



ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORT

2018



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CARTA DE LOS FUNDADORES

Dear readers:

We have proposed building Well-Being and Value for our employees, clients, and investors. As leaders in the real estate sector, we have proposed building cities with well-being and value, we want to transform and modernize our city in order to provide a better place to live.

Our proposal is to promote an interdependent ecosystem that joins plans, projects, and actions whose goal is to build a more intelligent, inclusive, compact, sustainable, and safe city, beginning with the new urban challenges that we confront.

As an organization, we seek for our operations to adhere to the **ESG** (Environment, Social, Governance) Standards, which allow us to reduce environmental, social, ethical, and corporate government risks that may affect our personnel, clients, investors, providers, and society in general. Additionally, and based on the United Nations (UN) Sustainable Development Goals, we seek to align our strategies with regard to human rights, labor rights, environment, and the fight against corruption.

We are conscious of the fact that as a company we have the responsibility to set the template for the success of each objective that allows us to strengthen the environment in which we develop. With the government, private initiative, civil society, and citizens working together we will achieve growth for the country.

We thank each of the companies that make up Desarrolladora de Ciudad, since thanks to their work we can today present this report that not only will help us release our positive results, also it is an opportunity to highlight those areas in which we must make as much as an effort as we can and that represent challenges that together we will be able to confront as we have up to now.

ABOUT THIS REPORT

We know that transforming the city is vital for each inhabitant, and the real estate sector, one of the principal motors of Mexico's economy, has decided to focus its attention by innovating within this market to modernize our city and provide its inhabitants with the quality of life that they deserve.

The report that we present below is derived from the efforts that correspond to the advances and results obtained during 2018 by each of the companies that make up Desarrolladora de Ciudad.

Our organization was founded under the motto of developing quality of life at affordable prices that attend to the growing demand for housing in Mexico City and that contributes to the construction, development, and progress of our city, that is why the seven brands that are part of it join plans, programs, projects, and actions that motivate each member to build a more intelligent, compact, inclusive, sustainable, and safe city.

Within Desarrolladora de Ciudad there are three brands that sell housing: **Quiero Casa, Agatha, and Qaya**; whose principal objective is to offer dignified, high quality, and value-added housing, close to work sources, that contribute to an intelligent redensification of our city. In this same sales sector, there are also Mixed-Use projects that seek to promote a compact and walkable city.

These projects are developed by **Zigna**, a company dedicated to developing and managing the construction of architectural projects, offering attractive investment returns for clients and investors, to achieve it, Desarrolladora de Ciudad also has **VEX Capital**, an institutional-capital administration platform

focused on housing assets in Mexico.

At Desarrolladora de Ciudad we believe that of the key to building a better city is to work hand-in-hand with the community, that's why, the social issue falls principally on **Fundación Construye Bienestar**, responsible for designing projects in teams with neighbors, under the paradigm that "The experts in the community are those who live it." In this way, neighbors and developers build well-being for the community based on its self-perceived needs.

Getting each one of Desarrolladora de Ciudad's companies to work with the best personnel and with the tools necessary to reach the objectives is the job of **Sidehouse**, a company made up of consultants specializing in real estate business administration, offering advice and strategic implementation of projects.

Through each company, we seek to adhere to the principles of sustainability, therefore, the practices done during this period encourage actions in support of human and labor rights; environmental care, protection, and regeneration; as well as the actions proposed for issues of corporate government and business ethics.

It is necessary to highlight that the actions reflected in this report correspond to the strategies in accordance with the Business Model of each brand, which in collaboration with government and community have allowed us to obtain positive-impact results that, in turn, have shown us the path to create indicators that measure the commitment of our organization to continue working on and fostering the principles of a sustainable and responsible company.





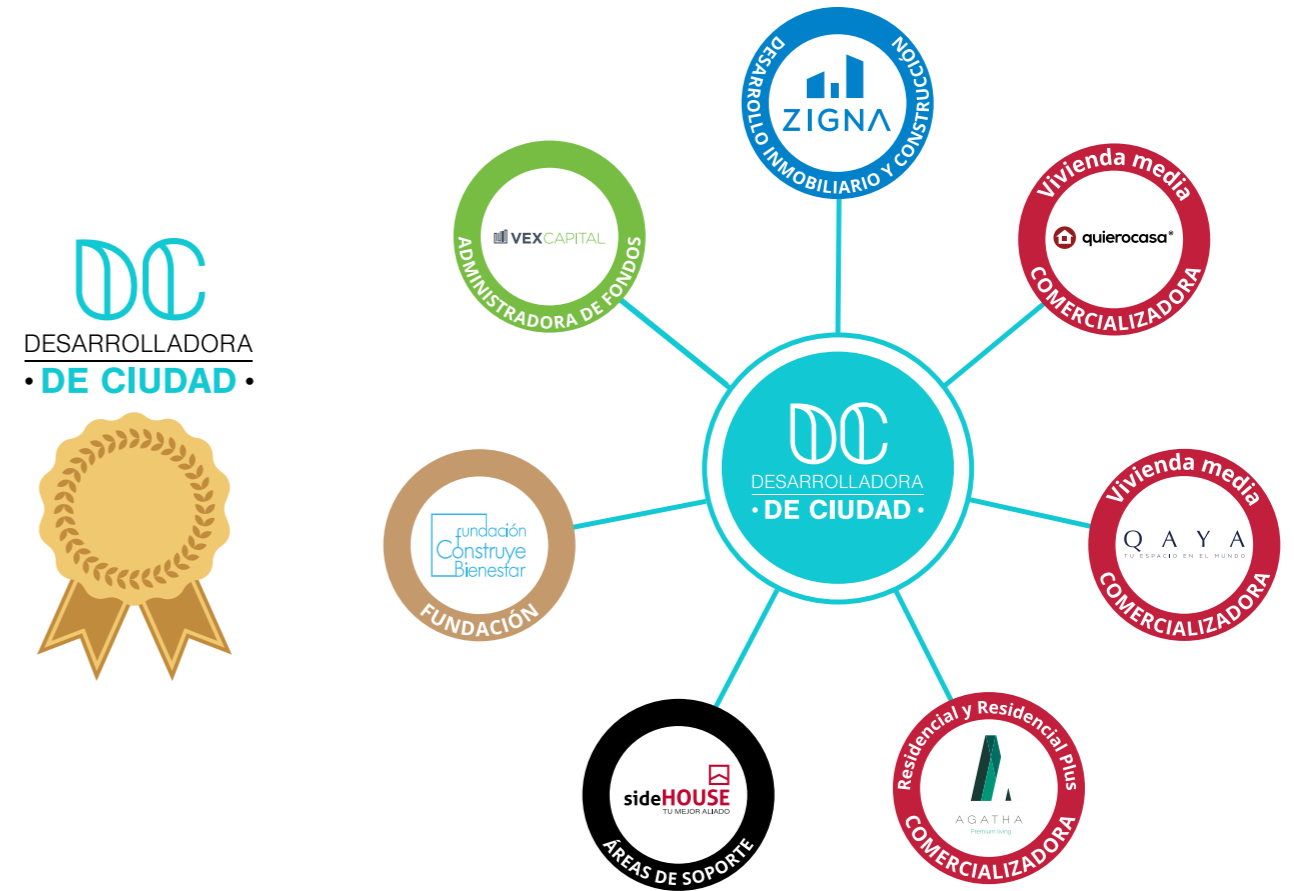
WHO WE ARE

The history of Desarrolladora de Ciudad was born from the desire to offer dignified, high quality, and value-added housing; this desire was materialized for the first time in 2009 with the founding of a company called Quiero Casa, dedicated to developing, building, and selling housing.

After 9 years of arduous work and after consolidating a unique and successful Business Model that offers dignified housing close to work sources and intelligent redensification of our city, we realized that there are still many challenges to confront.

Urban planning needs to be reinforced with more information, ideas, and initiatives that emerge not only from the private sector, but from the public, social, and also academic sector.

It was necessary for many lines of business, nongovernmental organizations, civil society institutions, and foundations to join under the objective of seeking hand-in-hand strategies and efforts that allowed for developing a better city. From putting up walls to designing great architectural projects. From doing workshops in communities and neighborhoods about the advantages of urban development close to transportation and work sources that regenerate the area, to proposing improvements to public standards. From providing education to construction workers to incubating new developers to foster a more fair, informed, and competitive market.



Under the motto that we are all responsible for the construction and development of our city, in 2017 Desarrolladora de Ciudad was formed, an insignia that joins other companies focused every day on building a better place to live.

Desarrolladora de Ciudad is our Corporation and serves as an interdependent ecosystem that joins all the plans, programs, projects, and actions of companies that are part of it, whose goal is to build a more intelligent, inclusive, sustainable, and safe city.



DESARROLLADORA

• DE CIUDAD •

Quiero Casa

Quiero Casa is a mid-level housing provider in Mexico City that was founded in 2009, wishing to offer dignified, quality homes close to work and transportation sources.

A fundamental part of its philosophy is to foster community life and approach neighbors to improve the environment of the neighborhoods where its developments are sold. Additionally, it promotes the redensification of the city in an intelligent way, that is why some of the properties were built on recycled land parcels, that before were used for other purposes, mostly industrial; in this way they will always be well located, with the urban infrastructure necessary and with easy access to urban, health, school, and commercial services, among others.

Part of its initiatives within the sector brought it to be a pioneer in participation in the EcoCasa program, promoted by the Federal Mortgage Corporation (SHF), the German Development Bank KfW, and the Inter-American Development Bank (IDB), to boost the supply of more energy-efficient housing, always equipped with eco-technology.

It is also the first digital real estate company, investing heavily during the last four years in innovation, in a way that all of the houses are accessible online and on mobile applications, with such detail that purchase-sale transactions may be carried out without a physical presence, as happens now with clients in the United States and outside of the country's capital.

The same detailed user experience on the online channels is experienced at the sales points of Quiero Casa through the virtual models and these same digital resources also allow for clients to be up-to-date on the advance of construction and finishing of the house that they purchase, as well as information on new developments.

All the digital resources are taken advantage of to provide support to the operation, by having ERP, CRM, virtual models, Virtual Reality, and recently the incorporation of the "biometric signature," which allows for recording more than 17 variables to be used by consultants at sales points and in electronic documents sent to the client's mobile devices, the objective is to turn into a paperless company.

Personalization is one of the most important features that Quiero Casa develops with regard to contents for its clients. The artificial intelligence mechanisms driven by machine-learning algorithms and models allow for knowing the particularities of each client within their tastes, as well as data telling, whose processes are capable of creating personalized stories for each client with regard to the progress in the construction of the housing that they have purchased.

Business Model

Quiero Casa has developed a business model whose objective is to sell quality real estate developments in Mexico City. To comply with the demands of the clients and investors, it has cemented this model on three fundamental axes:

1

Offer Mid-Level Housing that is low-rise, quality, affordable, dignified, and with high value-added for families and communities in Mexico City, offering attractive investment returns for our clients and investors.

2

Attend to the growing demand for housing in Mexico City, close to work sources, transportation, and urban services, with a differentiated and inclusive model that sells only housing that meets the characteristics of redensifying the City intelligently and that has the infrastructure necessary to create community.

3

Create a unique experience and emotions during the sale and use innovative technologies in the design and presentation of housing to guarantee to the clients the best option in sustainable development for the community, as well as offer a simple and cutting-edge sales process.



Agatha Premium Living

It was officially founded as a brand in 2016, backed by a management team with more than 40 years of experience in the sector.

A fundamental part of Agatha's philosophy is the clients, focused on all the efforts to offer a Supreme Experience, operating with the highest standards of quality, sustainability, joint responsibility, and integrity.

Each building sold under this brand must be synonymous with comfort, design, and functionality, guaranteeing to the clients that a detailed review is done of the structural design, taking into account the functional and architectural part that fully ensures the stability of construction to offer the safety of solid equity, cutting-edge technology, and premium amenities in the areas with greater added value in Mexico City.

The architectural designs are first-level creations backed by nationally and internationally recognized architects, turning the brand into points of reference for contemporary architecture, committed all to the idea of good living and beauty as a point of departure.

Fostering a healthy relationship with the community is fundamental for Agatha's operations, therefore, projects are only sold whose construction is backed by developers committed to the application of standards and a relationship with surroundings in which they develop, listening and attending to each issue that may arise during the construction process and after it.

Business Model

Agatha Premium Living has positioned itself as the best luxury and comfort living alternative in Mexico City, therefore, it has decided to base its Business Model on three fundamental axes:

1

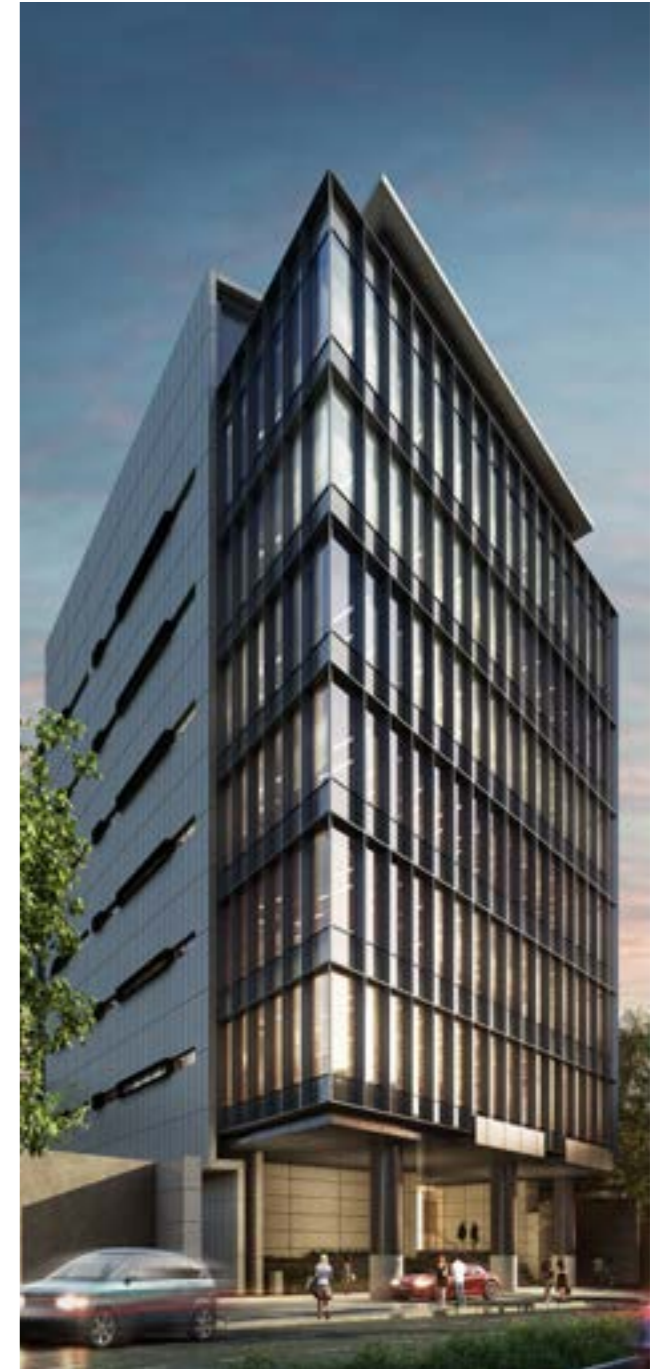
Offer well located apartments with unique functional aesthetic characteristics, in the most attractive areas of Mexico City, promoting an extraordinary quality of life, as well as attractive investment returns for clients and investors.

2

Attend to the growing demand in Mexico City close to work sources, transportation, and urban services, with a differentiated and inclusive model. It offers its clients and investors with a real estate proposal that joins cutting-edge expressions of technology, design, architecture, and interior design, to make life in these developments a supreme experience, evolving their lifestyles to unique levels.

3

Sell only housing that regenerates the city innovating constantly. Offer clients projects with added value, quality architecture, and differentiating amenities. It includes from low-density developments to mixed-use complexes, Premium finishes, and components that create a supreme experience.



Qaya

With well-established values and committed employees, Qaya provides dynamic real estate solutions in the face of Mexican families' need to purchase housing projects with functional spaces, cutting-edge architectural designs, and finishes of the highest quality in Mexico City.

Analyzing the real needs of those who inhabit the city was the engine so that in 2017 Qaya entered into the market, being governed under the premise of exceeding clients' total satisfaction to achieve lasting relationships, reflected in their recommendation and attending to their housing expectations that include location, sustainability, and safety.

A fundamental part of its operations is to be up-to-date on the new trends, challenges, ideas, and solutions to improve the growth and development of the city, ensuring compliance with the current standards in line with the General Urban Development Program, which determines the urban development policies, strategy, and actions in order to look for an intelligent redensification.

In Qaya, projects are sold that exceed the highest international standards of quality in its construction and structural security projects, forming societies with real estate developers that scrupulously share these procedures and values, endorsing like so the common well-being, clients' equity, the value added of properties, and above all, a new attractive and purposeful lifestyle for families in the city.

Business Model

With the sale of innovative products, the Business Model allows for fully managing the strategic planning and execution of each project, implementing highly differentiated values based on three axes:

1

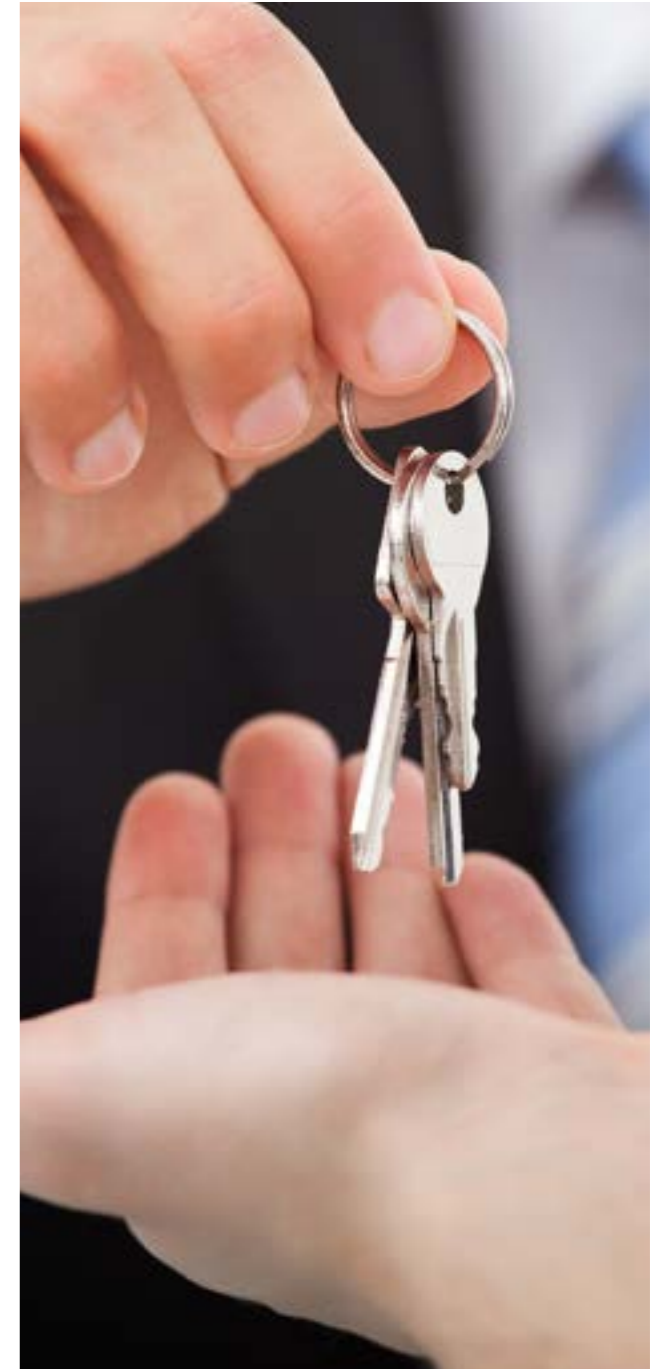
Offer low-rise, high quality, well located housing, with unique functional aesthetic characteristics, with high value-added for families and communities in Mexico City, as well as attractive returns on investment for clients and investors.

2

Attend to the growing demand in Mexico City close to work sources, transportation, and urban services, with a differentiated and inclusive model. It offers its clients and investors with a real estate proposal that joins cutting-edge expressions of technology, design, architecture, and interior design, to make life in these developments a supreme experience, evolving their lifestyles to unique levels.

3

Sell only housing that regenerates the city innovating constantly. Offer clients projects with added value, quality architecture, and differentiating amenities. It includes from low-density developments to mixed-use complexes, Premium finishes, and components that create a supreme experience.



Zigna

With a consolidated team of professionals and the managerial backing of experts with more than 40 years and the sector, Zigna is focused on the development and construction of housing in Mexico City.

Zigna offers a unique Housing Model in Mexico City that mixes location, intelligent redensification, and sustainability. Such has been the success of this Business Model that since 2009 they have been able to consolidate themselves as leaders in the market, accumulating prizes and certifications.

In the present day, Zigna has 2 large areas of specialization: Real Estate Design and Construction, seeking to meet the highest standards of quality in the sector. Formed by a team specialized in conceiving of projects through independent stages such as Territorial Reserve, Architectural Projects, Construction, Urban and Neighbor Management, Operations Control, and Technical Control, which must operate efficiently to ensure projects' profitability.

Zigna is an active member of the USGBC, a point of reference at the international level for design and construction of high-yield sustainable buildings, and although in the present day only corporate buildings have this certification, the rest of the housing projects incorporate eco-technologies and rainwater capture oriented toward being sustainable buildings.

The whole team operates under the model that they themselves conceptualized: "Regenerative Development that seeks to keep an open dialogue with the communities in which it is built. After purchase of the property, a community-relationships team approaches to converse with the neighbors, researching its self-perceived needs and jointly government, community, and Zigna seek to promote the initiatives that satisfy these needs, including the rehabilitation of public infrastructure and cultural and recreation spaces like parks.

Zigna has a portfolio of 4 real estate products: Mid-Range Housing, Residential, Mixed-Use, and Offices.

Business Model

1

Developing Mid-Level Housing that is low-rise, quality, affordable, dignified, and with high value-added for families and communities in Mexico City, whose construction and sale offers attractive investment returns for investors

2

Attending to the growing demand in Mexico City close to work sources, transportation, and urban services, with a differentiated and inclusive model that redensifies the city intelligently by building on recycled land parcels with necessary infrastructure to create community.

3

Regenerate the city by constantly innovating, looking for land, designing spaces, and including innovative technologies to guarantee to final clients and investors the best option in sustainable developments for the community.



VEX Capital

Today there is demand for a little more than 40,000 houses, of which only around 15,000 are built each day, in the face of this discordance between supply and demand, VEX Capital was founded in 2016 in order to invest in the development of Urban Vertical Housing under the urban low-rise model.

VEX Capital contributes to the improvement of Mexico City with regard to urbanization, planning, development, and construction of vertical housing, through investment in projects that favor the recycling of underutilized land; the potentiation of zoning to make efficient and take advantage of the existing urban infrastructure and promote the revitalization of the public space.

The first line of action of VEX Capital was to develop a vehicle where the institutional investors could have direct access to the urban vertical housing sector, with attractive yields.

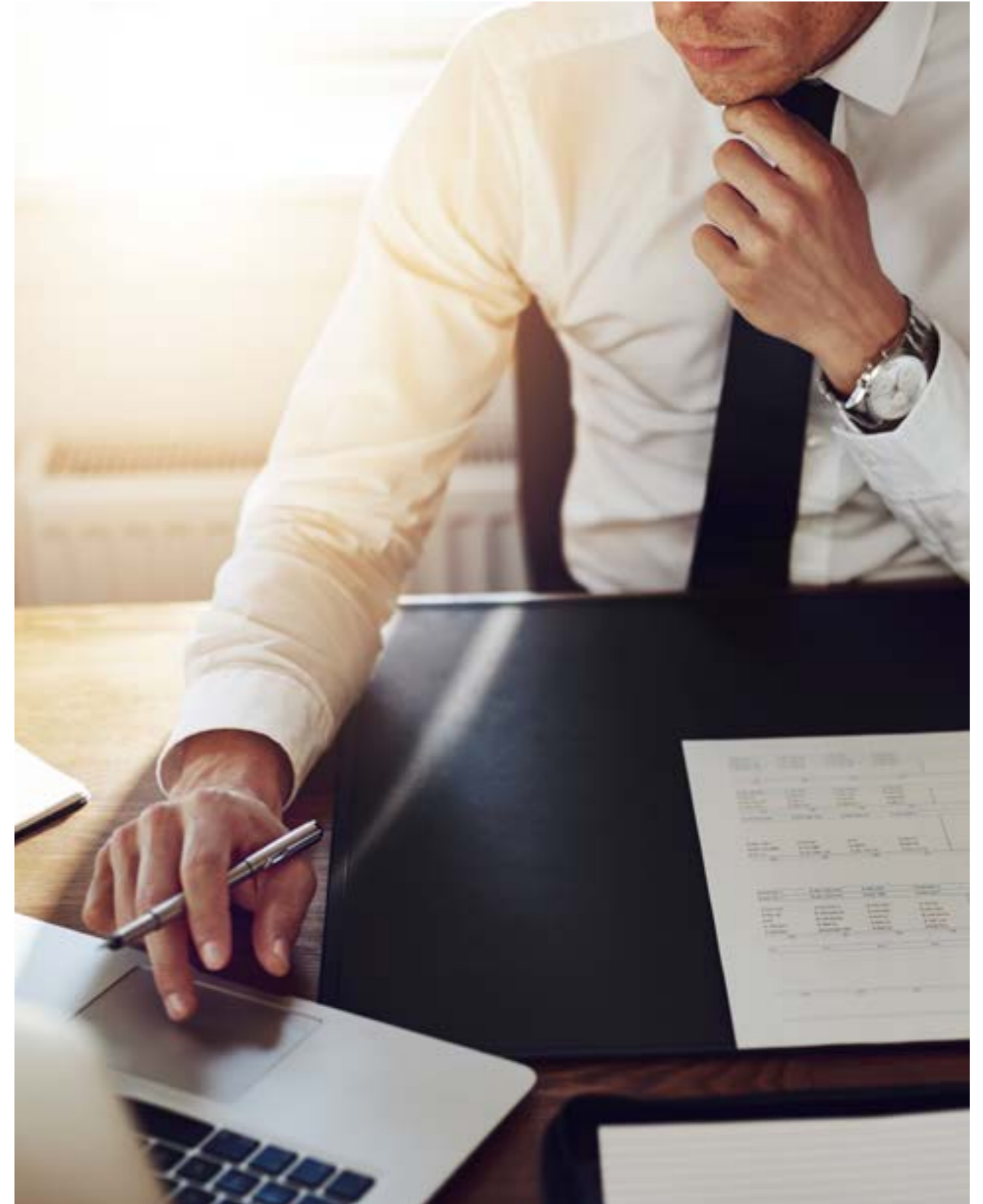
And this was how with almost two years of prior work and accompanied by the traditional bell ring for the start of operations in the Mexican Stock Exchange (BMV), VEX Capital held its first placement in stock in December 2017, being able to raise funds through a CKD (Capital Development Certificate) for an amount of 3 billion pesos.

The first issue of the restricted offer with ticker symbol "VEXCK 17" was for 600 million pesos, which corresponds to 20% of the maximum CKD amount and there will be capital calls in the upcoming years to obtain the remaining funds.

VEX Capital is made up of the team of professionals specializing in administration and maximization of investment funds,

every day they worked to ensure the yield of real estate investments to like so improve the quality of life of our city's inhabitants.

The first issue of its CKD in Mexico is in line with the GIPS (Global Investment Performance) standards, set by the CFA Institute, which promotes the best global practices with regard to consistency and transparency in the funds' presentation of yields, in this way benefiting the investors.



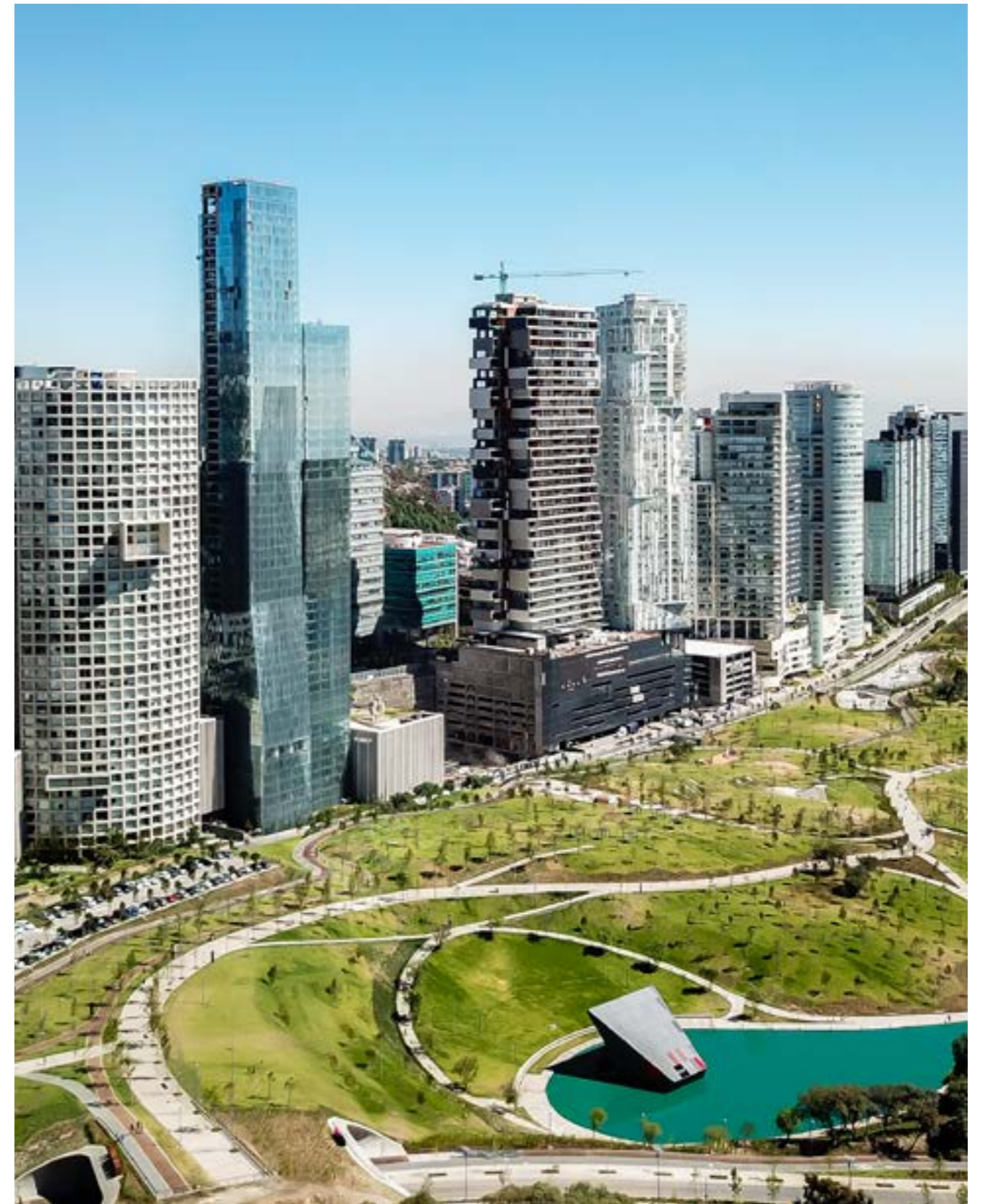
Sidehouse

Sidehouse was founded as a brand officially in 2017, with over 8 years of accumulating experience in the Mexican real estate market and with the firm intention of being the “Best Ally” for companies focused on the real estate sector, it seeks to provide its clients with the appropriate solution for their needs in talent management, development of technologies, business intelligence, business strategy, commercial administration, real estate comptrollership, auditing, as well as customer service, marketing, communication, and public relations.

The business support that Sidehouse offers seeks to create a value within any real estate company, whether they develop, build, or sell, they can trust that just by making the call they can obtain optimal service and immediate resolution of their needs. Contracting Sidehouse’s services allows its clients to focus on their Core Business and on the most critical operations of their business.

Additionally, it contributes to its clients sustainable and profitable growth, its team of experts has a broad experience in the largest companies in Mexico from different sectors. Sidehouse directly manages the service, develops strategic action plans, and supervises the correct implementation and compliance.

Sidehouse decreases operation costs for its clients, since it offers a specialized and highly qualified team without the need to contract them directly, it allows for covering multiple projects flexibly and reduces the solution times.



Fundación Construye Bienestar

Fundación Construye Bienestar was founded in order to build city in community so that the new real estate developments that are integrated to the neighborhoods, do it with different projects that improve the environment and relationships with neighbors.

To achieve it, it is necessary, in the first place, to identify the needs, goals, and desires shared by the individuals that make up the community, in this way, projects can be created that bring together all of the actors involved to create well-being.

Its mission is to create projects of the team with neighbors and developers, under the paradigm that "The experts in the community are those who live it," in this way, neighbors and developers build well-being for the community based on their self perceived needs.

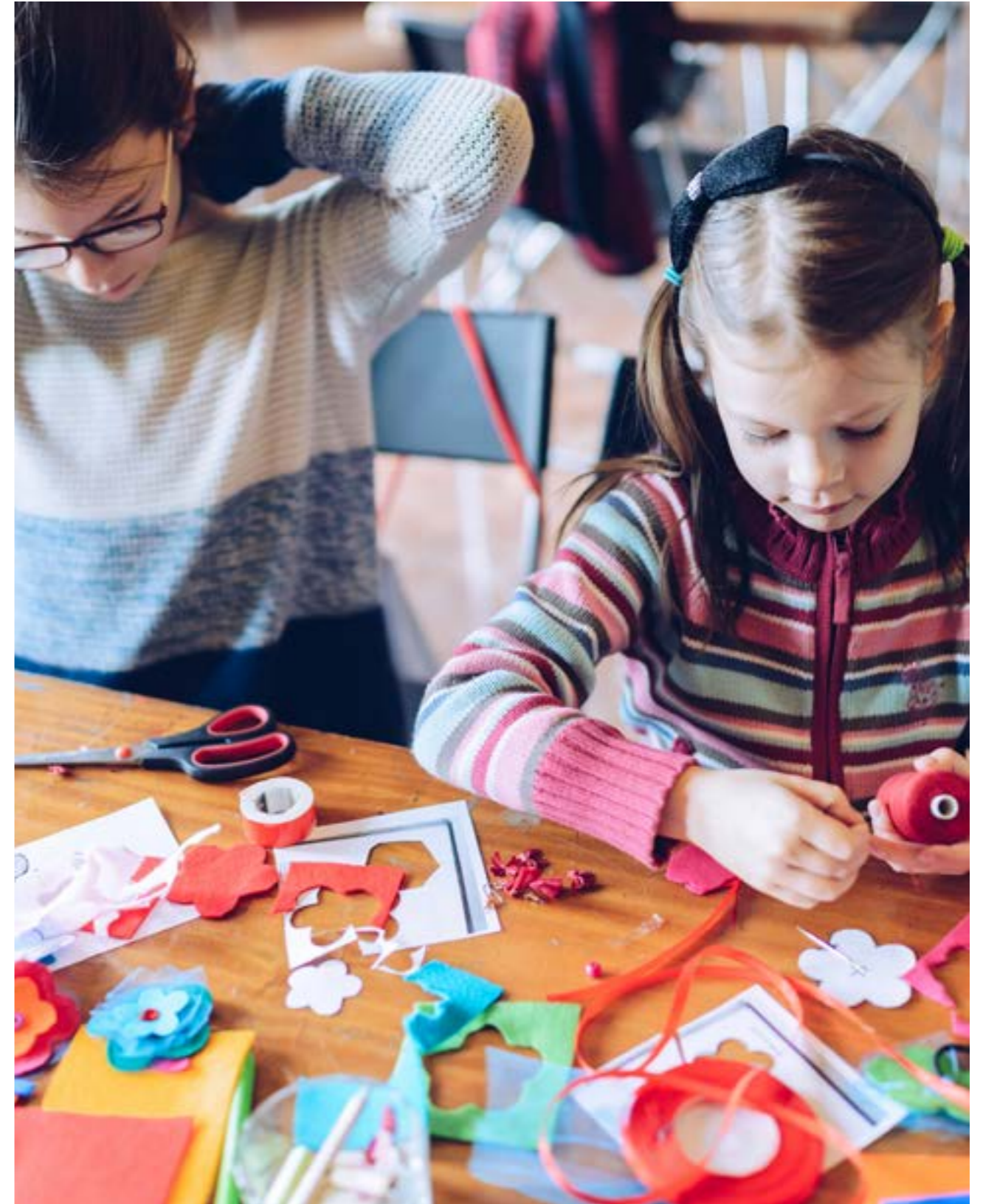
The axes of action under which the Foundation operates are:

Community: Projects focused on strengthening the community relationships through equality and economic development of the area.

Surroundings: Projects to improve public spaces, as well as care and preservation of the environment.

A large part of its operations are based on the principles of the program "Project for Public Spaces":

1. The experts in the community are those who live it.
2. The architectural designs must go off of the self-perceived needs of the communities to create places that foster living together.
3. Collaborative work with the various actors the area
4. Construction of knowledge through observation and dialogue with neighbors.



Philosophy

Desarrolladora de Ciudad

Mission

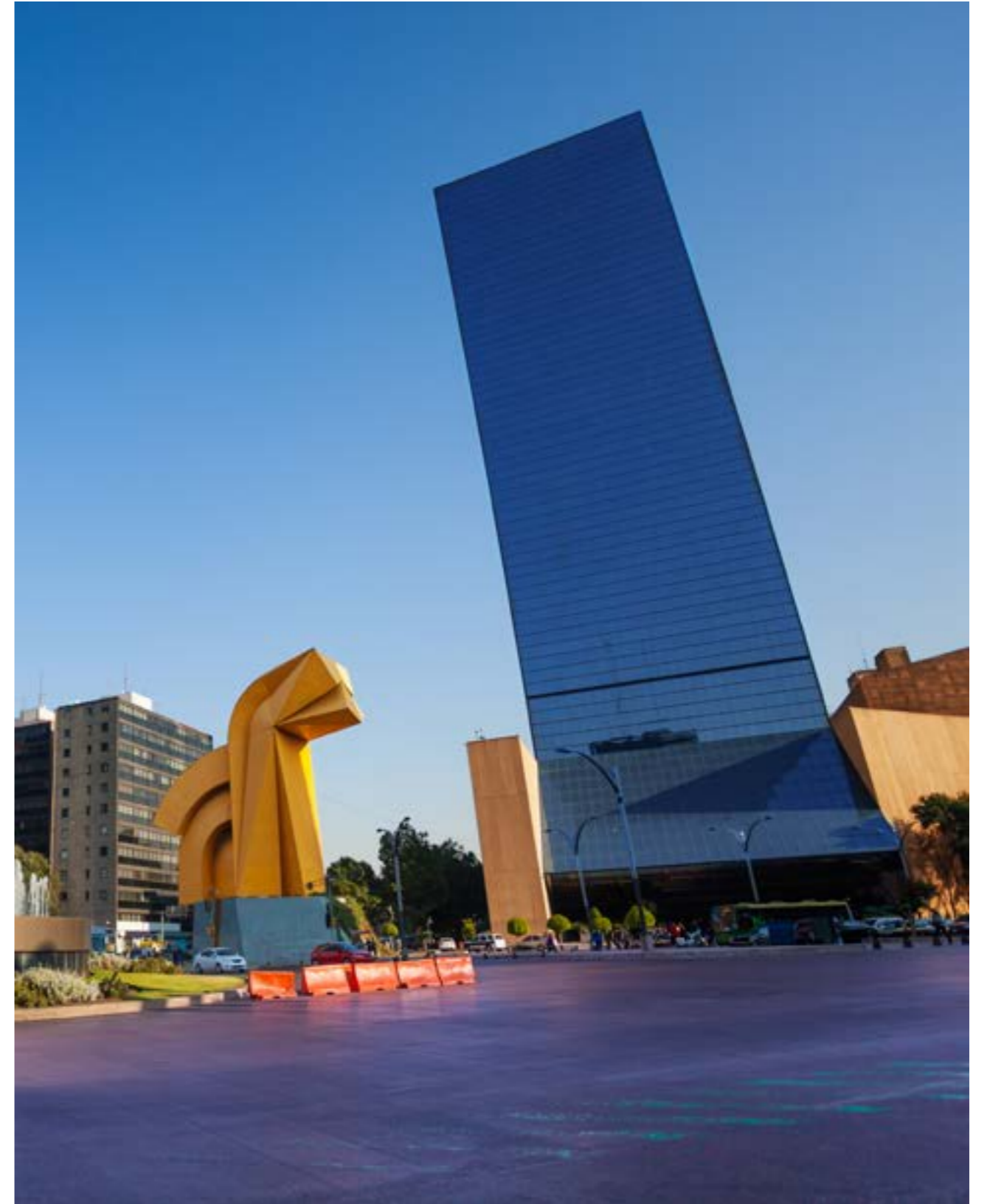
Build cities with well-being and value for our employees, clients, and investors.

Vision

Be the first ecosystem of companies, profitable, innovative, and efficient, focused on the development of sustainable cities with clients, investors, employees, and communities.

Values

- **Work Ethic and Responsibility**
- **Profound collaboration**
- **Excellence**
- **Honesty and Integrity**



Size of the Organization

We are a group that operates in Mexico City and part of our philosophy is based on thinking as a large company, but acting as a small company, and the reason is that for us, a large organization is based on the achievements that each employee contributes for the company's success, it's not about growing size, it's about us together aiming toward new challenges that allow us to mature, be more professional, and have the best team that is governed under the values and cultures that we build day by day to distinguish ourselves from other companies.

This year, we had the opportunity to have the support of 630 employees that contribute their talents to the group's operations to confront the sector's challenges. Additionally, we were able to benefit more than 1500 families during the year, attending to the growing demand for housing in the face of the scarce supply that there is in the city.

Currently, the sellers of our group operate in 13 of the 16 boroughs in the city, positioning us as points of reference in the sector.



Governance

Corporate Government

Since the year 2015, we decided that to make better decisions we must incorporate a Corporate Government Model, whose objectives are based on defining the pillars of action, organization, and functioning of the Board of Directors, to establish the principles of transparency, fairness, and accountability. This is why, since then, we have a Board of Directors responsible for approving and supervising the strategic course to reach the company's vision and goals. Additionally, it has the obligation to delegate responsibilities to each board that is part of it, allowing them to operate and implement the strategy defined by this Board under an executive conception.

On the other hand, this Model also aims for the continuity and development of the company through adequate implementation of corporate practices and compliance with the laws, regulations, and judicial and legal framework that companies have to be subject to.

The Corporate Governance Model is reviewed by the Board of Directors and may be modified, except for those topics related to the Board's composition or powers, which it must propose as a recommendations before the General Shareholders Assembly for its analysis and, if applicable, possible approval.



Structure

The Board of Directors is made up of proprietary board members, independent board members, and related board members. The duties and powers of the Board of Directors are to report things related to management of the business, as well as making strategic decisions and deciding the course of the company.

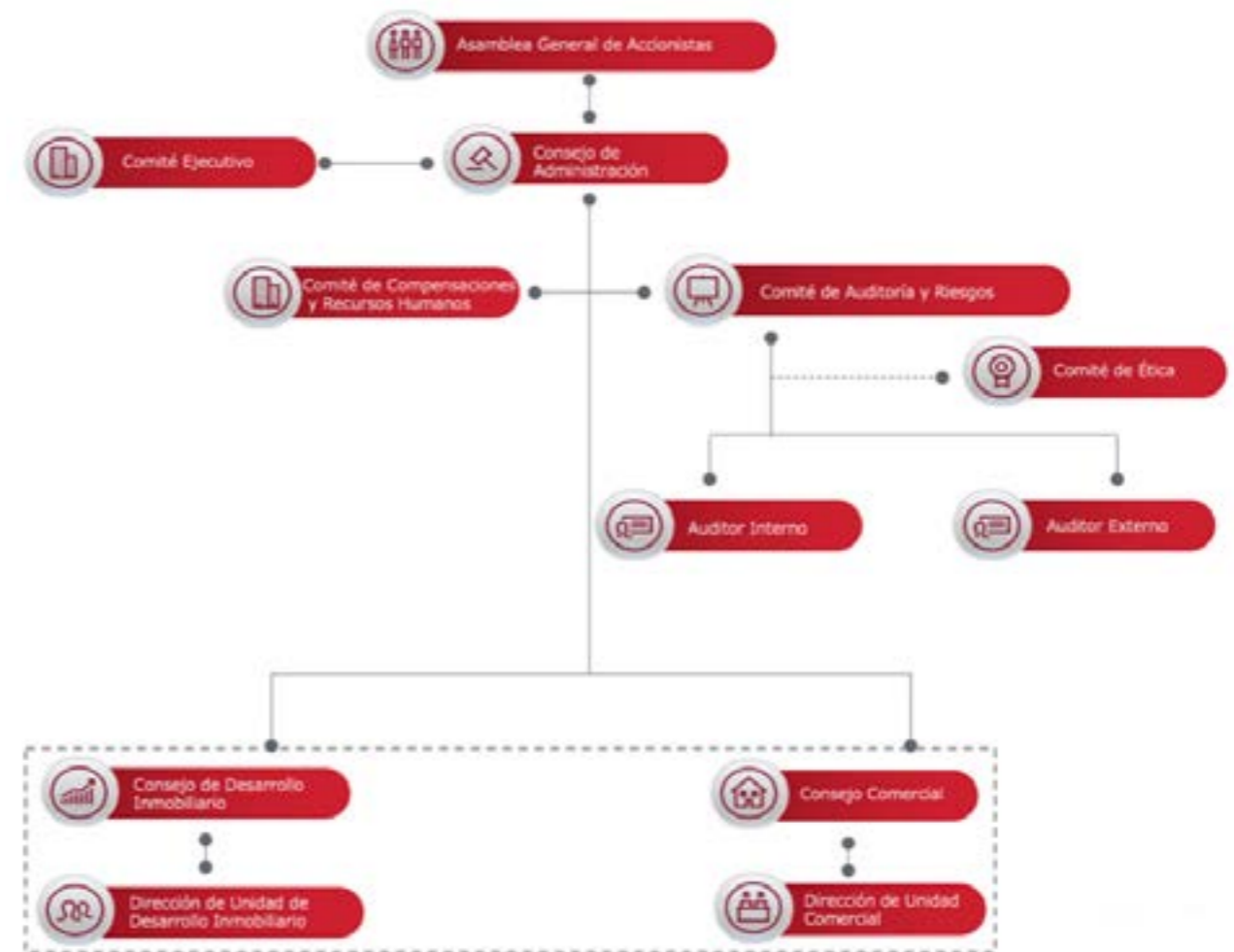
The Executive Committee responsible for executing the decisions and everything related to the company's management in a general manner, being made up of proprietary board members and independent board members.

The Compensation/Human Resources Committee's role is to design the policies that regulate promotions, benefits, and any other issue related to hiring employees, therefore, it will be made up of at least one member of the Executive Committee, the Director of Human Capital, the Director of Administration and Finances, a Related Board Member, and two independent board members.

To guarantee the safety of the operations and verify that there are policies and procedures that regulate the operation, the Auditing and Risk Committee was created, made up of an Internal Auditor, two External Auditors, and two Independent Board Members. Parallel to this, the Ethics Committee was created, whose role is to lay out all the issues related to the personnel's behavior, and which is made up of at least one member of the Executive Committee, and the Human Capital Director, advisors, and external members, an Internal Auditor, and the Corporate Director of Strategy.

By mandate of the Board of Directors, the Board of Real Estate Development, and the Commercial Board must serve as forums of communication and operation between the Business Unit Management and the Board of Directors, providing follow up to the relevant strategic-operational issues for the Business Unit.

The Board of Real Estate Development is made up of 3 proprietary board members, 3 independent board members, and a related board member. On the other hand, the Commercial Council is made up of a proprietary board member, 3 independent board members, and 4 related board members.



Standard Compliance

To guarantee that our organization complies with the applicable standards framework, policies and procedures have been set to identify the operational and legal risks to which we are exposed. These mechanisms do not just cover legal standards, internal policies and ethical codes have also been created that as an organization we have committed to respect for correct operation.

We implemented a policy in the group to mitigate corruption or financial instability risks or any other behavior outside of the law, which is applied to all the employees of the Group and principally to those who have contact with external clients or are responsible for the sales process, deeds, and/or housing delivery.

A fundamental part of our operations is ensuring the yield of real estate investments, therefore all the financial information that is done through VEX Capital is prepared through IFSR accounting standards, additionally, the annual financial statements are audited by Deloitte.

To mitigate the financial risks, various strategies are planned and the capital structure is handled actively. Other measures usually employed may be contracting Bridge Loans with a variable rate, as well as contracting CAPs.

At Desarrolladora de Ciudad, there are values, principles, and standards of conduct under which the operations and businesses are carried out that guarantee an environment of cordiality between the interest groups.

The Ethics Code that we govern ourselves with was prepared by the Ethics Committee, the directors of each division and brand, employees, direct bosses, and leaders. This code sets the applicable ethical principles that standardize behavior and constitute the pillars of business culture.

Its structure is divided into seven sections in which the essential principles are explained clearly, highlighting integrity, collectivity, respect and dignity, joint responsibility, learning, authority, and our golden rule: **“Treat the other in a way that, if we always treated each other that way, we would build a better company and society.”**

Parallel to this, we have a Policy in which the mechanisms of denunciation are set for those situations that may indicate a conflict of interest. This document sets the definition and classification of them, as well as the solution, penalty, and reprimand of each difficulty in which one of the interest groups may be immersed.

At Desarrolladora de Ciudad we distinguish ourselves with our ethics and transparency, therefore the disclosure of financial information is done according to what is set by law or by requirements of the Fiduciary or Legal Representative.

Interest Groups

At Desarrolladora de Ciudad we carry out actions that underpin the vision and social commitment that not only take the company down a good path, we also seek to positively impact our interest groups, that is why we have set up dialogue mechanisms to know their expectations, in order to strengthen the relationship with each one.

Interest Group	Commitment of the Group	Dialogue Channels
Investors	Provide profitability and guarantee attractive investment returns.	<ul style="list-style-type: none"> . Shareholders assemblies . Reports . Conferences . Communiques . Roadshows
Clients	Offer personalized and quality service during the purchase and post-sale process.	<ul style="list-style-type: none"> . Telephone . Webpages . Email . WhatsApp . Social Networks
Employees	Provide the best work opportunities, as well as comfortable spaces where each one of the employees can perform their work.	<ul style="list-style-type: none"> . Email . Complaint boxes . Bulletins . Internal communiques . Screens . Deloitte denunciation line
Providers	Develop an ethical and transparent relationship.	<ul style="list-style-type: none"> . Email . Telephone . Meetings . Contact Box . Deloitte denunciation line
Community	Make a positive impact on the communities in which it develops, to create a healthy environment.	<ul style="list-style-type: none"> . Social Programs . Dialogue Sessions . Social Networks

It is very important to maintain communication with our interest groups, since they are the base for our group's sustainability, it is everyone's task to share, periodically, the actions, achievements, and successes obtained, so that they can also know the impact that benefits human, social, and environmental rights that makes Desarrolladora de Ciudad their best option.

Strategic Social Responsibility Principles

To guarantee that all our employees do their work safely, maintaining order and cleanliness, safety and hygiene guidelines have been set in accordance with Mexican standards, instituted in a policy under which we base our operations to achieve a sustainable development that preserves the physical integrity and health of the employees, contractors, and visitors.

- . Recruitment, Selection, and Hiring Policies
- . Policies to handle Conflicts of Interest and Labor Conflicts
- . Compensations Policy
- . Benefits Policy
- . Loans to Employees Policy

Determining the mechanisms of operation for the group's supply chain is fundamental to make the materials and services purchase process more efficient and effective, this process consists of a policy applied to those employees that create purchase orders, request quotes, and want to have contact with providers.

The work conditions that we provide adhere to and balance the personal and professional life of our employees, like so developing policies that fully respect the bylaws dictated by labor standards.

A fundamental part of our operation is to protect the information for each of our interest groups, therefore, we are working on an integral policy that manages the clauses set in the contracts and follow up with the various actors.

Being that Desarrolladora de Ciudad is a socially responsible company, we have decided to adhere to the Smart Working program, which seeks to provide the employees with options for compliance with the objectives and tasks assigned, within a context of flexibility and joint responsibility. To endorse this initiative, a Policy has been developed that allows the associates to work from different places, away from corporate, efficiently and responsibly.

Company Quality of Life

At Desarrolladora de Ciudad, we know that the employees are a fundamental part of the daily operation and we strongly believe that they must have the best opportunities to develop, that is why we have set policies and programs that reinforce the institutional culture and values that we have built.

Another policy that promotes the human and professional development within the group is the Training Policy, which sets the guidelines for applying preparation programs in line with the organizational objectives and that may be internal or external. It is necessary to highlight that this opportunity is open for all employees.

We do not only seek to be a point of reference in the sector, we also have been considered one of the best companies to work for, providing the necessary infrastructure and tools so that the work spaces are more comfortable for our tasks every day.

Currently, we have labor relations policies:

Corporate Rituals

Part of the strategies that we set at Desarrolladora de Ciudad we set with our associates, are based principally on the implementation of corporate rituals, who look for satisfaction through various activities whose objective is to provide well being and equilibrium between work and personal life. For this, three initiatives have been de available:

Cakes. Through email, we call upon all the employees to suspend their activities for a few minutes to celebrate the personnel who have birthdays during the month.

Team Times. The main objective of this initiative is to promote the well being and integration of the employees with recreational activities outside of the company. For this activity, a policy has been implemented that institutes the principles and rules that must be complied with to guarantee the safety of our employees and foster efficiency in the work teams.

Life Balance. Different annual events are done at the corporate level that foster the physical activity and health of the employees, such as the Corporate Games and the Corporate Run. Added to this, we have a Sickness Assistance Policy, which reiterates our commitment to employees, which determines the assistance guidelines that Social Security does not cover during the first three days of sickness.



Commitment to the Community

For us, the development of sustainable cities and communities that seek to improve the quality of life for the inhabitants is the base of our operations. This social investment helps us identify the deficiencies and expectations that the community has to strengthen the social relationships.

As we already mentioned, the business model of our companies is centered on positively influencing the neighborhoods where we operate, that is why our first job is to create dialogue sessions that allow us to know who make up the community, begins from its history and the actions to implement to improve the surroundings, and integrate and strengthen the community relationships with the new ones.

At Desarrolladora de Ciudad we have joined with founders and non-profit organizations that, in adherence with our mission, build well being and value for the construction workers and the community in general.



Fundación Construyendo a México Crecemos I.A.P.

It was founded in 2004 with the support of the Iberoamerican University, the Monterrey Institute of Technology and Higher Education, as well as other institutions, under the objective of providing primary, secondary, and high school literacy, and technical and computing courses, to contribute to the educational development of construction workers and with this improve their quality of life. With support from the National Institute for Adult Education (INEA), classrooms are set up within the construction site in order for the workers to study two hours a day, one hour donated by the builder and the other by the worker.

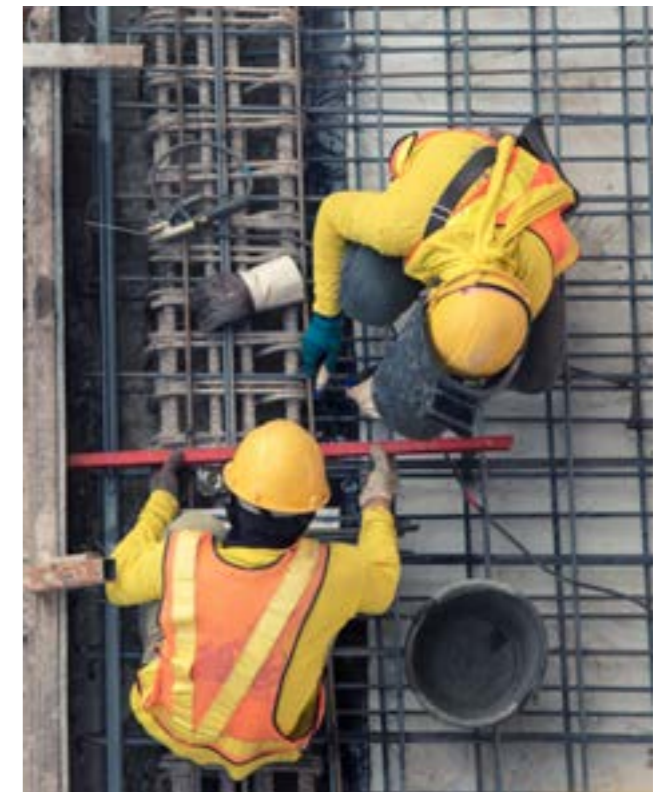
Through its program: "Scholarship for Construction Worker," our employees (voluntarily) contribute a monthly quantity to support the education of one or more construction workers. During 2018 alone, 111 employees registered with the program. Additionally, part of our support is reflected each year through a supplies collection, delivered in the month of August to the Foundation

At the corporate level, each of the projects that Zigna administers has the commitment to install a classroom within the project, where each construction worker contributes one hour of their time and we contribute 1 work hour, in order to cover 2 hours daily of learning in the classroom.

We believe that with education we can achieve a better México, so, we aim for all our construction workers to have access to formal, quality education, that allows them to excel professionally and be an example of living for their family members and social surroundings.



Construyendo a México Crecemos I.A.P.



Environmental Care and Preservation of

For us, caring for the environment is a commitment that we have decided to take on as a group. Therefore, we promote real estate development within urban areas, since, in this way, we avoid invasion of conservation zoned areas and, above all, we care for our biodiversity.

In Mexico, the idea of creating sustainable housing has taken on strength and importance with the passage of time. In the face of this, the Federal Mortgage Corporation is created a program with the name EcoCasa, whose objective is to integrate new sustainability criteria, promoting new standards to build houses.

There are always more people who aim to have this distinction, therefore, integrating these eco-technologies into our buildings is also fundamental for us, therefore, we have decided to implement sustainable housing models. These models are based on the efficient use of land that allows for the city's redensification, with the creation of vertical housing that has the equipment necessary to make better use of the resources that day by day become more scarce.

Each development that we build and/or sell is based on a bio-climate analysis, which considers the natural orientation and ventilation, in this way decreasing the consumption of energy. In addition to this, we reduce the consumption of water using low-flow valves and we have rainwater capture systems to be reused.

Parallel to this, we encourage the reduction of atmospheric emissions from automobile use by offering strategically located developments, close to work, health, service, and entertainment centers.

We aim to ensure compliance with applicable legislation with regard to construction, as well as determination and utilization of opportunities to increase energy efficiency, that is why part of our initiatives focus on the use of renewable energy is to have projects that include the use of solar energy (solar heaters). Additionally, projects are being developed in which we intend to install photovoltaic panels and zero-discharge and water-reuse systems.

The idea is to continue with this sustainability work and keep innovating in the market to offer quality housing that allows for building sustainable cities.

Small Actions

In addition to the initiatives implemented for the sector, we also carry out actions within our Corporation and the projects that we work on, which allow us to decrease the harm caused by the waste related to our productive activity.

Within the project, the garbage produced comes from the packages that cover the construction materials, as well as the workers themselves who each day create waste with their personal activities (meals, sanitary waste, among others). For this, we have designated a recycling area that promotes the separation of waste, among it PET and aluminum, so that later the workers themselves can take responsibility for their collection and sale. It is necessary to stress that the quantity received is used by them for the purposes that they agree on.

Within the Corporation, there is a battery collection program, additionally, the use of paper in the bathrooms is decreased through hand dryers and the garbage is separated into biodegradable, recyclable, and nonrecyclable nonbiodegradable.





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