02

TRANSCENDING BY RAISING AWARENESS

GRI 302-1, 302-2, 302-3, 303-1, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 306-3

Beyond promoting an environmental culture, we have made preserving natural resources our responsibility and an intrinsic part of our daily lives

538
SOLAR PANELS IN OPERATION

SDGs involved

Sustainable

BUSINESS

GRI 307-1

As a sustainable company, at FINSA we are committed to collaborating in the mitigation of climate change and the conservation of natural resources. We know that our activities generate impacts that can put ecosystems at risk, so we have taken a series of measures and undertaken various actions to avoid and reduce them.

We believe in the importance of fostering respect for the environment and our actions are focused on raising awareness among our employees and their families, sharing with them volunteer activities for cleaning and reforestation.

We have undertaken awareness campaigns among employees and tenants to reduce water and energy consumption and properly manage the waste we generate, both in our industrial parks and in our corporate offices, always seeking to contribute to the mitigation of climate change and reduce our environmental impacts.

All our actions are backed by strict compliance with the environmental regulations and legislation that apply to us.

In order to present the differences in energy and water consumption, as well as waste generation and emissions, we performed a “like for like” analysis of the same properties for the same parks in 2022, allowing us to exclude variations due to the acquisition and sale of industrial parks.

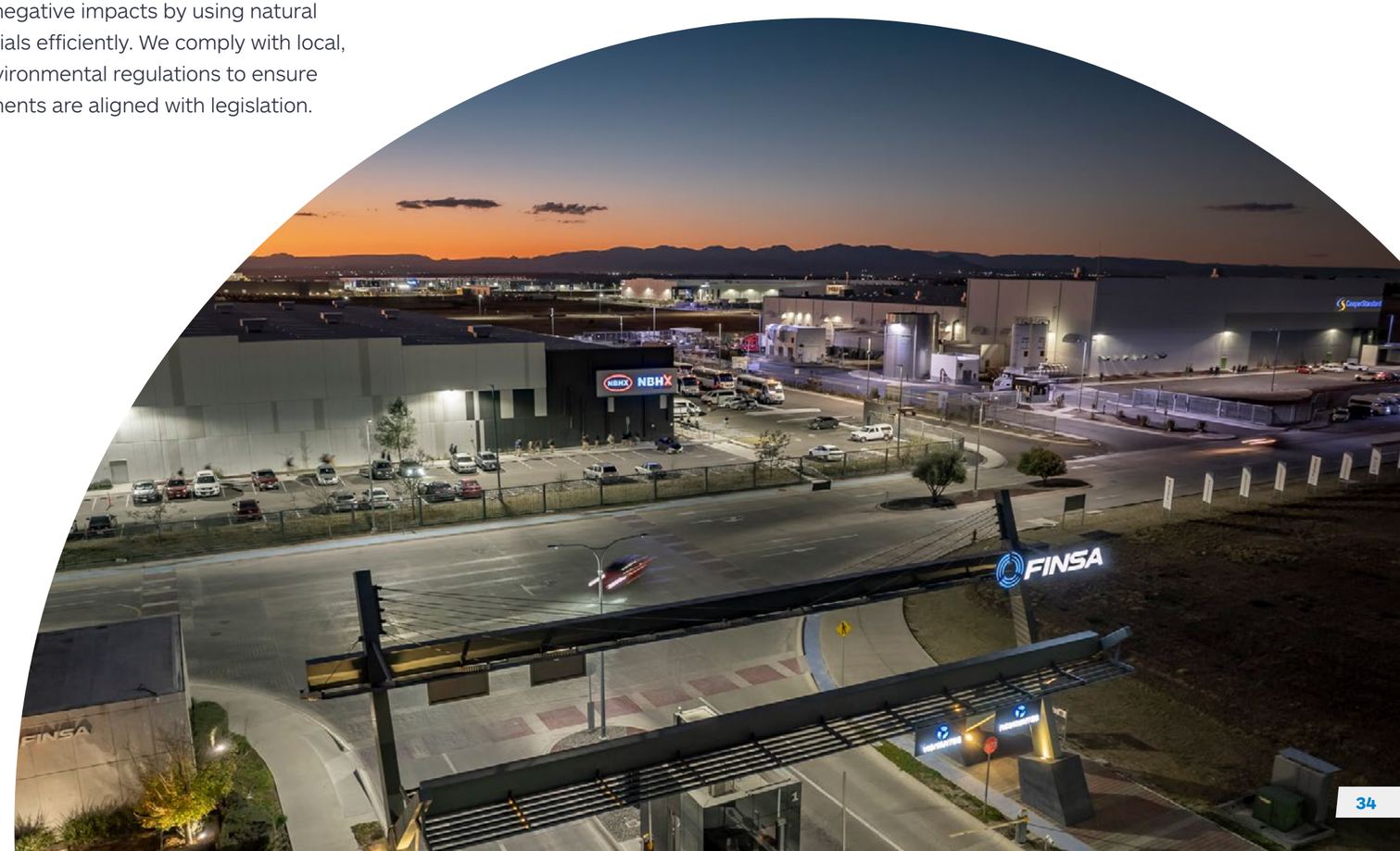
Sustainable
PARKS

GRI 3-3

Our portfolio is made up of industrial parks that comply with sustainable standards in all their operations, as well as with the guidelines established in our ESG Policy, controlling water and energy consumption, waste generated and greenhouse gas emissions.

We prevent environmental risks by conducting internal audits and mitigate negative impacts by using natural resources and materials efficiently. We comply with local, state and federal environmental regulations to ensure that all our developments are aligned with legislation.

WE INTEGRATE SUSTAINABLE ACTIONS IN THE DEVELOPMENT, MANAGEMENT AND OPERATION OF OUR PORTFOLIO AND PROMOTE THE CONSTRUCTION OF ENVIRONMENTALLY FRIENDLY BUILDINGS, FOLLOWING THE PARAMETERS AND REQUIREMENTS OF THE LEED CERTIFICATION.



RENEWABLE ENERGY

FINSA Aguascalientes Industrial Park has taken a significant step towards sustainability and innovation by installing solar panels in its facilities. This initiative not only demonstrates FINSA's commitment to the environment and carbon footprint reduction, but also sets an important precedent in the integration of renewable energies within our operations.

This project has a positive environmental impact, reducing dependence on fossil energy sources, also offering long-term economic benefits. Solar energy, a renewable source, significantly reduces consumption costs benefiting companies in the industrial park. This cost reduction can translate into more competitive prices and more financially sustainable operations.

	NUMBER OF PANELS	POWER SUPPLY TO:	ANNUAL GENERATION kWh
	258	Treatment Plant	201,292
	30	Offices, Warehouse, FPS	23,501
	40	North booth	26,039
	12	North Access Road	7,876
	44	Service areas Multi I	27,048
	96	South access booth and roadway	44,407
	58	Service areas Multi II	40,429
TOTAL	**538**		**370,592**

LED LAMPS POWERED BY SOLAR PANELS

FINSA Querétaro II Industrial Park has solar powered LED lamps on its roads. The installed system consists of a total of 46 LED lighting fixtures, each with a capacity of 80W. 92 solar panels were installed for this system, with two panels allocated per lamp. Each has a capacity of 135W, designed to maximize the efficiency of converting solar energy into electricity even under varying sunlight conditions.

98 GJ

SOLAR POWER GENERATION IN 2023

SUSTAINABLE PRACTICES

In order to reduce the environmental impact of our operations, in September 2022 we initiated a paper savings program, which consists of implementing electronic signatures for all strategic supply contracts.

In 2023, we avoided printing 1,655 contracts plus 552 appendices. We also avoided printing second sets of contracts and appendices, which were required in 90 percent of the cases.

Including all contracts and appendices that were signed and delivered electronically, 184,691 sheets of paper were saved, representing an estimated saving of 831.11 kilograms of paper.

Energy use and

GHG EMISSIONS

GRI 302-1, 302-2, 302-3, 302-4

One of the most important material resources for our operations is energy, which we obtain from electricity and fuel. In 2023 we increased our electricity consumption by 4.53 percent compared to the previous year, due to the start-up of the FINSA Querétaro III and FINSA El Salto industrial parks.

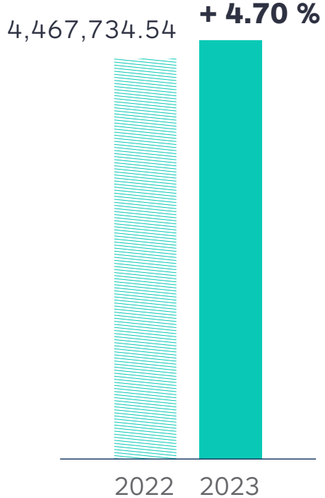
ELECTRICITY CONSUMPTION IN COMMON AREAS

kWh

4,677,656.07

Percentage difference 2022 - 2023

+ 4.70 %



At FINSA we measured fuel and energy consumption in common areas . In 2023 we decreased gasoline use by 18.17 percent and increased diesel use by 36.81 percent compared to 2022, this increase was due to additional street sweepers. Meanwhile, the natural gas supply of our FINSA Energéticos customers increased by 22,542 Gigajoules, compared to last year.

We define common areas as the service areas of the parks, including roads, security booths, service areas, maintenance warehouses, administrative offices of the Industrial Park, green areas, among others, as well as the area of our corporate offices.

Moreover, leased areas correspond to the surface area of the industrial buildings located in our parks, whether leased by us or owned by a third party.

ELECTRICITY CONSUMPTION IN COMMON AREAS

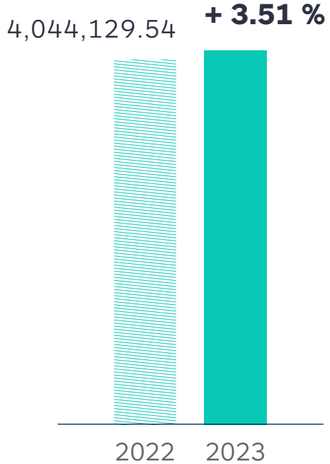
"LIKE FOR LIKE"

kWh

4,186,041.07

Percentage difference 2022 - 2023

+ 3.51 %

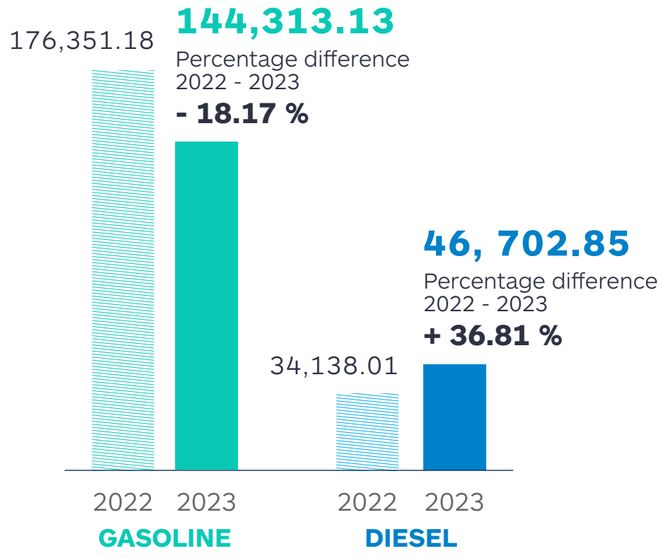


Notes:

1. The energy data corresponds to 19 Industrial Parks that submitted data for 2022 and 2023 under similar conditions.

FUEL CONSUMPTION COMMON AREAS

Liters

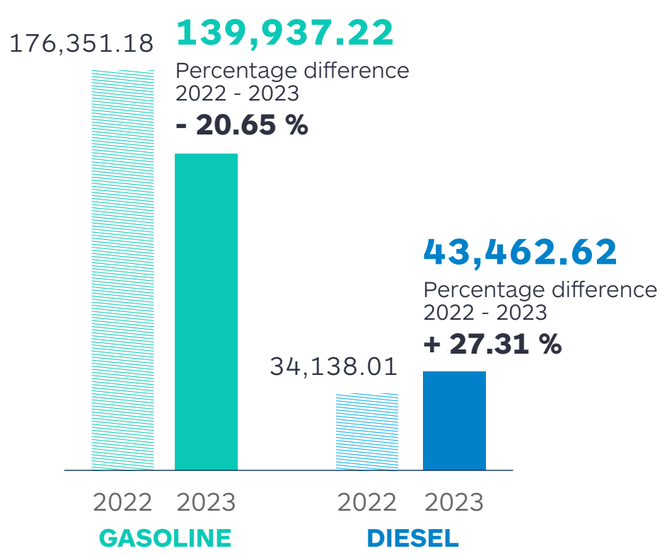


Notes:

1. Fuel (gasoline) data is from the common area of 22 industrial parks, which represents 99.21 percent of FINSA's total common area during 2023.
2. The fuel (diesel) data comes from the common area of 15 industrial parks, which represents 61.42 percent of FINSA's total common area.

COMMON AREA FUEL CONSUMPTION FOR *"LIKE FOR LIKE"* PROPERTIES

Liters

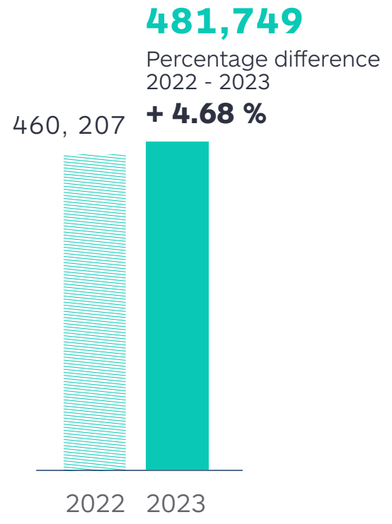


Notes:

1. The gasoline data corresponds to 19 parks that submitted data for 2022 and 2023 under similar conditions. The diesel data corresponds to data from nine parks.

NATURAL GAS CONSUMPTION OF CUSTOMERS

Gigajoules



Notes:

1. The gas consumption data comes from the consumption of nine companies and their consumption record within the FINSA Energéticos logs of the Matamoros del Norte park, where we supply gas to the tenants.

TOTAL ENERGY CONSUMPTION

ENERGY FROM FUEL CONSUMPTION

TYPE OF ENERGY	GIGAJOULES
Electric power	16,839.56 Gj
Gasoline	4,781.56 Gj
Diesel	1,759.16 Gj
TOTAL	**23,380.28 Gj**

The energy intensity during 2023 was 2.53 kWh per square meter, -8.05% less than 2022 which was 2.758 kWh/sq. m.

ENERGY INTENSITY IN COMMON AREAS

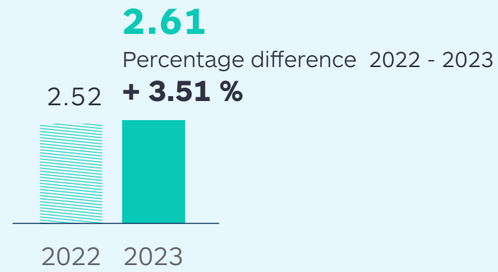
0.0091 Gj/sq. m.

2.53 kWh/sq. m.

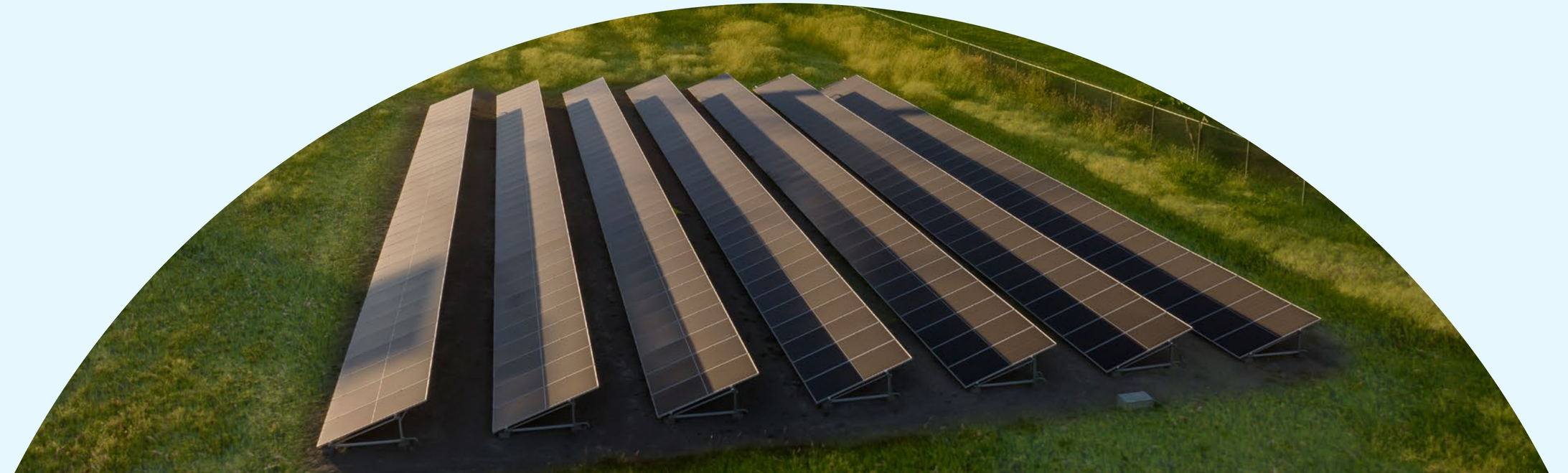
Notes:
1. Power intensity was calculated using the denominator of sq. m.

ENERGY INFORMATION IN COMMON AREAS

Energy intensity of common areas for *"Like for like"* properties
Energy intensity kWh/sq. m.



Notes:
1. This corresponds to 19 parks that submitted data for 2022 and 2023 under similar conditions with 1,602,506.08 sq. m. covered for both years.



EMISSIONS

GRI 305-1, 305-2, 305-3, 305-4

FINSA's total greenhouse gas emissions increased by 4.51 percent from 2022 to 2023. This increase can be attributed to several key factors, ranging from operational expansion to the use of fossil fuel-based energies.

TOTAL EMISSIONS

Ton CO_2eq

EMISSIONS	2022	2023	PERCENTAGE DIFFERENCE 2022 - 2023
Scope 1	500.33	461.79	**-7.7%**
Scope 2	1,943.46	2,048.81	**+ 5.4%**
Scope 3	25,817.61	27,143.90	**+5.1%**
TOTAL	**28,261.40**	**29,654.50**	**+ 4.51%**

EMISSIONS FROM FUELS	Ton CO_2eq 2023
Gasoline	331.41
Diesel	130.37
Natural gas	27,026.12

Notes:

1. Flights from FINSA's employees and third parties were considered in the calculation of Scope 3 emissions in 2023. In 2022 this calculation could not be obtained, which is why in 2023, Scope 3 emissions increased 5.14 percent more than in 2022.

GHG EMISSIONS INTENSITY OF COMMON AREAS

Ton CO_2eq/sq. m.

EMISSIONS	EMISSION INTENSITY OF COMMON AREAS		PERCENTAGE DIFFERENCE
	2022	2023	
Offices	0.0764	0.0767	**+0.32%**
Parks	0.00141	0.00127	**-10.13%**
TOTAL	**0.00151**	**0.00136**	**-9.80%**

Notes:
1. Emission intensities for common areas correspond to energy and fuel data for park common areas and our offices.

GHG EMISSIONS INTENSITY OF COMMON AREAS

Ton CO_2eq/sq. m.

EMISSIONS	EMISSIONS INTENSITY		PERCENTAGE DIFFERENCE
	2022	2023	
Scope 1	0.00031	0.000250	**-18.96%**
Scope 2	0.0012	0.0011	**-7.44%**
Scope 3	0.119	0.1250	**+4.68%**

Notes:
1. Emission intensity was calculated using sq. m. over the parks that generated the different scopes for common areas.

TOTAL EMISSIONS FOR *"LIKE FOR LIKE"* EQUAL PROPERTIES

Ton CO_2eq/sq. m.

	2022	2023	PERCENTAGE DIFFERENCE 2022 - 2023
Scope 1	500.33	451.08	**-9.84 %**
Scope 2	1,759.20	1,833.49	**+4.22 %**
Scope 3	25,817.61	27,026.12	**+4.68 %**
TOTAL	**28,077.14**	**29,310.68**	**+4.39 %**

Water

USE

GRI 3-3

Water is a vital resource for human beings. At FINSA, water is one of the most important input, which is why we continuously monitor and address any contingency related to water consumption and supply.

We installed meters in the common areas of all the parks where we supply water and where we extract groundwater in order to keep track of water volumes. Similarly, these measures have been adopted at customer locations, which has enabled us to record consumption where the supply comes from FINSA.

Mexico constantly faces water stress, so we have taken preventive measures to ensure water supply such as purchasing water supply trucks. In addition, some of the wastewater treatment plants we have installed allow us to reuse water for irrigating green areas, reducing our consumption.

Our maintenance teams monitor the installations on a daily basis to detect any leaks or deterioration in order to repair them immediately and prevent any risk.

WE HAVE THE BEST CONSUMPTION AND SAVING PRACTICES, ALLOWING US TO ENSURE EFFICIENT WATER SUPPLY FOR ALL OUR FACILITIES.

WATER CONSUMPTION AND EXTRACTION

GRI 303-3

Water consumption increased because in 2023 we installed water meters in common areas giving us more accurate data compared to the estimates for 2022; this increase was also due to fire suppression systems installed and maintained in our parks; this data includes water used for green areas. For the data on leased areas, the increases were due to the operation of new companies.

In some of our industrial parks we supply water from different sources. We keep track of each extraction and consumption through meters installed at the sites, ensuring the correct measurement of cubic meters consumed.

In 2023, FINSA extracted a total of 1,567,342.5 million m^3 of water, up 318,459.54 m^3 compared to 2022.

TOTAL WATER EXTRACTED/m^3

WATER EXTRACTION	COMMON AREAS	LEASED AREAS	TOTAL
Surface Water	768.00	438,153.00	**438,921.00**
Groundwater	84,758.74	860,708.17	**945,466.91**
Third Party Water	12,222.58	173,828.00	**182,954.58**
TOTAL	**97,749.33**	**1,469,593.17**	**1,567,342.50**

TOTAL WATER EXTRACTED

m^3

1,248,882.96 m^3
TOTAL 2022

1,567,342.50 m^3
TOTAL 2023

COMMON AREAS

71,313
2022

97,749.33
2023

LEASED AREAS

1,177,569.96
2022

1,469,593.17
2023

WATER-STRESSED AREAS

At FINSA because we have properties in four different regions of the country, throughout the year we experience weather contingencies such as droughts, torrential rains and water shortages. Some of these regions have been classified as water-stressed.

Aware of our responsibility to preserve natural resources, we have taken a series of measures to avoid suspending our operations and safeguarding the jobs of our employees and tenants.

During 2023, water extraction in water-stressed areas increased by 295 thousand 844.24 m^3, compared to water extracted in 2022.

WATER EXTRACTION IN WATER-STRESSED AREAS/m^3

WATER EXTRACTION	COMMON AREAS	LEASED AREAS	TOTAL
Groundwater	79,800.74	783,109.17	**862,909.91**
Third-party water	11,384.58	170,732.00	**182,116.58**
TOTAL	**91,185.33**	**953,841.17**	**1,045,026.50**

TOTAL WATER EXTRACTION IN WATER-STRESSED AREAS

m^3

749,182.26 m^3
TOTAL 2022

1,045,026.50 m^3
TOTAL 2023

COMMON AREAS

68,327.00
2022

91,185.33
2023

LEASED AREAS

680,903.26
2022

953,841.17
2023

WATER DISCHARGES

GRI 303-4

Surface water discharges are those that fall into bodies of water; in this case FINSA discharges into surface bodies such as rivers or streams.

Groundwater discharges are those that fall into the soil and end up permeating the subsoil through natural filtration. Most of this water is used or reused in some way to irrigate green areas.

Third-party water discharges are discharged directly into municipal sewage systems; metering estimates are available for some of these operations.

Third-party waters include wastewater and treated water. Surface water is all treated water, while groundwater is both treated water and non-potable well water.

WATER DISCHARGES	COMMON AREAS/m³	LEASED AREAS/m³	TOTAL/m³
Surface water	4,092.47	281,101.53	**285,194.00**
Groundwater	81,371.00	170,550.60	**251,921.60**
Third-party water	9,401.09	593,793.96	**603,195.05**
TOTAL	**94,864.56**	**1,045,466.09**	**1,140,310.65**

WATER DISCHARGES	2022	2023
Common areas	64,171.50 m³	94,864.56 m³
Leased areas	1,023,570.13 m³	1, 045,466.09 m³
TOTAL	**1,087,741.63 m³**	**1,140,310.65 m³**

OTHER DISCHARGES	
Freshwater	59,067 m³
Other waters	124,056 m³
TOTAL	**183,123 m³**

Notes:
1. These data correspond solely and exclusively to discharged waters that could be characterized in terms of the amount of total dissolved solids.

WATER CONSUMPTION

GRI 303-5

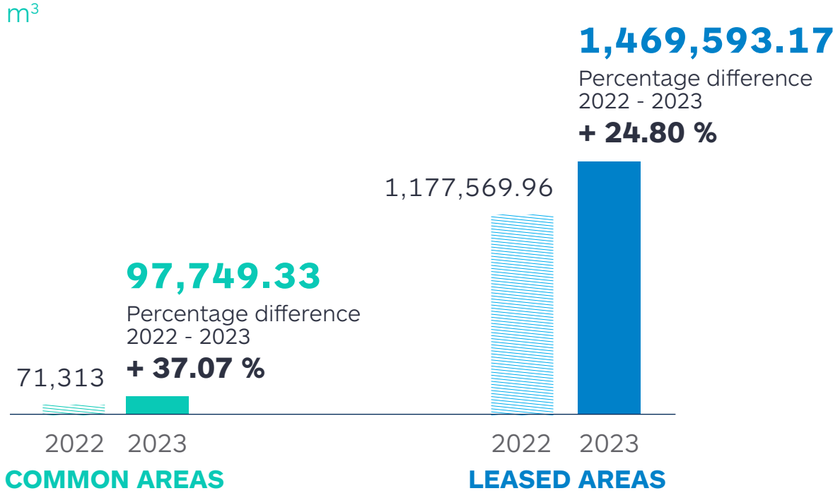
In 2023, our consumption totaled 1,567,342.50 m³, an increase of 25% compared to 2022.

1,248,882.96 m³
TOTAL 2022

1,567,342.50 m³
TOTAL 2023
Percentage difference 2022 - 2023
+ 25.50 %

WATER CONSUMPTION

m³



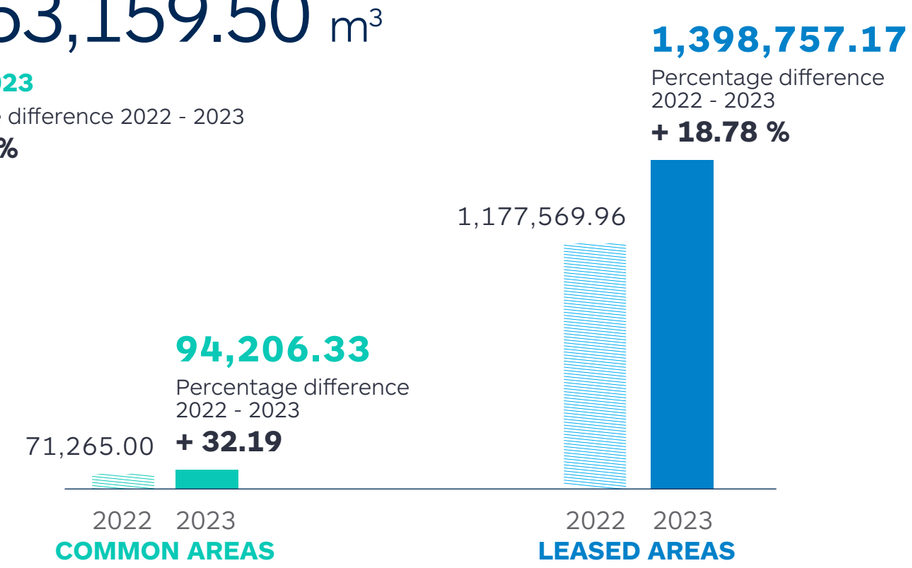
Notes:
1. The data provided for common areas correspond to 21 FINSA Industrial Parks and corporate offices.
2. The leased area data corresponds to tenant data for 11 FINSA industrial parks.

WATER CONSUMPTION FOR *"LIKE FOR LIKE"* EQUAL PROPERTIES

m³

1,248,834.96 m³
TOTAL 2022

1,563,159.50 m³
TOTAL 2023
Percentage difference 2022 - 2023
+ 25.17 %



Notes:
1. The common area data corresponds to 17 parks that submitted data for 2022 and 2023 under similar conditions.
2. The data for leased areas corresponds to the consumption of tenants of nine industrial parks that submitted data for 2022 and 2023 under similar conditions.

WATER INTENSITY PER m³

COMMON AREAS
0.000053 ML/m²

LEASED AREAS
0.000466 ML/m²

TREATED WATER

All of our treatment plants operate under biological processes of pollutant degradation based on the sanitary services provided by FINSA in some of its parks. Most treatment systems consist of activated sludge technology, with a recent migration to MBBR (Moving Bed Biofilm Reactor) technology.

By the end of 2023, we had 10 wastewater treatment plants distributed in the four regions where we operate.

PARK/PLANT	VOLUME TREATED IN 2023 (m^3)	REUSED
Aguascalientes	14,331.60	Irrigation of green areas
Monterrey	81,469.00	Irrigation of green areas
Coahuila	180,372.00	Not Applicable
Guadalupe	11,336.00	Not Applicable
Puebla I	13,952.00	Not Applicable
Querétaro II	17,299.00	Irrigation of green areas
Reynosa Maquilpark	79,534.00	Not Applicable
Santa Catarina I	59,067.00	Irrigation of green areas

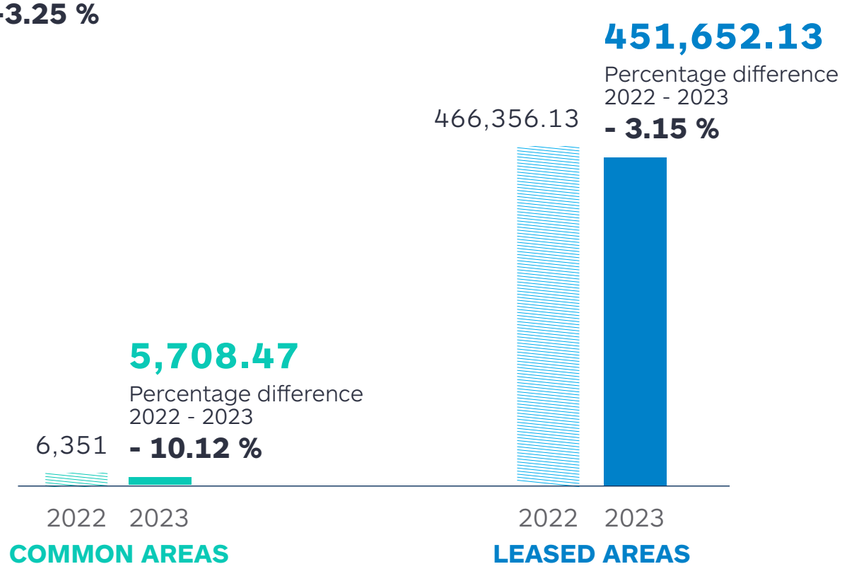
TREATED WATER

m^3

472,707.13 m^3
TOTAL 2022

457,360.60 m^3
TOTAL 2023

Percentage difference 2022 - 2023
-3.25 %



Waste

MANAGEMENT

GRI 3-3, 306-3

As part of FINSA's efforts to reduce air, soil and water pollution, we have integrated different practices for the reduction, separation and reuse of materials, as well as recycling and composting of organic waste. These activities are part of the company's waste management, which have been implemented at all locations to reduce the environmental impacts caused by our operations.

We have a warehouse where we temporarily confine special and hazardous waste, which is delivered to a certified supplier for proper disposal. Each waste delivery is recorded in a logbook to keep track and improve our environmental management.

EACH INDUSTRIAL PARK ALSO HAS CONTAINERS FOR URBAN SOLID WASTE, WHICH ARE MANAGED THROUGH LOCAL GARBAGE COLLECTION COMPANIES.

All these practices are defined in our ESG Policy, which is the document that guides us in the actions we take to preserve the environment and be a sustainable company.

In 2023 we generated 44.81 tons of waste, 90.40 percent less than last year.

WASTE GENERATED	2022	2023	TOTAL
Hazardous	5.14 Ton	2.47 Ton	**-51.85%**
Urban	77.83 Ton	29.14 Ton	**-62.55%**
Special handling	383.65 Ton	10.97 Ton	**-97.14%**
TOTAL	**466.62 Ton**	**42.59 Ton**	**-90.87%**

Notes:
- The data obtained correspond to the common and leased areas of FINSA's 21 Industrial Parks.
- Regarding special handling waste, in 2023 waste fell by 90.4% from 2022 since the 2023 FINSA Apodaca Industrial Park reported zero waste.

WASTE GENERATED FOR *"LIKE FOR LIKE"* EQUAL PROPERTIES

WASTE GENERATED	2022	2023	TOTAL
Hazardous	4.922 Ton	2.474 Ton	**-49.73%**
Urban	77.83 Ton	29.14 Ton	**-62.55%**
Special handling	13.60 Ton	7.41Ton	**-45.51%**
TOTAL	**96.352 Ton**	**39.024 Ton**	**-59.50%**

Notes:
1. Hazardous waste data corresponds to 11 parks, municipal solid waste to 18 parks and special handling waste to four parks, which submitted data for 2022 and 2023 under similar conditions.

TCFD

Climate change

AND RESILIENCE

TCFD 2023

Measuring climate-related financial disclosures is critical for companies. The guidelines established by the Task Force on Climate-Related Financial Disclosures (TCFD) provide a sound framework for assessing, disclosing and managing the financial risks and opportunities arising from climate change.

WITH THE APPROACH RECOMMENDED BY THE TCFD, WE CAN IMPROVE TRANSPARENCY, STRENGTHEN DECISION MAKING, INCREASE INVESTOR AND OTHER STAKEHOLDER CONFIDENCE AND PROACTIVELY ADDRESS THE FINANCIAL IMPACTS OF CLIMATE CHANGE.

GOVERNMENT

In 2023, the Risk Committee was established as an intermediate body to support the Board of Directors in assessing the company's risks, including climate risks.

The areas involved must define prevention and mitigation actions in order to reduce and/or mitigate the risks identified in different categories.

STRATEGY

At FINSA, we use the following definition of time horizons:

- Short-term: 0 to 1 year, until 2025.
- Medium-term: 1 to 6 years, until 2030.
- Long-term: 6 to 20 years, until 2050.

We evaluate key factors to identify the magnitude of the impact of climate risks on our facilities and prioritize them using two matrices for measurement. The development of these matrices allowed us to:

- Assess risks to identify impacts.
- Create short-, medium- and long-term prevention strategies and plans.
- Develop risk management plans and recommendations. Communicate progress to stakeholders.
- Identify the main risks to be considered within the insurance coverage of properties.

The adoption of climate risk mitigation strategies is crucial to ensure the resilience and sustainability of the company's operations. By identifying and assessing the physical and transitional risks associated with climate change, preventive and adaptive measures can be implemented to reduce vulnerability and protect assets.

By considering the financial impacts of these risks, informed decisions can be made to improve risk management and strengthen the company's competitive position in a changing environment.

IMPACTS OF CLIMATE RISKS ON THE STRATEGY

1. PRODUCTS AND SERVICES

Climate change will have a significant impact on FINSA's operations and its tenants. One of the most prominent consequences is the increase in tax rates for the use of more carbon-intensive products and materials in construction and operations.

This will result in higher expenses for FINSA and its tenants. In addition, it is estimated that there will be an increase in payments for energy and water services essential to the operation as a result of the changing climatic conditions and the need to adapt to them.

2. SUPPLY CHAIN AND/ OR VALUE CHAIN

The scarcity of natural resources and the lack of supply of priority raw materials generate a negative impact due to alterations in ecosystem functions and the loss of biodiversity. This could affect the ability to meet commitments and satisfy market demand.

It is important to identify the financial implications of the physical and transitional risks associated with climate change in order to generate certainty in relation to sustainability and corporate responsibility objectives.

3. ADAPTATION AND MITIGATION ACTIVITIES

Changing domestic and international regulations regarding emissions limits per square meter and per asset type represent significant challenges for companies. Failure to comply with these requirements could hinder access to green finance and other forms of preferential financing.

4. INVESTMENT IN RESEARCH AND DEVELOPMENT

Investment in new technologies for the management and operation of assets and industrial parks is essential to maintain competitiveness and efficiency in a constantly changing business environment. The adoption of innovative technologies, such as automation, the Internet of Things (IoT) and artificial intelligence, makes it possible to optimize production processes, improve resource management and reduce environmental impacts. In addition, these technologies can provide valuable data in real time, enabling more agile and informed decision making.

5. OPERATIONS (INCLUDING TYPES OF OPERATIONS AND LOCATION OF FACILITIES)

Non-compliance with or ignorance of commitments related to frameworks, standards, international treaties and legislation related to resilience and climate change could place the company at a disadvantage.

Insurance policies for the assets must have the necessary coverage to face climate risks. In addition to considering the physical and operational impact of the assets, it also considers the security of corporate and personal data in the event of hardware and software damage.

The vulnerability of assets to climate risks must be thoroughly assessed as part of the due diligence process. Impacts derived from the increase in temperature, such as heat stress and deterioration of metallic structures, as well as the lack of water availability and the increased demand for resources, which may cause higher costs and interruption of the operation. These factors must be considered.

In financial terms, higher energy consumption and increased demand for air conditioning equipment is expected, which may impact the company's annual planning and budget. Furthermore, flooding represents a risk that can cause significant physical and operational damage to assets and tenants, requiring adequate prevention and management measures to mitigate these impacts.

The following section discusses the effect of these identified risks on the company's financial planning:

1. Revenues
2. Costs (direct and indirect)
3. Capital distribution
4. Acquisitions or divestitures
5. Access to the capital

RISK MANAGEMENT

Due to the influence of climate change, the risks and opportunities surrounding FINSA's assets must be considered within internal strategies to mitigate its negative impact on our portfolio.

Because of this, in 2023 we adopted the TCFD's recommended guidelines on risk assessment and its financial implications. This will increase the resilience of assets to climate events through our risk identification and management strategy, resulting in increased stakeholder confidence.

A climate risk matrix was developed and adopted as an identification tool, both for portfolios and assets. Each risk was classified as physical or transitional, according to its nature, allowing the establishment of prevention and mitigation actions to help in managing both the risks as well as their financial impacts.

In this assessment we identified the short- (2025), medium- (2030) and long-term (2050) risk of the operating life cycle of our assets.

Our analysis is based on two complementary matrices:

- Physical risk matrix
- Resilience and climate change matrix

PHYSICAL RISK MATRIX

We developed this tool based on the analysis of each asset in the portfolio individually, identifying the physical risks that may affect each one.

Physical risks related to climate change can be subdivided according to the time of occurrence into chronic (long-term) and acute (short-term) risks, which generate financial implications for FINSA. In addition, we are aware that these implications may be reflected as direct damage to real estate or indirect effects due to interruptions in the supply chain.

Physical risks were evaluated by State, where we have Industrial Parks and assets, with the main risks for each listed:

STATE	RISK AND EVALUATION					
Tamaulipas	water stress	(4.4/5)	floods	(4.2/5)		
Chihuahua	snowfall	(5/5)	water stress	(5/5)	heat waves	(4/5)
Nuevo León	water stress	(4/5)	drought	(4/5)		
Puebla	flooding	(4.5/5)	hail	(4.5/5)	thunderstorms	(4/5)
Querétaro	water stress	(4.8/5)	flooding	(4.3/5)	thunderstorms	(4/5)
Guanajuato	water stress	(5/5)	drought	(4/5)	heat waves	(4/5)
Coahuila	water stress	(5/5)	drought	(4/5)	landslides	(4/5)
Jalisco	water stress	(5/5)	thunderstorms	(5/5)	fires	(4/5)
Baja California	water stress	(5/5)	heat waves	(5/5)	fires	(5/5)
Aguascalientes	water stress	(5/5)	fires	(4/5)		
Sonora	water stress	(5/5)	heat waves	(5/5)		
Mexico City	water stress	(5/5)	floods	(5/5)	hail	(5/5)

Notes:
1. Each category is evaluated on a scale of 0 to 5

We have established actions to manage and reduce the impact of identified risks. Our main actions are included in the following table:

RISK	CURRENT CONTROL OR MITIGATION MEASURES
Thunderstorms	Lightning arresters in some of the buildings in the portfolio. Transformer and equipment grounding protection. Insurance with hydrometeorological risks coverage.
Hail	Roofs with TPO or PVC sheets in some buildings, which cushion hail fall. Insurance with hydrometeorological risks coverage.
Floods	Conducting hydrological studies for each development project to determine the size and design necessary rainwater infrastructure. Issuing preventive communiques in the event of hydro-meteorological phenomena. Insurance with hydrometeorological risks coverage.
Hurricanes Tropical Cyclones	Maintain updated and current insurance coverage at each facility, including coverage for hydrometeorological risks. Issuing preventive communiques in the event of hydro-meteorological phenomena. Structural designs considering high wind loads on ships in hurricane-prone geographical areas.
Droughts	At the FINSA Querétaro III Industrial Park, we are implementing projects for rainwater harvesting.
Heat waves	Thermal insulation in metal roofs. Installation of more efficient HVAC equipment. Reduction of heat islands by using materials with SRI values of at least 0.6 in metallic roofs and sidewalks of the industrial inventory buildings (SRI: *Solar Reflectance Index*).
Snowfall	Maintain updated and current insurance coverage at each facility, including coverage for hydrometeorological risks. Structural designs considering snow effect loads on the vessels, in geographic areas prone to snowfall.
Landslides	Appropriate design of retaining walls in all projects. Insurance with hydrometeorological risks coverage.
Fires	Cutting down a 6-meter wide strip of brush on the perimeter of the Industrial Parks to prevent the spread of fires.

We are certain that the evaluation of these risks is of vital importance. Because of this, we have identified our needs to be addressed to lessen the future impact and resulting financial consequences. These requirements are included in the following table:

PHYSICAL RISKS	FUTURE CONTROL OR MITIGATION MEASURES
Thunderstorms	Analyze the installation of lightning rods in our facilities (offices, warehouses) where there could be more risk of thunderstorms.
Hail	Evaluate the installation of protective membranes on metal roofs of warehouses in more areas where there is a high risk of hail in inventory warehouses.
Floods	Include climate change factors in the hydrological studies requested in each project, as well as technical solutions to control flows and infiltrate or retain rainwater.
Hurricanes Tropical Cyclones	Constant review of policies and coverage.
Droughts	Implementation of rainwater harvesting and reuse systems.
Heat waves	Regarding the operation of Industrial Parks: Organize convenient work cycles for outdoor activities. Reduction of heat islands by using materials with values of SRI=0.6 as a minimum in metallic roofs and sidewalks for inventory industrial buildings, as well as those that are “Built to suite” (SRI: *Solar Reflectance Index*).
Snowfall	Constant review of policies and coverage.
Landslides	Discarding properties with hilly terrain when acquiring assets, to the extent possible.
Fires	Constant relationship with the fire departments of each municipality where we operate.

RESILIENCE AND CLIMATE CHANGE MATRIX

As part of the risk identification, in the risk matrix we include risks identified as transition risks which refer to all those emerging and derived from the global political and economic change based on a transition to net-zero carbon and low greenhouse gas emissions. This identification was conducted in accordance with the TCFD framework of recommendations.

- Legislation and regulations (current and emerging)
- Technology and innovation
- Economics and Finance
- Market and reputation

We analyzed these categories using the probability method and potential impacts and defined current and future prevention and mitigation actions.

Main findings are listed in the following table:

RISK	CURRENT CONTROL OR MITIGATION MEASURES	RISK CLASSIFICATION	MAGNITUDE OF RISK	PROSPECTED TIME HORIZON
Lack of coverage by insurers for climate-related physical risks	Transition	Legal	25	Medium term
Increased cost of utilities such as water and energy	Transition	Market	20	Medium term
Exclusion of new investments	Transition	Reputation	20	Medium term
Health Impacts on Tenants and Co-workers	Transition	Reputation	20	Medium term
Water stress	Physical	Chronic physical	25	Short term

Notes:
- The magnitude of the risk (I x P) is calculated based on the impact (I) and the probability (P). The maximum possible score is 25.
- Of the 5 risks presented, 4 correspond to transition risks. Of these, the greatest impact would be on the company's reputation.
- The evaluation has only one physical risk, however, it was evaluated with the highest possible score.

We have established actions to manage and reduce the impact of identified risks. Our main actions are included in the following table:

RISK	CURRENT CONTROL OR MITIGATION MEASURES
Lack of coverage by insurers for climate-reated physical risks	▪ "All Risks" insurance coverage, including hydrometeorological issues.
Increased cost of utilities such as water and energy	▪ Preparation of budgets and investment memorandum considering the results of climate change assessments. ▪ Belonging to chambers and guilds that could act as intermediaries with the authorities in case of disagreements.
Exclusion of new investments	▪ Establishment of investment objectives. ▪ Adoption of international regulatory frameworks.
Health Impacts on Tenants and Co-workers	▪ Communications that include preventive recommendations to reduce negative impacts.
Water stress	▪ We have implemented projects for rainwater harvesting

We have identified the needs we have at FINSA which as essential in order to reduce any future impact and the financial consequences resulting therefrom. These requirements are included in the following table:

RISK	FUTURE CONTROL OR MITIGATION MEASURES
Lack of coverage by insurers for climate-reated physical risks	▪ Constant review of policies and coverage.
Increased cost of utilities such as water and energy	▪ Join with other member companies to request tariff adjustment concessions through negotiations with the corresponding authorities.
Exclusion of new investments	▪ Increase the number of international regulatory frameworks for the company.
Health Impacts on Tenants and Co-workers	▪ Increase preventive communications and call emergency services if required.
Water stress	▪ Water truck supply. ▪ Increase rainwater harvesting projects and promote the use of treated water with customers from the WWTPs we operate. ▪ Inclusion of xerophytic vegetation in projects to avoid landscape watering.

BIODIVERSITY

GRI 3-2

At FINSA we respect biodiversity and protected natural environments. As part of our ESG Policy, we are conscious of integrating and promoting actions that help conserve and protect natural resources and reduce negative impacts from our operations.

> ALL OF OUR ACTIVITIES COMPLY WITH LOCAL, NATIONAL OR FEDERAL ENVIRONMENTAL LEGISLATION AND REGULATIONS, CONDUCTING FLORA COMPENSATION ACTIONS AS STIPULATED IN THE ENVIRONMENTAL IMPACT STATEMENTS.

SOIL RESTORATION

In the search to improve our environmental practices and find new options to contribute to soil restoration, we have developed a project to produce organic fertilizer, which we use in the green areas of the Iztapalapa Industrial Park, located in Mexico City.

The production has been possible thanks to the use of organic materials, such as fruit, vegetable and eggshell waste, discarded by the Day Care Center located in the Industrial Park, as well as grasses, leaves and branches littering the common areas of our facilities.

We have established a 64 m^2 space for composting, which is carried out in three stages: collection of organic matter and waste, turning and finishing. Organic compost helps conserve the soil and retain water and nutrients necessary for the flora of the site, in addition to reducing the amount of waste that is taken to landfills, thereby decreasing contamination.

PART OF THE LANDSCAPE

As part of the project, the remains of trunks, branches and leaves are used and integrated into the landscaping of green areas to serve as decoration while providing nutrients to the soil, preventing erosion and strengthening the growth of plants and trees in common areas of the Industrial Park.