



Sustainability statement 2024



Sustainability statement

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ESRS 2 General disclosures

BP-1 Basis for preparation

The sustainability statement has been prepared on a consolidated basis. The scope of the sustainability statement is the same as for financial statements. The sustainability statement covers the impacts and risks and their management that relates also to the Group's upstream and downstream value chain as described below.

Nonfinancial data covers the entire Group's building portfolio – i.e. data for assets operated by the Group and rented to third parties.

BP-2 Specific circumstances

The time horizons align with ESRS standards. Short term is defined as up to one year, medium term as one to five years and long term as more than five years.

The Group strives for maximum accuracy. Therefore, in most cases, actual data, including value chain data such as tenants' consumption, are used for disclosed metrics. Estimates are employed solely in instances where actual data is not available at the end of the data collection period, and this circumstance is detailed in the relevant sections of this sustainability statement.

Through ongoing dialogue with our value chain partners, we anticipate enhanced data accuracy in forthcoming reporting periods.

For the first time, the sustainability disclosures in this report have been substantially enhanced to meet the requirements of the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). Any changes in practices or errors identified since the previous reporting period are detailed in the relevant sections where the topics are addressed – EU Taxonomy and E1.

This sustainability statement is covered by limited assurance carried out by the external auditor.

Additionally, CPIPG's GHG reporting has been verified by CI2 as complying with ISO 14064-1:2018 and the GHG Protocol and awarded a CI2 Conformity Certificate.



GOV-1, GOV-2 Group governance and oversight of sustainability

Please see additional information about members of the Board of Directors and Executive management in the Group's ESG strategy section.

The members of the Board of Directors are experts in their respective fields, ensuring that informed decision-making is made in accordance with regional market trends, regulatory frameworks, and investment opportunities. The experience of the Board members is presented in the following overview as of 31 December 2024:

	Independence	Previous public C-suite experience	Executive director	Industry expertise	Financial expertise	Real estate operations experience	International experience	Sustainability expertise
Mirela Covașă (f)	●	●		●	●	●	●	● Green financing & ESG training
David Greenbaum (m)		●	●	●	●	●	●	● Green financing
Zdeněk Havelka (m)		●	●	●	●	●	●	● Energy management
Edward Hughes (m)	●			●	●	●	●	
Jonathan Lewis (m)	●			●			●	
Philippe Magistretti (m)				●	●	●	●	
Omar Sattar (m)	●			●	●	●	●	● ESG training
Tim Scoble (m)		●		●	●	●	●	
Total	50%	50%	25%	100%	88%	88%	100%	50%

As of 31 December 2024, the Board of Directors was composed of two executive directors, two non-executive directors, and four independent non-executive directors.

The Group's commitment to diversity is reflected in the following points relating to the Board of Directors:

- Gender diversity: 12.5% female representation
- Age diversity: average age of 57 years
- International representation: 100% hold international experience
- Independence: 50% are independent

The committees assist the Board of Directors by preparing assignments and making recommendations to the Board of Directors. The Board of Directors has the final decision on matters. The Board has established the following committees: (i) Audit Committee; (ii) Remuneration Committee; (iii) Investment Committee, and (iv) Environmental, Social and Governance (ESG) Committee. The members of the Audit Committee and the Remuneration Committee are independent. The Investment Committee is composed of two executive members and two independent members. The ESG Committee is presided over by an independent member, however, given its specific role, the majority comprises executive members.

The Board has created the ESG Committee focusing on the supervision of sustainability, environmental, corporate social responsibility, green financing and compliance matters for the Group.

The Board of Directors evaluates the competencies, knowledge and experience of the individual members, including whether they collectively possess, or are able to leverage, relevant sustainability expertise. The evaluation concluded that each individual board member possesses skills that are relevant to the material IROs, as well as to the industry in general, the geographical location of business activities, and the type of target consumers and end-users.

The Group is fully committed to shared responsibility with the communities and environments wherever it is active. It strives to act transparently, ensure accountability and promote accessibility, inclusivity and climate-smart livelihoods through its assets. The Group considers itself a reliable, responsible, equitable and proactive partner for all stakeholders and communities. In this spirit, it actively seeks relevant stakeholders, develops communication channels and addresses grievances. Responsibility for the supervision of the IROs is embedded in the Audit and ESG committees. The main tasks and duties of the individual committees are described in the following text.

Group committees

Audit Committee

The Audit Committee reviews the Group's accounting policies and the communication of financial information. In particular, the Audit Committee follows the auditing process, reviews and enhances the Group's reporting procedures by line of business and reviews risks factors and risk control procedures.

The responsibility of the Board of Directors is to ensure that the sustainability impacts, risks, and opportunities are managed effectively and aligned with the Group's strategic objectives. In this task, the Board of Directors is

supported by the Group's Audit Committee. The Audit Committee regularly reviews the Group's impacts, risks, and opportunities, and ensures the implementation of due diligence practices. Additionally, the committee is responsible for evaluating the results and effectiveness of the sustainability policies, metrics and targets established to address these areas. Findings are reported to the Board of Directors on a regular basis. In 2025 the Group's Policy Risk Management shall be approved and implemented.

A comprehensive list of the material ESG impacts, risks and opportunities addressed by the Audit Committee can be found in the table under SBM-1

ESG Committee

The main task of the ESG Committee is the supervision, oversight and active promotion of ESG principles across the Group. The ESG Committee is responsible for the setting of targets related to material ESG impacts, risks and opportunities and monitoring progress towards them. In relation to the sustainability and environmental risks, the ESG Committee monitors and enhances:

- the Groupwide coordination and implementation of the ESG strategy;
- active use and promotion of energy efficiency and energy savings in-line with current strategies and objectives;
- consideration of the life cycle implications at all stages of investment and planning;
- optimisation of usage of natural and other resources in order to benefit from efficient and responsible use, minimise waste, prevent pollution and promote reusing and recycling of raw materials;
- active promotion and encouragement of environmentally friendly conduct both internally and externally;
- increase the share of the renewable energy sources in all the Group's operations, such as equipping existing assets with solar panels;
- high-standard performance, including green LEED/BREEAM certifications, as well as other relevant external certifications, where possible;
- strengthened commitment to electro-mobility, development of biking infrastructure, ensuring proximity to public transport and access to amenities and support of the concept of smart cities;
- increase the share of green buildings in the Group's portfolio in-line with the current strategy and seek to apply real estate life cycle assessment on new projects;
- application of innovative approaches in the Group's undertakings, including green roofs and net zero buildings, and
- setting verifiable and measurable goals in pursuit of improvement of the ESG performance.

In relation to the Group's corporate social responsibility, the ESG Committee monitors and enhances transparency and accountability within the Group and vis-à-vis its stakeholders.



Rooftop beehives, Eurocentrum, Warsaw, PL

The ESG Committee is responsible for:

- promoting active interaction with relevant stakeholders and the development of communication channels across the Group;
- promoting accessibility, inclusivity and climate-smart livelihoods through the Group's assets;
- achieving the Group's sustainability, social and business objectives through proper supply chain monitoring and sensible and sustainable procurement, as well as engagement in relevant social development matters;
- promoting personal and professional development of the Group's employees;
- promoting diversity and equal opportunity in the workspace in-line with the Group's policies and applicable legal standards, and
- proper disclosures in relation to corporate social responsibility efforts on a regular basis.

The ESG Committee is composed of highly experienced and qualified professionals with an excellent track record, thorough knowledge of the Group and its business and experience in ESG-related matters. The committee is composed of a balanced mix of executive and independent directors, as well as senior managers across various functions and jurisdictions within the Group, including finance, asset management and legal departments.

The members of the ESG Committee always act in the best corporate interest of the Group, its shareholders and other stakeholders. The committee ensures that the Group takes into account environmental and social responsibility and the interests of all stakeholders in its decision making in terms of business strategy.

The ESG Committee recommends target-setting methodologies and ensures that they align with industry standards and regulatory requirements. The strategy is then approved by the Board of Directors. The proposed targets undergo a multi-stage review process, where they are evaluated based on feasibility, impact, and alignment with corporate objectives before final approval by the Board. The executive management integrates targets into business operations and corporate performance indicators.

Targets are embedded within the Group's strategic planning process to drive business performance and risk management. Inputs from key stakeholders, including investors, employees, and regulatory bodies, are considered when defining material sustainability targets.

The organisation ensures systematic tracking of progress towards sustainability targets through the following mechanisms:

- KPIs: Regular performance assessments using key performance indicators (KPIs) to measure progress against predefined targets.
- Internal and external reporting: Periodic sustainability reports provide transparency on achievements, challenges, and adjustments made to targets.

Corrective actions and continuous improvement:

- Periodic reviews: Targets are reviewed annually to assess relevance, effectiveness, and potential need for recalibration.
- Risk management adjustments: If progress deviates from expectations, corrective actions are implemented to realign strategies with evolving business conditions.
- Incentives and performance alignment: Executive compensation and incentives are linked to the achievement of sustainability goals to drive commitment and accountability.

GOV-3 Sustainability related incentive schemes

Remuneration, Nomination and Related Party Transaction Committee

The Remuneration, Nomination and Related Party Transaction Committee (the Remuneration Committee) presents proposals to the Board of Directors concerning remuneration, nomination and incentive programmes to be offered to the management and directors of the Group.

The Remuneration Committee prepared and recommended a remuneration policy (the Remuneration Policy) with respect to the remuneration paid by the Group to the directors, in accordance with the provisions of the Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders in General Meetings of listed companies, as amended. This Remuneration Policy was approved by the Board of Directors of the Group. The remuneration paid by the company in accordance with this Remuneration Policy aims to attract, retain and motivate key talent and provide adequate compensation in consideration of the responsibilities, competency and time spent in their roles. It also aims to encourage and reward superior performance and creation of shareholder value. The remuneration is regularly benchmarked against external comparator markets as relevant and appropriate (e.g., industry and geography).

The Group's remuneration policy links sustainability matters to executive directors. Five percent of any discretionary annual bonus compensation of the executive directors is linked to the ESG Committee's judgement of whether the executive directors are meeting the Group's short-term and long-term environmental targets: for 2024 GHG intensity reduction was the target. The conclusions of the ESG Committee about the fulfilment of environmental targets by the executive directors are communicated to the Remuneration Committee and included in the overall evaluation of annual KPIs.

GOV-4 Statement of due diligence

The table below shows the paragraphs that contain disclosures about the current sustainability due diligence performance.

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> - GOV-2: Information provided and sustainability matters addressed by the governing bodies; - GOV-3: Integration of sustainability-related performance in incentive schemes; and - SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> - ESRS 2 GOV-2; - ESRS 2 SBM-2: Interests and views of stakeholders; - ESRS 2 IRO-1; - ESRS 2 MDR-P; and - Topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process.
c) Identifying and assessing adverse impacts	<ul style="list-style-type: none"> - ESRS 2 IRO-1 (including Application Requirements related to specific sustainability matters in the relevant ESRS); and - ESRS 2 SBM-3;
d) Taking actions to address those adverse impacts	<ul style="list-style-type: none"> - Topical ESRS: reflecting the range of actions, including transition plans, through which impacts are addressed.
e) Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none"> - ESRS 2, SBM-3; and - Topical ESRS: regarding metrics and targets.

GOV-5 Risk management and internal controls

Risk management and internal controls over sustainability reporting

In addition to the responsibilities of the ESG Committee and Board of Directors, the Group has established a team of experienced sustainability officers that ensures the reliability and robustness of sustainability reporting. Sustainability metrics are tightly monitored at several organisational levels.

The Group's risk management and internal control system is organised to identify main risks across all operations including sustainability reporting risks. The Board of Directors, the ESG Committee and the Audit Committee regularly assess material risks and internal controls associated with the Group's sustainability reporting process.

The reliability of sustainability reporting is supported by internal processes, involving respective teams and data management. The essential requirements for data capturing, calculating, analysis, control and reporting of sustainability metrics have been established. The sustainability reporting is subject to a dedicated governance structure, namely review of the ESG Committee. The sustainability reporting and compliance with related regulation are taken as priority subjects, with the ambition to further standardise and streamline the reporting process.

Main risks identified

At least once a year, the Risk Management Department, ESG and Audit Committees undertake a general identification and assessment of the Group's risks, including fraud risks, and consider mitigation measures to be implemented based on an assessment of the risk severity. This process also includes sustainability reporting risks, including addressing risks of incompleteness and inaccuracy of reported ESG data by ensuring that clear definitions and procedures are in place and that process maps, risks assessments and internal controls have been implemented.

Integration into internal functions

Specific control activities related to sustainability reporting risks have been identified and implemented, including internal controls that are performed by relevant functions in relation to ESG KPIs.

Monitoring

The monitoring of risk management and control systems associated with integrated reporting includes ongoing assessments and control at different levels within the Group. Material weaknesses, omissions and violations are reported to the Executive Management The Board of Directors receives reports from the Executive Management and Group Internal Audit on compliance with the guidelines, according to the relevant audit plan.

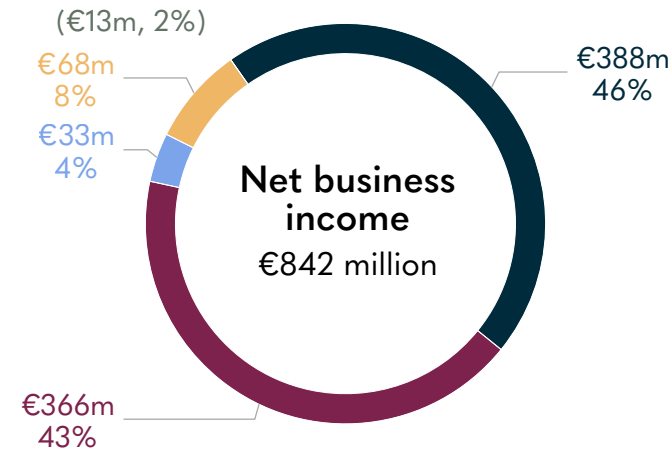
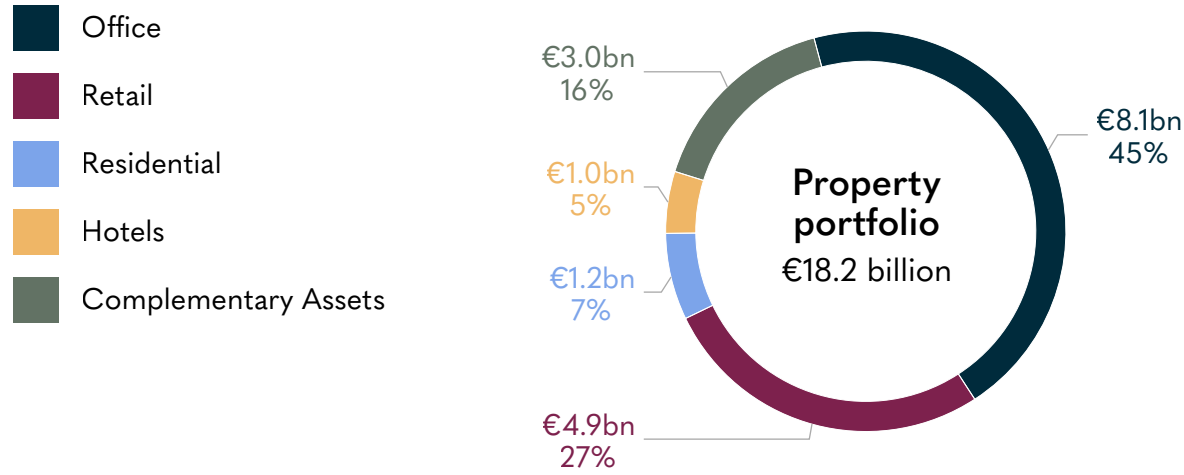
SBM-1 Business model and value chain

CPI Property Group's business model is founded on a diverse, high-quality real estate portfolio, a strategic geographic focus, strong occupancy and rental growth, as well as a dedication to sustainability and corporate governance. Established in 1991 in the Czech Republic, CPI Property Group is a real estate investor and developer in CEE, with its headquarters located in Luxembourg. Our portfolio includes offices, retail parks across the region, shopping centres, hotels, residential real estate, a small development pipeline and a large landbank primarily situated in the Czech Republic, Berlin, Poland and various other countries in CEE. We offer our clients a wide range of comprehensive real estate solutions, primarily focusing on commercial properties within the office and retail sectors. Our emphasis is on flexible and innovative property options. Additionally, we manage a diverse portfolio of hotels that feature a variety of brands, including Clarion, Mamaison, Comfort and others.

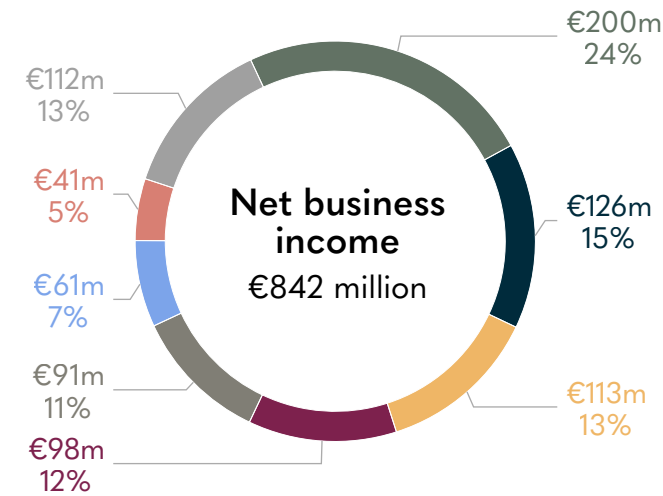
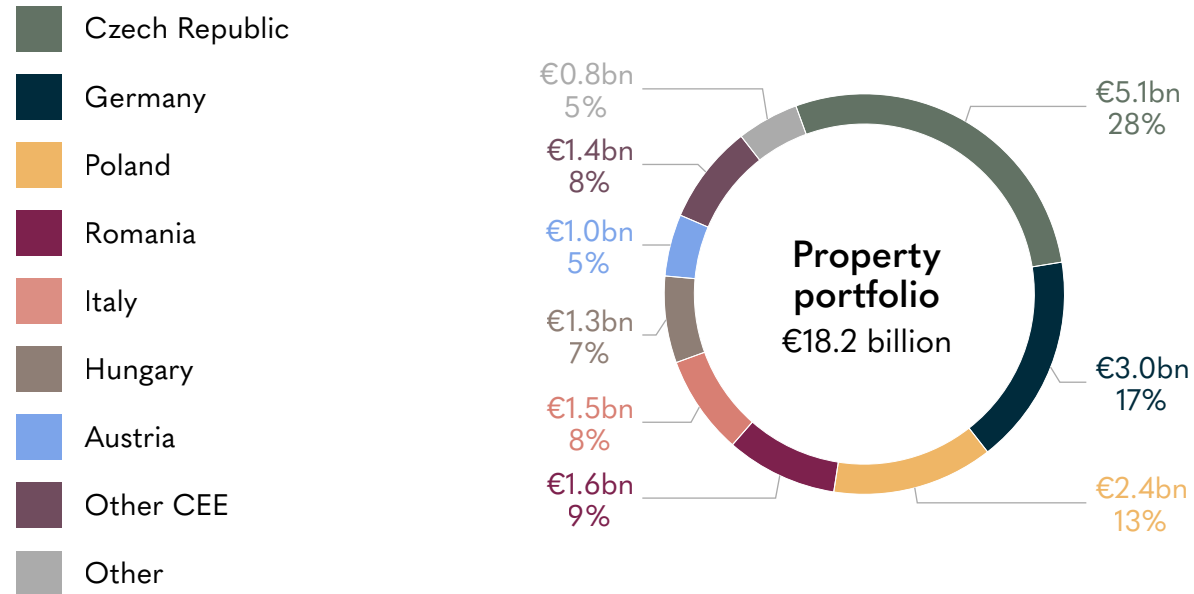
For information regarding the total number of employees and additional details, please refer to the description provided in section S1-6.

Significant markets, products and services

Property portfolio by segment (as at 31 December 2024)



Property portfolio by geography (as at 31 December 2024)



Property portfolio detail

Segment	Country	€ million	Share of total
Office		8,133	44.6%
	Germany	2,776	15.2%
	Poland	1,588	8.7%
	Czech Republic	981	5.4%
	Hungary	693	3.8%
	Globalworth	601	3.3%
	Romania	574	3.1%
	Austria	571	3.1%
	Other	349	1.9%
Retail		4,912	26.9%
	Czech Republic	1,594	8.7%
	Romania	618	3.4%
	Italy	600	3.3%
	Poland	445	2.4%
	Hungary	412	2.3%
	Slovakia	408	2.2%
	Other	835	4.6%
	Residential		1,222
Czech Republic		863	4.7%
Other		358	2.0%
Hotels		981	5.4%
	Czech Republic	276	1.5%
	Croatia	222	1.2%
	Other	483	2.6%
Complementary assets		2,983	16.4%
Landbank		1,898	10.4%
Development		730	4.0%
Agriculture		165	0.9%
Industry & Logistics		62	0.3%
Other		128	0.7%
Total		18,231	100%

Group revenues

In 2024, net rental income reached the same level as in 2023 (€795 million), with higher profit on service charges and slightly lower operating expenses, offset by lower gross rental income due to disposals.

An increase in net development income compared to 2023 is mainly attributable to the sale of a residential project in Prague.

Income statement

€ million	2024	2023
Gross rental income	926	934
Service charge and other income	417	427
Cost of service and other charges	(381)	(397)
Property operating expenses	(166)	(169)
Net rental income	795	796
Development sales	71	0
Development operating expenses	(67)	0
Net development income	4	0
Hotel revenue	150	248
Hotel operating expenses	(106)	(172)
Net hotel income	44	76
Other business revenue	64	85
Other business operating expenses	(64)	(82)
Net other business income	0	3
Total revenues	1,627	1,694
Total direct business operating expenses	(784)	(820)
Net business income	842	874
Administrative expenses	(137)	(138)
Consolidated adjusted EBITDA (excl. other effects)	706	736

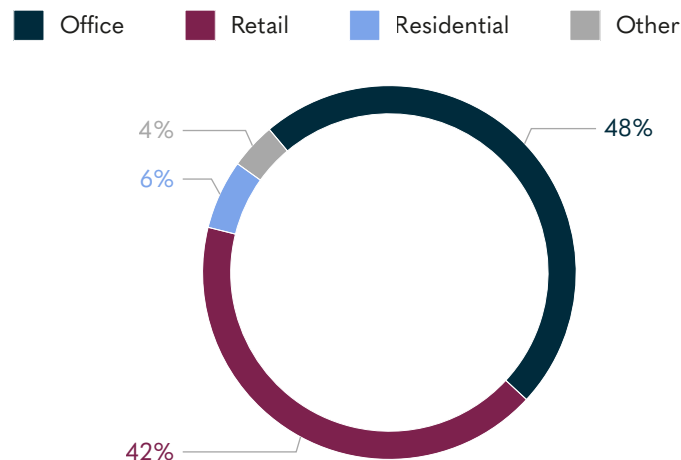
Net hotel income was €44 million, versus €76 million in 2023, reflecting the sale of a 50% stake in a portfolio of eight hotel properties in the Czech Republic, including CPI Hotels, the hotels' operator. As part of the transaction, the remaining hotel properties operated by CPI Hotels have been reclassified to Hotels rented, and such income will be reported as net rental income instead of net hotel income.

In 2024, the Group generated gross rental income of €926 million, representing a YoY decrease of 1% compared to €934 million in 2023. The decrease reflects the loss of rental income from completed disposals, partially offset by like-for-like rental growth, the contribution from completed developments and the reclassification of hotel income to rental income.

Gross rental income by country



Gross rental income by segment



Our focus on continually improving the performance and quality of our assets is reflected in the 3.0% increase in gross rental income on a like-for-like basis.

The like-for-like growth was driven by an increase of rents, partially offset by slightly lower occupancy on a like-for-like basis.

Like-for-like gross rental income	2024 €m	2023 €m	Increase/ (decrease)
Czech Republic	208.4	201.6	3.4%
Germany	126.1	125.1	0.8%
Poland	127.6	125.9	1.3%
Romania	104.2	98.9	5.4%
Hungary	87.3	84.5	3.3%
Italy	55.8	51.7	8.0%
Austria	48.9	49.6	(1.4%)
Slovakia	46.8	46.0	1.6%
Other	38.8	36.0	7.8%
Total LfL gross rental income	843.9	819.2	3.0%

Not like-for-like gross rental income

Acquisitions	10.2	6.8	
Disposals	30.1	88.6	
Development/Other	41.3	19.5	
Total gross rental income	925.5	934.1	(0.9%)



**In-place-rent
Like-for-Like
3.8%**

**Total
Like-for-Like
3%**

**Occupancy
Like-for-Like
(0.8%)**

CPIPG value chain

We have outlined our value chain by identifying the necessary inputs to effectively execute our core business activities, focusing on key activities, inputs, and primary suppliers while considering local variations. Our value chain seamlessly integrates upstream and downstream activities to deliver value.

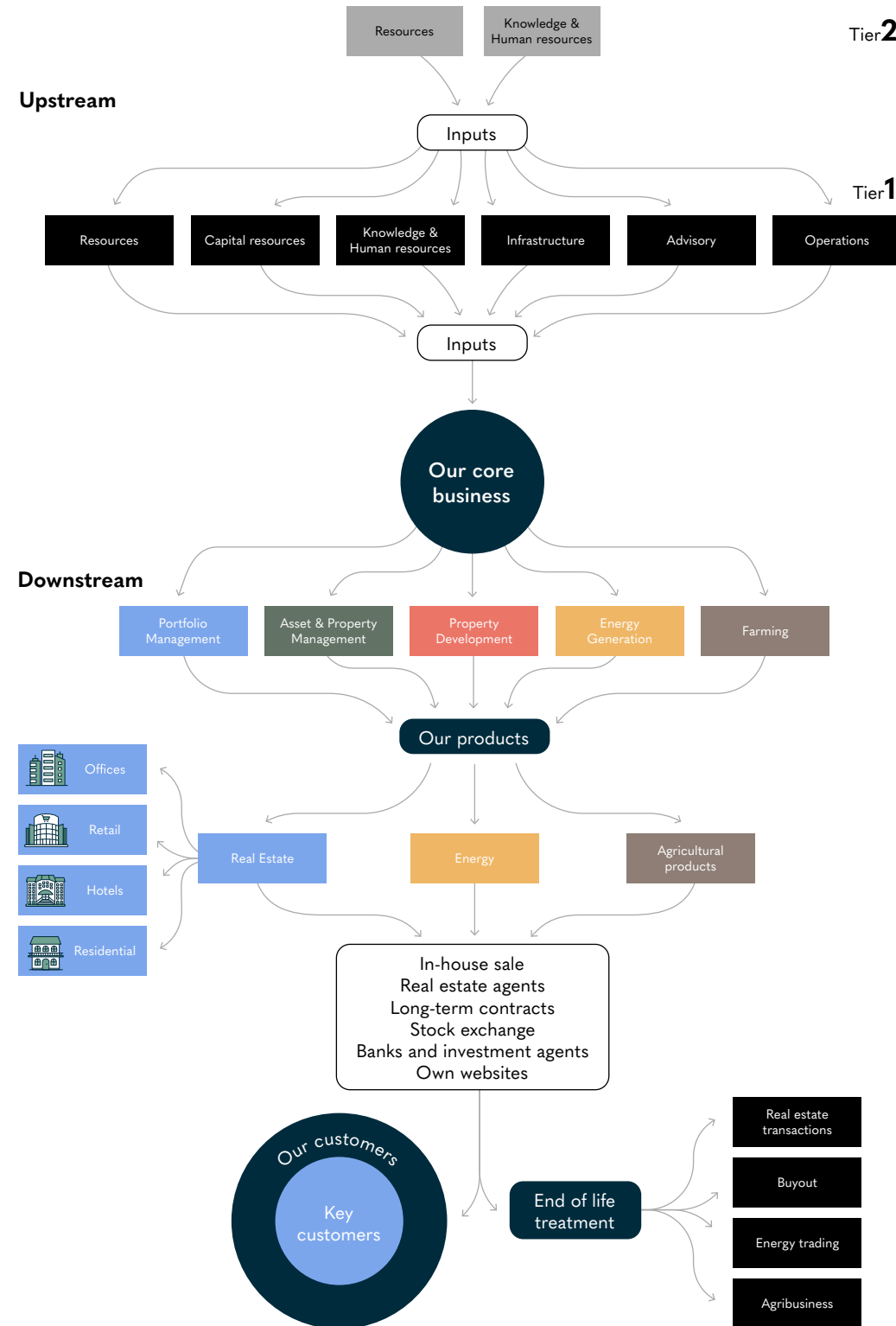
Upstream, we leverage resources and expertise to fuel our core business, managing capital, infrastructure, and advisory services to drive innovation. We identified our principal products: real estate (including offices, retail, hotels, and residential), as well as energy and agricultural products. Subsequently, we established the sales channels for our products and recognised tenants and hotel guests as our key customers.

Downstream, we produce high-quality, market-ready services and products, leading to significant outcomes and positive social and environmental impacts, tailored to diverse customer needs. In the real estate industry, our value chain includes a broad spectrum of activities, from property development and construction to leasing and property management. Each stage involves various stakeholders, such as suppliers, contractors, tenants, and service providers, all contributing to the overall impact of our operations. To finalize our value chain, we articulated the end-of-life treatment for our products. Please refer to the value chain graphic to the right.

Description of the main business actors:

- **Key suppliers:** Companies supplying us with HVAC, lifts, electrical materials, furniture, roof materials, insulations.
- **Distribution channels:** In-house sale, real estate agents, long-term contracts, website.
- **Customers and end-users:** International and local companies, public sector entities, hotel guests, households.

Agriculture and aviation are not material part of the business as there are no material sustainability impacts, risks and opportunities identified.



SBM-2 Interest and views of stakeholders

CPIPG identified important groups of affected stakeholders and users in the sustainability statement relevant for our business. With a wide range of stakeholders (including tenants, employees, investors, and members of local communities) the Group maintains a continuous and regular dialogue. The Board of Directors, through the ESG Committee, supervises and directs these efforts. Stakeholder engagement supports us in identifying existing or emerging impacts or risks as part of the double materiality assessment (DMA). Their insights provide valuable input to our ESG programmes, helping us to shape our strategy, targets and decisions towards delivering on ESG commitments and KPIs.

The table below shows prioritised stakeholder groups and engagement:

Group of stakeholders	Stakeholders' expectation	Engagement channel
Tenants	Excellent products and services	Daily operations, meetings, events
Investors	Solid business model, strategies and goals	Management reports, press releases, presentations, investor roadshows and semi-annual investor webcasts, presentations, website
Employees	Decent work conditions, training and development, diversity, equality	Employees interactions, surveys, hot line
Authorities and governments	Compliance with regulations	Industry associations, engagement with the authorities
Suppliers and business partners	Fair business practices and treatment	Contract management
Communities	Responsibility for the environment and the society	Engagement with local associations, events

Employee team building, Asset and Property Management Team, CPI Czech Republic and Slovakia



Double Materiality Assessment (DMA)

For the purpose of double materiality assessment we selected a sample of our stakeholders and performed a survey to help us identify material sustainability impacts, risks and opportunities.

Stakeholder	Affected stakeholder	User of sustainability statement	Identified stakeholders
Employees and other workers	●		Min 20 randomly
Suppliers and other business partners	●	●	Min top 10 suppliers based on revenue
Consumers, customers and end-users	●		Min top 10 tenants based on income
Local communities and persons in vulnerable situations	●		Min 3 developments
Public authorities including regulators, supervisors and governments		●	Core markets
Central banks		●	Core markets
Nature (silent stakeholder)	●		Core markets
Investors, lenders and other creditors, including asset managers, credit institutions, insurance undertakings and analysts		●	Core markets
Trade unions and social partners		●	Core markets
Civil society and NGOs		●	Core markets
Academics		●	Core markets

In recognition of the importance of stakeholder feedback for the Group, we engaged relevant stakeholders and users of the sustainability statement. This engagement process was coordinated in collaboration with the Group's Marketing and Public Relations team through an online survey conducted on the SurveyMonkey platform. An online questionnaire was developed and designated contact persons were identified across various countries within the Group. As of 15 October 2024, we received 171 anonymous responses, which we consider to be a sufficient sample size for analysis. Based on the results of the questionnaire, the following topics have been recommended for consideration by our stakeholders:

- affected communities;
- supply chain;
- biodiversity;
- compliance;
- digitalisation, and
- corporate governance

All proposed topics were thoroughly analysed and evaluated. Certain topics, including compliance and corporate governance, were reassessed and categorised as material topics. These topics are integral to the Group's ESG strategy and goals.

The remaining proposed topics were addressed at the ESG Committee meeting. In accordance with the mandate provided by the Board of Directors, the ESG Committee did not identify any further topics as material in 2024. The Group intends to engage our stakeholders in our future efforts related to the double materiality assessment via ongoing communication with a diverse group of stakeholders.

SBM-3 Double materiality assessment outcome

Please see table under SBM-3 Materiality and targets

The Group closely monitors both internal and external environments and assesses the related impacts, risks and opportunities of its operations. As part of this process, in 2024, the Group conducted the double materiality assessment across of all of its activities and geographies, aimed to assess the impact of the Group's activities on the environment and society, as well as to identify potential sustainability risks. Through this process, the Group has defined twelve sustainability matters as material, the response to which forms part of the Group's business strategy.

The current financial effects of the Group's material risks and opportunities on its financial position, financial performance and cash flows are not material and there are no material risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the Group's financial statements.

Given that our material impacts, risks and opportunities (IROs) are closely tied to our core business and growth potential, our initiatives aimed at enhancing opportunities and mitigating associated risks are integrated within our established corporate governance approach described above. The resilience of the Group's strategy and business model was assessed by the Internal Risk Manager and addressed as part of the Group's risk and opportunity assessment.

Changes to material IROs are not relevant for 2024 as double materiality assessment was carried out for the first time following the Group's ongoing CSRD implementation. All material IROs are covered by ESRS disclosure requirements.

IRO-1 Double materiality assessment process

An analysis to identify the actual and potential impacts, risks and opportunities (IROs) associated with ESG matters within our operations and throughout our upstream and downstream value chains was conducted. Initially, we evaluated the IROs at a detailed sub-subtopic level in accordance with ESRS 1 AR16. Subsequently, we incorporated ESG-related IROs identified in the existing risk management documentation of CIPIG and CPI Europe. To enrich our assessment and identify all possible impacts, risks and opportunities, we took into account the material topics identified in the previous materiality assessments conducted by CPI Europe in 2020 and S IMMO in 2021, following the GRI Universal Standards. This analysis resulted in a comprehensive list of impacts, risks and opportunities, which was subsequently evaluated by the internal cross-departmental project group in terms of their impact and financial materiality taking into account specific activities, stakeholders, segments and geographies affected. Additionally, the assessment has evaluated direction – upstream, own operation or downstream – and time horizon – short term, medium term or long term.

To assess the impact materiality for short, medium and long term we used the following criteria.

- **Short term (up to one year):** This phase emphasises the establishment of immediate and actionable objectives. It includes the implementation of new sustainability practices, the development of foundational frameworks and the attainment of preliminary milestones.
- **Medium term (one to five years):** This timeframe facilitates the opportunity for meaningful changes and the execution of larger-scale projects. It encompasses the transition to renewable energy sources, the attainment of significant reductions in waste and the integration of sustainability into foundational business processes. Objectives may include upgrading infrastructure, adopting innovative technologies or improving sustainability within the supply chain.
- **Long term (more than five years):** Long-term goals typically entail significant transformative changes and ongoing commitment. This phase focuses on achieving ambitious objectives such as net-zero emissions, comprehensive integration of sustainability into all facets of the organisation and contributions to global sustainability initiatives. It necessitates strategic planning, continuous enhancement and often collaboration with external partners.

Negative impacts were scored based on their relative severity and likelihood. Severity of negative impacts is based on their scale, scope and irremediable character. Positive impacts was scored based on their relative scale, scope and likelihood. Each impact was considered individually, because the application of criteria of severity differs among various categories of impacts. The severity of an actual or potential negative impact was assessed from the perspective of the affected people or the environment.

The assessment of risks and opportunities was done based on a combination of the likelihood of occurrence and the potential magnitude/size of the financial effects in-line with the Groupwide risk and opportunity assessment utilising risk universe and risk/opportunity cards.

The assessment also took into account the short-, medium- and long-term perspective.

The Group's risk management is an ongoing and cyclical process. The Board of Directors set the tone for risk management in Group that includes risk profile (appetite) and risk capacity. Risk profiles can be characterised as the Group's willingness and ability to take risk; in the case of CIPIG the overall Group's approach to risk is conservative while risk capacity indicates the maximum level of risk which the Group is willing to accept for an event as per the definition of its risk profile. The framework is made up of five components that form the process of risk management across the organisation and encompasses identification, assessment, prioritisation, response and control.

Control activities are established to continuously monitor and review impacts, risks and opportunities to ensure that mitigation responses are carried out effectively throughout the organisation. Controlling involves monitoring, response reviews, identification of new impacts, risks and opportunities, risk universe updates and regular risk management process audit.

The impact and financial assessment was carried out in the separate spreadsheets, however, interconnections among impacts and dependencies related to risks and opportunities were thoroughly considered for all identified sustainability matters. Consequently, the risks and opportunities identified arose from the impact assessment.

The Group determined material impacts, risks and opportunities based on the result of the assessment.

- For impacts the following criteria/thresholds were used to determine material ones taking into account scope of impact, scale of impact and irremediability based on ESRG 1 guidance.

Score	Impact Level	Materiality
≥12	Critical	Material
10-11.9	Significant	Material
8-9.9	Important	Material
5-7.9	Informative	Not material
<5	Minimal	Not material

- For risks and opportunities the following criteria/thresholds were used to determine material risks and opportunities based on discussion with the Group Risk Manager the thresholds were established as follows.

Score	Risk Level	Materiality
≥500	Significant	Material
<500	Normal	Not material








Relative risk weight of equal or greater than 500 was considered material. Relative risk weight encompasses risk value, impact, likelihood and risk management parametrisation.

As mentioned previously, risks and opportunities were evaluated using the Group's established method and tool, which had been implemented in previous years without significant changes. Sustainability impacts were assessed in 2024 for the first time based on ESRS methodology.




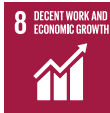

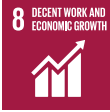

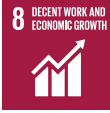



In the course of the double materiality assessment as described in IRO-1 our business activities including our assets as well as our value chain were also screened for pollution biodiversity and ecosystems. They were assessed as immaterial as the Group is not involved in any production processes and has the limited scope of real estate development activities and the farm segment. Due to the limited scope, consultations with affected communities were not considered to be necessary.

We conducted a pilot assessment of our portfolio's locations to evaluate their potential impact on biodiversity. Our assessment incorporated legally protected areas and Key Biodiversity Areas (KBAs), utilising publicly available data from the European Environment Agency. The priority properties are predominantly located in the Czech Republic and several German cities, including Berlin, Leipzig, and Erfurt. Additional regions with a significant number of priority properties comprise Budapest and Vienna.

Materiality and targets table

Materiality topic	Subtopic	Impact materiality	Impact materiality description	Financial risk/opportunity	Financial materiality description	Time horizon	Direction	Our target	SDG
Climate change	Climate change mitigation	The operation of the buildings generates GHG emissions	<p>The operation of the buildings contributing to GHG emissions mainly due to the consumption of fossil resources</p> <p>Building operation generates a wide range of emissions, from noise to greenhouse gas emissions (GHG emissions). Greenhouse gases contribute to heat retention in the atmosphere, significantly altering the Earth's climate. Building emissions come from fossil fuels burned for heat, the use of gases for refrigeration and cooling, and the handling of waste.</p> <p><i>Negative / Actual</i></p>	<p>Risk of increased cost of fossil fuels</p> <p>Market reputation and investor confidence</p> <p>Financial penalties</p> <p>Carbon pricing mechanism</p>	<p>Risk of increased cost of fossil fuel resources</p> <p>Insufficient transition speed will lead to impairment losses due to the inability to compete and will mean high costs due to limited fossil fuel resources.</p> <p>Market reputation and investor confidence</p> <p>Achieving GHG emissions reduction targets enhances a company's reputation. Investors increasingly prioritise sustainable practices, and companies that meet their climate goals are more attractive. Non-compliance with emissions reduction goals could negatively affect property valuation and attractiveness.</p> <p>Financial penalties</p> <p>Failure to meet the GHG emissions reduction target may result in financial penalties and increased expenses.</p> <p>Carbon pricing mechanism</p> <p>The carbon tax mechanism will be in place in 2027, and the EU ETS applies to the real estate sector. The carbon tax applies to S1 and S2 emissions.</p>	Midterm	Upstream Own operations Downstream	32.4% reduction in GHG intensity of property portfolio, incl bioenergy, by year 2030 versus 2019 baseline (validated by Science-Based Target initiative in July 2022 in alignment with the Paris Agreement's well below 2°C scenario)	
	Energy	Consumption of energy	<p>Consumption of energy</p> <p>The building sector, encompassing both construction and operation, is responsible for approximately 40% of global energy consumption and 37% of carbon dioxide emissions. Electricity usage for building operations represents nearly 55% of total global electricity consumption. Energy is generated from natural resources, which are, however, finite. Consequently, the consumption of energy leads to significant usage of these limited natural resources.</p> <p><i>Negative / Actual</i></p>	<p>Adaptation assessment and implementation risk</p>	<p>Adaptation assessment and implementation risk</p> <p>The potential risk lies in the possibility of a flawed assessment at the local level, resulting in an inadequately crafted adaptation plan for the future. Another risk lies in insufficiently fast implementation of the adaptation plan. Both risks lead to unnecessary costs for the company.</p>	Midterm	Own operations Downstream	<p>10% reduction in energy intensity of property portfolio by year 2030 versus 2019 baseline</p> <p>Increase in EU Taxonomy alignment of economic activities at consolidated Group level over time</p>	  
Water and marine resources	Water	Water withdrawal	<p>Water withdrawal</p> <p>Building operations consume a significant amount of water daily through water appliances, building equipment and irrigation. Water is one of the most important resources, while water stress, an imbalance between water demand and availability, is our the most common climate risk. Based on our climate risk assessment, around 10% of the number of our assets are in locations with high water stress, mainly in Italy and Romania, but also a very low amount of assets in other countries like Hungary and the UK.</p> <p><i>Negative / Actual</i></p>			Midterm	Own operations Downstream	10% reduction in water intensity of property portfolio by year 2030 versus 2019 baseline	 
Circular economy	Waste	Generation of waste	<p>Generation of waste</p> <p>Building operations generate a significant amount of waste daily. Poor waste management (in landfills) can cause air pollution and water and soil contamination. Waste also contributes to a building's overall GHG emissions. For our building portfolio, waste is responsible for about 5% of total GHG emissions annually.</p> <p><i>Negative / Actual</i></p>			Short term Midterm		Elimination of waste sent to landfill wherever possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030	

Increased share of certified buildings Groupwide green lease

Materiality topic	Subtopic	Impact materiality	Impact materiality description	Financial risk/ opportunity	Financial materiality description	Time horizon	Direction	Our target	SDG
Own workforce	Working conditions (Secure employment, Health and Safety)	Increased productivity Reduced turnover Mental health issues	<p>Increased productivity and reduced turnover Employees who feel secure in their jobs are more likely to be productive and focused. They can dedicate their energy to their tasks without the distraction of job insecurity, and they are less likely to leave the company.</p> <p>Mental health issues Job insecurity can lead to chronic stress, anxiety and depression.</p> <p>Health and Safety Without proper health and safety measures, employees are more likely to experience accidents, which can lead to injuries. This not only affects their wellbeing, but also results in lost workdays. Effective health and safety protocols significantly reduce the risk of workplace accidents, which is particularly important in the property sector.</p> <p><i>Negative / Potential</i></p>			Mid-term	Own operations	Biennial employee satisfaction surveys Code of Conduct agreement with all employees	 
	Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value)	Gender inequality	<p>Gender inequality Having a low percentage of women in top management, a significant gender pay gap, and promoting discrimination in hiring and promotion can lead to violations of gender equality legislation, along with the employee's ability to live free from all forms of discrimination (gender, racial, ethnic, age, etc) and to access justice in an equal and inclusive way. Gender inequality can create a hostile work environment, hindering teamwork and the sharing of ideas.</p> <p><i>Negative / Potential</i></p>					Minimum of 33% share of female senior managers	 
	Equal treatment and opportunities for all (Training and skills development)	Enhanced employee performance and productivity	<p>Enhanced employee performance and productivity Well-trained employees are more efficient and effective in their roles, directly contributing to the overall productivity and success of the business. While complying with legislation is important, going beyond the minimum standards can provide a competitive edge.</p> <p><i>Positive / Actual</i></p>					Completion of at least eight hours of training per employee per year Mandatory employee training on Code of Conduct and associated policies	 
	Equal treatment and opportunities for all (Diversity)	Creativity and innovation Better market understanding	<p>Creativity and innovation and better market understanding A diverse workforce brings together different perspectives and experiences, leading to more creative solutions and innovative approaches to business challenges. Given our Group's presence in multiple markets, we benefit from a diverse team. We employ individuals of all genders and various age groups and actively encourage the collaboration of employees from different generations within teams, fostering greater expertise and adaptability.</p> <p><i>Positive / Actual</i></p>					Minimum of 33% share of female senior managers	 
Consumers and end users	Information related impacts for consumers and/or end users (Privacy)	Data ethics Trustworthiness	<p>Data ethics and trustworthiness The Group collects sensitive data from its tenants, which introduces a risk of potential data leakage. In response, the Group has taken proactive measures to comply with the heightened data protection requirements mandated by the General Data Protection Regulation (GDPR) that became effective in May 2018. Data protection principles apply across all entities within our portfolio, including tenants and hotel guests.</p> <p><i>Negative / Potential</i></p>			Midterm	Downstream	The target in relation to data breaches and loss in trustworthiness will be developed during 2025	 
Business conduct	Corporate culture	Toxic work environment Unethical decision making	<p>Toxic work environment A corporate culture that tolerates or promotes unhealthy competition, discrimination or harassment can result in a toxic work environment, reducing employee morale and higher turnover rates.</p> <p>Unethical decision making If the prevailing culture prioritises profits over ethics, it may lead to decisions that harm customers, the environment, or other stakeholders.</p> <p><i>Negative / Potential</i></p>			Midterm	Own operations	Group's compliance and governance policies reviewed by Dentons (2019) and White & Case (2023, 2024)	
	Protection of whistleblowers	Enhanced transparency and accountability Retaliation against whistleblowers	<p>Enhanced transparency Encouraging employees to report unethical or illegal activities without fear of retaliation promotes a culture of openness and integrity. It promotes ethical practices among suppliers and partners and ensures that the entire value chain adheres to high standards of conduct.</p> <p>Retaliation against whistleblowers If employees or others who raise concerns about unethical or illegal activities within the company face retaliation, it infringes on their rights and creates a culture of fear, inhibiting transparency and accountability.</p> <p><i>Negative / Actual</i></p>					Upstream Own operations Downstream	Mandatory employee training on Code of Conduct and associated policies
	Corruption and bribery				Reputation and financial impact risk		Reputation and financial impact risk Incidents such as fraud, or accidents can lead to immediate financial losses. Incidents can harm our reputation, leading to loss of customer trust and potential business. This can result in decreased sales and market share.	Short term	Own operations

Appendix B – EU legislation data points

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Relevance	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	2
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	2
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	3
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	19
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material	19
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	21
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (among other impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator 3 Table #2 of Annex 1				Material	22
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	22
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	22
ESRS E1-6 Gross Scope 1, 2, and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	23
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	23
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			Not material	
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)					Not material	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral			Material	25
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	25
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil, paragraph 32	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 4 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Material	27
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Material	28
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Material	28
ESRS 2 SBM3 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material	
ESRS 2 SBM3 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Relevance	Page
ESRS 2 SBM3 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Material	30
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Material	30
ESRS 2 SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				Not material	31
ESRS SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1				Not material	31
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Material	31
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	31
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex 1				Not material	31
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex 1				Material	31
ESRS S1-3 Grievances/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex 1				Material	32
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	34
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	34
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	34
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex 1				Material	34
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex 1				Material	34
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 of Annex 1 and Indicator n. 14 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	34
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex 1				Not material	
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 of Annex 1 and Indicator n. 11 Table #1 of Annex 1				Not material	
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 and Indicator number 11 Table #1 of Annex 1				Material	35
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	35
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Not material	
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	36
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	37
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	37

Group's policy overview

Policy	Description of key contents	Scope of policy	Accountable for implementation	Internationally recognised instruments	Availability
Anti-Corruption, Anti-Bribery and Countering of Fraud Policy	<ul style="list-style-type: none"> Ensures legally compliant behaviour of employees, business partners, agents and customers. Ensures compliance of the Group with applicable laws relating to anti-corruption, anti-bribery and countering of fraud, to prevent conflicts of interest from arising. Sensitises representatives for potential conflicts of interest and thereby protects them from criminal offenses. Prevents damage to the Group's reputation as a result of improper practices. 	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	UN Convention against Corruption	Corporate website and corporate intranet
Anti-Money Laundering and Counter-Terrorist Financing Policy	<ul style="list-style-type: none"> Ensures compliance of the Group with applicable laws relating to the AML and the CTF. Ensures that the representatives understand the importance of the AML and the CTF and their related responsibilities. 	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	EU Directive on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing	Corporate website and corporate intranet
Business Continuity Policy	Strengthens the resistance of CPI Czech Republic against possible crisis situations and to safeguard the continuation of business activities with pre-defined processes. In Czech language only.	Group (all member companies of CPIPG)	Chairman of the Board of Directors of Czech Property Investments, a.s. acting through Management Representative for BCMS	BSI Standard 100-4 Emergency and crisis management	Corporate intranet
Code of Business Ethics and Conduct	<ul style="list-style-type: none"> Creates the foundation for all of the Group's business activities and decisions and declares commitment to obey applicable laws, industry standards and best practices. Forms basis for the morally, ethically and legally correct behaviour of all employees, agents acting on behalf of the Group, as well as for all members of the Group's corporate bodies and management. 	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	<ul style="list-style-type: none"> The Universal Declaration of Human Rights of the United Nations (UN) UN Guiding Principles for Business and Human Rights UN Convention on the Rights of the Child UN Convention on the Elimination of Discrimination of Women The Convention of the International Labour Organisation (ILO) The Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) The ten principles of the UN Global Compact (UNGC) 	Corporate website and corporate intranet
Code of Conduct for Suppliers	Outlines the ethical standards and expectations set by CPIPG for its suppliers ensuring responsible practices in areas such as labour, human rights, environmental sustainability and ethical business conduct throughout the supply and value chain.	Suppliers and their employees, officers, directors, partners and other representatives	Board of Directors of CPIPG that acts through the Compliance Officer	<ul style="list-style-type: none"> The Universal Declaration of Human Rights of the United Nations (UN) UN Guiding Principles for Business and Human Rights UN Convention on the Rights of the Child UN Convention on the Elimination of Discrimination of Women The Convention of the International Labour Organisation (ILO) The Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) The ten principles of the UN Global Compact (UNGC) 	Corporate website and corporate intranet
Group Data Protection Policy	Regulates the data protection-compliant processing of personal data and the duties of all employees of the CPIPG that are associated therewith.	Group (all member companies of CPIPG)	Board of Directors of CPIPG	General data protection regulation	Corporate website and corporate intranet
Group Human Capital and Employment Policy	Provides guiding principles relating to the treatment of the Group's candidates and representatives and certain other topics relevant for human capital.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through its Remuneration Committee and HR managers	International Labour Organization conventions and recommendations	Corporate website and corporate intranet
Group Policy Environment and CSR	<ul style="list-style-type: none"> Promotes a sustainable approach of the Group towards real estate development and management. Gives a blueprint for the contribution of the Group to the protection of the environment and improvement of energy performance, as well as to the development of the communities. 	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the ESG Committee of the Group	<ul style="list-style-type: none"> Seventeen Sustainable Development Goals defined by the United Nations 2015 Paris Agreement within the United Nations Framework Convention on Climate Change 	Corporate website and corporate intranet
Organisational structure CPIPG	Documents of the basic organisation and operation structure of CPIPG.	Group (all member companies of CPIPG)	Board of Directors of CPIPG	N/A	Corporate intranet
Internal Audit status	Documents the specific position and organisation of the Internal Audit in the Group. Currently Directive in Czech language only, new version in progress.	Group (all member companies of CPIPG)	Board of Directors of CPIPG	N/A	Corporate intranet
Security Policy – IT	Serves as the basis for data security and the responsible and efficient use of information technology facilities.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Security Forum (Executive Director, CIO, and IT Security Officer)	N/A	Corporate intranet

Policy	Description of key contents	Scope of policy	Accountable for implementation	Internationally recognised instruments	Availability
Group Policy – Diversity and Non-discrimination	Formulates commitment to protecting human rights, describes organisation and responsibilities and documents human rights diligence process.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	<ul style="list-style-type: none"> – The Universal Declaration of Human Rights of the United Nations (UN) – UN Guiding Principles for Business and Human Rights – UN Convention on the Rights of the Child – UN Convention on the Elimination of Discrimination of Women – The Convention of the International Labour Organisation (ILO) – The Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) – The ten principles of the UN Global Compact (UNGC) 	Corporate intranet
Group Procurement Policy	Defines the minimum principles and binding rules for the selection of external suppliers of the CPIPG.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	General data protection regulation	Corporate website and corporate intranet
Group LCA Policy	Shows how the transformation of business operations towards carbon neutrality can be achieved.	Group (all member companies of CPIPG)	Directors of any involved organisation of CPIPG	2015 Paris Agreement within the United Nations Framework Convention on Climate Change	Corporate intranet
Whistleblowing Group Policy	Outlines the whistleblowing procedure that enables representatives to raise confidence any concerns of any alleged improper conduct.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	General data protection regulation	Corporate website and corporate intranet
Whistleblowing and Whistleblower Protection Policy	Sets out the communication channels and compulsory regulations for the receipt, submission, assessment and processing of whistleblowing reports within CPIPG. Subordinated rule to Whistleblowing Group Policy.	Group (all member companies of CPIPG)	Board of Directors of CPIPG	General data protection regulation	Corporate website and corporate intranet
Group Competition Law Compliance Policy	Sets out the basic rules for compliance with competition law, prohibited practices and implementation and training.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	Competition rules of EU and anti-trust laws	Corporate intranet
Related Party Transaction Policy	Sets out the adequate safeguards for the protection of interest of the Group, its subsidiaries, shareholders and all stakeholders from potentially disadvantageous related party transactions.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	N/A	Corporate intranet
Group Policy Sanctions and Export Controls Policy	To ensure that all business of the Group is always conducted in compliance with sanctions and that the representatives understand the importance of the sanctions and their related responsibilities.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	<ul style="list-style-type: none"> – Decisions of the United Nations Security Council – Decisions of the Office of Foreign Assets Control of the U.S. Department of Treasury – Treaty on EU on the common foreign and security policy direct applicable regulations of EU implementing forementioned Treaty – Local acts on sanctions or similar measures and other decisions of local government or other local authorities 	Corporate website and corporate intranet
Code of Conduct for Tenants Policy	Outlines the ethical standards and expectations set by CPIPG for its tenants ensuring responsible practices in areas such as labour, human rights, environmental sustainability and ethical business conduct throughout the supply and value chain.	Tenants and their employees, officers, directors, partners and other representatives	Board of Directors of CPIPG that acts through the Compliance Officer	<ul style="list-style-type: none"> – The Universal Declaration of Human Rights by the United Nations (UN) – UN Guiding Principles for Human Rights and Business – UN Convention on the Rights of the Child – UN Convention on the Elimination of All Forms of Discrimination against Women – The Fundamental Conventions of the International Labour Organisation (ILO) – The Guidelines for Multinational Enterprises by the Organisation for Economic Co-operation and Development (OECD) – The ten principles of the UN Global Compact (UNGC) 	Corporate website and corporate intranet
Group Policy Securities Trading and Inside Information Policy	Sets out the rules for, and restrictions on, the dealing in securities, prohibition of inside dealing, market manipulation and prohibition of dealing during closed or blackout periods.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	N/A	Corporate website and corporate intranet
CPIPG GHG Recalculation Policy	Sets the rules for recalculations of the Greenhouse Gas emissions inventory. These rules are specified based on SBTi requirements and include structural, methodology and other changes.	Group (all member companies of CPIPG)	Board of Directors of CPIPG that acts through the Compliance Officer	SBTi requirements	Corporate intranet

EU Taxonomy

Taxonomy eligibility of the Group

Since 2022, the Group has been reporting according to Art. 8 of the Taxonomy Regulation of the European Union and thus closely monitoring the regulatory environment.

The following regulations and notices in the latest version have been reviewed for applicability within the whole Group:

- Commission Delegated Regulation (EU) 2021/2139;
- Commission Delegated Regulation (EU) 2022/1214;
- Commission Delegated Regulation (EU) 2023/2485;
- Commission Delegated Regulation (EU) 2023/2486;
- Commission Delegated Regulation (EU) 2021/2178;
- Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation (2023/C 211/01) (FAQ);
- Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of taxonomy-eligible and taxonomy-aligned economic activities and assets (third Commission Notice), and
- Draft Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Environmental Delegated Act, the EU Taxonomy Climate Delegated Act and the EU Taxonomy Disclosures Delegated Act (29 November 2024).

The analysis led to the following applicable eligible economic activities in FY2024:

- **Climate Change Mitigation (CCM)/Climate Change Adaptation (CCA) 7.7 acquisition and ownership of buildings**

The Group's core activities asset and property management, property development and portfolio management are clearly linked to 'buying real estate and exercising ownership of that real estate' as this activity is described in the taxonomy legislation. Further details can be found in the description of our business model under ESRS 2, SBM 1. All revenue, capital and operational expenditures related to buildings are disclosed under this economic activity except for for installation, maintenance and repair of energy efficiency equipment which is reported under CCM 7.3 and installation, maintenance and repair of renewable energy technologies which is reported under CCM 7.6. Since the description of economic activity CCM 7.7 and the definition of the technical screening criteria are based on the exercise of ownership of real estate, neither revenues, CapEx nor OpEx, in connection with undeveloped land are subsumed under this economic activity. Additions to other intangible assets and other tangible assets are also classified as non-taxonomy eligible.

As the economic activity CCM 7.7 Acquisition and Ownership of Buildings does not constitute an enabling activity pursuant to Article 16 of Regulation (EU) 2020/852, no revenues may be reported as taxonomy-eligible or taxonomy-aligned under the environmental objective 'climate change adaptation'. In

addition, no adaptation solutions for significant physical climate risks have been implemented so far, which is why no capital expenditures (CapEx) or operating expenditures (OpEx) can currently be reported under the aforementioned environmental objective. Therefore, the entire taxonomy-aligned revenues, capital expenditures (CapEx) and operating expenditures (OpEx) were reviewed for a substantial contribution to the environmental objective 'climate change mitigation' using the technical screening criteria.

- **Biodiversity (BIO) 2.1 Hotels, holiday, camping grounds and similar accommodation**

Since 2023, when this activity was introduced, the Group has disclosed the eligible share of Revenue, CapEx and OpEx arising from hotel operations under this economic activity.

This activity is in our business a subset of our activity 7.7 Acquisition and ownership of buildings however double-counting was avoided – relevant Revenue, CapEx and OpEx related to hotel operations were excluded from 7.7 activity.

- **CCM 7.3 Installation, maintenance and repair of energy efficiency equipment**

With regards to economic activity CCM 7.3, meeting the criteria of Directive 2010/31/EU and, if applicable, classification in the two best energy efficiency classes according to Regulation (EU) 2017/1369 are intended as substantial contributions. To prevent significant harm, a climate risk analysis, as applied under CCM 7.7, is required as well as compliance with the generic criteria for do-no-significant-harm (DNSH) to pollution prevention regarding the presence of chemicals. We summarise capital expenditures for the installation of energy-efficient cooling systems under this activity. For 2024 it was used to replace HVAC-equipment.

- **CCM 7.6 Installation, maintenance and repair of renewable energy technologies**

Economic activity CCM 7.6 only requires the existence of one of the renewable energy technologies listed for a substantial contribution to climate change mitigation. The Group reported the installation of heat pumps and photovoltaic systems (PV-panels) within CCM 7.6. A climate risk analysis, as applied under CCM 7.7, is required in order to prevent significant harm to other environmental objectives.

- **4.1 Electricity generation using solar photovoltaic technology and 4.8 Electricity generation from bioenergy**

The economic activities 4.1 Electricity generation using solar photovoltaic technology and 4.8 Electricity generation from bioenergy are currently not taxonomy-aligned. As a result, they are only categorised as taxonomy-eligible.

Farms, ski resorts and landbank are considered as Taxonomy non-eligible activities.

Changes to the previous financial year in terms of eligibility assessment include the addition of 7.3 and 7.6 as the separate eligible economic activities.

Taxonomy alignment of the Group

The Group has continued to pursue a conservative assessment approach in the 2024 financial year. We adhere strictly to the wording of the taxonomy regulations and adopt alternative approaches only on a very limited scale. CPIPG is aware that a less stringent interpretation of the criteria by other market participants may possibly lead to significantly higher shares of taxonomy-aligned activities.

A taxonomy-aligned share of revenue, capital and operational expenditures was identified for every economic activity described above with the exception of BIO 2.1 Hotels, holiday, camping grounds and similar accommodation.

Economic Activity 7.7 Acquisition and ownership of buildings and 2.1 Hotels, holiday, camping grounds and similar accommodation

Substantial contribution to climate change mitigation (SC)

When reviewing buildings for a substantial contribution to the environmental objective 'climate change mitigation', a distinction was made, in accordance with the technical screening criteria, as to whether or not the application for a building permit for the respective building was submitted before 31 December 2020.

1. For buildings where an application for a building permit was submitted before 31 December 2020, the first step was to examine whether the energy performance certificate (EPC) of the building shows an energy class. To meet the requirements, the energy performance certificate of the building must show at least energy class A. This assessment method was applied to all countries relevant to the Group, with the exception of Germany, Poland, the Czech Republic and Austria.

- For Germany, we used the technical criterion valid for buildings built after 31 December 2020 – the primary energy demand (PED) of the building was compared to the nationally defined threshold value for nearly zero-energy buildings undercut by at least 10%.

- For the Czech Republic and Poland the alternative technical screening criterion was used – a building was assessed as aligned if it ranks among the top 15% of the national or regional building stock in terms of primary energy demand. The assessment for Poland was based on the national threshold of 109.4 kWh/m² published by the Ministry of Development and Technology. In the Czech Republic the thresholds determined in a study of CEVRE Consultants commissioned by Česká spořitelna, in 2024 and recommended by the Czech Green Building Council were applied. This study classifies office buildings of the energy efficiency classes A, B and C (up to primary energy demand of 260 kWh/m²), buildings for accommodation and catering of the energy efficiency classes A, B and C (up to primary energy demand of 375 kWh/m²) as well as retail buildings of the energy classes A, B and C (up to primary energy demand of 545 kWh/m²) as the top 15% of the national building stock.

- For Austria the methodology of the Austrian Green Building to prove Class A was applied to selected assets. As in Austria the PEB class threshold is based on residential use with a defined room height, an alternative method with adjusted room heights was developed in collaboration with KPMG, EY, PWC and DELOITTE Austria.

Non-residential assets with more than 5,000 m² of usable space were examined for the existence of heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air conditioning and ventilation with more than 290 kW of power. Where this criterion applies, checks were subsequently carried out to determine whether these assets are efficiently operated and have a continuous monitoring system. Technical documentation of the building management systems, property-/facility-management contracts with respective obligations of the provider and for the first time, certificates according to ISO 50001 were used as evidence. The certificates, which were obtained during 2024 lead to a significant increase in the share of taxonomy-aligned revenue, capital and operational expenditures.

2. For buildings for which the building permit application was submitted after 31 December 2020, it must be verified whether the primary energy demand of the respective building is at least 10% below the national threshold for nearly zero-energy buildings. In addition, it must be determined whether the usable space of the building exceeds 5,000 m². If this is the case, airtightness of the building envelope and thermal integration upon completion, as well as the global warming potential (GWP) viewed over the entire life cycle must be demonstrated for each phase of the life cycle in addition to the criteria of efficient operation. Since there are currently no life cycle assessments for these properties, taxonomy alignment cannot yet be shown for these assets.

Do-no-significant-harm (DNSH)

In accordance with the requirements of the economic activity CCM 7.7 Acquisition and ownership of buildings, the Group conducts a climate risk and vulnerability assessment at the site level in order to prevent significant harm to the environmental objective 'climate change adaptation'. In doing so, a model with different time horizons between 2040 and 2100 has been used so far assuming the RCP-scenarios 2.6, 4.5, 6.0 and 8.5. A detailed description of the climate risk assessment can be found in E1 section of this sustainability statement. Appropriate adaptation plans have been drawn up where necessary.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for other environmental objectives for the economic activity CCM 7.7.

The share of revenue, capital and operational expenditures from assets which fulfil the substantial contribution and do-no-significant-harm criteria, as described above, are disclosed as taxonomy-aligned under the activity CCM 7.7.

Economic activity CCM 7.3 Installation, maintenance and repair of energy efficient equipment

Substantial contribution to climate change mitigation (SC)

When evaluating individual measures it was checked if they comply with the directive 2010/31/EU and if they fall under one of the activities listed in the technical screening criteria. For 2024 CapEx connected to coolers and chillers replacement were disclosed.

Do-no-significant-harm (DNSH)

The requirements regarding DNSH criteria for climate change adaptation are the same as for activity CCM 7.3. A climate risk and vulnerability assessment was carried out at site level. Thus, the criteria were considered as fulfilled.

To meet the DNSH criteria for the environmental objective ‘pollution prevention’, the activity has to comply with Appendix C of Annex I to the Commission Delegated Regulation (EU)2021/2139. Based on product datasheets it was verified this criteria was fulfilled.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for further environmental objectives for the economic activity CCM 7.3.

The share of CapEx from single measures which fulfil the substantial contribution and do-no-significant-harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.3.

Economic activity CCM 7.6 Installation, maintenance and repair of renewable energy technology

Substantial contribution to climate change mitigation (SC)

To fulfil the substantial contribution criteria under the environmental objective climate mitigation, the individual measure has to correspond to one of the measures listed in the technical screening criteria. Technical specifications are not set.

Do-no-significant-harm (DNSH)

The requirements regarding DNSH criteria for climate change adaptation are the same as for activity CCM 7.7. Thus, the criteria were considered as fulfilled.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for further environmental objectives for the economic activity CCM 7.6.

The share of CapEx from single measures which fulfil the substantial contribution and do no significant harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.6.

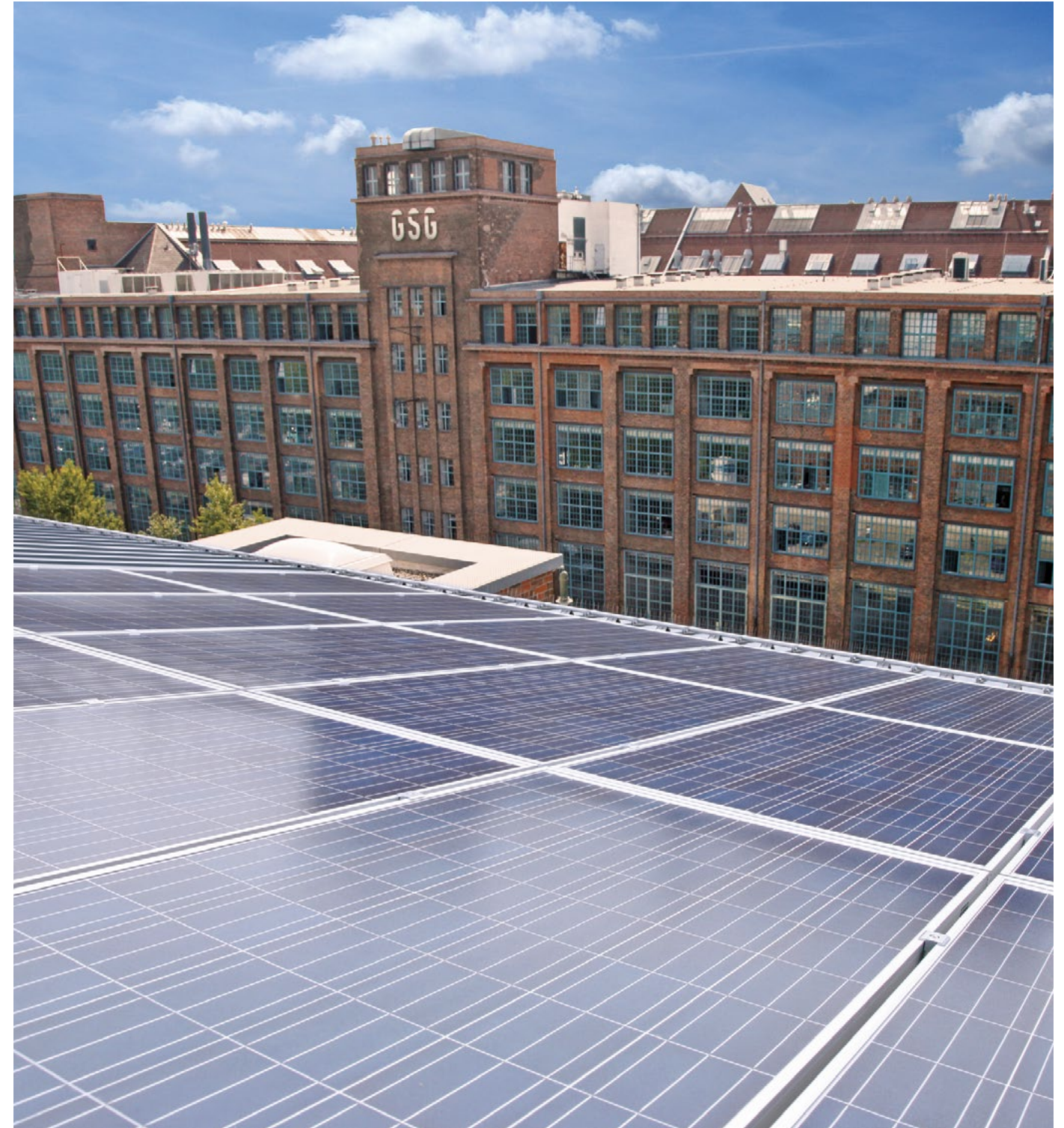
Minimum safeguards (MS)

In this context, the topics of human rights (including labour and consumer rights), anti-bribery and anti-corruption, taxation and fair competition were addressed. We concluded that the minimum safeguards criteria were fulfilled.

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
		NO
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes, such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	
	Fossil gas related activities	NO
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Solar panels, Gustav Meyer Allee 25, Berlin, Germany

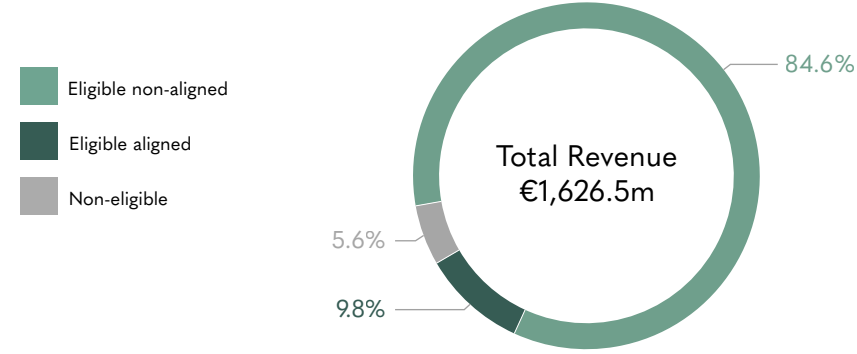


Revenues

The proportion of taxonomy-aligned economic activities in total revenues was calculated as the part of revenues derived from products and services associated with taxonomy-aligned economic activities (numerator), divided by revenues (denominator), each for the financial year from 1 January 2024 to 31 December 2024. This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation.

In accordance with the Delegated Act on Art. 8 of the EU Taxonomy, the revenue KPI is based on the consolidated revenues of the Group and relates primarily to rental income and operating costs charged to tenants. The decrease in percentage of the EU Taxonomy-aligned revenues is caused mainly by hotels joint venture and stake sale in March 2024.

2024 Revenues KPI



Financial year 2024

Economic activities	Code(s)	Revenues	Proportion of Revenues year 2024	Substantial contribution criteria						DNSH criteria						Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) revenues, year 2023	Category (enabling activity)	Category (transitional activity)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity				
A. TAXONOMY-ELIGIBLE ACTIVITIES		€m	%	Y/N	Y/N	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM7.7 / CCA7.7	154.674	9.5%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	8.9%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7 / CCA7.7 / BIO2.1	4.178	0.3%	Y	N	N/EL	N/EL	N/EL	N	Y	Y	Y	Y	Y	Y	Y	3.3%		
Revenues of environmentally sustainable activities (Taxonomy-aligned) (A.1)		158.852	9.8%	9.8%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	12.3%		
of which enabling		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E	
of which transitional		0.0%	0.0%	0.0%												Y			T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM7.7 / CCA7.7	1,201.201	73.9%	EL	EL	N/EL	N/EL	N/EL	N/EL								75.2%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7 / CCA7.7 / BIO2.1	145.405	8.9%	N/EL	N/EL	N/EL	N/EL	N/EL	EL								8.6%		
Electricity generation using solar photovoltaic technology	CCM 4.1	26.352	1.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Electricity generation from bioenergy	CCM 4.8	3.258	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Revenues of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,376.216	84.6%	84.6%	0.0%	0.0%	0.0%	0.0%	0.0%								84.1%		
Revenues of Taxonomy eligible activities (A.1 + A.2)		1,535.068	94.4%	94.4%	0.0%	0.0%	0.0%	0.0%	0.0%								96.4%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenues of Taxonomy-non-eligible activities (B)		91.469	5.6%																
Total		1,626.537	100%																

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	9.8%	94.4%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Capital expenditures (CapEx)

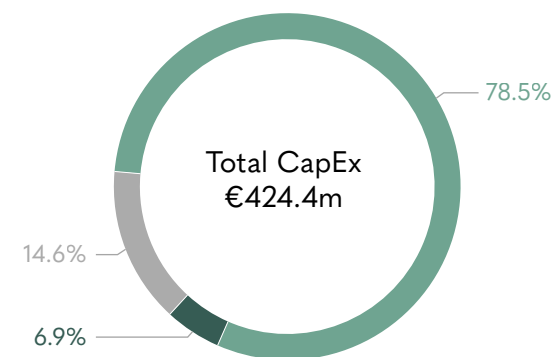
The key performance indicator capital expenditure (CapEx) is defined as the proportion of taxonomy-aligned capital expenditures (numerator) divided by the Group's total CapEx (denominator). The total CapEx for 2024 include investment property acquisitions/acquisition of subsidiaries/additions resulting from business combinations that were not accounted for in the 2023 reporting. The revised figures for 2023 are provided in the relevant table. Otherwise, the approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation.

The denominator comprises additions to investment property, property under construction, owner-operated property and other tangible assets and intangible assets for the 2024 and 2023 financial years before depreciation, amortisation and revaluations. The numerator includes CapEx related to assets or processes that are associated with taxonomy-aligned proportions of economic activities. Here, the Group considers CapEx that are material to maintaining and performing the economic activity. The principle of allocation here is the generation of external revenues through the economic activities. Consequently, all CapEx in taxonomy-aligned properties are considered in the numerator of the performance indicator.

In 2024 the numerator of the KPI for aligned CapEx do not include any CapEx related to CapEx plan (as defined in Commission Delegated Regulation (EU) 2021/2178, paragraph 1.1.2.2.).

The increase in percentage of the EU Taxonomy-aligned CapEx is mainly caused by adding economic activities under 7.3 and 7.6.

2024 CapEx KPI



Financial year 2024

Economic activities	Code(s)	CapEx	Proportion of CapEx year 2024	Substantial contribution criteria						DNSH criteria						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2023	Category (enabling activity)	Category (transitional activity)	
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity					
A. TAXONOMY-ELIGIBLE ACTIVITIES				€m	%	Y/N	Y/N	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Acquisition and ownership of buildings	CCM / CCA7.7	22.268	5.2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5.0%			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.609	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	6.541	1.5%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%		T	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		29.418	6.9%	6.9%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	5.0%			
of which enabling		0.609	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E		
of which transitional		6.541	1.5%	1.5%												Y			T	
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																				
Acquisition and ownership of buildings	CCM / CCA7.7	305.160	71.9%	EL	EL	N/EL	N/EL	N/EL	N/EL								85.1%			
Hotels, holiday, camping grounds and similar accommodation	BIO2.1	2.119	0.5%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.0%			
Electricity generation using solar photovoltaic technology	CCM 4.1	25.701	6.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%			
Electricity generation from bioenergy	CCM 4.8	0.237	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		333.217	78.5%	78.5%	0.0%	0.0%	0.0%	0.0%	0.0%								87.3%			
CapEx of Taxonomy eligible activities (A.1 + A.2)		362.636	85.4%	85.4%	0.0%	0.0%	0.0%	0.0%	0.0%								92.4%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		61.804	14.6%																	
Total		424.440	100%																	

Proportion of CapEx / Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	6.9%	85.4%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

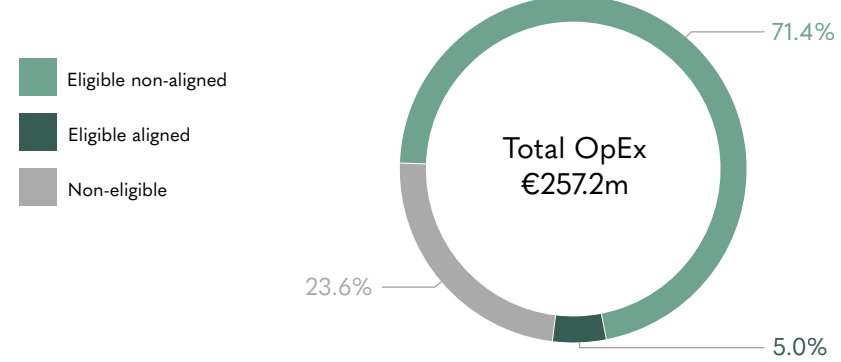
Operating expenditure (OpEx)

The key performance indicator operating expenditure (OpEx) is defined as the proportion of taxonomy-aligned operating expenditures (numerator) divided by total OpEx (denominator). The total operating expenditures for 2024 exclude personal expenses that were accounted for in the 2023 reporting. The revised figures for 2023 are provided in the relevant table. Otherwise, the approach remains unchanged since the year of the first reporting according to Art 8 of the Taxonomy Regulation. The classification of the OpEx can be derived analogously from the categories of CapEx.

Total operating expenditures consist of non-capitalised costs that relate to building renovation measures, maintenance and repair, as well as any other direct expenditures in connection with the day-to-day servicing of investment property, property under construction and owner-operated property.

The decrease in percentage of the EU Taxonomy-aligned OpEx is caused mainly by hotels joint venture and stake sale in March 2024.

2024 OpEx KPI



Financial year 2024

Economic activities	Code(s)	OpEx	Proportion of OpEx year 2024	Substantial contribution criteria						DNSH criteria						Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year 2023	Category (enabling activity)	Category (transitional activity)	
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity					
A. TAXONOMY-ELIGIBLE ACTIVITIES				€m	%	Y/N	Y/N	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Acquisition and ownership of buildings	CCM / CCA7.7	10.753	4.2%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	15.9%			
Hotels, holiday, camping grounds and similar accommodation	BIO2.1	2.089	0.8%	Y	N	N/EL	N/EL	N/EL	N	Y	Y	Y	Y	Y	Y	Y				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		12.842	5.0%	5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	15.9%			
of which enabling		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E		
of which transitional		0.0%	0.0%	0.0%												Y			T	
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																				
Acquisition and ownership of buildings	CCM / CCA7.7	119.459	46.4%	EL	EL	N/EL	N/EL	N/EL	N/EL								27.9%			
Hotels, holiday, camping grounds and similar accommodation	BIO2.1	61.033	23.7%	N/EL	N/EL	N/EL	N/EL	N/EL	EL								34.0%			
Electricity generation using solar photovoltaic technology	CCM 4.1	0.031	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%			
Electricity generation from bioenergy	CCM 4.8	3.097	1.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		183.621	71.4%	71.4%	0.0%	0.0%	0.0%	0.0%	0.0%								63.5%			
OpEx of Taxonomy eligible activities (A.1 + A.2)		196.463	76.4%	76.4%	0.0%	0.0%	0.0%	0.0%	0.0%								79.3%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities (B)		60.758	23.6%																	
Total		257.221	100%																	

Proportion of OpEx / Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	5.0%	76.4%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

The calculations were performed in accordance with IFRS in line with the consolidated financial statement.

ESRS E1 Climate change

Climate change refers to the long-term alterations in temperature and weather patterns. While some of these changes can occur naturally due to variations in solar activity or significant volcanic events, human activities have predominantly driven climate change since the 1800s, primarily through the combustion of fossil fuels, such as coal, oil and natural gas.

The primary greenhouse gases contributing to climate change include carbon dioxide and methane. These gases are released through activities, such as burning gasoline for transportation and using coal for heating purposes. Significant sources of methane emissions include agricultural practices and operations related to oil and gas extraction. Key sectors responsible for greenhouse gas emissions include energy production, industry, transportation, buildings, agriculture and land use.

The operation of buildings, as a key sector of the Group's activity, generate a wide range of emissions, ranging from noise to greenhouse gas emissions (GHG emissions). GHG emissions from the buildings come from fossil fuels burned for heat, the use of gases for refrigeration and cooling and from the handling of waste.

Greenhouse gases play a crucial role in trapping heat in the atmosphere, leading to substantial alterations in the Earth's climate. These changes significantly affect individuals and the whole population, resulting in issues such as water scarcity, increased flood risks and droughts, all of which have implications for food security. This underscores the important relationship between climate change mitigation, adaptation, water resources (covered in ESRS E3) and biodiversity.

ESRS 2 GOV-3 Sustainability-related incentive schemes

See information under ESRS 2 GOV-3.

E1-1 Climate transition action plan

During 2024, the Group developed a comprehensive climate transition action plan, which has become an integral aspect of our operations. Our commitment to developing a climate transition action plan is driven by the need to comply with evolving regulations, mitigate climate-related risks and capitalise on new market opportunities. This strategic initiative is essential for ensuring the long-term success and sustainability of CPI Property Group in the real estate sector.

The Group commits to reduce GHG emissions intensity by 32.4% per m² of the property portfolio by 2030 compared with the 2019 baseline across all emissions Scopes 1-3 (all relevant categories of Scope 3 included except for 3.15 – Investments).

In order to achieve commitment to a reduction in emissions in-line with the 1.5°C goal of the Paris Agreement, the Group's climate transition action plan outlines the breakdown of the above target is as follows:

- a **46.2% reduction in GHG intensity of Scope 1 and Scope 2** of the property portfolio by the 2030 versus 2019 baseline (confirmed by the Science-Based Targets initiative in July 2022 in alignment with the Paris Agreement's 1.5°C scenario);
- a **32.7% reduction in GHG intensity of the property portfolio**, including bioenergy, by 2030 versus 2019 baseline;

From a climate change perspective other targets also need to be mentioned:

- the **purchase of electricity exclusively from 100% renewable sources** by year end 2024, and
- a **10% reduction in energy intensity of the property portfolio** by 2030 versus 2019 baseline.

See more information under ESRS 2 MDR-T.

Key decarbonisation actions

To achieve these goals the Group set up the following decarbonisation journey, which consists of the following steps:

1 Switching electricity from fossil fuel to renewable sources

CPIPG considers options for reducing the environmental impact of the energy it consumes by purchasing low-carbon or renewable energy from suppliers and generating low-carbon or renewable energy onsite as a preferred option.

2 Operating efficiency improvements

We are consistently striving to improve the operational efficiency of our buildings. Upgrading our properties with energy-efficient solutions not only enhances daily energy usage but also extends the lifespan of our building systems and reduces the need for future capital expenditures. The initial investment in these efficiency improvements is typically fully offset by the resulting energy savings, making it a financially prudent choice.

3 Tenant involvement and cooperation

A Groupwide green lease agreement was introduced in early 2023. This agreement has been offered to all new and existing commercial tenants as part of the Group's ESG strategy. Green leases are designed to foster cooperation between landlords and tenants in achieving sustainability goals. They typically include provisions for energy efficiency, waste reduction and sustainable practices, ensuring that both parties are committed to reducing their environmental footprint.

4 New developments are net zero energy buildings

We are committed to complying with regulations aimed at achieving nearly zero energy consumption for our new developments. This involves the construction of buildings that will produce maximum energy through renewable energy sources. These regulations often require rigorous energy performance standards, regular energy audits and certification processes to ensure that buildings meet the required criteria.

5 Energy efficient CapEx

Enhancing energy efficiency through strategic capital expenditures. This involves upgrading to more energy-efficient appliances and systems, which not only reduces energy consumption but also leads to significant long-term cost savings. The Group is at the forefront of green financing initiatives. CPIPG also prioritises the management of material resources, addressing embodied emissions and ensuring the appropriate use of materials.

In addition to these efforts, we recognise the importance of energy-efficient CapEx in achieving our sustainability goals. Energy-efficient capital expenditures involve investing in technologies and systems that reduce energy consumption and improve overall building performance. This can include installing advanced HVAC systems, upgrading lighting to LED technology and implementing smart building management systems.

Our commitment is output based on the assessments in the Representative Concentration Pathways (RCPs) scenarios. By aligning our actions with these scenarios, we aim to contribute effectively to global efforts in mitigating climate change. We are dedicated to making decisions that benefit us as a Group and contribute positively to the global climate goals. We hereby commit to ceasing all expenditures and revenues related to activities that enhance the demand for fossil fuels. This includes all capital and operating costs associated with the expansion of fossil fuel operations and any revenues generated from activities that directly or indirectly contribute to such expansion.

The expenditures (operational as well as capital) required for implementing these key actions are mainly related to technology. Technology is crucial in switching to renewable energy, energy efficiency and new developments. Therefore, significant CapEx will be required in technology (changing to low-carbon emission technology and thermal improvements of buildings). Another significant expenditure, mainly operational expenditures, is related to switching to renewable sources from fuels and non-renewable electricity.

The Group is now working on better granularity of data to disclose the financial resources (CapEx and OpEx) allocated to key decarbonisation actions within next two years.

Due to high uncertainty in the calculation methods, a lack of framework or guidelines, the accurate locked-in GHG emissions from key assets were not calculated.

The buildings are developed for at least fifty years, but in reality their lifespan is much longer and during this lifespan technological systems ensure a certain level of emissions from their continued development and use.

For achievement of GHG emission reduction targets the key actions are already described, and these rely on changing to low- or zero-carbon technologies and renewable energy sources. These actions can reduce locked-in GHG emissions, because projects that generate zero greenhouse gas emissions, have no carbon locked-in GHG emission.

One of the Group's targets is to increase the EU Taxonomy alignment of economic activities at the consolidated Group level over time. The Group identified 77 buildings in 2023 and 92 buildings in 2024 that met the criteria according to the economic activity 7.7 – Acquisition and ownership of buildings.

The Group's Climate Transition Action Plan outlines various objectives and strategies aimed at achieving a reduction in emissions in-line with the 1.5°C goal of the Paris Agreement. Our main emphasis during 2024 and into the 2030s will be directly reducing emissions rather than relying on offsetting measures.

The Climate Transition Action Plan is influenced by climate-related risk and opportunities. Recognising our business' unique constraints and opportunities, we have tailored our sustainability objectives to be both ambitious and achievable. This commitment extends across our entire value chain, informed by a comprehensive double materiality assessment. This process identifies and prioritises the ESG issues most relevant to our stakeholders and potential business impact, aligning our strategy with stakeholder expectations and broader societal goals. Through this approach, we aim to create lasting value for our stakeholders and contribute to a sustainable future.

The Climate Transition Action Plan that was approved by the ESG Committee in August 2024, is part of the 2023 CDP submission and can be assessed on the Group's website. The first evaluation of progress will be part of the next reporting period.



CHP (cogeneration) plant Berlin

ESRS 2 SBM-3 Climate-related risks

The Group has conducted a comprehensive assessment of physical climate risks for all properties owned and managed by CPIPG, both at the portfolio level and on an individual building basis. We evaluate climate risk utilising an external tool provided by ESG software, Climcycle, tailored for this specific assessment.

The physical climate risk module of the platform assesses potential risks by analysing a range of climate scenarios, utilising high-resolution projections and data from authoritative sources, such as Copernicus and ISIMIP. The climate risk model projections are generated using open-access data sources, as recommended in the EU Taxonomy legislative text. This includes services like Copernicus, that employs the latest technology. At present, the tool is capable of identifying eighteen physical risks, both acute and chronic. The data is accessible at varying levels of detail. Furthermore, each risk includes up to four RCP scenarios with projections extending to the year 2100.

For activities with a projected lifespan of less than a decade, the assessment is conducted using climate projections at the most suitable minimal scale. For all remaining activities, the evaluation is executed using the most refined resolution available, employing cutting-edge climate projections across the full spectrum of future scenarios that align with the activity's expected lifespan.

This module systematically identifies and evaluates physical climate risks, offering valuable insights for developing effective mitigation and adaptation strategies. Furthermore, this tool is designed to comply with EU Taxonomy regulations and evaluate risks based on Representative Concentration Pathway (RCP) scenarios, thereby facilitating informed long-term investment decisions.

For the Group's portfolio, we have conducted a two-tiered analysis, resulting in two sets of findings. The first set is an aggregate evaluation for the entire Group for 2030 and 2050 based on the ESRS Regulation (EU) 2021/1019 requirement highlighting which risks are frequently assessed as 'high' within our portfolio. The prominent risks identified were – water stress, heat stress and river floods. The second set provides an individual evaluation for each building.

As a part of the individual evaluation for each asset with the high risks, possible adaptation solutions are listed that can be implemented to mitigate the risk. These adaptation solutions will be evaluated separately for each single asset. The adaptation solutions must be implemented within the next five years, in order to meet the EU Taxonomy criteria.

ESRS 2 IRO-1 Environmental IROs

See disclosures under ESRS 2 – IRO 1

Material impacts, risks and opportunities	Actual negative impact on environment through the operation of the buildings, which generates GHG emissions
	Actual negative impact on environment through consumption of energy
	Carbon pricing mechanisms
	Market reputation and investor confidence
	Financial penalties
Policies	Adaptation assessment and implementation risk
	Group's Environment and CSR Policy
	Group's LCA Policy
Objectives and target	GHG Recalculation Policy
	32.4% reduction in GHG intensity of property portfolio, including bioenergy, by 2030 versus 2019 baseline
	Purchase of electricity exclusively from 100% renewable sources by year end 2024
Measures taken	10% reduction in energy intensity of property portfolio by 2030 versus 2019 baseline
	Switching electricity from fossil fuel to renewable sources
	Operating efficiency improvements
	Tenant involvement and cooperation
	New developments are nearly-zero energy buildings
	Energy efficient CapEx

The process for identifying and assessing climate-related impacts, risks and opportunities is outlined in part of ESRS 2, specifically in section regarding the double materiality assessment. Both physical and transition climate-related impacts, risks and opportunities have been taken into account. The identified material climate-related impacts, risks and opportunities are detailed in the Materiality and Target table of ESRS 2, SBM-1.

The Group has identified climate-related hazards over the short, medium and long term defined in ESRS 2 and screened whether its assets and business activities may be exposed to these hazards. Both chronic and acute climate-related hazards have been taken into account.

See information under ESRS 2 SBM-3 Climate-related risks.

The Group has identified the following risks, which have been determined to be non-material:

- **Risk of operational disruptions due to extreme weather events:** Extreme weather events result in damage to buildings and disrupt their functionality. Both factors can incur substantial costs. According to the climate risk assessment, floods have been identified as the primary risks. Among the acute and extreme assessed risks, flooding is the most prevalent due to the proximity of certain locations to rivers. Our assessment indicates that sixteen of our assets are situated in areas with a high risk of flooding. This represents approximately only 2% of our total portfolio (based on 2023 property portfolio value) with the majority located in the Czech Republic, Austria and Germany.
- **Operational costs and adaptation measures due to chronic weather conditions:** Financial losses can arise for the Group from unnecessarily high operating costs and from the significant loss in value of the property. According to the climate risk assessment, water stress and heat stress have been identified as the primary risks. The assessment indicates that 22 of our buildings are situated in areas with a high risk of heat stress, which represents approximately 7% of the gross leasable area (GLA) of our entire portfolio and is confined to only two countries, namely Italy and Romania. Additionally, other risks associated with chronic weather conditions were evaluated, with particular emphasis on water stress. The locations identified as having a high risk of water stress correspond to areas of high heat stress, again predominantly in Italy and Romania, although there is a minimal number of vulnerable assets in other countries, such as Hungary and the United Kingdom.

In analysis scenarios of Representative Concentration Pathways (RCPs) the following have been used:

RCP 2.6

A stringent mitigation scenario aiming to keep global warming below 2°C.

RCP 4.5

An intermediate scenario likely resulting in 3°C global warming.

RCP 6.0

Projections for temperature according to RCP 6.0 include continuous global warming making the global temperature rise by about 3-4°C by 2100.

RCP 8.5

Under this scenario, which is often referred to as a high emissions or business as usual scenario, the expected temperature increase is about 4.3°C by 2100, relative to pre-industrial temperatures.

However, it is important to note that there are uncertainties and debates about the assumptions and outcomes of these scenarios. The implications of these scenarios are evaluated per decade for all operations.

The Group has identified its journey for the following RCPs:

RCP 2.6

Operating efficiency improvements; energy efficient CapEx; new developments complying with EU Taxonomy and net zero energy building regulation; diversification of the energy sources, and reduction in water intensity of property portfolio.

RCP 4.5

Switching electricity from fossil fuel to renewable sources; diversification of the energy sources (onsite power generation from non-renewable and renewable sources); engaging with occupants, educating and cooperating with them on reducing CO₂ emissions, and deeply involving our supply chain in our environmental strategy.

RCP 6.0

Diversification of energy sources through onsite power generation utilising both renewable sources and non-renewable sources, and enhancing collaboration with partners across the value chain – both upstream and downstream – to work together on reducing greenhouse gas emissions.

RCP 8.0

Identification of priority locations to focus on in the next phases and evaluate our buildings, whether they may directly and/or indirectly cause impacts; adaptation measures incorporated in our buildings in the portfolio (measures include water, climate and biodiversity issues), and no capital or operational expenditure is linked to activities that contribute to fossil fuel expansion.

The scenarios, journeys and green measures identified are considered during the financial assessment as part of the risk evaluations and calculations employed.

The following climate-related transition risks and opportunities in the Group's operations and in the upstream/downstream value chain have been considered:

- **Current and emerging regulations:** Climate-related transition risks and opportunities in the Group's operations and along the upstream and downstream value chain have been considered and are described below.
- **Technology:** CPIPG continually explores building technologies designed to improve environmental performance. Evaluation of new technologies is part of the Group's decision-making process with regard to refurbishments and developments.
- **Market:** Investors are more than ever focused on climate mitigation type investments. In 2022 CPIPG developed a sustainable finance framework combining both sustainability-linked bond framework and green bond framework under which the Group has committed to use proceeds from green bonds to finance, or refinance, existing, or future, projects which improve the environmental performance of CPIPG's property portfolio and contribute to the Group's climate impact mitigation objectives. The Group recognises that management of environmental risks may have a direct impact on the value of the portfolio.
- **Reputation:** The Group believes that environmental performance is critical for the Group's reputation on the market. CPIPG is one of the largest European issuers of green bonds and sustainability-linked bonds, which emphasises our focus on ESG issues and our long-term commitment to reporting on ESG topics.

These factors were taken into account during the double materiality assessment, which identified the following risks as material:

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Market reputation and investor confidence
- Financial penalties
- Adaptation assessment and implementation risk

See also the SBM-3 Materiality and target table.

E1-2 Policies

See information under ESRS 2 MDR-P.

E1-3 Actions

The actions and steps are already described under key decarbonisation actions and ESRS 2.

E1-5 Expected GHG emission reductions

	Unit	Milestones and target years		
		2025	2030	Annual % target / Base year
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	t CO ₂ eq	34,022.64	27,936.44	2.95
Scope 2 GHG emissions				
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	134,186.66	110,182.42	2.95
Significant market-based Scope 3 GHG emissions				
Total gross indirect market-based Scope 3 GHG emissions	t CO ₂ eq	384,498.49	315,716.73	2.95

For the entire Group's portfolio we have conducted a climate risk analysis for year 2030 and year 2050 based on requirement of ESRS Regulation (EU) 2021/1019. In accordance with these results we are now working on evaluation for the target for 2050, which has not been set yet. The science-based target is very important for the Group, so we are working closely on the granularity of our data and improvements, which allows us settings the appropriated target for 2050.

The actions and steps are already described. See information under ESRS and in table to the right.

Expected GHG emission reductions for the actions	by 2030 (t CO ₂ eq)
Switching Electricity from Fossil Fuel to Renewable Sources	175,000
Operating Efficiency Improvements	13,100
Tenant Involvement and Cooperation	6,520
New Developments are Net Zero Energy Buildings	10,900
Energy Efficient CapEx	13,000

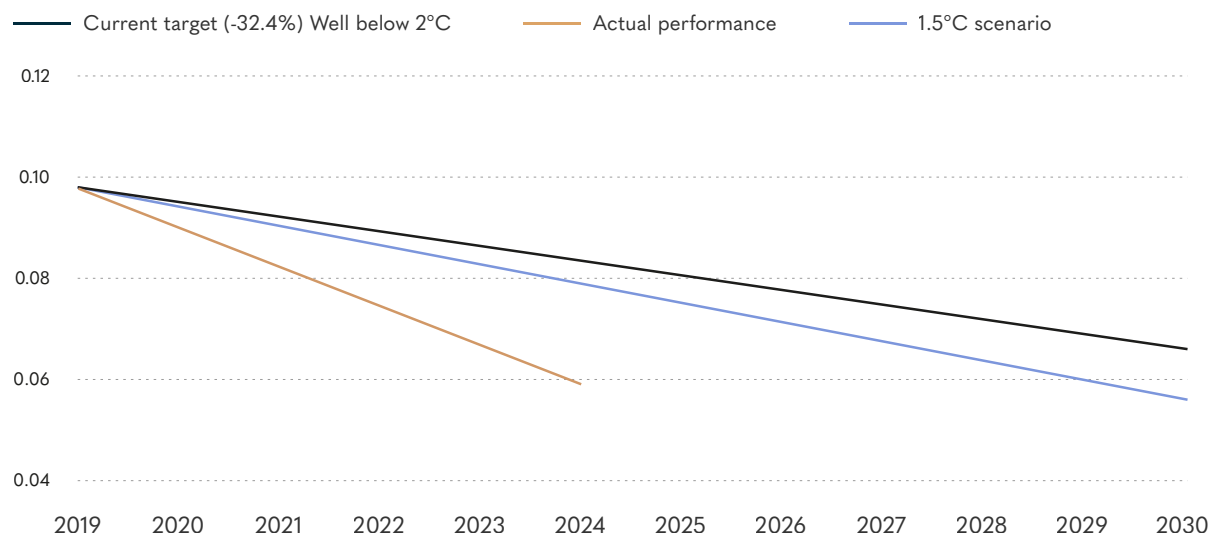
For a detailed description of the decarbonisation levers please see Key decarbonisation actions and ESRS 2.

E1-4 Targets

The Group announced its commitment to reduce GHG emissions intensity by 32.4% per m² of property portfolio by 2030 compared with the 2019 baseline across all emissions Scopes 1-3 (all relevant categories of Scope 3 included except for 3.15 – Investments), including bioenergy and also to transition all electricity purchased by the Group to 100% renewable sources by 2024.

In July 2022, the Group's environmental targets were validated by the Science-Based Target initiative. CPIPG is among the first companies in the region to have their targets validated by SBTi. The Science-Based Targets initiative is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

GHG intensity target through 2030 (t CO₂eq/m² p.a.)



Since 2018, the Group has been working closely with the University Centre for Energy Efficient Buildings (UCEEB) of the Czech Technical University in Prague (CTU). UCEEB is as a technical support provider and adviser to the Group, supporting the Group in establishing and quantifying the Group's environmental targets as part of the Group's long-term strategy. In 2024 reporting period UCEEB provided data control.

CPIPG has developed and continuously enhances its Environmental Impact Reporting Tool (ERT) for data collection and putting into the database. CPIPG's objective is to ensure the detail, accuracy and quality of our environmental performance reporting. The ERT allows disclosure across the Group and all its segments, despite the diversity of our portfolio.

The ERT is tailored to report in-line with GHG Protocol, with the help of an independent third party, the CI3 organisation. Since 2020, we expanded the scope of the Group's collection, monitoring and reporting of GHG emissions and all relevant categories of Scope 3 are now measured and disclosed. Our reporting is aligned with the GHG Protocol.

ERT and database solutions enable the monitoring of the Group's environmental performance through greater robustness, scope (activity and geography), efficiency and automation. For our purposes, the environmental Power BI is utilised due to its efficient ability to track and analyse performance across multiple levels (site, segment, region and Group) on a regular basis, assess results against targets and implement suitable corrective measures. Power BI was also utilised for developing key figure tables and performance indicators in accordance with current guidelines of the European Sustainability Reporting Standards (ESRS).

CPIPG's GHG reporting has been verified by CI2 as complying with the GHG Protocol Corporate Standard. Since 2019 the Group has been in cooperation with CI2, and since 2021 with its sister company CI3. The CI3 company focuses on issues related to the carbon footprint, its reporting, verification and setting targets to reduce it. CI3 is a regional partner for CDP reporting. Through the review process, CI3 advised on the compatibility with the GHG Protocol Corporate Standard and compatibility with CDP reporting standards.

CI2 acts as a third-party and monitors, reviews, and independently validates the Group's GHG disclosures and methodology used. As the result of this cooperation, CPIPG's GHG footprint was verified, confirmed according to the procedures defined in the GHG Protocol and awarded CI2 conformity certificate. Recommendations and guides were prepared and will be incorporated into subsequent environmental reporting.

GHG intensity target including recalculation

Year	2019	2024	2030
		1	6
Target (t CO ₂ eq/m ² pa)	0.098	0.084	0.066
Actual performance (t CO ₂ eq /m ² pa)	0.098	0.059	
Performance vs. target (%)	0.0	(29.6)	

In 2024, total GHG intensity across the property portfolio outperformed the required 2024 target by 29.6%.

The Group's GHG emissions intensity reduction target has been developed as science-based, aligned with the Paris Agreement climate goals to limit the global temperature increase versus pre-industrial levels to well below 2°C.

In the Group's Climate Transition Action Plan are set various objectives and strategies aimed at achieving a reduction in emissions in-line with the 1.5°C goal of the Paris Agreement, from a climate change perspective:

- a 46.2% reduction in GHG intensity of Scope 1 and Scope 2 of the property portfolio by the 2030 versus 2019 baseline (confirmed by the Science-Based Targets initiative in July 2022 in alignment with the Paris Agreement's 1.5°C scenario), and
- a 32.7% reduction in GHG intensity of property portfolio, including bioenergy, by 2030 versus 2019 baseline.

The actions and steps are already described. See information under ESRS and their overall expected quantitative contributions to achieve GHG emission reduction target are already described in.

The intensity target relates to the Group's property portfolio, excluding Farms and Ski resorts. The only category of Scope 3 which is not included in the intensity calculation is 3.15 – Investments where we have limited control of operation. The intensity is measured as total GHG emissions in tons of CO₂ equivalent divided by referenced GLA of the property portfolio in square meters, including the biogas power plant. Base year 2019 was recalculated at the beginning of 2025 in line with the CPIPG's GHG Recalculation Policy from January 2022, publicly available on our webpage.

Rooftop solar panels, Futurum Kolín Shopping Centre, Czech Republic



Energy consumption and mix

Energy consumption and mix (inside the organisation)	Unit	Total		Czech Republic		Germany		Poland		Hungary		Romania		Slovakia		Austria		Others	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
(1) Fuel consumption from coal and coal products	MWh	107.03	146.89	107.03	146.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Fuel consumption from crude oil and petroleum products	MWh	17,680.49	20,506.45	9,878.00	11,029.36	407.76	503.13	206.33	279.12	384.97	384.71	110.97	109.64	33.20	8.35	51.27	127.16	6,607.99	8,064.98
(3) Fuel consumption from natural gas	MWh	148,194.88	164,827.98	39,623.14	42,786.35	36,533.12	44,337.77	2,514.82	2,697.21	22,934.44	24,668.64	5,765.47	6,997.53	9,391.12	9,927.03	3,543.38	4,939.90	27,889.39	28,473.56
(4) Fuel consumption from other fossil sources	MWh	100.11	148.45	2.33	2.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	97.78	146.11
(5) Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	MWh	194,628.97	244,247.73	54,213.93	70,318.68	27,632.56	33,376.38	59,185.38	82,117.74	2,060.83	2,743.33	0.00	5,105.27	8,870.13	6,665.43	15,496.37	16,637.88	27,169.78	27,283.01
(a) electricity	MWh	59,840.52	85,720.42	28,789.06	37,987.67	1,286.72	507.67	770.35	16,077.18	0.00	0.00	0.00	4,738.34	3,248.27	905.83	65.06	2.17	25,681.06	25,501.56
(b) heat and cooling	MWh	134,788.45	158,527.31	25,424.87	32,331.01	26,345.84	32,868.71	58,415.03	66,040.56	2,060.83	2,743.33	0.00	366.93	5,621.86	5,759.60	15,431.31	16,635.71	1,488.71	1,781.45
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	360,711.48	429,877.50	103,824.42	124,283.62	64,573.44	78,217.27	61,906.53	85,094.07	25,380.25	27,796.68	5,876.45	12,212.44	18,294.45	16,600.81	19,091.02	21,704.94	61,764.93	63,967.66
Share of fossil sources in total energy consumption	%	58.6	62.6	79.4	78.1	74.8	76.6	46.8	58.9	46.5	46.8	8.9	18.6	52.0	44.9	45.6	49.5	90.5	85.0
(7) Consumption from nuclear sources	MWh	24,030.93	25,257.25	18,777.99	22,279.77	29.74	32.07	0.00	0.00	0.00	0.00	0.00	1,177.19	4,913.21	1,370.12	0.00	0.00	309.99	398.09
Share of consumption from nuclear sources in total energy consumption	%	3.9	3.7	14.4	14.0	0.0	0.0	0.0	0.0	0.00	0.00	0.0	1.8	14.0	3.7	0.0	0.00	0.5	0.5
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	476,492.27	493,159.18	273,103.05	249,662.46	46,995.48	62,944.31	27,004.06	37,017.93	15,297.85	14,874.68	36,328.03	56,428.33	30,946.96	16,048.87	21,100.92	27,309.55	25,715.92	28,873.03
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	1,721.64	1,866.61	1,456.99	1,471.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	264.65	395.22
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	223,030.26	225,958.24	5,611.36	10,141.21	19,794.40	22,238.87	70,450.43	59,411.36	28,270.45	31,023.71	60,348.16	52,153.78	11,548.10	18,961.82	22,491.75	21,991.64	4,515.61	10,035.85
(a) electricity	MWh	210,660.25	212,583.72	5,611.36	10,050.86	7,646.93	10,161.78	70,450.43	59,411.36	28,270.45	29,816.63	60,348.16	52,153.78	11,548.10	18,961.82	22,269.20	21,991.64	4,515.61	10,035.85
(b) heat and cooling	MWh	12,370.02	13,374.52	0.00	90.35	12,147.47	12,077.09	0.00	0.00	0.00	1,207.08	0.00	0.00	0.00	0.00	222.55	0.00	0.00	0.00
(10) Consumption of self-generated non-fuel renewable energy	MWh	6,088.81	3,622.73	1,090.95	927.00	1,925.88	1,572.73	0.00	0.00	934.13	537.77	29.40	29.55	454.34	0.00	270.99	128.68	1,383.12	427.00
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	230,840.71	231,447.57	8,159.31	12,539.60	21,720.28	23,811.61	70,450.43	59,411.36	29,204.58	31,561.48	60,377.56	52,183.33	12,002.44	18,961.82	22,762.74	22,120.32	6,163.39	10,858.06
Share of consumption from renewable sources in total energy consumption	%	37.5	33.7	6.2	7.9	25.2	23.3	53.2	41.1	53.5	53.2	91.1	79.6	34.1	51.3	54.4	50.5	9.0	14.4
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	292,486.14	284,009.60	19,863.96	30,645.06	14,498.50	13,839.65	45,527.56	36,999.06	53,288.24	55,611.71	110,687.61	88,066.15	1,193.25	17,146.10	9,189.51	10,274.80	38,237.52	31,427.07
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	615,583.12	686,582.32	130,761.72	159,102.99	86,323.46	102,060.95	132,356.96	144,505.43	54,584.82	59,358.16	66,254.01	65,572.96	35,210.09	36,932.75	41,853.76	43,825.26	68,238.31	75,223.81
Total energy consumption inside and outside the organisation	MWh	1,384,561.52	1,463,751.09	423,728.73	439,410.51	147,817.44	178,844.90	204,888.58	218,522.42	123,170.91	129,844.55	213,269.64	210,067.45	67,350.30	70,127.72	72,144.19	81,409.61	132,191.75	135,523.92
Self-generated non-renewable energy production	MWh	15,222.43	12,699.45	0.00	0.00	1,184.63	1,336.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,037.80	11,362.90
Self-generated renewable energy production	MWh	15,777.92	11,716.22	5,325.95	5,202.00	4,938.91	4,561.79	0.00	0.00	934.13	537.77	29.40	29.55	454.34	0.00	2,057.38	958.11	2,037.81	427.00
Energy intensity	Unit	Total		Czech Republic		Germany		Poland		Hungary		Romania		Slovakia		Austria		Others	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total energy consumption from activities in high climate impact sectors per total revenue from activities in high climate impact sectors	MWh/€ m	850.99	864.08	935.90	N/A	807.59	N/A	965.58	N/A	637.72	N/A	1297.28	N/A	987.60	N/A	606.82	N/A	565.08	N/A
Total revenue from activities in high climate impact sectors	€ m	1,627	1,694	453	N/A	183	N/A	212	N/A	193	N/A	164	N/A	68	N/A	119	N/A	234	N/A
Total energy consumption inside and outside the organisation per total reference gross leasable area	MWh/m ²	0.20	0.20	0.20	0.20	0.12	0.13	0.25	0.26	0.19	0.20	0.36	0.35	0.17	0.18	0.21	0.21	0.17	0.18
Total reference gross leasable area	m ²	6,927,703.23	7,240,289.34	2,123,386.33	2,213,871.34	1,232,805.01	1,401,095.70	811,164.55	839,217.50	637,551.89	642,434.07	592,019.72	592,649.26	388,150.68	390,690.25	349,063.85	388,838.50	793,561.20	763,683.62

Our building portfolio is considered a high climate impact sector, farms and ski resorts are also included.

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

	Unit	Total				Czech Republic			Germany			Poland			Hungary			Romania			Slovakia			Austria			Others		
		2019	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%
Scope 1 GHG emissions																													
Gross Scope 1 GHG emissions	t CO ₂ eq	7,441.19	45,266.43	43,015.20	(5.0)	12,745.45	11,624.48	(8.8)	9,147.90	7,538.60	(17.6)	2,135.25	3,094.31	44.9	6,190.77	5,194.97	(16.1)	2,284.27	1,515.17	(33.7)	2,221.70	2,042.61	(8.1)	1,533.03	1,029.17	(32.9)	9,008.05	10,975.89	21.8
Scope 2 GHG emissions																													
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	99,214.13	70,905.40	50,967.40	(28.1)	40,305.27	29,787.04	(26.1)	2,102.46	1,838.35	(12.6)	16,170.65	4,318.74	(73.3)	167.08	133.90	(19.9)	1,633.50	0.00	(100)	686.15	2,849.49	315.3	1,013.36	1,006.85	(0.6)	8,826.92	11,033.03	25.0
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	101,948.65	73,649.10	55,123.45	(25.2)	37,497.55	31,637.89	(15.6)	2,276.91	1,855.77	(18.5)	18,565.54	4,400.03	(76.3)	167.08	133.90	(19.9)	466.58	0.00	(100)	775.26	3,283.50	323.5	2,184.31	627.35	(71.3)	11,715.87	13,185.00	12.5
Significant market-based Scope 3 GHG emissions																													
Total gross indirect market-based Scope 3 GHG emissions	t CO ₂ eq	376,326.55	412,213.75	379,903.15	(7.8)	N/A	187,671.92	N/A	N/A	33,483.32	N/A	N/A	51,805.39	N/A	N/A	13,185.83	N/A	N/A	30,364.26	N/A	N/A	14,799.10	N/A	N/A	3,412.18	N/A	N/A	45,181.15	N/A
1. Purchased goods and services	t CO ₂ eq	38,519.88	42,424.36	32,439.34	(235)	N/A	22,172.73	N/A	N/A	1,845.76	N/A	N/A	1,536.81	N/A	N/A	3,055.54	N/A	N/A	1,508.30	N/A	N/A	116.17	N/A	N/A	581.39	N/A	N/A	1,622.64	N/A
2. Capital goods	t CO ₂ eq	5,197.00	13,406.32	19,900.05	48.4	N/A	1,545.05	N/A	N/A	1,531.56	N/A	N/A	1,438.32	N/A	N/A	867.04	N/A	N/A	2,592.11	N/A	N/A	12.59	N/A	N/A	429.95	N/A	N/A	11,483.42	N/A
3. Fuel and energy-related activities	t CO ₂ eq	198,133.22	231,037.06	208,065.27	(9.9)	110,149.65	110,581.99	0.4	37,982.40	27,723.96	(27.0)	32,086.16	21,379.76	(33.4)	5,701.90	5,776.59	1.3	20,845.01	13,815.50	(33.7)	4,704.07	9,398.73	99.8	1,998.91	1,695.69	(15.2)	16,799.73	17,693.05	5.3
4. Upstream transportation and distribution	t CO ₂ eq	201.0	973.3	1,444.2	48.4	N/A	112.4	N/A	N/A	111.1	N/A	N/A	101.9	N/A	N/A	63.5	N/A	N/A	188.1	N/A	N/A	1.2	N/A	N/A	31.1	N/A	N/A	834.9	N/A
5. Waste generated in operations	t CO ₂ eq	15,561.90	24,966.16	26,262.30	5.2	8,667.19	10,402.34	20.0	2,582.94	392.33	(84.8)	1,432.96	1,479.71	3.3	1,261.73	1,323.48	4.9	3,360.63	2,789.51	(17.0)	1,149.58	1,366.73	18.9	151.21	112.84	(25.4)	5,810.48	8,395.36	44.5
6. Business travelling	t CO ₂ eq	89.73	190.20	1,644.13	764.4	N/A	25.69	N/A	N/A	12.34	N/A	N/A	7.80	N/A	N/A	10.05	N/A	N/A	16.67	N/A	N/A	2.77	N/A	N/A	59.25	N/A	N/A	1,509.56	N/A
7. Employee commuting	t CO ₂ eq	2,133.90	1,668.79	1,465.30	(12.2)	N/A	232.83	N/A	N/A	81.69	N/A	N/A	82.05	N/A	N/A	247.91	N/A	N/A	18.11	N/A	N/A	17.37	N/A	N/A	347.89	N/A	N/A	437.45	N/A
8. Upstream leased assets	t CO ₂ eq	1,489.20	22,536.80	19,921.22	(11.6)	20,991.21	18,526.27	(11.7)	1,454.38	1,273.98	(12.4)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	91.21	120.97	32.6	0.00	0.00	0.00	0.00	0.00	0.00
9. Downstream transportation	t CO ₂ eq	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10. Processing of sold products	t CO ₂ eq	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11. Use of sold products	t CO ₂ eq	377.63	943.82	1,044.50	10.7	123.36	105.13	(14.8)	222.85	195.63	(12.2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21.32	18.42	(13.6)	576.29	725.33	25.9
12. End-of-life treatment of sold products	t CO ₂ eq	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13. Downstream leased assets	t CO ₂ eq	54,270.85	21,698.88	28,993.14	33.6	15,043.15	21,009.26	39.7	583.11	314.95	(46.0)	0.00	0.00	0.00	2,289.16	1,841.74	(19.5)	0.00	0.00	0.00	892.98	3,212.10	259.7	534.99	135.61	(74.7)	2,355.50	2,479.48	5.3
14. Franchises	t CO ₂ eq	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15. Investments	t CO ₂ eq	60,352.26	52,368.06	38,723.65	(26.1)	N/A	2,958.18	N/A	N/A	0.00	N/A	0.00	25,779.00	N/A	0.00	0.00	0.00	0.00	9,436.00	N/A	461.00	550.47	19.4	77.05	0.00	(100)	0.00	0.00	0.00
Share of emissions calculated from primary data	%	N/A	12.3	72.5	488.2	N/A	76.3	N/A	N/A	25.2	N/A	N/A	85.0	N/A	N/A	94.9	N/A	N/A	89.8	N/A	N/A	88.3	N/A	N/A	64.1	N/A	N/A	60.7	N/A
Total GHG emissions																													
Total GHG emissions (location-based)*	t CO ₂ eq	482,981.87	510,675.28	451,030.04	(11.7)	227,491.60	224,801.62	(1.2)	35,806.66	26,759.43	(25.3)	53,421.59	58,737.40	10.0	15,327.85	18,235.04	19.0	29,696.33	31,879.42	7.4	9,898.38	18,399.85	85.9	6,285.94	6,580.46	4.7	40,949.87	65,636.82	60.3
Total GHG emissions (market-based)	t CO ₂ eq	485,716.39	531,129.28	478,041.79	(10.0)	224,950.55	230,934.30	2.7	54,323.15	42,877.69	(21.1)	54,266.78	59,299.73	9.3	15,651.79	18,514.71	18.3	26,979.12	31,879.42	18.2	10,309.78	20,125.21	95.2	6,530.30	5,068.70	(22.4)	46,320.74	69,342.03	49.7
GHG intensity																													
	Unit	Total				Czech Republic			Germany			Poland			Hungary			Romania			Slovakia			Austria			Others		
		2019	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%	2023	2024	%
Total GHG emissions (location-based) per total revenue	t CO ₂ eq/€m	718.723	301.461	277.216	(8.0)	N/A	496.523	N/A	N/A	146.198	N/A	N/A	276.812	N/A	N/A	94.412	N/A	N/A	193.917	N/A	N/A	269.808	N/A	N/A	55.350	N/A	N/A	280.580	N/A
Total GHG emissions (market-based) per total revenue	t CO ₂ eq/€m	722.792	313.536	293.818	(6.3)	N/A	510.068	N/A	N/A	234.258	N/A	N/A	279.463	N/A	N/A	95.860	N/A	N/A	193.917	N/A	N/A	295.108	N/A	N/A	42.634	N/A	N/A	296.418	N/A
Total revenue	€m	672	1694	1,627	(4.0)	N/A	453	N/A	N/A	183	N/A	N/A	212	N/A	N/A	193	N/A	N/A	164	N/A	N/A	68	N/A	N/A	119	N/A	N/A	234	N/A
Total GHG emissions (location-based) per total reference gross leasable area	t CO ₂ eq/m ²	0.139	0.071	0.065	(7.8)	N/A	0.106	N/A	N/A	0.022	N/A	N/A	0.072	N/A	N/A	0.029	N/A	N/A	0.054	N/A	N/A	0.047	N/A	N/A	0.019	N/A	N/A	0.083	N/A
Total GHG emissions (market-based) per total reference gross leasable area	t CO ₂ eq/m ²	0.141	0.073	0.069	(6.0)	N/A	0.109	N/A	N/A	0.035	N/A	N/A	0.073	N/A	N/A	0.029	N/A	N/A	0.054	N/A	N/A	0.052	N/A	N/A	0.015	N/A	N/A	0.087	N/A
Total reference gross leasable area	m ²	3,456,000.00	7,240,289.34	6,927,703.23	(4.2)	N/A	2,123,386.33	N/A	N/A	1,232,805.01	N/A	N/A	811,164.55	N/A	N/A	637,551.89	N/A	N/A	592,019.72	N/A	N/A	388,150.68	N/A	N/A	349,063.85	N/A	N/A	793,561.20	N/A

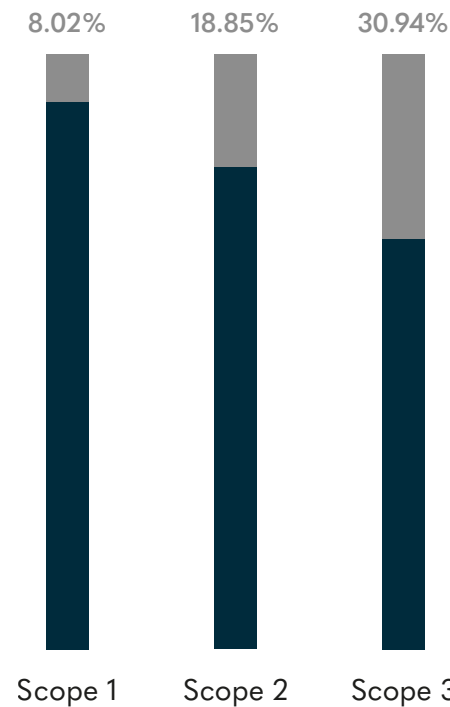
* Total GHG emissions (location-based) are calculated using location emission factors. This is the sum of gross Scope 1 GHG emissions, gross location-based Scope 2 GHG emissions and gross indirect location-based Scope 3 GHG emissions. Please note that this table does not include partial calculations of location-based Scope 3 GHG emissions.

GHG impact (division of GHG according to GHG Protocol)

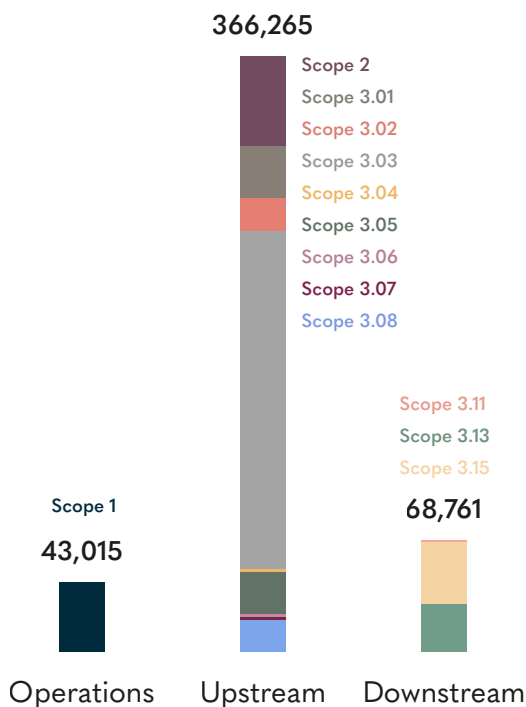
Scope	Property portfolio (including bioenergy)	Ski resorts	Farm	Others	Total	Total in %
t CO ₂ eq pa						
					478,041.79	100%
1	37,693.62	812.25	2,092.86	2,416.46	43,015.20	9.0%
2	54,113.60		1,009.85		55,123.45	11.5%
3	271,091.79	335.08	32,294.04	76,182.25	379,903.15	79.5%
3.01 – Purchased goods and services	289.05	0.51	19,778.45	12,371.34	32,439.34	
3.02 – Capital goods				19,900.05	19,900.05	
3.03 – Fuel and energy related activities	204,741.47	264.80	775.34	2,283.66	208,065.27	
3.04 – Upstream transportation & distribution				1,444.25	1,444.25	
3.05 – Waste generated in operations	25,012.34	69.77	366.16	814.02	26,262.30	
3.06 – Business travel				1,644.13	1,644.13	
3.07 – Employee commuting				1,465.30	1,465.30	
3.08 – Upstream leased assets	8,547.14		11,374.08		19,921.22	
3.11 – Use of sold products				1,044.50	1,044.50	
3.13 – Downstream leased assets	28,993.14				28,993.14	
3.14 – Franchises						
3.15 – Investments	3,508.65			35,215.00	38,723.65	

Note: GHG calculated with market-based emission factors

Estimated GHG by Scope



GHG Emissions divided (t CO₂ eq pa)



Revisions to our environmental disclosures in 2023 were made where relevant and based on updated information for correctness and consistency.

- Change in consumption or GLA of some assets due to updated information
- GHG emission factors have been updated according to the latest information

To provide more accurate reporting, a new calculation was used during 2024 to better determine district heating emission factors. As a result of this updated methodology, significant changes were observed in the emission factors for district heating. To ensure consistency in YoY greenhouse gas emissions disclosures, the changes in district heating emission factors were retroactively applied to the years 2023. This led to a notable decrease in greenhouse gas values, due to the lower emission factor values identified.

It was also important to recalculate GHG emissions due to disposals within the residential portfolio in Germany during 2023 and 2024. Recalculation must also be done when the difference in the total GLA of the built portfolio is higher than 5%.

In 2024, the scope of the portfolio subject to collection, monitoring and reporting of environmental data was expanded as follows.

Developments are out of the reporting scope until the first full calendar month after a building goes into operation. The asset will be in-scope for like-for-like analysis following the second full rolling calendar year in operation.

Assets owned and/or operated for less than a full year are excluded from the calculations of like-for-like reporting while included in total intensities.

Major refurbishment is defined as any alteration that affects more than 50% of the total building floor area or causes the relocation of more than 50% of regular building occupants. Absolute consumptions are included for a major refurbishment, while for intensity calculations, GLA values are proportionately reduced to reflect the actual period of full operation in the year.

Buildings in operation, ski resorts (Crans Montana) and farms are reported collectively in the ESRS key figure tables and performance indicators.

Also, disclosures of fuels consumed by company cars, business trips, employee commuting and our proportional share of equity investments' emissions are included for GHG in the ESRS tables.

In 2023, the internal resales of buildings were incorporated into our reporting procedures to accurately allocate emissions to particular companies (CPIPG [on a consolidated basis], CPI Europe and S IMMO). For 2024 reporting, we continue with this internal resales procedure.

Our calculation includes the Group's share of Globalworth's emissions, representing 32.3% of 2024 GHG Scope 1 and 2 emissions.

Definitions in the Group's reporting differ between segments as follows:

- retail, offices, logistics and residential segments are reported on the basis of gross leasable area (GLA);
- hotels are reported based on the area that represents space leased to hotel operators;
- farms are calculated based on the agricultural land area, and
- intensities per area are not reported for ski resorts.

The reference gross leasable area is used for the final calculations of indicators and includes not only the GLA of the properties that were part of the portfolio for the entire year, but also the GLA of buildings acquired/sold during the year, normalised on a monthly basis.

CPIPG publishes environmental KPIs each calendar year, including all data available up to, and including, 28 February 2025. Certain information pertaining to 2024 was not available within this period. This information is taken from the Group's 2023 environmental report as a proxy. Data will be updated in subsequent reporting once available.

The Group uses the operational approach for GHG emissions calculation. The operational control approach reflects the nature of our business the best, except for our investment in Globalworth (Scope 3.15) where equity share is applied.

For that reason, and in accordance with the GHG Protocol, as well as with the Science-Based Targets initiative requirements our GHG emissions calculation includes also the buildings which are not owned by the Group but are operated by the Group (Scope 3.08).

The CO₂ footprint calculation is based on the GHG Protocol Corporate Standard. Emissions are stated in CO₂-equivalent (CO₂e) terms. The CO₂e values for electricity and district heating are based on information by the energy suppliers and on publicly available sources, including the European data from the Association of Issuing Bodies (AIB) as well as the government conversion factors of the British Department for Energy Security. CO₂ emissions are verified at the Group level.

Biogenic emissions of CO₂ from the combustion or biodegradation of biomass are all included in Scope 1, Scope 2 or Scope 3 GHG emissions.

The Group produced 15,762.81 MWh of renewable energy and saved 7,021 t CO₂ equivalent of carbon emissions in 2024. We continually increase our renewable energy purchases. Compared to the previous year, there was an increase of nearly 34.5% in total renewable electricity production.

GSG Solar Berlin is the largest producer of solar energy in Berlin, owning 45,000 m² of photovoltaic (PV) area (25,360 solar modules; 5.6 MWp output). Annual production of renewable energy amounted to 4,898 MWh, representing avoiding of 1,116 t CO₂ eq in 2024. Spojené Farmy acquired a renewable energy plant of biogas with a power output of 600 kWp and annual production of 5,156 MWh, which represents avoiding of 3,941 t CO₂ eq in 2024. Surplus green electricity of 4,235 MWh was sold to the grid, and heat was utilised on the farm.

Renewable electricity production is also present within the retail segment of the portfolio in Austria, Croatia, Hungary, Serbia, Slovakia and Slovenia, with an annual production of 4,151 MWh, representing avoiding of 1,365 t CO₂ eq in 2024.

Green electricity purchases through green electricity contracts, utilising guarantees of origin, continues to increase. More assets commenced purchases of electricity from renewable sources in 2024, resulting in a significant increase compared to the previous year. For 2024 73.9% of landlord obtained electricity is from renewable sources.

Percentage of GHG Scope 3 calculated using primary data

The information regarding the primary data is collected for consumption, as well as for other calculations. Based on this information, the percentage of GHG Scope 3 using primary data is 69.06%.

Energy and water consumption data

The objective was to use actual data for all types of energy consumption (fuel, electricity, district heating and water) for the twelve-month period. To this end, automatically transmitted data (smart metering), read-out data and data from utility company invoices were used. Where no complete data was available, consumption was estimated using appropriate assumptions based building type and lettable space. Where no data was available for the full year 2024, data from 2023 was used.

Waste

Waste data is disclosed in absolute figures based on the invoices of the respective waste disposal companies. Where data was not available for individual assets, it was complemented with comparable figures, calculated using country- and asset-specific actual data, or estimated. Where no data was available for the full year 2024, data from 2023 was used.

The energy and water consumption and waste produced by buildings acquired or sold during the year was considered for the full months in which these buildings were part of the portfolio.

Boundaries of reporting

Data for the water and energy consumption are either acquired directly from water and energy suppliers or meters or from tenants in case the tenants have direct relationship with water and energy suppliers. If the data from tenants was not provided, it was estimated based on comparative values specific to the building. Data for waste is derived from invoices of the waste disposal companies. In cases where tenants having their own waste management, the share of waste generated by tenants is completed with site-specific benchmarks. Energy and water consumption is split between inside the organisation (containing consumption related to own operations) and outside the organisation (containing consumption related to our downstream value chain, e.g., tenants consumption).

Disclosure of reporting considered boundaries

Scope 1 is reported based on operational control. Under the operational control approach, CPIPG accounts for 100% of the GHG emissions from operations over which it, or one of its subsidiaries, has operational control. Scope 1 encompasses GHG emissions from greenhouse gas sources (greenhouse gas source physical unit or process that releases a GHG into the atmosphere) owned or controlled by the organisation (direct GHG emissions).

Scope 2 includes energy indirect greenhouse gas emissions. GHG emissions from the generation of imported electricity, heat or steam consumed by the organisation (energy indirect GHG emissions) are reported.

For **Scope 3** GHG emissions categories, we use a hybrid approach using both screening and inventory.

The inventory is used for all categories in Scope 3: 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.11, 3.13, 3.14 and 3.15.

3.01 We include the main purchased goods and services (in terms of volume, cost, impact on GHG, etc). The method of GHG calculation is a spend-based method that estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g., industry average) emission factors (e.g., average emissions per monetary value of goods). It is possible to combine supplier-specific data from product-level GHG inventory from main suppliers.

3.02 Main purchased capital goods are included (such as remodels and refits of leased spaces, smaller refurbishments, etc). All upstream (cradle-to-gate) emissions of purchased capital goods are included. The method of GHG calculation is the same as for category 3.1 spend-based method and supplier-specific method.

3.03 Includes consumption of fuels and energy purchased (heat and electricity) in CPIPG's properties, that are outside CPIPG's operational control and HFCs installed onsite that are outside CPIPG's operational control. This category includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2. It also includes the consumption of fuels and energy purchased (heat and electricity) in CPIPG's properties that are not under direct operational control.

Method of GHG calculation

- Supplier-specific method, which involves collecting data from fuels and energy providers on upstream emissions (extraction, production and transportation), transmission and distribution losses and generation of electricity consumed by the reporting company.
- Average-data method, which involves estimating emissions by using secondary (e.g., industry average) emission factors for upstream emissions per unit of consumption (e.g., kg CO₂ e/kWh).

3.04 Emissions from third-party upstream transportation and distribution connected to the fit-out works in the reporting company's owned or controlled operations in the reporting year.

3.05 Emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year. This category includes emissions from the disposal of both solid waste and wastewater. Waste treatment at facilities owned or controlled by the reporting company is accounted for in Scope 1 and Scope 2.

Method of GHG calculation

- The method specified on the basis of waste management is applied and includes the use of emission factors based on the waste management method, as well as a basic split between hazardous and non-hazardous waste. In recent years, our facilities have improved waste reporting.

3.06 This category includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses and private passenger cars. Emissions (refrigerants, oils, maintenance, etc) from leased vehicles operated by the reporting company (CPIPG's car fleet) not included in Scope 1 are reported in category 3.6. Business trips by private cars are reported in category 3.6. Private trips by private cars are not reported under GHG reporting. Well-to-tank (WTT) emissions from fuel consumption are reported under category 3.3.

Method of GHG calculation

- Fuel-based method, which involves determining the amount of fuel consumed during business travel and applying the appropriate emission factor for that fuel.
- Distance-based method, which involves determining the distance and mode of business trips, then applying the appropriate emission factor for the mode used.

Includes emissions from the transportation of employees between their homes and their worksites. Emissions from employee commuting may arise from: automobile travel; bus travel; rail travel; air travel, and other modes of transportation (e.g., subway, bicycling and walking).

Note: CPIPG utilises fuel-based method for CPIPG's car fleet and distance-based method for employees' private cars utilised for business travel or where info about fuel is missing.

Distance-based method, which involves collecting data from employees on commuting patterns (e.g., distance travelled and mode used for commuting) collected by questionnaire survey distributed to all employees. During the next step, data collected from questionnaire is calculated into emissions by applying appropriate emission factors for the modes used.

3.08 Includes Scope 1 and Scope 2 emissions from the operation of assets that are leased by the reporting company in the reporting year and not already included in the reporting company's Scope 1 or Scope 2 inventories.

Method of GHG calculation

Asset-specific method, which involves collecting asset-specific (e.g., site-specific) fuel and energy use data and process and fugitive emissions data or Scope 1 and Scope 2 emissions data from individual leased assets. This data is provided by the internal environmental reporting tool of CPIPG. It concerns leased cars and leased property.

3.11 Includes sale of renewable electricity to the grid from the PV and biogas power plant.

3.13 Includes emissions from the operation of assets that are owned by CPIPG (acting as lessor) and leased to other entities in the reporting year that are not already included in Scope 1 or Scope 2.

3.15 We report proportional Scope 1 and Scope 2 emissions from equity investments in the reporting year in this category (investments). Proportional emissions from equity investments are allocated to the investor based on the investor's proportional share of equity in the investee. GHG Scope 1 and 2 emissions of the Globalworth company acquired in 2020 are included. The 2019 figure is the same as the 2020 figure due to the applied GHG Recalculation Policy in 2020.

The following Scopes 3 GHG emissions categories have been excluded, because they are not relevant for CPIPG's business (real estate).

- **3.09 Downstream transportation and distribution**
- **3.10 Processing of sold products**
- **3.12 End-of-life treatment of sold products**

Category **3.14 Franchises** is also not relevant. All emissions from our buildings that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year (that are not included in Scope 1 or Scope 2) are already included in category 3.13.

The calculations of property portfolio value were performed in accordance with IFRS in-line with the Consolidated Financial Statements. The property portfolio value is based on the consolidated data of the Group and includes the application of the fair value method.

E1-9 Financial effects and potential opportunities

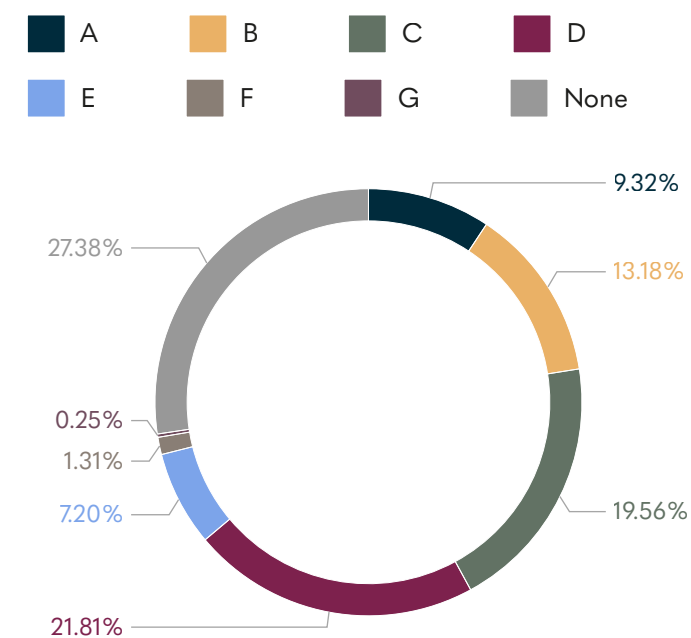
In DMA the material transition risks were identified, and our assets are linked to the following transition risks.

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Adaptation assessment and implementation risk

In accordance with these risks all assets with a significant fuel consumption (defined as assets with GLA exceeding 5,000 m², gas consumption higher than 600 MWh in 2024 and fuel intensity more than 50kWh/m²) as well as assets with at least one red flag in the Climate Risk Analysis (CRA) were considered as at material transition risk. For further details of the CRA please see E1 SBM-3.

The fair value of assets at material transition risk before considering climate mitigation actions is 40.11%.

Primary Energy Efficiency Class as a % of fair values



Note: None represents the countries, where the Primary Energy Efficiency Class on Energy Performance Certificate is not available.

The potential effects on future financial performance and position for assets and business activities at material transition risk have been assessed. Please see detailed description in E1 IRO-1.

Material transition risks identified.

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Market reputation and investor confidence
- Financial penalties
- Adaptation assessment and implementation risk

Risks were assessed based on a combination of the likelihood of occurrence and the potential magnitude/size of the financial effects. Our assessment also took into account the different perspectives: short term; medium term, and long term.

Stranded assets were also considered, as were all assets with significant fuel consumption (defined as assets with GLA exceeding 5,000 m², gas consumption higher than 600 MWh in 2024, and fuel intensity more than 50kWh/m²) and assets with at least one red flag in the Climate Risk Analysis (CRA).

Based on this specification, the estimated amount of potentially stranded assets is 40.11%, which is based on the fair value.

Stranded assets can also be considered assets with the primary energy efficiency class F or G (based on EPCs). Based on fair value, the estimated amount of assets with these classes is 1.56%.

During collection the data sources were reported and the following are considered primary sources: invoice; automatic meter readings; manual visual readings, or provided by tenants.

In case any part of reported data was based on estimation (without primary source evidence), the estimation has to be selected and reported based on the percentage of estimated data: estimated up to 25%; estimated up to 50%, and estimated 100%.

The results

Proportion of electricity estimation is 22%. Proportion of fuel estimation is 22%. For heating and cooling 40% of consumption was estimated.

As described in ESRS 2, SBM-3 currently, the direct impact on the Group's Financial Statements resulting from the material transition risks is minimal. Given that our material impacts, risks and opportunities (IROs) are closely tied to our core business and growth potential, our initiatives aimed at enhancing opportunities and mitigating associated risks are integrated within our established corporate governance approach. In the future, by 2030 in accordance with Group ESG Strategy, the cost of emission certificates can be considered between €63–85.2 million.

The expected cost savings from climate change mitigation actions consist mainly of cost savings on higher operating costs for emission certificates or increased costs for use of restricted substances (as HFCs). Another amount of expected savings is from energy consumption savings.

The expected cost savings from climate change mitigation actions in total by 2030 in accordance with Group ESG Strategy, are between €30.9–51.5 million depending on the future development of the price for CO₂ certificates.

The expected cost savings from climate change adaptation actions consist mainly of the cost savings of settlement of damages after hazardous events (for example, floods and tornados) or decreasing the costs of maintenance.



ESRS E3 Water and marine resources

ESRS 2 IRO-1 Water and marine resources IROs

See disclosures under ESRS 2 – IRO 1

Material impacts, risks and opportunities	Actual negative impact on environment through water withdrawal of the company's building portfolio
Policies	Group Policy Environment and CSR Code of Business Ethics and Conduct
Objectives and target	Reduction of water intensity of the property portfolio 10% by 2030 compared to the 2019 baseline
Measures taken	Improvement of data quality Using water saving faucets

Since the majority of our drinking water supply comes from municipal sources, we are dependent on the water supply and therefore have no material impact on affected communities.

E3-1 Policies

Policy overview

The internal guidelines that indirectly relate to our Group's approach to water savings principles are detailed in two key documents:

- the Group Policy on Environment and Corporate Social Responsibility (CSR)

This policy states the principles for The Group in terms of environmental performance management designed to optimise the use of natural resources, replacement and savings of potable water, among other objectives.

- the Code of Business Ethics and Conduct

This policy encapsulates the Group's proactive stance on environmental protection and its commitment to efficiency use of resources, where water is one of the critical.

See MDR-P table.

The Group has set a target to reduce water intensity across its portfolio by 10% by 2030, using 2019 as the baseline. This initiative aims to minimise water usage and its environmental footprint. Reducing water consumption is a target at all sites as part of the CPIPG Groupwide aligned ESG targets and is closely tracked and managed at the Group level.

E3-2 Actions

The Group has conducted climate risk analyses to identify locations with potential water scarcity issues – these were some regions in Germany, Romania and Serbia. To ensure that drinking water is used in a resource-efficient manner in buildings, both technical and behavioural measures are implemented. The Group has been using flow restrictors, sensor-controlled taps and modern toilet cisterns with dual-flush systems help to minimise flushing water consumption within its building portfolio. These are also required in many of our buildings due to their LEED or BREEAM certification.

Each asset has a main water meter, since the majority of the drinking water supply comes from municipal sources. Water treatment is disposed by the local waste-water network, which is treated in accordance with local laws and regulation.

At some of our locations, for example Sun Offices in Bucharest, or Shopping Center VIVO! Krosno in Poland, we use rainwater cisterns and storage tanks to significantly reduce the amount of water used for garden irrigation.

Future plans include the replacement of water-intensive grassy areas with planting that supports biodiversity.

With the digitalisation of consumption data which will be installed within the upcoming years, water consumption will be continuously monitored to detect leaks and ensure that water pipes are regularly checked for leaks and repaired rapidly, ensuring that water and marine resources are used as efficiently as possible.

Also, we are raising awareness among tenants and educating them about the importance of using water sparingly through our green lease agreements.



Low-flow fixtures, ZET.office, Brno

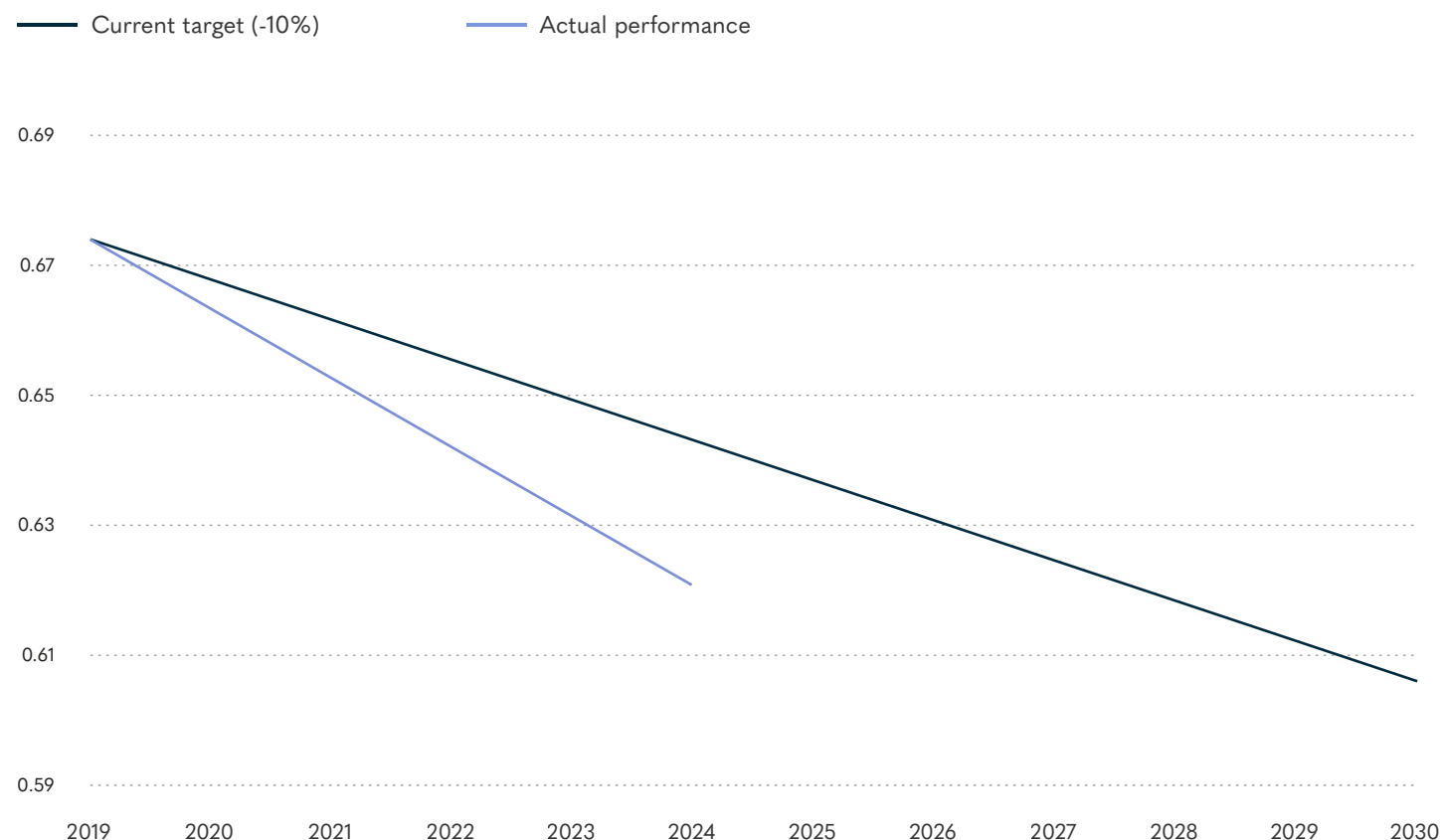
E3-3 Target

A target has been set to reduce the potable water intensity of the property portfolio by 10% by 2030, compared with the 2019 baseline. Since the goal is a Groupwide one, we are naturally aiming to implement more effective measures primarily in areas of high water stress, which were identified based on a comprehensive assessment of physical climate risks for all properties owned and managed by CPIPG. This assessment of physical climate risks use the geodata from the Aqueduct Water Stress Projections provided by the WRI.

This reduction target is part of the Group's broader ESG objectives to improve resource efficiency and mitigate environmental impacts

In 2024, total water intensity across the entire portfolio outperformed the 2024 target by 3.5%.

Water intensity target through 2030 (t CO₂eq/m² p.a.)



Water intensity target including recalculation

Year	2019	2024	2030
	1	6	12
Target (m ³ /m ² pa)	0.674	0.643	0.606
Actual performance (m ³ /m ² pa)	0.674	0.621	-
Performance vs. target (%)	0.0	(3.5)	-

The intensity target relates to the Group's property portfolio, excluding farms and ski resort.

See also the SBM-3 Materiality and target table.

The target of reducing the water intensity is voluntary (not required by legislation).

Water consumption

The Group does not have significant amount of water retained or discharged back to the water environment, the water withdrawal is the sum of water consumption plus year-to-year positive change in the water stored. The Group reports municipal water consumption separately from water sourced onsite (extraction or capture) and water reuse. The water consumption amounted to 4,840,726.38 m³ in 2024.

	Unit	Total		Czech Republic		Germany		Poland		Hungary		Romania		Slovakia		Austria		Others	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total water withdrawal	m ³	4,915,515.25	N/A	1,811,703.74	N/A	670,577.08	N/A	394,417.91	N/A	391,404.60	N/A	424,569.22	N/A	165,736.96	N/A	160,284.14	N/A	896,821.60	N/A
Water withdrawal in our own operation	m ³	2,984,498.99	N/A	649,586.00	N/A	656,729.63	N/A	280,265.18	N/A	268,800.60	N/A	140,619.82	N/A	88,115.34	N/A	151,437.53	N/A	748,944.89	N/A
Water withdrawal outside the organisation	m ³	1,931,016.26	N/A	1,162,117.74	N/A	13,847.45	N/A	114,152.73	N/A	122,604.00	N/A	283,949.40	N/A	77,621.62	N/A	8,846.61	N/A	147,876.71	N/A
Total water consumption	m ³	4,840,726.38	5,059,299.57	1,744,178.07	1,672,482.94	670,577.08	788,988.45	394,417.91	392,279.49	388,158.00	378,864.97	422,807.82	396,734.75	164,679.26	158,751.55	159,086.64	177,672.57	896,821.60	1,093,524.86
Water consumption in our own operation	m ³	2,968,060.09	3,284,427.27	639,352.60	631,588.26	656,729.63	773,254.48	280,265.18	265,256.42	265,554.00	255,092.80	138,858.42	128,092.68	88,115.34	99,237.50	150,240.03	167,581.80	748,944.89	964,323.33
Water consumption outside the organisation	m ³	1,872,666.29	1,774,872.30	1,104,825.47	1,040,894.68	13,847.45	15,733.97	114,152.73	127,023.07	122,604.00	123,772.17	283,949.40	268,642.07	76,563.92	59,514.05	8,846.61	10,090.77	147,876.71	129,201.53
Total water withdrawal in areas at material water risk	m ³	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water withdrawal in areas at material water risk in our own operation	m ³	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water withdrawal in areas at material water risk outside the organisation	m ³	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total water consumption in areas at material water risk	m ³	463,998.05	461,294.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,396.00	308,672.82	274,833.65	0.00	0.00	0.00	0.00	155,325.23	181,064.84
Water consumption in areas at material water risk in our own operation	m ³	244,515.46	255,695.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,601.00	89,190.23	73,029.18	0.00	0.00	0.00	0.00	155,325.23	181,064.84
Water consumption in areas at material water risk outside the organisation	m ³	219,482.59	205,599.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,795.00	219,482.59	201,804.47	0.00	0.00	0.00	0.00	0.00	0.00
Total water reused and recycled	m ³	4,879.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,879.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water reused and recycled in our own operation	m ³	4,879.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,879.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water reused and recycled outside the organisation	m ³	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total water stored	m ³	148,571.89	112,849.13	67,525.67	0.00	0.00	0.00	50.00	50.00	3,246.60	0.00	1,771.40	10.00	74,460.72	112,282.13	1,197.50	0.00	320.00	507.00
Water stored in our own operation	m ³	90,221.92	112,849.13	10,233.40	0.00	0.00	0.00	50.00	50.00	3,246.60	0.00	1,771.40	10.00	73,403.02	112,282.13	1,197.50	0.00	320.00	507.00
Water stored outside the organisation	m ³	58,349.97	0.00	57,292.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,057.70	0.00	0.00	0.00	0.00	0.00
Total positive water store changes	m ³	74,788.87	N/A	67,525.67	N/A	0.00	N/A	0.00	N/A	3,246.60	N/A	1,761.40	N/A	1,057.70	N/A	1,197.50	N/A	0.00	N/A
Share of water withdrawal derived from direct measurement	%	46.0	N/A	38.6	N/A	0.00	N/A	79.9	N/A	77.5	N/A	85.9	N/A	47.7	N/A	34.0	N/A	49.2	N/A
Water intensity	Unit	Total		Czech Republic		Germany		Poland		Hungary		Romania		Slovakia		Austria		Others	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total water consumption per total revenue	m ³ /€ m	2975.25	2986.60	3852.39	N/A	3663.63	N/A	1858.78	N/A	2009.69	N/A	2571.87	N/A	2414.79	N/A	1338.12	N/A	3833.67	N/A
Total revenue	€ m	1627	1694	453	N/A	183	N/A	212	N/A	193	N/A	164	N/A	68	N/A	119	N/A	234	N/A
Total water consumption per total reference gross leasable area	m ³ /m ²	0.699	0.699	0.821	0.755	0.544	0.563	0.486	0.467	0.609	0.590	0.714	0.669	0.424	0.406	0.456	0.448	1.130	1.432
Total reference gross leasable area	m ²	6,927,703.23	7,240,289.34	2,123,386.33	2,213,871.34	1,232,805.01	1,401,095.70	811,164.55	839,217.50	637,551.89	642,434.07	592,019.72	592,649.26	388,150.68	390,690.25	349,063.85	396,647.61	793,561.20	763,683.62

The objective was to use actual data for water consumption for the twelve-month period. Actual data were collected based on automatically transmitting of data (smart metering), reading-out data and data from utility company invoices. Where no complete data was available, consumption was estimated using appropriate assumptions based on lettable area. Where no data was available for the full reporting year, data from the previous year were used.

As direct measurement we considered data based on automatically transmitting and utility company invoices. For the reporting year 2024 we newly added water in fire sprinkler tanks to water storage. Therefore, no changes in water storage are reported for 2023.

E3-5 Financial effects and potential opportunities

In the course of the double materiality assessment as described in IRO-1 for our business activities including our assets as well as our value chain were not identified any material risks or opportunities in relation to water, so this section is not relevant to the company.

ESRS E5 Resource use and the circular economy

ESRS 2 IRO-1 Resource use and circular economy IROs

See disclosures under ESRS 2 – IRO 1

Material impacts, risks and opportunities	Actual negative impact on environment through waste generation
Policies	Code of Business Ethics and Conduct Group Policy on Environment and CSR
Objectives and target	Elimination of waste sent to landfill where possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030
Measures taken	Improvement of data quality

The daily operation of buildings produces a substantial volume of waste. Thus, the Group undertakes a comprehensive assessment of waste generation within its portfolio. This process includes the collection of data pertaining to waste production, encompassing quantities, methods of disposal, and the types of analyses conducted on this data to discern patterns and identify opportunities for enhancement. In the course of identifying areas for improvement, waste assessments were performed across the Czech portfolio as a benchmark for the segment. An evaluation of the potential risks associated with various waste types was incorporated into a double materiality assessment, which took into account potential environmental, health, and safety risks. Inadequate waste management practices, particularly in landfills, can lead to air pollution and the contamination of water and soil. These risks can be mitigated through proactive waste management, elevated recycling rates, and, most critically, the prevention of waste generation. As a Group, we have identified the predominant challenge as the reduction of mixed waste and have established our objectives in this domain accordingly.

E5-1 Policies

The internal guidelines that indirectly support our organisation's circular economy principles are detailed in two key documents:

- the Code of Business Ethics and Conduct

This policy encapsulates the Group's proactive stance on environmental protection and its commitment to high standards of performance, use of natural and other resources as a critical components of a circular economy.

- the Group Policy on Environment and Corporate Social Responsibility (CSR)

This policy states the principles for The Group in terms of circular economy management designed to optimise the use of natural and other resources, minimise waste and promote reuse and recycling of raw materials, among other objectives.

Moreover, our waste management objectives are consistent with Directive (EU) 2018/851, that underscores the significance of sustainable waste management practices. Notably, Article 11(2) of Directive (EU) 2018/851 establishes member state recycling and reuse targets, which we are committed to achieving. Furthermore, the directive emphasises the importance of improving the

efficiency of resource usage and recognising waste as a valuable resource, facilitating the shift towards a circular economic model. This transition involves adopting sustainable production and consumption practices and is anticipated to create substantial opportunities for local economies and stakeholders, including those in the real estate sector. Consequently, waste reduction practices are covered in our internal guidelines for suppliers and tenants.

E5-2 Actions

The Group has introduced the following circular economy actions (particularly related to waste reduction):

- Introduced a new category of hazardous recyclables in 2024 in order to properly address this type of waste.
- Over time, we have analysed waste streams using waste scanning, primarily in shopping centres in the Czech Republic, to identify critical waste streams and develop more efficient, tailored waste management strategies.
- Providing availabilities for separation in our buildings encouraging waste segregation at the source, facilitating proper recycling and significantly reducing the amount of waste sent to landfills.
- Waste prevention promotion via constantly updated education and awareness programs.
- A gradual increase in the number of green leases, mainly with major tenants, including clauses that encourage waste reduction practices. Furthermore, we actively encourage our tenants to adopt these agreements, reflecting our commitment to sustainability and environmental responsibility.

Waste management is also governed by legislation, which we diligently monitor within each local jurisdiction. All assets adhere to local regulations and facilitate the segregation of waste into relevant categories for our buildings' operations. Furthermore, we actively encourage our tenants to adopt green lease agreements, reflecting our commitment to sustainability and environmental responsibility.

E5-3 Targets

As a part of its ESG strategy, the Group has adopted an objective (aligned with EU targets) to eliminate waste sent to landfill whenever feasible, plus the intention to achieve a 55% recycling rate by year end 2025 (increasing to 60% by 2030). We also ensure that our commitments are transparently communicated and publicly accessible. Our established processes are firmly rooted in the functions that bear day-to-day responsibility for ensuring adherence to our policies.

In 2024 the waste recycling rate across the entire portfolio was 45.7%.

Waste streams are contingent upon the particular segment of our portfolio. The most significant waste streams among recyclable materials are paper and plastic. These materials are generated in larger quantities due to documentation, and other operational activities, however, a gradual decline in their production is taking place with the advent of electronic documentation that does not necessitate a printed counterpart. While in sectors such as hospitality, biological waste including food scraps and organic matter is predominant. The primary non-recyclable waste stream across the various segments is municipal mixed waste. This category encompasses a diverse array of materials that are not readily separable for recycling purposes, including contaminated packaging, specific types of plastics, and various composite materials. Municipal mixed waste is significantly predominant across all sectors, rendering it a critical emphasis in our waste management strategies. Accordingly, our objectives and initiatives are primarily concentrated on reducing and managing this category of waste in order to mitigate its environmental impact.



Food composter, Clarion Congress Hotel Prague



Waste management

According to the guidelines of the European Sustainability Reporting Standards (ESRS), key figures and performance indicators related to waste have been calculated. Data are collected based on waste disposal processes, reported in tonnes.

In 2024, a new attribute was added to get more detailed data regarding hazardous waste recovery and disposal. In the previous reporting period for 2023, only the hazardous waste disposal was collected, but for 2024 hazardous waste recycling was added.

	Unit	Total		Czech Republic		Germany		Poland		Hungary		Romania		Slovakia		Austria		Others	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total waste generated	t	88,511.84	83,586.58	40,971.52	33,722.77	8,273.09	10,302.49	3,095.45	3,817.60	7,282.85	7,008.76	7,228.08	8,259.70	4,421.80	4,181.90	2,628.20	3,232.98	14,610.86	13,060.37
Total hazardous waste generated	t	1,800.32	1,287.66	908.03	499.21	0.00	0.00	27.93	36.79	297.82	270.88	0.00	0.00	282.39	143.20	278.23	331.32	5.93	6.26
Total hazardous waste recovery	t	95.96	N/A	51.55	N/A	0.00	N/A	6.10	N/A	38.32	N/A	0.00	N/A	0.00	N/A	0.00	N/A	0.00	N/A
Preparation for reuse	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recycling	t	95.96	N/A	51.55	N/A	0.00	N/A	6.10	N/A	38.32	N/A	0.00	N/A	0.00	N/A	0.00	N/A	0.00	N/A
Other recovery operations	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total hazardous waste disposal	t	1,704.36	1,287.66	856.48	499.21	0.00	0.00	21.83	36.79	259.50	270.88	0.00	0.00	282.39	143.20	278.23	331.32	5.93	6.26
Total incineration	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
incineration with energy recovery	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
incineration without energy recovery	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Landfilling	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other disposal operations	t	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total radioactive waste generated	t	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total non-hazardous waste generated	t	86,711.52	82,298.92	40,063.49	33,223.56	8,273.09	10,302.49	3,067.52	3,780.81	6,985.03	6,737.88	7,228.08	8,259.70	4,139.41	4,038.70	2,349.97	2,901.66	14,604.92	13,054.11
Total non-hazardous waste recovery	t	40,430.77	33,321.20	22,327.76	15,582.01	5,267.64	5,437.68	1,307.65	1,615.97	3,700.05	2,879.17	1,998.69	1,824.93	1,968.54	1,773.89	1,568.99	1,717.32	2,291.47	2,490.22
Preparation for reuse	t	1,233.28	1,155.07	1,128.89	889.84	0.00	0.00	22.00	0.00	30.80	17.07	0.00	2.52	48.65	240.20	0.00	0.00	2.94	5.44
Recycling	t	33,322.61	22,543.23	15,538.82	5,074.99	5,267.64	5,437.68	1,285.65	1,615.97	3,669.25	2,862.11	1,998.69	1,822.41	1,705.06	1,527.97	1,568.99	1,717.32	2,288.53	2,484.77
Other recovery operations	t	5,874.89	9,622.90	5,660.05	9,617.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	214.84	5.72	0.00	0.00	0.00	0.00
Total non-hazardous waste disposal	t	46,280.75	48,977.72	17,735.73	17,641.55	3,005.45	4,864.81	1,759.87	2,164.84	3,284.99	3,858.71	5,229.39	6,434.77	2,170.87	2,264.81	780.99	1,184.34	12,313.46	10,563.89
Total incineration	t	8,089.02	6,099.42	1,843.83	1,580.02	2,807.92	669.64	329.99	262.18	1,424.30	1,330.97	0.00	5.33	161.00	269.70	732.57	1,120.43	789.41	861.14
incineration with energy recovery	t	6,998.08	5,196.48	1,117.42	1,008.55	2,807.92	669.64	119.76	39.25	1,338.50	1,291.17	0.00	5.33	161.00	269.70	732.57	1,120.43	720.92	792.41
incineration without energy recovery	t	1,090.94	902.93	726.41	571.47	0.00	0.00	210.23	222.94	85.80	39.80	0.00	0.00	0.00	0.00	0.00	0.00	68.50	68.73
Landfilling	t	35,974.29	41,208.16	15,851.02	16,014.05	197.53	4,195.17	1,422.42	1,895.19	1,612.73	1,845.73	3,632.95	5,526.44	1,991.89	1,970.09	48.41	60.74	11,217.34	9,700.76
Other disposal operations	t	2,217.43	1,670.14	40.88	47.48	0.00	0.00	7.47	7.47	247.97	682.01	1,596.44	903.00	17.98	25.02	0.00	3.17	306.70	2.00
Total non-recycled waste	t	48,081.07	50,265.38	18,643.76	18,140.76	3,005.45	4,864.81	1,787.80	2,201.63	3,582.81	4,129.58	5,229.39	6,434.77	2,453.26	2,408.01	1,059.21	1,515.66	12,319.39	10,570.15
Share of non-recycled waste of total waste generated	%	54.3	60.1	45.5	53.8	36.3	47.2	57.8	57.7	49.2	58.9	72.3	77.9	55.5	57.6	40.3	46.9	84.3	80.9

S1 Own workforce

S1 SBM-2 Interests and views of stakeholders

See information under ESRS 2 SBM-3

S1 SBM-3 Own workforce IROs

The success of our strategy and business model hinges on having motivated and well-educated employees. They are the ones implementing the strategy, driving innovation and generating new ideas. Their skills, enthusiasm and commitment have a direct effect on productivity, quality and overall business performance. Our Group is dedicated to creating an environment where employees can fully develop their potential, strengths and competencies.

See also the SBM-3 Materiality and target table.

The CPIPG report includes all employees on whom direct influence can be exerted and also part of hotel employees over whom the Group has no direct influence (even though the Group has employment contract with these employees).

The Group's workforce comprises employees who are directly employed by CPIPG, CPI Europe, S IMMO, or one of their subsidiaries, as well as non-employees. A significant portion of the non-employee workforce pertains to hotel operations within the CPI Hotels group portfolio and Marriott Budapest (part of S IMMO), consisting of individuals recruited from external companies to address seasonal demands. Additionally, their own workforce encompasses non-employees classified as self-employed individuals, particularly in Italy and the Czech Republic.

The identified material negative impacts are widespread and systemic. They are not connected to any specific business segments, countries or assets.

Professional and personal training abilities and supporting diverse teams have already resulted in a material positive impact. These impacts relate to own operations, regardless of the country or segments.

The whole workforce of the Group performs activities in the real estate sector in CEE region as employees or non-employees. Considering the local circumstances, no people were identified with a greater risk of harm with regards to negative impacts on their human rights.

Impact, risk and opportunity management

Material impacts, risks and opportunities	Decreased productivity (potential negative impact)
	Mental health issues (potential negative impact)
	Increased risk of accidents and injuries (potential negative impact)
	Gender inequality (actual negative impact)
	Enhanced employee performance and productivity (actual positive impact)
	Promote creativity and innovation (actual positive impact)
Policies	The Group's Human Capital and Employment Relationship Policy
	Code of Business Ethics and Conduct
	The Group's Diversity and Non-discrimination Policy
Objectives and target	Minimum of 33% share of female senior managers
	At least eight hours of training per employee per year
	Biennial employee satisfaction surveys
Measures taken	Appraisal interview
	Individual coaching
	Employee satisfaction survey
	Analysis of the gender pay ratio
	Flexible working time arrangements and part-time working models
	Healthcare management with a focus on preventive healthcare and promotion of sporting activities
	Collective agreement for salaried employees in property management companies and additional company agreements

S1-1 Policies

The Group has issued the following policies and guidelines in connection with their impact on the own workforce:

- Code of Business Ethics and Conduct;
- the Group's Human Capital and Employment Policy, and
- the Group's Diversity and Non-discrimination Policy.

For further details please refer to the policy overview under ESRS 2 MDR-P.

All policies and guidelines cover the Group's own workforce. The employees of CPI Poland, CPI Hotels a.s. in Croatia, Crans Montana Ski Resort in Switzerland, CPI Europe and S IMMO are organised within the framework of a works council. This represents the interests of the employees vis-à-vis the employer.

Internal policies and guidelines are made available to employees via the intranet.

The Group's Human Capital and Employment Policy, which was revised in 2024, covers all material impacts, risks and opportunities related to the Group's own workforce. This policy, thus, in connection and compliance with the Group's Code of Conduct, provides guiding principles relating to the treatment of the Group's own workforce and candidates and other topics relevant to human capital. It defines the standards for working environment and relationships, including the commitment to human rights and freedom of association. The policy covers the following material impacts:

- diversity and equal treatment for all;
- enhanced employee creativity and productivity;
- increased risk of accidents and injuries;
- gender inequality, and
- mental health issues.

We are committed to creating an inclusive working environment in the Group, characterised by openness and mutual respect, where every employee feels valued and heard. A separate directive addressing the material impact of diversity and equal treatment for all is the Group Diversity and Non-discrimination Policy, where the Group is committed to creating and preserving an environment that embraces and encourages diversity and fosters appropriate conduct among all persons regardless of their differences and respect for individual values. To ensure compliance of employees with the above listed principles, the Group conducts mandatory training sessions, which are repeated with each material change to this internal policy.

All representatives must be recruited, trained, supported and treated fairly and equally and only based on characteristics that relate to the work that they perform, such as their talent, skills, experience and potential. All companies of the Group are required to subject their human resources and employment related policies to continuous assessment in order to examine how they affect protected groups and to identify whether their policies help to achieve equality of opportunity for all these groups or whether they have an adverse impact.

The commitment to The Universal Declaration of Human Rights by the United Nations (UN), the UN Guidelines for Human Rights and Business,

the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination against Women, the Fundamental Conventions of the International Labour Organisation (ILO), the Guidelines for Multinational Enterprises by the Organisation for Economic Co-operation and Development (OECD) and the ten principles of the UN Global Compact (UNGC) are laid down in the Code of Business Ethics and Conduct which was updated in 2024. The Code of Business Conduct and Ethics is unified within the whole Group and is also available on our website. All subsequent policies and guidelines are in-line with the aforementioned standards.

Compliance with human rights, including labour rights, is secured via the Group Policy Human Capital and Employment.

The Group is subject to numerous laws, regulations and standards. Therefore, all business transactions and processes must always comply with the relevant laws, regulations, industry standards and best practices in the countries where we conduct our business activities, both formally and in terms of content, and thereby also observe the local social norms.

Accident prevention is covered by the Group Policy Human Capital and Employment Policy and also by the workplace accident and prevention management system which is implemented following every local legislation. The Group structures representatives' tasks so that any potential risk to their health is eliminated or reduced at least. In general, there are no positions in the Group with a high risk of specific diseases. The entire process is monitored and evaluated on a regular basis, with both internal and external audits conducted annually. Occupational safety risks are assessed, and compliance with statutory regulations pertaining to occupational safety and health is ensured. All employees attest to their understanding of the relevant occupational safety standards and internal regulations through regular participation in training courses.

S1-2 Engaging with our people

Employee involvement occurs through various channels. In certain subsidiaries and markets, works councils are established. In the absence of such councils, the Group administers regular employee surveys to collect feedback regarding employee satisfaction and identify areas for improvement. This data is instrumental in making informed decisions that align with the needs of our workforce.

One of the commitments of the Group's ESG Committee is an active interaction with employees and development of communication channels within the Group.

The Group have implemented a system where employees at every level are encouraged to provide regular feedback to their supervisors. This open line of communication ensures that concerns, suggestions and ideas are heard and addressed promptly.

The employees of certain subsidiaries within the Group (CPI Europe, S IMMO, CPIPG's subsidiaries in Poland, Croatia and Switzerland) have formed works councils to represent their interests to the management. These councils are elected through internal democratic elections for a maximum term of five years.

Communication with the management is facilitated by works councils elected by the workforce. These representatives are responsible for direct communication with the Group's representatives.

Additionally, the Group is free to collect feedback from the workforce beyond the works councils.

Executive Management is the highest authority for ensuring dialogue with the workforce. The quarterly talks are conducted by Executive Management, which also holds the final decision-making power in personnel matters.

The cooperation between management and the works councils is regulated by relevant national labour laws, which are based on the principles of the European Convention on Human Rights. These representatives have special protection against dismissal to ensure they can effectively pass on the views of the workforce to management.

The Group maintains an open relationship with the works council based on a foundation of trust and conducts a constructive and collaborative dialogue with this body to achieve a fair balance of interests.

S1-3 Processes to remediate negative impacts and channels to raise concerns

The Group is committed to mitigating the potential for remediation by implementing appropriate measures to prevent significant negative impacts on our workforce. Based on results of double materiality assessment we are actively establishing relevant measures to mitigate negative impacts on our workforce.

Issues or concerns can be raised through a variety of channels, either by contacting the designated local public authorities (or law enforcement authorities/other authorities competent under respective sector-specific regulation), a person designated to receive reports in the Group and/or using the Ethics Line or the Group's whistleblowing system (as defined below). All concerns about potential improper conduct received by any employee outside of the Ethics Line and appropriate persons must be immediately forwarded to the Compliance Officer for assessment and potential investigation. Such a report can be made in writing and/or verbally. Reports can be done in the local and/or other official language of any country where the Group has its business. The Group offers the possibility of reporting the improper conduct anonymously and securely or by voluntarily providing their name and data. The Group confirms to the whistleblower the receipt of the report within the period required by the relevant local legislation, unless no contact details are provided. The Ethics Line is a confidential, 24-hours-a-day, 365-days-a-year service, which is operated by the company BDO Audit s.r.o. Sharing identities when reporting will help those designated to handle reports to conduct the most thorough investigation possible. Identities will not be disclosed to the Group and personal data is handled following the Group's Privacy Policy. A report may also be made anonymously, but the reporter must be identifiable to be afforded protection under applicable whistleblower protection legislation. Regardless of the method of reporting chosen by the employee, all reports of actual or suspected misconduct are taken seriously and are investigated promptly. The Group's subsidiaries provide additional communication channels that allow employees other ways to express their concerns in their native language (including face-to-face or telephone communication).

However, each communication channel and local procedure is set up under the principles expressed in the internal Group Whistleblowing Policy.

However, the Group respects that a whistleblower may, regardless of whether he/she has used the aforementioned whistleblowing channels, report information about the improper conduct directly through external whistleblowing channels to the relevant public authority. All reports of alleged misconduct are investigated by specialist staff or an external independent third party in a fair, impartial and objective manner, in all cases following local internal guidelines. No one other than the designated investigation team is authorised to conduct the investigation, interfere with the investigation or gather evidence or supporting documents related to the allegation or concern. The Group is responsible for ensuring that the whistleblower is informed of the progress of the investigation and its completion within the time required by the relevant local legislation. If it is determined that inappropriate conduct has occurred, the Group undertakes to act against the person or entity that has engaged in the inappropriate conduct.

The Whistleblowing and Whistleblower Protection Policy is part of an outline of internal policies and guidelines that are communicated to each employee via the Intranet and to his/her supervisor.

The whistleblowing system is set out in the Code of Business Ethics and Conduct and other relevant policies, further in a separate Group Whistleblowing Policy. It is available to everyone on the Group's website. Own workforces trust in processes and structures will be part of the next employee survey which is planned for 2025.

Further details of the whistleblowing process and policy are described under G1 Governance information.

S1-4 Managing impact on our people

The following key actions were carried out during 2024:

- appraisal interviews;
- individual coaching;
- revision of internal directives;
- employee satisfaction survey;
- analysis of the gender pay ratio;
- flexible working time arrangements and part-time working models;
- healthcare management with a focus on preventive healthcare and promotion of sporting activities, and
- collective agreement for salaried employees in property management companies and additional Group's subsidiaries agreements.

They applied to the Group's own workforce (excluding hotel-employees of S IMMO) and were carried out on regular basis during the whole reporting period and will continue for the next financial year.

Our priorities include strengthening our appeal as an employer, supporting the growth and satisfaction of our workforce, promoting social responsibility and championing diversity and equal opportunities. Derived from this, various actions have been carried out in the 2024 financial year to achieve policy objectives and targets.

In the realm of employee development, the training initiatives prioritise the enhancement of professional, personal and leadership skills. A crucial component of the Group's performance management process is the annual performance appraisal conducted between employee members and their managers, which continues to gain importance each year. These appraisals establish clear objectives and outline individual learning activities. Additionally, they provide an opportunity for employees to offer feedback on various topics related to personal wellbeing, professional development, teamwork and suggestions for improvement. Individual training and coaching opportunities are coordinated with managers and may include attendance at relevant conferences. We regularly offer language courses, along with various types of individual and group training tailored to employee needs. In the 2024 financial year, the Group observed a significant increase in the proportion of training activities compared to the previous year, largely attributed to the implementation of new ERP system solutions across multiple countries (SAP 4HANA in CPI Czech Republic and Slovakia, Axapta accounting and project management system in Romania). Consequently, extensive training efforts were undertaken to support these transitions. In the 2024 financial year, the largest share of training hours was accounted for: Training on ERP systems, mandatory compliance trainings, or voluntary training to promote soft skills.

Following the inaugural reporting of the Groupwide gender pay ratio for the 2022 financial year, subsequent adjustments have been undertaken in the ensuing years. Regular analyses are conducted, and efforts are being made to further equalise this disparity, while the calculation methodology was revised in 2024.

The Group's employees are offered flexible and partially flexible working hours, as well as part-time working models. In addition, the Group is committed to enhancing employee wellbeing by providing a range of benefits focused on team building and the promotion of work-life balance. Notable offerings include the possibility of a fifth or sixth week of vacation (in some cases after three years of service), access to sport and wellness memberships and opportunities to engage in sports through dedicated applications. Additionally, employees frequently participate in significant social sporting events, such as the Vienna City Marathon, the Serbia Business Run and RunCzech.

To enhance the health of our employees, we offer several sessions each year focused on preventive healthcare, the prevention of lifestyle-related diseases and healthy nutrition.

Effectiveness is tracked via defined metrics and targets as shown in the next chapters, as well as individually for each employee in the workforce during the course of the annual appraisal interview and the biannual employee satisfaction survey.

The actions needed to address particular actual or potential negative impacts on our own workforce are identified during the annual appraisal interviews.

No material risks or opportunities were identified in the double materiality assessment.

The Group provides funds from the personnel budget to secure a safe working environment, additional healthcare for employees and a budget for the works councils. In addition, employee benefits are financed by the Group.

S1-5 Targets

The following targets were set for our own workforce:

Minimum 33% share of female senior managers

This objective serves to promote gender equality. It is quantified as a percentage, representing the ratio of female top managers to the total number of top managers, based on headcount (HC) at the conclusion of each reporting period. This measurement pertains to the organisation's own workforce and is relevant for each fiscal year. The top management cohort constitutes 2.9% of the overall employee population. During the reporting period, the proportion of female top managers within the Group was 35%. Therefore, this objective was successfully achieved for the reporting period.

Completion of at least eight hours of training per employee per year

This objective fosters enhanced employee performance and productivity, while simultaneously encouraging creativity and innovation and alleviating the potential for diminished productivity. It is calculated using the total number of training hours completed by employees at the conclusion of the reporting period divided by the total headcount at that time. During the 2024 reporting year, the Group's employees achieved an average of 25.14 hours of training per individual. Consequently, this objective was satisfactorily met for the reporting period.

Both targets apply to the reporting period and are recurring.

A Groupwide ESG working group established these targets during the alignment of the ESG strategies of CPI Property Group, CPI Europe AG and S IMMO AG in 2023. This working group comprised employees from various departments affected by the strategy. Additionally, employee representatives from CPI Europe were included in the development process. Performance monitoring and the identification of areas for improvement are conducted through regular meetings among the various departments within the Group and the ESG Committee.

S1-6 Workforce demographics

Employee characteristics by gender (HC)	2024
Male	1,199
Female	1,337
Other	0
Not reported	0
Total employees	2,536

Note: Includes non-guaranteed hours employees (HC)

Legal restrictions in the countries of some of our subsidiaries, as well as restrictions resulting from obligations to report to public institutions, have limited our reporting to two legal genders, male and female, which are consistent with current regulatory frameworks.

Definition/methodology

The total number of employees of the Group is calculated by aggregating the number of employees in all countries of operation, excluding freelancers and workers who are not directly employed by the Group. This calculation is based on headcount and pertains to 31 December 2024.

Gender distribution refers to the distribution of employees based on their legally recognised gender, identifying those categorised as female or male. In our Group, the gender split is determined by aggregating the total number of female and male employees across all countries of operation, excluding self-employed people and workers who are not directly employed. This assessment is based on headcount data as at 31 December 2024.

Geographic distribution (HC)	2024
Czech Republic ¹	1,075
Slovakia ²	39
Austria ²	413
Germany ²	166
Hungary ²	510
Poland ²	222
Romania ²	47
Others ³	64
Total	2,536

¹ Incorporates core business and others

² Incorporates core business

³ All entities with insignificant employment, i.e., less than 20

Definition/methodology

The geographic distribution of employees is calculated by aggregating the total headcount of employees within the specific geographical locations where our entities are located. This calculation pertains to the date of 31 December 2024. Counts also include non-guaranteed hours employees (headcount).

Employee characteristics by contract type (HC)	2024		
	Male	Female	Total
Permanent employees	1,015	1,122	2,137
Temporary employees	96	92	188
Non-guaranteed hours employees	88	123	211
Total number of employees	1,199	1,337	2,536

Definition/methodology

Permanent employees are characterised as headcounts who possess an employment contract without a predetermined termination date. The total count of permanent employees within the Group is determined by consolidating the number of permanent employees from all our subsidiaries. This calculation pertains to the date of 31 December 2024.

Temporary employees are defined as headcounts whose employment is contingent upon the fulfilment of a specific project or for a designated period. The total number of temporary employees within the Group is determined by summing up the number of temporary employees across all subsidiaries. This calculation pertains to the date of 31 December 2024.

Non-guaranteed hours are characterised as the headcount of employees engaged without contractual assurance of a minimum or predetermined quantity of working hours. This category encompasses individuals who possess an unique form of employment relationship. The total count of employees with non-guaranteed hours within the Group is determined by summing up the number of such employees across all our operations. This calculation pertains to the date of 31 December 2024.

Employee turnover (HC)	2024
Rate	30.3%
Number of departures	1,029

Note: Excluding the number of non-guaranteed hours employees (HC)

Definition/methodology

The employee turnover rate is defined as the percentage of employees who have departed from the Group, expressed as a percentage. The total number of employees who have left the Group is ascertained by aggregating the departures across all countries of operation within the reporting period, while excluding workers who are not employees and non-guaranteed hours employees. To ascertain the percentage of departures, the total number of departures is divided by the average annual number of employees this metric encompasses throughout the reporting period. This metric encompasses departures from CPI Hotels and the Crans Montana Ski Resort, albeit only insofar as they pertain to the consolidated Group. Departures from CPI Hotels are incorporated at a ratio of 2/12, reflecting their inclusion in the consolidated Group for a complete duration of two months in 2024. The estimates are predicated on comprehensive annual data for the year 2024. In contrast, departures from the Crans Montana Ski Resort are derived from 2/3 of the 2023 data and should be regarded as estimations. This ratio was assessed based on specific operational conditions, given that peak season occurs during the winter months and this business was integrated into the Group for a complete span of four months in 2024.

The turnover rate within the real estate industry is typically elevated and is significantly impacted by various factors, including economic conditions, market competition, working environments and opportunities for career advancement. Moreover, the elevated turnover rate is further exacerbated by the inclusion of the hotel segment, where service industry employment dynamics and seasonality often account for prevalent reasons for employee departures.

S1-9 Diversity

Diversity metrics (HC)	2024	
	HC	Share
Executive management	3	
<i>breakdown by gender</i>		
Male	3	100%
Female	0	0%
Top management	68	
<i>breakdown by gender</i>		
Male	44	65%
Female	24	35%

Executive Management is defined as one level below the supervisors and is based at our HQ in the Czech Republic. As at 31 December 2024, it consisted of three members, one of whom is an employee with an employment contract and two with another type of executive agreement. Top Management is delineated as comprising individuals situated two tiers below the Supervisory Board and one tier below the Executive Management, with these personnel dispersed across the subsidiaries within the Group's operations.

Definition/methodology

The gender distribution within the Group is determined by aggregating the total number of male and female employees in executive and top management positions. These cumulative figures are then divided by the overall total of Top Management employees to ascertain gender distribution. This calculation is calculated as at 31 December 2024.

Age distribution of employees (HC)	2024	
	HC	Share
Under 30 years	467	20%
30-50 years	1323	57%
Over 50 years	535	23%
Total employees	2,325	100%

Note: This table includes all employees who have a contract of employment. Excluded from the calculation are employees with non-guaranteed hours.

Definition/methodology

The age distribution of employees is determined by aggregating the total number of employees who are thirty years of age or younger, employees aged between thirty and fifty years of age and employees who are fifty years of age or older. This metric pertains to the date of 31 December 2024.

S1-13 Trainings and skills development

Average number of training hours	2024
<i>breakdown by gender</i>	
Male	21.96
Female	28.06
Total average training hours per employee	25.14
<i>Note: Excludes non-guaranteed hours employees.</i>	
The participation in career development reviews	2024
<i>breakdown by gender</i>	
Male	56%
Female	66%
Total percentage of employee participation (HC)	61%

Definition/methodology

Training and skills development includes primarily mandatory training as well as voluntary training. These include various methods such as on-site training, online courses, workshops, certification programs, learning opportunities, pop-up courses, etc. The number of training hours per employee and by gender is calculated by dividing the total number of training hours recorded in the Group by the number of employees for each gender. This calculation is based on the reporting period as of 31 December 2024 and includes all employees in core employment within the Group, excluding employees with non-guaranteed hours.

The percentage of employees engaged in the career development reviews is determined by utilising the total number of employees disclosed in S1-6 as the denominator as of December 31, 2024. It should be noted that while this metric encompasses non-employees, they are not included under the development reviews framework. In addition, the percentage by gender is derived from the total number of male and female employees within the Group.

S1-14 Health and safety

	Core Business*	CPI Hotels	CM Ski Resort
Percentage of employees who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines			
Employees	100%	98%	100%
Non-employees	77%	100%	0%
Number of fatalities as result of work-related injuries and work-related ill health			
Employees	0	0	0
Non-employees	0	0	0
Other workers working on undertaking's sites	0	0	0
Number of recordable work-related accidents/injuries for own workforce			
Employees	59	4	6
Non-employees	16	0	0
Computing rate of work-related injuries			
Employees	15.3	27.7	20.6
Non-employees	71.6	0.0	0.0
Number of cases of recordable workrelated ill health, subject to legal restrictions on the collection of data			
Employees	21	0	0
Non-employees	0	0	0

* Core Business includes other segments, e.g., hotels managed by third party operators, farms etc.

In our Core Business segment, accidents at work are not frequent because the nature of our work does not place a heavy physical burden on our employees. At the same time, a higher rate of injuries occurs in the hotel segment due to the nature of the work. Although we cannot disclose specific data due to the sensitive nature of the personal data, the nature of the workplace injuries recorded does not create significant trends or patterns. The Occupational Health and Safety Management System applies to whole own workforce except for some temporary employees and non-employees. In 2024, we did not record any fatal occupational injuries to our workforce or workers at our sites.

Definition/methodology

Number and rate of work-related accidents

CPIPG refers to the consolidated metric for employees in the reporting period as at 31 December 2024, recorded in the local occupational health and safety management systems of the Group entities. CPI Hotels and Crans Montana Ski Resort are extracted into separate columns, and their metrics refer only to the period during which they were part of the consolidated Group.

The number of occupational accidents involving both employees and non-employees during the period under review is recorded in the local occupational health and safety management systems of the Group's entities. The consolidated number refers to the total number of occupational accidents, regardless of their severity.

The recorded accident rate represents the number of cases of work-related accidents per one million hours worked.

It is calculated by dividing the number of cases recorded in the reporting period by the aggregate number of hours worked in the Group and multiplying by one million.

Number of cases of notifiable work-related diseases

This parameter is duly collected; however, it remains unexplored in substantial detail due to the constraints imposed by the General Data Protection Regulation (GDPR).

Number of days lost

The total number of days lost is calculated from the first full day of absence to the last day of absence, encompassing all calendar days within the specified period, including weekends and public holidays.

Number of fatalities

The total number of fatalities is documented for individuals within the Group and for other employees at the worksites, resulting from work-related accidents or occupational diseases.

S1-16 Pay Equity

Remuneration is established based on an individual's position and professional experience, encompassing a base salary and potential variable components contingent upon job responsibilities. The Group has standardised the classification of employees across all subsidiaries to enhance the precision of gender-demographic reporting. The classifications are as follows:

- Top Management: Non-Board C-Level, Country Managers
- Middle Management: Department Heads
- Entry-Level Management: Team Leads, Staff Unit Leads
- Non-Management Employees: All other

The Group aims to ensure equitable compensation for individuals possessing equivalent qualifications and performing comparable roles; however, the overall data is influenced by the existing gender imbalance prevalent within the sector.

Gender pay gap	2024
Top-Management level	2.41%
Middle Management level	16.21%
Entry-Level Management level	13.89%
Non-Management level	14.25%
Total	14.00%
<i>Note: Excludes non-guaranteed hours employees</i>	
Total Remuneration ratio	18.94

Definition/methodology

The gender pay ratio is independently determined for each employee group, adjusted according to the weighted distribution by country, and subsequently consolidated utilising a weighted average methodology. Male employees' average gross hourly earnings are deducted from the average gross hourly earnings of female employees. This difference is then divided by male employees' average gross hourly earnings and multiplied by 100 to obtain the ratio. The final gender pay ratio is assessed based on the relative weights of the various employee groups in relation to the total employee count as of 31 December 2024.

Our reporting is based on the remuneration of the highest-earning employee compared to employees in the Group.

S1-17 Incidents and its complaints

Discrimination incidents reported and complaints filed	2024
Discrimination incidents reported	0
Sexual harassment incidents reported	1
Complaints filed	0
National Contact Pointsreports	0
Fines, penalties and compensation relating to incidents and complaints disclosed above	€–
Number of severe human rights incidents	0
Cases of non-respect of UNGP/OECD frameworks	0
Fines, penalties and compensation relating to severe human rights incidents	€–

All cases of discrimination and complaints submitted within our Group are addressed in accordance with the procedures established in the group policy. Given the sensitive nature of these matters, we refrain from disclosing specific details of the incidents. Our grievance mechanisms are designed to ensure that employees can report any incident with confidence and security.

A singular incident of sexual harassment was reported in 2024. Data protection regulations govern the particulars of this case.

In the year 2024, there were no recorded fines or penalties associated with discrimination. We remain committed to adhering to all pertinent regulations and preserving the integrity of our business practices. Furthermore, there were no significant incidents concerning human rights involving our employees in 2024; consequently, no fines, penalties, or compensatory measures related to such incidents were documented.

ESRS S4 Consumer and end users

ESRS 2 SBM-2 Interests and views of stakeholders

Please see information under ESRS 2 SBM-2.

ESRS 2 SBM-3 Consumers and end-users IROs

The identified material climate-related impacts, risks and opportunities are detailed in the SBM-3 Materiality and target table.

Impact, risk and opportunity management

Material impacts, risks and opportunities	Data ethics
	Trustworthiness
Policies	Personal Data Protection Directive
	Code of Conduct for Tenants
Objectives and target	Will be set in 2025
Measures taken	Ethics line
	Regular trainings

S4-1 Policies related to consumers and end-users

The Group has introduced the Personal Data Protection Directive which specifies the rules of personal data protection, rights of data subjects and obligations associated with the processing of personal data throughout CPIPG.

As stated in the policy the Group complies with applicable laws on privacy and data protection, including Regulation (EU) No 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR).

We collect and retain personal data only to the minimum extent and for proper purposes, as required by applicable laws and the Group's operational requirements. We also take all necessary or appropriate steps and measures to comply with applicable laws to safeguard and fairly process personal data, to maintain the confidentiality of personal data and prevent any accidental destruction, alteration, modification, loss, misuse, unlawful use or processing of, or unauthorised access to, personal data. Certain Group companies have appointed Data Protection Officers with the functional and organisational responsibility for compliance with applicable laws and the Group's internal rules on personal data protection. The Group companies and their representatives shall report any alleged breach of applicable laws or the Group's internal rules on personal data security to the relevant Data Protection Officer.

The directive also sets out the responsibilities attached to specific roles and explains the relationships between personal data protection and the rules specified by the internal directive on information security.

This directive applies to all instances of personal data processing taking place by fully or partially automated means and to instances of manual processing of any personal data if the personal data is contained or is intended to be contained in any record of data.

The purpose of the directive is to ensure that users understand their roles and obligations within the GDPR.

Personal data is a specific type of information. They are therefore subject to CPIPG regulations governing the areas of information security and IT security. The specific form of personal data protection from misuse is determined by the classification of such data into different groups of varying degrees of confidentiality (public information, internal information, limited access information and secret information).

The Personal Data Protection Directive covers all instances of personal data processing that take place by fully or partially automated means and to instances of manual processing of any personal data if the personal data is contained or is intended to be contained in any record of data.

Human rights are an integral part of the Code of Conduct for Tenants. The tenants shall respect and promote recognised human rights, including appropriate labour conditions and practices, and not cause, contribute to or be linked with, a negative impact on human rights in the workplace or in relation to their business operations. The Code of Conduct for Tenants is available on the Group's webpage. Our policies are based on the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises.

S4-2 Engaging with consumers and end-users

We endeavour to build a partnership with our customers that operates in a manner consistent with our values, including ethical, social and environmental aspects. We strive to ensure that our customers share our values. At the same time, our priority is to satisfy the needs and expectations of our customers. Therefore, we conduct our business with due care and focus on protection and support of our customers' interests. We avoid any steps and actions which could damage our trustworthiness in our customers' eyes or distort their perception of our services.

We also pay attention to customers' complaints and inform them about the handling of complaints, including remedial steps and measures to be taken. We always prefer an amicable solution to any disputes. If such an amicable solution cannot be reached, we inform the customer on all available out-of-court solutions to the respective dispute.

In pursuing the Group's business individual CPIPG entities process significant amounts of personal data. Such data include the personal data of customers,, as well as potential customers, and other parties.

Within each CPIPG entity, persons in the following roles, as per individual entities' organisational structures, bear responsibility for the protection of personal information:

- Statutory body;
- Executive Director or a person fulfilling a similar role (Executive Director);
- Corporate Legal Department;
- CPIPG division Directors (owners of personal data), and
- Employee.

GDPR roles that span the organisational structure:

- Internal audit;
- GDPR specialist (dpo@cpipg.com);
- Personal data processing respondents,
- GDPR Incident Response Committee.

Roles of divisions and/or units with special relationship to GDPR processes:

- HR Department, Document Processing Department and Reception Department;
- Information Technologies Division (IT), and
- Legal Office.

GDPR roles outside the organisational structure:

- Data Protection Officer (dpo@cpipg.com).

S4-3 Processes to remediate negative impacts and channels for raising concerns

Asset, centre and property managers serve as the primary points of contact for the Group's tenants, their employees, and end users. In addition to their various responsibilities, they focus on tenant relations and facilitate the central services offered by the Group. These services are accessible through the application, which features a direct feedback tool that allows users to promptly and easily submit complaints, suggestions, requests or damage reports. Hotel staff frequently interact with guests and handle their personal information. Any concerns can be addressed directly through forms available in all guest rooms.

The Group attaches great importance to responsible management guided by the principles of integrity, honesty and transparency.

Issues or concerns related to data security of consumers or end users can be raised via a third-party whistleblower system (Ethics Line). The Ethics Line is available on the Group's webpage. All reports are investigated by the Group's internal independent audit department or an external independent third party in a fair, impartial and objective manner. The Group is responsible for ensuring that the whistleblower is kept informed of how the investigation is proceeding and its completion within the deadline required by the relevant local legislation. In case of confirmed improper conduct, the Group takes all necessary steps to improve the internal compliance system and takes the appropriate follow-up actions.

All reports made in good faith shall be kept confidential and no person making a report is subject to discrimination or adverse treatment by virtue of making that report. However, anyone making a report under the whistleblowing procedure shall acknowledge and accept that the Group may, by reason of the matters reported, need to address this with the relevant public authorities, and that it may have consequences for the reporter under applicable laws.

In the case of a personal data breach, CPIPG has established contacts for reporting such breaches (24/7 hotline, email). Information is provided to the GDPR team (DPO) and the IT department. The case is handled in such a way that CPIPG complies with the 72-hour deadline for reporting to the Supervisory Authority. If a specific breach may result in a high risk to the rights and freedoms of natural persons, the data subjects are informed without delay. The teams then set up corrective measures and these are communicated with the responsible persons in the CPIPG.

S4-4 Taking action and managing IROs

As part of our organisational measures to safeguard data and ensure compliance with data privacy regulations, mandatory employee training is conducted. In 2024, we facilitated an interactive online training course covering data protection, the IT directive and cyber security for entire workforce. To date, the Group has not identified any substantiated complaints from consumers, third parties or regulatory authorities concerning breaches of customer data protection for the year 2024, and, as such, no remedial actions were deemed necessary.

We continuously monitor the channels for grievances and whistleblowing. Over the past few years, there have been no confirmed cases of data breaches, indicating that our current actions are effective and appropriate.

No severe human rights issues and incidents connected to our consumers and/or end users have been reported during the reporting year.

S4-5 Targets

A specific and measurable target in relation to data breaches and loss in trustworthiness will be developed during year 2025 and disclosed in the following management report. The objective is to establish a target that aims to minimise the number of personal data leaks to zero on an annual basis.

G1 Governance

ESRS G1 Business conduct

ESRS 2 GOV-1 Management responsibilities

Please see ESRS 2 of the sustainability statement.

ESRS 2 IRO-1 Business conduct IROs

The identification of IROs as part of the ESRS governance standard is based on the assessment of the ESG project team in collaboration with the Compliance Officers and the Group Internal Audit, as well as the analysis of Groupwide policies and internal guidelines.

The assessment of business conduct covers the entire CPI Property Group and is facilitated by our extensive and regular communication of business conduct procedures. This means that policies are generally in place across the Group and the strategy for corporate culture is aligned throughout.

The assessment is based on discussions/surveys with/of the relevant stakeholders. In addition, the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange, the EU Whistleblowing Directive, the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act 1977, and the OECD Guidelines for Multinational Enterprises, as well as current and future EU anti-corruption laws, were considered and assessed against our current practices.

The identified material risks are detailed in the SBM-3 Materiality and target table.

Impact, risk and opportunity management

Material impacts, risks and opportunities	Toxic work environment and unethical decision making
	Enhanced transparency and accountability
	Retaliation against whistleblowers
	Reputation and financial impact risk
Policies	Anti-Corruption, Anti-Bribery and Countering of Fraud Policy
	Anti-Money Laundering and Counter-Terrorist Financing Policy
	Code of Business Ethics and Conduct
	Whistleblowing Group Policy
	Whistleblowing and Whistleblower Protection Policy
Objectives and target	Mandatory employee training on Code of Conduct and associated policies
	Group's compliance and governance policies reviewed by Dentons (2019) and White & Case (2023, 2024)
Measures taken	Regular trainings

See also ESRS 2 sections describing the process to identify and assess material impacts, risks and opportunities respectively for more detailed information on the Double materiality analysis and for the risk identification process.

G1-1 Business conduct policies and corporate culture

See MDR-P Policy Overview table

CPI Property Group is committed to business conduct based on integrity, honesty, fairness, transparency and responsibility. Mutual trust is the basis for constructive cooperation within the Group and with business partners. All activities relating to compliance, fighting corruption, sustainable procurement and human rights are carried out in accordance with these principles.

The Board of Directors has issued numerous corporate guidelines for these areas, which apply to all Group companies. The Code of Business Ethics and Conduct serves as the basis for all business activities and internal decisions and includes clear guidelines on respect for basic rights, integrity and fairness, a ban on discrimination and rules for relations with competitors, customers and professional associations.

The fundamental approach to respect human rights and fair labour practices extends to the Group's operations and the entire value chain. The Group's activities are always guided by the principle that they should neither cause, nor contribute to, human rights abuses. All employees are required to comply with the standards and guidelines set out in our Human Capital and Employment Relationships Policy. The principles of responsible management also include a clear commitment to, and support for, internationally recognised human rights. In particular, CPI Property Group is committed to social and societal responsibility through its participation in the United Nations Global Compact.

The Anti-Bribery, Anti-Corruption and Countering of Bribes Policy is based on the UN Convention against Corruption and outlines the principles of conduct and ethical requirements for dealing with corruption.

The Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Anti-Bribery, Anti-Corruption and Countering of Bribes Policy is intended to ensure compliance of the Group with applicable laws relating to AML and CTF, as well as to ensure that representatives understand the importance of AML and CTF and their related responsibilities.

The CPI Property Group Securities Trading and Inside Information Policy covers the legal prohibition on the use of insider information for insider trading and the unlawful disclosure of insider information. In addition to regular training, the Compliance Officer is available to answer questions from employees at any time.

CPI Property Group supports its employees and other persons in reporting matters that are deemed to contravene the rules and/or values upheld by CPI Property Group. By implementing its Whistleblowing and Whistleblower Protection Policy, CPI Property Group makes available various reporting channels that ensure the protection of the reporting person's identity.

CPI Property Group's high standards were also formally established along the value chain in the financial year 2019 by introducing a Groupwide standardised Code of Conduct for Suppliers and a Code of Conduct for Tenants.

Advice on implementing the organisation's policies and practices for responsible business conduct can be obtained from the persons responsible in the respective departments. The Compliance and Legal departments are responsible for monitoring new legislation and requirements in corporate and operative law.

As a general rule, the overall responsibility for pursuing individual policies detailed in the Code of Ethics rests with the Board of Directors of CPI Property Group, which acts through the Compliance Officer, unless any Group internal rule states otherwise.

All Group guidelines are available to all employees on the intranet. All CPI Property Group employees receive annual training on the above topics. The internal audit department regularly reviews compliance with the guidelines. Selected guidelines are also available to interested stakeholders on the company's website.

Employees, volunteers, suppliers and other stakeholders are able to report issues such as harassment and discrimination, corruption, human rights violations and conflicts of interest via an electronic whistleblowing system, the Ethics Line, which is managed by BDO Audit sro (BDO). Reports can be submitted either anonymously or using their real name. The whistleblowing system is available to everyone on the Group's website. Access to the reports in the system is restricted to BDO and to designated persons within the Group. Reports of suspected cases can also be made directly to the Group's Internal Audit Director in either verbal or written form.

Following the conclusion of the proceedings, the Group Internal Audit Director presents the relevant report to the Board of Directors, along with any recommended measures, if deemed necessary. The implementation of these measures is reviewed by Internal Audit. The procedure for the complaint mechanism is governed by an internal guideline and documented on the Ethics Line.

The purpose of the whistleblowing system is to establish a working environment where employees feel comfortable reporting potential violations of CPI Property Group principles and/or procedures or violations of legal regulations, which have been perceived by them personally, to the best of their knowledge and belief, without fear of personal consequences or other disadvantages. Reports of perceived and suspected cases which are made through one of the whistleblowing reporting channels provided by CPI Property Group may be made either anonymously or using their real name. Employees are at liberty to decide which type of report they wish to submit.

Under the Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of union law, whistleblowers who have submitted reports in good faith may not be subject to any form of penalty, discrimination or disadvantage, even if the

initial findings indicate no infringement, or if the facts of the matter turn out to be inaccurate or are not pursued further, provided that the whistleblower did not intentionally submit a false report.

In addition to the procedures for following up on reports by whistleblowers in accordance with the applicable law transposing Directive (EU) 2019/1937, the Group has procedures for investigating business conduct incidents, including incidents of corruption and bribery, within 30 days, in an independent and objective manner. In complicated cases, this period may be extended by up to 30 days no more than twice. The reporting person receives a unique case number (ID) that can subsequently be used to log into the portal and monitor the case's progress. When reports are made by other means, the reporting person is notified about the course of the investigation and the outcome if they have provided BDO with their contact information. The Group Internal Audit Director reports such cases to the Board of Directors.

CPI Property Group employees are familiarised with the Code of Business Ethics and Conduct principles when joining the Group and signing the job agreement.

AML training is mandatory for all employees within the core business and is held annually via the online training platform.

The Group Internal Audit Director, responsible for processing whistleblower reports, participated in external webinars/training as part of their professional development.

The Group has defined the following individuals and groups as functions-at-risk with regard to bribery and corruption:

- purchasing managers;
- asset and transaction managers;
- other middle-management positions (budget owners), and
- members of Executive Management and the Board of Directors.

myhive am Wienerberg, Urban Garden, Vienna, Austria



G1-3 Prevention and detection of corruption and bribery

CPI Property Group has issued a Group Anti-Bribery, Anti-Corruption and Countering of Bribes Policy. In connection, and in accordance, with the Code of Business Ethics and Conduct and other internal Group rules. The purpose of this policy is: to ensure the lawful conduct of employees, business partners, agents and customers; to ensure the Group's compliance with applicable laws regarding anti-corruption, anti-bribery and combating fraud; to prevent conflicts of interest from arising; to sensitise employees to potential conflicts of interest and thereby protect them from criminal offences, and to prevent damage to the Group's reputation as a result of improper practices. Examples of improper practices include facilitation payments or requests for gifts or other benefits from business partners and third parties.

Employees are encouraged to report any suspected violations of internal guidelines, legal regulations, principles of conduct or other forms of corruption, either anonymously or using their real name, to the Board of Directors, Compliance Officer, Group Internal Audit Director or whistleblowing system of CPI Property Group.

CPI Property Group also counters the risk of bribery through employee training, cost comparisons, payment authorisations, internal audits and the possibility for third parties to report possible cases of bribery through the whistleblowing system. CPI Property Group counters the risk of passive bribery by not providing financial or material resources for active attempts at corruption (e.g., involving public officials). CPI Property Group does not encourage its employees to engage in such activities, as these actions would also have criminal consequences for CPI Property Group employees.

Any allegations of incidents indicating potential violations of the Group Anti-Bribery, Anti-Corruption and Countering of Bribes Policy, as well as any action suspected of contravening anti-corruption and anti-bribery laws, are to be promptly investigated by the Compliance Officer and the Group Internal Audit Director. If allegations are made against the Compliance Officer or Group Internal Audit Director, the Board of Directors should be informed immediately.

The investigation results are brought to the attention of the Board of Directors. It is the responsibility of the Board of Directors to take concrete measures with regard to the case in question.

The Group Anti-Bribery, Anti-Corruption and Countering of Bribes Policy is published on the Group's intranet. The Ethics Line allows third parties to report violations anonymously or using their real name. All information is available on the company's website.

The Group intends to introduce anti-corruption and anti-bribery training in the next two years. Participation in this training will be mandatory for all employees of the Group.

The Group has defined the following individuals and groups as functions-at-risk with regard to bribery and corruption. Since the Group's plan is to train its entire workforce by year 2026, the training coverage for functions-at-risk will be 100%.

The Group intends to introduce anti-corruption and anti-bribery training in the next two years. Participation in this training will be mandatory for all members of the Board of Directors and Executive Management.

G1-4 Incidents of corruption or bribery

There were no incidents, convictions or fines for violations of anti-bribery and anti-corruption laws or violations of procedures and standards related to anti-bribery and anti-corruption identified in 2024.

Furthermore, CPI Property Group has not initiated any legal proceedings for corruption or bribery against us or our employees. Nor has the Group identified any actual effects or incidents of corruption and bribery in which we are directly involved through a business relationship in our value chain.

By 2026 CPI Property Group employees will be required to complete regular e-learning courses in order to familiarise themselves with the principles of the Code of Business Ethics and Conduct and compliance basics, including anti-corruption, gifts and benefits, anti-money laundering and whistleblowing.

The Group sets a clear goal to train its entire workforce, including employees in high-risk functions and all members of the Board of Directors and Executive Management, by 2026.





**Shape the future
with confidence**

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Limited Assurance Report on Sustainability information

To the Board of Directors,
CPI Property Group S.A.
40, Rue de la Vallée
L-2661 Luxembourg
Grand Duchy of Luxembourg

Limited Assurance Conclusion

We conducted a limited assurance engagement on the Sustainability Statement of CPI Property Group S.A. (the "Group") as of 31st December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Statement is not prepared, in all material respects in accordance with:

- article 19(a) and 29(a) of EU Directive 2013/34/EU ("Directive");
- compliance with the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in note ESRS 2 IRO-1;
- compliance of the disclosures in "Reporting according to the EU Taxonomy" within the environmental section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation");
- altogether the "Criteria".

Basis for Limited Assurance Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (revised) ("ISAE 3000"), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board ("IAASB") as adopted for Luxembourg by the Institut des Réviseurs d'Entreprises ("IRE").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Responsibilities of réviseur d'entreprises agréé's section of our report.



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We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (“IESBA Code”) as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (“CSSF”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour

Our firm applies International Standard on Quality Management (“ISQM”) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB as adopted for Luxembourg by the CSSF. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other Matter - Comparative information not subject to assurance procedures

No limited assurance procedures have been performed on the sustainability statement of prior year. Consequently, the comparative information in the sustainability statement and thereto related disclosures for the year ended 31 December 2023 have not been subject to limited assurance procedures.

Our conclusion is not modified in respect of this matter.

Responsibilities of Board of Directors and those Charged with Governance for the Sustainability Statement

The Board of Directors of the Group is responsible for designing and implementing and maintaining a process to identify the information reported in the Sustainability Statement in accordance with ESRS and for disclosing this process in note ESRS 2 IRO-1 of the Sustainability Statement.

This responsibility includes:

- understanding the context in which the Group’s activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.



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The Board of Directors of the Group is further responsible for:

- The preparation of the Sustainability Statement in accordance with the Criteria.
- Designing, implementing and maintaining such internal control that Board of Directors determines is necessary to enable the preparation of the Sustainability Statement, in accordance with the Criteria, that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Inherent limitations in preparing the Sustainability Statement

In reporting forward looking information in accordance with ESRS, the Board of Directors of the Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Sustainability Statement, the Board of Directors of the Group interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

Responsibilities of the réviseur d'entreprises agréé

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000, we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Performing procedures, including obtaining an understanding of internal control relevant to the engagement, to identify risks that the process to identify the information reported in the Sustainability Statement does not address the applicable requirements of ESRS, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process to identify the information reported in the Sustainability Statement is consistent with the Group's description of its Process as disclosed in note ESRS 2 IRO-1.



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Our other responsibilities in respect of the Sustainability Statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures performed in a limited assurance engagement vary in nature and form, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The nature, timing and extent of procedures selected depend on professional judgement, identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect of the Process, we:

- obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents) and reviewing the Group's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note ESRS 2 IRO-1.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by conducting interviews with key personnel;
- evaluated whether all material information identified by the Process is included in the Sustainability Statement;
- evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the Criteria;
- evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statement;



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- performed substantive assurance procedures based on a sample basis on selected disclosures in the Sustainability Statement;
- compared selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and management report;
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in note ESRS 2 IRO-1;

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in black ink, appearing to read 'Jesus Orozco', is written over the text of the Ernst & Young firm name.

Jesus Orozco

Luxembourg, 11 April 2025