



Second-Party Opinion

Grupo Aeroportuario del Pacífico

Green Financing Framework

Evaluation Summary

Sustainalytics is of the opinion that the Grupo Aeroportuario del Pacífico Green Financing Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2021 and the Green Loan Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, Pollution Prevention and Control, and Biodiversity – are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals (“SDGs”), specifically SDGs 6, 7, 9, 11, 12, and 15.



PROJECT EVALUATION / SELECTION Grupo Aeroportuario del Pacífico’s (“GAP”) will establish the Green Finance Committee (the “GFC”) to identify, assess and select eligible projects. The GFC will be comprised of members from the Finance, Sustainability, and Infrastructure Departments. The GFC will be responsible for the identification and analysis of environmental and social risks associated with eligible projects. Sustainalytics considers this risk management system to be adequate. Sustainalytics considers the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS GAP will keep a register of eligible projects financed to track bond proceeds, and this will be managed by the GFC and the Finance Department. GAP will hold unallocated bond proceeds in cash or in short-term investments in accordance with its liquidity management policy. Net bond proceeds will be allocated within 24 to 36 months of the respective offering. This is in line with market practice.



REPORTING GAP intends to publish an annual report on the allocation of proceeds on its website and until full allocation. The allocation reporting will include a list of eligible projects, amounts allocated to each category, and the share of the net proceeds allocated to financing and refinancing. In addition, GAP is committed to reporting on relevant impact metrics. Sustainalytics views GAPs allocation and impact reporting as aligned with market practice.

Evaluation date September 1, 2021

Issuer Location Guadalajara, Mexico

Report Sections

Introduction..... 2
 Sustainalytics’ Opinion 3
 Appendices 9

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Introduction

Grupo Aeroportuario del Pacífico S.A.B. de C.V. ("GAP", or the "Company") is headquartered in Guadalajara, Mexico and the Company operates and maintains 14 airports that serve over 300 destinations within the Pacific and Central regions of Mexico and the Caribbean.

GAP has developed the Grupo Aeroportuario del Pacífico Green Financing Framework (the "Framework") under which it intends to issue one or more green bonds and green loans (the "Green Financing Instruments") and use the proceeds to finance and/or refinance, in whole or in part, existing and/or future projects that align with GAP's sustainability strategy and targets in order to reduce its environmental footprint. The Framework defines eligibility criteria in seven areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Sustainable Water and Wastewater Management
5. Clean Transportation
6. Pollution Prevention and Control
7. Biodiversity

GAP engaged Sustainalytics to review the Green Financing Framework, dated August 2021, and provide a Second-Party Opinion on the Framework's environmental credentials and its alignment with the Green Bond Principles 2021 (GBP)¹ and the Green Loan Principles 2021 (GLP).² This Framework has been published in a separate document.³

Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent⁴ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Green Bond Principles 2021, as administered by ICMA, and the Green Loan Principles 2021, as administered by LMA, APLMA and LSTA⁵;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.9, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of GAP's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. GAP representatives have confirmed (1) they understand it is the sole responsibility of GAP to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

¹ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

² The Green Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association and are available at <https://www.lsta.org/content/green-loan-principles/>.

³ The Grupo Aeroportuario del Pacífico Green Financing Framework is available on GAP's website at: www.aeropuertosgap.com.mx

⁴ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

⁵ In addition to the Loan Markets Association, the GLP are also administered by the Asia Pacific Loan Market Association and the Loan Syndications & Trading Association.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and GAP.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that GAP has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Grupo Aeroportuario del Pacífico Green Financing Framework

Sustainalytics is of the opinion that GAP's Green Financing Framework is credible and impactful and aligns with the four core components of the GBP and GLP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
 - The eligible categories – Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, Pollution Prevention and Control, and Biodiversity – are aligned with those recognized by the GBP. Sustainalytics notes that the eligible projects are expected to reduce the environmental footprint of GAP's airport operations in Mexico and the Caribbean.
 - GAP has established a three-year look-back period for eligible refinancing activities, which Sustainalytics considers to be in line with market practice
 - Within the "Green Buildings" category, GAP intends to finance or refinance expenditures related to the acquisition, construction and/or refurbishment of green buildings that meet at least one of the following criteria: (i) buildings that have or are expected to receive LEED "Gold" or above certification; or (ii) refurbished buildings that result in at least a 20% reduction in energy consumption based on the buildings baseline prior to the refurbishments.
 - Sustainalytics considers the LEED certification standard to be credible and the selected level ("Gold" or above) to be aligned with market practice. See Appendix 1 for Sustainalytics' assessment of the certification.
 - Under the "Renewable Energy" category, GAP intends to finance the installation of on-site solar energy projects and solar energy carports.⁶ This is in line with market practice.
 - Within the "Energy Efficiency" category, GAP intends to invest in energy-efficient upgrades, including energy-efficient heating and cooling such as ground-source heat pumps,⁷ ventilation, air conditioning and other electrical equipment that results in energy savings; energy monitoring and optimization systems such as smart meters, sensors and building information systems; HVAC equipment and automatization/optimization systems; and building insulation. Sustainalytics considers the category to be in line with market practice.⁸
 - Under the "Sustainable Water and Wastewater Management" category, GAP intends to finance projects that improve water quality or water efficiency through the collection, distribution,

⁶ For investments in solar energy carports, GAP has confirmed that it intends to finance just the solar energy equipment and not the associated parking spaces.

⁷ While recognizing the potential of heat pumps to offer an energy-efficient heat transfer alternative to conventional systems, Sustainalytics recommends the Company to exclude financing of heat pumps with high-GWP refrigerant(s), and to promote robust refrigerant leak control, detection and monitoring, while ensuring recovery, reclamation/recycling, or destruction of refrigerants at end of life.

⁸ Sustainalytics notes that the Framework excludes investments in fossil fuel-based equipment.

- treatment, recycling or reuse of water, rainwater, and wastewater from its own operations. This is in line with market practice.
- Under the “Clean Transportation” category, GAP intends to finance the purchase of electric vehicles and supporting infrastructure such as electric charging stations.
 - Sustainalytics views investments in electric vehicles and supporting charging infrastructure to be aligned with market practice.
 - Within the “Pollution Prevention & Control” category, GAP intends to invest in (i) waste reduction projects, and (ii) in-house waste collection, sorting, facilities and associated equipment that aim to reduce the Company’s overall waste.
 - Eligible waste reduction projects may include waste separation technologies for glass, paper, carton and organic matter.
 - GAP has confirmed with Sustainalytics that electronic waste will be excluded from the eligible projects. This category is in line with market practice.
 - Under the “Biodiversity” category, GAP intends to finance projects that aim to support the preservation of biodiversity located in or near its airports. Projects may include conservation efforts, wetlands preservation, wildlife management, and diagnostics and assessments of inventory of flora and fauna species. Sustainalytics recognizes the potential of projects that support the biological conservation of urban spaces to provide positive environmental impact and considers the criteria to be aligned with market practice.
- Project Evaluation and Selection:
 - GAP will establish the Green Finance Committee (the “GFC”) to oversee the process for project evaluation and selection. The GFC is responsible for assessing and selecting projects to be financed under the Framework and will meet on an annual basis to ensure projects are aligned with the Framework criteria.
 - The GFC will include members from various departments including Finance and Investor Relations, Sustainability, and Infrastructure. The GFC will report to the CEO.
 - The GFC will be responsible for the identification and assessment of environmental and social (“E&S”) risks associated with the eligible projects as outlined in the Framework. Sustainalytics considers this risk assessment and mitigation process to be adequate. For additional details see Section 2.
 - Based on the establishment of a formal working group with executive level oversight, Sustainalytics considers this process to be in line with market practice.
 - Management of Proceeds:
 - The proceeds of the bond will be tracked in a register and managed by GAP’s finance team, along with the GFC.
 - Unallocated proceeds will either be held in cash or invested in short-term instruments per GAP’s liquidity management policy. The Company intends to achieve full allocation of bond proceeds within 24 to 36 months of each issuance.
 - Based on a defined management approach and disclosure around the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
 - Reporting:
 - GAP is committed to reporting on the allocation of proceeds either in its Annual Integrated Report or in a standalone document, that will be publicly available on its website and renewed until full allocation. Allocation reporting may include (i) a list of financed projects to which bond proceeds have been allocated (or re-allocated), (ii) the amount of proceeds allocated to the eligible project categories, and (iii) an estimate of the share of net proceeds used for financing and refinancing, along with a list of refinanced projects.
 - In addition, GAP is committed to reporting on category-level KPIs, where feasible, such as annual GHG emission reduction, water use per passenger (liters/passenger), percentage reduction in electricity use (MWh saved) and green building certifications achieved.
 - Based on the commitments to both impact and allocation reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Sustainability Bond Guidelines 2021

Sustainalytics has determined that GAP’s Green Financing Framework aligns to the four core components of the GBP and GLP. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of GAP

Contribution of framework to GAP's sustainability performance

Sustainalytics is of the opinion that GAP demonstrates a commitment to sustainability with a focus on four key environmental areas: (i) energy and emissions, (ii) biodiversity, (iii) solid waste management, and (iv) water management.⁹ The commitments are established as per GAP's Integrated Management Policy¹⁰ providing guidelines to foster sustainable development, reduce greenhouse gas ("GHG") emissions, and adhere to international standards. Sustainalytics highlights the following points of GAP's sustainability strategy for being particularly aligned with the Framework:

- *Energy and Emissions* – GAP has identified the use of electricity as a significant attributing factor to its carbon footprint. In 2020, the Company invested MXN 221.3 million in the construction of solar energy carports at 11 Mexican airports. This project is expected to conclude by the end of 2021 and yield 6.4 MW of energy and contribute towards supplying approximately 20% of the Company's energy use. As a result of GAP's investment in solar energy carports, the Company abated over 112 tonnes of CO₂e in 2020. In addition, as of 2020, GAP maintained Level 1 Airport Carbon Accreditation ("ACA") status for six of its airports, and Level 2 for its three airports.¹¹ The Company intends to seek ACA certification for the three remaining airports in Mexico and one of its two airports in Jamaica in 2021.
- *Biodiversity* – GAP intends to mitigate negative impacts on biodiversity. In 2019, the Company launched a pilot project to collect data on plant species and provide a detailed record of the flora inventory at the Guadalajara airport. This project is expected to be carried out in other Mexican airports in 2022 to help inform the development of biodiversity conservation and management plans.
- *Solid Waste Management* – The Company has a dedicated Integrated Waste Management Strategy to ensure the proper handling of solid waste at airports, regulatory compliance, and environmental protection. As of 2020, the Company's Mexican airports diverted 143 tonnes of non-hazardous waste for recycling and sent approximately 9.7 tonnes of hazardous waste to specialized centers. Furthermore, over 3,221 tonnes of waste were sent to landfills. To advance its waste management efforts, the Company developed a diagnostics and assessments project for their solid waste and water management processes in 2019. The project is expected to be completed in 2022 and will further inform the investments into waste and water management programs of the Company.
- *Water Management* – GAP's water management commitments are guided by three strategic objectives: (i) water use reduction; (ii) improving treated water quality; and (iii) reinforcing environmental compliance for infrastructure projects. These objectives are set to be achieved by reducing water use per passenger against the average for 2014-2018; increasing the volume of treated water; and ensuring the quality of discharged wastewater falls below the regulatory limit of 80%. As for the water management performance, the Company reported a 20% reduction in water use per passenger for 2015-2019 in comparison to the intensity reported in 2014 (the closing year of the previous five-year period). Furthermore, GAP treated 457,165 m³ of water in Mexico and Jamaica, approximating 59% of their total water consumption.

Sustainalytics recognizes the Company's commitment to key sustainability principles and environmental initiatives and encourages it to include quantifiable and time-bound environmental targets to further strengthen its sustainability practices, where feasible.

Well-positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the net proceeds from the bonds issued under the Framework will be directed towards eligible projects that are expected to have a positive environmental impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects could include occupational health and safety, land use, and biodiversity issues associated with large-scale infrastructure development, water management, emissions, effluents, and waste generated in construction.

Sustainalytics is of the opinion that GAP is able to manage and/or mitigate potential risks through the implementation of the following:

⁹ GAP, "Sustainability Report 2020", at: https://www.aeropuertosgap.com.mx/files/GAP_IS2020_Eng.pdf

¹⁰ GAP, "Integrated Management Policy", at: <https://www.aeropuertosgap.com.mx/files/policy.jpg>

¹¹ ACA is a global carbon management certification, which assess the management and reduction of carbon emissions of airports through six levels of certifications- mapping, reduction, optimization, neutrality, transformation, and transition. Airport Carbon Accreditation, "What is it?", at: <https://www.airportcarbonaccreditation.org/about/what-is-it.html>

- GAP has adopted a set of internal policies and procedures to address key E&S risks related to its operations including land use and biodiversity issues water management, emissions, effluents, and construction waste management. The policy documents include a risk-level responsibility matrix along with broad-level standard operating procedures to manage the above-mentioned E&S risks.¹²
- GAP's management and employees are bound by the "Code of Business Ethics and Conduct", which establishes benchmarks for ethical behavior, worker health and safety, customer and supplier relations, data protection, conflicts of interest, political activities, and environmental protection.
- Occupational hazards pose a significant risk to the aviation sector. GAP has established a Safety Management System ("SMS") to mitigate occupational health and safety risks. As of 2017, GAP obtained Certifications in the Operation SMS by the Mexican Civil Aviation Authority for all its airports.
- As of 2021, GAP is conducting an assessment to determine the strategy for its 12 Mexican airports to maintain and achieve different levels of certifications under its voluntary compliance program, ensuring health and safety at the workplace.¹³ The program promoted by the Mexican Department of Labour and Social Assistance, is based on local and international standards to operate safe and clean airports in Mexico.
- 12 airports in Mexico are certified under the Integrated Management System, which is based on the ISO 14001:2015 (Environmental and Management Systems) standard¹⁴ and ISO 9001:2015 (Quality Management Systems) standard.¹⁵ GAP has communicated that they are currently implementing the Integrated Management System for their airports in Jamaica.

Based on these policies and practices, Sustainalytics is of the opinion that GAP has implemented adequate measures and is well-positioned to manage and mitigate E&S risks commonly associated with the eligible projects.

Section 3: Impact of Use of Proceeds

All seven use of proceed categories are aligned with those recognized by the GBP and GLP. Sustainalytics has focused on three below where the impact is specifically relevant in the local context.

The importance of green buildings in reducing environmental impacts in Mexico

According to the World Green Building Council ("WGBC"), the building sector is a significant contributor to global energy use and total CO₂ emissions. Building construction and operations accounted for 36% of global final energy use and contributed nearly 40% of energy-related CO₂ emissions globally in 2020. In Mexico, residential and commercial buildings account for 3.9% of the country's total GHG emissions.¹⁶ The WGBC reports that while countries continue to implement and update building energy codes and certification policies, most expected building growth is projected to occur in places that do not have mandatory energy codes and policies in place.¹⁷ In Mexico, it is forecasted that by 2025 only 9% of new construction will apply to green buildings, and the country is moving too slowly on adopting and implementing national building energy codes.¹⁸ Considering the long lifespan of buildings, the Intergovernmental Panel on Climate Change has noted that there is a risk of locking in carbon-intensive options for several decades without ambitious policies to improve efficiency in the built environment.¹⁹

The Climate Bonds Initiative estimates that as of September 2020, only 10.6% of green bond proceeds raised by Mexican issuers go to low-carbon buildings.²⁰ In this context, investment in green buildings can provide substantial environmental benefits and contribute to reaching national environmental targets. Sustainalytics considers that GAP's investments in buildings used for the operation and management of airports that achieve green building certifications are expected to provide environmental benefits by reducing GHG emissions from the built environment.

¹² GAP has shared, in confidence, its internal policy documents for the referenced risks with Sustainalytics.

¹³ Sustainalytics notes that as of 2019, six of GAP's airports (Los Mochis, La Paz, Morelia, Manzanillo, Guadalajara and Puerto Vallarta) obtained Level 1, 2 and 3 certifications.

¹⁴ ISO website, "ISO 14001:2015", at: <https://www.iso.org/standard/60857.html>

¹⁵ ISO website, "ISO 19001:2015", at: <https://www.iso.org/standard/62085.html>

¹⁶ CBI, "Financing low-carbon buildings in Mexico", (2020), at: https://www.climatebonds.net/files/reports/cbi_mexicoconstruction_english.pdf

¹⁷ IPCC, "Mitigation of Climate Change", (2018), at: https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter9.pdf

¹⁸ WRI, "Will Mexico Rise to the Zero Carbon Buildings Challenge", (2020), at: <https://www.wri.org/insights/will-mexico-rise-zero-carbon-buildings-challenge>

¹⁹ IPCC, "Mitigation of Climate Change", (2018), at: https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_chapter9.pdf

²⁰ CBI, "Financing low-carbon buildings in Mexico", (2020), at: https://www.climatebonds.net/files/reports/cbi_mexicoconstruction_english.pdf

Importance of energy efficiency and renewable energy in Mexico and the airports sector

Over the past decade, airports across the globe have made efforts to reduce CO₂ emissions in their operations.²¹ The aviation sector is accountable for 2% of global CO₂ emissions, and even though the airport industry only accounts for 5% of the sector's emissions, airports are important transport-related infrastructure.^{22,23} Airport emissions can be attributed to the use of fuel-based vehicles, ground support equipment, fossil-powered electricity, heating, and cooling.²⁴ Efficiency measures have the potential to mitigate emissions from the airport sector and will be a key component of achieving emission reductions. Investments in renewable energy projects provide additional and significant benefits for individual airports and bring broader environmental benefits that go beyond the airport itself, including the reduction of GHG emissions from the electricity grid, especially for regions like Mexico and the Caribbean where emissions targets are not on track.²⁵

As a signatory to the Paris Climate Agreement, the Mexican government has set ambitious GHG emission reduction targets in its Intended Nationally Determined Contribution to lower GHG emissions by 22% by 2030 and by 50% by 2050, below 2000 levels.²⁶ These goals were adopted into the country's General Climate Change Law in 2018.²⁷ Mexico is the world's 12th-largest GHG emitter and accounts for about 1.42% of global GHG emissions.²⁸ Furthermore, the country is not on track to meet the Paris Climate Agreement's 1.5°C maximum temperature rise target given that Mexico's GHG emissions have increased by 70% from 1990 to 2016 and are projected to increase further until at least 2030.²⁹

According to the International Renewable Energy Agency, Mexico has the potential to generate 46% of its electricity from renewable sources by 2030 due to the country's diverse renewable energy resource base.³⁰ Given the importance of the renewable energy sector in Mexico's socio-economic development and potential impact in reducing the country's GHG emissions, the Government of Mexico has set the target to generate at least 35% of power from clean energy sources by 2024 and at least 50% by 2050.³¹ Despite these efforts, fossil fuels still make up approximately 87% of Mexico's energy mix.³² While there has been an increase in renewable energy generation capacity, the energy mix's carbon intensity has remained almost unchanged since 2011 due to the rise in fossil-based energy being used to meet growing energy demands.³³ The stagnation of carbon intensity highlights the need for further investments in clean energy.

As a result, Sustainalytics is of the opinion that GAP's investments in renewable energy, including on-site solar installations and solar power for electric vehicle charging ports, are expected to be impactful and have the potential to reduce its environmental footprint while contributing to clean energy targets of Mexico.

²¹ Airport Carbon Accreditation, "Airports addressing their CO₂ emissions", at: <https://airportco2.org/>

²² Airport Carbon Accreditation, "Airports addressing their CO₂ emissions", at: <https://airportco2.org/>

²³ Airport Transport Action Group, at: <https://www.atag.org/facts-figures.html>

²⁴ ICAO, "Eco Airport Toolkit", at: <https://www.icao.int/environmental-protection/Documents/Energy%20at%20Airports.pdf>

²⁵ NRDC, "Mexico Publishes Unambitious and Updated NDC", (2021), at: <https://www.nrdc.org/experts/carolina-herrera/mexico-publishes-unambitious-updated-ndc#:~:text=As%20it%20is%2C%20Mexico%20is,the%20country%20even%20further%20behind.>

²⁶ NRDC, "The Road from Paris: Mexico's Progress Toward its Climate Pledge", (2017), at: <https://www.nrdc.org/sites/default/files/paris-climate-agreement-progress-2017-mexico-ib.pdf>

²⁷ WRI, "Choosing the Right Path: Low-Cost Policy Options for Enhancing Mexico's Climate Goals While Achieving Long-Term Social Benefits", at: https://wriorg.s3.amazonaws.com/s3fs-public/choosing-right-path_0.pdf

²⁸ World Resource Institute, "This Interactive Chart Shows Changes in the Worlds Top 10 Emitters", (2020), at: <https://www.wri.org/insights/interactive-chart-shows-changes-worlds-top-10-emitters>

²⁹ Climate Transparency, "Brown to Green: G20 Transition Towards a Net-Zero Emissions Economy - Mexico", (2019), at: https://www.climate-transparency.org/wp-content/uploads/2019/11/B2G_2019_Mexico.pdf

³⁰ IRENA, "Renewable Energy Prospects: Mexico", (2015), at: <https://www.irena.org/publications/2015/May/Renewable-Energy-Prospects-Mexico>

³¹ Netherlands Enterprise Agency, "Opportunities in the Mexican Renewable Energy Sector", (2018), at:

<https://www.rvo.nl/sites/default/files/2019/04/opportunities-in-the-mexican-renewable-energy-sector.pdf>

³² Climate Transparency, "Mexico", (2020), at: <https://www.climate-transparency.org/wp-content/uploads/2020/11/Mexico-CT-2020-WEB2.pdf>

³³ Climate Transparency, "Mexico", (2020), at: <https://www.climate-transparency.org/wp-content/uploads/2020/11/Mexico-CT-2020-WEB2.pdf>

Alignment with/contribution to SDGs

The SDGs were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bonds and loans issued under the Framework advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	9. Industry, Innovation, and Infrastructure	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
Renewable Energy	7. Affordable and clean energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.
Energy Efficiency	7. Affordable and clean energy	7.3 By 2030, double the global rate of improvement in energy efficiency.
Sustainable Water and Wastewater Management	6. Clean Water and Sanitation	6.3 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
Pollution Prevention and Control	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.
Biodiversity and Conservation	15. Life on Land	15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

Conclusion


GAP has developed the Green Financing Framework under which it may issue Green Financing Instruments and use the proceeds to finance or refinance eligible green projects including green buildings, energy efficiency projects and sustainable water at the airports it operates. Sustainalytics considers that the projects funded by the proceeds are expected to provide positive environmental impact.

The Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Framework is aligned with the overall sustainability strategy of the Company and that the green use of proceeds categories will contribute to the advancement of the UN SDGs 6, 7, 9, 11, 12, and 15. Additionally, Sustainalytics is of the opinion that GAP has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Grupo Aeroportuario del Pacífico is well-positioned to issue green bonds and that the Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021 and Green Loan Principles 2021.

Appendices

Appendix 1: Overview of the Green Building Certification Schemes

	LEED ³⁴
Background	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.
Certification levels	<ul style="list-style-type: none"> • Certified • Silver • Gold • Platinum
Areas of assessment	<ul style="list-style-type: none"> • Energy and atmosphere • Sustainable Sites • Location and Transportation • Materials and resources • Water efficiency • Indoor environmental quality • Innovation in Design • Regional Priority
Requirements	Minimum requirements independent of level of certification; point based scoring system weighted by category to determine certification level.
	The rating system is adjusted to apply to specific sectors, such as: New Construction, Major Renovation, Core and Shell Development, Schools-/Retail/Healthcare New Construction and Major Renovations, and Existing Buildings: Operation and Maintenance.
Qualitative Considerations	Widely accepted within the industry, both in North America and internationally, and considered a guarantee of strong performance.
Performance display	

³⁴ USGBC website, "What is LEED?", at: <https://www.usgbc.org/help/what-leed>

Appendix 2: Green Bond - External Review Form

Section 1. Basic Information

Issuer name:	Grupo Aeroportuario del Pacífico S.A.B. de C.V.
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Grupo Aeroportuario del Pacífico Green Financing Framework
Review provider's name:	Sustainalytics
Completion date of this form:	September 1, 2021
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (*if applicable*):

The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency, Sustainable Water and Wastewater Management, Clean Transportation, Pollution Prevention and Control, and Biodiversity – are aligned with those recognized by the Green Bond Principles and the Green Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 6, 7, 9, 11, 12 and 15.

Use of proceeds categories as per GBP:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input checked="" type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input checked="" type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input type="checkbox"/> Other (<i>please specify</i>): |

If applicable please specify the environmental taxonomy, if other than GBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

GAP process for evaluating and selecting projects is the responsibility of the Green Finance Committee (the "GFC"). GAP intends to establish the GFC to identify, assess and select eligible projects. The GFC will be comprised of members from the finance, sustainability, and infrastructure departments. The GFC will be responsible for the identification and analysis of environmental and social risks associated with eligible projects. Sustainalytics considers these risk management systems to be adequate. Sustainalytics considers the project selection process in line with market practice.

Evaluation and selection

- | | |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification
 In-house assessment
- Other (please specify):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

GAP's processes for management of proceeds is to keep a register of eligible projects that will be managed by the finance team and the GFC. GAP will hold unallocated bond proceeds in cash or in short-term investments in accordance with its liquidity management policy. Net bond proceeds will be allocated within 24 to 36 months of the initial offering. This is in line with market practice.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (please specify):

Additional disclosure:

- Allocations to future investments only
 Allocations to both existing and future investments
- Allocation to individual disbursements
 Allocation to a portfolio of disbursements
- Disclosure of portfolio balance of unallocated proceeds
 Other (please specify):

4. REPORTING

Overall comment on section (if applicable):

GAP intends to report on the allocation of proceeds on its website on an annual basis and until full allocation. Allocation reporting may include a list of eligible projects, amounts allocated to each category, and the share of the net proceeds allocated to financing and refinancing. In addition, GAP is committed to reporting on relevant impact metrics. Sustainalytics views GAPs allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- Project-by-project
 On a project portfolio basis
- Linkage to individual bond(s)
 Other (please specify):

Information reported:

- Allocated amounts
 Green Bond financed share of total investment
- Other (please specify):

Frequency:

- Annual
 Semi-annual
- Other (please specify):

Impact reporting:

- Project-by-project
 On a project portfolio basis
- Linkage to individual bond(s)
 Other (please specify):

Information reported (expected or ex-post):

- GHG Emissions / Savings
 Energy Savings
- Decrease in water use
 Other ESG indicators (please specify): Overview of Sustainable and certificates for eligible buildings; Net energy use per m²; Annual renewable energy generation (kWh); % reduction in electricity usage (MWh saved); Water use per passenger (liters/passenger); treated water to water consumed ratio; treated wastewater use (m³).

Frequency

- Annual
 Semi-annual
- Other (please specify):

Means of Disclosure

- Information published in financial report
 Information published in sustainability report
- Information published in ad hoc documents
 Other (please specify): Annual Integrated Reports or standalone documents.
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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