

VERSION 1.0
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**RESPONSIBLE INVESTMENT POLICY
ENVIRONMENTAL, SOCIAL, AND CORPORATE
GOVERNANCE CRITERIA PRACTICES POLICY**

GRUPO IGS S.A.P.I DE C.V.

POLICY INSTRUCTION

DEPARTMENT: Sustainability and Finance Directotate

RESPONSIBLE INVESTMENT POLICY

ENVIRONMENTAL, SOCIAL, AND CORPORATE GOVERNANCE CRITERIA PRACTICES POLICY

I. RESPONSIBLE INVESTMENT AT IGS

Grupo IGS (IGS) is a Mexican fund manager and developer with the purpose of adding value in the real estate sector.

- IGS Industrial: acquires, develops, and manages industrial facilities and distribution centers rented to manufacturing and logistics companies in Mexico's main markets.
- IGS Housing: Acquires land with the proper building permits and feasibility, and in partnership with developers fulfil affordable housing projects throughout Mexico.
- Others: develops and manages various real estate-related projects.

At Grupo IGS, we believe that integrating sustainability criteria throughout the investment lifecycle (acquisition, development or renovation, rental, and sale) allows us to mitigate risks and have a greater competitive advantage in market increasingly aware of socio-environmental and governance issues. In this way, we want to contribute to the sustainability goals of our tenants and minimize the environmental impact caused by our projects.

II. PURPOSE / OBJETIVE

The present policy aims to delimit the framework for incorporating environmental, social, and governance aspects in the asset investment process of the organization, from property acquisition to the sale of developed assets.

III. SCOPE

This policy applies to all new real estate projects of IGS and must be applied by the employees involved in the processes described in it, as well as by our partners in the projects where they act on behalf of the company.

In the case of projects currently under development, reasonable modifications will be sought to improve their Environmental, Social, and Governance (ESG) performance. For projects already in operation, ESG improvements will be considered in renovations and through collaborations with tenants.

IV. FRAMEWORK

This policy is developed based on the six Principles for Responsible Investment established by UNPRI (United Nations Principles for Responsible Investment), an international network of investors supported by the United Nations working to incorporate sustainability elements into investment practices.

Principles for Responsible Investment

Principle 1: Incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: Be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: Seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: Promote acceptance and implementation of the Principles within the investment industry.

Principle 5: Work together to enhance our effectiveness in implementing the Principles.

Principle 6: Report on our activities and progress towards implementing the Principles.

Another reference framework considered in the policy, particularly for the exclusion list, is the International Finance Corporation (IFC), a member of the World Bank Group and a leading financial institution promoting economic development and private sector growth in developing countries.

In addition to the above-mentioned frameworks, compliance with current national and/or international legislation is also taken into account.

V. RESPONSIBLE INVESTMENT PROCESS

INDUSTRIAL PLATFORM

Grupo IGS's investment process in industrial projects is composed of three main stages: Purchase, Development/Remodeling, and Asset Management, with sub-stages that vary depending on the type of project. Below are the details of the ESG integration activities.

With land/building owners:

Grupo IGS prioritizes that in possible acquisitions, land/building sellers are not directly involved in any of the activities listed in the Exclusion List of this policy. This information is included in the ICPACK presented through the Investment Committee.

If the project is approved, a legal, technical and regulatory Due Diligence is carried out, which includes certain ESG variables (feasibility of services, background checks, environmental study of type PHASEI and/or PHASEII and/or PHASEIII as appropriate) to identify risks that could affect the operation and hence the profitability of the project. Any deviation is reported to the Investment Committee.

With the client:

Grupo IGS prioritizes that the existing tenant is not involved in any of the activities on the Exclusion List of this policy to ensure that they do not represent a critical ESG risk to the organization. This information is included in the ICPACK presented to the Investment Committee.

All new tenants need not to be involved in any of the activities on the Exclusion List of this policy and this information is included as part of their file.

In new lease contracts, best efforts will be made to include clauses in which the client commits to providing information on the ESG performance of their operation within the property.

About the warehouse:

In the case of new developments, in the project design, Grupo IGS identifies aspects that will minimize the environmental impacts during the construction and use of the warehouse. The goal is to ensure that projects have a certification such as LEED or EDGE that accredits their performance. This information is included in the ICPACK submitted to the Investment Committee.

- If this project already has a tenant, Grupo IGS selects ESG variables from a list of sustainable building options, in conjunction with the client respecting their ESG commitment level.

In the case of existing warehouses, Grupo IGS requests information about the construction of the warehouse and identifies reasonable modifications that could be integrated into the renovation to reduce the environmental impacts of the warehouse during its use. This information is included in the ICPACK submitted to the Investment Committee.

- Once the transaction is confirmed, modifications are chosen to reduce the environmental impact of the warehouse during its use, in conjunction with the client (if they already have a tenant) respecting their ESG commitment level.

With contractors:

The construction contract includes clauses in which the contractor commits to include ESG variables in the project and provide information during its construction.

HOUSING PLATFORM

With landowners:

Housing prioritizes that, in possible acquisitions, land sellers are not directly involved in any of the activities on the Exclusion List of this policy. This information is included in the ICPACK presented to the Investment Committee.

If the project is approved, a legal, technical, and regulatory due diligence is carried out, which includes certain ESG variables (feasibility of services, background verification, environmental study type PHASEI and/or PHASEII and/or PHASEIII as appropriate) to identify risks that could affect the operation and therefore the profitability of the project. Any deviations are reported to the Investment Committee.

With the developer:

The ESG performance of the selected developer is also evaluated by asking about their commitments to sustainability. The questionnaire is based on ESG international frameworks (GRESB/SASB), sector best practices, and applicable legislation.

VI. EXCLUSION LIST

Grupo IGS commits to not invest in projects that violate its values, particularly those related to the following activities excluded by the International Finance Corporation (IFC):¹

- Production or trade of any product or activity considered illegal under national laws or regulations and/or international agreements.
- Production or trafficking of weapons and ammunition.
- Production or activities involving forced labor/child labor.

¹ According to the IFC, a World Bank institution, the exclusions do not apply to project sponsors whose activity in question is ancillary to their operations, i.e. not their core business.

- Production or activities that affect property lands or lands claimed under adjudication by Indigenous people without their documented full consent.

VII. MONITORING AND REPORTING

Grupo IGS reports the collected information to its different audiences, respecting the following frequencies and formats:

- Annually, Grupo IGS send its ESG report to its external audience.
- Additionally, Grupo IGS prepare the annual UNPRI signatories' questionnaire.
- Quarterly or as needed, Grupo IGS presents the portfolio ESG results to the Investment Committee.
- Upon completion of any project, Grupo IGS presents an ESG performance report to the Investment Committee.
- Semi-annually or as needed, Grupo IGS displays the portfolio ESG results to the Board.

VIII. REVIEW AND UPDATE

The Responsible Investment Policy will be reviewed and updated (if necessary) annually by the ESG Department and approved by the Investment Committee.

Grupo IGS' employees must reaffirm their commitment to the policy (whenever it is updated), will receive annual training on the document's evolution and twice-yearly training on Responsible Investment trends, in order to be able to apply ESG criteria in their daily responsibilities.

VERSION	DATE OF PREPARATION	APPROVAL	APPROVAL DATE	NEXT REVISION
1.0	February 2023			

The content of this Policy may be modified or supplemented by the Management in accordance with the demands, being notified to the personnel in a timely manner.