

# ESG at CPI Property Group

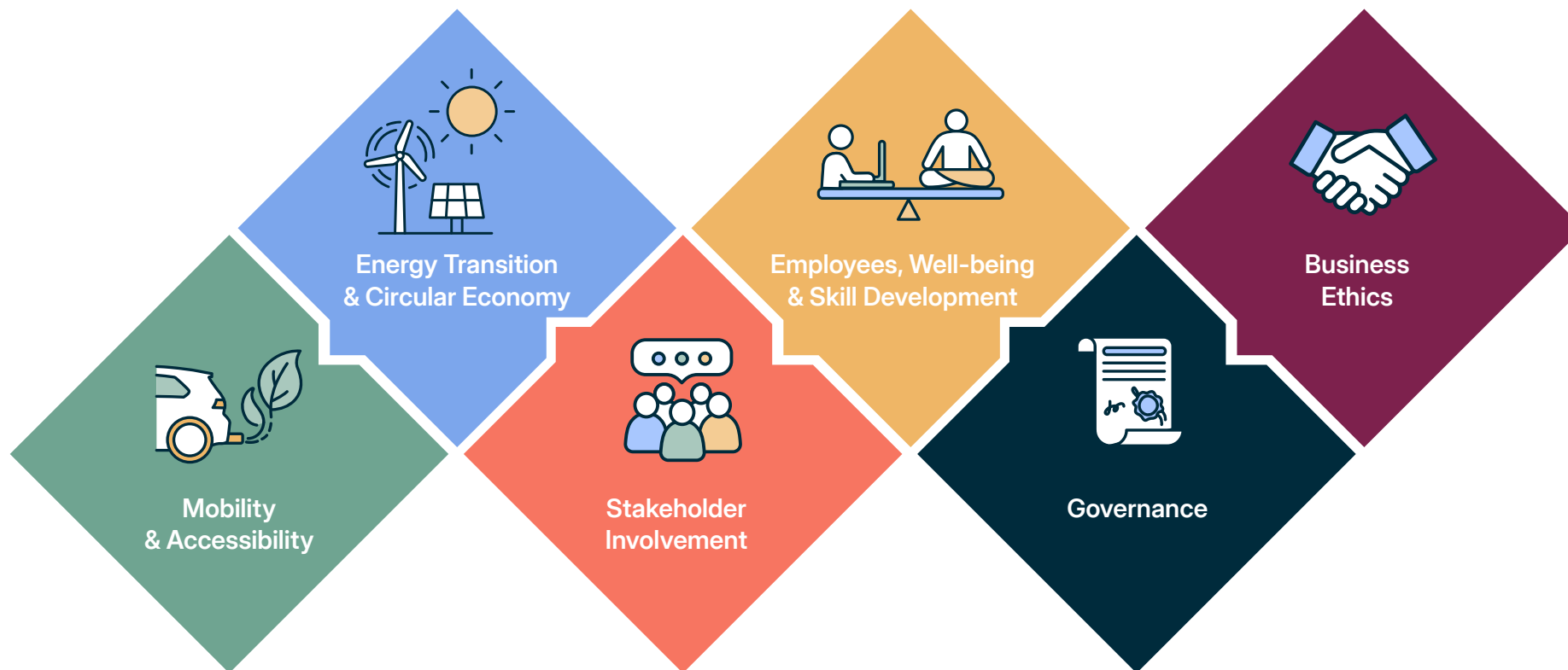


# CPIPG is dedicated to high sustainability standards

Significant investments in green buildings and energy efficiency improvements. CPIPG has set performance targets for its greenhouse gas production and water consumption by the end of 2030, and recently increased the level of ambition of its GHG intensity target to be in line with Paris Agreement goals.

CPIPG has over 2,500 employees and is committed to fostering an inclusive and diverse organisational culture. In the 2024/2025 employee satisfaction survey, we concentrated on various topics, including corporate culture, information dissemination and communication, teamwork, as well as training and professional development. We take great pride in maintaining an inclusive, family-oriented company culture, despite our considerable size and geographical diversity.

CPIPG's Code of Ethics, established in 2019, together with our Group policies, sets basic standards of conduct for all employees and agents. All policies were reviewed by Dentons in 2018/2019 and White & Case 2023/2024 and are available on our website.



CPIPG is committed to sustainable transportation initiatives. The Group actively encourages cycling, access to public transportation, and environmentally friendly modes of travel for tenants and employees. As of 2024, the number of electric vehicle charging stations has increased to over 1,500, primarily located within the office and retail segments, with plans for future expansion. We have established a goal of transitioning our corporate fleet in the Czech Republic to electric vehicles, and by the close of 2024, we had already adopted an almost exclusive reliance on electric vehicles. In instances where electric options are not feasible, we continue to utilise plug-in hybrid vehicles.

CPIPG has a continuous dialogue with tenants, employees, investors, and members of local communities and is involved in a wide range of community engagement initiatives and charitable activities. This is supervised and directed by the Board of Directors.

CPIPG follows the X Principles of Governance published by the Luxembourg Stock Exchange and is listed on the Frankfurt Stock Exchange. Significant improvements have been made since 2019 to continually improve Board independence and internal policies.  
\* <https://www.bourse.lu/corporate-governance>

# CPIPG's ESG journey

- Updated environmental targets validated by the Science-Based Target initiative in alignment with the Paris Agreement's 1.5°C scenario for scope 1+2
- Inaugural Sustainability Statement including limited assurance disclosed

- The Group achieves the highest CDP score (A)
- Issued two green bonds totalling €1.35 billion
- Non-financial report based on CSRD/ESRS standards
- Newly appointed Group Compliance Officer

- White & Case conducts a fresh review of CPIPG's compliance, governance, related party transactions, and other policies
- CPIPG closed a debut €100 million Sustainability-Linked loan

## 2025

## 2024

## 2023



- Partnership with CI2, a regional partner of CDP
- Further improvements in Board and Board committee independence
- Energy Management System implementation
- Leading issuer of green bonds: further issuances in Sterling (£350m), Euros (€750m) and Hungarian Forint (Ft30bn)

- CPIPG revises its environmental strategy
- Increased ambition for GHG intensity reduction target of 30% (2021) and to 32.4% (2022)
- Funds managed by Apollo become a new equity investor in CPIPG and appoint Tim Scoble to the board of directors



### SCIENCE BASED TARGETS

- Environmental targets validated by the Science Based Target initiative
- CPIPG issues inaugural Sustainability-Linked Bond

## 2020

## 2021

## 2022

- CPIPG joins New Green Deal Declaration
- Inaugural reporting on climate change in CDP
- Radovan and Marie Vitek retired from the board of directors while Jonathan Lewis joined as a third independent member

- New CSR policies
- Debut green bond issuance €750 million
- Increased Board and Board committees' independence
- CPIPG joins the Czech Green Building Council
- Board of Directors establishes a CSR Committee
- Dentons reviewed CPIPG's compliance, procurement and other policies, leading to the implementation of further policies and procedures



- First ESG rating from Sustainalytics
- Sustainability agenda / target-setting commences
- Appointment of a Group Sustainability Officer
- Environmental partnership with UCEEB

- Investment grade ratings achieved with S&P and Moody's
- Establishes EMTN programme
- CPIPG becomes an established issuer of international debt capital markets

## 2020

## 2019

## 2018

## 2017–2018

# Group ESG goals



- Scope 1+2 **46.2%** reduction in GHG intensity per square meter of property portfolio, incl. bioenergy,
- Scope 1 and 3, **76.34%** reduction in GHG emissions per MWh of sold electricity
- Selected categories of scope 3 **27.5%** reduction in GHG intensity per square meter of property portfolio

*by year 2030 versus 2019 baseline (validated by Science-based Target initiative in February 2025 in alignment with the Paris Agreement's 1.5°C scenario)*



- **10% reduction** in energy intensity of the property portfolio by year 2030 versus 2019 baseline
- **10% reduction** in water intensity of property portfolio by year 2030 versus 2019 baseline
- Elimination of waste sent to landfill wherever possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030
- Increase in EU Taxonomy alignment of economic activities at the consolidated Group level over time



- **Increased share of certified buildings** (Access4you, BREEAM, DGNB, EDGE, Green Key, Green Star, HQE, LEED, WELL)
- **Group-wide green lease agreement** to be offered for all new commercial leases and renewals
- Minimum of **33% share of female senior managers**
- Completion of at least **eight hours of training per employee per year**
- Biennial **employee satisfaction surveys**



- Groupwide **Code of Conduct for Supplier** agreement with all new suppliers and renewals
- **Zero personal data leaks** on an annual basis
- **Group's compliance and governance policies reviewed by Dentons and White & Case**
- Mandatory annual employee training on **Code of Conduct** and associated policies
- Alignment of **Executive Management remuneration to ESG criteria**

# Strong ESG ratings



*"The company is at low risk of experiencing material financial impacts from ESG factors due to its low exposure and strong management of material ESG issues"*

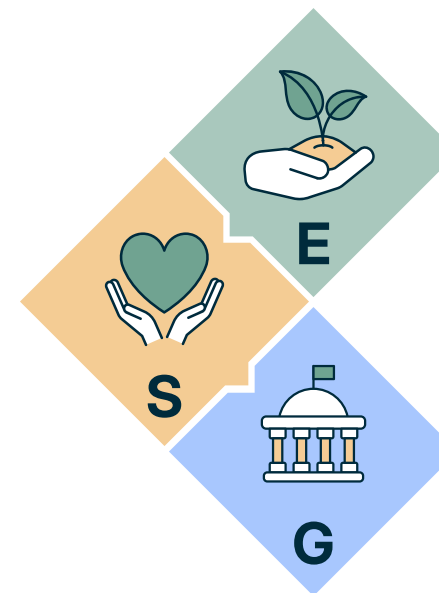
**Low Risk: 13.3 / 100 (December 2024)**

**from 15.3 / 100 (September 2020)**

**Top 26% in diversified real estate**

In 2024, Sustainalytics quantified CPIPG's ESG rating to 13.3 / 100 from 15.3 / 100, placing CPIPG in the top 26% of the real estate industry and **top 8% of the global universe of over 15,100 rated issuers.**

**MSCI ESG's rating held at 'BBB'** in February 2024, following a rating from 2023. The upgrade resulted from the growing share of green certified buildings in the portfolio, which we continue to increase.



**Climate category**

**Leadership level A (A List)**  
(December 2024)

**Management level B**  
(December 2023)

**Management level B**  
(December 2022)

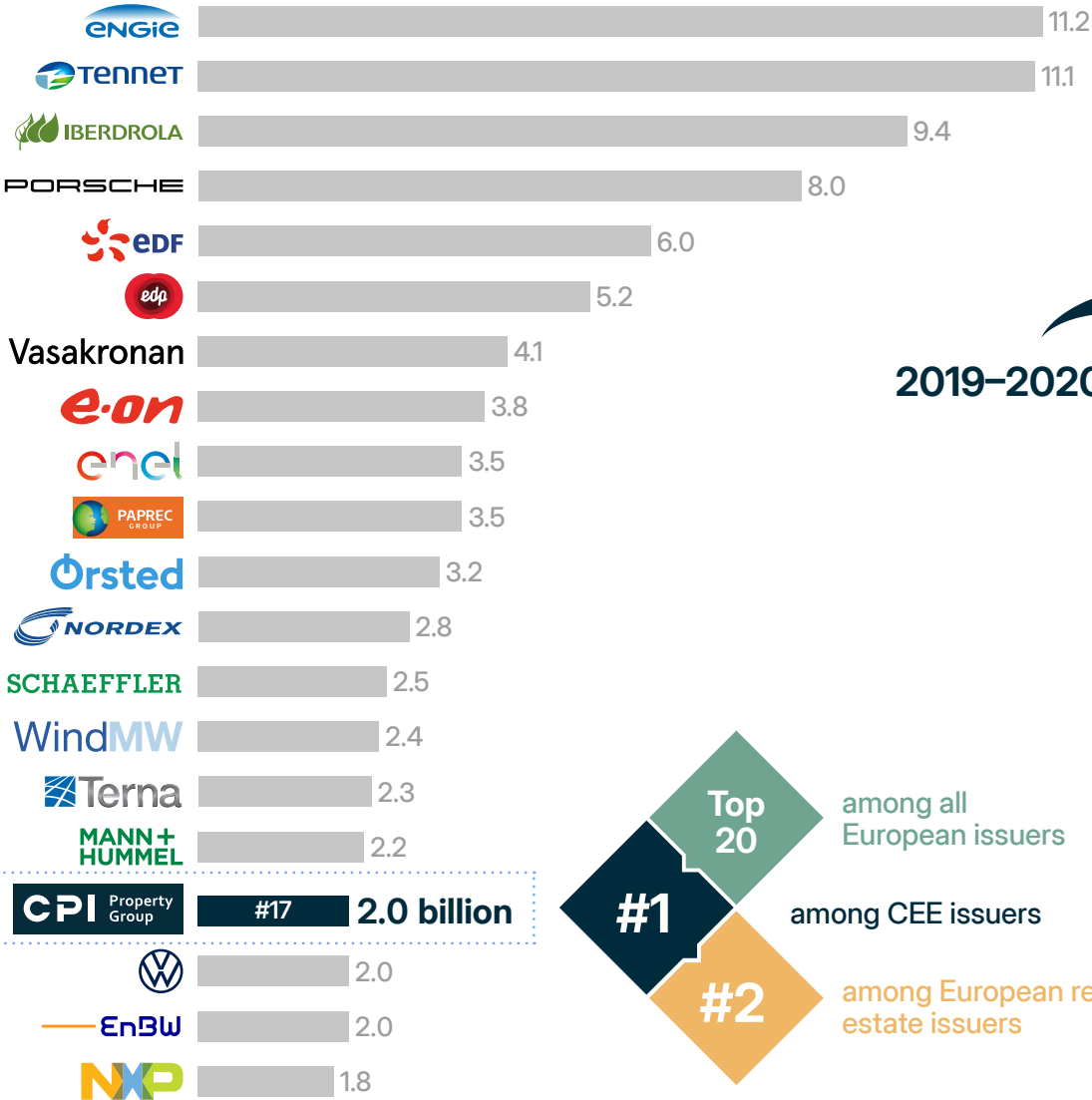
**Management level B-**  
(December 2021)

**Awareness level C**  
(December 2020)

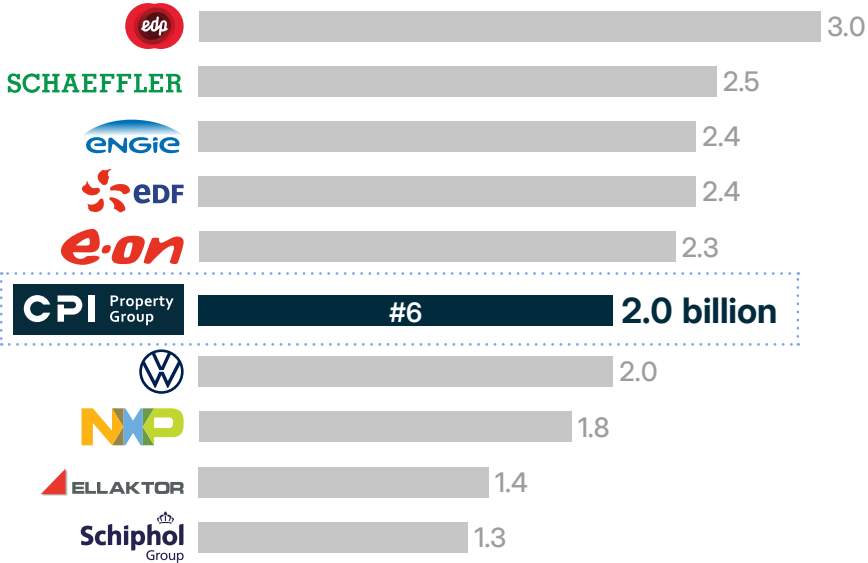
# Part of a small group of multi-currency issuers

## Strong position among European corporate green bond issuers

Ranking by volume issued (€ billion)



2019-2020



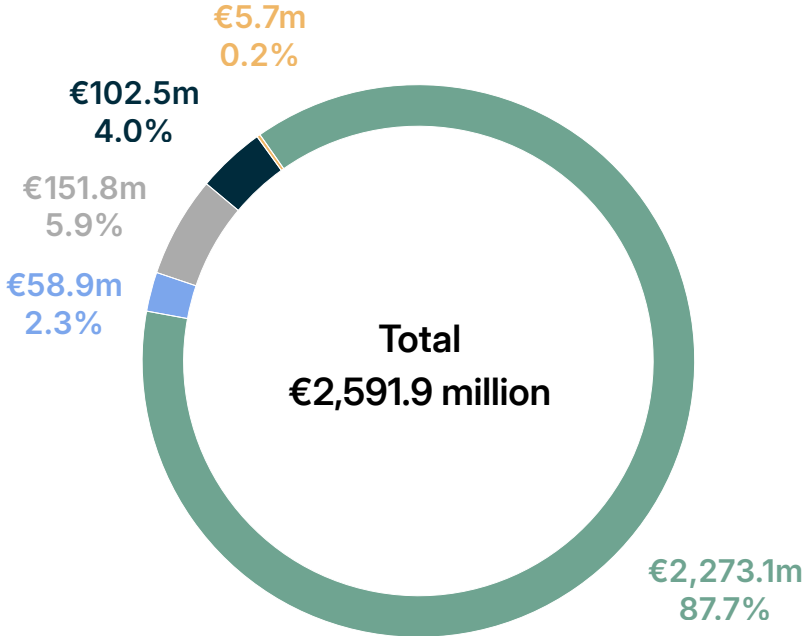
## Part of a small group of multi-currency issuers



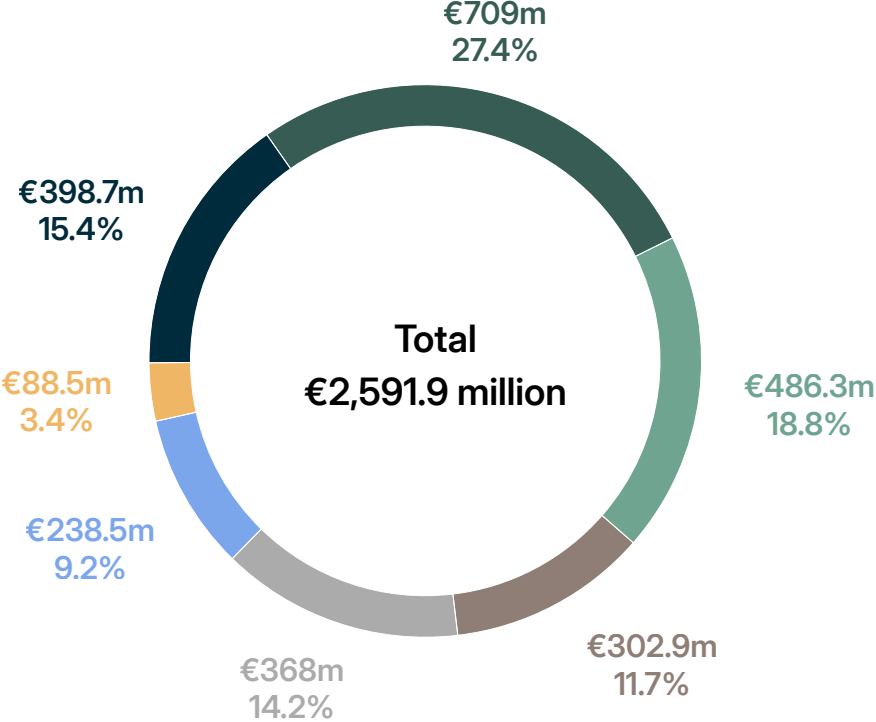
Source: Bloomberg, as of 28th September 2020

# Green Bond allocation as at June 2025

Split by eligible assets categories



Split by issuance

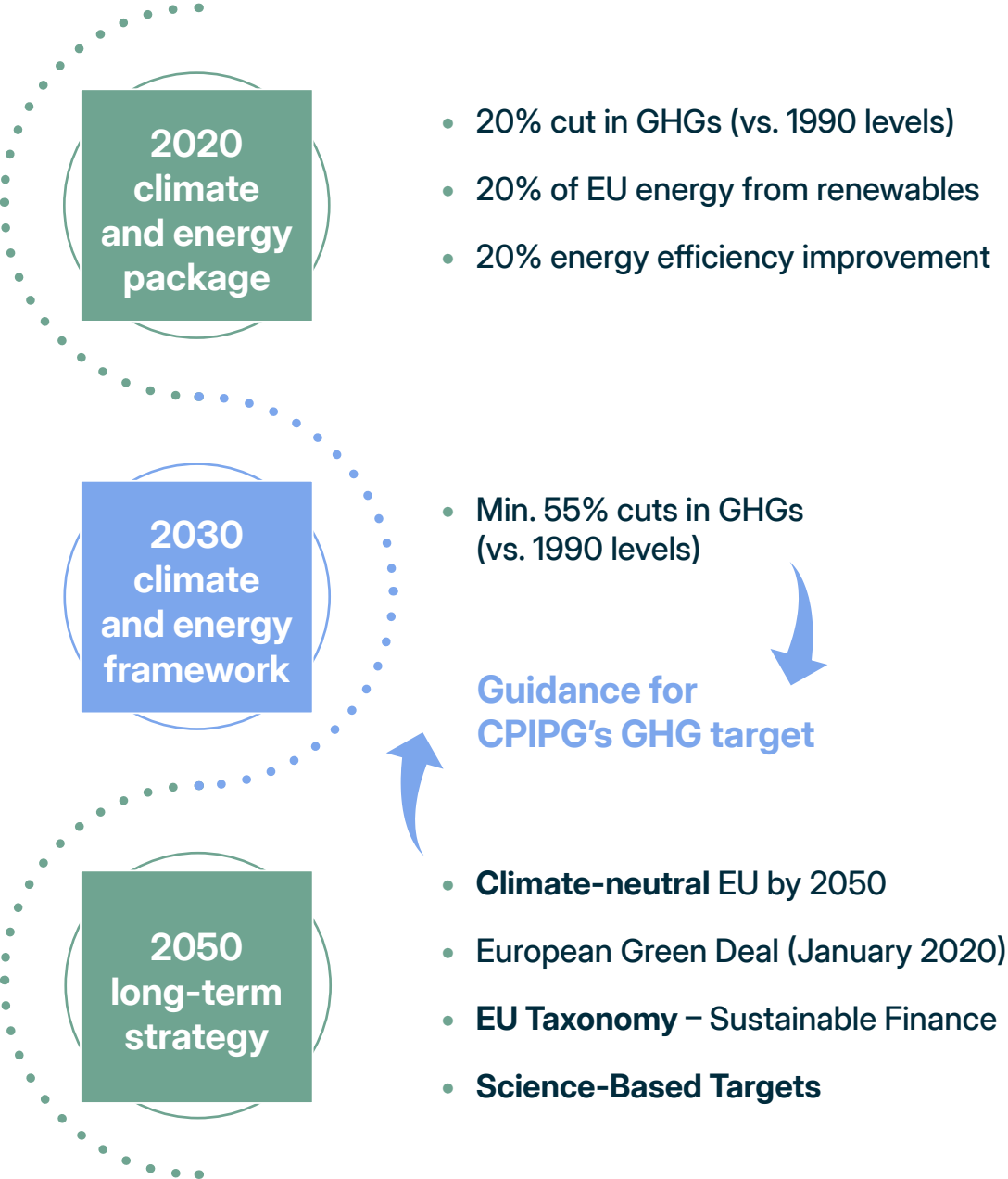


- Certified green buildings
- Agriculture assets
- Energy efficiency projects
- Renewable energy projects
- Equity investments

- EUR Green Bond September 2031
- EUR Green Bond July 2030
- EUR Green Bond April 2027
- GBP Green Bond January 2028
- EUR Green Bond May 2026
- HUF Green Bond August 2030
- EUR Green Bond May 2029

# Climate change targets are becoming more ambitious

## Industry / regulation-led tightening of environmental targets



# Group environmental results

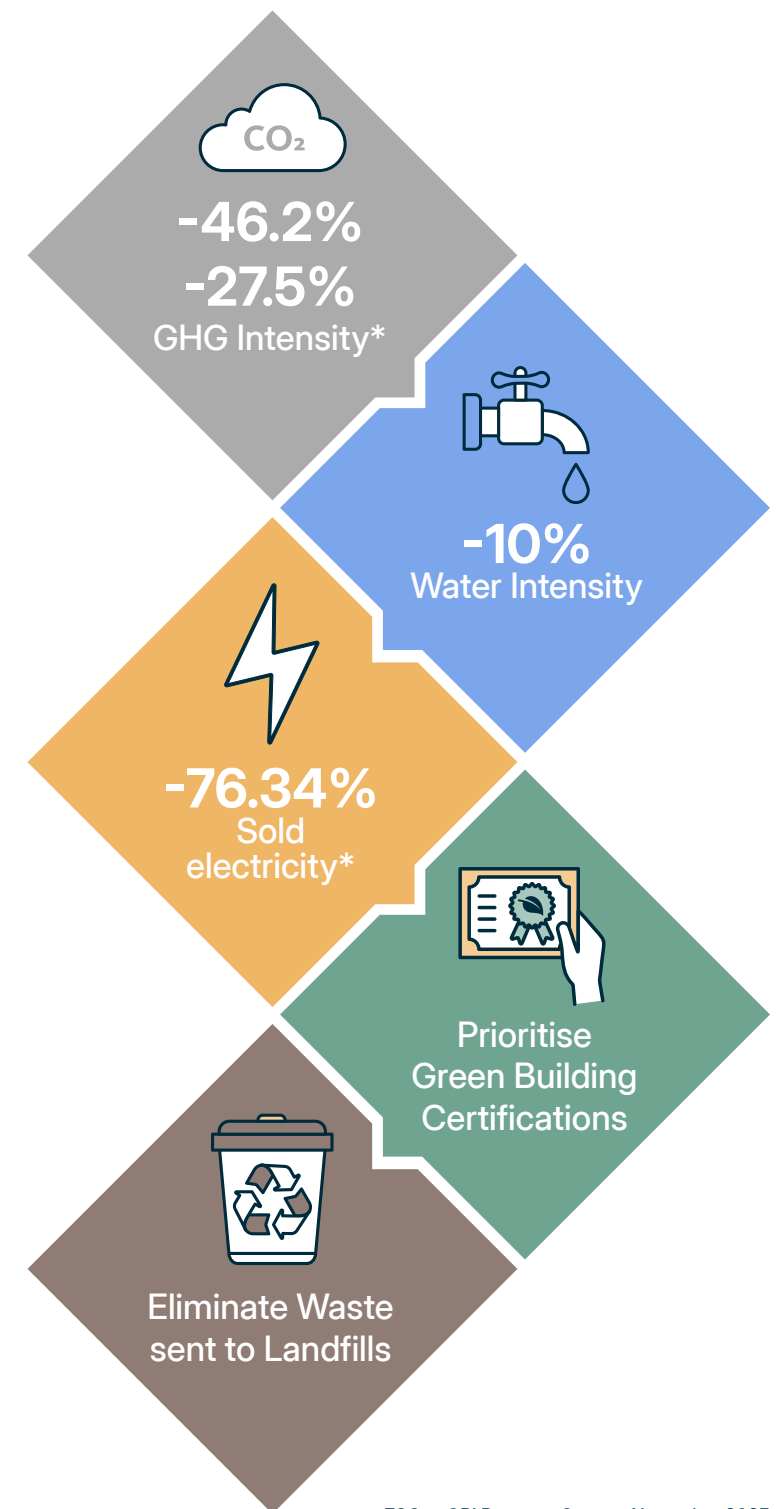


# CPIPG's environmental commitment



- CPIPG has tightened its environmental targets for the future – in June 2025, the Group announced its commitment to reduce greenhouse gas ("GHG") emissions intensity by **46.2% by 2030 across emissions of scope 1 and 2 and 27.5% reduction in GHG intensity of selected categories of scope 3** (up from the previous target of 30% set in 2021 and 32.4% set in 2022)\*
- Additionally, a **76.34% reduction GHG emissions in scope 1 and 3 per MWh of sold electricity\***
- Intensity is calculated as total GHG emissions (t CO<sub>2</sub>e) divided by GLA of property portfolio (m<sup>2</sup>)

\* by year 2030 versus 2019 baseline (validated by Science-based Target initiative in February 2025 in alignment with the Paris Agreement's 1.5°C scenario)



# Measures to tackle climate change



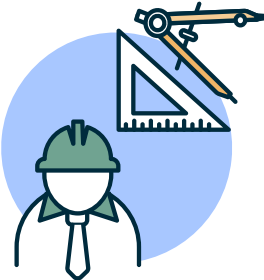
**Switching electricity from fossil fuel to renewable sources**

**Operating efficiency improvements**



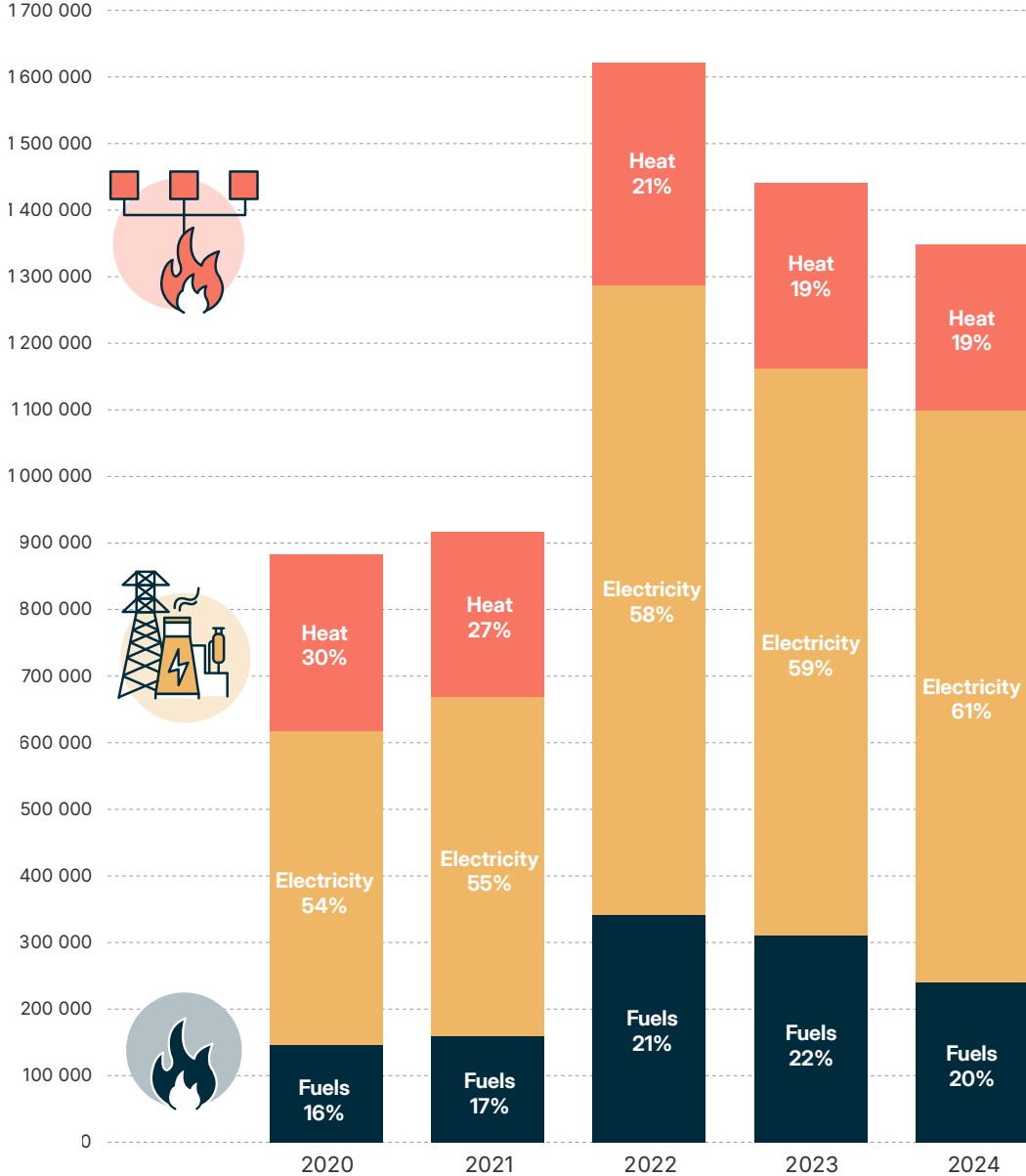
**Tenant involvement and cooperation**

**Energy efficient CapEx**



**New developments complying with net zero energy buildings regulations**

**CPIPG energy mix of buildings in use**



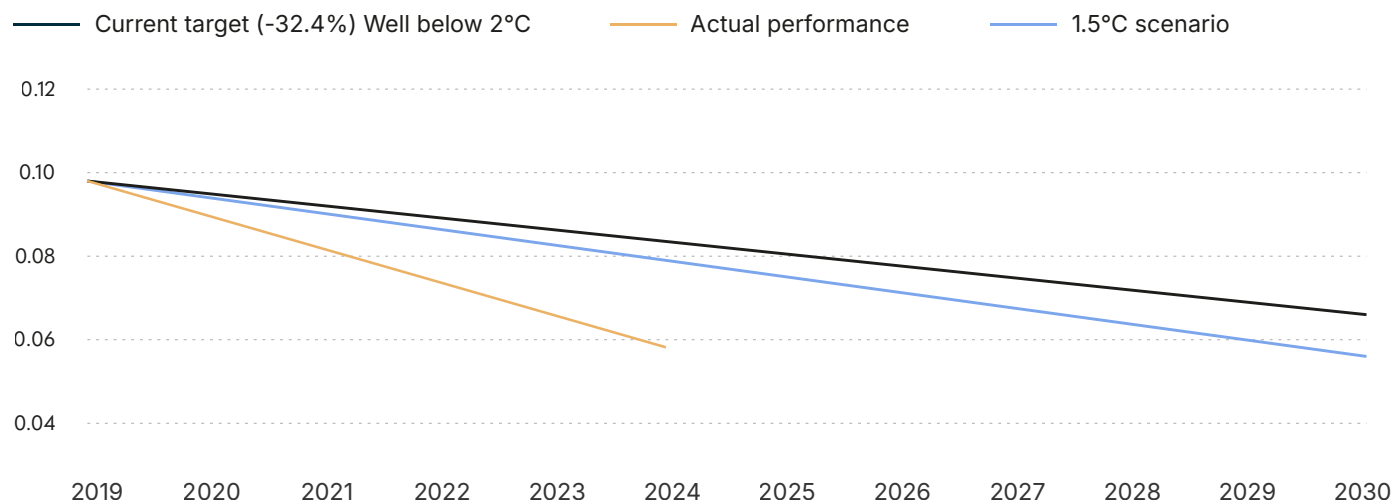
# Environmental reporting – GHG intensity target met in 2024

## 2024 GHG impact (division of GHG according to GHG Protocol)

Scope	Property portfolio (including bioenergy)	Ski resorts	Farm	Others	Total	Total in %
<b>t CO<sub>2</sub> eq pa</b>						
					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	
3.15 – Investments	3,508.65			35,215.00	38,723.65	

Note: GHG calculated with market-based emission factors

## GHG intensity target through 2030 (t CO<sub>2</sub>e/m<sup>2</sup> p.a.)



## Third-party independent verification

This report is prepared in cooperation with and through advisory services provided by the University Centre for Energy Efficient Buildings ("UCEEB") of the Czech Technical University in Prague ("CTU").



CI3, a regional partner for CDP reporting, 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 ISO 14064 and GHG Protocol and awarded CI2 conformity certificate.



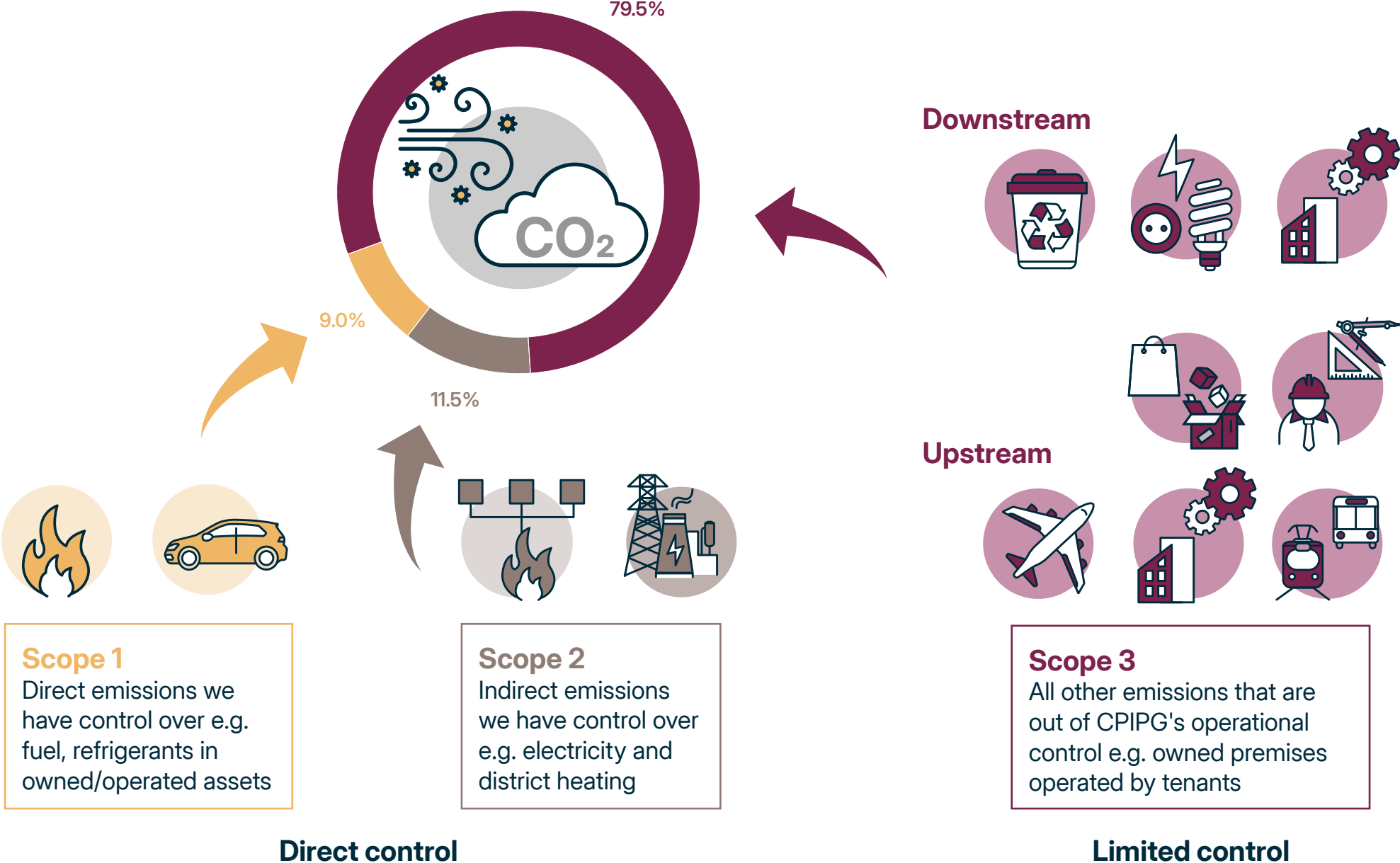
Year	2019	2024	2030
	1	6	12
Target (t CO <sub>2</sub> eq/m <sup>2</sup> )	0.103	0.084	0.066
Actual performance (t CO <sub>2</sub> eq /m <sup>2</sup> pa)	0.103	0.059	
Performance vs. target (%)	0.0%	(29.60)	

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 CO<sub>2</sub> 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.

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

# GHG emissions across scopes

2024 GHG footprints are categorised into three different scopes: 1, 2, and 3



**Scope 1**

Direct emissions we have control over e.g. fuel, refrigerants in owned/operated assets

**Direct control**

**Scope 2**

Indirect emissions we have control over e.g. electricity and district heating

**Limited control**

**Scope 3**

All other emissions that are out of CPIPG's operational control e.g. owned premises operated by tenants

# Greenbond framework and second-party opinion

- Framework includes eligible categories:
  - Green buildings
  - Energy efficiency project
  - Renewable energy
  - Sustainable management of living natural resources and land use

**7 AFFORDABLE AND CLEAN ENERGY**



**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**



- Second-Party Opinion

- Bond Issuance



## Second-Party Opinion CPI Property Group Green Bond Framework



### Evaluation Summary

Sustainalytics is of the opinion that the CPI Property Group Green Bond Framework aligns with the four core components of the ICMA Green Bond Principles 2018. This assessment is based on the following:



**USE OF PROCEEDS** The eligible categories for the use of proceeds – Green Buildings, Energy Efficiency, Renewable Energy and Environmentally Sustainable Management of Living Natural Resources and Land Use – are aligned with those recognized by the Green Bond Principles 2018. Sustainalytics considers that the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDGs 7 and 12.



**PROJECT EVALUATION / SELECTION** CPI Property Group's internal process for evaluating and selecting projects is in line with market practice. The Group has established the Corporate Responsibility Committee (the "CSR committee") which has oversight for the eligible green project selection process. The initial evaluation and selection process is carried out by the company's Green Bond Team, who conducts the initial screen on potential projects. After the Green Bond Team has determined that a project is eligible, the Committee conducts a final review before submitting to the Board of Directors for approval.



**MANAGEMENT OF PROCEEDS** CPI Property Group's process for the management of proceeds is in line with market practice. The Group intends to fully allocate the proceeds at issuance. The Group will establish a Green Financing Register, which will include all details on the bond and keep track of all project expenditures, the amount of allocation and any unallocated proceeds. The Register will be reviewed annually by the Green Bond Team to determine if there is a need for any re-allocation, repayments or drawings on the eligible projects and expenditures in the pool.



**REPORTING** In their annual report, CPI Property Group will report on the allocation of proceeds and relevant impact metrics. The report will include a portfolio level breakdown by eligible categories for the allocation of the net proceeds of its green bond(s) and give additional details including a list of eligible projects and the remaining balance of unallocated proceeds. Additionally, the company will include a report on relevant impact metrics recommended under the Harmonized Framework for Impact Reporting. CPI Property Group's allocation and impact reporting are in line with market practice.

<b>Evaluation date</b>	July 2, 2020
<b>Issuer Location</b>	Luxembourg City, Luxembourg

**Report Sections**

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

**For inquiries, contact the Sustainable Finance Solutions project team:**

- Evan Bruner (Amsterdam)**  
Project Manager  
evan.bruner@sustainalytics.com  
(+31) 20 205 0027
- Cristian Veintimilla (Amsterdam)**  
Project Support  
cristian.veintimilla@sustainalytics.com  
(+31) 20 205 02 09
- Jean-Claude Berthelot (Amsterdam)**  
Client Relations  
susfinance.emea@sustainalytics.com  
(+44) 20 3880 0193

# EU Taxonomy – Eligibility, Alignment 2024

By using the **EU Taxonomy Compass** CPIPG has determined the following activities eligible for taxonomy:

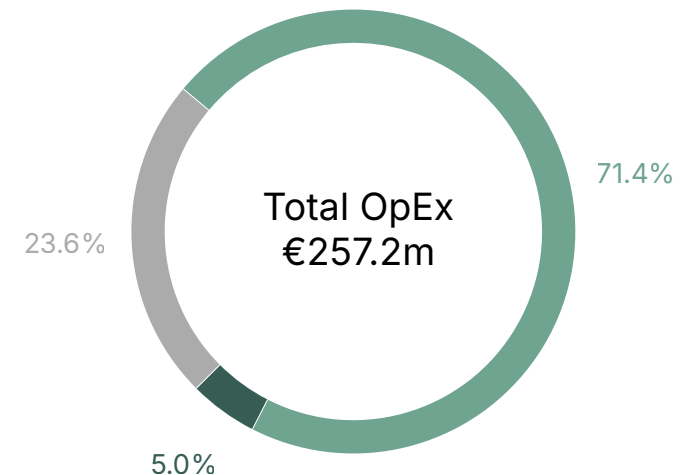
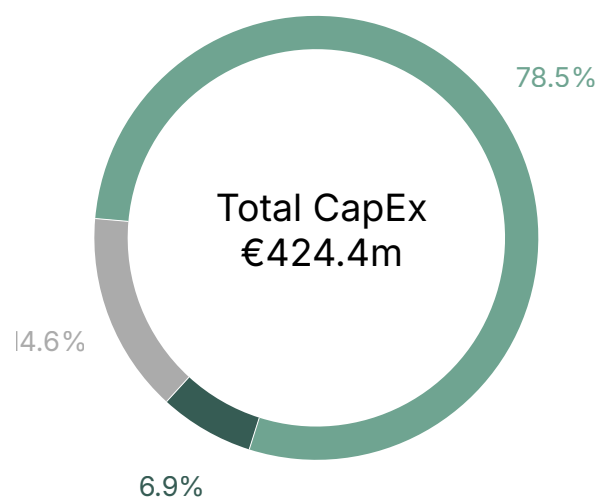
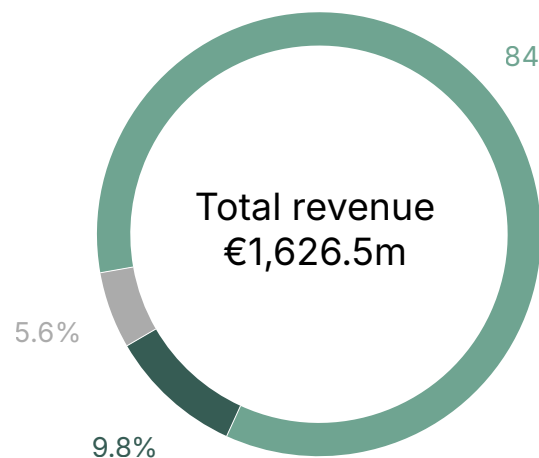
- 7.7 Acquisition and ownership of buildings
- 7.6 Installation, maintenance and repair of renewable energy technologies
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 4.8 Electricity generation from bioenergy
- 4.1 Electricity generation using solar photovoltaic technology
- 2.1 Hotels, holiday, camping grounds and similar accommodation

As of December 2024 the Group has 92 EU Taxonomy-aligned assets

- Aligned Turnover – 9.8%
- Aligned CapEx – 6.9%
- Aligned OpEx – 5.0%

## 2024 KPIs

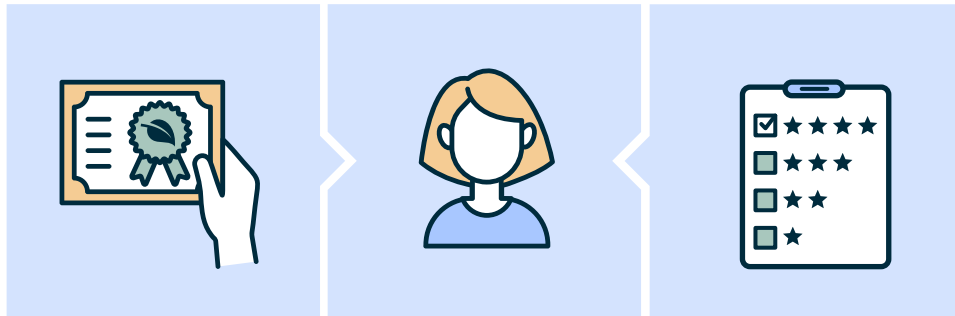
■ Eligible non-aligned    
 ■ Eligible aligned    
 ■ Non-eligible



# Group social results



# CPIPG's social commitment



- **Increased share of certified buildings** (Access4you, BREEAM, DGNB, EDGE, Green Key, Green Star, HQE, LEED, WELL)
- **Group-wide green lease agreement** to be offered for all new commercial leases and renewals
- **Minimum of 33%** share of female senior managers
- Completion of **at least eight hours of training** per employee per year
- **Biennial employee satisfaction surveys**



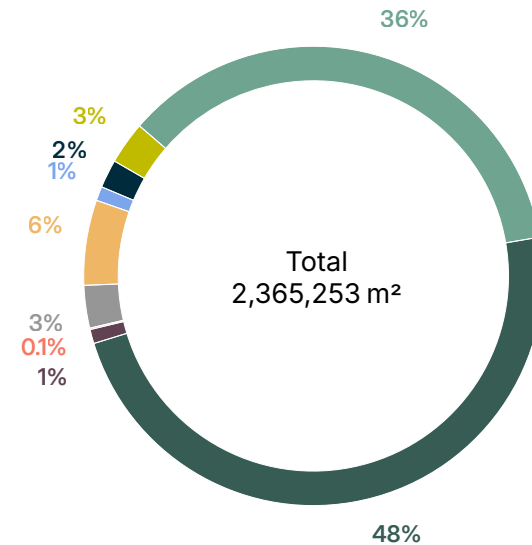
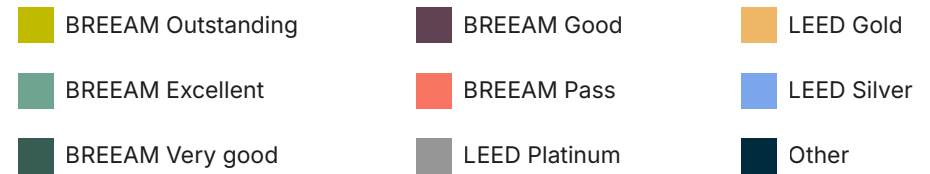
# Certified buildings

- The percentage of green-certified buildings within our portfolio for 2024 is **47.7% of the total fair value** (excluding landbank and agriculture properties, which are not eligible for certification).
- **More than 90%** of CPIPG's green buildings have very strong certifications.
- At the end of 2024, CPIPG's portfolio without equity share included **123 certified assets with a total GLA of 2,365,253 m<sup>2</sup>**.
- **BREEAM** or **LEED** certification is considered for every new development and significant refurbishment and for buildings in operation wherever possible.

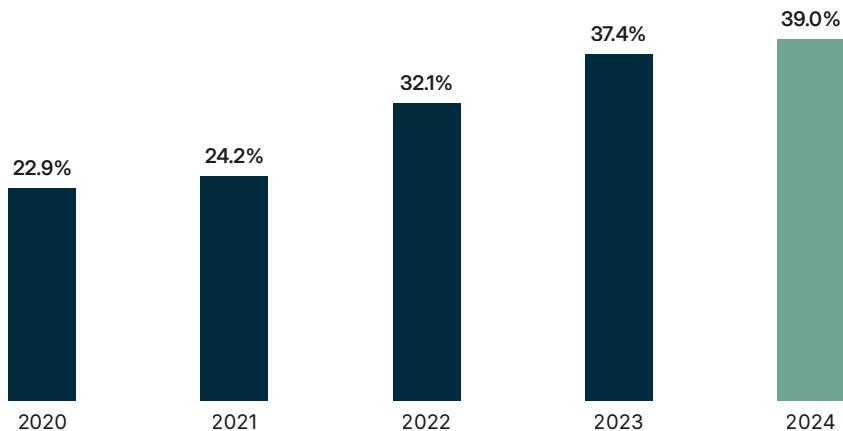
**BREEAM**<sup>®</sup>  
delivered by bre



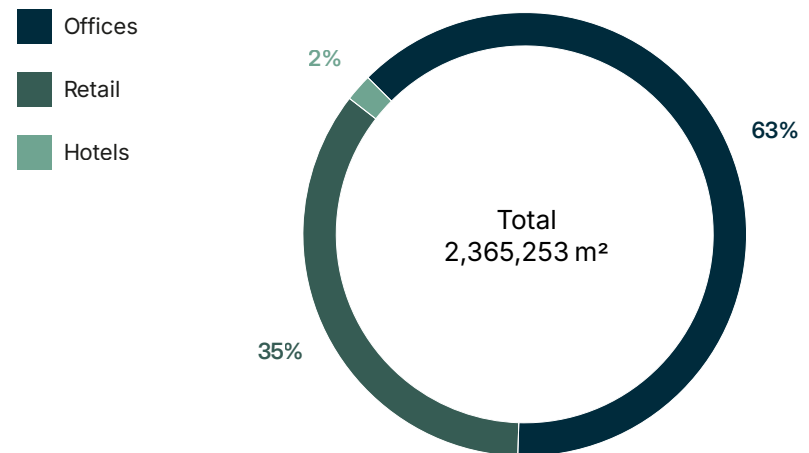
## CPIPG's certification type per GLA



## Total GLA certified continues to increase



## CPIPG's certified buildings GLA split by segment



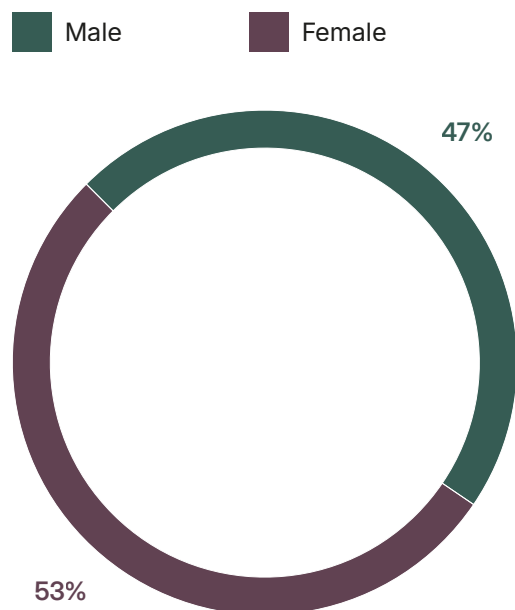
# Social sustainability

## Characteristics of employees

As of the end of 2024, the Group employed 2,536 employees.

### Number of employees by gender

Male	1,199
Female	1,337
<b>Total employees</b>	<b>2,536</b>



## Gender diversity in senior management

The company has established a goal to consistently raise the representation of women in leadership roles, with a commitment to surpassing a 33% threshold of women in leadership positions. As of December 31, 2024, the percentage of employees in Top management was 10.5% of the total workforce, with women holding 35% of all Top management positions.

### Breakdown of employees in management

	Number	Rate
<i>Executive management</i>		
Male	3	100%
Female	0	0%
<i>Top management</i>		
Male	44	65%
Female	24	35%

# Social sustainability

## Employee development and trainings

As part of the Group's ESG strategy, a goal has been established to ensure that all employees participate in a minimum of eight hours of continuing education annually. In 2024, employees, on average, completed 25.14 hours of training and continuing education. There was a discrepancy in the average number of training hours between male and female employees, with males receiving an average of 21.96 hours and females receiving an average of 28.06 hours.

Required Group-specific training is individually tailored by each company within the Group and generally covers the following topics:

- Occupational safety training for employees
- IT and data security
- GDPR – Personal data protection
- Code of conduct and group internal regulations
- Fire protection
- Group sustainability





*Any enquiries regarding this presentation can be sent to:*

**Petra Hajná, Sustainability Officer, [p.hajna@cpipg.com](mailto:p.hajna@cpipg.com)**