
	DOCUMENTO:	PROCEDIMIENTO DE SOSTENIBILIDAD				
	PROCESO:	POLÍTICA DE SOSTENIBILIDAD				
	CÓDIGO:	RIN-SUS-001	EMISIÓN:	15/08/18	PÁGINAS:	1 / 7



SUSTAINABILITY POLICY

Versión 1.0

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1. OBJECTIVE.

FUNO as a public company has voluntarily agreed to be transparent on its ESG performance. Keeping up with its responsibility as leader in the Real Estate Industry in Mexico.

Since its early days, FUNO has contributed to Mexico's social and economic development. Our growth has led us beyond legal compliance into actual Value Creation for the communities we work in, focusing on much more than mere Corporate Social Responsibility.

We Will continue to push development in the communities we operate, looking at win-win situations; our portfolio reflects this vision, where we want to “build sustainable communities through the operation and development of sustainable infrastructure”

2. APPLICABILITY.

Applicable to all employees, including staff, managers, high level executives and board members


3. RESPONSIBILITY

Generals

Comply with all guidelines set forward within this document to upkeep FUNOs sustainability standards and efficiency.

4. GLOSSARY.

1. **Anual Report** FUNO's Anual Financial and Sustainability Report
2. **Bizagi** Internal tool to automatize processes and data.
3. **Carbón Disclosure Project** Is an organisation which supports companies and cities to disclose the environmental impact (primarily emissions) of major corporations. It aims to make environmental reporting and risk management a business norm, and drive disclosure, insight and action towards a sustainable economy.
4. **Communities** Cluster of population which are near our properties.
5. **Dow Jones Sustainability Index** family of indices evaluating the sustainability performance of thousands of companies trading publicly, operated under a strategic partnership between S&P Dow Jones Indices and RobecoSAM. They are the

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longest-running global sustainability benchmarks worldwide and have become the key reference point in sustainability investing for investors and companies alike.

- 6. Energy Eco-efficiency**

Eco-Efficiency enhances competitiveness in terms of cost reductions and reduced environmental liabilities. It also enables FUNO to be better prepared for future environmental regulations. The key focus is on inputs and outputs of business operations and assessing trends in energy consumption
- 7. Eco-technologies**

Ecotechnology emphasizes approaching a problem from a holistic point of view. Increasing the efficiency in the selection and use of materials and technologies.
- 8. Environmental and social impacts**

Es la alteración positiva o negativa del medio ambiente, provocada o inducida por cualquier acción del hombre o por algún fenómeno natural. Es un juicio de valor sobre un efecto ambiental analizando el cambio neto (positivo o negativo) en el entorno.
- 9. Legal regulations**

All applicable regulation which may be local, statal, national or international.
- 10. RUP**


Portfolio director
- 11. Sustainability**

Strives to make a company exist in the long-term; taking into account social responsibility, environmental conservation and financial performance and it´s impacto n stakeholders.
- 12. Stakeholders**

All of which are or could be affected by the organization's actions, objectives and policies.
- 13. United Nations Global Compact**

The world´s largest corporate sustainability initiative. A call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals.
- 14. Waste**

May be generated during the extraction and processing of raw materials, during product manufacturing, during the consumption of final products, and during any other human activity. For the purposes of this question, we are interested only in solid waste. It is defined as waste that is landfilled, subject to deep well injection or incinerated without energy recovery (either on-site and off-site) and not recycled or reused.

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5. COMMITMENTS:

i) Corporate Governance

- Collaborate with our stakeholders on ethics and anti-corruption practices, social development and environmental conservation.
- Monitor, evaluate and audit: social, environmental, health and safety performance.
- Include suppliers and contractors in our sustainable practices, as well as in observing legal regulations.
- Promote innovation in our properties and implement our processes; in order to continue our leadership standing
- Collaborate and participate in Sustainable initiatives benefiting Mexico and communities we work in.
- Promote a culture of Sustainable practices inside and outside our organization, include stakeholders in the achievement of our objectives and communicate our performance.

ii) Environmental

- Ensure our operations comply with all legal regulations
- Evaluate our environmental impacts in order to define the best mitigating and compensating strategies through preventive and corrective actions, depending on each circumstance.
- Effectively and efficiently use of resources (water, energy, materials) minimizing waste and emissions.
- Establish specific performance, reduction and mitigation objectives.
- Audit our performance vs objectives
- Monthly collect through Bizagi our key environmental KPIs, such as water consumption, energy consumption, refrigerants, waste generated for it's analisis and communication.
- Establish a Waste management plan for solid Waste and water emissions, in line with applicable regulations.
- Apply a precautionary principle in our remodels and new developments. Which means when an activity raises threats of harm to human health or the environment, precautionary measures should be taken even if some cause and effect relationships are not fully established scientifically."
- Promote the inclusión of eco-technologies and strive for eco-efficiency, as well as the compliance with all applicable regulations in 100% of our remodels and new developments.

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- Involve our tenants and guests in our initiatives to reduce environmental impact and to participate in environmental initiatives we work in.
- Guarantee biodiversity conservation within our scope; particularly in new developments and remodels. We commit to keep our green areas with local non-invasive species.

iii) Social

- Promote responsibility and civil participation through volunteer programs.
- Respect our communication and marketing activities; perform them taking into account political, social and cultural sensitivities as well as an inclusive language.
- Promote and facilitate access for disabled populations to our properties.
- Respect Human Rights
- Take into consideration Human Rights in FUNOs decision making processes.
- Promote the inclusion of attributes in our properties fostering Sustainable development.
- Guarantee no forced labor in our direct or indirect hires.
- Offer labor contracts with just, transparent terms, as well as guarantee respect of employee rights; offering safe working conditions under ethical standards, while promoting their personal and professional development.
- Work in order to eradicate child labor, hiring only personnel complying with national regulations.
- Promote a non-discriminatory culture towards any stakeholder group. Including in our hiring process, promotions, employment conditions and rents; in compliance with our Code of Ethics and Human Capital Policies. Keep an open communication towards tenants, guests, investors, employees and suppliers, allowing them to express any inconvenience or idea.


iv) Health and safety

- Comply with legal regulations in terms of emergency management, health, safety and wellness in all our properties.
- Promote healthy lifestyles for our employees.
- Guarantee to our employees and guests, integrity, dignity, individuality and a safe work environment; highlighting respect, fair treatment and trust.

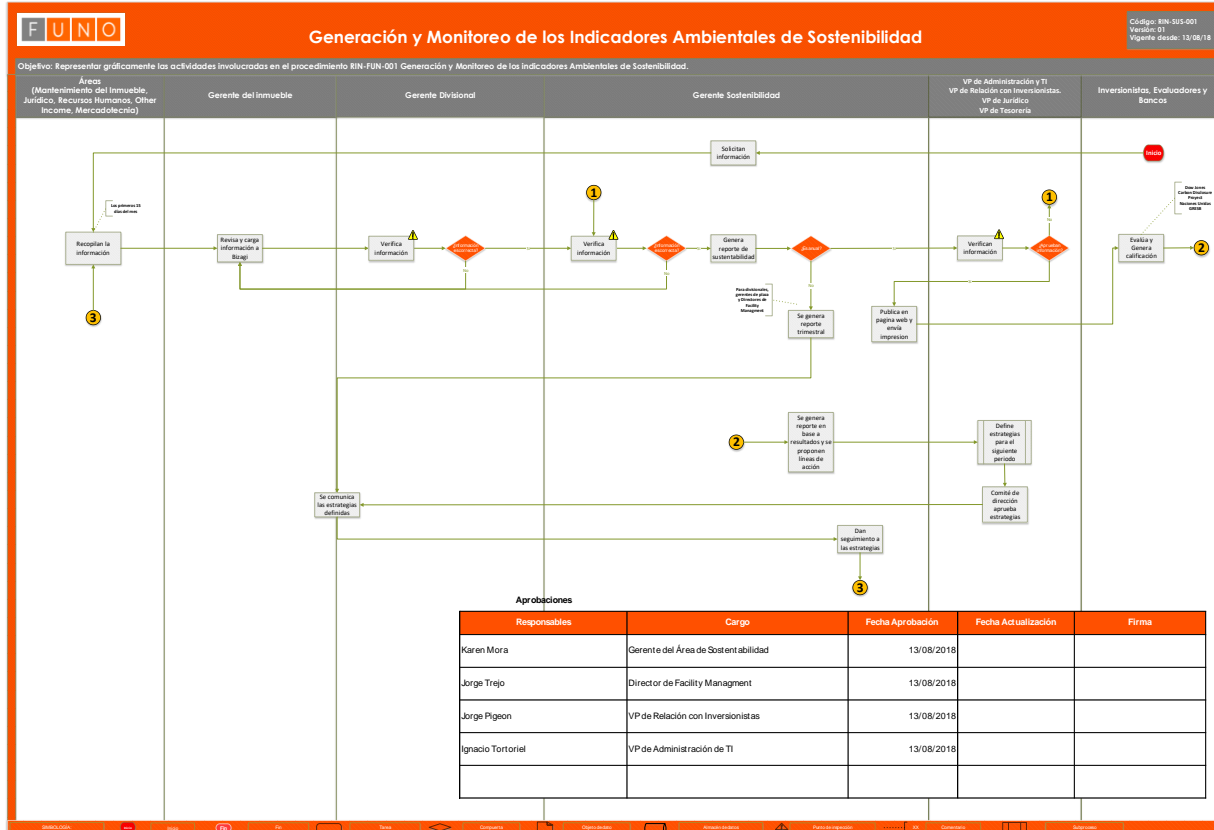
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6. RESPONSIBILITIES.

Rol	Responsibilities
Maintenance staff	Comply with gather in all required information in order to report monthly the properties performance. Within the first 20 days of each month
Property Manager	Register information on Bizagi Respect deadlines for such activities Implement all approved initiatives by the executive or the sustainability committee.
Divisionales /Regional Managers	Ensure all information is complete and trustable. Aprove reports Reject reports containing wrong data and request corrections.
Sustainability Manager	Generate information análisis for decsion-making Propose initiatives and next steps, aligned with performance and goals. Observe accurate implementation of initiatives across portfolio.
Executive Committee	Aprove/reject/modify KPIs, as well as applicable inittives to be implemented across the portfolio (waste, discharges, emissions and mitigation plans)

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7. PROCESO.



8. APPROVAL

THIS IS A TRANSLATION OF THE SPANISH VERSION, WHICH WAS SIGNED ON AUGUST 15 BY OUR SUSTAINABILITY MANAGER, OUR OPERATIONS DIRECTOR AND THE VICEPRESIDENTS OF ADMINISTRATION AND INVESTOR RELATIONS.

9. MODIFICATIONS CONTROL

Version	Date of creation or modification	Description
01	15/08/18	Creations