

EUROCOMMERCIAL

RETAIL



ESG



RENEWABLE ENERGY



COMMUNITIES



DIGITALISATION



ESG update report 2022

31 December 2022

Environmental, Social and Governance

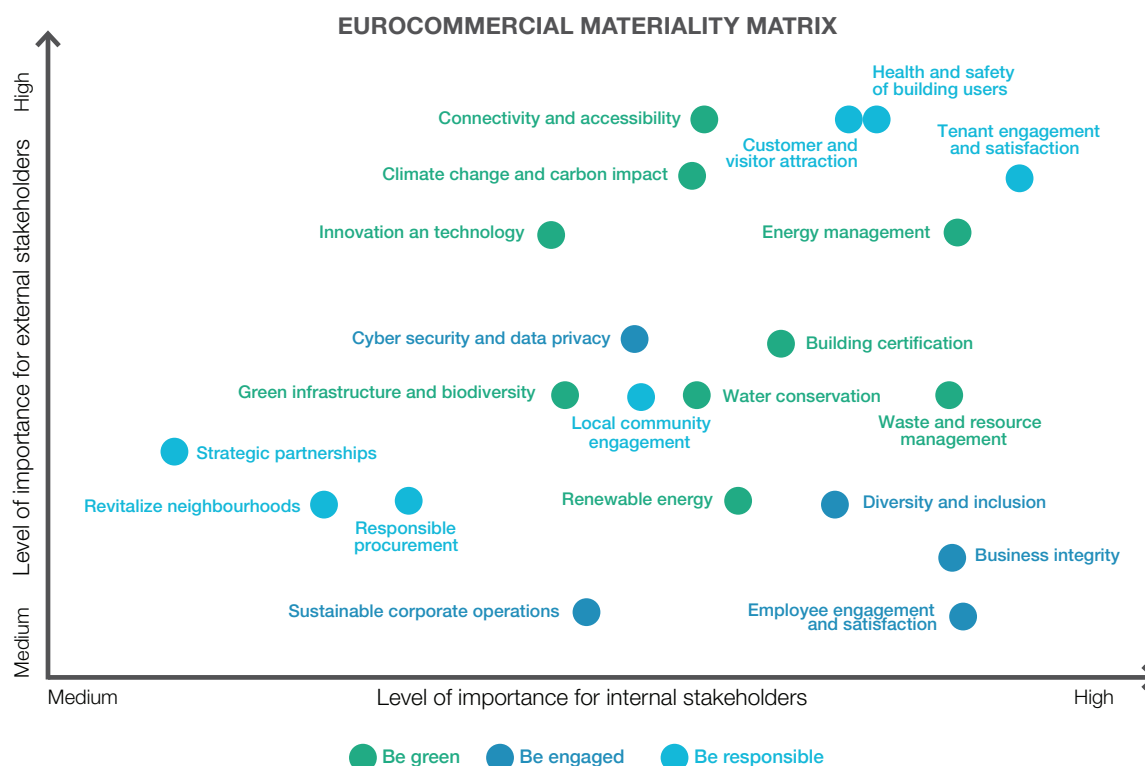
Our ESG strategy

At Eurocommercial, we recognise that building a sustainable and resilient business is the foundation for long-term success. Our ESG and business strategies are carefully aligned and we approach each business decision with a long-term view, supported by detailed research in order to evaluate its environmental and socio-economic impact. While each of our shopping centres presents its individual set of challenges and opportunities, we have developed a broad ESG vision and strategy to ensure that we can meet global challenges and the future demands of our customers, tenants and employees, while creating sustainable centres. Our ESG approach is centred around three strategic pillars: Be green, Be engaged, Be responsible. These pillars guide our efforts to reduce our environmental impact, engage with our stakeholders, and act with responsibility towards society and the environment.

Materiality assessment

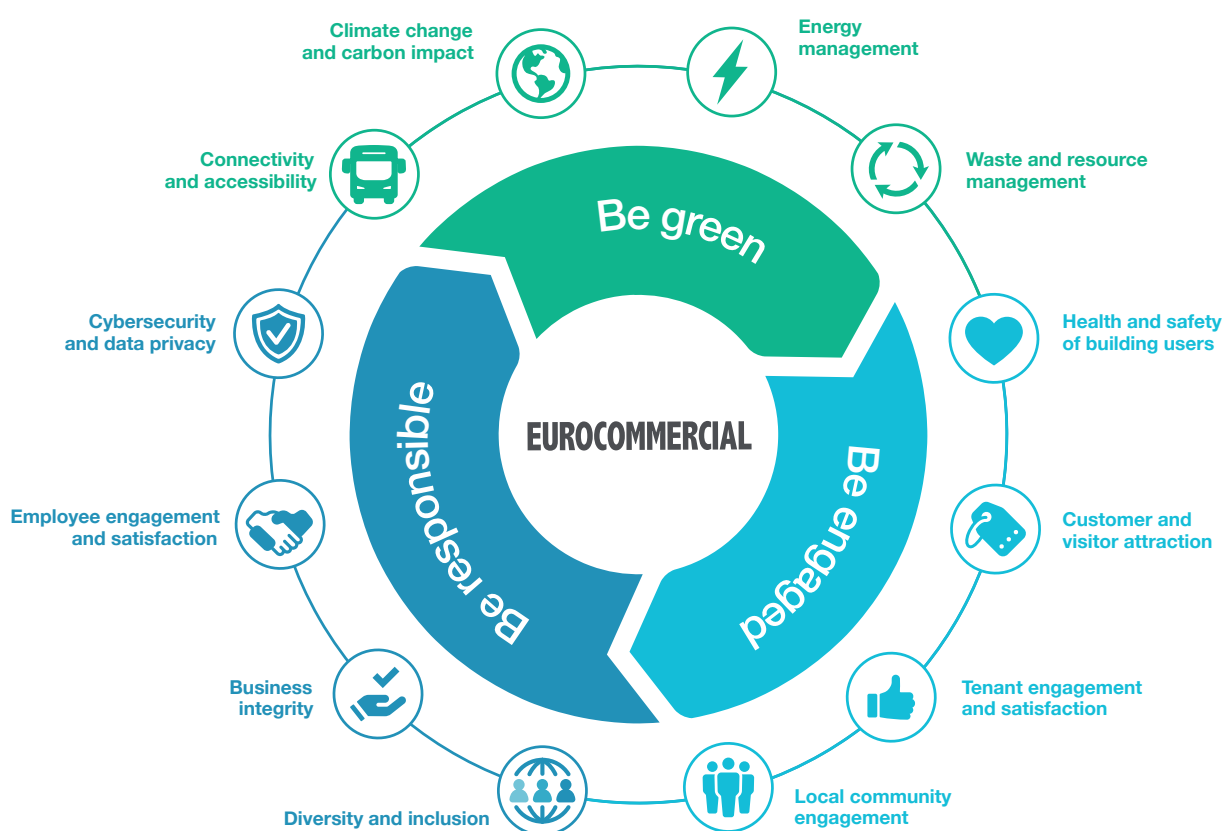
ESG applies to all aspects of our business operations. In 2020, we mapped out particular

topics and targets in order to help us develop our business with impact while enhancing value. These clear objectives underpin our current strategy. The first step was to execute a detailed materiality assessment in order to thoroughly assess a wide range of ESG topics. We then selected which topics would create the most value for the Company and its stakeholders, while in line with the United Nations Sustainable Development Goals on the global agenda. We carefully examined the core components of our business strategy, progressing their integration with our ESG strategy over the short, medium and long term. An analysis among peers, data collection from different key stakeholders and in-house workshops helped develop a materiality matrix to determine the main ESG topics and their relative importance corresponding to the Global Reporting Initiatives (GRI) materiality principles. As we develop our ESG programme, we will continue to evaluate and revise it where appropriate and be ready to respond to new circumstances and opportunities as they arise.



Three strategic pillars

Each of our shopping centres offers its own set of challenges and opportunities, yet we have developed a broad ESG vision and strategy to ensure that we can meet global challenges and the future demands from our visitors, tenants and employees, while creating sustainable shopping centres. Our approach is articulated around three strategic pillars: Be green, Be engaged and Be responsible.



Eurocommercial ESG commitments

Be green	Be engaged	Be responsible
Operate carbon neutral by 2030	Maintain all customer satisfaction scores above 7.5 by 2025	Zero breaches against the Code of Conduct annually
Zero waste to landfill by 2030	Improve the average retailer satisfaction scores towards 7.0 by 2025	Create an attractive and professional workplace
BREEAM certifications in place for all shopping centres by 2025	Roll out the Eurocommercial Retail Academy® at an additional eight shopping centres by year-end 2023	Introduce Green Finance framework

Environmental, Social and Governance (continued)

Why ESG matters for Eurocommercial

For the past 30 years, Eurocommercial has been committed to promoting ESG through various initiatives. We aim to benefit all stakeholders by investing in retail properties and fostering community gathering places. Our goal is to provide opportunities for entrepreneurs to connect with their target audience and generate income, resulting in sustainable financial returns for our shareholders.

Eurocommercial must strive for greater sustainability in the future for a variety of reasons. With the global population growing and the effects of climate change becoming more evident every day, it is essential that businesses make efforts to reduce their environmental impact and operate in a more responsible and sustainable manner. This is especially important for companies such as Eurocommercial, which owns and operates retail properties across Europe.

In addition to the moral and ethical considerations, increased sustainability could also bring numerous financial benefits. For example, energy efficient buildings cost less to operate and maintain, resulting in lower service charges for our tenants and higher net income. Moreover, corporate sustainability initiatives can improve a company's reputation and help to attract more customers and investors.

Overall, it is clear that improved sustainability is an important measure of Eurocommercial's future success. The Company needs to take action to reduce pollution, conserve resources, and improve efficiency in order to remain competitive and ensure long-term viability. With the right strategies and investments, Eurocommercial Properties can drive further growth and success.

Drivers for ESG	Description	Eurocommercial's management approach
Carefully monitor and manage ESG-related risks	Continuously assess potential risks and opportunities posed by climate change, which can affect our properties and communities. The investment community requires increased transparency regarding the potential financial consequences of climate change	In 2022, we initiated an evaluation of the potential climate change risks faced by the Company to effectively address any physical and transition risks. We plan to implement mitigation and adaptation measures and improve our internal policies and procedures.
	Maintaining health and safety and improving measures at our shopping centres is a priority. The indoor environmental quality has now taken on added significance due to the recent pandemic. It is important to continue to adhere to the highest standards for the comfort and well-being of our customers, tenants and employees.	At our shopping centres, we ensure that all Health & Safety requirements are met, and go further by investing in monitoring tools such as CO ₂ meters to constantly check air quality inside our premises. Furthermore, we monitor our customers' comfort and satisfaction with their journey through our centre.
Efficient use of resources	Reducing operational expenses for our tenants to enable them to run their businesses at lower costs, while also offering energy-efficient, more sustainable retail spaces.	We have made considerable effort to achieve operational excellence leading to decreased costs and a reduced carbon footprint. Investments including solar panels, LED lights, upgraded Building Management Systems and advanced monitoring tools enable us to maintain reasonable energy costs and savings.

	As a responsible owner, we must offer shopping centres with efficient waste management, water conservation, biodiversity, material usage, sustainable transportation, etc.	Eurocommercial has achieved Green Building Certifications for its entire real estate portfolio. These certifications provide the teams with guidelines to regularly measure and compare assets in order to reduce carbon emissions, energy consumption, waste, conserve water, focus on using safer materials, and minimise pollution.
To comply with evolving regulations	European regulations provide a roadmap to a low-carbon economy which will require our organisation to improve transparency and comply with external reporting requirements (such as the EU Taxonomy and the Corporate Sustainability Reporting Directive).	We are taking proactive steps to improve our monitoring of our environmental and social impact and providing timely updates to stakeholders. We invest in smart meters in preparation for external verification of environmental data and include sustainability data in our business plans and quarterly reports.
	We adhere to stricter national and local environmental legislations and adapt our properties to comply with changing building codes that support the low-carbon initiatives of national governments and to improve energy efficiency in order to reduce carbon emissions and upgrade Energy Performance Certificates (EPC).	Our “Be Green” pillar provides a plan to decrease our carbon footprint and optimise energy use. Our goal is to be carbon neutral in all scope 1 and 2 emissions by 2030 and to establish a reduction target for scope 3 emissions. We are also updating our Energy Performance Certificates to meet national regulations.
Positive stakeholder engagement	In order to respond to evolving societal needs, such as the development of omnichannel retail and the changing customer journey, we adapt our shopping centres to serve as retail destinations and community hubs that provide services and amenities to meet the demands of the community.	In 2022, the Company conducted internal workshops to promote a more concentrated, community-oriented approach to managing our properties while interacting with our stakeholders.
	Having a good relationship with tenants is important to create a welcoming and enjoyable shopping experience for customers in our centres. We strive to work closely with our retailers as business partners.	We evaluate levels of tenant satisfaction through regular surveys and communication. We also establish Green Committees to promote sustainable practices. Our Retail Academy assists tenant employees to develop and improve their skills and knowledge in good customer service.
To maintain a positive reputation in the real estate market	Financial markets require sustainable investments. Sharing information and data is required to access funding in the form of green loans and bonds.	In 2022, Eurocommercial established a Green Finance Framework and integrated ESG factors into individual loans.
	To become a preferred business partner and establish a reputation as a trustworthy, long-term real estate investor.	Our teams maintain long-term relationships with the main participants in their local markets including tenants, investors and financing partners.

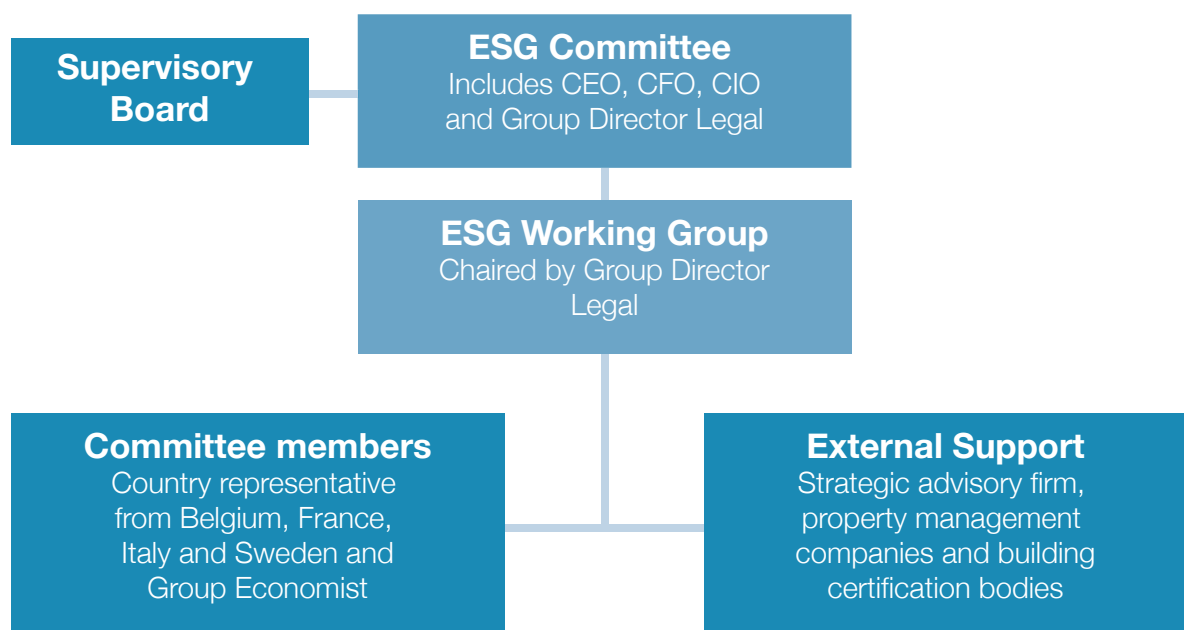
Environmental, Social and Governance (continued)

ESG governance

We structured the Company's ESG governance in January 2021 and set up an ESG Committee and an ESG Working Group. The ESG Committee is responsible for the Company's ESG strategy and includes all members of the Board of Management and the Group Director Legal, and informs the Supervisory Board. The ESG Committee oversees the implementation of the strategic framework, evaluates if the ESG performance of the organisation is in line with its long-term targets and ensures ESG is embedded throughout the different teams and countries. The ESG Committee has final responsibility on all topics related to the ESG programme including climate change risk assessment, environmental performance, socio-economic impact, diversity and inclusion and other topics mentioned in this chapter.

The ESG Working Group is responsible for implementing the ESG strategy and directing initiatives in the local countries and sharing information and best practices. The ESG Working Group is composed of the Group Director Legal (chairman), a diverse group of employees responsible in their respective countries for implementing the ESG strategy and steering initiatives. The Group Economist is responsible for collecting ESG data and sharing information between countries. The Chair of the ESG Committee informs the Supervisory Board (at least) twice a year regarding ESG issues on key ESG topics (vision, strategy, initiatives taken) and ESG performance (performance against targets, benchmarking scores etc.).

ESG governance structure



ESG governance structure

ESG Working Group Country and asset level	ESG Committees Corporate level	Third party support
• Monitor usage of natural resources • Develop and implement action plans • Engage with tenants and suppliers • Ensure compliance with local legislation • Engage with local communities	• Develop policies and procedures • Review performance against targets • Allocate budget • Outline and supervise ESG strategy • Initiate Green Finance	• Perform energy audits • Verify performance data • Certify assets with BREEAM • Review environmental impact by on-site ecologist • Facility partners and vendors implementing action plans

United Nations Global Goals for sustainable development

Eurocommercial is fully aware of the important impact of its local activities. A recent review of the United Nations Global Goals (also known as UNSDGs) provides insight on how people and business operations can help meet these objectives. These Global Goals were a focus point when prioritising the Company's ESG strategy and

contribution and are considered a blueprint for a better and more sustainable future for us all. The 17 Global Goals and 169 subgoals address the major challenges we face globally. The Company applies the Global Goals as an overarching framework to shape its sustainability strategy and selected four Global Goals to focus on, which are described below along with key actions to contribute to their achievement.

Our actions contribute towards making a positive impact

Affordable and clean energy	Decent work and economic growth	Sustainable cities and communities	Climate action
Goal 7	Goal 8	Goal 11	Goal 13
We are committed to invest in generating energy on-site through renewable sources, such as solar power. By operating more efficiently and implementing an active Environmental Management System across our assets, we reduce our overall energy consumption. We are increasing our focus on procuring green energy and promoting green leases in collaboration with our tenants. Together, these actions will help us to create a more sustainable future for our organisation.	As an organisation, we recognise the importance of investing in the development of our employees and those of our retailers. By providing these resources, we are committed to building a skilled and knowledgeable workforce that will drive the future success of our organisation. We provide training courses, such as our Eurocommercial Retail Academy®. We also organise job fairs and edutainment events in our shopping centres for the benefit of communities.	We believe it is important to integrate our assets in local public transport networks, as part of our ESG and business strategies. We encourage visitors and employees to use public transport to commute to our shopping centres. We work with municipalities to improve public transport and provide affordable, environmentally friendly options such as electric vehicle charging, car-sharing, and bike parking. We aim to increase recycling rates and achieve zero waste to landfill by 2030.	We are committed to reducing our carbon emissions and have plans in place to mitigate and adapt to the effects of extreme weather events. We are committed to educating our tenants and visitors about the importance of taking action on climate change. We encourage everyone in our community to play their part in protecting the planet for future generations. Together, we can make a positive impact on the environment.

Environmental, Social and Governance (continued)

Recognition

Eurocommercial is committed to report on its ESG performance every year. In 2022, we were awarded the EPRA Gold Award for sustainability reporting and achieved our highest ever score of 85 in the GRESB assessment resulting in a Green Star and four star position in line with industry best practices.

In 2022, Eurocommercial received two prestigious awards following the ECSP Solal Awards. We were awarded two Silver Marketing awards in recognition of two projects in Italy: Save the Chewing Gum, a sustainable chewing gum recycling exercise organised in all of Eurocommercial's Italian centres and in the territories of reference and I Gigli Shop & Shock, a new marketplace available to retailers based on an electronic couponing and click & collect system.

Effective from 19 September 2022, Eurocommercial is now included in both Euronext's AMX® and AEX® ESG indices. The AEX® ESG index was launched in May 2022 and is designed to identify the 25 companies within the AEX® and AMX® indices demonstrating best Environmental, Social and Governance (ESG) practices and to facilitate the adoption of mainstream ESG investment approaches by institutional and private investors.



Be Green

2022 presented significant challenges for both our retail partners and customers resulting from rising energy costs and inflation. In response, Eurocommercial intensified its efforts through its Environmental Programme 'Be Green' in order to minimise resource usage by implementing strategies to reduce or eliminate gas consumption from its operations.

Eurocommercial remains committed to addressing environmental concerns and ensuring compliance with both regulatory requirements and societal expectations. We engage in close collaboration

with key stakeholders to address issues such as climate change, circularity, biodiversity, low-carbon transportation and pollution prevention.

In 2022, Eurocommercial prioritised its focus on assessing the risks and opportunities presented by climate change. Workshops were held to gather insights from all countries and a climate change risk assessment was undertaken and technical aspects reviewed in order to better understand and manage these risks. This process has increased awareness of both long-term and immediate physical risks as well as potential transition risks that may affect the Company's assets, retailers and communities. Measures are being taken to reduce these risks and Eurocommercial will continue to keep the investment community informed of its risk management procedures and key outcomes using guidelines from the Task Force on Climate-related Financial Disclosures (TCFD).

Objective	Status	Key facts
Operate carbon neutral by 2030	On target	15% carbon emissions reduced (market bases vs. 2021)
Zero waste to landfill by 2030	On target	53% of assets with zero waste to landfill
BREEAM certifications in place for all shopping centres by 2025	On target	96% of assets BREEAM certified. 4% of the assets is in process of certification

Key highlights 2022

- 19% reduction in carbon intensity (market-based carbon emissions) and removal of gas from our properties underway
- 96% BREEAM in Use certifications in place for entire portfolio
- Climate change risks and opportunities assessment initiated

Carbon neutral

Our target to operate carbon neutral by 2030 is fundamental to becoming a green company. Being carbon neutral means our operations in all our locations will not produce any carbon, so that our direct impact is emission-free. This includes all areas in which we can directly influence the

use of energy sources through efficient energy management that provides for switching to renewable energy, generated onsite where possible. In 2022, we managed to reduce our like for like market based carbon emissions with 19%, due to our decarbonisation strategy.

To decrease carbon emissions related to gas usage at Woluwe Shopping in Belgium, we amended our gas supply contract in 2022 to include the Verified Carbon Standard (VCS) programme. The VCS programme is one of the most widely used voluntary greenhouse gas offset programmes worldwide and allows us to contribute to projects that effectively eliminate the equivalent of our carbon emissions.

During the second half of 2022, all electricity used at the Fiordaliso, Castello, Curno, Carosello, and I Gigli shopping centres in Italy became sourced from renewable energy. Additionally, by the end of 2022, the gas plants at Collestrada and Curno were replaced with high-efficiency plants, which will decrease direct carbon emissions and improve the energy performance of the buildings.

In 2023, we plan to use the Carbon Risk Real Estate Monitor (CRREM) to develop decarbonisation plans

for all our assets. These plans will be based on transparent, science-backed methods that align with the Paris Climate Goals of limiting global temperature rise to 2°C, with ambition towards 1.5°C. Additionally, we will review our carbon reduction commitment and establish ambitious targets to minimise our Scope 3 carbon emissions by 2050.

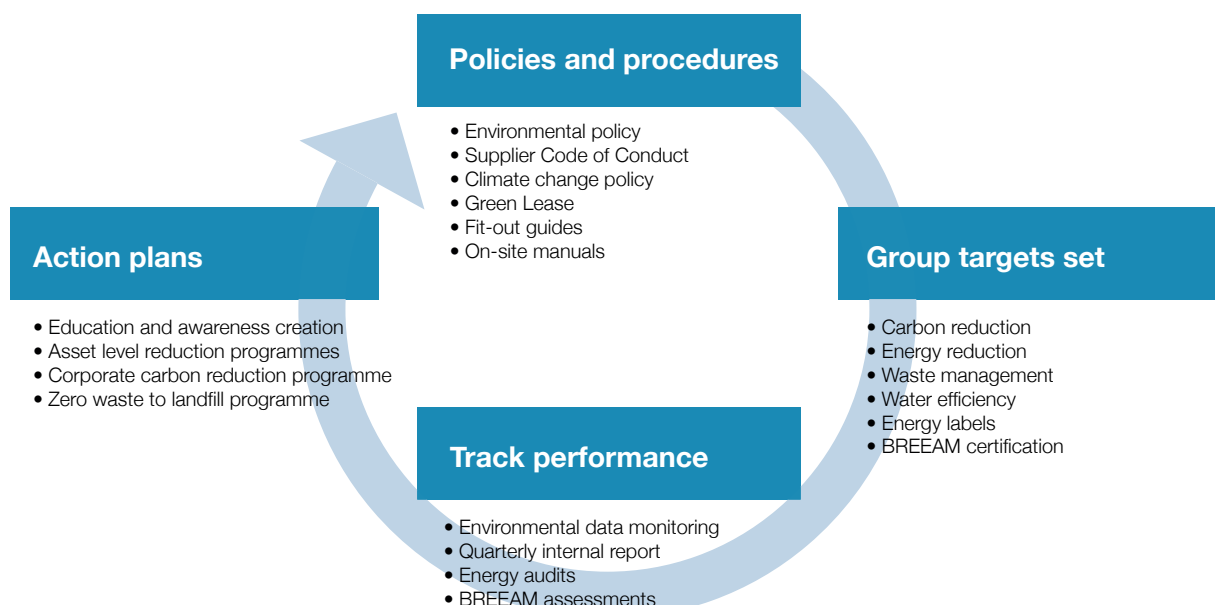
Green building certification

We continue to use green building certification as part of our Environmental Management System (EMS). This certification process assists our local teams to improve their understanding of the objectives and creates a uniform approach to management across the portfolio, developing programmes to reduce environmental impact. We can report that all our shopping centres have obtained a BREEAM in Use certification. This is well ahead of the 2025 Group target and we will continue to recertify our centres in the coming years.

Energy management

During 2022, notable advancements were achieved in terms of energy efficiency as we revamped our Environmental Management System (EMS). The EMS we employ adheres to ISO14001 procedures, ensuring its alignment with internationally recognized environmental management standards.

Be Green: Environmental Management System process at Eurocommercial



Environmental, Social and Governance (continued)

This system's structure facilitates consistent implementation of measures, including data collection and establishing concise reduction targets across all local teams. Regular reporting of progress to higher management is also a key feature of our EMS framework.

In 2022, Eurocommercial's total energy consumption in its shopping centres increased by 2.4% only compared to the previous year on a comparable property basis. Although this was a small increase, it was still a good result as 2021 was highly impacted by COVID lockdowns and energy consumption was lower than normal. For a full understanding of our energy usage, we refer to the data tables in this Annual Report.

BELGIUM

The Belgium team has committed to invest in the reduction of Woluwe Shopping's environmental footprint. Investments include the replacement of the Building Management System (BMS) to optimise the control of technical installations, relamping parking and technical areas and introducing motion detection sensors.

The new smart lighting system that was installed in 2021 in the multi-level car park, detects visitors and alter the brightness level in a range from 10%, which is needed for security reasons, up to 100% when visitors are in the direct area, while respecting recommended lighting levels. Through this investment the team has been able to reduce 90% of the electricity consumption for the parking area. All external lighting will be replaced by LED in 2023.

To ensure optimal indoor air quality, we have installed CO₂ sensors and insulated pipelines for the heating and cooling system. This will not only help to monitor the operation of the heating and cooling system, but will also help to reduce energy usage. Our aim is to ensure efficient and cost-effective operation of the system, thereby providing a healthier indoor environment.

In order to combat the rising energy prices in 2022, we enacted an energy saving plan involving keeping indoor temperatures at 19° Celsius during the winter and limiting air conditioning in the summer to a maximum of 26° Celsius. Additionally, tenants are encouraged to reduce the use of energy-consuming

technical equipment, such as lighting, boilers, and escalators, to a minimum. This plan applies to all common areas although tenants are also encouraged to follow suit in their own retail units.

FRANCE

An automatic data collection system for energy data was put in place for all common areas in France at the end of 2021. This system allows for improved monitoring of energy consumption in order to meet reduction targets. Access to tenant consumption data has improved through the use of this online platform. Data for leased areas is being collected for 2022 with the consent of individual tenants. The French team is focussing on minimising gaps in data collection to be able to make a clear division between common area consumption (scope 1 and 2) and tenant consumption (scope 3).

The French team continued to replace traditional lighting with LED and by 2023, all shopping centres will have LED lighting in common areas, outdoor spaces and technical areas. In 2022, energy audits were conducted and occupancy sensors for lighting were installed in common and technical areas.

In 2022, a variety of cost-effective measures were implemented in accordance with French regulations (National Sobriety Plan) with the goal of achieving a 10% reduction in energy usage within two years through the use of best practices. Recommendations were shared with all tenants and applied to common areas managed by Eurocommercial. This led to actions such as turning off selective mall lighting, lowering indoor temperatures in the winter of 2022/2023 and installing CO₂ and temperature sensors in each shopping centre.

We continue to invest in improving indoor air quality for our visitors and in Passage du Havre, Grand A, Val Thoiry, Shopping Etrembières and Centr'Azur we introduced humidity, temperature and CO₂ sensors that were previously introduced at Les Portes de Taverny and Les Atlantes.

ITALY

The Italian team partnered with an external supplier in order to improve their energy monitoring by introducing a new online platform to provide greater insight into the daily/hourly energy consumption

in the portfolio. This platform was implemented together with smart meters in all centres in order to directly monitor common area consumption and to achieve energy savings.

In order to reduce energy consumption, relamping projects were completed in the car parks at Carosello and Curno and the Fiordaliso gallery. The team is working to improve the Building Management Systems (BMS) in Collestrada, Fiordaliso, CremonaPo, and Curno in order to maximise energy efficiency. An additional target is to install new smart meters in 2023 in order to improve the monitoring and management of the lighting systems and to collect energy consumption data from the tenants' units.

In 2022, Il Castello shopping centre switched to geothermal heating during the colder winter months, replacing gas consumption. This change will not only reduce its carbon footprint but will also connect to the Ferrara municipality's renewable energy network, which is linked to a geothermal deposit 2,000 metres below sea level. The project began in June 2022 and is expected to be completed by the end of Q3 2023.

The team in Curno is aligning with the Group's goal of achieving carbon neutrality by 2030 by phasing out direct gas usage. This involves decommissioning boilers and installing high-efficiency rooftop units. The result is expected to generate an important annual saving and a reduction of 460 tons of carbon emissions annually.

Eurocommercial Italy is a member of the National Council of Shopping Centres (CNCC), which issued guidelines based on the Italian government's recommendations for reducing energy consumption and costs in shopping centres. These guidelines include reducing light intensity in common and technical areas, turning off lighting and equipment outside operating hours, and adjusting indoor temperature.

SWEDEN

With rising and volatile energy prices going forward, the Swedish team is undertaking an extensive cost saving programme and technical improvements that will contribute to lower consumption and lower carbon emissions.

At Bergvik, Eurocommercial invested and upgraded its ground heating and cooling system during 2022. Over 60 boreholes at a 160 metre depth provides cool ground temperatures in the summer and heating in the winter using the same technology. Switching from ammoniac in the system to carbon dioxide reduces the risk of harmful leaks without damaging the system's pipes and is more energy efficient.

In 2022, the Swedish team took significant steps to reduce energy consumption. They reduced indoor temperatures by 2° Celsius, continued to replace lights with LED in all centres, and installed motion sensors in indoor service corridors and outdoor logistical areas. Annual night walks were conducted at all centres in order to identify energy waste during non-operating hours. Tenants were also informed of their individual energy usage and on-site staff received training on energy efficiency measures and guidelines. Overall, the Swedish team was able to reduce district heating by 15% and district cooling by 27%.

Climate change risk assessment

Eurocommercial Properties takes the risks and opportunities of climate change seriously. To ensure that its shopping centres are resilient and prepared for the future, we conducted on-site risk assessments, partnering with specialists to identify risks and procedures in order to mitigate the effects of climate change. We appreciate that stakeholders expect transparency regarding the potential climate-related risks and opportunities and we are committed to doing our part to ensure a more sustainable future. In light of this, we are making more information available on climate change risks and opportunities our organisation face, in alignment with the TCFD's recommendations.

Governance

Eurocommercial's management are focussed on climate change and have an aligned, pan-European approach to managing climate risks, opportunities, and activities, supervised by the ESG Committee and working with our local countries through the ESG Working Group. The Committee oversees all environmental, social, and governance (ESG) matters and evaluates climate-related risks. In 2022, the Committee authorised an independent climate

Environmental, Social and Governance (continued)

risk assessment to better understand potential risks facing the Company. The Committee is responsible for sharing the results of the assessment with the Supervisory Board and investors.

Strategy

In 2022, Eurocommercial initiated the climate change risk assessment at Group level. The Company has partnered with third parties in each country to assess physical climate change risks using advanced climate models. The assessment includes both acute risks like tornadoes, landslides, wildfires, and floods, as well as chronic risks such as sea level rise and changes in precipitation patterns. The outcomes of these assessments include recommended actions to mitigate potential impacts on our properties and the surrounding communities. In 2023, Eurocommercial will further assess the financial implications of material climate change risks and develop action plans to reduce the potential impact.

Going forward, all properties will be re-certified with BREEAM, a certification that incorporates climate

change adaptation criteria. Eurocommercial aims to certify 100% of its portfolio with BREEAM, ensuring that all properties are assessed for potential climate change risks. The adaptation criteria within BREEAM will recognise and encourage measures to mitigate the impact of extreme weather events resulting from climate change throughout the building's lifespan.

Several climate change risks have been assessed which are related to transition risks, focussing on policy and legal, technology, and reputation aspects evaluating their potential financial impact on the organisation. These transition risks may occur and have an impact on our organisation as it moves towards a lower-carbon economy. The outcome of the first assessment provided insights for future decision-making regarding short-term (0-5 years), medium-term (5-10 years), and long-term (over 10 years) risks. Ongoing monitoring and risk assessment will guide the Company's response and property management strategy.

Potential impact on Eurocommercial Properties from main transition risks in the upcoming

years:

Risk area	Climate change risk	Time frame	Possible impact	Actions taken by Eurocommercial
Policy and legal risks	Higher mandates on and regulation of existing products and services	S / M	In many European countries, stricter building codes have been or will soon be enforced, as part of the low carbon commitment of the European Union.	We closely monitor changes in legislation and proactively respond, particularly in respect of requirements for higher EPC ratings.
	Increased emissions-reporting obligations	S / M	Listed real estate companies are expected to have increased transparency in non-financial information. Limited costs are anticipated, but investment in improved data reporting tools and increased costs for verifying non-financial data are required.	We plan to disclose more non-financial information publicly, verify environmental data, and conduct another materiality assessment all within the next two years.
Technology risks	Transition to lower emissions technology	S / M / L	To reduce carbon footprint, investments are needed in gas removal and low-carbon alternatives, efficient lighting and HVAC.	We continually assess opportunities for energy-efficient equipment through our Be Green initiatives and started to remove gas from our operations. See the Energy Management section for examples of implemented actions.

	Substitution of existing products and services with lower emissions options	M / L	As consumers become more environmentally conscious, they may opt for closer alternatives (or shop online) and reduce travel, potentially lowering the number of customers that may impact property performance through reduced footfall.	To provide sustainable transport modes, we are expanding our EV charging stations and provide sustainable alternatives (see connectivity and accessibility section). To remain appealing to conscious customers, our focus is shifting to providing community hubs, not just retail destinations (see customer engagement section).
Market risks	Increased cost of raw materials	S / M / L	Increased material costs may affect redevelopment or individual shop fit-out, raising the cost of enhancing the interior design and appeal of our properties.	In 2022, we observed a rise in material costs and anticipate this trend to persist in the short and medium term. Our focus is already towards smaller and more profitable extensions and renovations instead of large ground-up development projects, with an emphasis on reusing materials and using sustainable materials to reduce costs.
	Uncertainty in market signals	S / M / L	Rising energy costs may affect a property's operational expenses and increase tenant service charges.	Energy costs rose significantly in 2022, impacting us and our communities. To increase efficiency and reduce energy use and carbon emissions, we are investing in new equipment and technology to minimise service charges (see Energy management section).
Reputational risks	Stigmatisation of sector	S / M / L	Hesitation about the real estate handling of climate-related issues could result in a reduction of financial loans or increased cost of capital for refinancing, potentially affecting the organisation.	As a member of the real estate industry, our aim is to be transparent about our impact and play a role in the transition to a low-carbon economy. Creating awareness among our communities and educating our partners on their responsibilities are critical steps we take (see Formalising green collaboration).
	Reduced demand from investors/banks	S / M / L	If not adopting more ESG conscious business practices, bank finance may be more scarce.	We developed a Green Finance Framework and began incorporating environmental and social criteria into loan agreements (see Sustainable Finance section).

For our climate change strategy we will utilise the Representative Concentration Pathway (RCP) 4.5, which is a scenario of long-term, global emissions described by the Intergovernmental Panel on Climate Change (IPCC). Climate scenario analysis helps

companies to identify and prepare for the impacts that climate change will have on their business models by providing a structured exploration of different possible futures to identify the most relevant risks and opportunities.

Environmental, Social and Governance (continued)

Risk management

Eurocommercial assesses potential physical and transition risks related to climate change through a collaborative process that involves input from both local teams, corporate headquarters and third party (technical) advisors. We utilise local expertise, engage and educate our teams, report the process and results, and secure support and resources from senior management to effectively manage risks related to climate change.

Eurocommercial conducted an initial study in 2022 in order to understand the physical risks from climate change to our assets by reviewing information from relevant websites and databases.

Our climate risk assessment included evaluating transition risks. Input was solicited from local teams and senior management to determine the potential likelihood and impact of each risk on our organisation. Based on the results, management will assess current business plans and determine if additional steps are needed to safeguard our assets and minimise negative effects.

In 2023, we are planning to use the Carbon Risk Real Estate Monitor (CRREM) to create decarbonisation plans for our assets in order to prepare them to become carbon neutral. These plans will be based on clear, science-backed methods that are aligned with the Paris Climate Goals of limiting global temperature rise to 2°C, with an ambition towards 1.5°C. Additionally, we will review our carbon reduction commitment and set new targets to reduce our scope 3 carbon emissions by 2050.

Short term actions identified (0-5 years) to reduce our carbon emissions:

- Perform climate change scenario analysis
- CRREM pathways for each asset
- Introduce smart metering for all areas in the shopping centres
- Initiate methodology to calculate embodied carbon
- Set carbon reduction target (scope 3 emissions)
- Recertify properties with latest BREEAM in Use, including updated climate change
- Adaptation plans in place for all assets

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Understanding the impact on our business and stakeholders is crucial as we shift to a carbon-free economy.

Roberto Fraticelli
Chief Financial Officer

Structured approach to climate change risk

Step	Action	
1. Risk identification	Identify and educate	• Identify possible transition and physical risks and opportunities • Educate teams through workshops and or training and share best practices on climate change strategy and implementation • Monitor compliance with EU and national legislation on climate change issues
2. Perform risk assessment	Assess impact	• Get input from countries and corporate level to evaluate the impact of transition risks • Understand asset level physical risks through BREEAM certification process • Organise workshop to discuss outcomes of risks identified across the portfolio
	Review measures	Asset level: • Pre-selection of the possible adaptive actions to be taken • Gather insight for actions taken to minimise climate change risks Corporate / country level: • Review mitigating actions to be taken (e.g. insurance, policies in place etc.) • Identify resources needed to be allocated to take adaptive measures
3. Decision making and implementation	Prioritise and implement	Board of Management: • Evaluate risk assessment outcomes • Prioritise actions to be taken to mitigate and/or accept risks • Allocate resources needed to minimise risks at asset level • Describe / update management approach for each material physical and transition risks
	Evaluate and report	Board of Management: • Evaluate the climate change risk assessment process • Report annually to Audit Committee the climate change risks assessment outcomes • Disclose where we are on our climate change roadmap and report annually the outcomes of the climate change risk assessment to investors (TCFD)

Metrics and targets

Eurocommercial has set ambitious targets to reduce carbon emissions, minimise waste sent to landfill, and have green building certifications in place in the near future. This implies that the Company will operate more efficiently and generate fewer carbon emissions than they release, on an absolute basis.

By reaching its goals, Eurocommercial aims to reduce its exposure to the transition to low carbon properties, meet government mandates, and have lower operational costs due to the limited use of natural resources. We use a range of metrics to assess our exposure to our identified short-term climate related risks and opportunities. These include the following indicators that are reported in this 2022 Annual Report:

Environmental, Social and Governance (continued)

Indicator	Target	Why relevant indicator
Scope 1, 2, and 3 carbon emissions	Operate carbon neutral for scope 1 and 2 emissions by 2030. Target for scope 3 emissions is evaluated in 2023.	Measuring our own carbon footprint reveals our progress towards carbon neutrality and how we support the transition to a low-carbon economy.
On-site renewable energy generated	Generate renewable energy at the location to lower dependence on grid energy procurement.	When possible, we will invest in generating renewable energy on-site to reduce dependence on energy market sources.
Number of assets certified with BREEAM in Use	Have 100% of properties assessed and certified with Green Building certifications by 2025.	To operate our properties efficiently, we implement international green building certifications, lowering our environmental impact.

Renewable energy

We continue to review opportunities to install solar panels on the roofs of our shopping centres or on parking areas. In Sweden, all seven shopping centres now produce renewable energy through the solar panels placed on top of the roofs.

In Sweden over 10,400 panels are producing 3,500 MWh every year, which is equivalent to approximately 10% of the energy usage of the centres in Sweden. At Woluwe Shopping in Belgium, around 1,700 solar panels generate over 500 MWh of renewable energy every year. This accounts for more than 15% of the total energy usage in the common areas, resulting in a savings of over €132,000 in two years.

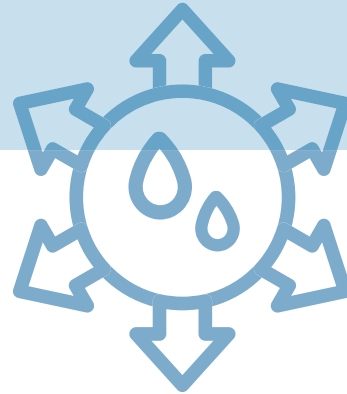
In Italy, we have invested in on-site solar panels in Curno, I Gigli, and Cremona Retail Park. We are currently evaluating the installation of two additional solar panel systems at I Gigli and Carosello. In 2023, the shopping centre Etrembières in France will also be installing solar panels on its roof. All these investments will help promote sustainability, reduce our carbon footprint, and provide a reliable source of renewable energy. We plan to offer more sustainable solutions in the future, continuing to make a positive impact on our environment.

At the same time, we are procuring electricity from 100% renewable energy sources in all assets in Sweden and Belgium. In Italy, we have started to procure renewable electricity for Carosello, Curno, Fiordaliso, I Gigli and Il Castello. In 2022, 85% of the total electricity consumption for the Group came from renewable sources.

Connectivity and accessibility

Connections to public transport are an essential part of our ESG strategy and our overall business, supporting our communities and the environment. We encourage visitors and employees to use public transport to visit our shopping centres and we integrated our assets in local public transport networks. We use extensions and ground-up retail development as opportunities to work with local municipalities to improve the integration of public transport and the accessibility of our centres.

We believe that it is important to play a role in decreasing private car usage and if any of our centres in the future will be located more than one kilometre from public transport, we will provide electrical shuttle buses to connect our sites to the closest station or city centre. We also provide affordable and environmentally friendly transport options for our visitors such as parking for electric



vehicles, charging stations, and dedicated parking areas for low-emission cars, car-sharing, bicycle parking and other facilities. Our centres are easily accessible by foot or for people with disabilities.

We have introduced EV charging stations in all regions in order to assist and encourage our visitors to use electrical cars. In Belgium, we have eight charging stations and in Italy five assets provide charging stations for 30 cars. In 2022, France had five centres providing 47 charging stations for our visitors.

In Sweden, one-third of all new car sales are purely electric, so the local team is investing to make the assets attractive to electric vehicle owners. The Swedish government has taken steps to promote the use of electric vehicles, leading to an increase in the number of electric cars on the roads. This has created demand for electric vehicle-related assets, and the local team is capitalising on this opportunity by providing electric vehicle (EV) charging stations in all shopping centres. 68 EV chargers were operational in 2022 with a capacity for 94 vehicles. In 2023, a further 58 new charges will be provided.

Zero waste

In order to manage waste efficiently, we are increasing recycling and reducing the amount of waste going directly to landfill. We invest in cost effective waste services for our tenants, encouraging them to have their own programme to handle waste efficiently. Eurocommercial aims to minimise the waste it produces and eliminate waste to landfill by 2030. We work closely with waste services and local authorities in order to meet these targets and 53% of our centres already achieved our zero waste to landfill goal during 2022. We will perform waste audits to provide improved data and qualitative information on waste streams so that we can prioritise actions to increase recycling.

In 2022, Belgium introduced a permanent recycling point for customers to easily dispose of special waste streams. A waste collection facility was placed in one of the lobbies with compartments specifically designed for batteries, TL tubes, light bulbs, toners and ink cartridges, and old clothing. All waste collected in these compartments is recycled responsibly by specialised firms and associations.

Water conservation

The water used in the centres is mainly for the benefit of the tenants with who we collaborate to reduce its consumption and waste. The water consumed in 2022 was 10% higher than the previous year (like-for-like) due to a hot summer in 2022 and the fact that water consumption in 2021 was below average due to COVID-19 lockdowns.

In an effort to reduce our environmental impact, we have installed green walls in five of our centres and we take advantage of greywater to irrigate the surrounding greenery. We are investing in water conservation initiatives such as installing water taps with sensors to prevent excessive usage, as well as double flush toilets.

In Italy we are also using water from wells for irrigation and sanitary facilities. We are also studying improvements in water storage facilities to overcome drought problems (i.e. additional water storage systems, rain water collection tanks, new water wells, etc.).

Biodiversity

Our Be Green strategy is designed to enhance the green infrastructure at our properties and the surrounding areas. To provide a connection to nature, to our customers and to local communities, we have made a commitment to increase biodiversity and ecological values. This commitment will ensure that people living and working in the locality have access to green spaces and natural habitats that promote a healthy and sustainable lifestyle.

We use the BREEAM In-Use assessment to evaluate our positive impact on biodiversity and local ecosystems, and implement various initiatives throughout our portfolio. We have appointed a third-party ecologist to conduct a biodiversity assessment every three years. The results of this report are then used to develop an appropriate action plan.

Environmental, Social and Governance (continued)

In France, we have installed beehives on the roofs of the Passage du Havre and Les Portes de Taverny, as well as insect hotels and nest boxes in Grand A, MoDo, Les Portes de Taverny, Passage du Havre, Shopping Etrembières, Val Thoiry and Centr'Azur. Most of our centres have implemented initiatives to enhance local ecosystems. To raise awareness about our biodiversity initiatives, we have also set up information displays in Grand A, Les Portes de Taverny, Shopping Etrembières and Passage du Havre.

Urban beekeeping promotes sustainable practices and educates communities on the significance of biodiversity. In collaboration with Alvéole, an organisation that installs and monitors urban beehives and educates on bee life, we have established two bee colonies on the roof of Woluwe Shopping. Guided tours and workshops, where participants can harvest their own honey, have been organised for customers and retailers, providing a unique and educational experience while also improving the shared environment.



We have established two bee colonies on the roof of Woluwe Shopping



Be Engaged

Eurocommercial operates shopping centres not only as retail spaces but increasingly as social gathering places to provide a range of services and experiences and a location where people come to meet and connect. Our centres meet the daily needs of customers and the local community while providing a safe, enjoyable and service-oriented experience. We closely monitor the evolving needs and preferences of tenants and customers, gathering feedback to improve the overall experience in our centres. We also offer retailers the opportunity to improve their teams and customer service through the Eurocommercial Retail Academy®, resulting in higher service levels.

Objective	Status	Key facts
Maintain all customer satisfaction score above 7.5 by 2025	On target	8,000 customers participated in engagement surveys in 2022 8.3 average score
Improve the average retailer satisfaction scores towards 7.0 by 2025	On target	1,092 tenants participated in engagement surveys in 2022 7.0 average score
Roll out the Eurocommercial Retail Academy® at an additional eight shopping centres by year-end 2023	On target	In 2022, over 1,200 participants in the Retail Academy® across seven centres

Customer engagement

Ensuring our centres align with the needs of tenants and customers is crucial. Engagement and communication are key factors in achieving this. We regularly conduct customer surveys, track satisfaction levels and actively adapt our centres

to the preferences of customers through extensive research and monitoring. We review the data to understand and interpret new trends in spending habits and analyse the surrounding communities and identify potential customer groups we may not be reaching.

During 2022, we conducted over 8,000 in-person interviews to measure customer satisfaction, with a focus on understanding how the pandemic had changed customer expectations. The results showed an overall increase in satisfaction. Customers appeared to value our centres increasingly as leisure destinations, and their attendance had not been significantly impacted compared to pre-COVID-19 levels. In 2022, we achieved an average customer satisfaction score of 8.3, ranging from 7.5 to 9.

Our goal is to ensure that every shopping centre in our portfolio maintains a minimum score of 7.5 by 2025. To track customer loyalty, we have implemented the Net Promoter Score (NPS) in several surveys. We closely analyse the results in order to create action plans to increase the NPS and improve the reputation of the shopping centres. Our NPS score is ranging from +3 to +88, with an average NPS score of +39.

Digital transformation has facilitated engagement with customers and municipalities by implementing new technologies such as geolocation data from mobile phones and apps. This allows us to track customers and identify variations in clusters from different areas within a catchment. By using this data, we are able to measure the effectiveness of targeted marketing campaigns in specific neighbourhoods. Recently, we have been actively collecting data from our customers and incorporating it into our CRM project to facilitate more comprehensive analysis.

Expanding our customer base within the local community by offering a wide variety of goods and services is central to our shopping centre business. We show our appreciation for their loyalty through customer incentives, loyalty programmes, and gift cards that are available at most of our centres.

Case study



Entertaining and engaging with our customers

Contemporary Art Fair – Woluwe Shopping

The sixth edition of the Contemporary Art Fair, one of the annual “affordable” art events in Brussels, took place in Woluwe Shopping’s gallery for one week during October 2022. The event featured over 20 artists showcasing and selling their works in various mediums such as paintings, sculptures and photographs. The exhibition was free and open to the public. An opening reception was held for 500 people, including local municipal and political representatives who were invited by the artists and the shopping centre management. More than 107,500 visitors visited the Art Fair during that week, including Queen Mathilde.

Art for All project – Woluwe Shopping

The Art for All initiative, also at Woluwe Shopping, presented a collaborate artwork project between Eurocommercial and Belgium Luxembourg Council of Retail and Shopping Centers (BLSC). The project blended art and sustainability, inviting members of the public to donate their old clothes to be sorted and recycled by the charity organisation Les Petits Riens. Unrecyclable fabrics were then incorporated into large, collaborative art pieces created by artist François Coorens, depicting portraits of three prominent Brussels stars: Angèle, Stromae and Damso. This innovative and sustainable clothing drive was well-received and Eurocommercial was shortlisted for the BLSC Marketing Awards for the project.



The Art for All initiative at Woluwe Shopping

Environmental, Social and Governance (continued)

Genuine retailer partnerships

Retailers are the foundation of our business, and we actively solicit their feedback to pinpoint areas for improvement. The consistent exchange of data and regular monitoring of retailer satisfaction through anonymous surveys are crucial elements of the success of our centres. In 2022, we achieved an average tenant satisfaction score of 7.0 across 1,092 tenants who participated in our survey.

We have conducted engagement surveys in all our shopping centres. We aim to have an average satisfaction score of 7.0 across our portfolio by 2025. Additionally, we have introduced the NPS in our tenant surveys in addition to the Satisfaction Index, as we believe that both scores combined provide a clear understanding of tenant satisfaction and indicate what actions are necessary to improve our professional relationship.

To stay better connected with our retailers, we have introduced a communication app in Italy and Woluwe that streamlines tenant communications. This app provides improved communication with newsletters, information, centre documents, and a chat function for the management team and tenants. It also allows access for work, technical descriptions, contact details for staff, reporting of disturbances with pictures, surveys following marketing events, sharing of marketing plans, and a promotion programme with special discounts for tenant staff. Additionally, the app includes a section for environmental initiatives such as car sharing, Too Good to Go, best practices for waste, and a panic button for security teams in emergency situations.

Formalising green collaboration through lease agreements

Our Group Green Lease policy serves as the cornerstone for collaboration between Eurocommercial and our tenants. We seek to exchange ESG ambitions, targets and responsibilities with our tenants to continue to develop sustainable centres with a clear vision and transparency to our stakeholders. To ensure we preserve our natural environment and achieve our ESG objectives, we want our business partners to adhere to the following ESG principles:

- Contributing to our carbon neutrality goal by 2030

- Reducing energy and water consumption
- Eliminating or reducing production of waste and single-use items such as plastic and packaging
- Sharing information, setting targets, and implementing best practices to track and improve performance
- Incorporating responsible procurement practices
- Encouraging the use of sustainable transportation for customers and employees.

At the start of 2021, our teams began to implement the revised Group Green Lease clauses. By the end of 2022, we achieved a green lease coverage of 40% in Belgium, 34% in Italy, 45% in Sweden, and 50% in France.

All shopping centres in France have established Green Committees that meet annually, inviting all tenants to attend. These meetings provide the opportunity to work together to reduce the environmental impact of the centres, discuss energy and water consumption, waste records, and best environmental practices. In Belgium, the Green Committee was established in 2022. The local team presented the action plan to reduce energy consumption in common areas encouraging tenants to do the same in their retail spaces. In 2023, we are launching the Green Committee in Sweden to formally collaborate on environmental initiatives

Eurocommercial Retail Academy®

Our Eurocommercial Retail Academy® organises sales and customer training alongside its tenants and employees working as a team. As a result, retailers who establish in our shopping centres know that they will be actively involved in commercial operations and in return, they often respond by bringing their latest concepts, delivering novelty for our customers. At the end of 2022, seven of our centres had established the Eurocommercial Retail Academy®. In 2023, we are planning to have an additional eight new centres included to achieve our ESG target: four in France and four in Italy.

The Eurocommercial Retail Academy® launched an online platform during the pandemic, enabling our retailers to continue to provide sales and customer service training to staff through video

tutorials, questionnaires, and online games to assess abilities. In 2022, over 1,200 participants enrolled, 1,000 of whom graduated with a diploma. We are now improving the internal communication of the programme, with a feedback platform and comprehensive reports for store managers and staff. In the future, we plan to introduce in-store training modules.

Responsible partners

Working alongside trusted partners, Eurocommercial has a number of sustainable procurement policies and procedures in place for each country that meet local regulations and standards. Our procurement process is an integral part of our Supplier Code of Conduct which provides clear guidelines on quality, innovation and creativity. We actively search for improved efficiencies in the use of energy, choosing low consumption and renewable energy options. We prefer local businesses in order to promote local employment and reduce transportation and packaging.

We carefully select building materials and maintenance products, using those with sustainability labels and certificates. Waste reduction and pollution risk management are also focus areas. Chemicals and other materials that could potentially harm the environment are identified and handled with care and taken to appropriate recycling or disposal facilities in compliance with regulations. We train staff who process these products, equipping them with the appropriate tools to handle them safely and have emergency procedures in place in case of an accident posing a risk to them or the environment. Suppliers have to ensure that their employees comply with safety rules and working conditions that respect the health, comfort and hygiene regulations applicable to their sector as part of our social and societal commitments.

Stimulating young entrepreneurs

Through our active support of young entrepreneurs, new brands have been able to develop and launch their products in our centres. In Les Portes de Taverny, we participated in an event organised by two prominent French organisations in diversity and enterprise (Association française des Managers de la Diversité and Mouvement des Entreprises de France).



Annually, in partnership with Junior Achievement (Ung Företagsamhet), a non-profit organisation supporting young entrepreneurs, we provide students between the ages of 16 and 20 with the opportunity to exhibit their business in our shopping centres in Sweden.

Woluwe Shopping Centre in Belgium also partners annually with local organisations to recognise and support up-and-coming, young entrepreneurs. Through this project, students at secondary education level are given the opportunity to gain practical experience by setting up their own small-scale business for six months. This gives them the chance to explore commercial operations and gain an understanding of what it takes to create, produce and market a product, service or event in Woluwe.

In 2022, these potential entrepreneurs sold tea, jewellery, cleaning tablets, flasks (reusable water bottles), tote bags, boxes with Belgian products, candles, key chains, laptop sleeves, glass protectors and board games. We hosted 23 mini-companies and a 150 young people presented their projects and interacted with our customers and retailers who could vote on the best new entrepreneurs.



Young entrepreneurs presenting their projects at Woluwe Shopping

Environmental, Social and Governance (continued)

Strengthen partnerships with suppliers

In Sweden, the Eurocommercial team partners up every year with its main supplier of property management services. In order to create a positive working environment and actively share information, the teams prepare a carefully structured Summer Camp over two days. In 2022, the event was held at Ingelsta Shopping, where internal and external speakers educated and motivated the teams on various relevant subjects including global real estate trends, rising energy costs and the proposed Ingelsta redevelopment.

Cooperation with various charitable organisations

We organise annual charitable events in all our shopping centres and last year we arranged additional activities to support initiatives in Ukraine, such as collecting food, clothing, and offering donations from customers to aid UNICEF.

In France, we have been collaborating with La Croix Rouge for many years. In 2022, in Centr'Azur, we supported the collection of toys for children and for two weeks over the Christmas period, ten volunteers from La Croix Rouge were located at the Passage du Havre in Paris, providing gift wrapping services. To help the local community, the funds raised were used to finance social and first-aid activities.

A recycling event at Passage Du Havre collected a total of 225 kilograms of clothing for Les Restos du Coeur. We were also pleased to be able to provide a monetary donation to the organisation.

Strong partnerships

We partner with local associations to provide services and events that support their communities. In addition to the job portal launched last year in France, which has been successful in supporting local employment, we regularly host in-centre recruitment events. These events focus on different industries and include Shop ton Job in Grand A, which connects candidates with retailers and companies in Amiens and neighbouring towns identifying job opportunities.

In MoDo, we partner with the Les Jeudis de l'Emploi forum providing information, guidance, and

personalised support for job seekers, with a focus on different sectors each month. We also support local businesses by providing flexible working and meeting spaces within our shopping centres.



Be Responsible

As an employer, we value our team members and provide a nurturing and stimulating work environment that allows them to develop, learn, and reach their full potential. From offering safe and enjoyable working conditions, to providing comprehensive training and corporate/property experiences, we take immense pride in developing our team. We also strive to create a collaborative atmosphere, where teams from different disciplines can work and share best practices.

Objective	Status	Key fact
Zero breaches against the Code of Conduct annually	On target	Zero breaches in 2022
Create an attractive and professional workplace	On target	2.1% sickness ratio 16% employee turnover rate
Introduced Green Finance framework	On target	€216.5 million sustainability linked loans (of which €116.5 million also green loans)

Our teams

We aim to create a fair work environment where all employees receive the same experience and opportunities and where they can express themselves and feel included in order to function at their best. People must feel appreciated and included which helps build stronger teams that perform better. We are based in different locations

across Europe and our local teams in Belgium, France, Italy and Sweden carry out all property and asset management functions including leasing, rent collection, technical supervision and administration. Eurocommercial has a diverse culture with differences in nationality, age and gender.

In 2022, our team consisted of 97 employees located in Belgium, France, Italy, Sweden, the United Kingdom, and the Netherlands. Of our total staff, 57% are female, 43% male and 5% are below the age of 30. An additional 69% are aged between 30 and 50 and 26% are over 50 years old. We take pride in the collegial and inviting atmosphere we cultivate, and we actively encourage our Eurocommercial team members to share best practices at regular group meetings for employees from different offices including the leasing, marketing, asset management, technical, accounting and sustainability teams. At Eurocommercial, we understand the importance of our employees and their commitment to the Company. We are proud to have such a loyal workforce as demonstrated by the low employee turnover rate of 16% and relatively low sickness ratio of 2.1%.

At the Company, we strive to keep a balanced ratio of men and women, which not only enriches our culture, but also reflects the gender diversity of our customers.

Employee engagement

Our aim is to create a workplace where our employees thrive. We offer them a fair and enjoyable working environment and ensure that they behave ethically and sustainably and invite them to adopt a healthy lifestyle. We want our employees to feel engaged and motivated towards our common goals. In 2023, we will conduct an independent, comprehensive employee survey to evaluate employee engagement across all countries. We will use the data collected to identify areas in which our organisation can further improve and enhance employee experience.

Business ethics

We promote clear and open communication and responsibility that represent our values of transparency, reporting and accountability. We set and maintain high standards of ethical business practice and expect our colleagues to respect them as being fundamental to long-term value creation. Good relationships with tenants, local communities and government organisations requires dedicated and professional staff who understand good business practice and ethics that will respect and build on our long-standing reputation.

Our Code of Conduct sets out our procedures, guidelines and core values. All employees receive ethics training and review the Code of Conduct



Team workshops regularly take place to exchange best practices

Environmental, Social and Governance (continued)

regularly to keep updated with business standards. Full transparency is provided to stakeholders concerning any breaches against the Code of Conduct. In 2022, there were no violations of the Code, aligning with our goal of zero breaches annually. The Code of Conduct was updated in 2021 and all employees will receive additional training on the policy in 2023

Professional development and alignment of interests

We invest in the professional development of our staff by encouraging them to participate in various training courses. Our staff have regular review meetings with management in order to monitor performance and provide employee feedback. All personnel were included in the yearly performance review which tracked individual and organisational targets established between management and staff.

All employees under a permanent labour contract are entitled to participate in the Group's long-term Performance Share Plan, which aims at linking remuneration to a long-term commitment of the individual employee and the performance of the Company. In 2022, employees received an average of 35 training hours and all employees received professional and ESG training.

Health and well-being

Each local office provides opportunities to invest in personal health and well-being opportunities for its employees. The Amsterdam office provides a gym on-site for employees who are able to exercise for free during work hours. In France, employees have a yearly subscription to a gym near the office in Paris and weekly yoga lessons in the office. Local offices have also installed CO₂, humidity and temperature sensors to measure indoor working environments, enabling teams to optimise their personal workspaces.

In Sweden, employees in the Stockholm office are provided with an annual "Friskvårdsbidrag" which is a health contribution of 5,000 SEK (approximately €500) to invest in a sport activity of their choice. The majority have chosen a yearly gym subscription, tennis or padel membership. In 2022, a Swedish team participated in the Spring för Livet charity run. The race took place around the Djurgården

island in Stockholm. The property market event raised approximately 800,000 SEK (approximately €70,000) for the project. All proceeds went directly to UNICEF's Project for Malawi.

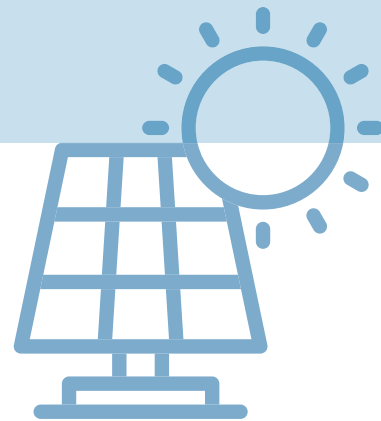
Sustainable finance

Eurocommercial has published a Green Finance Framework to support Eurocommercial's strategy and the transition to a low carbon economy. The Green Finance Framework has been reviewed by ISS Corporate Solutions to assess the alignment of the project categories financed with the sustainability key objectives of Eurocommercial and the clarity of the description provided of those objectives and of the rationale for issuing Green Finance Instruments. As a result of its review ISS Corporate solutions issued a Second Party Opinion, which has been published on our corporate website together with the Green Finance Framework.

The Green Finance Framework is established as a platform on which Eurocommercial intends to issue Green Finance Instruments which may include loans, bonds (including private placements), commercial paper, promissory notes and any other Green Finance Instruments in various formats and currencies, in order to finance and/or refinance green projects with an environmental benefit.

Through its Green Finance Framework, Eurocommercial contributes to the development of the Green Financing market through different financial instruments and also responds to growing investor appetite to finance sustainable green buildings.

Eurocommercial's Green Finance Framework is aligned with the International Capital Markets Association Green Bond Principles, 2021 version and the Loan Market Association Green Loan Principles, 2021 version. In addition, the Framework reflects requirements from the EU Taxonomy Regulation, the EU Taxonomy Climate Delegated Act and the EU Green Bond Standard, on a best effort basis. This Green Finance Framework also follows the recommendation of the Green Bond Principles and Green Loan Principles regarding External Review. In accordance with the Framework, the Company is committed to annually issue a reporting on the Eligible Green Assets and the Green Finance Instruments



outstanding (the Allocation Report), and a reporting on the sustainable performance of its assets on a consolidated basis (the Impact Reporting). Both the Allocation and the Impact Reports will be made available via the Company's website.

In April 2022, the Company entered into a new loan with ING of €66.5 million to refinance two existing loans on the Curno Shopping Centre, Italy. In June 2022, the Company entered into a new loan with ABN of €50 million to refinance an existing loan on the CremonaPo Shopping Centre, Italy. These new loans qualify as green loans, as the relevant proceeds are used to refinance two green assets, and also as sustainability linked loans. Eurocommercial is also part of sustainability linked interest rate swap contracts which partially hedge the interest rate risk related to the sustainability linked loans with ING and ABN AMRO Banks. The margins of all these facilities are linked to the Company's ESG strategy, including zero waste to landfill, renewable energy and green leases.

At the balance sheet date the total amount of sustainability linked loans was €216.5 million, of which €116.5 were also green loans. The Green Finance Framework and these green and sustainability linked facilities form part of Eurocommercial's ambition to increase its exposure to green financing in the near future.

Qualifying notes

Qualifying notes environmental indicators

All retail assets included in this report are within Eurocommercial's operational control; Eurocommercial provided performance data for all indicators. Data is collected for two years Q4 2020–Q3 2021 vs. Q4 2021–Q3 2022. Four assets are excluded from the like-for-like comparisons: Fiordaliso in Italy due to major renovations, Chasse Sud Gallery, Chasse Sud Retail Park and Les Grands hommes (all in France) due to disposals. Please see the EPRA environmental performance tables for the data coverage of each performance indicator.

Third party assurance

The reported energy, water, and waste consumptions as well as scope 1, 2, and 3

emissions are being verified in the first half year of 2023, using ISO 14064-3 (the international standard for verification of greenhouse gas inventories). The verification statement will be published on Eurocommercial's website since this is not finalised at the moment of publication of the 2022 Annual Report.

Energy consumptions

All electricity, fuel, district heating and cooling consumptions are landlord obtained for common parts and services provided to tenants. For MoDo and Valbo, district heating, cooling or electricity consumption that is sub-metered and in control of tenants was included in the report. Like-for-like energy consumption increased (2.4%) in 2022 compared to 2021. 2021 was still highly affected by COVID, due to the lockdown's energy consumptions were lower than normal. The proportion of electricity from renewable sources increased due to the installation of on-site solar panels and renewed contracts with electricity suppliers. Our corporate office in Amsterdam used 84.7 MWh electricity in 2022.

Greenhouse gases (GHG)

GHG emissions are reported as tonnes of CO₂equivalent (t CO₂e). The Scope 3 emissions include landlord-obtained consumption submetered to tenants as well as tenant-obtained energy consumption. These tables do not include any business travel or supply chain emissions. Emissions were calculated and reported market-based and location-based. Market-based emission factors consider contractual arrangements and were provided by local energy suppliers. For the remaining asset which uses district heating, no conversion factors were available, hence DEFRA conversion factors were applied. Purchasing renewable energy is part of Eurocommercial's

Environmental, Social and Governance (continued)

decarbonisation strategy. Location-based emissions reflect the average emissions factors for the electricity grids that provide electricity. For the calculations country specific Grid factors are used. Emissions were reported using the Greenhouse Gas Protocol and EPRA Sustainability Best Practices guidelines.

Water consumption

Water consumption represents water that is landlord-obtained and used for common areas and tenants. Like-for-like water consumption increased by 10% in 2022 compared to 2021. Water consumption within the Eurocommercial portfolio is obtained via municipal supplies.

Waste management

All waste figures are reported by mass (metric tonnes), in line with EPRA Sustainability Best Practice Recommendations. Waste disposal companies provided waste data for 29 assets in 2022. Waste data was not provided for I Portali (Italy) in this reporting year.

Intensity calculations

Data quality will remain a focus for further improvements in the next years. The match between nominators and denominators is now more accurate, and provides a better overview of the actual intensities. The numerators and denominators were determined asset-by-asset. For these assets, the whole building size was used as a denominator. Additional research was conducted in 2022 on the tenant consumptions compared to the common area consumptions. The outcome of this research enables Eurocommercial to report more precisely the tenants' consumptions and floor sizes for both reporting years. Like-for-like intensity figures have increased for both reporting years compared to previous reports because of these adjusted floor areas (e.g. change of values for denominators).

The proportion of renewable electricity consumed as a share of total electricity consumption is monitored by adding up all on-site generated renewable electricity (measured in kWh), divided by the total electricity usage where Eurocommercial has operational control.



Restatements

Restatements on previous reporting years have been made for assets when improved data or insight was available. Previous years energy consumption data was reported for the hypermarket 'E. Leclerc' in shopping centre MoDo (France), the hypermarket is not in operational control of Eurocommercial and not owned by Eurocommercial and therefore it is excluded from reporting from now on. In Woluwe (Belgium) increased insight has resulted in an adjustment in the district heating consumption of the property, since there is no district heating but only heat distributed to tenants from the HVAC system which is using gas and electricity only as sources. Adjustments were also made for electricity usage in Woluwe since on-site renewable electricity had been sub-tracked from the total electricity consumption in previous reporting periods. Amendments were made for both reporting years to provide clarity and enhance comparability between the two reporting periods. Additional research was conducted in 2022 on the tenant consumptions compared to the common area energy consumptions. The outcomes enable Eurocommercial to report in a more precise manner the tenants consumptions and corresponding floor sizes for both reporting years. This change in reporting has also impacted scope 1, 2 and 3 carbon emissions as well as the floor sizes (denominators) for intensity calculations. Eurocommercial acknowledges, as recommended by the EPRA Sustainability Best Practices recommendations, that the intensity indicators may still be affected due to a mismatch between numerator and denominator in the methodology for calculating intensities. Please note that percentage figures may not add up to 100% due to rounding.

Environmental, Social and Governance (continued)

Key performance indicators



The following pages provide more detailed information about the ESG performance over 2022 compared to 2021. Eurocommercial provides transparency on its ESG performance towards all stakeholders. In 2022, we were awarded EPRA sBPR Gold again for our sustainability report. EPRA sBPR is a sustainability reporting standard for listed Real Estate companies in Europe.

EPRA sustainability performance measures

		Absolute measure (Abs)		Like-for-like measure (LfL)									
		Total		Belgium		France		Italy		Sweden		Total	
Impact area		2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Energy (MWh)	Total electricity	69,537	69,058	2,760	2,930	7,534	7,401	15,955	17,695	35,586	37,095	61,836	65,121
	Electricity from purchased renewable sources (kWh)	49,969	58,843	2,760	2,930	1,509	2,100	10,155	13,580	33,719	36,407	48,143	55,007
	% electricity from purchased renewable sources	72%	85%	100%	100%	20%	28%	64%	77%	95%	98%	78%	84%
	Electricity from on-site generated renewable sources (kWh)	1,669	3,507	495	552	-	-	145	153	1,029	2,801	1,669	3,507
	Total district heating and cooling	13,377	13,466	-	-	1,326	1,116	-	-	12,051	12,350	13,377	13,466
	% heating and cooling from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Total fuels	18,673	17,487	3,147	2,937	3,443	3,268	11,967	11,275	-	-	18,557	17,480
	% fuels from renewable sources	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Total energy	101,587	100,011	5,907	5,867	12,303	11,785	27,922	28,970	47,637	49,445	93,769	96,067
	Renewable energy generated by third party on-site and sold	5,556	5,051	-	-	5,556	5,051	-	-	-	-	5,556	5,051
Greenhouse gas emissions (tonnes CO ₂ e) Market based	Total direct GHG emissions Scope 1	1,622	1,402	86	81	497	432	1,017	888	-	-	1,601	1,400
	Total indirect GHG emissions Scope 2	2,684	830	-	-	343	302	1,428	458	86	64	1,856	824
	Total indirect GHG emissions Scope 3	2,870	2,749	490	457	360	357	1,515	1,474	374	461	2,739	2,749
Greenhouse gas emissions (tonnes CO ₂ e) Location based	Total direct GHG emissions Scope 1	1,622	1,402	86	81	497	432	1,017	888	-	-	1,601	1,400
	Total indirect GHG emissions Scope 2	5,855	5,561	468	421	357	318	3,707	3,832	147	142	4,680	4,713
	Total indirect GHG emissions Scope 3	3,862	3,991	490	457	360	357	2,288	2,362	502	563	3,640	3,739
Energy and GHG coverage and estimates	Energy and associated GHG disclosure coverage (if applicable)	30 of 30		1 of 1		8 of 8		10 of 10		7 of 7		26 of 26	
	% energy and associated GHG estimated	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Water (cubic metres) (m³)	Total water withdrawal	489,760	531,299	16,090	21,145	80,887	83,606	225,815	247,522	87,306	98,738	410,098	451,011
	Water disclosure coverage (if applicable)	30 of 30		1 of 1		8 of 8		10 of 10		7 of 7		26 of 26	
	% water disclosure estimated	0%	1%	0%	0%	2%	3%	0%	0%	0%	0%	0%	1%
Waste (landlord-handled)	Total weight of non-hazardous waste	6,675	7,962	427	481	1,978	2,414	1,811	2,273	1,429	1,304	5,645	6,472
	Total weight of hazardous waste	64	15	0	0	0	0	54	0	10	15	64	15
Waste by disposal routes (metric tonnes)	Reuse	-	-	-	-	-	-	-	-	-	-	-	-
	Recycling	2,640	3,841	150	170	625	1,091	696	910	804	1,111	2,275	3,281
	Composting	-	-	-	-	-	-	-	-	-	-	-	-
	Material Recovery Facility	-	-	-	-	-	-	-	-	-	-	-	-
	Incineration	2,867	3,300	276	311	361	502	940	710	624	847	2,202	2,370
	Landfill	398	912	-	-	215	252	181	654	1	7	398	912
	Other	835	1,283	-	-	777	1,283	48	-	10	-	835	1,283
	Waste disclosure coverage	29 of 30		1 of 1		8 of 8		9 of 10		7 of 7		25 of 26	
% waste disclosure estimated	3%	0%	0%	0%	0%	0%	13%	0%	0%	0%	3%	0%	

EPRA sustainability intensity measures

Impact area		2021	2022
Energy (kWh/m ² /year)	Building energy intensity (like-for-like)	236.8	239.7
Greenhouse gas emissions (kg CO ₂ e/m ² /year)	(like-for-like, market-based)	20.1	16.3
GHG intensity from building energy	(like-for-like, location-based)	28.2	27.0
Water (m ³ /m ² /year)	Building water intensity (like-for-like)	0.6	0.6
Share of on-site solar energy (kWh on-site solar/total kWh electricity)	Renewable electricity generated on-site (absolute)	2.4%	5.1%

Building certification

Building certifications – BREEAM (% of floor area)			Energy Performance Certificates (EU EPC) (% of floor area)					
	2021	2022		2021	2022		2021	2022
Excellent	37%	43%	A	0%	0%	E	33%	30%
Very Good	51%	47%	B	6%	6%	F	6%	3%
Good	6%	6%	C	30%	36%	G	3%	5%
In process of certification	6%	4%	D	11%	13%	No Label	11%	6%

Environmental, Social and Governance (continued)

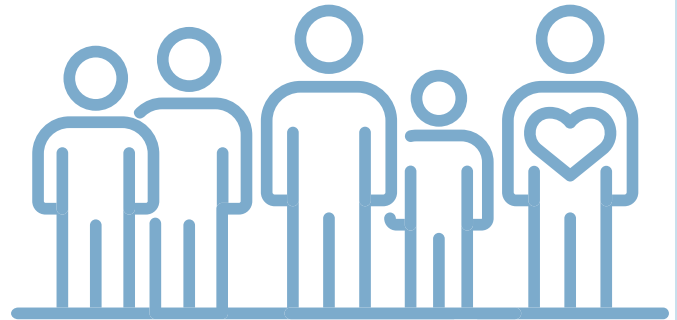
EPRA Social & Governance indicators

All employees		2022			2021		
Diversity – Emp 405-1	<i>Employee gender diversity (based on headcount)</i>	Total	Male	Female	Total	Male	Female
	Supervisory Board	3	1	2	3	1	2
	Board	3	3	-	3	3	-
	Management	14	10	4	14	11	3
	Staff	80	29	51	81	29	52
	Total number of employees	97	42	55	98	43	55
	<i>Age group distribution (percentage)</i>						
	Under 30 years old	5%			9%		
	Between 30 and 50 years old	69%			63%		
	Over 50 years old	26%			28%		
Diversity – Pay 405-2	<i>Gender pay ratio</i>		Male	Female		Male	Female
	Board		100%	0%		100%	0%
	Management		53%	47%		52%	48%
	Staff		60%	40%		61%	39%
Emp – Training 404-1	<i>Employee training and development (based on headcount)</i>		Male	Female		Male	Female
	Training hours per employee		45	18		18	16
	% of employees who received professional training		100%	100%		100%	100%
	% of employees who received ESG training		100%	100%		100%	100%
Emp – Dev 404-3	<i>Employee performance appraisals</i>						
	% of employees	100%			100%		
Emp – Turnover 401-1	<i>New hires and turnover</i>		New hires	Departures		New hires	Departures
	Male		7	7		4	1
	Female		8	9		8	5
	Total		15	16		12	6
	Employee turnover	16%			6%		
H&S – Emp 403-2	<i>Employee health & safety</i>						
	Workstation and/or workplace checks (%)	36%			62%		
	Absentee rate (%)	2.1%			1.57%		
	Injury rate (%)	0.0%			0.0%		
	Work-related fatalities (number)	0			0		
H&S – Asset 416-1	<i>Asset health & safety assessments</i>						
	Health & Safety – assessments (in % of assets)	100%			100%		
H&S – Comp 416-2	<i>Asset health & safety compliance</i>						
	Health & Safety – incidents	0			0		
Comty – Eng 413-1	<i>Community engagement, impact assessments and development programmes</i>						
	Community engagement programmes in place (in % of assets)	100%			100%		
Gov – Board 102-22	<i>Composition of highest governance body</i>						
	Number of executive board members	3			3		
	Number of independent board members (Supervisory Board)	3			3		
	Average tenure of all board members	16			15		
	Number of independent board members with competencies relating to environmental and social topics	2			2		
Gov – Selec 102-25	<i>Process for nominating and selecting the highest governance body</i>	The members of the Supervisory Board are appointed by the General Meeting of Shareholders from a binding nomination to be drawn up by the Supervisory Board. Relevant information is reported in this Annual Report see page 142.					
Gov – Col 102-25	<i>Process for managing conflicts of interest</i>	For Eurocommercial Properties it is very important that members of the Executive Board and Supervisory Board act independently. There have been no conflicts of interest with rules, regulations or the Dutch Corporate Governance Code in this reporting year. Relevant information is reported in this Annual Report page 156. The process for managing conflicts is included in the Rules and Regulations of the Supervisory Board and the Code of Conduct which can be found within the governance section on the corporate website.					

Qualifying notes social indicators

Organisational boundaries, reporting period and coverage

All employees who work directly for Eurocommercial in The Netherlands, United Kingdom, Sweden, Italy, France and Belgium were included in these figures. Eurocommercial provided performance data for the calendar years 2021 and 2022 for all social and governance indicators.



Gender pay ratio

The gender pay ratio as reported in the table is the ratio of the base salary and remuneration of men to women in the mentioned employee categories. Base salary represents the salary excluding additional remuneration such as bonuses, share options or overtime pay. Please note that Eurocommercial only employed 97 persons at the end of 2022. Therefore, it is not possible to disclose more detailed information on gender pay ratio, due to the limited number of employees with the same function and experience within the organisation.

Health and Safety assessments

These assessments are a review of health and safety impacts on asset level for compliance or improvement. For most assets Health & Safety is integrated into the BREEAM certification procedure, assets that haven't been certified yet use internal assessments on Health & Safety (for example on indoor air quality, fire, elevator safety, disabled access, emergency procedures).



Narrative on performance

Employee turnover rates have increased compared to 2021 while other social indicators have remained consistent over both reporting periods.