

FIBRA Macquarie

Type of Engagement: Sustainability Linked Loan Annual Review

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Introduction

FIBRA Macquarie Mexico (“FIBRA Macquarie” or the “Borrower”) is a Mexican real estate investment trust engaged in the acquisition, ownership, and leasing of real estate properties in Mexico. Established in 2012, FIBRA Macquarie is headquartered in Mexico City and owns 256 industrial and retail properties as of September 2023.

In December 2023, Sustainalytics provided a Second-Party Opinion on the FIBRA Macquarie Mexico Sustainability-Linked Financing Framework and assessed the selected KPIs as being relevant and material to the Borrower’s overall business and its sustainability objectives. FIBRA Macquarie signed Sustainability Linked Loans (SLL) whose financial characteristics are associated with a Key Performance Indicator (KPI) tied to one Sustainability Performance Target (SPT), which are material sustainability-related issues for the Company.

In January 2024, FIBRA Macquarie engaged Sustainalytics to review the progress on the achievement against the SPT at the end of 2023.

Evaluation Criteria

Sustainalytics evaluated the alignment of the SLL with the following elements as previously agreed between borrower and lender:

1. The reporting practice of the borrower on the KPI;
2. Calculation and measurement of the KPI; and
3. The progress toward achieving the SPT agreed between borrower and lender;

Table 1: SPTs and KPIs

KPI	KPI Description	SPT 2 (2023),	Baseline Date
Percentage of certified industrial GLA over total industrial portfolio GLA	The KPI represents the share of the industrial portfolio GLA (where GLA is measured in square feet) certified by green buildings certifications, such as Leadership in Energy and Environmental Design (LEED) issued by the US Green Building Council, Excellence in Design for Greater Efficiencies (EDGE) created by the International Finance Corporation or BOMA Best administered by the Building Owners and Managers Association (BOMA) of Canada, against FIBRA Macquarie’s total industrial portfolio GLA.	Increase the percentage of the certified industrial portfolio GLA (in square feet) over the total industrial GLA to 35% by 2023	2021

Issuing Entity’s Responsibility

FIBRA Macquarie is responsible for providing accurate information and documentation relating to the details of the KPI calculation and performance.

Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of FIBRA Macquarie’s SLL. The work undertaken as part of this engagement

included collection of documentation from FIBRA Macquarie employees and review of documentation to confirm the conformance with the agreed upon details of the SLL.

Sustainalytics has relied on the information and the facts presented by FIBRA Macquarie with respect to the KPI and SPT. Sustainalytics is not responsible, nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by FIBRA Macquarie.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Internal Review Committee to provide oversight over the assessment.

Conclusion

Based on the limited assurance procedures conducted,¹ nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, FIBRA Macquarie measurement of and reporting on its progress toward achieving its SPT do not conform with its commitments in the loan document.

Detailed Findings

Table 2: Detailed Findings

Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Sustainability Performance	Review of achieved performance on KPI to determine if it is aligned with the SPT agreed on between borrower and lender/mentioned in the loan document as outlined in Table 1.	FIBRA Macquarie has achieved the SPT of increasing the percentage of the green certified industrial portfolio GLA (in square feet) over the total industrial GLA to 35% by 2023.	None
Calculation and measurement of KPI	Review of Calculation and methodology used for KPI.	The calculation and measurement of KPI: Percentage of certified industrial portfolio GLA over total industrial portfolio are in line with the commitments made in the SLL.	None
Reporting	Review of the reporting practices to make and keep readily available up-to-date information relating to the SPT as agreed on between borrower and lender/mentioned in the loan document.	FIBRA Macquarie has communicated to Sustainalytics that it will report on the progress of the KPI on an annual basis and expects to include the relevant figures in its ESG report or on its website. The report will also include a verification assurance report outlining the performance against SPT; the related impact and its timing; the impact on the instrument's characteristics as applicable; and other information enabling investors and financial institutions to monitor the level of ambition or progress on the SPT.	None

¹ Sustainalytics' limited assurance process includes reviewing the documentation relating to the details of the KPIs and SPTs that have been agreed upon, including data on performance of the KPIs, KPI reporting, calculations and verification conducted for the baseline data. The Borrower is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

Appendix 1: Progress towards the Sustainability Performance Target

Green building certification scheme	2020	2021	2022	2023
LEED ("Gold" or above) certified industrial GLA ²	217,455	217,455	217,455	400,506
EDGE certified industrial GLA	0	1,654,855	8,758,441	11,104,895
Total industrial GLA of the property portfolio	29,954,676	29,904,008	30,452,457	30,946,697
Total Certified Industrial GLA (sqft)	217,455	1,872,310	8,975,896	11,505,401

KPI	Baseline (2021)	Performance (2023)	Commentary	Results
Percentage of certified industrial gross leasable area (GLA) over total Industrial portfolio GLA	6.30%	37.2%	FIBRA Macquarie has achieved its SPT of having 35% of its industrial portfolio certified green by 2023.	Target Achieved

² Sustainalytics notes that the figures pertaining to the LEED-certified Industrial GLA are contrary to those included in the 2022 Second-Party Opinion provided by it on the FIBRA Macquarie Mexico Sustainability-Linked Loan. FIBRA Macquarie has communicated to Sustainalytics that the changes have been made due to the exclusion of a property (from FIBRA Macquarie's portfolio of certified industrial GLA) that did not meet the minimum green building certification criteria it originally intended to achieve. Sustainalytics notes that the noted change does not impact its assessment of the achievement of the KPI in the reporting year (2022).

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