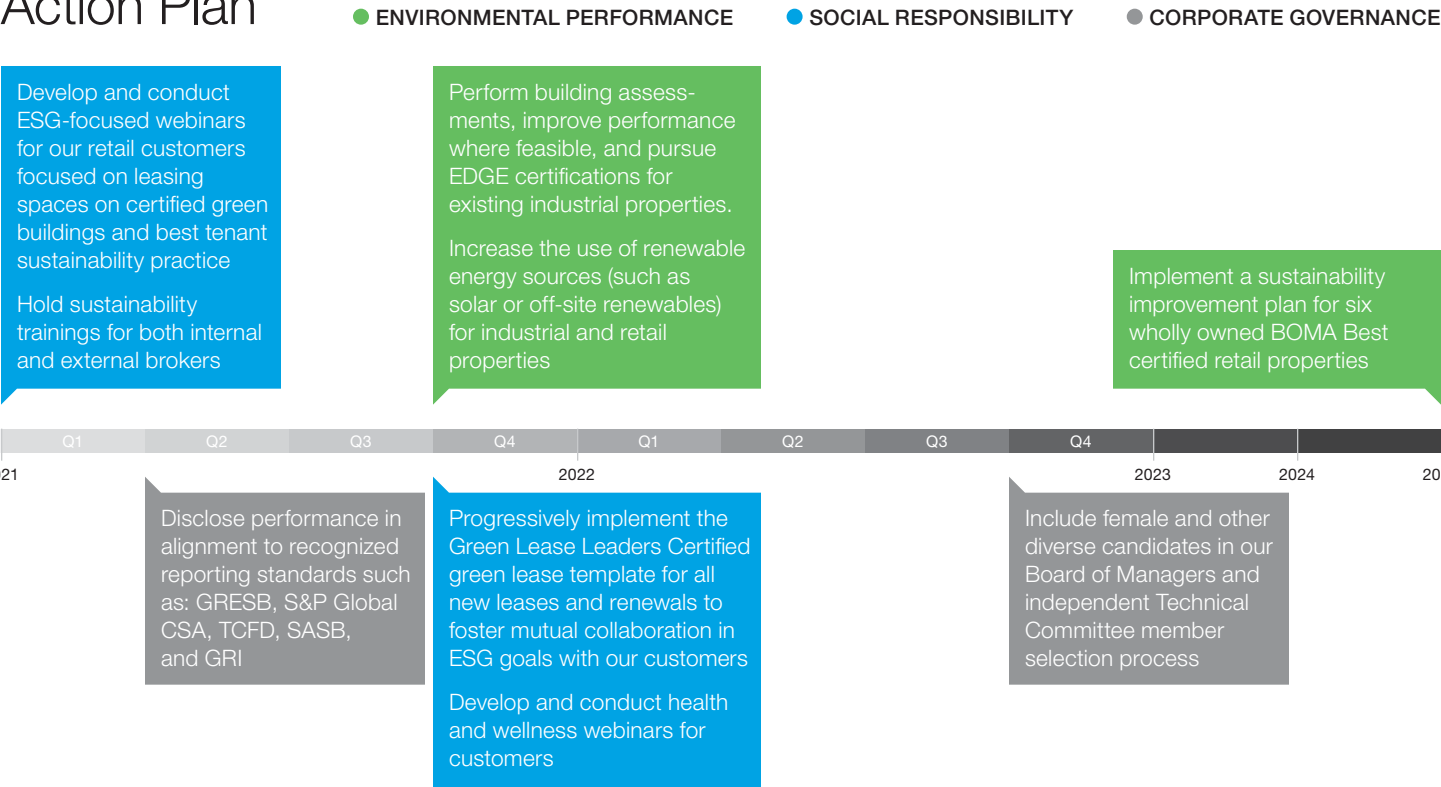
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# Commitments

<div>  </div> <div> <b>Environmental</b>                      We believe that environmental responsibility is essential to minimize our environmental impact, drive value, and create opportunity.                 </div>	<div>  </div> <div> <b>Social</b>                      We are committed to creating thriving workplaces and participating as a good neighbor in the communities where we live and work.                 </div>	<div>  </div> <div> <b>Governance</b>                      Good governance at all levels is necessary to drive corporate responsibility, promote long-term interests of our shareholders, and strengthen Board management and accountability.                 </div>
<ul style="list-style-type: none"> <li>• We are committed to <b>reducing our environmental footprint</b>. By implementing leading sustainability and energy management strategies, and having an asset-level business plan, we ensure that our properties are designed, constructed, and operated to <b>mitigate the impact of climate change</b> and optimize the use of resources. We actively seek to improve building efficiency, pursue green building certifications, and proactively identify assets with potential climate exposures and mitigate risks accordingly.</li> </ul>	<ul style="list-style-type: none"> <li>• Our <b>stakeholder engagement</b> process relies on understanding and addressing the needs of our investors, employees, customers, communities, and suppliers. We will continue to address stakeholder needs through collaboration, high-quality management services, strong focus on customer service, and open channels of communication.</li> <li>• We understand that a <b>diversity</b> of backgrounds, ethnicities, ages, genders, sexual orientations, experience, skills, and views represents an advantage for us and for our business. We aim to recognize and cultivate everyone’s uniqueness, and we will continue to foster a workplace environment that attracts and retains members with this diversity.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Disclosure</b> of non-financial performance provides our investors with a more complete picture of our long-term value proposition. We are committed to aligning our non-financial disclosures to a variety of external reporting and disclosure programs, such as Global Real Estate Sustainability Benchmark (GRESB), S&amp;P Global Corporate Sustainability Assessment (CSA), Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Financial Disclosures (TCFD), and Global Reporting Initiative (GRI).</li> <li>• Our <b>investment strategy</b> takes ESG considerations into account. During the acquisition phase, we review historical performance and assess the asset’s environmental and social impact to better inform improvement opportunities. For our existing assets, we regularly analyze opportunity areas and follow an asset-level business plan.</li> </ul>


# Action Plan



# Alignment to UN's Sustainable Development Goals

At FIBRA Macquarie, we are dedicated to aligning our ESG commitments, investment strategies, and business operations to globally recognized and adopted sustainability objectives. With sustainability being at the core of our business strategies, we contribute directly to a variety of goals adopted in the United Nations' 2030 Agenda for Sustainable Development.



SDG	FIBRA MACQUARIE OBJECTIVE	PROGRESS
	<b>Invest in local communities to generate sources of employment</b>	<ul style="list-style-type: none"> <li>Continue to develop new projects that hire local community members during the construction process and that generate other employment opportunities for community members once properties are occupied by our customers</li> </ul>
	<b>Promote high-quality living and working environments</b>	<ul style="list-style-type: none"> <li>Implement WHO-aligned hygiene measures in properties and provide employees with resources, such as psychologists and nutritionists, to improve physical and mental health</li> <li>Adopt and enhance pedestrian walkways, promote bike usage by providing bike racks, and provide better access to natural light and views in retail properties</li> <li>Perform landscaping projects in industrial properties to enhance user experience</li> </ul>
	<b>Promote educational services in underserved communities</b>	<ul style="list-style-type: none"> <li>Continue to support organizations like Fundación Ciantia that provide resources to parents to help them better educate their children and contribute to the improvement of Mexican society</li> </ul>
	<b>Ensure diversity and inclusion at all levels of organization</b>	<ul style="list-style-type: none"> <li>Employee-based diversity and inclusion leadership initiatives</li> <li>Transparency about gender diversity within our organization</li> </ul>
	<b>Manage stormwater runoff and preserve fresh water sources</b>	<ul style="list-style-type: none"> <li>Implement our green building certification strategy, which includes guidelines for stormwater management, high-efficiency water fixtures, water reuse, and low- or no-irrigation landscaping</li> </ul>
	<b>Generate and procure renewable energy</b>	<ul style="list-style-type: none"> <li>Continue to increase the volume of solar photovoltaic projects throughout existing portfolio</li> <li>Design roofs for new developments to accommodate solar panels</li> <li>Assess the feasibility of off-site renewable energy for properties where on-site renewables are not feasible</li> </ul>



SDG	FIBRA MACQUARIE OBJECTIVE	PROGRESS
	<b>Stakeholder investment and quality working conditions</b>	<ul style="list-style-type: none"> <li>• Provide employees with optimal benefits, flexible hours, and wellness opportunities</li> <li>• Promote safe and secure work environments for employees, tenants, and contractors</li> <li>• Active participation in various social programs that help improve the living conditions of people in the communities where we operate</li> <li>• Hiring of local workforces for all new development projects</li> </ul>
	<b>Provide opportunities to people of all socioeconomic backgrounds</b>	<ul style="list-style-type: none"> <li>• Provide career opportunities for talented young individuals who might not have access to work and grow at our organization through initiatives such as the Inroads Program</li> </ul>
	<b>Promote sustainable development and green building strategies</b>	<ul style="list-style-type: none"> <li>• Apply our sustainability standard and pursue green building certifications for building design and construction in all new developments and for operations across all eligible existing properties</li> </ul>
	<b>Sustainable procurement and responsible disposal of materials</b>	<ul style="list-style-type: none"> <li>• Establish sustainable guidelines for tenant fitouts and for property alterations and improvements</li> <li>• Provide operations and maintenance guidelines that include procurement strategies across the portfolio</li> <li>• Implement recycling programs to assist building occupants in diverting waste from landfills</li> </ul>
	<b>Reduce greenhouse gas emission and mitigate asset-specific risks</b>	<ul style="list-style-type: none"> <li>• Reduce energy consumption by investing in energy-efficiency measures or retrofits</li> <li>• Assess environmental and social risks of newly acquired and existing assets to inform resilience strategies to mitigate the impact of climate change</li> </ul>
	<b>Promote sustainable use of terrestrial ecosystems and halt biodiversity loss</b>	<ul style="list-style-type: none"> <li>• Through our green building certification strategy, all of FIBRA Macquarie's new development projects perform biodiversity assessments to ensure the conservation of ecosystems and to reduce the degradation of natural habitats</li> </ul>
	<b>Commitment to strengthening institutions and promoting rule of law</b>	<ul style="list-style-type: none"> <li>• Our Ethics and Anti-Corruption Program includes internal policies covering bribery and corruption, transactions with related parties, staff personal dealing, conflicts of interest, and protection of whistleblowers</li> <li>• Maintain a culture of transparency and a corporate governance framework that closely aligns business management with customers' and investors' interests</li> <li>• Implement our Code of Conduct and Principles for suppliers to help FIBRA Macquarie uphold its core values while fostering long-term, transparent and collaborative relationships with suppliers</li> </ul>

A large agave plant with long, pointed leaves dominates the foreground. The sun is shining from behind the plant, creating a bright flare. In the background, a building with a ramp is visible. The ground is covered in small, light-colored rocks.

# Environmental Performance

Environmental sustainability is at the core of FIBRA Macquarie's business operations. Our sustainability program aims to minimize environmental impact and improve the performance of buildings in our portfolio, while providing transparency to investors, customers, employees, and other external stakeholders.



# Sustainability Strategy

FIBRA Macquarie has developed and incorporated a comprehensive sustainability program across our organizational structure and throughout our national portfolio. Our sustainability strategy focuses on improving building performance, decreasing negative impacts, and creating value to our stakeholders through increased data coverage, green building certifications, reducing resource consumption through conservation strategies, assessing climate-related risks and opportunities, and providing ESG disclosures and transparency.

Two important aspects for incorporating our strategy and goals in our DNA is training our employees, suppliers, and customers and incorporating sustainability key performance indicators for all our employees. With this approach, we encourage collaboration, ownership, and accountability from all parties involved.

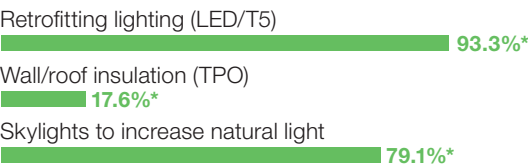


## Environmental Management System

FIBRA Macquarie is committed to implementing best practices across our portfolio to achieve our sustainability goals and targets. Integral to the success of our program is our Environmental Management System, which follows a plan-do-check-act cycle aligned with the International Standards Organization (ISO) 14001 Standard. This EMS framework will enable us to continually monitor our performance and identify opportunities that align with our overall sustainability strategy and goals.



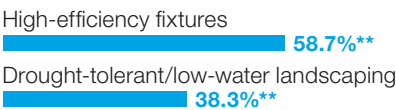
### Energy Efficiency Improvements



\*Based on Gross Floor Area (GFA). GFA includes Gross Leasable Areas (GLA) and landlord-controlled commons spaces.



### Water Efficiency Improvements



\*\*Based on number of properties.

# Impacts of Climate Change on Our Business

We are committed to aligning our investment strategy with science and the Task Force on Climate-Related Financial Disclosures (TCFD). We have chosen the TCFD framework since we believe it is a robust disclosure framework that will help us guide material climate change impacts to our business. We take climate change and the associated risks seriously and stand with our communities, customers, employees, and shareholders in supporting meaningful solutions that address this global challenge.

FIBRA Macquarie takes a comprehensive, proactive, and prudent approach to managing and mitigating potential risks across the organization, including ESG-related risks. Through disclosure of relevant, reliable, and material ESG data to key shareholders, we take a systematic, integrated approach in the evaluation of ESG risks and opportunities. At the property level, we routinely perform environmental and social risk assessments across our entire portfolio to better understand and prepare for future climate-related risks.

## PHASED APPROACH TO RISK MANAGEMENT



### Resilience







FIBRA Macquarie continually assesses impacts of natural hazards, climate exposures, and social impacts across our portfolio, including risks related to flooding, drought, heatwaves, tropical storms, earthquakes, marginalization, and social lag (among others). We actively evaluate our portfolio exposure to climate risks to ensure that our buildings are protected and to evaluate scenarios that may impact our properties in the future. To ensure business continuity for our customers, we take preventive measures to improve climate change resilience of our portfolio and plan for longer-term risks.

### Climate-Related Risks and Opportunities

Our proactive risk and resilience approach enable us to clearly identify risks and opportunities over the short, medium, and long term to develop targeted action plans to reduce exposure, create value, and improve performance. We have identified climate-related risks and mitigation strategies in alignment with recommendations from the TCFD disclosure framework.



- During the last three years, FIBRA Macquarie has performed asset-level environmental and social risk assessments as they relate to the following topics for 100% of our industrial portfolio:
- ✓ Climate Change Adaptation
  - ✓ Energy and Water Supply
  - ✓ Natural Hazards
  - ✓ Resilience
  - ✓ Socioeconomic Impacts

CLIMATE-RELATED RISK	POTENTIAL CLIMATE AND BUSINESS IMPACT	MITIGATION STRATEGY
<b>Market Risk</b> (Transition Risk) 	Shifting customer preferences toward green and more efficient buildings.	We actively pursue green building certifications during design and construction and operational green building certifications across our portfolio to achieve recognition and third-party validation of our performance.
<b>Reputation Risk</b> (Transition Risk) 	Enhanced ESG Disclosure requirements including reporting programs. Poor ESG scores and performance can affect investor base, higher cost of capital, and more restrictive access to financing.	We continue to expand and improve our ESG disclosures through reporting to GRESB and S&P Global's CSA, and align with industry frameworks such as GRI, TCFD, and SASB to inform our strategy and identify opportunities for improvement.
<b>Policy and Legal Risks</b> (Transition Risk) 	Potential for increased carbon performance regulation and pricing on GHG emissions may result in significant financial impacts if compliance is not met.	We are actively developing a formalized strategy to improve asset-level performance to ensure that we meet potential compliance requirements and avoid fines.
<b>Water Security and Drought</b> (Chronic Physical Risk) 	Most of inland Mexico is projected to experience reduced rainfall, including an increase in consecutive dry days, particularly in northern areas, leading to reductions in surface waters and the supply of fresh water. At least 173 of our properties are in regions with "high" to "very high" risk of droughts and water scarcity.	We actively work on retrofitting existing assets to install high-efficiency water fixtures and implement water-reuse systems wherever feasible. We use endemic species and efficient drip irrigation in the landscaping of our buildings to reduce water consumption while aesthetically enhancing our portfolio.
<b>Floods</b> (Acute Physical Risk) 	Urban areas in central/southern Mexico are highly susceptible to flooding due to increased precipitation events and rapid, unorganized urbanization. Furthermore, coastal areas can be impacted by tropical storms. At least 170 of our properties are in regions with "high" to "very high" risk of flooding.	Vulnerability to flooding is dependent on elevation and flood infrastructure; we will continue to monitor and evaluate flood risk at properties with potential risks due to these factors to evaluate pertinent mitigation strategies such as stormwater retention tanks, site drainage, protecting infrastructure, etc.
<b>Earthquakes</b> (Acute Physical Risk) 	Mexico is one of the most seismically active countries in the world. And Mexico City, built on top of ancient sediments, is highly susceptible to earthquakes as vibrations magnify due to soil conditions. At least 97 of our properties are in regions with "high" to "very high" risk of earthquakes.	All our properties are designed and constructed to meet all applicable seismic building codes. Earthquake preparedness and evacuation plans are in place at our buildings and we routinely perform earthquake evacuation drills.

## CLIMATE-RELATED OPPORTUNITIES



### Resource Efficiency

We have the opportunity to reduce energy and water consumption at our properties, thus reducing operating costs and avoiding higher utility rates.

### Increased Value and Customer Demand

By applying our LEED-aligned Sustainability Guidelines for Property Improvements and Alterations to improve efficiency and achieve green building certifications for existing properties and new developments, we will increase the value of our portfolio and address our customers' demand for buildings that outperform their peers when it comes to sustainability.

### Resilience

Our proactive approach to continuous environmental and social risk assessments throughout our portfolio helps us increase resilience and could drive increased market valuation.

### Reputation

Earning recognition as a Mexican real estate leader in sustainability and climate change mitigation could increase the confidence of our stakeholders, from investors to local communities.



# Sustainability Performance

FIBRA Macquarie tracks year-over-year performance improvements in energy, water use, and GHG emissions for properties with available data for 2019 and 2020, as well as absolute performance for properties with only one year of data (2020).

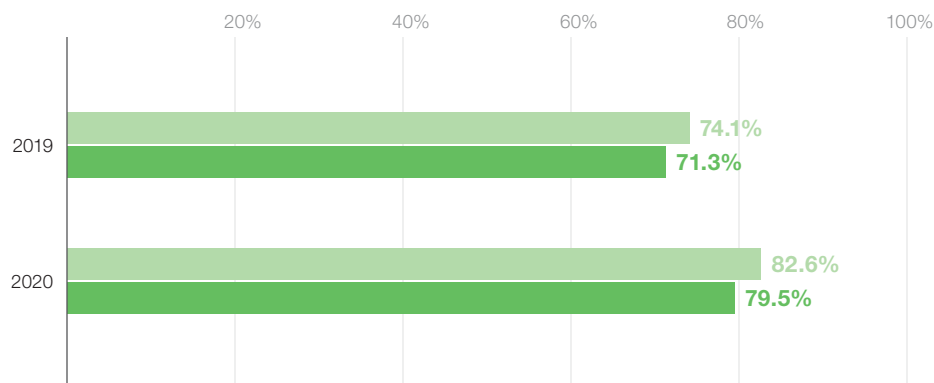
## DATA COVERAGE

One of the inherent challenges of operating what is mainly a triple-net-lease portfolio is the complexity in obtaining data with respect to floor areas not under our control. However, FIBRA Macquarie aims to improve data coverage for environmental performance metrics year-over-year for common areas under its management as landlord and for the building areas of customer-controlled spaces.

### Energy and GHG Emissions Data Coverage

#### TYPE OF FLOOR AREA

- Gross Floor Area (GFA)\*\*
- Gross Leasable Area (GLA)\*\*\*

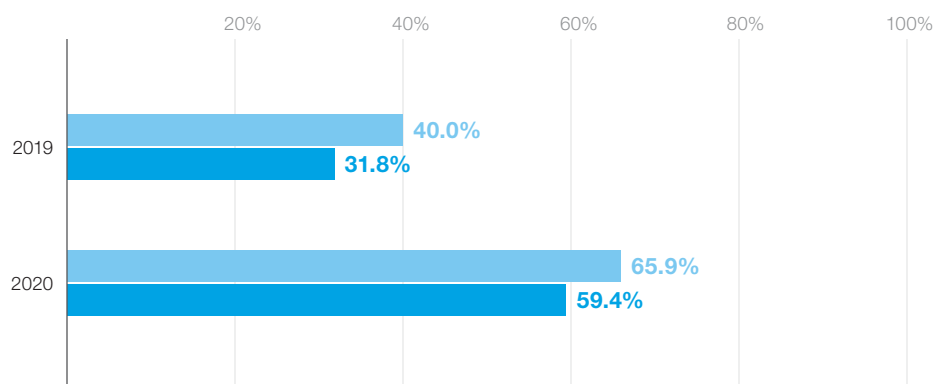


From 2019 to 2020, we increased energy data coverage for GFA by **850bps\***

### Water Consumption Data Coverage

#### TYPE OF FLOOR AREA

- Gross Floor Area (GFA)\*\*
- Gross Leasable Area (GLA)\*\*\*



From 2019 to 2020, we increased water data coverage for GFA by **259bps\***

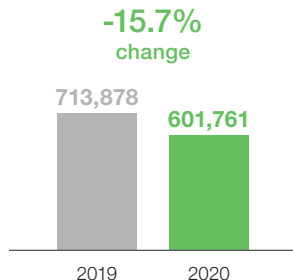
\*When compared to the data coverage metrics reported in the 2019 Sustainability Report (linked [here](#)).

\*\*GFA includes areas under management and leasable areas. Weighted average on a daily basis.

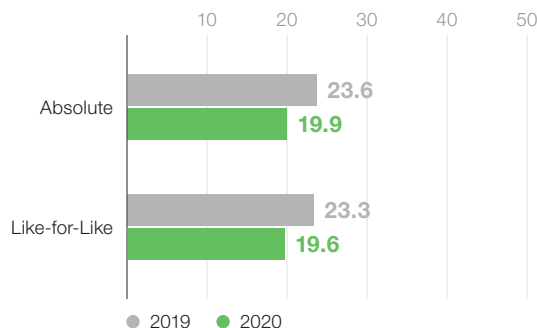
\*\*\*GLA only includes leasable areas. Weighted average on a daily basis.

## Energy Consumption<sup>1</sup>

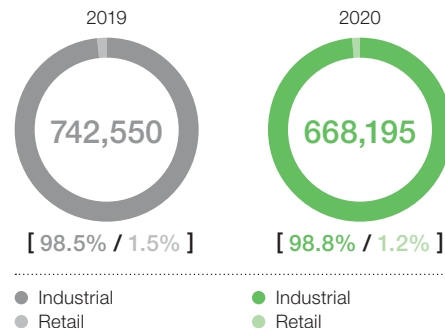
### Like-for-Like Energy Consumption (MWh)



### Energy Use Intensity (kWh/ft<sup>2</sup>)



### Absolute Energy Consumption<sup>2</sup> (MWh)



## GHG Emissions<sup>1</sup>

### Absolute GHG Emissions<sup>2</sup> (MTCO<sub>2</sub>e)

	2019	2020
Scope 1 and 2	5,775	3,886
Scope 3	355,275	314,451
<b>Total</b>	<b>361,051</b>	<b>318,337</b>

### Like-for-Like GHG Emissions (MTCO<sub>2</sub>e)

	2019	2020	% Change
Scope 1 and 2	5,746	3,840	-33.2%
Scope 3	341,114	281,669	-17.4%
<b>Total</b>	<b>346,861</b>	<b>285,509</b>	<b>-17.7%</b>

### 2020 Absolute GHG Emissions Intensity<sup>2</sup> (kgCO<sub>2</sub>e)

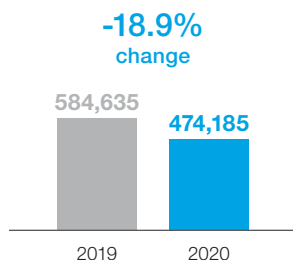


**Defining GHG Emissions:** Daily operations in the real estate sector generate direct (Scope 1), indirect (Scope 2) and other indirect (Scope 3) GHG emissions. Direct emissions are caused by the consumption of fuels burned on-site at the property (e.g., natural gas or diesel fuel oil). Indirect GHG emissions are the result of energy purchased from a utility, such as electricity, and used by base building and master metered systems (i.e., landlord-controlled). And other indirect GHG emissions are those generated by producing energy controlled by others outside the organization (e.g., customers/tenants that pay their own utility bills). FIBRA Macquarie reports available data on landlord-controlled on-site fuel consumption (Scope 1) GHG emissions, landlord-controlled grid purchased electricity consumption (Scope 2), and available customer/tenant-controlled energy consumption (Scope 3).

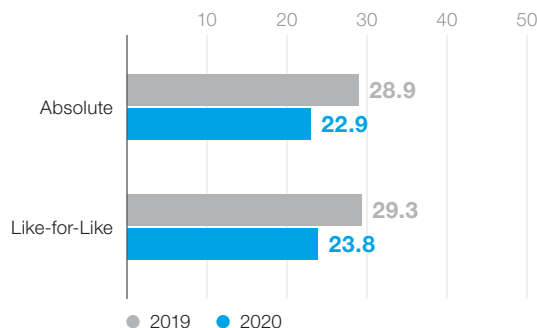
The calculation of GHG emissions is market-based, and we define our boundary using the operational control methodology specified in the GHG Protocol, Revised Edition, Section 4, pages 24–33. Emissions factors used are the most recent supplied by the U.S. Energy Information Administration and are available at <https://www.eia.gov/tools/faqs/faq.php?id=76&t=11>. Our calculations represent a +/- 5% level of confidence, since all GHG calculations are based on actual energy meter readings; no estimates are used. Metric tons CO<sub>2</sub>e (mtCO<sub>2</sub>e) represents the metric tons of CO<sub>2</sub> “equivalent,” which includes the combined equivalent CO<sub>2</sub> of three major greenhouse gases: CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O.

## Water Consumption<sup>1</sup>

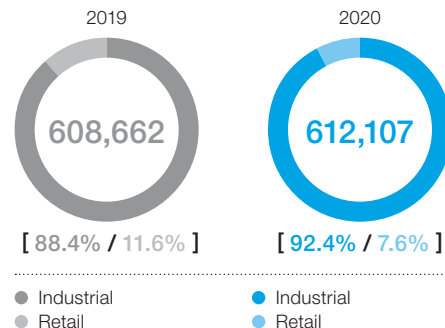
### Like-for-Like Water Consumption (kgal)



### Water Consumption Intensity (gal/ft<sup>2</sup>)



### Absolute Water Consumption<sup>2</sup> (kgal)



\*The COVID-19 pandemic impacted operational activity of some of our buildings during 2020, contributing to a corresponding reduction in like-for-like energy consumption, water consumption, and GHG emissions.

Measurabl, Inc. has performed an independent third-party review of the FIBRA Macquarie Mexico 2020 greenhouse gas inventory with the intention of providing a checked level of review of the submission's accuracy and completeness. The scope of the review includes all emissions sources, as it applies to the selected reporting boundary of Mexico operations under operational control.

(1) See [Appendix A: Detailed Sustainability Performance Metrics](#) for additional insight into the number of properties and associated floor area included in energy, water, and GHG emissions metrics within this section.

(2) Based on absolute GFA coverage for each respective year.



CASE STUDY:

# Green Building Certification Program

During construction, occupancy, renovation, repurposing, and demolition, buildings use energy, water, and raw materials, generate waste, and emit potentially harmful atmospheric emissions. This has prompted the creation of green building standards, certifications, and rating systems aimed at mitigating the impact of buildings on the natural environment through sustainable design and operational practices. Throughout the world, certifications are used to demonstrate compliance with a standard that has an environmental benefit. We believe that assets following green building certifications are higher quality, more resilient, and consume fewer natural resources over their lifetimes. Certifications are more than just a seal of approval; they signify to our investors and stakeholders that we value the benefits that green building certification programs offer people and the planet.

We are committed to achieving minimum LEED Silver certifications for all our new industrial development projects following our USGBC-approved LEED Volume Prototype.



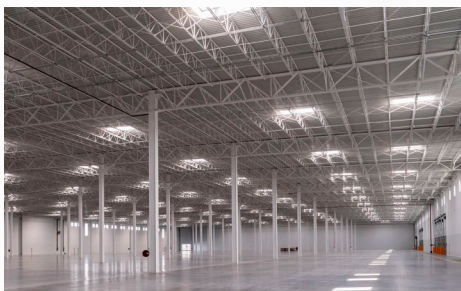
During 2020, we achieved LEED for Core and Shell certifications for two new industrial buildings and BOMA Best certifications for six wholly owned retail buildings.

JUA044 is the first industrial building in Latin America to achieve LEED for C&S v4 Gold certification.





FIBRA Macquarie has developed a comprehensive Green Building Certification Program aimed at improving building-level performance across all building-level aspects of our organization: new development projects, existing buildings, and retrofits or alterations of existing buildings. Our certification program was modeled after industry-leading green building certification ratings such as LEED, EDGE, and BOMA Best.



### New Construction Industrial Buildings

- A recently USGBC-approved LEED Volume prototype will be used for all new construction industrial projects.
- LEED-aligned Sustainability Guidelines for Property Improvements and Alterations have been published for all landlord-controlled retrofits, alterations, and other improvement projects. These guidelines will be shared with tenants for tenant-controlled projects as part of our Green Lease program.



### Existing Industrial Buildings

- EDGE feasibility studies have been carried out for all existing industrial properties to develop asset-level improvement plans and identify candidates for certification.
- During 2021, FIBRA Macquarie will pursue sixty EDGE certifications for eligible properties.
- The Sustainability Guidelines for Property Improvements and Alterations will be applied to all our assets to eventually make them eligible for certification.



### Existing Retail Centers

- Certified retail properties under the BOMA Best program will follow a custom-made road map to make them as efficient as possible. Additionally, our tenants will receive sustainability webinars to maximize efficiency and savings.





# Stakeholder Engagement

At FIBRA Macquarie, we believe that engagement with key stakeholders is critical to implementing and maintaining a successful sustainability program. Our stakeholder engagement process relies heavily on FIBRA Macquarie's commitment to understanding and meeting the needs of our employees, customers, local communities, suppliers, and investors through collaboration, high-quality management services, and reducing our environmental footprint





## CASE STUDY:

### Green Lease Leader

The Institute for Market Transformation (IMT) and the U.S. Department of Energy's (DOE) Better Buildings Alliance announced FIBRA Macquarie Mexico as a 2021 Green Lease Leader during the Better Buildings, Better Plants Summit. Launched in 2014, Green Lease Leaders sets standards for what constitutes a green lease, while recognizing landlords and tenants who modernize their leases to spur collaborative action on energy efficiency, cost-savings, air quality, and sustainability in buildings.

FIBRA Macquarie achieved Silver Recognition through following the robust Green Lease Leader criteria. To receive this recognition, FIBRA Macquarie qualified for credits in energy efficiency and sustainability best practices such as utility data tracking and sharing, cost recovery for capital improvements, and sustainability training. Through its stakeholder engagement and initiatives including its Green Building Certification Program, FIBRA Macquarie is striving to lead the way towards a greener and more sustainable Mexico.

## COVID-19 Pandemic Preparedness

The COVID-19 pandemic continues to impact daily life for millions around the globe, with an ever-evolving host of related risks, regulations, and safety recommendations. Our existing ESG program and stakeholder engagement strategies have created a strong framework that enabled us to respond to the impacts of COVID-19 proactively and quickly. We have continually monitored this evolution and adapted our programmatic response to help ensure workplace safety for our employees and customers in each of our buildings, and business continuity for all stakeholders. Some of our actions include:

### Stakeholder Engagement: Core Areas of Focus

FIBRA Macquarie has identified core stakeholder engagement areas of focus and allocates internal resources based on the relevance and impact to our business and our stakeholders.



#### Diversity, Equity, and Inclusion

We believe diversity is one of our strongest assets and we are committed to developing a workforce that reflects the vibrancy of the communities where we operate. We are committed to providing a creative and innovative work environment where our employees thrive, and we realize this can only be achieved by promoting a collaborative, diverse, and nurturing workplace.



#### Health and Wellness

FIBRA Macquarie is proud to provide an outstanding benefits package for our employees, both to care for their needs and the needs of their families, as part of our effort to motivate and retain talent. This has become especially important during the COVID-19 pandemic. During these trying times, we have done everything possible to provide tools and resources to allow employees to perform in a virtual setting while ensuring physical and mental well-being. Furthermore, we have worked with our property management team to ensure the health, safety, and wellness of our customers in our operations.



#### Thriving Local Communities

Supporting communities is an inherent part of FIBRA Macquarie's approach of being a good partner. As an environmental steward, FIBRA Macquarie recognizes the value and impact of philanthropy and volunteerism in surrounding communities. Through our partnerships with local nonprofits, local governments, and customers, we are committed to cultivating strong relationships and investing resources within the communities where we operate as a way of giving back.



#### Strong Supplier Relationships

We understand and value the important role of suppliers in our business success and therefore aim to foster strong supplier relationships that encourage collaboration. We have implemented ESG Principles for Suppliers to help FIBRA Macquarie uphold its core values while fostering long-term, transparent, and collaborative relationships with suppliers.



# Employee Engagement

FIBRA Macquarie is committed to providing a nurturing and collaborative work environment for our employees. Communication, teamwork, and collaboration are the fundamental attributes that are the foundation of our company culture. FIBRA Macquarie's employees exemplify excellence day in and day out, and it is our priority to maintain a workplace environment that supports the growth and wellness of our people. This is reflected through our comprehensive benefits packages and other employee engagement strategies. The inclusion of ESG factors in our engagement programs at the portfolio level brings cohesiveness across properties and generates additional educational opportunities and best practices.

## Employee Training

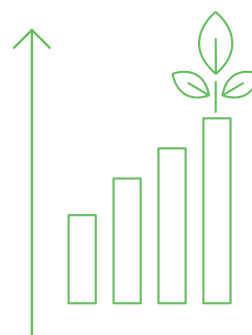
At FIBRA Macquarie, a key objective is to ensure that our employees maintain access to resources that help them in their professional development and in achieving their career goals. Our property managers, leasing managers, and engineering team are offered professional training and education opportunities throughout the year to encourage continual improvement. Through our membership with the U.S. Green Building Council (USGBC), our property management and engineering teams have access to trainings, seminars, and educational materials on diverse topics as they relate to green building design, construction, and operations. These trainings allow our employees to effectively communicate our environmental initiatives to our customers. Furthermore, leasing managers are also offered postgraduate opportunities fully paid by FIBRA Macquarie.

## Professional Development and Performance Evaluations

FIBRA Macquarie utilizes yearly performance evaluations to assess and achieve organizational goals and encourage the professional growth of our employees. Our performance evaluations recognize achievement and identify areas where improvement is needed. Although formal evaluations generally take place at least twice a year, more frequent reviews are encouraged.

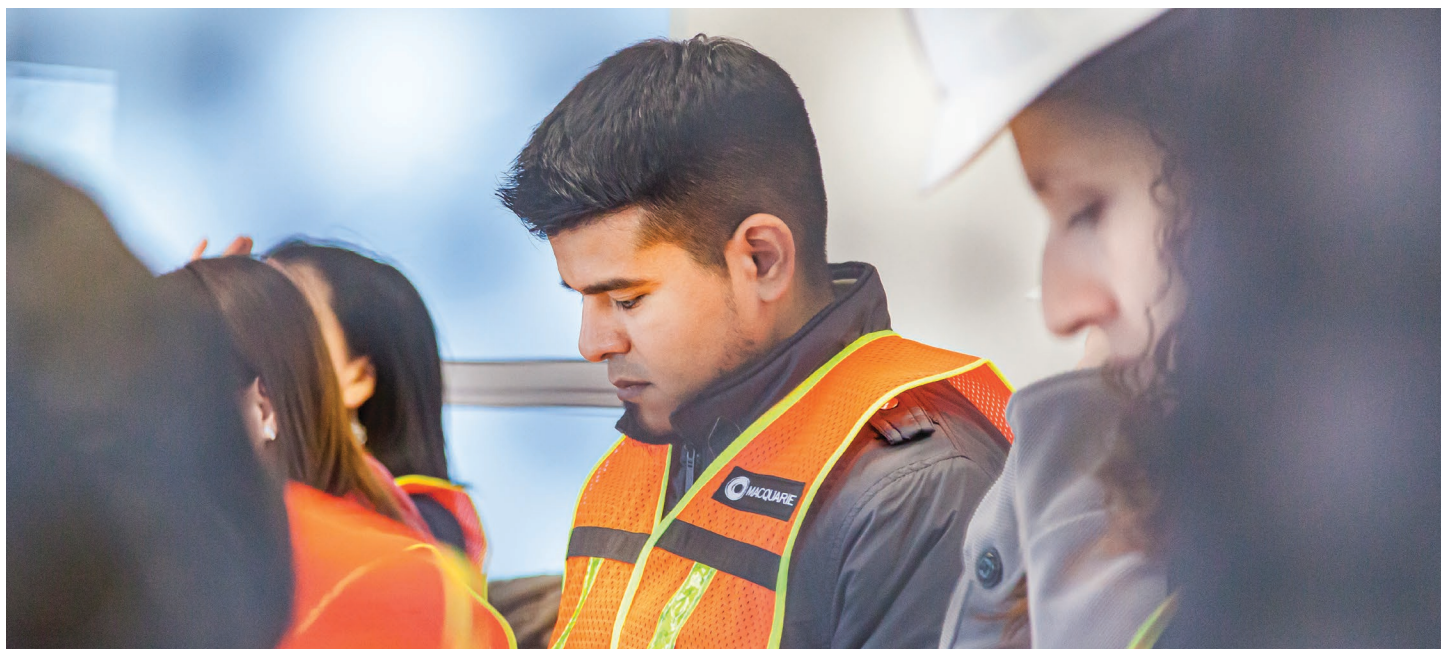
## Diversity, Equity, and Inclusion

FIBRA Macquarie believes that diversity is one of our strongest assets, and we always seek to enrich, educate, and facilitate the cultural life of our workplace in a way that reflects the communities where we operate. We are committed to providing a creative and innovative work environment where our employees thrive, and we realize this can only be achieved by promoting a collaborative, diverse, and nurturing workplace. FIBRA Macquarie is dedicated to creating a diverse workplace where employees feel valued and accepted regardless of race, color, religion, national origin, gender, sexual orientation, age, or disability.



## ESG Performance Targets

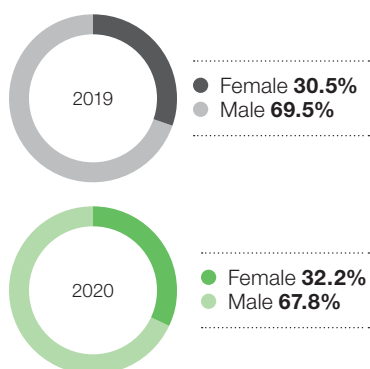
FIBRA Macquarie includes a broad range of ESG factors in policies and procedures that reflect our Code of Conduct and approach toward sustainability. As part of our commitment to embed ESG in our DNA, we ask each employee to have at least one ESG and one Cybersecurity key performance indicator in their annual goals.



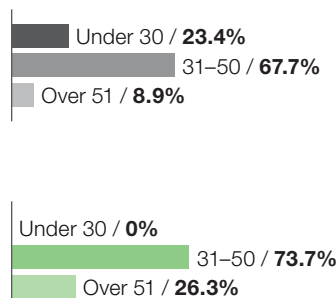
## Employee Statistics\*

### Management Positions\*\*

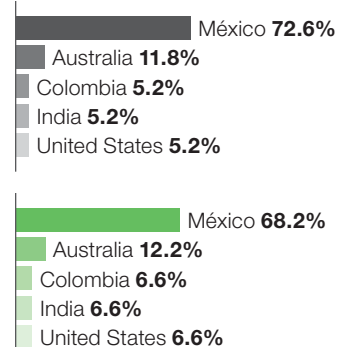
#### Gender Composition



#### Age Composition



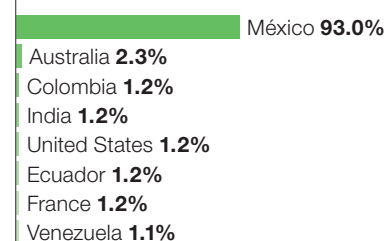
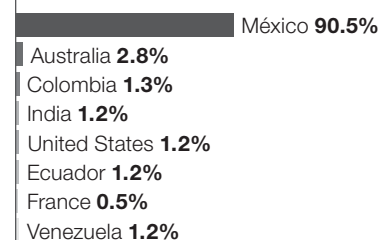
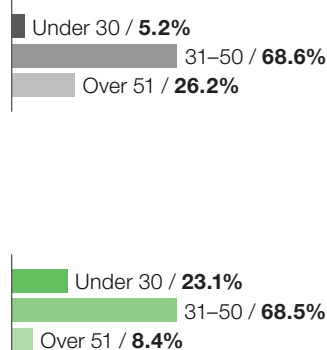
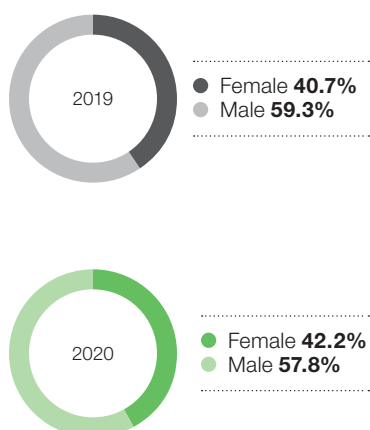
#### International Background



● 2019 ● 2020

● 2019 ● 2020

### All Employees



● 2019 ● 2020

● 2019 ● 2020

\*Employee statistics are based on FIBRA Macquarie's operating branch staff (MPA, MMREIT Property Administration) and relevant Macquarie Infrastructure and Real Assets (MIRA) management staff.

\*\*Includes all management positions (Department Heads and Top Management staff).



## Employee Health and Benefits

The COVID-19 pandemic has cast a light on the importance of the physical and mental health and well-being of our employees, our greatest asset. We are committed to enhancing their health and well-being with an extensive benefits program tailored to meet everyone's needs and improve quality of life. We achieve this by actively seeking feedback from our employees and keeping our finger on the pulse of workplace trends to attract and retain the best talent. Our comprehensive benefit package is provided to all employees starting in their first month of hire. We also encourage healthy lifestyles by providing free access to professional nutritionists and psychologists and assessing employees' satisfaction with their work environment by performing annual employee satisfaction surveys.

### EMPLOYEE BENEFITS



#### Health and Wellness

- Medical coverage
- Life insurance
- Short- and long-term disability insurance
- Health by Choice: virtual nutritionist access for employees and immediate family members
- MPA Contigo: weekly newsletters to promote health and wellness



#### Mental Health

- Access to online psychological therapy sessions
- Access to mental health apps



#### Financial Resources

- Retirement plans with matching contributions
- Tuition reimbursement for postgraduate opportunities



#### Work/Life Balance

- Paid time off for holidays, vacation, sick or personal leave
- Flexible working hours and full-time home-office policy for all employees during the pandemic
- Flexible days to switch from non-official leave days

### CASE STUDY

## Pandemic Preparedness—Keeping Our Employees Safe and Healthy

The contingency due to the COVID-19 pandemic has required many organizations to take actions to protect employees and to ensure the effective continuity of operations. This has presented huge challenges around the world since, even as protocols already existed, it is an unprecedented crisis that has made us reconsider, at a global level, how to improve our work model to make it more efficient and resilient. Our number one priority has, and always will be, the health and safety of all our stakeholders.

FIBRA Macquarie quickly adopted a series of actions that have allowed us to continue operating without major alterations, guaranteeing the protection of all collaborators and employees. As it relates to employees, these actions include:

- Remote work for all employees who have the necessary equipment and networks to carry out their activities, thus allowing them to continue to support their customers.
- As employees start to return to the workplace, or for on-the-ground employees working at our facilities, FIBRA Macquarie has reenforced hygiene measures by providing all employees with disinfection kits, which include individual antibacterial gel, gloves, and face masks, as well as a guide on measures to prevent COVID-19 as recommended by the WHO and Mexico's Ministry of Health.
- Daily, the FIBRA Macquarie and MPA leadership teams make calls to check on the physical and mental state of our employees, find out if there are cases of COVID-19 infection or health issues, and resolve any matter related to operations. Our CEO also hosts regular calls to offer a report of activities, the current panorama, and the evolution of the pandemic in Mexico. At the end of each call, we or one of our collaborators shares a positive news story.

### MPA CONTIGO

Through our MPA Contigo program we were able to provide all our employees with greater access to health and wellness resources, such as:

- Facilitate the availability of a psychologist to offer virtual private therapy sessions
- Promote mental health by providing access to high-quality meditation and mindfulness applications
- Provide nutrition-related webinars hosted by a local university, Tec Milenio Campus Monterrey
- Facilitate access to a nutritionist via virtual one-on-one sessions
- Issue weekly newsletters with physical, mental, emotional, and cultural health and wellness-related activities, webinars, and other online resources
- Get consistent feedback through surveys that allow employees to express concerns or suggestions



# Customer Engagement

Through collaborative, communicative landlord-customer relationships, we aim to advance sustainability while enhancing the customer experience through a diverse set of strategies, including customer outreach programs, our internal property administration platform, sustainability training for property managers, and sustainable and healthy building amenities.

## Internal Property Administration Platform

To better serve our industrial portfolio, FIBRA Macquarie has established its internal property administration platform, MMREIT Property Administration (MPA). This platform allows FIBRA Macquarie to provide high-quality management services to our industrial portfolio customers regarding leasing, engineering, development, health and safety, and other corporate services.

## Customer Service Focus

FIBRA Macquarie is committed to providing best-in-class customer service to all tenants. Successful real estate asset management relies heavily on how customers value these services. Our property managers are a highly valued part of our team and keeping them engaged helps further our ESG strategies and initiatives. Our goal as a company is to continue to create and maintain strong relationships through effective communication strategies and ongoing engagement. We ensure that all property management teams across the portfolio are trained to provide personalized and dedicated attention to our customers. We also keep property managers informed and involved in the ESG management process.

We value feedback from our extensive network of customers and aim to ensure that we always address their needs and requests. To fully measure feedback, an independent provider conducts biennial customer satisfaction surveys, which also include sustainability-related indicators. In 2019, surveys were sent to 291 industrial tenants, with an overall response rate of 78%. Customer satisfaction improved from 2017 (the previous year when a survey was distributed) to 2019, demonstrating our commitment to continually work to address the needs and asks of our tenants. During 2021, we will undertake a new customer satisfaction survey to continue to gather feedback on satisfaction and sustainability initiatives and ensure continued improvement.

## Pandemic Preparedness—Caring for Our Customers

Our property management team is the critical link between FIBRA Macquarie and our customers. This team became increasingly important during the COVID-19 pandemic by providing continuous operations while ensuring the health and safety of our customers.

FIBRA Macquarie quickly adopted a series of actions to ensure that our industrial and commercial assets continue to operate safely without major business interruptions. These actions include:

- Signage with the recommendations issued by the WHO and Ministry of Health to protect the health of employees and visitors to commercial centers and vacant industrial properties
- Restricting the use of certain sinks and urinals in bathrooms of our shopping centers to allow for a healthy distance between people
- Placement of sanitation stations with antibacterial health throughout shopping centers and accesses to industrial buildings
- Offering of disposable personal protective equipment to visitors of our industrial properties.

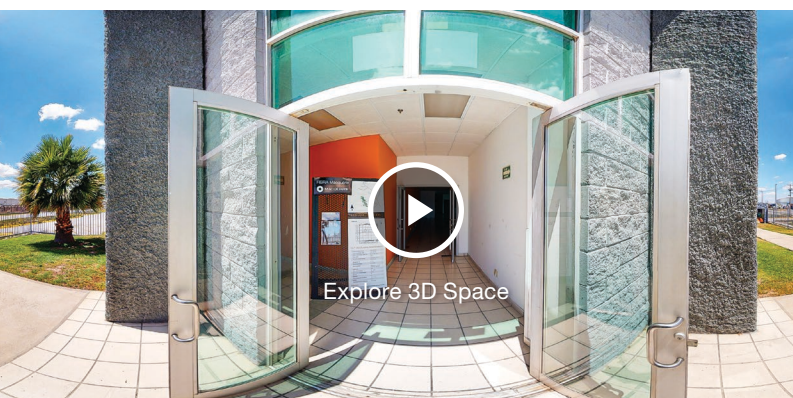
Our property management team also undertook an awareness campaign with customers by establishing weekly calls with each of them to resolve any concerns related to operations, as well as provide additional support to ensure business continuity.

Beyond pandemic-related safety initiatives, we have also implemented actions to care for the physical and mental health and wellness of our customers. FIBRA Macquarie partnered with a local university, Tec Milenio Campus Monterrey, to offer free webinars to our customers as they relate to mindfulness, emotional intelligence, and personal resilience for unexpected situations.

## Virtual 360° Walk-Throughs of Available Properties



As a response to the COVID-19 pandemic we rolled out 360° virtual tours of available industrial properties to provide safe, remote access to potential customers and brokers. Additionally, these tours have proved to be a useful tool to improve our move in / move out process and determine the status of properties after they are delivered.



# Community Engagement

At FIBRA Macquarie we are committed to engaging, improving, and giving back to the communities where we operate through numerous partnerships across our core areas of focus, by providing financial support, in-kind donations, and volunteer hours. We work closely with local jurisdictions across our region to strategically invest in community improvement programs. These relationships allow us to maximize our investment dollars and minimize disruption to the community while enhancing the built environment and fostering meaningful change. We are greatly aware that our properties form part of larger local communities and that we prosper when the communities around us prosper.

## Community Engagement Spotlights

FIBRA Macquarie has been working on a variety of social programs intended to increase engagement with the local and broader stakeholder community.

### Fundación Criotia

During 2020, FIBRA Macquarie continued to support Fundación Criotia, a nonprofit organization that seeks to provide effective education to heads of families to engrain values of self-esteem, discipline, independence, awareness of others, and perseverance in the raising of their young children. This year, and taking into account the COVID-19 pandemic, we arranged the virtual seminar *“Educate with limits and love for a healthy emotional growth”* in partnership with Fundación Criotia and expanded our reach to invite customers from all markets where we operate.

### Contingencia Sin Violencia

As COVID-19 cases surged and stay-at-home orders were put in place, schools closed, and workers were furloughed across the country, laid off, or told to work from home, many domestic violence victims became more susceptible to abuse as they were told to remain in lockdown. To support the physical and mental integrity of domestic abuse victims in local communities and to encourage victims of domestic violence to report incidents, we established care centers for women victims of domestic violence in our retail assets through our “Contingencia Sin Violencia” (“Contingency without Violence”) program.

The spaces, offered in our retail properties, are between 50 and 100 square meters in size, provided with furniture, and meet all relevant health and safety regulations. FIBRA Macquarie’s contribution consists of offering the space for the program to take place through a free lease to be renewed month after month, including electricity.

### Inroads Internship Program

FIBRA Macquarie’s Inroads Internship Program provides social mobility for talented Mexican youths from diverse backgrounds and supports the local workforce in the communities where we operate by offering internship positions with the possibility of long-term employment. During 2020, we offered three internship positions, one of which turned into a permanent position within our property administration division, MPA.

### Building Amenities

We aim to have family-friendly retail properties that give back to the communities where we are located. Besides offering building amenities that aim to enhance health and wellness, such as landscaping, access to daylight, or open-air retail setups, we also host diverse community events such as a blood donation drives.

### Breast Cancer Campaign

FIBRA Macquarie partnered with the State of Mexico to facilitate retail-property parking lots for medical professionals to install facilities for performing mammograms and pap smears for the general population during Breast Cancer Awareness Month. Within our property administration offices, MPA, the MPA Contigo program offered bonuses to women and spouses of our employees to have their mammograms performed.





#### CASE STUDY:

## Suppliers Principles and Code of Conduct

We are committed to dealing fairly with our customers, contractors, partners, employees, certificate holders, and other third partners. An important part of this commitment is selecting and working with suppliers that maintain transparency and comply with all applicable standards and regulations regarding ethical, environmental, social, and corporate governance issues. Consequently, FIBRA Macquarie understands the importance of working jointly with its service providers to promote sustainability and ethical work in the supply chain.

To this end, during 2020, FIBRA Macquarie published our [Code of Conduct for Service Providers](#) as well as [Principles for Suppliers](#) to help uphold our core values as they relate to:

### Governance and Ethics

We expect ethical behavior from our staff and seek suppliers that align and adhere to these same principles.

### Risk Management

FIBRA Macquarie has a robust risk management framework, and we expect that our suppliers take a proactive approach to mitigating and managing risks.

### Environment

We recognize that environmental risks can impact our business and affect the communities where we operate. FIBRA Macquarie is committed to ensuring that these risks are managed responsibly, and we expect suppliers to identify, assess, manage, and, as appropriate, communicate their environmental performance.

### Human Rights, Labor, and Workplace

We support the protection of human rights and are guided by fundamental principles, such as those in the United Nations Universal Declaration of Human Rights. We encourage supplier practices that actively identify, assess, and manage human rights issues.

### Community

FIBRA Macquarie supports communities where we operate. We seek suppliers that value community commitment and that align with our approach to community engagement, as appropriate to their business context and resources.

We recognize that full compliance with these principles may take time for some suppliers, so we are committed to working with them to align to these principles. At the same time, we encourage suppliers to report concerns about improper conduct by FIBRA Macquarie by communicating, confidentially, to our Audit Committee.

# Corporate Governance

At FIBRA Macquarie, we pride ourselves on maintaining the highest moral and ethical standards in our business operations. We are committed to fostering an open and trusting environment for our employees, tenants, and investors.



# Our Values

Our governance framework is structured around a corporate culture of uncompromising ethics and integrity, proactive risk management, and Board of Directors oversight to ensure continued excellence across our organization. Our commitment to good governance at all levels drives corporate responsibility to promote long-term interests of our shareholders. This commitment is driven by the same principles that guide FIBRA Macquarie's business:



Opportunity



Accountability



Integrity

FIBRA Macquarie is fully committed to embedding environmental, social, and governance risk management into our business practices and overall philosophy. We have an ongoing focus on incorporating ESG considerations to identify and undertake measures to improve business value and operate in a manner that is transparent, fair, and managed according to the highest ethical standards. We strive to set high standards for employees, contractors, consultants, members of the Board of Directors, and members of the Technical Committee. In addition, there are regular reviews and updates of our corporate governance policies to ensure that they remain consistent with the business's objectives. In an environment with consistent change, our stakeholders trust us to enhance investor value and expand our disclosures around ESG-related information.

## Technical Committee

Our Technical Committee's priorities are focused on approval of material investments and other transactions, regulatory compliance, implementation of governance policies, and ensuring compliance with our Code of Conduct and Ethics. It is the committee's fiduciary responsibility to certificate holders to oversee the efficient operation of FIBRA Macquarie's business and protect the value of our assets. The Technical Committee recognizes the importance of including members with diverse qualifications, skills, experience, backgrounds,

and perspectives appropriate for FIBRA Macquarie's business and strategy. Our Technical Committee is currently 83% independent, which represents one of the highest levels of independence in the industry. In addition to the Technical Committee, FIBRA Macquarie has three subcommittees: Audit Committee, Indebtedness Committee, and an Ethics & Corporate Governance Committee to review and enforce governance-related concerns.

**Diversity Commitment:** FIBRA Macquarie is committed to including female candidates in its independent Technical Committee member selection process.

GOVERNANCE COMMITTEES AND SUBCOMMITTEES

**Audit Committee:** Evaluate external auditor's performance, approve financial statements, and investigate any possible violations of policies and internal controls.

**Indebtedness Committee:** Oversee mechanisms that ensure that any indebtedness FIBRA Macquarie assumes with recourse to the trust estate complies with the provisions of law.

**Ethics & Corporate Governance Committee:** Regularly review corporate governance documents and policies and recommend revisions as it deems necessary to remain consistent with FIBRA Macquarie's objectives.

MEMBER	TECHNICAL COMMITTEE	AUDIT COMMITTEE	INDEBTEDNESS COMMITTEE	ETHICS & CORPORATE GOVERNANCE COMMITTEE
Juan Monroy	Chairperson		Member	
Juan Antonio Salazar	Independent Member	Independent Member	Independent Member	
Luis Alberto Aziz	Independent Member	Independent Member		Chairperson
Dr. Álvaro de Garay	Independent Member		Chairperson	Independent Member
Jaime de la Garza	Independent Member	Chairperson	Independent Member	
Michael Brennan	Independent Member			Independent Member
Sara Neff*	Independent Member			

\*Added in 2021.

# Governance Highlights



## Ethics and Anti-Corruption Program

FIBRA Macquarie's ethics and anti-corruption program has the following key elements:

- The Ethics & Corporate Governance Committee oversees all elements of the program
- Our **Code of Conduct** must be reviewed annually by all staff
- Our Compliance and Integrity Officer is available to address concerns about FIBRA Macquarie's operation via email at [compliance@fibramacquarie.com](mailto:compliance@fibramacquarie.com)
- Internal Audit function targets specific risk areas with the aim of identifying gaps in policies/procedures and recommending improvements
- Internal policies covering anti-bribery and corruption, transactions with related parties, staff personal dealing, procurement, conflicts of interest, and whistleblowers
- Staff are provided with regular training on ethics and anti-corruption policies



## E&S Governance and Expansion of Board of Directors

FIBRA Macquarie's Board of Directors has direct oversight of our ESG program, alongside a dedicated team responsible for the program's implementation, which has executive-level participation. Our program is also integrated across all FIBRA Macquarie departments, which has allowed us to maintain and lead effective risk-management practices that influence strategic decisions at the highest level. During 2020, we expanded the Board of Directors with the addition of two new members: Eric Wurtsebach and Brett Robson



## Procurement Process and Vendor Evaluations

Within our MPA platform, we have implemented an enhanced procurement process where all contracts above a minimum amount must be reviewed with our Procurement Manager to validate that the vendors are quoting the correct scope, that pricing is within range, and that the respective guarantees are correct. This allows us to improve segregation of functions and to have a more structured and transparent hiring process, all while obtaining additional savings.

Our procurement process seeks to improve overall vendor service levels, and the vendor setup process requires additional information to help us determine vendor capabilities and the type of work that could be improved. It also includes a vendor spend analysis for better understanding of how our spending is distributed and to create better strategies to procure services.



## Internal Audit Program

Starting in the fourth quarter of 2018, FIBRA Macquarie partnered with an international firm and implemented an internal audit function to foster and encourage a culture of risk management and integrity. This function reports directly to the Audit subcommittee of the Technical Committee and focuses on:

- Providing independent risk-based assurance and improving controls;
- Improving compliance with processes and policies; and
- Detecting and preventing bribery, corruption, and core business risks across all areas.





# Emerging Risks



## Cybersecurity Risk Management Strategy

Recognizing increasing cybersecurity risks in today's business environment, during 2019 FIBRA Macquarie conducted a third-party review of its current exposure and risk level and implemented several security measures. During 2020 we expanded our risk analysis with specialized external consultants and internal staff to updated systems access protocols and policies, phishing threat test and training for employees, new endpoint security platform, and enhancement of our IT security policies and capabilities.



## Climate Change Mitigation and Adaptation

Our ability to anticipate, mitigate and prevent impacts from climate change is determined by the strength of our internal governance efforts across all departments. We take a proactive approach to assessing the impacts of climate change across our portfolio, including earthquakes, floods, sea level rise for properties on coastal areas, and social risks such as marginalization. By continually evaluating our exposure to these risks, we can appraise scenarios that might impact our portfolio, ensure that our properties are sufficiently prepared for any disruptions, and take preventive measures that help us improve resilience and ensure business continuity for our customers.



## Response to COVID-19: Resilient Business Model

FIBRA Macquarie has a resilient business model which is in a strong position to face the challenging environment set by the COVID-19 pandemic, highlighted by:

- **Strong Balance Sheet:**  
FIBRA Macquarie has no loan facility expirations until 2023 and is in compliance with its loan covenants. As of March 31, 2021, FIBRA Macquarie had access to a committed undrawn revolver facility of US\$243m, while its weighted average debt tenor remaining was 4.8 years, and its weighted average cost of debt was 5.5 percent per annum, with 100% fixed-rate debt.
- **Prudent Capital Management Strategy:**  
FIBRA Macquarie's continuing prudent AFFO payout ratio allowed for the maintenance of a stable distribution and financial flexibility. In addition, FIBRA Macquarie does not have any material commitments with respect to growth capital expenditure.
- **Dollarized Industrial Portfolio:**  
FIBRA Macquarie's industrial tenant base is composed of a diversified customer mix that remains well positioned to benefit from Mexico's competitive long-term fundamentals, with approximately 92 percent of FIBRA Macquarie's industrial lease income denominated in U.S. Dollars.










# 2020 Disclosure Standards

We have aligned our ESG reporting with several key frameworks in order to benchmark our performance and disclose material ESG topics in a consistent and transparent way.



DISCLOSURE STANDARD	HIGHLIGHTS
	<p>Achieving a 3-star rating in the Real Estate Assessment, improving our score by 5 points from 2019 to 2020, and ranking 4th in the Americas   Industrial   Listed   Tenant Controlled peer group.</p>
	<p>Improving our CSA score in a more competitive field across all CSA dimensions: Governance &amp; Economic, Environmental, and Social. Overall, FIBRA Macquarie improved the most in criteria relating to environmental reporting and environmental management systems, customer and supply chain management, stakeholder engagement, and resource conservation and efficiency.</p>
	<p>Alignment of our 2019 and 2020 ESG reports to the GRI disclosure standard.</p>
	<p>Alignment of our 2019 and 2020 ESG reports to the SASB disclosure standard.</p>
	<p>Alignment of our 2020 ESG report information to the TCFD disclosure standard.</p>

A large, empty industrial warehouse with a high ceiling and a polished floor. The ceiling features a complex network of white metal trusses and beams, with bright lights illuminating the space. The floor is highly reflective, mirroring the ceiling structure. In the background, several white vertical support columns are visible, and a large white wall with horizontal panels is partially seen. A dark, semi-transparent rectangular box is overlaid on the left side of the image, containing the title and a paragraph of text.

# Industry Memberships and Participation

FIBRA Macquarie is actively engaged with a variety of industry associations that aim to advance ESG standards and initiatives which are deeply aligned with our values.



FIBRA MACQUARIE IS A PROUD MEMBER OF THE FOLLOWING INDUSTRY ASSOCIATIONS



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# Appendix A: Detailed Sustainability Performance Metrics

Appendix A provides a detailed overview of environmental performance data through December 31, 2020 as a complement to the figures presented on pages 16 and 17 of this report. Performance data is reported for assets owned during the 2019 and 2020 calendar years.

## ENERGY CONSUMPTION

### Absolute Energy Consumption

Property Type	2019 (MWh)	2019 Percentage of Total (%)	2020 (MWh)	2020 Percentage of Total (%)
Industrial	731,659	98.5%	660,127	98.8%
Retail	10,891	1.5%	8,068	1.2%
<b>Total</b>	<b>742,550</b>	<b>100.0%</b>	<b>668,195</b>	<b>100.0%</b>

### Absolute Energy Use Intensity

Property Type	2019 (kWh/ft <sup>2</sup> )	2020 (kWh/ft <sup>2</sup> )
Industrial	28.9	24.2
Retail	1.7	1.3
<b>Total</b>	<b>23.6</b>	<b>19.9</b>

### Absolute Energy Data Coverage

Property Type	2019 Floor Area Covered (ft <sup>2</sup> )	2019 Number of Properties Covered	2020 Floor Area Covered (ft <sup>2</sup> )	2020 Number of Properties Covered
Industrial	25,277,560	203	27,323,094	217
Retail	6,225,818	14	6,225,818	14
<b>Total</b>	<b>31,503,378</b>	<b>217</b>	<b>33,548,912</b>	<b>231</b>

### Like-for-Like Energy Consumption

Property Type	2019 (MWh)	2020 (MWh)
Industrial	702,987	593,693
Retail	10,891	8,068
<b>Total</b>	<b>713,878</b>	<b>601,761</b>

### Like-for-Like Energy Use Intensity

Property Type	2019 (MWh)	2020 (MWh)
Industrial	28.7	24.3
Retail	1.7	1.3
<b>Total</b>	<b>23.3</b>	<b>19.6</b>

### Like-for-Like Change (%)

Property Type	
Industrial	-15.5%
Retail	-25.9%
<b>Total</b>	<b>-15.7%</b>

### Like-for-Like Energy Data Coverage

Property Type	2019 and 2020 Floor Area Covered (ft <sup>2</sup> )	2019 and 2020 Number of Properties Covered
Industrial	24,456,886	193
Retail	6,225,818	14
<b>Total</b>	<b>30,682,704</b>	<b>207</b>



## GHG EMISSIONS

### Absolute GHG Emissions

Property Type	2019 Scope 1 and 2 (MTCO <sub>2</sub> e)	2019 Scope 3 (MTCO <sub>2</sub> e)	2020 Scope 1 and 2 (MTCO <sub>2</sub> e)	2020 Scope 3 (MTCO <sub>2</sub> e)
Industrial	59	355,275	85	314,451
Retail	5,716	-	3,801	-
<b>Total by Scope</b>	<b>5,775</b>	<b>355,275</b>	<b>3,886</b>	<b>314,451</b>
<b>Total Emissions</b>		<b>361,051</b>		<b>318,337</b>

### Like-for-Like GHG Emissions

Property Type	2019 Scope 1 and 2 (MTCO <sub>2</sub> e)	2019 Scope 3 (MTCO <sub>2</sub> e)	2020 Scope 1 and 2 (MTCO <sub>2</sub> e)	2020 Scope 3 (MTCO <sub>2</sub> e)
Industrial	56	341,114	49	281,669
Retail	5,691	-	3,791	-
<b>Total by Scope</b>	<b>5,746</b>	<b>341,114</b>	<b>3,840</b>	<b>281,669</b>
<b>Total Emissions</b>		<b>346,861</b>		<b>285,509</b>

### Like-for-Like Change (%)—All Emissions

Property Type	
Industrial	-17.4%
Retail	-33.4%
<b>Total by Scope</b>	<b>-17.7%</b>
<b>Total Emissions</b>	<b>-17.7%</b>

### Absolute GHG Emissions per Square Foot

	2019 (kgCO <sub>2</sub> e/ft <sup>2</sup> )	2020 (kgCO <sub>2</sub> e/ft <sup>2</sup> )
	<b>11.5</b>	<b>9.5</b>

Note: No Scope 3 GHG emissions are available for retail properties due to the complexity of getting energy consumption data from tenants.

## WATER CONSUMPTION

### Absolute Water Consumption

Property Type	2019 (kgal)	2019 Percentage of Total (%)	2020 (kgal)	2020 Percentage of Total (%)
Industrial	537,891	88.4%	565,577	92.4%
Retail	70,771	11.6%	46,530	7.6%
<b>Total</b>	<b>608,662</b>	<b>100.0%</b>	<b>612,107</b>	<b>100.0%</b>

### Absolute Water Use Intensity

Property Type	2019 (gal/ft <sup>2</sup> )	2020 (gal/ft <sup>2</sup> )
Industrial	36.6	27.7
Retail	11.1	7.3
<b>Total</b>	<b>28.9</b>	<b>22.9</b>

### Absolute Water Data Coverage

Property Type	2019 Floor Area Covered (ft <sup>2</sup> )	2019 Number of Properties Covered	2020 Floor Area Covered (ft <sup>2</sup> )	2020 Number of Properties Covered
Industrial	14,698,938	112	20,402,678	158
Retail	6,376,336	13	6,376,336	13
<b>Total</b>	<b>21,075,274</b>	<b>125</b>	<b>26,779,014</b>	<b>171</b>

### Like-for-Like Water Consumption

Property Type	2019 (kgal)	2020 (kgal)
Industrial	513,864	427,655
Retail	70,771	46,530
<b>Total</b>	<b>584,635</b>	<b>474,185</b>

### Like-for-Like Water Use Intensity

Property Type	2019 (gal/ft <sup>2</sup> )	2020 (gal/ft <sup>2</sup> )
Industrial	37.9	31.5
Retail	11.1	7.3
<b>Total</b>	<b>29.3</b>	<b>23.8</b>

### Like-for-Like Change (%)

Property Type	
Industrial	-16.8%
Retail	-34.3%
<b>Total</b>	<b>-18.9%</b>

### Like-for-Like Water Data Coverage

Property Type	2019 and 2020 Floor Area Covered (ft <sup>2</sup> )	2019 and 2020 Number of Properties Covered
Industrial	13,566,641	100
Retail	6,376,336	13
<b>Total</b>	<b>19,942,977</b>	<b>113</b>

# Appendix B:

## GRI Index

The Global Reporting Initiative (GRI) provides an integrated, cohesive set of standards that represent the global best practice for reporting on economic, social, and environmental factors. These global standards allow FIBRA Macquarie to become increasingly transparent and showcase our contribution toward a sustainable future.

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/LOCATION
<b>GRI 100: Universal Standards</b>		
102-1	Name of the organization	FIBRA Macquarie Mexico
102-2	Activities, brands, products, and services	About FIBRA Macquarie, <a href="#">page 4</a>
102-3	Location of headquarters	Mexico City, Mexico
102-4	Location of operations	Portfolio Overview, <a href="#">page 6</a>
102-5	Ownership and legal form	Portfolio Overview, <a href="#">page 6</a>
102-6	Markets served	Portfolio Overview, <a href="#">page 6</a>
102-7	Scale of the organization	Portfolio Overview, <a href="#">page 6</a>
102-8	Information on employees and other workers	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
102-12	External initiatives	Stakeholder Engagement, <a href="#">page 20</a> Community Engagement, <a href="#">page 26</a>
102-13	Membership of associations	Industry Membership and Participation, <a href="#">page 34</a>
102-14	Statement from senior decision-maker	Letter from the Chief Executive Officer, <a href="#">page 3</a>
102-15	Key impacts, risks, and opportunities	Our Integrated ESG Business Strategy, <a href="#">page 5</a>
102-16	Values, principles, standards, and norms of behavior	Throughout the report, FIBRA Macquarie describes values, principles, standards, and norms of behavior
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance, <a href="#">page 28</a>
102-18	Governance structure	Our Integrated ESG Business Strategy, <a href="#">page 5</a> Corporate Governance, <a href="#">page 28</a>
102-19	Delegating authority	Our Integrated ESG Business Strategy, <a href="#">page 5</a>



DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/LOCATION
<b>GRI 100: Universal Standards</b>		
102-20	Executive-level responsibility for economic, environmental, and social topics	Our Integrated ESG Business Strategy, <a href="#">page 5</a>
102-22	Composition of the highest governance body and its committees	Our Integrated ESG Business Strategy, <a href="#">page 5</a> Corporate Governance, <a href="#">page 28</a>
102-23	Chair of the highest governance body	Our Integrated ESG Business Strategy, <a href="#">page 5</a> Corporate Governance, <a href="#">page 28</a>
102-26	Role of highest governance body in setting purpose, values, and strategy	Our Integrated ESG Business Strategy, <a href="#">page 5</a> Corporate Governance, <a href="#">page 28</a>
102-31	Review of economic, environmental, and social topics	Environmental Performance, <a href="#">page 12</a> Stakeholder Engagement, <a href="#">page 20</a> Corporate Governance, <a href="#">page 28</a>
102-32	Highest governance body's role in sustainability reporting	Our Integrated ESG Business Strategy, <a href="#">page 5</a>
102-40	List of stakeholder groups	Stakeholder Engagement, <a href="#">page 20</a>
102-42	Identifying and selecting stakeholders	Stakeholder Engagement, <a href="#">page 20</a>
102-43	Approach to stakeholder engagement	Stakeholder Engagement, <a href="#">page 20</a>
102-49	Changes in reporting	About This Report, <a href="#">page 48</a>
102-50	Reporting period	About This Report, <a href="#">page 48</a>
102-51	Date of most recent report	About This Report, <a href="#">page 48</a>
102-52	Reporting cycle	About This Report, <a href="#">page 48</a>
102-53	Contact point for questions regarding the report	About This Report, <a href="#">page 48</a>
102-54	Claims of reporting in accordance with the GRI Standards	GRI Index, <a href="#">page 38</a>
102-55	GRI content index	GRI Index, <a href="#">page 38</a>
103-2	The management approach and its components	Our Integrated ESG Business Strategy, <a href="#">page 5</a> Corporate Governance, <a href="#">page 28</a>
<b>GRI 200: Economic Standards</b>		
201-2	Financial implications and other risks and opportunities due to climate change	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
201-3	Defined benefit plan obligations and other retirement plans	Employee Benefits, <a href="#">page 24</a>
205-1	Operations assessed for risks related to corruption	Corporate Governance, <a href="#">page 28</a>
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance, <a href="#">page 28</a>

DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/LOCATION
<b>GRI 300: Environmental Standards</b>		
302-1	Energy consumption within the organization	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
302-3	Energy intensity	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
302-4	Reduction of energy consumption	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
303-1	Water withdrawal by source	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
305-1	Direct (Scope 1) GHG emissions	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
305-3	Other indirect (Scope 3) GHG emissions	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
305-4	GHG emissions intensity	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
305-5	Reduction of GHG emissions	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>



DISCLOSURE NUMBER	DISCLOSURE TITLE	REFERENCE/LOCATION
<b>GRI 400: Social Standards</b>		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
401-3	Parental leave	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
404-1	Average hours of training per year per employee	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
404-2	Programs for upgrading employee skills and transition assistance programs	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
404-3	Percentage of employees receiving regular performance and career development reviews	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
405-1	Diversity of governance bodies and employees	Stakeholder Engagement, <a href="#">page 20</a> Employee Engagement, <a href="#">page 22</a>
413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement, <a href="#">page 20</a> Community Engagement, <a href="#">page 26</a>
<b>GRI G4 Sector Supplement: Construction and Real Estate</b>		
G4 CRE1	Building energy intensity	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
G4 CRE2	Building water intensity	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
G4 CRE3	Greenhouse gas emissions intensity from buildings	Sustainability Performance, <a href="#">page 16</a> Appendix A: Detailed Sustainability Performance Metrics, <a href="#">page 36</a>
G4 CRE8	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment	Key Achievements, <a href="#">page 7</a> Green Building Certification Strategy, <a href="#">page 18</a>

# Appendix C:

## SASB

The Sustainability Accounting Standards Board (SASB) provides robust, industry-specific sustainability accounting standards that grant FIBRA Macquarie the opportunity to disclose our financial, environmental, social, and governance-related information to our peers, stakeholders, and the larger investment community.

This is the second year that FIBRA Macquarie Mexico is disclosing data using the SASB standards. FIBRA Macquarie has identified the Real Estate standard as the most applicable industry to report under. The following table contains our disclosure on the topics included within the Real Estate standard

CODE	ACCOUNTING METRIC	2020 DISCLOSURE
IF-RE-000.A	Number of assets, by property subsector	FIBRA Macquarie Mexico's portfolio consists of 236 industrial properties and 17 retail properties.
IF-RE-000.B	Leasable floor area, by property subsector	FIBRA Macquarie Mexico's portfolio consists of approximately 30 million square feet of industrial gross leasable area (GLA) and 4.6 million square feet of retail GLA.
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector	The percentage of FIBRA Macquarie Mexico's indirectly managed assets, by total/gross floor area, is 73.4%. Industrial properties are 100% indirectly managed and retail properties are 0% indirectly managed.
IF-RE-000.D	Average occupancy rate, by property subsector	FIBRA Macquarie Mexico's industrial portfolio and retail portfolio have occupancy rates of 94.3% and 91.4%, respectively, in terms of GLA, as of December 31, 2020.
<b>Energy Management</b>		
IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector	Total energy consumption data coverage from the FIBRA Macquarie Mexico's operational portfolio, as a percentage of total/gross floor area, was equal to 82.6% in 2020 (67.3% for industrial properties and 15.3% for retail properties).
IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	(1) FIBRA Macquarie Mexico total 2020 energy consumed by portfolio area with data coverage was equal to 2,403,578 gigajoules (GJ) (2,374,558 GJ for industrial properties and 29,020 GJ for retail properties). (2) The percentage of total energy corresponding to grid electricity for all property types was 98.9%. (3) The percentage of total energy corresponding to renewable energy for all property types was 0.0%.



CODE	ACCOUNTING METRIC	2020 DISCLOSURE
<b>Energy Management</b>		
IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	<p>Total like-for-like change in energy consumption for the FIBRA Macquarie Mexico operational portfolio was -15.7% in 2019–2020. Like-for-like energy consumption for industrial properties was -15.5% and like-for-like energy consumption for retail properties was -25.9%, both in 2019–2020.</p> <p>The COVID-19 pandemic caused a significant reduction of activity in our buildings during 2020, resulting in a larger than normal reduction in energy consumption.</p>
IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	100% of the FIBRA Macquarie Mexico portfolio is benchmarked using ENERGY STAR Portfolio Manager. However, since the entire portfolio is located in Mexico, the properties are not eligible to earn ENERGY STAR ratings and/or certifications.
IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	<p>FIBRA Macquarie Mexico integrates energy and water efficiency technologies into new and existing buildings whenever possible. FIBRA Macquarie Mexico has developed a comprehensive Green Building Certification Program aimed at improving building-level performance across all building-level aspects of our organization: new development projects, existing buildings, and retrofits or alterations of existing buildings. Our certification program was modeled after industry-leading green building certification ratings such as LEED, EDGE, and BOMA Best. In addition, FIBRA Macquarie Mexico allocates a portion of our capital expenditure for existing buildings to energy and water efficiency retrofits such as LED lighting, cool roofs, solar installations, and others. These strategies ensure the resilience and enduring value of our buildings, creating value for our customers and FIBRA Macquarie.</p>
<b>Water Management</b>		
IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	(1) Total water consumption data coverage from the FIBRA Macquarie Mexico operational portfolio, as a percentage of total/gross floor area, was equal to 65.9% in 2020 (50.2% for industrial properties and 15.7% for retail properties). (2) Not available.
IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	(1) FIBRA Macquarie Mexico's total 2020 water consumed by portfolio area with data coverage was equal to 2,317,077 m <sup>3</sup> (2,140,942 m <sup>3</sup> for industrial properties and 176,135 m <sup>3</sup> for retail properties). (2) Not available.
IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	<p>Like-for-like change in water consumption for the FIBRA Macquarie Mexico operational portfolio was -18.9% in 2019–2020. Like-for-like water consumption for industrial properties was -16.8% and like-for-like water consumption for retail properties was -34.3%, both in 2019–2020.</p> <p>The COVID-19 pandemic caused a significant reduction of activity in our buildings during 2020, resulting in a larger than normal reduction in water consumption.</p>

CODE	ACCOUNTING METRIC	2020 DISCLOSURE
<b>Water Management</b>		
<b>IF-RE-140a.4</b>	Description of water management risks and discussion of strategies and practices to mitigate those risks	<p>Most of inland Mexico is projected to experience reduced rainfall, including an increase in consecutive dry days, particularly in northern areas, leading to reductions in surface waters and the supply of fresh water. At least 173 of our properties are in regions with “high” to “very high” risk of droughts and water scarcity</p> <p>FIBRA Macquarie Mexico actively works on retrofitting existing assets to install high-efficiency water fixtures and implement water reuse systems wherever feasible. Furthermore, FIBRA Macquarie Mexico uses endemic species and efficient drip irrigation in the landscaping of our buildings to reduce water consumption while aesthetically enhancing our portfolio.</p>
<b>Management of Tenant Sustainability Impacts</b>		
<b>IF-RE-410a.1</b>	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property subsector	<p>(1) The percentage of FIBRA Macquarie Mexico's properties with leases that contain a cost recovery clause for resource efficiency-related capital improvements, by total/gross floor area, is 73.4%. (2) The associated leased floor area is 29,953,890 sq. ft., equal to 100% of the industrial portfolio GLA and 0% of the retail portfolio.</p> <p>All of FIBRA Macquarie Mexico's industrial leases include cost recovery clauses for resource efficiency-related capital improvement projects and that language has been approved by Green Lease Leaders.</p>
<b>IF-RE-410a.2</b>	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	100% of FIBRA Macquarie Mexico tenants (industrial and retail) are separately submetered for (1) grid electricity, and (2) water consumption.
<b>IF-RE-410a.3</b>	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	<p>FIBRA Macquarie Mexico tracks energy and water performance using ENERGY STAR Portfolio Manager and through continued work with our third-party data management consultant, Measurabl.</p> <p>To better serve our industrial portfolio, FIBRA Macquarie has established an internal property administration platform, MMREIT Property Administration (MPA). This platform allows FIBRA Macquarie to collaborate with our costumers to accelerate upgrades that improve operational efficiency and decrease energy consumption and associated emissions.</p> <p>In addition, FIBRA Macquarie continually engages with tenants to provide sustainability best practices to help them improve performance.</p>



CODE	ACCOUNTING METRIC	2020 DISCLOSURE
Climate Change Adaptation		
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	<p>FIBRA Macquarie continually assesses impacts of natural hazards and climate exposures across our portfolio, including earthquakes, floods, and sea level rise in coastal areas. Our Sustainability Committee actively evaluates our portfolio exposure to climate risks to ensure that our buildings are protected and to evaluate scenarios that may impact our properties in the future. In order to ensure business continuity for our customers, we take preventive measures to improve climate change resilience of our portfolio and plan for longer-term risks.</p> <p>The Impacts of Climate Change on Our Business section, page 14 and 15, provides in-depth analysis of FIBRA Macquarie Mexico's approach to climate-related risk management, analysis of portfolio exposure (potential climate and business impacts), mitigation strategies, and climate-related opportunities.</p>

# Appendix D: TCFD

The Task Force on Climate-Related Financial Disclosure was created in 2015 to develop consistent climate-related financial risk disclosures to be used by companies, banks, and investors in providing information to stakeholders. This is the first year that FIBRA Macquarie Mexico is disclosing information using the TCFD standards.

TCFD RECOMMENDED DISCLOSURES	REFERENCE/LOCATION
<b>Governance</b>	
a) Describe the Board's oversight of climate-related risks and opportunities.	Our Integrated ESG Business Strategy, <a href="#">page 5</a> ; Governance Highlights, <a href="#">page 30</a> ; Emerging Risks, <a href="#">page 31</a>
b) Describe management's role in assessing and managing climate-related risks and opportunities.	Our Integrated ESG Business Strategy, <a href="#">page 5</a> ; Commitments and Action Plan, <a href="#">page 9</a> ; Sustainability Strategy, <a href="#">page 13</a> ; Impacts of Climate Change on Our Business, <a href="#">page 14</a> ; Governance Highlights, <a href="#">page 30</a> ; Emerging Risks, <a href="#">page 31</a>
<b>Strategy</b>	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>

TCFD RECOMMENDED DISCLOSURES	REFERENCE/LOCATION
<b>Risk Management</b>	
a) Describe the organization's processes for identifying and assessing climate-related risks.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
b) Describe the organization's processes for managing climate-related risks.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall riskmanagement.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
<b>Metrics and Targets</b>	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Impacts of Climate Change on Our Business, <a href="#">page 14</a>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Impacts of Climate Change on Our Business, <a href="#">page 14</a> ; Sustainability Performance, <a href="#">page 16</a>
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Commitments and Action Plan, <a href="#">page 8</a> ; Impacts of Climate Change on Our Business, <a href="#">page 14</a>



## About This Report

This is FIBRA Macquarie's third sustainability report.

The report covers the sustainability performance and programs for the year ending December 31, 2020. Unless clearly stated otherwise, performance data includes industrial and retail properties in 20 cities across 16 states in Mexico. All like-for-like calculations consider FIBRA Macquarie properties owned during all 24 months of 2019 and 2020. All financial data in this report is in U.S. dollars unless otherwise stated.

None of the entities noted in this document are authorized deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance with respect to the obligations of these entities.

This report references disclosures recommended in the Real Estate Services Sustainability Accounting Standard (Industry Standard, Version 2018-10) that was developed by the Sustainability Accounting Standards Board (SASB). The report also references disclosures from the Global Reporting Initiative (GRI) Standards guidelines, as well as the Construction and Real Estate Sector Supplement (CRE).

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