



ESG Strategy & Program

Corporación Inmobiliaria

Vesta S.A.B de C.V.

Our ESG commitment



*A long-term vision to build a legacy for future generations, involving all stakeholders, incorporating **resilient measures** and placing ESG at the center of our strategy and core business.*

BOARD OF DIRECTORS

ESG Committee, Diversity on the Board, ESG Annual Reporting

COMMUNICATIONS

Stakeholder engagement, ESG internal & external communications, ESG PR

DEVELOPMENT

Sustainable Construction Manual and its Checklist; Green Certifications, Responsible Investment process

LEGAL

Human rights and labor practices with suppliers

FINANCE

Investors' engagement, ESG bond, long-term vision

ASSET MANAGEMENT

Tenants' engagement and training; Environmental information from tenants; Green Certifications; Responsible Investment Process; Waste management Program

NEW BUSINESS

Green leasing strategies and communicating ESG activities to the prospective tenants

PRICING

Responsible investment process

RISK MANAGEMENT

Climate change and resilience risk management system

HUMAN RESOURCES

Employees engagement through agents of change program, diversity, inclusion and salary equity; ESG, human rights and integrity trainings, volunteering program

PURCHASING

ESG audits to suppliers, suppliers' assessment process with ESG criteria, suppliers' engagement

IT

Cybersecurity, ESG platform for asset management and volunteering

ESG AT THE CORE BUSINESS



11 years building a solid ESG program...

2011 to 2016



- 1st LEED building (2013)
- Sustainable Construction Manual (2012)
- UN Global Compact signatory (2011)

2017



- Department Reinforcement
- 1st materiality analysis

2018



- ESG diagnostic
- Creation of ESG Policy

2019



- Creation of ESG policies and Stakeholder Engagement Program
- Members of the DJSI MILA

2020



- Creation of ESG Strategy
- UN PRI signatories
- Green Lease in tenant's contracts

2021



- Annual Report with TCFD and SASB methodologies
- ESG Working Group
- Climate Change and Resilience Strategy
- Target Gender Equality Initiative
- ESG Bond

2022



- GEI Bloomberg Index
- Members of the Climate Ambition Accelerator Initiative

ESG Strategy aligned to Level Strategy 3

“Becoming an industry benchmark in ESG matters, aligning our sustainable and resilient practices with our business model.”



Reduce impact on environment.
 Improve efficiency through Green Building Certifications.
 Build resilience & climate change actions.

Environmental



Impact communities through social investment programs.
 Continue to improve our human capital policies to ensure best practices for human rights, diversity, and equal right opportunities.

Social



Become the standard for best in class governance practices with our stakeholders.

Governance

ESG Strategy

Governance and Integrity

I Our priorities for 2025

- Embed responsible guidelines into all investment and divestment decision processes.
- Increase the ESG standards required from all of our suppliers.
- Promote diversity within our Board of Directors, Committees and Employees.
- Risk management culture implementation.

These actions translate into the following KPIs:

- 1 100% of our investment decisions under Responsible Investment Guidelines.


- 2 Establish ESG commitments with 35% of our total supply chain, including the most important suppliers.


- 3 Reach 3 women as permanent members of the Board of Directors.



Where we are today?

Governance and Integrity

1 100% of our investment decisions under Responsible Investment Guidelines.



Responsible Investment Policy and due diligence ESG Checklist

2 Establish ESG commitments with 35% of our total supply chain, including the most important suppliers.




2020 - Audits of our **42** most important suppliers

2021 - Assessment of **67** suppliers regarding ESG and financial aspects

2022 - Audits of these **67** suppliers

3 Reach 3 women as permanent members of the Board of Directors.

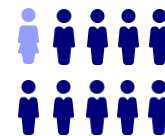


Women as permanent members

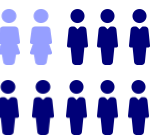
2020



2021



2022



ESG Strategy

Social

I Our priorities for 2025

- Social programs with strategic alliances.
- Social screening metrics under Smart Parks standards.
- Continuous ESG training to our employees and tenants.
- Improve our human capital policies and procedures.

These actions translate into the following KPIs:

- 1 Achieve US\$1 M in strategic alliance for our ESG projects.



- 2 100% of our employees are trained in ESG practices
100% of our tenants are sensitized


- 3 Reduce the salary gender gap in 15%, mainly at the management level.



Where we are today?

Social


1 Achieve US\$1 M in strategic alliance for our ESG projects. 

Total amount raised by 2021:

US\$600,000


Goal progress level:

60%

2 100% of our employees and tenants trained in ESG and Integrity Practices, each year. 

Since 2020, we have been training 100% of our employees on integrity, ethics, human rights, climate change, among other topics.

Since 2019, we have been sharing with our clients: the ASG Guide for Tenants, videos with relevant information to be more efficient in their environmental management.

3 Reduce the salary gender gap in 15%, mainly at the management level. 

The Human Resources department has been implementing various actions related to reducing this salary gap.

ESG Strategy

Environment

I Our priorities for 2025


- Reduce impact on environment of our operations:





- Improve efficiency of our portfolio by achieving Green Building Certifications
- Promote a continuous reduction in the carbon footprint of our tenant base
- Resilience & Climate Change Actions


These actions translate into the following KPIs:

- 1** Reduce carbon footprints and water consumption of areas managed by Vesta:

 - Reduce our energy intensity by 20% (scope 1 and 2)
 - Reduce our water consumption by 20%
- 2** Increase by 50% the amount of waste recycled or reused by Vesta


- 3** Identify all physical and transitional risks to determine mitigation and prevention actions


- 4** 19% of our GLA will have a Green Certification by 2025



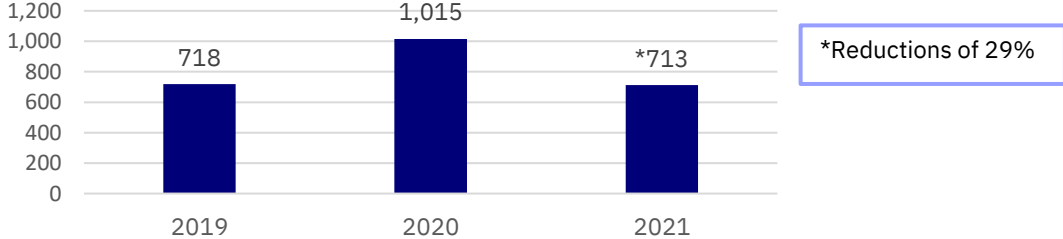
Where we are today?

1 Reduce carbon footprints and water consumption of areas managed by Vesta:

- Reduce our energy intensity by 20% (scope 1 and 2)
- Reduce our water consumption by 20%



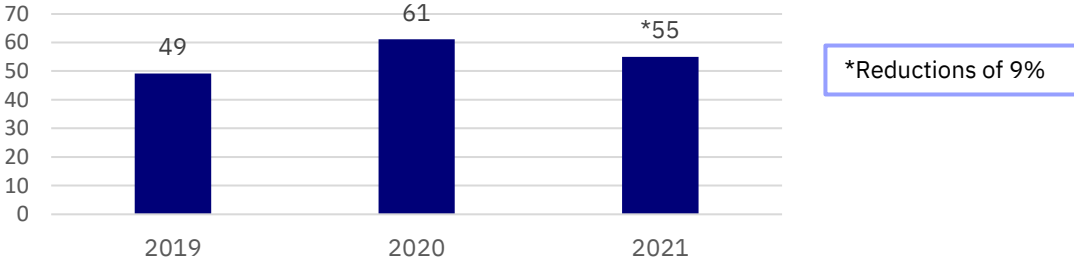
SCOPE 2 (tCO2eq)



*Like for Like Consumption

Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organization's GHG inventory because they are a result of the organization's energy use.

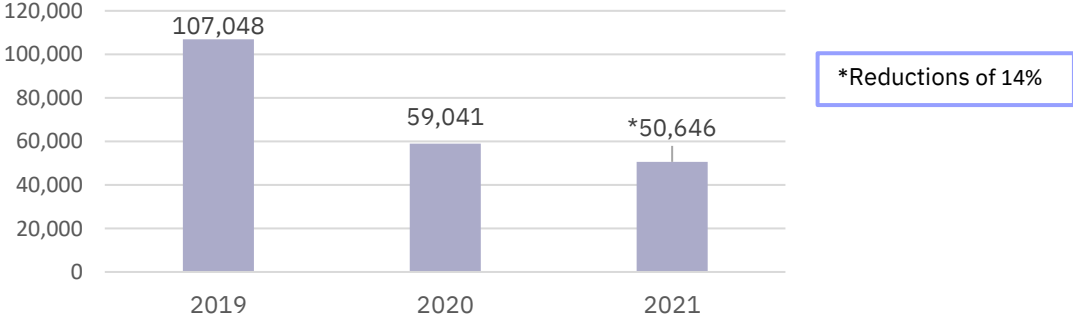
SCOPE 1 (tCO2eq)



*Like for Like Consumption

Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization.

WATER CONSUMPTION (m3)



*Like for Like Consumption

To reach these results we have been implementing some efficiency measures, that are:

- Maintenance and repair of the water distribution network. mainly leaks.

Where we are today?

2

Increase by 50% the amount of waste recycled or reused by Vesta



2021

Development of a Master Waste Management Plan for common areas of the parks and corporate headquarters.

2022

Assessment to evaluate the correct amount and type of waste generated to implement the program.



Where we are today?

3 Identify all physical and transitional risks to determine mitigation and prevention actions

- Training of heads of departments to identify physical and transition risks.
- **Climate Change and Resilience Risk Management Matrix** (based on TCFD, SASB and GRESB).
- 2020 - First TCFD Analysis:



Climate Change and Resilience Policy.



Physical Risk Matrix per asset.



Insurance Manual and Emergency Plan.



Biodiversity Policy and Biodiversity Protocol (TNFD, WEF and the AICHI Goals).

- 2021 - LatAm Investors Climate Initiative (ICLI).
- 2022 - Climate Ambition Accelerator to align our Environmental actions to the **Science Based Targets** (SBTs).

Why Green Facilities?

Tenant's costs savings



11%

During the first year



23%

In 5 year

Health care



The certifications that have to do with caring for the quality of the air in the facilities have become extremely important.

Minimize the environmental impact



25%

Of energy consumption



11%

Of water consumption



35%

Less CO2 emissions



By 2050, 70% of the buildings that exist today will continue to exist.

Why Green Financing?

Cost efficiency in debt issuance


Vesta is the first real-estate company in Latin America to issue a sustainability-linked bond and the first company in our industry in Mexico.

 **US\$ 350M**

As part of our financial commitment, by **2026** we plan to earn **green certification** for **20% of our GLA**, and **28% by 2030**.



Where we are today?

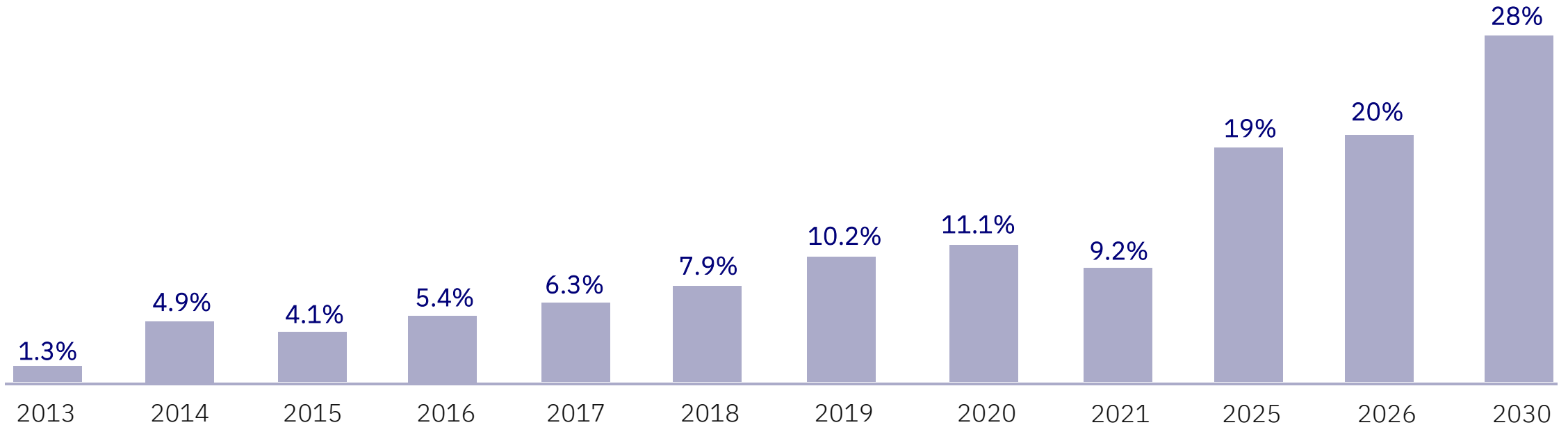
4 19% of our GLA will have a Green Certification by 2025 

2020

100% of our new buildings have LEED Certifications.
(9.24% GLA – May 2022)

2022

We are going to start the **certification process for existing buildings.**



ESG Rankings

Member of
Dow Jones Sustainability Indices

Powered by the S&P Global CSA

DJSI MILA
Members since 2019.
20 points up since 2019.



GRESB
2021 - ranked 4th among 9 public industrial funds. Among top ten in the Americas



PACTO MUNDIAL
Signatories since 2011. Members of: Target Gender Equality, Business and Human Rights and Climate Ambition Accelerator.



GEI BLOOMBERG:
1st among 10 Mexican companies ranked



CDP
Report since 2018.



S&P/BMV Total ESG – Vesta
Included in this index.

Signatory of:



Principles for Responsible Investment (UN PRI)
Members since 2020.



SUSTAINALYTICS
ESG Risk Rating: 13.1 Low Risk



MORGAN STANLEY CAPITAL INTERNATIONAL
A grade

vesta