



Shaping the face
of retail in Poland



EPP N.V. GROUP ESG REPORT 2023

for the year ended 31 August 2023



TABLE OF CONTENTS

1.	A WORD FROM OUR CHAIRMAN	3
2.	ABOUT THIS REPORT	5
3.	2023 HIGHLIGHTS	7
4.	2023 ESG HIGHLIGHTS	9
5.	OUR COMPANY	12
	5.1 Overview	12
	5.2 Our Geographical Footprint	13
	5.3 Our Long-Term Objectives	15
	5.4 Our Corporate Governance	16
6.	DEFINING OUR STRATEGY	19
	6.1 Our Stakeholders	19
	6.2 Determining EPP's Material Topics	23
	6.3 Defining the Reporting Scope	30
	6.4 Our Key ESG-Related Risks	33
	6.5 Our ESG Strategy	34
7.	ENVIRONMENTAL: EARTH CITIZEN	35
8.	SOCIAL: SPACE FOR EVERYONE	51
	8.1 Our People	54
	8.2 Our Community Engagement	60
11.	GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT	69
13.	GRI INDEX TABLE	78

1.

A WORD FROM OUR CHAIRMAN

GRI 2-22

We proudly present our 2023 Sustainability Report for the year ended 31 August 2023.

It is our responsibility, as the largest asset manager of retail real estate located in Poland, to manage the environmental impacts resulting from our business activities and increase our positive social impact in the communities that we operate in.

To embrace this responsibility, we have already made significant steps on our journey towards sustainability. In 2021, we implemented our Sustainability/ESG strategy and set out our long-term environmental targets that aim to direct our business activities and reduce the environmental impact of our operations. 2023 marks the third year of our sustainability strategy.

GRI 2-22

Our ESG strategy is based on four major pillars. This framework helps us to comprehensively approach and manage our environmental and social impacts. Our focus is to build Trust through transparency, develop Mindful management, create and promote Space for everyone, and be an Earth citizen by operating in harmony with the natural environment. Our overarching goal is to generate value through the business we manage by following our four strategic pillars:



Trust through transparency



Mindful management



Space for everyone



Earth citizen



Pieter Prinsloo, Chairman of the Board, EPP N.V.

1. A WORD FROM OUR CHAIRMAN



In 2022, EPP was acquired by Redefine Properties, a South African-based Real Estate Investment Trust (REIT).

In 2023 we reviewed our long-term ESG strategy and decided to set new GHG reduction goals.

Our aim is to reduce absolute Scope 1 and 2 GHG emissions by 50% by 2030 and by 90% by 2050, in comparison to a 2019 baseline. The decarbonisation targets were reviewed and validated by the Science Based Targets initiative ('SBTi').

Simultaneously to our 2023 ESG report, we have published our Climate Risk Report, materially following the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD'), the recognised market standard.

Our stakeholders' opinions are important to our business, and we are highly conscious about our environmental and social impact on them. In this reporting cycle, we have updated our materiality assessment to include a double materiality perspective. This allows

us to better understand the social and environmental impacts from our operations. To prepare for upcoming Corporate Sustainability Reporting Directive ('CSRD'), we have adapted our materiality topics to include those covered by European Sustainability Reporting Standards ('ESRS'). Following the recommendations from CSRD, we have introduced Planet Earth ('the Planet') as a silent stakeholder on whom EPP's properties have an environmental impact. The material aspects identified by our key stakeholders are aligned with our ESG objectives and targets.

People are at the heart of our company and we care strongly about the wellbeing of our employees, tenants and their customers, and place a strong focus on improving diversity and inclusion within our organisation. We prioritise the protection of the environment and human rights in our supply chain. Our Social Value Strategy focuses on measuring and improving the positive impact of the properties we manage on key stakeholders: our employees, local communities, tenants, visitors, local authorities, local suppliers of services and the Planet. We strive to ensure that the operations of the assets under our management responds to the stakeholders' needs, and our business activities maximise our positive social impact.

Good governance and transparency are an essential part of our ESG strategy. In 2021, we reviewed and updated our Code of Conduct with our commitment to protect human rights. In 2022, we made a crucial step by introducing our first Suppliers Code of Conduct, which is to be adhered to by the suppliers that we cooperate with. Our aim is to work with responsible companies who respect EPP's values and ensure ethical operations within our supply chain.

We strongly believe that the transition to climate neutrality creates opportunities – for responsible investment and sustainable development that respects society and the Planet. By using climate-related opportunities to transform our business, we can maintain our strong market position in the more sustainable world of tomorrow.

Being aware that there is a significant way to go, we strongly feel that our company is well-positioned to work towards our long-term goals. I am pleased to share this report with you to showcase the progress that EPP is making towards sustainable development.

Pieter Prinsloo
Chairman of the Board, EPP N.V.

2. ABOUT THIS REPORT

[\[GRI 2-1\]](#) [\[GRI 2-2\]](#) [\[GRI 2-3\]](#) [\[GRI 2-4\]](#) [\[GRI 2-5\]](#)

This 2023 ESG report was prepared for EPP N.V. Group (further "EPP CORE"), EPP Community Properties JV B.V. Group ("COMMUNITY JV"), Horse Group S.a.r.l (M1 JV), Henderson JV and Mlociny JV and covers the financial year from 1 September 2022 to 31 August 2023. This period has been referred to throughout the report as 'this reporting cycle' or FY23.

The content of this report has been developed in line with management's discussions and is aligned with EPP's regularly monitored and managed ESG strategy. As in 2021, EPP continues to report using the Global Reporting Initiative ('GRI') Standards as a guidance, version published in 2021 (see page 78 for the GRI Content Index). EPP continuously follows the 10 principles set out in the United Nations Global Compact Guiding Principles on Business and Human Rights. The Sustainable Development Goals ('SDGs') set by the United Nations ('UN') are linked with the material aspects under each of our four strategic pillars, highlighting EPP's global contribution to sustainable development. Within this, we have established both short and medium-term goals.

The GHG emissions data presented in this report were calculated using the international methodology for calculating emissions for enterprises: 'The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard', 'GHG Protocol Scope 2 Guidance Amendment to the GHG Protocol Corporate Standard' and the 'Corporate Value Chain (Scope 3) Accounting and Reporting Standard'. Please refer to our Climate Risk Report for the year 2023 for auditor's verification of our GHG emissions.

This report covers all our business entities and assesses our value chain, however, certain ESG targets are not yet reported for retail portfolio currently outside our operational control (M1 JV).

In the next reporting cycle, EPP plans to disclose the non-financial information under the Corporate Sustainability Reporting Directive ('CSRD'). Separate reports will be issued for each of the following groups: EPP N.V. Group (further 'EPP CORE'); EPP Community Properties JV B.V. Group ('Community JV') and Horse Group S.à.r.l. ('M1 JV').

This report was not subject to external assurance and contains voluntary disclosures only. We are not currently legally obliged to prepare a non-financial report, and this is our voluntary initiative to meet the expectations of our stakeholders.



2. OUR REPORTING PROCESS



3.

2023 HIGHLIGHTS

LEADER IN POLAND

in terms of retail GLA under management

EUR 2.8 billion

portfolio value

212

employees



29

retail assets

2,500

retail units



6

office assets



24 major
Polish cities



3. COMPANY AWARDS AND MEMBERSHIPS

[GRI 2-28]

MEMBERSHIPS



PZFD

Polski Związek
Firm Deweloperskich



**POLSKA RADA
CENTRÓW HANDLOWYCH**
POLISH COUNCIL
OF SHOPPING CENTRES

PiNK

Polska Izba Nieruchomości Komeracyjnych



**Pracodawcy
Rzeczypospolitej
Polskiej**

AWARDS

PRCH Retail Awards

The 14th edition of PRCH Retail Awards 2023 organised annually by the Polish Council of Shopping Centres for the retail industry:

SILVER

Category: Shopping centre of the year - best performance: EPP, Galaxy shopping and entertainment centre in Szczecin

SILVER

Category: The biggest challenge EPP, Galeria Veneda in Łomża

SILVER

Category: CSR activities and strategy of the year EPP, Galeria Solna in Inowrocław for the project "Our voice - an answer to the emotional problems of young people"

Eurobuild Awards

The 12th CEE Region Eurobuild Awards 2022 – two prizes in the categories nominated by tenants:

Category: Shopping Centre Manager of the Year, EPP, Kamila Kiersikowska, Shopping Centre Director, Galeria Młociny, Warsaw

Category: Shopping Centre of the Year, EPP, Galeria Młociny, Warsaw



**PRCH RETAIL
AWARDS**



4. ESG HIGHLIGHTS

ENVIRONMENTAL



of electricity from renewable energy sources for office assets



EPP's short and long-term decarbonisation targets reviewed and validated by the Science Based Targets initiative (SBTi)



of electricity from renewable energy sources for retail assets



CDP rating B for the year 2022

SOCIAL

1,686.5

Employee volunteering hours

CA. 31,477

Beneficiaries of EPP support

77%

Women accounted for approximately 77% of all jobs created by the EPP portfolio based on last year's split

5 GOOD DEEDS

Initiatives carried out at the property level, aimed at local communities

(our social impact based on 3 pillars: education, health and local social challenges)

Portfolio-wide initiatives implemented at all EPP-managed assets:

- Quiet hours
- Bookcrossing zones
- Pet-friendly
- Collection of second-hand clothes
- EPP support for Ukraine

Additional grants financed by EPP to support local communities with the involvement of employee volunteering

100%

Employees trained on business ethics issues

100%

Employees that are most vulnerable to cyberattacks trained on cyber security issues

88%

Employees covered by the employee development program

82%

Employees completed various ESG trainings

Included in Diversity IN Check

A list of the best employers for Diversity and Inclusion in Poland

HR of the Top Quality 2023

Certificate by the Polish Human Resources Management Association [HR Najwyższej Jakości 2023. Polskie Stowarzyszenie Zarządzania Kadrami]

GOVERNANCE

Annual ESG performance reporting



EPP's Code of Conduct, Diversity Policy, Whistle-Blowing Policy, Diversity Charter, Environmental Policy

ISO 14001



System zarządzania ISO 14001:2015

www.tuv.com ID 9105068304

Environmental management system of EPP Property Management - Grupa EPP spółka z ograniczoną odpowiedzialnością SP.K. is certified by TÜV SÜD according to ISO 14001

TCFD Report issued for the second consecutive year



EPP's Suppliers Code of Conduct

Certified with BREEAM In-Use:

BREEAM®



86% of office buildings



72% of retail assets under our operational control



WELL Health-Safety Rating awarded to Symetris Business Park, O3 Business Campus, Malta Office Park and Park Rozwoju

5. OUR COMPANY

5.1 OVERVIEW

[GRI 2-6]

We provide strategic management of a real estate investment platform that is entirely invested in Poland and divided into following portfolios: EPP N.V. Group (“EPP CORE”), EPP Community Properties JV B.V. (“Community JV”), Horse Group S.a.r.l (M1 JV), Henderson JV and Mlociny JV.

Our portfolio consists of 35 projects (29 retail properties and 6 office complexes) with a total value of approximately EUR 2.8 billion and a leasable area of over 1 million sqm. We manage the largest shopping centre investment portfolio in Poland by GLA. The projects are located in the most attractive Polish cities with the highest consumer demand and growth potential. We are committed to deliver the best possible rates of return to our shareholders and JV partners by providing tenants with attractive and innovatively managed space to support their business growth.

EPP N.V. is headquartered in Amsterdam, the Netherlands. EPP N.V. is owned by Redefine Properties, the second largest Real Estate Investment Trust (REIT) listed on the Johannesburg Stock Exchange (JSE). As of August 31, 2023, all entities within reporting boundaries of this report employed in total 212 people to perform business operations and ensure quality services to our tenants and their customers.

As the largest asset manager of retail real estate located in Poland in terms of retail gross leasable area (‘GLA’), EPP boasts:



Resilient
business
model

Predictable
cash flows

Active
balance sheet
management

Platform
for organic
growth

Diversified
tenant base
oriented
towards
growth

5.2 OUR GEOGRAPHICAL FOOTPRINT

- EPP N.V. Group
 - EPP Community Properties JV B.V. Group
 - Horse Group S.à r.l. (M1 JV)
 - Henderson JV
 - Galeria Młociny JV
-
- Office
 - R Retail



- EPP CORE:**
6 retail assets
- COMMUNITY JV:**
12 retail and 3 office assets
- M1 JV:**
11 retail assets
- HENDERSON:**
3 office assets
- MŁOCINY JV:**
1 retail asset

5.2 OUR GEOGRAPHICAL FOOTPRINT

Asset type/JVs	EPP N.V. Group (EPP CORE)	EPP Community Properties JV B.V. Group (Community JV)	Horse Group S.à r.l. (M1 JV)	Henderson JV	Galeria Młociny JV
Office		<ul style="list-style-type: none"> Astra Park Oxygen Park Rozwoju 		<ul style="list-style-type: none"> Malta Office Park O3 Business Campus Symetris Business Park 	
Retail	<ul style="list-style-type: none"> Galaxy Galeria Echo King Cross Marcelin Outlet Park Pasaż Grunwaldzki 	<ul style="list-style-type: none"> Galeria Amber Centrum Bełchatów Centrum Echo Przemysł Galeria Solna Galeria Sudecka Galeria Tęcza Galeria Olimpia Galeria Twierdza Kłodzko Galeria Twierdza Galeria Veneda Wzorcownia Park Handlowy Zakopianka 			<ul style="list-style-type: none"> Galeria Młociny
Retail outside of operational control	<ul style="list-style-type: none"> Power Park Olsztyn 		<ul style="list-style-type: none"> M1 Bytom M1 Czeladź M1 Częstochowa M1 Kraków M1 Łódź M1 Marki M1 Poznań M1 Radom M1 Zabrze Power Park Kielce Power Park Tychy 		

5.3 OUR LONG-TERM OBJECTIVES

Our long-term objectives are to:

Manage a retail portfolio comprising more than 70% of quality shopping centres located in Poland



Become preferred locations for local and international brands



Be positioned to attract flagship stores



Reduce the impact of managed buildings on the environment



Improve climate resilience of portfolio under our management



Generate stable and growing cash flows



We aim to achieve sustainable growth and long-term value creation by implementing strategic initiatives tailored to our key stakeholders requirements. Our asset management decisions are focused on creating attractive environments that cater to the needs of building users. For example, we aim to deliver an enhanced experience for visitors of managed shopping centres by providing diversified retail offerings and adding food courts, leisure and entertainment areas. To align with evolving shopping habits, we continually upgrade the shopping centres and develop new digital solutions to support omnichannel retail.

Focusing on internal growth, we increase our knowledge in property and asset management expertise. We aim to act as a role model in terms of governance and encourage our employees to follow our ethical principles. Our ambition is to become recognised as an employer of choice and industry benchmark. We will achieve this by implementing strategic actions and responding to the specific needs of our employees.

5.4 OUR CORPORATE GOVERNANCE

BOARD OF DIRECTORS

[GRI 2-9] [GRI 2-22]

The Board members are responsible for setting strategic objectives and investment criteria, managing performance, regularly reviewing the corporate governance structure, overseeing ESG performance and influencing ethical behaviour within the company.

As of August 31, 2023, the governance structure of EPP N.V. Group (incorporated as a private limited liability company under Dutch law) is based on a one-tier Board, consisting of 2 Executive Directors and 2 Non-Executive Directors. EPP Board members have a tenure of three years. The Board is responsible for regular oversight of the economic, social and environmental performance of the company, including the risk management process.

NOMINATION AND REMUNERATION

[GRI 2-10] [GRI 2-20] [GRI 2-19]

The Board members are responsible for setting strategic objectives and investment criteria, managing performance, regularly reviewing the corporate governance structure, overseeing ESG performance and influencing ethical behaviour within the company.

EPP manages sustainability-related matters through management KPIs. The company rewards the achievement of KPIs in the allocation of annual bonuses, which are based on company and individual performance, measured against a predetermined set of goals. The bonus awards are governed by the Group's remuneration strategy and policy.

The 2023 long-term incentive awards for the CEO and CFO include a 25% ESG component, which comprises several KPIs. In addition, the short-term 2023 incentive KPIs for the CEO and CFO feature a 20% ESG component. KPIs include the realisation at least of 21 ESG strategy targets and development of a renewable strategy.

PIETER PRINSLOO

Chairman of the Board EPP N.V.



Pieter Prinsloo serves as CEO of Redefine Europe B.V., a subsidiary of Redefine Properties Ltd. Previously, Pieter held the position of CEO of Hyprop Investments Ltd in South Africa, which brought him extensive real estate experience in a JSE listed REIT for more than 14 years. Earlier, Pieter was involved in private property development and management for New Africa Developments, and gained extensive know-how in commercial and structured property finance with ABSA Bank and Standard Bank in South Africa. Pieter holds a Bachelor of Science (Quantity Surveyor) cum laude degree of the University of Pretoria and has received awards from the Association of South African Quantity Surveyors.

TOMASZ TRZÓŚŁO

CEO, Board Member, Executive Director



Tomasz Trzósłó has over 25 years of experience in the CEE real estate markets. Before joining EPP N.V., he was the Managing Director of JLL for Poland and Central Europe, where he managed the company's operations in Poland and oversaw JLL business in the Czech Republic, Romania, Hungary and Slovakia. He was also a member of the legal & compliance board of Tetris design and build business for EMEA. Before managing JLL, he ran the capital markets teams of JLL for both Poland and Central and Eastern Europe, and as such was involved in numerous transactions across the CEE, including portfolio and property disposals and acquisitions, fund raising and debt deals, or structured equity transactions. He has a strong track record in working with all branches of the real estate market, including retail, office, industrial, hotel and residential sectors. While managing JLL in Poland, he identified, managed and completed two M&A transactions – acquisition and integration into the firm of the design and build business (Tétris) and residential consultancy business (REAS). Tomasz holds a Master's degree in Financial Accountancy and Economics from the Kraków University of Economics and has qualifications in valuation, investment appraisal, property finance and portfolio management from London's Investment Property Forum.

5.4 OUR CORPORATE GOVERNANCE

[GRI 2-9]

ANDREW KÖNIG

Board Member, Non-Executive Director



Andrew König is a chartered accountant with more than 25 years of commercial and financial experience. He currently holds the position of Chief Executive Officer at Redefine Properties Limited and is responsible for all aspects of regulatory compliance, corporate activity and communications, and ensuring the board's strategy is implemented. Prior to his appointment as CEO in August 2014, Andrew served as Redefine's Financial Director. He was appointed to the board of Redefine in January 2011. Previously, he was Group Financial Director at Independent News & Media. Andrew holds a Bachelor's degree in Commerce and a Bachelor's degree in Accounting and is a CA (SA).

JACEK BAGIŃSKI

CFO, Board Member, Executive Director



Jacek Bagiński is a senior financial executive with over 20 years' experience in various businesses operating across Poland and Central & Eastern Europe (CEE) countries, ranging from retail, production and sale of pharmaceuticals, FMCG, to exploration of oil and gas and other natural resources. He was a member of a number of management boards and CFO in companies listed on the Warszawa Stock Exchange and controlled by the largest private equity funds operated in CEE countries. Additionally, he has served in senior management and executive positions in multinational corporations, including PepsiCo and BP/Amoco, with turnovers ranging from 15 million to over 750 million euro. Jacek was responsible for business development, including M&As, financing and taxation as well as financial planning and controlling. Recently, he was a member of the management board and CFO of Empik Media & Fashion S.A., one of the largest holding companies controlling a group of retail, e-commerce and service operations.

OUR ESG-RELATED GOVERNANCE

[GRI 2-12] [GRI 2-13] [GRI 2-14] [GRI 2-18] [GRI 2-17]

One of the major priorities of the Board of EPP N.V. Group is to oversee the ESG performance of the company against the strategy and targets outlined in our ESG report. ESG risks with material impact on our business are included in our internal risk management and control system (ERM). This includes relevant internal procedures and processes as well as the risk matrix with inherent and residual risk ratings. The Board reviews and updates the risk matrix on a quarterly basis.

A dashboard meeting is held each month, bringing together Property Management Directors, Asset Managers, Shopping Centre Directors and Board Members. This meeting serves as a forum for discussing individual properties using management data. All relevant indicators, including deviations from budgets, are analysed. Any significant events that took place during the period in question and related to each asset are discussed. The monitoring includes environmental, social and governance issues.

In addition, a monthly ESG status meeting is organised, involving all employees responsible for the implementation and monitoring of the ESG strategy and targets. The agenda includes discussions on the control of Scope 1, 2, and 3 GHG emissions, management of green building certifications, social issues and the governance of environmental and social risks. Regular monitoring ensures that ESG areas are being managed effectively and that strategic environmental and social targets are achieved within the agreed timeframes.

The responsibility of the Chief Operating Officer is to assess and manage ESG-related risks and opportunities on an ongoing basis. The ESG Director verifies and approves monthly reports on ESG-related topics prepared by technicians, HR and legal departments, and monitors the progress of the strategic targets outlined in our ESG strategy. The Chief Operating Officer reports directly to the Board.

5.4 OUR CORPORATE GOVERNANCE

Table 3. Roles and responsibilities for climate-related issues at the Board level:

Position	Responsibility	Frequency
CHAIRMAN OF THE BOARD EPP N.V.	Setting up the strategic ESG targets for the Board and COO	QUARTERLY
COO	Assessing and managing climate risks and opportunities on an ongoing basis	MONTHLY
BOARD OF DIRECTORS	Overseeing the ESG performance of the EPP N.V. Group against the strategy and targets outlined in our ESG report, reviewing and updating the risk matrix	QUARTERLY

Tasks	Participants	Responsibility	Frequency
THE BOARD OF DIRECTORS' REVIEW	Board of Directors	Overseeing the ESG performance of the EPP N.V. Group against the strategy and targets outlined in our ESG report. Approving ESG reports prior to issuance.	QUARTERLY ANNUALLY
DASHBOARD MEETING	Property Management Directors, Asset Managers, shopping centre directors and Board members	Monitoring the following climate-related issues: management of generated waste, energy consumption and the share of renewable energy sources.	MONTHLY
ESG STATUS MEETING	All employees responsible for ESG strategy implementation	Monitoring GHG emissions in Scope 1, 2, 3, managing climate risks, management of green building certifications.	MONTHLY
CHIEF OPERATING OFFICER'S REPORT	Chief Operating Officer	Assessing and managing climate risks and opportunities on an ongoing basis.	MONTHLY

CONFLICTS OF INTEREST

We have set clear principles on how to prevent conflicts of interests and how to report them, if necessary. According to EPP's principles, conflict of interests may exist if the company intends to enter into a transaction with a legal entity in which a board member has a financial interest or is related under family law to a member of the management board or the supervisory board of such entity. A decision to enter into a transaction that involves a conflicted board member is adopted by the board with the required approval of the non-executive directors.



6. DEFINING OUR STRATEGY

6.1 OUR STAKEHOLDERS

[GRI 2-29]

"The GRI Standards guide us through a transparent stakeholder dialogue process. Our Board view stakeholder engagement as an essential step in the identification of our material ESG topics and a baseline for our business strategy, including ESG risk management"

– Rafał Kwiatkowski, Chief Operating Officer



We want to ensure that our transparency efforts are based on information from our most important stakeholder groups. Therefore, we have implemented a regular process of stakeholder engagement in the selection of material topics. Each stage of the stakeholder engagement process is reported on. This includes the following five stages: 1. Stakeholder Mapping, 2. Stakeholder Weighting, 3. Stakeholder Prioritisation, 4. Stakeholder Engagement Strategy and 5. Stakeholder Dialogue for Materiality Assessment and Prioritisation.

In the stakeholder mapping process, we have considered the impact of each stakeholder group on EPP, our impact on the respective stakeholder group, and the materiality of stakeholder groups for peers in the commercial real estate market. EPP stakeholder groups have an interest that is impacted or could be potentially impacted by EPP's activities (alignment with the OECD Due Diligence Guidance for responsible Business Conduct). Following the recommendations from Corporate Sustainability Reporting Directive ('CSRD'), we have also included, for the first time in our reporting, 'the Planet' – a silent stakeholder affected by EPP's activities.



6.1 OUR STAKEHOLDERS



EPP EMPLOYEES

STAKEHOLDER GROUP DEFINITION

All EPP's current and potential permanent and temporary employees

PURPOSE OF THE RELATIONSHIP

Manage the relationship to ensure employee satisfaction leading to a future-proof organisation; attract and retain the best talent from the market

TYPE OF ENGAGEMENT

Regular employee survey (eNPS), Ask CEO platform, annual meetings for directors, quarterly meetings for all employees, annual site visits by HR Director, annual development talks with EPP staff, ESG materiality assessment survey

FREQUENCY OF ENGAGEMENT

ONGOING

100% of employees reached by the ESG materiality assessment survey

JV PARTNERS

STAKEHOLDER GROUP DEFINITION

Partners in JV companies (current and potential)

PURPOSE OF THE RELATIONSHIP

Manage closely a strong business relationship and collaborate to achieve common business goals

TYPE OF ENGAGEMENT

Status meetings, ESG materiality assessment survey

FREQUENCY OF ENGAGEMENT

ONGOING

100% of JV partners reached by the ESG materiality assessment survey



PROVIDERS OF FINANCIAL CAPITAL - INVESTORS

STAKEHOLDER GROUP DEFINITION

Redefine Properties

PURPOSE OF THE RELATIONSHIP

Strategy alignment and close collaboration

TYPE OF ENGAGEMENT

Status meetings, reports, ESG materiality assessment

FREQUENCY OF ENGAGEMENT

ONGOING

Actively involved in ESG materiality assessment



6.1 OUR STAKEHOLDERS

CUSTOMERS – SHOPPERS

STAKEHOLDER GROUP DEFINITION

All current and future users of retail and office space managed by EPP

PURPOSE OF THE RELATIONSHIP

Creating safe, accessible, inclusive and attractive environments for all

TYPE OF ENGAGEMENT

Regular shopper surveys performed by external entities on behalf of EPP, industry meetings, market reports, joint industry research, feedback on social media platforms, regular media monitoring, ESG assessment survey

FREQUENCY OF ENGAGEMENT

ONGOING

Ongoing ESG materiality assessment survey



CUSTOMERS – TENANTS

STAKEHOLDER GROUP DEFINITION

All current and potential users of retail and office space managed by EPP

PURPOSE OF THE RELATIONSHIP

Creating safe, accessible, inclusive and attractive spaces for tenants and their clients; focus on assuring a “good tenant mix” to create synergy amongst tenants to maximise traffic and increase sales

TYPE OF ENGAGEMENT

Regular tenant surveys performed by external entities on behalf of EPP, industry meetings and events and trade fairs, EPP Connect (digital app allowing communication from and to our tenants), ESG materiality assessment survey

FREQUENCY OF ENGAGEMENT

ONGOING

100% of tenants reached by ESG materiality assessment survey

COMMUNITIES

STAKEHOLDER GROUP DEFINITION

The communities and NGOs surrounding properties managed by EPP

PURPOSE OF THE RELATIONSHIP

Listen to their needs to create positive impact and social value, ensuring that communities are satisfied, informed and aligned

TYPE OF ENGAGEMENT

Pilot dialogue in Galeria Młociny carried out in November 2023, cooperation with local authorities and NGOs, review of publicly available reports on nationwide and local social challenges and needs diagnoses (conclusions gathered in the EPP Social Value Strategy)

FREQUENCY OF ENGAGEMENT

ONGOING

Actively involved in ESG materiality assessment



6.1 OUR STAKEHOLDERS



PROPERTY BROKERS

STAKEHOLDER GROUP DEFINITION

The communities and NGOs surrounding properties managed by EPP

PURPOSE OF THE RELATIONSHIP

Listen to their needs to create positive impact and social value, ensuring that communities are satisfied, informed and aligned

TYPE OF ENGAGEMENT

Pilot dialogue in Galeria Młociny carried out in November 2023, cooperation with local authorities and NGOs, review of publicly available reports on nationwide and local social challenges and needs diagnoses (conclusions gathered in the EPP Social Value Strategy)

FREQUENCY OF ENGAGEMENT

ONGOING

Actively involved in ESG materiality assessment

PROVIDERS OF FINANCIAL CAPITAL – FUNDERS

STAKEHOLDER GROUP DEFINITION

Banks who guarantee EPP's investments

PURPOSE OF THE RELATIONSHIP

Close collaboration to build a relationship of trust and increase of value

TYPE OF ENGAGEMENT

Meetings, reports, questionnaires, ESG materiality interviews

FREQUENCY OF ENGAGEMENT

ONGOING

The key banks were invited to ESG materiality interviews

SUPPLIERS

STAKEHOLDER GROUP DEFINITION

Providers of goods and services for EPP's operations

PURPOSE OF THE RELATIONSHIP

Keep informed and aligned with EPP's ESG strategy and policies

TYPE OF ENGAGEMENT

Meetings, ESG questionnaires, EPP's Code of Conduct, ESG assessment survey

FREQUENCY OF ENGAGEMENT

ONGOING

The key suppliers were included in the ESG materiality assessment survey



THE PLANET

STAKEHOLDER GROUP DEFINITION

The Planet is a silent stakeholder introduced by the Corporate Social Reporting Directive (CSRD)

PURPOSE OF THE RELATIONSHIP

Improving our positive impact on the natural environment

TYPE OF ENGAGEMENT

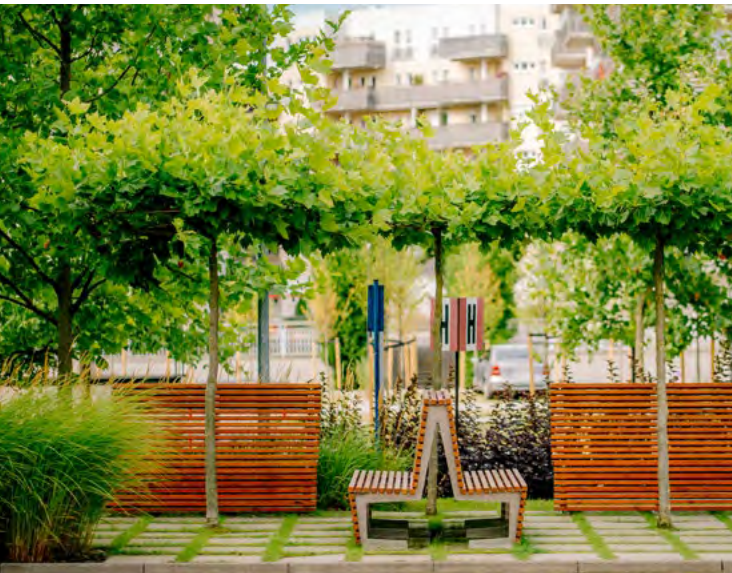
Regular review of environmental legislation (European and country level) and best practices above the regulatory requirements concerning climate change, third party verifications (ISO 14001, BREEAM certifications, etc.), EPP measures its own environmental impact towards the SDGs

FREQUENCY OF ENGAGEMENT

ONGOING

ESG materiality assessment included all key environmental aspects covered by the ESRS

6.2 DETERMINING EPP'S MATERIAL TOPICS



MATERIALITY ASSESSMENT METHODOLOGY

[GRI 3-1]

We prioritise reporting on the material topics that reflect our most significant impacts on the economy, environment and people (including human rights). Stakeholder engagement is crucial to EPP's ESG strategy and reporting process, enabling us to gather input to determine our material topics.

In this reporting cycle, EPP decided to review the list of material topics using the updated GRI Standards (2021) and prepare a transition path to CSRD/ESRS requirements. The prioritisation of material topics was conducted by our Board.

MATERIALITY ASSESMENT STAGE 1

STAKEHOLDER ENGAGEMENT

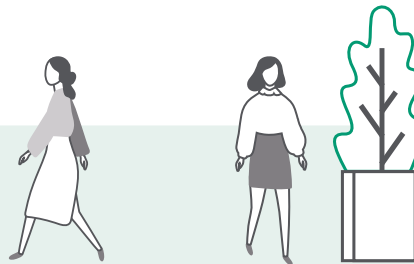
[GRI 3-1]

In preparation for this report, our key stakeholder groups, as discussed under 'Stakeholder Engagement', were consulted via ESG materiality interviews and surveys. For this exercise, we divided EPP's employees into: Members of the Company Board, Local Management, EPP Employees, Shopping Centre Directors, and Office Property Managers. Our key stakeholder groups played a fundamental role in determining our materiality topics and assessing their financial, social and economic impact.

Our material topics list was created, for the first time, based on topics listed under the ESRS. Within the survey and during the interviews, we asked our stakeholders to:

- Rank EPP's most likely material topics on a scale from 0 to 5 based on an 'inside-out' and 'inside-in' approach (defined as double materiality perspective by the CSRD, ESRS 1 and 2 standards)
- Provide input on any other impacts they consider EPP to have on sustainable development

The outcomes of the materiality assessment, in terms of views and interests of stakeholders, are described in the topical disclosures presented in this report.



6.2 DETERMINING EPP'S MATERIAL TOPICS

[GRI 3-2]

Table 5. EPP's key stakeholder groups included in the materiality assessment and key identified topics for those stakeholder groups

Internal Stakeholders groups	Form of data collection	Top 5 topics
Members of the company Board	Survey and interviews	<ol style="list-style-type: none"> 1. Energy efficiency and renewable energy 2. Responsible business conduct 3. Cybersecurity and personal data protection 4. Anti-corruption and bribery 5. Decent working conditions for its own employees
Local management	Survey/Interviews	<ol style="list-style-type: none"> 1. Cybersecurity and personal data protection 2. Anti-corruption and bribery 3. Respect for the human rights of its own employees 4. Energy efficiency and renewable energy 5. Responsible business conduct
EPP employees	Survey/Interviews	<ol style="list-style-type: none"> 1. Respect for the human rights of its own employees 2. Equality of treatment and opportunity in the value chain 3. Decent working conditions for its own employees 4. Energy efficiency and renewable energy 5. Decent working conditions in the value chain
Shopping centre directors	Survey	<ol style="list-style-type: none"> 1. Respect for the human rights of its own employees 2. Equality of treatment and opportunity in the value chain 3. Decent working conditions for its own employees 4. Energy efficiency and renewable energy 5. Decent working conditions in the value chain
Office property managers	Survey	<ol style="list-style-type: none"> 1. Responsible business conduct 2. Cybersecurity and personal data protection 3. Energy efficiency and renewable energy 4. Anti-corruption and bribery 5. Respect for the human rights in the value chain
JV partners	Survey	<ol style="list-style-type: none"> 1. Sustainable procurement policy 2. Anti-corruption and bribery 3. Alignment to ESG standards 4. Resource use and circular economy 5. Biodiversity and ecosystems

6.2 DETERMINING EPP'S MATERIAL TOPICS

[GRI 3-2]

Internal Stakeholders groups	Form of data collection	Top 5 topics
Providers of financial capital – investors	Survey and meetings	<ol style="list-style-type: none"> 1. Responsible business conduct 2. Whistleblower protection 3. Anti-corruption and bribery 4. Alignment to ESG standards 5. Responsible communication
Customers – tenants	Survey	<ol style="list-style-type: none"> 1. Whistleblower protection 2. Anti-corruption and bribery 3. Water and marine resources 4. Reduction of pollution 5. Reduction of embedded carbon emissions
Customers – shoppers	Survey/Interviews	<ol style="list-style-type: none"> 1. Respect for the human rights in the value chain 2. Decent working conditions in the value chain 3. Water and marine resources 4. Decent working conditions for its own employees 5. Cybersecurity and personal data protection
Suppliers	Survey	<ol style="list-style-type: none"> 1. Responsible business conduct 2. Anti-corruption and bribery 3. Equality of treatment and opportunity in the value chain 4. Decent working conditions in the value chain 5. Respect for the human rights of its own employees
Providers of financial capital – funders	Interviews	<ol style="list-style-type: none"> 1. Sustainable building design and green building certification 2. Reduction of operational carbon emissions from existing assets 3. Energy efficiency and renewable energy 4. Responsible business conduct 5. Fair competition

6.2 DETERMINING EPP'S MATERIAL TOPICS

MATERIALITY ASSESSMENT STAGE 2

MATERIALITY MATRIX AND MATERIALITY VERIFICATION PROCESS

We created a materiality matrix to group the material topics, considering their impact on society and the environment, as well as on business operations, reputation and financial success. This methodology is compliant with CSRD and takes into account a double materiality perspective. The stakeholder survey and interviews were supplemented with additional primary and desk research sources. This included an assessment of the risks and opportunities in EPP's value chain, including the climate-related risks reported in the 2022 and 2023 TCFD reports, financial data, third party market reports, compliance and internal audit data, and resource usage data including energy audits.

* The high priority topics encompass issues that are already managed by EPP's ESG strategy with the highest priority and significant resources allocated to address them. These topics are material from both a short and long-term perspective.

** The medium priority topics encompass issues that will grow in importance for EPP in the medium and long-term. The risks and opportunities associated with these topics are to be carefully managed and the resources allocated to them increased over time. These topics are relevant; however, they are not considered of the highest priority concerning company value, impact on stakeholders and regulatory framework.

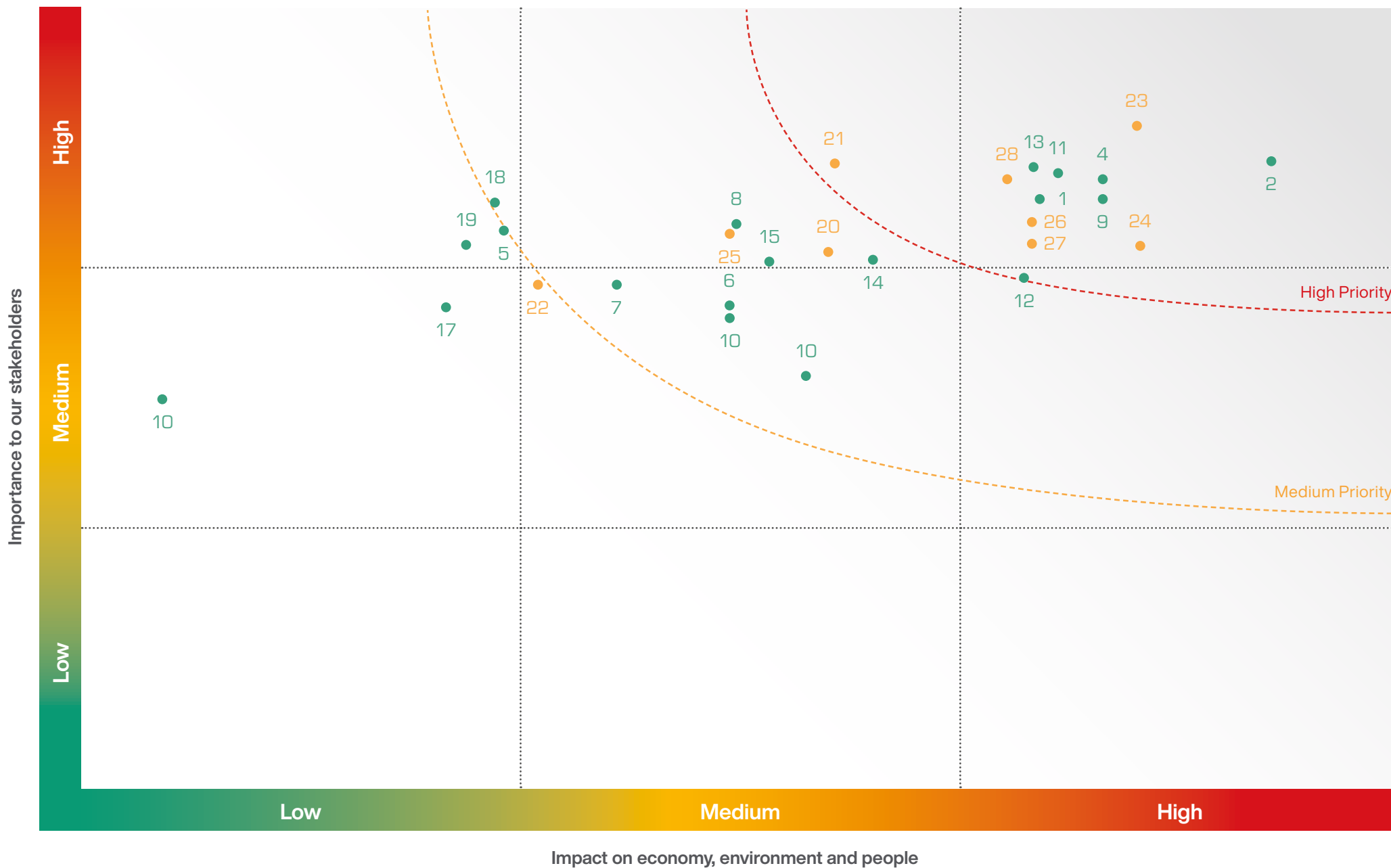
*** The low/normal priority topics encompass issues that are regularly managed; however, their priority is not deemed critical to the business and stakeholders many of these aspects are part of regular compliance, but they are not material to our stakeholders.

Table 6. Legend to the matrix chart – all likely material aspects

- | | |
|---|---|
| 1. Climate change adaptation and mitigation | 11. Decent working conditions for its own employees |
| 2. Energy efficiency and Renewable energy | 12. Equality of treatment and opportunity for all its own employees |
| 3. Reduction of embedded carbon emissions | 13. Respect for the human rights of its own employees |
| 4. Reduction of operational carbon emissions from existing assets | 14. Decent working conditions in the value chain |
| 5. Reduction of pollution | 15. Equality of treatment and opportunity in the value chain |
| 6. Water and marine resources | 16. Respect for the human rights in the value chain |
| 7. Biodiversity and ecosystems | 17. Affected communities |
| 8. Resource use and circular economy | 18. Responsible Communication |
| 9. Sustainable building design and green building certification | 19. Building Safety |
| 10. Sustainable transport and e-mobility promotion | 20. Corporate culture supporting sustainable development |
| | 21. Alignment to ESG standards |
| | 22. Corporate culture that supports diversity |
| | 23. Anti-corruption and bribery |
| | 24. Whistleblower protection |
| | 25. Sustainable procurement policy |
| | 26. Cybersecurity and personal data protection |
| | 27. Fair competition |
| | 28. Responsible business conduct |

Materiality matrix chart – see next page

6.2 DETERMINING EPP'S MATERIAL TOPICS



6.2 DETERMINING EPP'S MATERIAL TOPICS

MATERIALITY ASSESMENT STAGE 3

MATERIALITY UPDATE

As part of the preparation of this report, the materiality assessment was reviewed to offer a transition between GRI and the upcoming CSRD/ESRS requirements. Through the materiality assessment, we found that the updated priority material topics effectively cover

the aspects previously addressed in EPP's 2025 business and ESG strategy. The new terminology for the material topics will allow EPP a better transition to reporting the ESRS standards.

* The bolded text shows priority materiality topics, not bolded text shows medium priority material aspects.



ENVIRONMENTAL EARTH CITIZEN

- Energy efficiency and renewable energy
- Reduction of operational carbon emission
- Green building certification
- Climate change adaptation and mitigation
- Water and marine resources
- Resource use and circular economy
- Biodiversity and ecosystems

- Utilities management
- Utilities management
- Green buildings
- NEW TOPIC
- Utilities management
- Utilities management
- Green buildings



SOCIAL SPACE FOR EVERYONE

- Ensure decent working conditions for its own employees
- Ensure equality of treatment and opportunity for all its own employees
- Ensure respect for the human rights of its own employees
- Ensure respect for the human rights in the value chain
- Ensure decent working conditions in the value chain
- Ensure equality of treatment and opportunity in the value chain
- Responsible communication
- Affected Communities

- Accessibility/Care of our people
- Care of our people
- Care of our people
- NEW TOPIC
- Health & Safety
- NEW TOPIC
- Market presence
- Accessibility/Relations with local communities and business partners

6.2 DETERMINING EPP'S MATERIAL TOPICS



GOVERNANCE TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

Responsible business conduct

Business ethics/Compliance with laws and regulations

Anti-corruption and bribery

Business ethics/Compliance with laws and regulations

Cybersecurity and personal data protection

Cybersecurity

Whistleblower protection

Compliance with laws and regulations

Alignment to ESG

ESG risk management

Fair competition

Business ethics

Corporate culture supporting sustainable development

● NEW TOPIC

Sustainable procurement policy

ESG risk management

MATERIALITY ASSESMENT STAGE 4

MATERIALITY APPROVAL PROCESS

EPP's Board is responsible for ensuring the relevancy of any material ESG topics and for the approval of the content of this report. The Board was actively involved in the assessment, prioritisation and approval of the topics considered by EPP as material.

We are aware that the global realisation of the United Nations Sustainable Development Goals (SDGs) is not possible without active contribution from business. Based on the materiality assessment, we have highlighted the SDGs that align with our priority material topics and strategy:



6.3 DEFINING THE REPORTING SCOPE

























To ensure that our GRI-based reporting accurately reflects EPP’s most significant impacts, we established a threshold. Any topics exceeding this threshold are deemed material to EPP, taking into account both their financial and environmental and social impact. The topics marked as ‘high’ have immediate materiality and those marked as ‘medium’ are expected to gain significance over the long-term. The

information in this report covers the high-rating and medium-rating material topics. The material topics for EPP are presented in this table showing Financial and Environmental & Social Materiality (defined as double materiality) as well as their priority

Table 8

PRIORITY

- **HIGH** / Short-term
- **MEDIUM** / Medium-term
- **LOW** / Long-term

MATERIALITY AREA	IMPACT MATERIALITY	FINANCIAL / COMPANY VALUE MATERIALITY	DOUBLE MATERIALITY	SDGS	PAGES
Energy efficiency and renewable energy	●	●	●		38-39
Reduction of operational carbon emission	●	●	●	 	40-43
Green building certification	●	●	●	     	44-46
Climate change adaptation and mitigation	●	●	●	  	47
Resource use and circular economy	●	●	●	 	48
Biodiversity and ecosystems	●	●	●	  	49
Water and marine resources	●	●	●	 	50
Reduction of embodied carbon emissions	●	●	●	 	not disclosed
Reduction of pollution	●	●	●	 	not disclosed
Sustainable transport and e-mobility promotion	●	●	●		not disclosed


































6.3 DEFINING THE REPORTING SCOPE



SOCIAL
(SPACE FOR EVERYONE)

MATERIALITY AREA	IMPACT MATERIALITY	FINANCIAL / COMPANY VALUE MATERIALITY	DOUBLE MATERIALITY	SDGS	PAGES
Decent working conditions for its own employees	●	●	●	 	54-59
Equality of treatment and opportunity for all its own employees	●	●	●	  	54-59
Respect for the human rights of its own employees	●	●	●	 	54-59
Respect for the human rights in the value chain	●	●	●	  	54-59
Decent working conditions in the value chain	●	●	●	 	not disclosed
Equality of treatment and opportunity in the value chain	●	●	●	 	not disclosed
Responsible communication	●	●	●		not disclosed
Affected Communities	●	●	●	        	60-68
Building Safety	●	●	●		not disclosed

6.3 DEFINING THE REPORTING SCOPE

MATERIALITY AREA	IMPACT MATERIALITY	FINANCIAL / COMPANY VALUE MATERIALITY	DOUBLE MATERIALITY	SDGS	PAGES
Responsible business conduct	●	●	●	      	72
Anti-corruption and bribery	●	●	●		72
Cybersecurity and personal data protection	●	●	●	 	73
Whistleblower protection	●	●	●		72
Fair competition	●	●	●		not disclosed
Alignment to ESG Standards	●	●	●	      	73
Corporate culture supporting sustainable development	●	●	●	        	not disclosed
Sustainable procurement policy	●	●	●	 	not disclosed
Corporate culture that supports diversity	●	●	●		not disclosed

GOVERNANCE
(TRANSPARENT
MANAGEMENT
FOCUSED ON ESG)

6.4 OUR KEY ESG-RELATED RISKS

GRI [2-12]

ESG risks and opportunities are important factors in EPP’s business strategy and decision-making process. These factors are included in the internal risk management system and the risk matrix adopted in 2022, which is regularly reviewed and updated. EPP’s risk management system is approved by the Board of Directors.




The monitoring of ESG-related risks includes considerations related to our environmental and social impact and business operations, reputation and financial success. Our ESG materiality matrix illustrates the priority levels of our material impacts, considering factors such as urgency due to policy, planetary boundaries, societal expectations and the financial implications of sustainability on our business.

As part of our integrated business and ESG strategy, we monitor, manage and mitigate risks associated with our negative impacts and review opportunities to increase our positive impacts.

The risk management process involves the following steps:

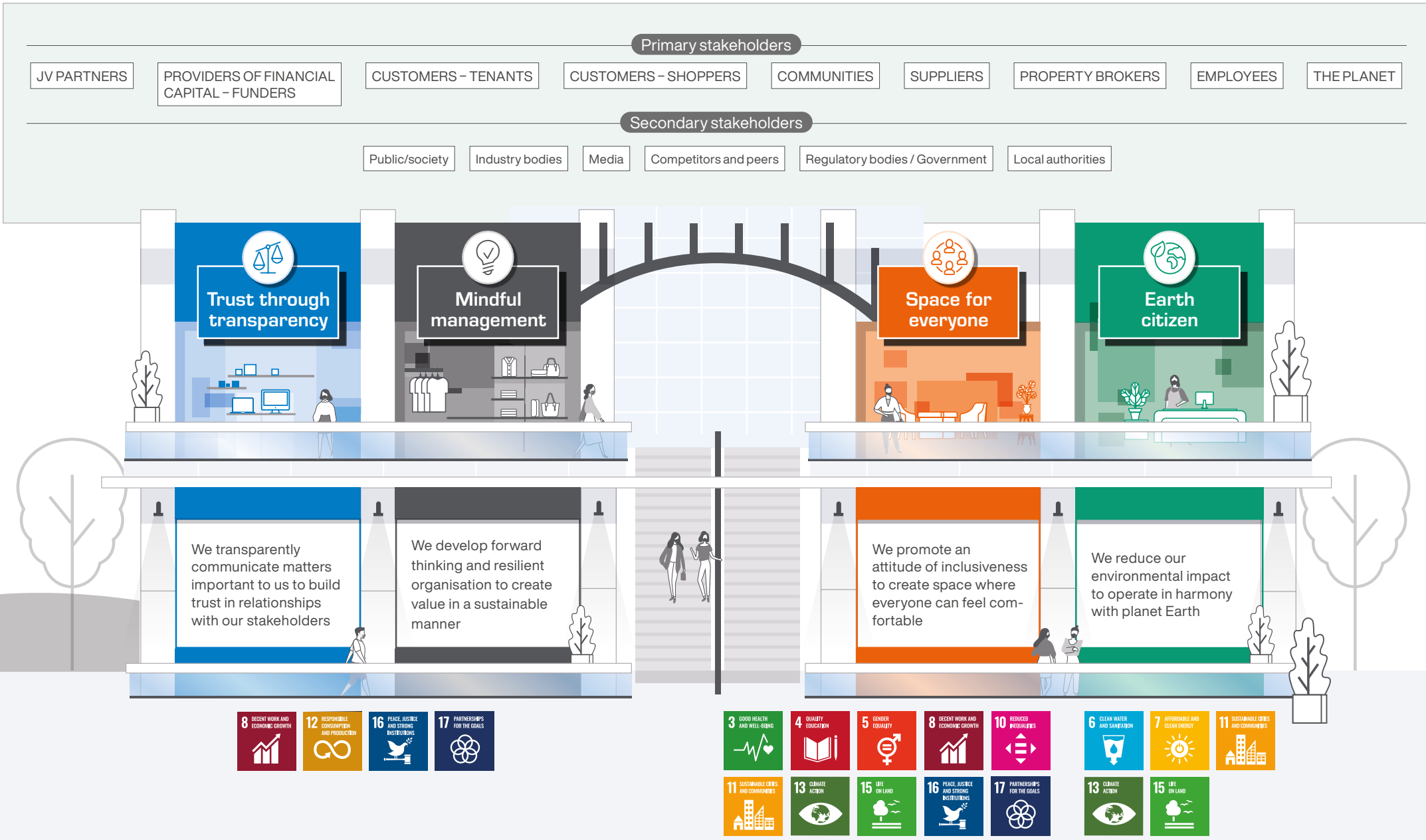
1. Risk identification
2. Risk analysis
3. Risk management/checks
4. Risk monitoring

Table 4. EPP’s top material ESG risks

 <p>ENVIRONMENT (EARTH CITIZEN)</p>	<ol style="list-style-type: none"> 1. Resource shortages (energy and water) 2. Energy intensive buildings 3. Physical climate risks <ul style="list-style-type: none"> Heat Stress: Low – Moderate (100%) Forest/ Wildfires: Low – Moderate (100%) Storm: Low (54%), Medium (46%) Extratropical storm: Low – Moderate (11%), Moderate (89%) Tornado: Low – Moderate (100%) Hail: Low – Moderate (43%), Moderate - High (57%) Drought: Low (27%), Low – Moderate (73%) Heavy precipitation: Low – Moderate (3%); Moderate (97%) Flood: Zone 0 – minimal flood risk (84%), Zone 100 – 100 year return period (16%) 4. Inability to provide climate resilience to our portfolio 5. Risk of higher GHG emission reduction patterns and increased environmental regulation
 <p>SOCIAL (SPACE FOR EVERYONE)</p>	<ol style="list-style-type: none"> 1. Staff turnover – inability to attract and retain skilled employees 2. Working conditions and human rights in the supply chain and value chain 3. Change of shopping patterns – adaptability of our buildings 4. Local social challenges 5. Change in office demand – adaptability and flexibility to function change of our buildings
 <p>GOVERNANCE (TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT)</p>	<ol style="list-style-type: none"> 1. Increasing regulatory compliance and non-financial reporting 2. Growing demand for third part assessments and accreditations 3. Cybersecurity 4. Inability to maintain strong, ethical and supporting sustainable development culture 5. Loosing sustainability innovation due to ESG reporting focus

6.6 OUR ESG STRATEGY | FOUR STRATEGIC ESG PILLARS

[GRI 3-3]



7.

ENVIRONMENTAL

EARTH CITIZEN

WE REDUCE OUR ENVIRONMENTAL IMPACT TO OPERATE IN HARMONY WITH PLANET EARTH

Within our ESG strategy, we focus on reducing our environmental impact. We believe that it is fundamental for the real estate industry to invest in low carbon and energy efficient buildings. We have therefore undertaken strategic initiatives, calculated and monitored data, and implemented targets that support us in managing risks and opportunities relating to our material environmental topics. We measure our performance in GHG emissions reduction in addition to other aspects of resource efficiency. In addition, we have set a goal to make all our buildings net zero by 2050.

OUR ENVIRONMENTAL POLICY

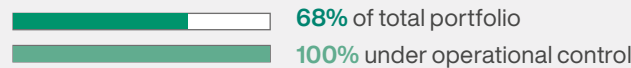
In October 2021, EPP officially implemented the Environmental Policy as part of ISO 14001:2015* certification. This document includes the following targets that aim to improve the environmental performance of the company:

- Increasing environmental awareness among employees
- Promotion of green business operations among contractors and subcontractors

- Implementation of energy saving technologies
- Optimising the management of energy, emissions and waste
- Implementation of ecologically clean refrigerants strategies
- Implementation of preventive policy on technical maintenance
- Strategies to eliminate volatile organic compounds (VOCs)

ISO14001

Management system accredited to ESG-related performance standards



As part of our ESG strategy, we set priority goals and metrics to assess our progress in relation to our high and medium priority material environmental topics. We measure our performance in GHG emissions reduction in addition to other aspects of resource efficiency. These metrics align with international best practice and follow the SBTi recommendations.

* Our ISO 14001:2015 certification is valid until March 2024 and the certificate is available on request.



The main SDGs include:





7. ENVIRONMENTAL: EARTH CITIZEN

EPP'S MATERIAL TOPICS AND GOALS

[GRI 3-3]



MATERIAL TOPIC 1



ENERGY EFFICIENCY AND RENEWABLE ENERGY

1. Continue the policy of 100% electricity from renewable energy sources for all office buildings.
2. Increase the share of electricity from renewable energy sources for all retail assets to 25% in the year 2025.
3. 100% of assets equipped with LED lighting inside and outside of the buildings in common areas until 2025.

MATERIAL TOPIC 2



REDUCTION OF OPERATIONAL CARBON

4. Reduction of absolute Scope 1 and 2 GHG emissions by 50% by FY30 (90% by FY50), from a FY19 base year.
5. Reduction of absolute Scope 3 GHG emissions from fuel and energy-related activities and downstream leased assets by 30% by FY30 (90% by FY50), from a FY19 base year.

MATERIAL TOPIC 3:



GREEN BUILDING CERTIFICATION

6. 100% of office assets accredited by BREEAM In-Use at 'Excellent' level in 2025
7. 100% of retail assets accredited by BREEAM In-Use at 'Very Good' or higher level in 2025

MATERIAL TOPIC 4



CLIMATE CHANGE ADAPTATION AND MITIGATION

8. Prepare transition plans for managed assets.
9. Adaptation actions for assets with significant physical climate risk.

MATERIAL TOPIC 5



RESOURCE USE AND CIRCULAR ECONOMY

10. We are working on a complex waste management strategy, targets to be developed in 2024.

MATERIAL TOPIC 6



BIODIVERSITY AND ECOSYSTEMS

11. Sustainable use of biodiversity (ecosystems) within the scope of business activities, meeting EU Taxonomy DNSH criteria – **100%** assets by 2030.
12. Improve the balance of ecosystems surrounding our selected properties by targeted investments in this area, in line with EU substantial contribution criteria – 7 assets by 2030.

MATERIAL TOPIC 7



WATER AND MARINE RESOURCES

13. Equip **100%** of assets (both shopping centres and offices) with water saving taps by 2025.

PRIORITY

● **HIGH** / Short-term

● **MEDIUM** / Medium-term

7. ENVIRONMENTAL: EARTH CITIZEN



The key performance indicators associated with our high priority environmental topics for 2023 are listed in Table 5. The table includes a cross-reference to associated technical standards (ESRS and/or GRI) and the SDG most commonly associated with that indicator.

Table 9. Key performance indicators for high priority material topics

Top Priority Environmental Topics	KPI	2021*	FY22	FY23	Reference to ESRS / GRI	SDGs
ENERGY EFFICIENCY AND RENEWABLE ENERGY	% of electricity from renewable energy sources – offices	100%	100%	100%	ESRS E1-5; GRI 302	SDG 7
	% of electricity from renewable energy sources – retail	n/a	n/a	20%	ESRS E1-5; GRI 302	SDG 7
	Energy intensity (GJ/GLA)	0.80	0.70	0.63	ESRS E1-5; GRI 302	SDG 7
REDUCTION OF OPERATIONAL CARBON EMISSION (PREVIOUSLY UTILITIES MANAGEMENT)	Intensity of GHG emissions in Scope 2 (Mg CO ₂ e/GLA)	0.05	0.05	0.04	ESRS E1-4; GRI 305	SDG 13
GREEN BUILDING CERTIFICATION	% of buildings with BREEAM In-Use certificate at ‘Excellent’ level – office	83%	85%	86%	n/a	SDG 11
	% of buildings with BREEAM In-Use certificate at ‘Very Good’ level – retail (assets under management)	57%	70%	72%	n/a	SDG 11
CLIMATE CHANGE ADAPTATION AND MITIGATION (NEW TOPIC)	% of disclosure of transition plan(s) for climate change mitigation	n/a	n/a	n/a	ESRS E1-1 n/a	SDG 13
	% of assets at material physical risk before considering climate change adaptation actions	n/a	n/a	n/a	ESRS E1-9 n/a	SDG 13

*Calendar year – Group changed reporting period

7. ENVIRONMENTAL: EARTH CITIZEN

ENVIRONMENTAL TOPIC 1

HIGH PRIORITY

ENERGY EFFICIENCY AND RENEWABLE ENERGY

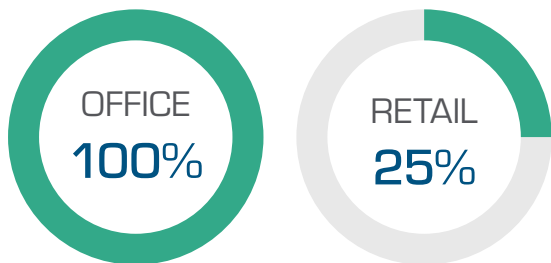
OUR ENERGY CONSUMPTION

[GRI 302]

To reduce energy consumption in properties under our management, we work towards ensuring they are equipped with environmentally safe and energy efficient technologies. We are focused on providing efficient systems and management controls to minimise the energy use by our tenants and visitors, where possible.

EPP's ESG strategy sets the following targets related to this:

We aim to use energy from renewable sources. We will continue the policy of 100% electricity from renewable energy sources for all office buildings. For the retail assets we manage, we aim to increase the share of electricity from renewable energy sources to 25% in 2025.

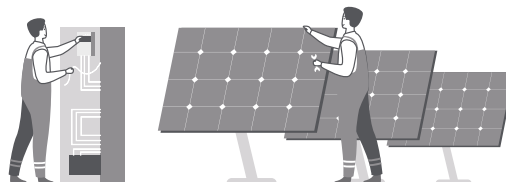


energy from renewable sources
in 2025

Energy consumption should be reduced, as its utilisation contributes to the impact on the climate through GHG emissions. We use energy in our offices for maintenance and to provide optimal working conditions for our employees. The energy we consume is distributed throughout the offices and shopping centres, provided to our visitors and tenants. As we distribute energy across offices and retail assets, we are responsible for providing efficient systems and managing controls to minimise its use.

The total absolute energy use for EPP in 2023 was 696,873 GJ. This represents an 11.5% decrease in comparison to the 2019 baseline of 787,786 GJ. This decrease in usage can be attributed to our energy efficiency initiatives. In terms of efficiency, our energy intensity is 0.63 GJ per m² in 2023 and has improved from a baseline of 0.80 GJ per m² in 2019. Energy is used for heating, cooling and lighting the common parts and landlord areas of the portfolio under our management.

To support our decarbonization strategy, we acquired 100% of guarantees of origin of green energy for offices and 20% for retail assets. We also aim to generate solar energy onsite, where possible. In addition, we have a programme of photovoltaic solar installations for our sites with 562 kWp installed and a further 60 kWp to be in place by the end of 2023. We consumed 57,338 GJ of gas in 2023, a reduction of 26% when compared to 2019 baseline (77,727 GJ).



In 2023, we continued to implement initiatives aimed at effectively reducing energy consumption:

Increasing the share of assets equipped with LED lighting inside and outside of the buildings in common areas



Modernisation of the BMS systems in the buildings

CO₂ control systems

Installation of the photovoltaic panels at EPP-managed properties

Operational (as of August 31, 2023) – 562 kWp
Installed (to be operational in late 2023) – 60 kWp

Operational optimisation

Renewable energy sources, achieving:



7. ENVIRONMENTAL: EARTH CITIZEN



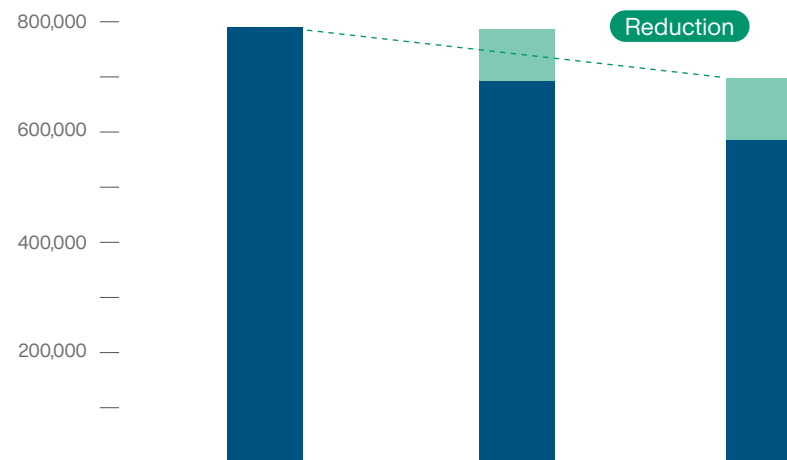
Table 10

[GRI 302-1] [GRI 302-3] [GRI 302-4]

Indicators for energy consumption within the organisation

-11.54%

reduction of energy consumption
FY19 to FY23



GRI Disclosure reference	GRI KPI	FY19	FY22	FY23	Change FY23 / FY19
GRI 302-1 E Energy consumption within the organisation	■ Total fuel consumption within the organisation from non-renewable sources, in joules or multiples, and including fuel types used (GJ)	787,786.05	691,098.47	583,983.71	-26%
	■ Total fuel consumption within the organisation from renewable sources, in joules or multiples, and including fuel types used (GJ)	0.00	93,389.52	112,889.35	+100%
	Total energy consumption within the organisation, in joules or multiples (GJ)	787,786.05	784,487.99	696,873.06	-12%
GRI 302-3 Energy intensity	Total energy intensity (GJ per m² GLA)	0.80	0.70	0.63	-27%
GRI 302-4 Reduction of energy consumption	% Y-o-Y (total energy unit reduction)		-0.42%	-11.17%	

*Calendar year – Group changed reporting period



7. ENVIRONMENTAL: EARTH CITIZEN

ENVIRONMENTAL TOPIC 2

HIGH PRIORITY

REDUCTION OF OPERATIONAL CARBON EMISSIONS

OUR GHG EMISSIONS

[GRI 305]

Total emissions associated with all building’s operations decreased from 276.946,010 tCO₂e in FY19 to 215.765,67 tCO₂e in FY23 (market-based method).

-22%

decrease of emissions
FY19 to FY23

EPP has established science-based targets through the SBTi. The EPP Group has committed to reducing absolute Scope 1 and 2 GHG emissions by 50% by 2030 and by 30% for Scope 3 emissions from fuel and energy activities, compared to a 2019 baseline. By 2050, the Group aims to achieve an absolute reduction in all three scopes by 90%, compared with the base year. At the same time, the EPP Group aims to have zero net GHG emissions across the value chain by 2050. These short and long-term targets have been reviewed and approved by the SBTi.

Please refer to the 2023 TCFD report for our complete decarbonisation strategy.

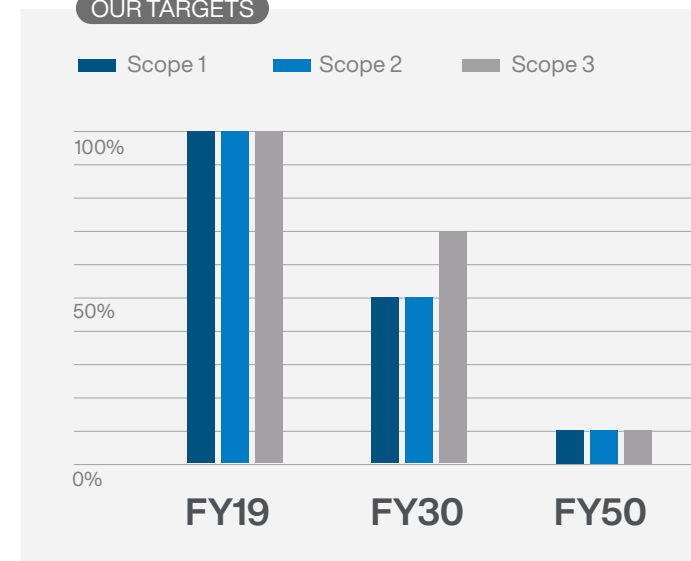
As of the date of this report, EPP has expanded its GHG emissions strategy and has gone through a validation process with the SBTi. The targets covering GHG emissions from company operations (Scopes 1 and 2) are consistent with reductions required to keep global warming to 1.5°C.

The total emissions for EPP Group include emissions related to corporate operations such as fuel consumption in passenger cars. Therefore, the sum of emissions from real estate activities (office, retail, properties not under operational control) is less than the total sum of EPP emissions.

This report covers the period between 1 September 2022 to 31 August 2023. The GHG emissions were calculated using the international methodology for calculating emissions for enterprises – Greenhouse Gas Protocol, and recommendations regarding carbon calculations, based on guidelines:

1. The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition – The GHG Protocol provides requirements and guidance for companies and other organisations preparing a corporate-level GHG emissions inventory.
2. GHG Protocol Scope 2 Guidance – The GHG Protocol standardises how corporations measure emissions from purchased or acquired electricity, steam, heat and cooling.
3. Corporate Value Chain (Scope 3) Accounting and Reporting Standard – The GHG Protocol allows companies to assess their entire value chain emissions impact and identify where to focus reduction activities. For calculation, either the Inven-

OUR TARGETS



tory or Screening approach was used (with the Screening approach adopted only where the Inventory approach was not possible due to lack of data).

4. Guide to Scope 3 Reporting in Commercial Real Estate, UK Green Building Council.

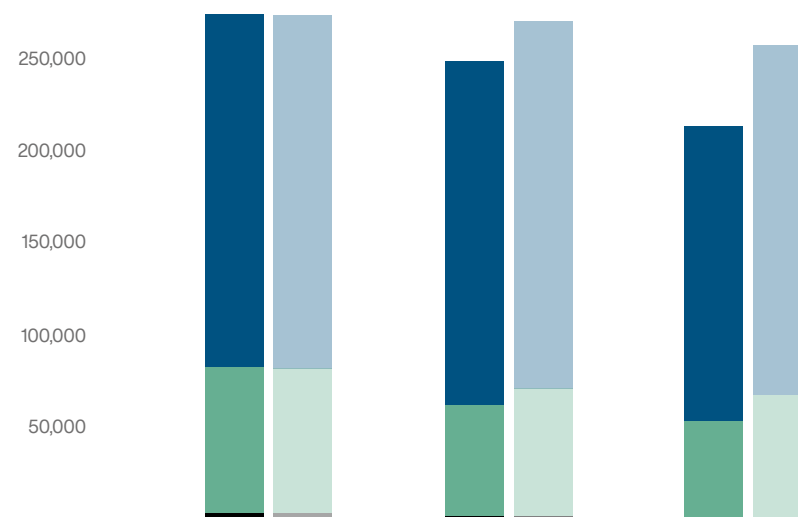
There was no real data for fuel and energy consumption available for the M1 properties. This data was therefore estimated based on the benchmark of natural gas, electricity, and district heating consumption for common areas of the retail assets, taking into consideration the total area of these properties (TCFD 2023 report, page 49, section 6.4).

7. ENVIRONMENTAL: EARTH CITIZEN

Table 11

[GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4]

Carbon footprint of EPP in FY19, FY22 and FY23 [tCO₂e]



		FY19	FY22	FY23	% change FY23/FY19	
■	GRI 305-1 Direct (Scope 1) GHG emissions	Scope 1	3,856.84	2,222.50	1,790.92	-54
■	GRI 305-2.b. Energy indirect (Scope 2) GHG emissions	Scope 2 (market based)	79,625.52	60,840.76	52,219.79	-34
■	GRI 305-2.a. Energy indirect (Scope 2) GHG emissions	Scope 2 (location based)	79,238.18	69,702.44	66,636.96	-16
■	GRI 305-3 Other indirect (Scope 3) GHG emissions	Scope 3 (market based)	193,456.21	187,684.54	161,754.96	-16
■	GRI 305-3 Other indirect (Scope 3) GHG emissions	Scope 3 (location based)	193,323.93	201,078.63	191,289.08	-1
	TOTAL (market based)		276,938.57	250,747.80	215,765.67	-22
	TOTAL (location based)		276,418.85	273,003.57	259,716.96	-6
	GRI 305-4 GHG emissions intensity	Total GHG emissions per m ² (tCO ₂ e per GLA)	0.20	0.20	0.10	-50%



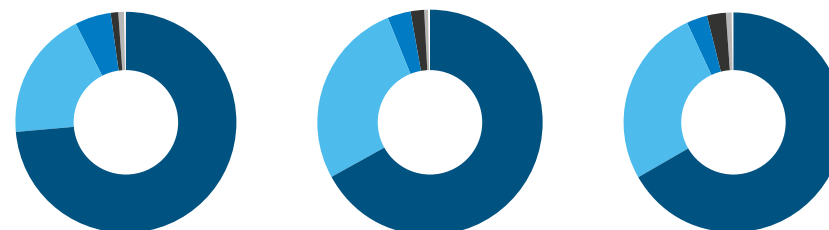
7. ENVIRONMENTAL: EARTH CITIZEN

Table 12

[GRI 305-3]

Other indirect (Scope 3)
GHG emissions [tCO₂e]

	FY19 Baseline [tCO ₂ e]	FY22 [tCO ₂ e]	FY231 [tCO ₂ e]	change % FY23/FY19
Total Scope 3 GHG emissions	193,323.92	201,078.62	191,289.05	-1.0 %



Total Scope 3 emissions - EPP has influence on emissions

CAT.13	■	Downstream Leased Assets (market-based)	142,521.53	135,070.14	127,644.74	-10.00 %
CAT.3	■	Energy related activities (market based)	36,667.14	53,957.45	50,857.56	38.70 %
CAT.2	■	Capital goods	10,247.15	6,932.60	5,441.68	-46.93 %
CAT.1	■	Purchased goods and services	2,098.77	3,864.74	5,618.10	167.68 %
CAT.5	■	Waste generated in operation	1,684.10	1,016.77	1,471.63	-12.62 %
CAT.7	□	Employee comuting	212.50	212.50	220.77	3.89 %
CAT.6	□	Business travel	25.01	24.40	34.57	38.22 %



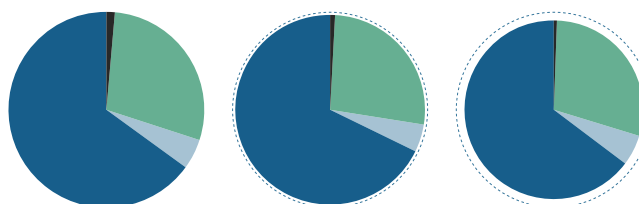
7. ENVIRONMENTAL: EARTH CITIZEN

Table 13

[GRI 305-5]

Reduction of GHG emissions (tCO_{2e})

We have transitioned our portfolio away from the use of refrigerants with high Global Warming Potential. We closely monitor our use of refrigerants and have processes in place to ensure equipment that uses F gases is well-maintained to prevent leaks.



47.1 tCO_{2e}

reduction of GHG emission

FY19 to FY23

Scope (tCO _{2e})	FY19	FY22	FY23	GHG emissions reduced as a direct result of reduction initiatives	TARGET 2030
■ Scope 1	3,856.84	2,222.50	1,790.92	● 2,065.92	
■ Scope 2 (market based)	79,238.18	69,702.44	66,636.96	● 12,601.00	Under 1.5°C approach: 44,536 Business As Usual: 62,801
■ Scope 3 - other emissions	14,267.00	12,051.00	12,787.00	● 2,216.00	
■ Scope 3 - Cat. 3 & 13 (Energy related activities (market based) and Downstream Leased Assets (market-based))	179,189.00	175,634.00	148,968.00	● 30,221.00	Under 1.5°C approach: 125,432 Business As Usual: 180,389
Total reductions				● 47,103.92	

Table 14

[GRI 305-6]

Emissions of ozone-depleting substances (ODS) Refrigerants, Fugitive emissions (tCO_{2e})

	FY19	FY22	FY23
	453.07	255.96	394.35

7. ENVIRONMENTAL: EARTH CITIZEN



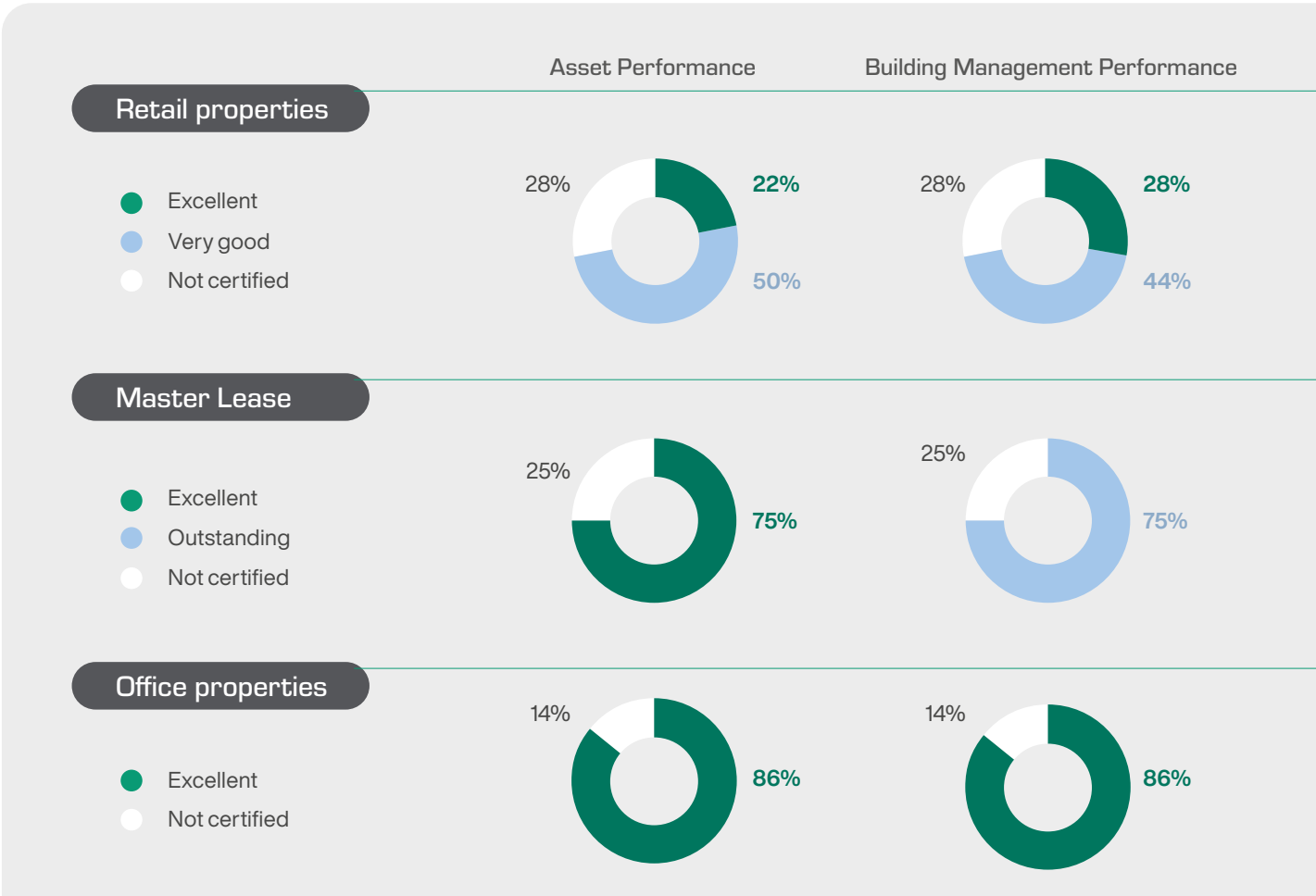
ENVIRONMENTAL TOPIC 3

HIGH PRIORITY

GREEN BUILDING CERTIFICATION

OUR BUILDING CERTIFICATION

We ensure that managed buildings have a positive impact on our key stakeholders, including the Planet, by obtaining reliable and transparent third-party verification using the green building accreditations: 'BREEAM' and 'WELL Health-Safety Rating' ('WELL HSR').



7. ENVIRONMENTAL: EARTH CITIZEN



Table 15. Green building certification in the portfolio

	Management system	BREEAM In-Use Part 1: Asset Performance	BREEAM In-Use Part 2: Building Management	BREEAM New construction	WELL Health-Safety Rating ('WELL HSR')
EPP Core					
Galaxy	ISO14001	No certification	No certification	-	-
Galeria Echo	ISO14001	Very Good	Very Good	-	-
King Cross Marcelin	ISO14001	Very Good	Very Good	-	-
Outlet Park	ISO14001	Excellent	Excellent	-	-
Pasaż Grunwaldzki	ISO14001	Excellent	Excellent	-	-
Power Park Olsztyn	-	No certification	No certification	-	-
M1 JV					
M1 Bytom	-	Excellent	Outstanding	-	-
M1 Czeladź	-	Excellent	Outstanding	-	-
M1 Częstochowa	-	Excellent	Outstanding	-	-
M1 Kraków	-	Excellent	Outstanding	-	-
M1 Łódź	-	Excellent	Outstanding	-	-
M1 Marki	-	Excellent	Outstanding	-	-
M1 Poznań	-	Excellent	Outstanding	-	-
M1 Radom	-	Excellent	Outstanding	-	-
M1 Zabrze	-	Excellent	Outstanding	-	-
Power Park Kielce	-	No certification	No certification	-	-
Power Park Tychy	-	No certification	No certification	-	-
Community JV					
Astra Park	ISO14001	Excellent	Excellent	-	-
Oxygen	ISO14001	Excellent	Excellent	-	-



7. ENVIRONMENTAL: EARTH CITIZEN

	Management system	BREEAM In-Use Part 1: Asset Performance	BREEAM In-Use Part 2: Building Management	BREEAM New construction	WELL Health-Safety Rating ('WELL HSR')
Community JV					
Park Rozwoju	ISO14001	Excellent	Excellent	Excellent	WELL HSR
Centrum Bełchatów	ISO14001	No certification	No certification	-	-
Centrum Echo Przemysłu	ISO14001	No certification	No certification	-	-
Galeria Amber	ISO14001	No certification	No certification	Very Good	-
Galeria Olimpia	ISO14001	Very Good	Excellent	-	-
Galeria Solna	ISO14001	No certification	No certification	Very Good	-
Galeria Sudecka	ISO14001	Very Good	Very Good	-	-
Galeria Tęcza	ISO14001	Very Good	Very Good	-	-
Galeria Twierdza	ISO14001	Excellent	Very Good	-	-
Galeria Twierdza Kłodzko	ISO14001	Very Good	Very Good	-	-
Galeria Veneda	ISO14001	Very Good	Excellent	-	-
Park Handlowy Zakopianka	ISO14001	Very Good	Very Good	-	-
Wzorcownia	ISO14001	Very Good	Very Good	-	-
Henderson JV					
Malta Office Park	ISO14001	Excellent	Excellent	-	WELL HSR
O3 Business Campus A&B	ISO14001	Excellent	Excellent	Excellent	WELL HSR
O3 Business Campus C	ISO14001	Excellent	Excellent	Excellent	WELL HSR
Symetris Business Park	ISO14001	No certification	No certification	Excellent	WELL HSR
Galeria Młociny JV					
Młociny	ISO14001	Excellent	Excellent	Very Good	-



7. ENVIRONMENTAL: EARTH CITIZEN

ENVIRONMENTAL TOPIC 4

HIGH PRIORITY

CLIMATE CHANGE MITIGATION

OUR CLIMATE IMPACT

In 2023, EPP issued its second consecutive TCFD report, addressing climate-related risks and opportunities. We recognise that climate risks have the potential to impact our operations and business strategy in the long term. Climate risks and opportunities and more broadly ESG issues, are important factors in EPP’s business strategy and decision-making process. They are included in the internal risk management system and the risk matrix adopted in 2022, which is regularly reviewed and updated. Additionally, the input from climate scenario analysis will be used to develop long-term strategy in the near future.

In 2023, EPP prepared climate risk cards for 100% of managed portfolio. Please refer to the 2023 TCFD report for further information and references. The key performance indicators associated with our medium priority environmental issues for 2023 are listed in Table 16. (Reference to materiality exercise if necessary.)

*Calendar year – Group changed reporting period.

**Whilst at the time of publishing there are no explicit DNSH criteria for Biodiversity, Appendices A, B and C offer criteria that overall support this objective and that we will respect as part of our Biodiversity Strategy.

Table 16

[\[GRI 303\]](#) [\[GRI 304\]](#) [\[GRI 306\]](#)

Our medium priority environmental issues

Medium Priority Environmental Topics	KPI	FY21*	FY22	FY23	ESRS/GRI	SDG
Resource use and circular economy	Reduction of industrial packaging waste being recycled from all assets (new, identified in TCFD 2023 report)	n/a	n/a	n/a	ESRS E5-5; GRI 306	SDG 12
	% of properties fulfilling the Taxonomy Do No Significant Harm criteria (new, identified in TCFD report 2023)**	n/a	n/a	n/a	ESRS E4-1; GRI 304	SDG 15
	% of property portfolio which fulfils Taxonomy Significant Contribution to Biodiversity criteria (new, identified in TCFD report 2023)	n/a	n/a	n/a	ESRS E4-1; GRI 304	SDG 15
Biodiversity and ecosystems (New topic)	Preparation and implementation of internal procedures, guidelines and standards	n/a	n/a	n/a	ESRS E4-1; GRI 304	SDG 15
	% of EPP-managed shopping centres and offices equipped with water saving features	n/a	n/a	95%	ESRS E3-1 and ESRS E3-2; GRI 303	SDG 6 SDG 13
Water and marine resources	EPP is currently working on a complex water management strategy with additional targets to be developed in 2024	n/a	n/a			



7. ENVIRONMENTAL: EARTH CITIZEN

ENVIRONMENTAL TOPIC 5

MEDIUM PRIORITY

RESOURCE USE AND CIRCULAR ECONOMY

OUR RESOURCE USE AND CIRCULAR ECONOMY

[GRI 306]

Our aim is to reduce our carbon footprint by effectively monitoring the resources we use, and the volume of waste generated. This applies to both our tenants and visitors within managed buildings and our own corporate operations.

In 2023, we continued to adopt relevant measures and set up targets to minimize the amount of waste to landfill in our shopping centres and offices. The waste generated by our tenants, visitors of the shopping centres and our company is divided into two categories:



MUNICIPAL WASTE

sorted and unsorted, mainly comes from the shared areas, passageways and administration sites,



INDUSTRIAL WASTE

including packaging and non-packaging waste, generated by tenants at the shopping centres, where we facilitate the waste collection for them.

We place a strong focus on ensuring that the waste generated at assets is recycled.

STEP 1

Ensuring appropriate segregation by employees of our tenants and visitors of the shopping centres. We are making a significant effort in educational campaigns for our tenants and visitors targeting improvements in waste segregation. The waste segregation requirements are in line with current legal regulations in force in the European Union including Waste Management Act.

STEP 2

Ensuring high levels of recycling are based on a dialogue with our retail tenants regarding materials used for their bulk packaging and cooperation regarding the recycling, thereof as EPP N.V. does not have control over the quality of packaging received from tenants.

STEP 3

Close cooperation with recyclers to ensure the maximum reduction to landfill. At present, we are working on a complex waste management strategy to support the achievement of the possible highest recycling targets together with external advisors.



7. ENVIRONMENTAL: EARTH CITIZEN

ENVIRONMENTAL TOPIC 6

MEDIUM PRIORITY

BIODIVERSITY AND ECOSYSTEMS

OUR BIODIVERSITY STRATEGY

[GRI 304]

In 2023, we developed our biodiversity strategy. It is our commitment to actions that will help reduce the degradation of our local habitat for present and future generations. We believe that biodiversity is our common heritage that we must protect and restore.

As part of the preparation of the strategy, we conducted an analysis of the applicable regulations in terms of international provisions, European and national legislation, local laws, and decisions and documents relating to the operation of facilities in the environment. We also examined the social environment - inside and outside the organization, as well as our organizational resources.

The goal of the strategy is to establish an action framework for making a significant contribution to biodiversity at EPP N.V. facilities. To achieve this goal, the strategy includes two areas of action:

- Sustainable use of biodiversity** (ecosystems) within the scope of business activities, meeting EU Taxonomy *do no significant harm* (DNSH) criteria
- Improving the balance of ecosystems** surrounding our selected properties by targeted investments in this area, in line with EU substantial contribution criteria

In our strategy, we directly refer to the EU Taxonomy, i.e. Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

We are implementing activities in the area of meeting technical screening criteria for two environmental goals: **(1) Climate change mitigation** and **(2) Climate change adaptation**. In order to be able to meet the defined objectives, activities must also comply with the DNSH principle against the other objectives of the EU Taxonomy**.

Aware of the level of difficulty in achieving the stated goals, we are developing and implementing specific procedures, guidelines and standards within the organization's structures. These will include both activities directly related to natural resources within our buildings, as well as other activities generating an environmental footprint, indicated in the DNSH area.

Our goal is to realize EU Taxonomy objectives and developing our internal procedures, guidelines and standards.

** Whilst at the time of publishing there are no explicit DNSH criteria for Biodiversity, Appendices A, B and C offer criteria that overall support this objective and that we will respect as part of our Biodiversity Strategy.





7. ENVIRONMENTAL: EARTH CITIZEN

ENVIRONMENTAL TOPIC 7

MEDIUM PRIORITY

WATER AND MARINE RESOURCES

OUR WATER STRATEGY

[GRI 303]

Our environmental policies related to the management of water resources are still being developed at the date of publication of this report. We are working on long-term water strategy considering the ESRS E3 Water and marine resources and specific water related risks for our assets and dividing the KPIs between:

- Operations-related water management in the shopping centres and offices
- Screening and engaging with suppliers
- Water retention issues caused by large-scale built environments

The last point was evaluated together with Archiclimate LIFE project for 7 shopping centres: Galeria Młociny, Galeria Echo, Galeria Olimpia, Galeria Solna, Galeria Twierdza, Outlet Szczecin and Galeria Amber as pilot projects.

The intermediate goal set in 2021 is to equip 100% common areas of our shopping centers and offices with water saving taps by 2025, a process which is now 95% completed.



95%



of water saving taps in our shopping centres and offices

8.

SOCIAL

SPACE FOR EVERYONE

WE PROMOTE INCLUSIVITY TO CREATE SPACE WHERE EVERYONE CAN FEEL COMFORTABLE.

Our Social Value Strategy forms part of our wider ESG strategy. Under our social goals, we aim to define, measure and improve the impact we have on our stakeholders. The key focus is to address and manage the business risk and opportunities related to social aspects of our business model. People are the essential constituent and vital spark in our day-to-day business. Our social strategy focuses on 3 groups of EPP's key stakeholders:

The main SDGs include:



OUR PEOPLE

OUR TENANTS AND CUSTOMERS

OUR SUPPLIERS

8. SOCIAL: SPACE FOR EVERYONE

EPP'S MATERIAL TOPICS AND GOALS

[GRI 3-3]

MATERIAL TOPIC 1

DECENT WORKING CONDITIONS FOR OUR EMPLOYEES

1. Provide competitive working conditions and retain employees annual turnover rate between **8% and 12%**.

MATERIAL TOPIC 2

EQUALITY OF TREATMENT AND OPPORTUNITY FOR OWN EMPLOYEES

2. **95%** of employees to be covered by the employee development programme by 2025
3. Increase the share of women in key managerial positions – by **50% by 2025**.

MATERIAL TOPIC 3:

RESPECT OF HUMAN RIGHTS OF OWN PEOPLE

4. Increase internal awareness of human rights areas – annual obligatory training
5. Follow principles of 'UN Global Compact'

MATERIAL TOPIC 4

RESPECT OF HUMAN RIGHTS IN THE VALUE CHAIN

6. Implement 'Social Safeguards' required by EU Taxonomy in **100%** of contracts with suppliers.

MATERIAL TOPIC 5

AFFECTED COMMUNITIES

7. Improve accessibility for people with different needs across the portfolio – **100%** assets by 2025
8. Increase by **20%** of community involvement interactions by 2025 as compared to 2021. Measure satisfaction of our tenants and customers across the portfolio by 2025.

PRIORITY

- **HIGH** / Short-term
- **MEDIUM** / Medium-term



New goals set in 2023 as part of our first complete Social Value Strategy to be introduced in FY23/24:

9. Introduce new metrics focused on results not only effort and on combining social impact with economic impact – for selected pilot assets in 2024, for all assets by 2027
10. Focus on initiatives (3 Pillars of Social Impact Initiatives) relevant for the affected communities – for selected pilot assets in 2024, in all assets by 2027
11. 100% implementation of sustainable procurement and human rights policies in the local supply chains by 2025

8. SOCIAL: SPACE FOR EVERYONE



Table 17

[GRI 401-1] [GRI 404-1] [GRI 404-2] [GRI 405-1] [GRI 412]

The key performance indicators associated with our **high priority social issues** identified for FY23 are listed in table 17. (Reference to materiality exercise if necessary).



Top Priority Social Topics	KPI	2021*	FY22	FY23	Reference to ESRS / GRI	SDG
DECENT WORKING CONDITIONS FOR OUR EMPLOYEES	Employee turnover rate	7.2%	n/a	5.7%	ESRS S1-6; GRI 401	SDG 8
	Employee satisfaction and engagement survey - % of employees participating	Annually (79%)	n/a	82%	ESRS S1-2; GRI 401, 402	SDG 8
EQUALITY OF TREATMENT AND OPPORTUNITY FOR OWN EMPLOYEES	% of employees covered by employee development programme	55%	75%	88%	ESRS S1-13; GRI 404	SDG 8
	Number of training hours by employee	13.3h	13h	28.8h (target 14.5h)	ESRS S1-13; GRI 404	SDG 8
	% of women in key managerial positions	47%	n/a	49%	ESRS S1-1, S1-9; GRI 405	SDG 5
RESPECT OF HUMAN RIGHTS OF OWN EMPLOYEES NEW TOPIC	Training on Human Rights to be implemented	n/a	n/a	n/a	ESRS S1-1, S1-17; GRI 412	SDG 16
	Training on Human Rights to be implemented	n/a	n/a	n/a	ESRS S2-1; GRI 412	SDG 16

*Calendar year – Group changed reporting period



8. SOCIAL: SPACE FOR EVERYONE

MATERIAL TOPICS:

HIGH PRIORITY

DECENT WORKING CONDITIONS FOR OUR EMPLOYEES

EQUALITY OF TREATMENT AND OPPORTUNITY FOR OWN EMPLOYEES

RESPECT OF HUMAN RIGHTS OF OWN EMPLOYEES

OUR PEOPLE

Our employees are essential to the successful delivery of our business mission. They play a crucial role in creating inclusive and comfortable spaces for our tenants and customers, and ensure good working conditions for our suppliers. We firmly believe that it is EPP's responsibility to take care of our employees in acknowledgement of their positive impact on our stakeholders.

The employees that we hire are highly-skilled and motivated. As an employer, we prioritise decent working conditions, provide equality of treatment and career opportunities, and ensure a friendly atmosphere at the workplace with a key focus on human rights protection. The HR Director is responsible for the implementation of the HR strategy and ensuring it aligns with EPP's wider strategy. In this section, we disclose the key metrics concerning our own employees including employment, turnover rate, diversity, training and development.

63% FEMALE
37% MALE



DIVERSITY CHARTER

EPP is a signatory of a Diversity Charter, a written commitment requiring us to implement an equal treatment policy and diversity management, in addition to proactive prevention of discrimination and bullying in the workplace, coordinated by the Responsible Business Forum. By signing the Diversity Charter, we made a commitment to create a non-discriminatory workplace and to introduce policies that promote and support diversity.

HUMAN RIGHTS

EPP follows the principles of the UN Global Compact concerning business conduct and aligns with the guidelines on human rights set out in the United Nations (UN) International Bill of Rights. Additionally, we uphold the principles related to fundamental rights as set out in the International Labor Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.



212

TOTAL NUMBER OF EMPLOYEES

8. SOCIAL: SPACE FOR EVERYONE

EMPLOYEES' SATISFACTION AND ENGAGEMENT

At EPP, we believe that monitoring employees' satisfaction and engagement is key to determining our strengths and areas for improvement. Our material goal is to conduct employee satisfaction and engagement surveys annually, to monitor our working environment and respond to employee needs. As part of this process, we analyse: working conditions, cooperation with supervisor, job satisfaction and identification with the company, CSR, Diversity & Inclusion, cooperation, internal communication, work-life balance, work content, career development opportunities and remuneration and benefits. Our survey is based on a five-point scale to encourage those who find it more difficult to express their opinions. The results are presented in five main categories: strongly agree, rather agree, neutral, rather disagree, strongly disagree.

The results of the survey are processed and analysed by the HR department and presented to the Board. Identified issues are addressed via the communications channels between employees and the Management Board, such as 'Ask CEO' and communications on the Intranet. We have also made operational changes and established dedicated meetings and workshops for managers to improve results.

As a result of our employee survey in 2021, we implemented an e-learning platform, development talks and training plans. An independent job satisfaction survey conducted in the same year showed that satisfaction rates for EPP employees were above the industry average.

In May 2023, an updated employee survey was conducted with an engagement rate of 82% (3% higher than 2022). The eNPS score

was 28 (national benchmark is 12). Between July and November 2023, a series of meetings were held with managers and staff to develop recommendations for change. The Board is currently reviewing these recommendations and will decide which initiatives will be implemented prior to the next survey in FY23/24.

[GRI 401]

EMPLOYMENT

As of 31 August 2023, the total number of employees was 212, with 134 (63%) women and 78 (37%) men.

Highlights:

Women accounted for approximately 77% of all jobs newly created by the EPP-managed portfolio, based on last year's split

'HR of the Top Quality 2023' certificate by the Polish Human Resources Management Association ['HR Najwyższej Jakości 2023' Polskie Stowarzyszenie Zarządzania Kadrami]

No accidents at work

71% of employees cooperate on an employment contract basis

Table 18

[GRI 2-7] [GRI 2-8]

Total employment by gender

	2021 *	FY23
WOMEN	132	134
MEN	87	78
TOTAL	219	212

*Calendar year – Group changed reporting period

Table 19

[GRI 2-7] [GRI 2-8]

Total employees by employment type (full-time & part time)

	WOMEN	MEN	TOTAL
EMPLOYMENT CONTRACT	109	42	151 *
CIVIL CONTRACT	0	3	3
B2B CONTRACT	25	33	58

* 17 people cooperate both on employment contract and B2B basis (5 women and 12 men) and are indicated only once in employment contract category



8. SOCIAL: SPACE FOR EVERYONE

Table 20

[GRI 202-1]

Ratio of entry level wage

Ratio of standard entry level wage by gender compared to local minimum wage

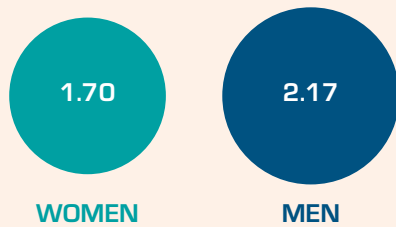


Table 21

[GRI 401-1]

New employees

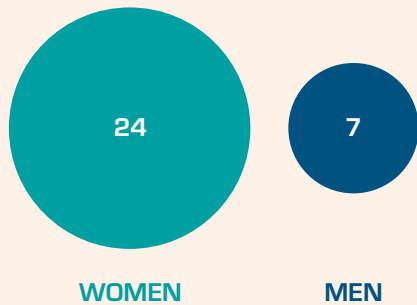
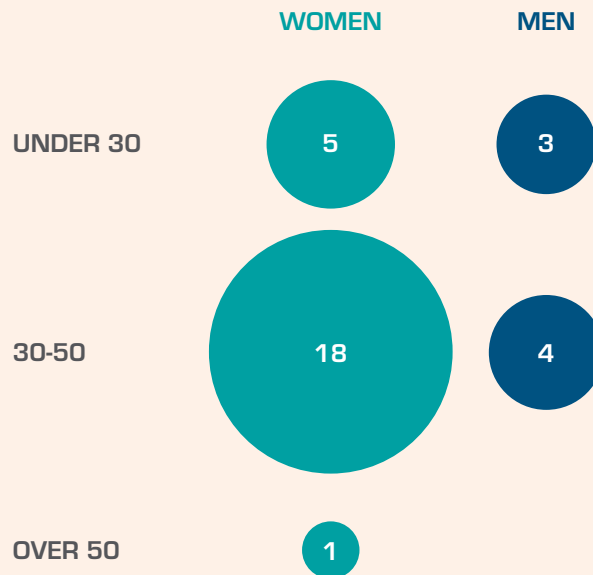


Table 22

[GRI 401-1]

New employees by age



EMPLOYEE BENEFITS

[GRI 401-2]

EPP offers wide range of benefits including:

EPP offers wide range of benefits including:

Private medical care



Multisport sport card



Multilife virtual platform with services focused on well-being



Life insurance



English-language courses



Worksmile well-being platform with cafeteria system



Glasses subsidy



Employee referral program



8. SOCIAL: SPACE FOR EVERYONE

EMPLOYEE TURNOVER

[GRI 401-1]

Highlights:

5.7%

**EMPLOYEE TURNOVER RATE
(2025 TARGET 8-12%)**

EPP has been monitoring the employee turnover rate since 2019. It is reported to the Board quarterly and calculated based on the number of resignations by average employment. Being aware of how important role this indicator plays in satisfaction and produc-

tivity, our objective is to maintain the rate between 8 and 12%. During the reporting period, the turnover rate stood at 5.7%, and decreased in comparison to 2021 (1.5%).

EQUAL ACCESS TO PARENTAL LEAVE

EPP is committed to ensuring equal access to parental leave within the organisation. Whilst national regulations allow equal access to parental leave for both parents, we have noticed that our male employees are not using it. Being aware of how important contact with both parents is for a child's development, we want to promote and encourage them to use parental leave.



Table 23

[GRI 401-1]

Employee turnover (12 people – rate 5.7%)

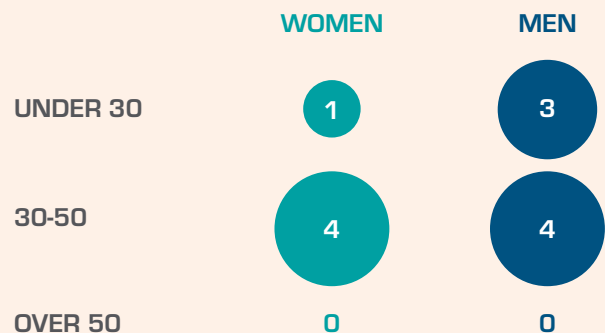
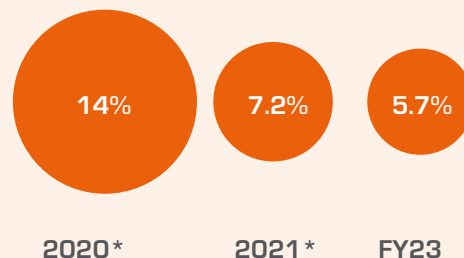


Table 24

[GRI 401-1]

Employee turnover



*Calendar year – Group changed reporting period

Table 25

[GRI 401-3]

Parental leave

	WOMEN	MEN
TOTAL ENTITLED	13	0
TAKEN	13	0
RETURNED AFTER PARENTAL LEAVE	4	0
TERMINATED THE CONTRACT BY MUTUAL CONSENT	2	0

*None information about parental leave was not provided from EPP employees



8. SOCIAL: SPACE FOR EVERYONE

DIVERSITY AND INCLUSION

[GRI 405-1]

Highlights: Diversity IN Check: A list of the best employers for Diversity and Inclusion in Poland

Discrimination violation: No incidents reported

EPP believes that diversity is essential in the workplace, and we are devoted to creating a diverse environment within our company. In 2021, we implemented a Diversity Policy based on our objective of creating a workplace that respects all employees, regardless of gender, age, disability, health, nationality, ethnicity or religion. In 2022, this policy applied to all employees who are required to follow and respect those fundamentals. Our Diversity Policy is built on three main pillars: equal opportunities during the recruitment process for managerial positions, managing age diversity to achieve a greater sense of professional stability among employees, and an initiative to support individuals returning to work after a long absence by providing professional support. Examples of support include training, mentoring and individual discussions depending on the employee's personal needs.

Diversity is connected with human rights, as it stands for the fundamental principles of equality, non-discrimination, respect and values alongside the wide spectrum of differences. EPP believes that diversity is essential in the workplace, and we are committed to creating a diverse and inclusive environment within our company. As part of our employee data collection, we monitor the percentage of women in managerial positions. In FY23, 51% of women were in managerial positions, excluding the Board, which marks

an increase of 4 percentage points from the last reporting cycle. Within our Diversity Policy, we aim to ensure equal pay for men and women to promote fairness and avoid gender discrimination within the organisation.

During 2022, we facilitated the employment of young people and will continue to deliver on this next year. EPP currently have an apprenticeship and internship programme with 4 apprentices and 5 trainees employed during the reporting period. From 2022 onwards, we are also a participant of the Career Map: a free and interactive database of information about career paths for young people.



Table 26

[GRI 405-1]

Board – Diversity

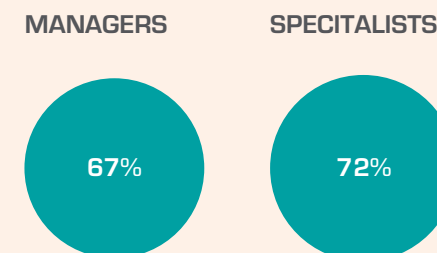
	WOMEN	MEN
BY GENDER:	0	4
BY AGE:		
UP TO 30	0	0
30-50	0	2
OVER 50	0	2

Table 27

[GRI 405-2]

Calculated average salary of women/men (without the Board)

Ratio of the basic salary and remuneration of women to men for each employee category





8. SOCIAL: SPACE FOR EVERYONE

TRAINING AND DEVELOPMENT

Highlights:

Average hours of training per employee: 28.8 hours

Development program: Change with EPP (change management and competencies of the future) and possible subsidised post-graduate studies

100% of employees trained on business ethics issues

100% of employees that are most vulnerable to cyberattacks trained on cyber security issues

88% of employees covered by the employee development program

82% employees covered by ESG training

Investing in professional training and the development of our people is of key importance for our business. The professional development of employees is a motivational factor, driving innovation and the competitive capabilities in the business. We believe that professional growth positively impacts our collective performance, as a business with well-trained and satisfied employees. Our satisfaction survey results showed that employees' development boosts overall employee satisfaction, may keep the retention rates low and encourages potential employees to join our organisation. In

response, EPP is committed to adjusting the development opportunities for each employee based on development conversations and training programmes on relevant skills on an annual basis. During the reporting period, we have provided more than 60 training sessions for our employees covering numerous topics (both soft and hard skills).

[GRI 404-3]

The key performance indicators associated with our **medium priority social topics** for 2023 are listed in table 23. (Reference to materiality exercise if necessary).

Medium Priority Social Topics	KPI	2021*	FY22	FY23	Reference to ESRS / GRI	SDG
AFFECTED COMMUNITIES	% of assets independently audited on accessibility	n/a	25%	50%	ESRS S3-4; GRI 413	SDG 16
	Number of community involvement interactions	120	0	199	ESRS S3-2; GRI 413	SDG 8
	Number of volunteering hours	n/a	6h	8h (target 7h)	ESRS S3-4; GRI 413	SDG 17
	% of retail assets where annual visitor satisfaction survey was performed	n/a	25%	50%	ESRS S3-3; GRI 413	SDG 8
	% of retail assets where annual tenant satisfaction survey was performed	n/a	25%	50%	ESRS S3-3; GRI 413	SDG 8

*Calendar year – Group changed reporting period

8. SOCIAL: SPACE FOR EVERYONE



MATERIALITY TOPIC:

MEDIUM PRIORITY

AFFECTED COMMUNITIES

OUR COMMUNITY ENGAGEMENT

[GRI 413-1]

At EPP, we are also aware of the impact we have on local communities. As a socially conscious and responsible company, we always strive to positively contribute to the local communities living near EPP-owned and managed properties, as part of our wider ESG strategy. Remaining sensitive to the needs of our immediate surroundings, we attach great importance to developing and implementing initiatives that support our neighbours and the environment in which we live together. Our commitment to this area is reflected by the growing number of community activities we organise each year, which also successfully involve our employees. Please refer to our Social Value Report for this reporting year, covering our social and economic community impacts.

Our **Social Impact** has 3 pillars:

Pillar 1 LOCAL SOCIAL CHALLENGES

| tailor-made programmes as a response to a diagnosis of local needs

PILLAR 2 EDUCATION

| programmes focus on improving skills and competencies of different social groups in order to improve our positive impact on the local economies

PILLAR 3 HEALTH

| programmes focus on medical prevention, mental health, neurodiversity

Our 3 pillars cover approximately >90% of social actions performed in FY23.



8. SOCIAL: SPACE FOR EVERYONE

OUR SOCIAL VALUE IMPACT PROGRAMMES ADDRESSED AT THE LOCAL COMMUNITIES



During FY23, we have been continuing with four types of projects:

→ Portfolio-wide initiatives implemented at all EPP-managed assets:

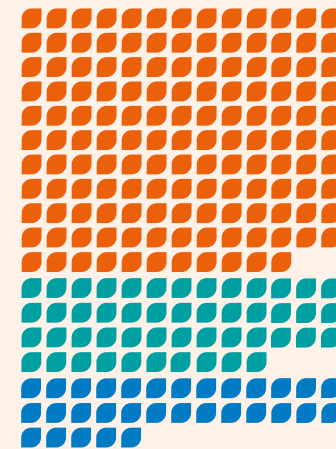
- Quiet hours
- Bookcrossing zones
- Pet-friendly
- Collection of second-hand clothes
- EPP support for Ukraine

→ Five Good Deeds initiatives carried out at property level, aimed at local communities

→ Employee volunteering with a target of 7 hours per employee

→ Additional grants financed by EPP to support local communities with the involvement of employee volunteering

221 initiatives:



141 Local social challenges

49 Education

31 Health

 **1,686** Volunteer hours

 **24** Teams involved

 **22** Assets



31,477

Beneficiaries

(140 beneficiaries per action)



8. SOCIAL: SPACE FOR EVERYONE

PORTFOLIO-WIDE INITIATIVES

Quiet hours

Since May 2021, we have been running a ‘Quiet hours’ initiative in the shopping centres that we manage. Given that we create places that are open and inclusive to all, this initiative aims to provide a comfortable shopping experience for people with hypersensitivity to loud noises and bright lights, in addition to those who prefer to shop in silence. For at least three hours per week in the shopping centres, **music is turned off, voice announcements are kept to a minimum and lights are dimmed**, where possible.

In autumn 2022, this initiative was enriched with a training programme for our teams, led by the **Synopsis Foundation**, to better understand the needs of consumers with autism spectrum disorders and high sensitivity. In response to suggestions for additional amenities, we have introduced SOS kits for customers in EPP-managed shopping centres. These include soundproofing headphones, a blanket and stress release balls.

2,400
HOURS OF SILENCE IN THE FY23



PORTFOLIO-WIDE INITIATIVES

Bookcrossing zones

Bookcrossing or book swap points, bringing together enthusiasts of reading and sharing, is another project pushed forward by EPP during the reporting period. **This initiative aims to promote reading amongst the customers within managed shopping centres and the employees within the office assets that we manage, in line with the circular economy concept.**

In collaboration with local libraries and supported by local authorities and municipalities in 16 EPP-managed shopping centres and six office buildings, we have made books available free of charge in designated zones. Using the 'pass the book on' concept, we facilitate the exchange of books between regular visitors. In this reporting year, we improved designated zones with new titles and ran several educational campaigns to promote reading.

8. SOCIAL: SPACE FOR EVERYONE



PORTFOLIO-WIDE INITIATIVES

Pet-friendly

Over the last few years, pets have become an important part of our families, therefore we have opened the doors of managed properties to visitors who are accompanied by their furry companions. This initiative has been carried out in all EPP-managed assets and is supported by the majority of our tenants who allow pets within their shops and offices. In addition, retail and office assets provide easily accessible water dispensers and resting places for pets.

PORTFOLIO-WIDE INITIATIVES

Collection of second-hand clothes

In March and April 2023, in collaboration with our tenants and the brands Ubrania Do Oddania (Clothes for Donation) and 4F, we carried out a portfolio-wide campaign to collect unwanted clothing and accessories, suitable for recycling and reuse.

For every kilogram of clothing collected, the Ubrania Do Oddania brand donated PLN 1 to the Uniwersytet Sukcesu initiative, an educational programme run by the Digital University Foundation that enables disadvantaged young women to enter the digital job market with the necessary skill set. Giving a second life to unused clothing is not only about generating positive social impact for those in need, but also acting responsibly for the environment. We plan to continue this partnership with Ubrania Do Oddania.



8. SOCIAL: SPACE FOR EVERYONE

PORTFOLIO-WIDE INITIATIVES

EPP support for Ukraine

Across the last four months of 2022, we continued the support activities that were started in March 2022 for war refugees from Ukraine, who have become members of local communities living nearby the properties we manage. A number of activities have been carried out to support those fleeing the war and those who have remained in Ukraine.

Our activities in this area included:

- Financial support and collection of essential products for Ukrainian refugees
- Helping children and adults to acquire the skills necessary to find their way in new communities (sponsorship of educational projects)
- Care and support for children who came to Poland from Ukraine to provide them with safe supportive places to live (sponsorship of trips, summer camps, meals, medical care, etc.)
- Helping to treat and feed animals affected by the war



8. SOCIAL: SPACE FOR EVERYONE

FIVE GOOD DEEDS

At the local team level, we continued the Five Good Deeds initiative launched in 2021, improving on the results of previous years. Within this campaign, we carry out actions with the aim of benefiting local communities living in the vicinity of properties managed by EPP.

During the FY23, our 24 teams made up of EPP employees performed 199 good deeds, in line with the three pillars of our Social Impact: local social challenges (128 activities), education (43 actions) and health (28 projects).

Following a local needs analysis, we identified and prioritised the areas with the most significant needs. Support was given to 14 orphanages and 31 animal shelters. We also volunteered for social welfare centres, donating cakes and cleaning up their garden spaces. In the area of health, 13 events were organised, including 3 blood donations. Within the pillar of education, we supported for example the work of young artists and organised workshops for senior citizens.

These projects involved 117 EPP employees who dedicated 951 volunteer hours to support local communities. The estimated number of beneficiaries of the activities undertaken is 20,208.



8. SOCIAL: SPACE FOR EVERYONE

EPP-FUNDED GRANTS

EPP allocates grants to endorse projects that benefit local communities. Employees are encouraged to submit proposals, including budget details, outlining initiatives aimed and volunteering activities for teams to actively engage with. EPP selects projects for financial support, ensuring alignment with the three focus pillars of the company's Social Impact.

Throughout this FY, we implemented **8 grant-funded initiatives, addressing local social challenges (6), education (1), and health (1) issues.** These projects were specifically tailored to benefit individuals with disabilities and their caregivers, in addition to school and pre-school children, among others.

Thanks to the commitment of 37 volunteers, who invested a total of 278 hours into these projects, the number of beneficiaries reached is 593.

PLN 39,527

277.5

593

NET COST

VOLUNTEER HOURS

BENEFICIARIES



8. SOCIAL: SPACE FOR EVERYONE

EMPLOYEE VOLUNTEERING

Each EPP employee is entitled to up to 16 hours of paid time per year to dedicate to volunteer work. Our commitment in this area is in line with the three pillars of our Social Impact: education, health, and solving local social challenges in the communities neighboring EPP-managed properties.

In this reporting cycle, our employees collectively spent a total of 1,686 hours volunteering, participating in portfolio-wide initiatives and Five Good Deeds, as well as engaging in additional volunteer activities and grant-funded projects. Notably, this surpassed our original target of 7 hours per employee. A significant proportion of our volunteer hours, amounting to 64%, was dedicated to addressing specific local social needs, demonstrating our commitment to making a positive impact in the communities around us.

PLN 46,309

NET COST

400

VOLUNTEER HOURS

10,596

BENEFICIARIES



8. SOCIAL: SPACE FOR EVERYONE



OUTLOOK FOR THE 2023/2024 FINANCIAL YEAR

We intend to strengthen our relationship with local communities in the coming years. As the first step in this direction, we will present our Social Value Strategy in this reporting cycle, which will set out the approach we will take to review local needs, respond to the most pressing issues and determine how our positive impact will be measured and reported.

Our **Social Value Strategy** focuses on measuring and improving the positive impact of the properties we manage on our key stakeholders: Employees, Customers – Tenants, Customers – Shoppers, Suppliers, Local Communities, Local authorities and the Planet. We want to ensure that the operation of the assets we manage responds to stakeholder needs and our business activities maximise our positive impact. As part of EPP's Social Value Strategy preparation, we have taken the following steps:

- Extensively reviewed available social frameworks, as social value impact is not sufficiently covered by GRI and ESRS (CSR) metrics in this area
- Mapped impact stakeholders and their importance
- Used the results of the updated materiality assessment analysis to determine the most important ESG topics
- Researched community needs across the portfolio

As a result, a common denominator for our actions was developed, which can be measured and monitored portfolio-wide.

Our **Social Value Strategy** focuses on the following target areas, directing our efforts towards activities that bring real value to the local communities that we operate in. These target areas allow us to quantify our positive impact and are aligned with our wider ESG strategy:

- Initiatives that build value in the local communities
- Creating healthier communities
- Education about health, including mental health
- Responsible procurement practices
- Environmental education
- Health & well-being secured in managed assets
- Sustainable buildings and safeguarding natural environment

Our strategic goals within our Social Value Strategy to be addressed by 2027 include:

- 
 Introduction of new metrics focused on results and to combine social impact with economic impact – for selected pilot assets in 2024, for all assets by 2027
- 
 Focus on initiatives (three pillars of Social Impact Initiatives) relevant for the affected communities – for selected pilot assets in 2024, in all assets by 2027
- 
 100% implementation of sustainable procurement and human rights policies in the supply chain

9.

GOVERNANCE

TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

WE TRANSPARENTLY COMMUNICATE MATTERS THAT ARE IMPORTANT TO US TO BUILD TRUST IN RELATIONSHIPS WITH OUR STAKEHOLDERS.

WE DEVELOP A FORWARD-THINKING AND RESILIENT ORGANISATION TO CREATE VALUE IN A SUSTAINABLE MATTER.

Our robust ESG governance allows us to manage risks whilst increasing the positive impact we have on our stakeholders and the natural environment. In preparation for this report, the process of the identification, assessment and prioritisation of material topics and associated risks and opportunities, took place during materiality assessment process (between June and September 2023).

Our business transparency has been independently verified in numerous key areas, through third-party accreditation including:

- SBTi
- CDP
- ISO 14001:2015
- ISO 45001:2018
- BREEAM certification
- WELL Health-Safety Rating
- Diversity Charter
- 'HR Najwyższej Jakości 2023' (Top Quality HR)
- 'Obiekt bez Barier' (Buildings without barriers)

The main SDGs include:



9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

EPP'S MATERIAL TOPICS AND GOALS

[GRI 3-3]

MATERIAL TOPIC 1

RESPONSIBLE BUSINESS CONDUCT

1. 0 monetary value of fines for non-compliance with laws and regulations
2. 0 accidents caused by EPP's own negligence among employees, tenants, customers and suppliers
3. 100% of employees to be trained in business ethics
4. 100% of our suppliers to sign EPP's 'Code of Conduct'

MATERIAL TOPIC 2

ALIGNMENT TO ESG STANDARDS

5. Regular ESG monitoring
6. 100% of our investments go through ESG due diligence process
7. Annual ESG reporting and third part accreditations

MATERIAL TOPIC 3

CYBERSECURITY AND PERSONAL DATA PROTECTION

8. 100% of our employees to be trained in cybersecurity

MATERIAL TOPIC 4

ANTI-CORRUPTION AND BRIBERY

9. 100% of employees to be trained in business ethics
10. 100% of our suppliers to sign EPP's 'Code of Conduct'

MATERIAL TOPIC 5

SUSTAINABLE PROCUREMENT POLICY

11. 100% of our suppliers undergo ESG assessment

MATERIAL TOPIC 6

CORPORATE CULTURE SUPPORTING SUSTAINABLE DEVELOPMENT

12. Annual employee ESG training

PRIORITY

● **HIGH** / Short-term

● **MEDIUM** / Medium-term



9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

Table 29. Key performance indicators associated with our high priority governance topics for 2023 (Reference to materiality exercise if necessary).

Medium Priority Social Topics	KPI	2021*	FY22	FY23	Reference to ESRS / GRI	SDG
Responsible business conduct	Number of legal proceedings, significant fines and non-monetary sanctions associated with non-compliance with laws and regulations (above €150k each)	0	0	0	ESRS G1-1; GRI 2-27	SDG 16
Whistleblowers protection NEW TOPIC	Number of cases reported	2	n/a	1	ESRS G1-1; GRI 2-26	SDG16
Responsible business conduct	Number of accidents of employees caused by EPP's own negligence	0	0	0	ESRS G1-1; GRI 403	SDG 16
	Number of accidents of visitors, tenants and subcontractors caused by EPP's own negligence	0	0	0	ESRS G1-1; GRI 403	SDG 16
	% of assets under health and safety external audits	n/a	15%	50%	ESRS G1-1; GRI 403	SDG16
Alignment to ESG	Annual ESG performance reporting	n/a	Once a year	Once a year	ESRS 2; GRI 3-3	SDG17
	% of new investments going through ESG due diligence process	n/a	100%	100%	ESRS 2; GRI 3-3	SDG 17
	ESG risks are periodically monitored and managed within ERM	At least annually	At least annually	At least annually	ESRS 2; GRI 3-3	SDG 17
Cybersecurity and personal data protection	% of employees trained in cyber security issues	40%	70%	80%	ESRS S3; GRI 410	SDG 8
	% of employees who are the most vulnerable to cyberattacks	100%	100%	100%	ESRS S3; GRI 410	SDG 8
	Cybersecurity maturity assessment score (NIST)	n/a	n/a	n/a	ESRS S3; GRI 410	SDG 17
Responsible business conduct/Anti-corruption and bribery	% of employees trained in business ethics issues	100%	100%	100%	ESRS G1-3; GRI 205	SDG 16
	% of key suppliers signed the Code of Conduct (above 100k contract)	n/a	0%	50%	ESRS G1-3; GRI 205	SDG 16

9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

MATERIAL TOPICS:

HIGH PRIORITY

RESPONSIBLE BUSINESS CONDUCT

WHISTLEBLOWERS PROTECTION

ANTI-CORRUPTION AND BRIBERY

FAIR COMPETITION

COMPLIANCE WITH LAWS AND REGULATIONS

[GRI 2-26] [GRI 2-27]

Given the dynamic nature of the business environment and increasingly stringent regulatory requirements, it is imperative to monitor regulatory changes and ensure compliance with them. EPP has the responsibility to guarantee that its operations comply with national and international regulations and that the organisation obtains credible assurance of its financial statements which are free from material misstatement, whether caused by fraud or error. Violations of regulatory compliance may result in fines, litigation or other consequences for EPP, having a material impact on the company's financial performance and reputation. In response, in 2021, the Board introduced a KPI on significant fines associated with non-compliance with laws and regulations. The threshold for significant fines was set at €150,000. Our target is that no fines will be imposed on EPP for non-compliance with any laws or regulations. In this reporting cycle year, for the 2nd consecutive year, EPP received or paid zero fines above the set threshold.

[206-1]

We have reported 0 legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which EPP has been identified as a participant.

BUSINESS ETHICS

[GRI 2-23] [GRI 2-24]

In order to build and maintain an ethical business culture in our supply chain, EPP has implemented the following policies and procedures.

Code of Conduct/our Employees

In 2021, EPP extended the scope of the Code of Conduct, providing a comprehensive definition of ethically acceptable behaviour within the company. The updated Code of Conduct has been in the process of implementation since 2022. Additionally, EPP complies with the Dutch Civil Code and the Dutch Corporate Governance Code. Every year, each employee and associate are required to sign a declaration confirming that they understand EPP's Code of Conduct and will apply its rules whilst performing their daily duties. Starting from 2022, all employees receive annual training in business ethics relating to the Code of Conduct. We launched an e-learning platform that allows us to provide training for all employees irrespective of local or global circumstances and to monitor the progress we make on this matter. We want to achieve the target of 100% hired and new employees trained in business ethics issues by 2025.

Code of Conduct/our Suppliers

In 2021, we developed EPP's Suppliers Code of Conduct. The objective is to ensure that our suppliers work according to the ethics code and maintain a responsible supply chain in their operations. The list of principles that our suppliers are required to follow include human rights, anti-competitive behaviour and corruption, as well as diversity and inclusion. The Suppliers Code of Conduct was implemented in 2022. Our target is to have 100% of suppliers with a contract value above €25,000 sign the Suppliers' Code of Conduct by 2025.

Whistleblowing policy

[GRI 2-26]

We have implemented a whistleblowing policy to ensure that our employees have a process to report any activities considered illegal, unethical or in violation of human rights. The whistleblowing system is managed by an external provider to guarantee the complete anonymity of the reporting individual. In 2021, two reports were made to the Ethics Line, both were classified as standard. In this reporting cycle, one report of irregularities was received, which was investigated by the Ethics Commission and concluded it was unsubstantiated.



9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

MATERIAL TOPIC:

HIGH PRIORITY

CYBERSECURITY AND PERSONAL DATA PROTECTION

[\[GRI 2-23\]](#) [\[GRI 2-24\]](#) [\[GRI 2-25\]](#) [\[GRI 2-26\]](#)

Cybersecurity is a material topic for EPP due to the multiple threats faced by our company and stakeholders. The real estate industry is at risk of cyberattacks due to the large amounts of financial and personal data being processed in day-to-day operations. The potential consequences of such attacks on business continuity and the safety of our employees, tenants and visitors is severe and underscores the needs for robust cybersecurity measures. It is critical to protect the data of our employees and our stakeholders by adopting effective processes and tools. We believe that our strategy can prevent or at least mitigate privacy and cybersecurity risks.

In 2021, EPP underwent a comprehensive assessment in accordance with the NIST Framework on standards, guidelines, and best practices on cybersecurity risks. We implemented a security programme designed to ensure a rapid response in the event of a potential attack or high-risk situations. Our strategy includes continuous training on cybersecurity matters.

To enhance awareness and knowledge within the company, we launched an e-platform in 2021, facilitating cybersecurity training for our employees. To ensure effective protection, we have categorised employees into two groups. The first group, representing 25% of all employees, consists of employees that are most vulnerable to cyberattacks. In this group, 100% of employees were pro-

vided with comprehensive training on cybersecurity in 2021. Employees with a lower risk exposure underwent basic cybersecurity training to prevent or mitigate potential risks across the company. Our target is to have 100% of all employees trained in cybersecurity issues by 2025.

MATERIAL TOPIC:

HIGH PRIORITY

ALIGNMENT TO ESG STANDARDS

SUPPLIERS' ESG ASSESSMENT

[\[GRI 3-3\]](#)

To ensure a responsible supply chain, we plan to conduct assessments of our suppliers' ESG performance. By doing this, we aim to continuously ensure and verify good working conditions within the supply chain and identify opportunities for improvement. We have set a target to ensure that 100% of our key suppliers with a single contract value above €100,000 undergo an ESG assessment by 2025.

ESG DUE DILIGENCE ON NEW INVESTMENTS

Since the implementation of our ESG strategy, EPP is committed to incorporating environmental and social risks into all decision-making processes. This approach aims to prevent or mitigate any adverse impacts resulting from our operations and new investments.

To identify ESG related risks, all new investments we undertake will undergo comprehensive ESG due diligence. Our target is to ensure that 100% of all new investments undergo ESG due diligence by 2025.

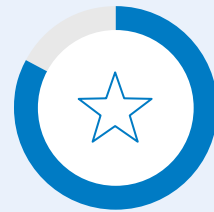


9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

THIRD PARTY ACCREDITATIONS FOR OUR ASSETS

In order to independently validate our commitment to improving the environmental and social impact of managed portfolio, we seek third party verification and accreditation. We seek certification for properties and their management in relation to green building criteria, holistic approach to health & safety aspects and accessibility features.

We are committed to regular reporting on ESG-related aspects and diligently stay informed about both regulatory and voluntary requirements in this field.



83%

of managed portfolio (retail, office and master lease) has green building certification



75%

is certified in BREEAM In-Use Part 1 and Part 2



17%

is certified in BREEAM New Construction



11%

has WELL Health-Safety Rating



17%

has passed accessibility audit (Building without barriers)



2022

we published our first ESG report for calendar year 2021



2023

we published our first TCFD report



2023*

we published our second TCFD report

ISO Certifications:

45001:2018

14001:2015

* Change in our reporting year.

9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

HEALTH & SAFETY

[GRI 403-1 to GRI 403-10]

Health promotion among our employees is one of our major priorities. EPP offers and fully finances private medical services for all our employees. Additionally, we offer voluntary health promotion and prevention programmes to our employees to address non-work-related health risks, including illnesses associated with lack of physical activity, stressful situations and unhealthy eating habits. In this reporting cycle, we launched initiatives focused on ergonomics of working at the computer, digital stress and job burn-out.

Highlights: Numerous initiatives supporting the mental and physical health of our employees

Preventive health check-ups (Pink October & Movember)

Cafeteria system with wide range of services/courses/consultations referring to health and healthy lifestyle

Health-related webinars

Private medical healthcare

Promotion of healthy lifestyle (sport initiatives and sport card)

Occupational health and safety are a strategic priority for EPP, with a primary objective to prevent accidents and safeguard the well-being of our employees and stakeholders. EPP places a strong emphasis on working conditions, recognising the legal requirement to create a healthy and safe environment, and understanding that

our actions positively influence our employees' behaviour. Beyond legal compliance, the occurrence of accidents could expose the company to reputational risk and potential fines.

The occupational health and safety management system applies directly to our employees and is based on the ISO 45001:2018 standard. EPP has implemented health and safety procedures, including instructions on occupational risks for employees working in administrative and technical job positions. EPP has internal procedures and guidelines that address circumstances that may occur during operational activities. All employees are covered by occupational medical examinations. Newly hired employees undergo initial examinations and existing employees are required to undergo periodic occupational medical examinations every few years, along with check-ups for sick leave exceeding 30 days.

EPP uses external medical services to provide employees with occupational medical care and ophthalmology. The medical examinations are tailored to job positions, such as psychotechnical tests for employees driving company cars and specific tests for employees working at heights. Senior managers undergo electrocardiogram examinations. Information on the health status of employees is kept confidential. The HR department only receives a copy of a medical certificate confirming an employee's ability or incapacity to work.

Employees are informed about the work-related risks through occupational risk assessments, and updates are provided when conditions affecting work change. Documents confirming the employee's familiarisation with the occupational risk assessment are kept in the personnel files. Health and safety training is conducted for each employee in accordance with labour law provisions, and confirmation of training is stored in personal files.

As employees do not perform hazardous activities, no additional training is conducted. Employee accidents are monitored on an ongoing basis, both inside and outside of the workplace. EPP has designated and trained personnel for first aid, firefighting and evacuation. Since 2021, these initiatives proved to be effective, resulting in zero recorded workplace accidents among EPP's employees. We aim to maintain this status in the coming years. We believe that current actions and the monitoring system we implemented are effective, as evidenced by the absence or reported accidents, complaints, or requests regarding the system.

Table 30

[GRI 403-2] [GRI 403-9]

Accident metric

Metric	2021*	FY23
Rate of fatalities as a result of work-related injury	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0	0
Rate of recordable work-related injuries	0	0
Number of work-related ill health	0	0

*Calendar year – Group changed reporting period

9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

CUSTOMERS', TENANTS' AND SUPPLIERS' HEALTH & SAFETY

[GRI 416-1]

It is our responsibility to take care of the health and safety of our stakeholders, including customers, tenants and suppliers. We follow the national laws

and regulations on health and safety in buildings under our management. In order to eliminate the risks in managed buildings, we conduct internal safety audits for fire and elevator safety, training on health and safety, emergency management and procedures.

We have implemented instructions to follow in the event of accidents, categorised into four groups depending on the cause of the accident:

- Natural forces (including specific instructions for strong winds, intensive rain and snow falls, lightning, hail, flooding, extreme heat and cold)
- Breakdowns or technical incidents (including specific instructions for fire hazard, chemical or radiation hazard, biological threat, no electricity, gas, heat or water supplies)
- Terrorist attacks (including three specific instructions)
- Other potential dangers

Table 31. Completed health and safety external audits

Asset	Agreeing to perform the audit	Year of the audit	Audit start date (consultations)	Completion date of the audit
Centrum Echo Przemysł	YES	2022	29.08.2022	05.08.2022
Galeria Twierdza Zamość	YES	2022	29.08.2022	02.09.2022
Galeria Echo	YES	2022	29.08.2022	27.09.2022
Park Handlowy Zakopianka	YES	2022	29.08.2022	28.09.2022
Galeria Veneda	YES	2022	29.08.2022	06.10.2022
Park Rozwoju	YES	2023	20.01.2023	07.03.2023
Galeria Młociny	YES	2023	20.01.2023	08.03.2023
Galeria Solna	YES	2023	20.01.2023	23.03.2023
Wzorcownia	YES	2023	19.01.2023	24.03.2023
Pasaż Grunwaldzki	YES	2023	19.01.2023	16.05.2023
King Cross Marcelin	YES	2023	19.01.2023	20.06.2023
Malta Office Park	YES	2023	20.01.2023	21.06.2023
O3 Business Campus	YES	2023	20.01.2023	06.07.2023
Galeria Olimpia	YES	2023	19.01.2023	07.07.2023
Galaxy	YES	2024	06.09.2023	20.09.2023
Outlet Park	YES	2024	06.09.2023	21.09.2023
Oxygen	YES	2024	06.09.2023	22.09.2023
Galeria Twierdza Kłodzko	YES	2024	06.09.2023	21.11.2023
Galeria Sudecka	YES	2024	06.09.2023	20.11.2023
Galeria Amber	YES	2024	06.09.2023	will be finished in 2024
Galeria Tęcza	YES	2024	06.09.2023	will be finished in 2024
Astra Park	YES	2024	06.09.2023	04.12.2023
Symetris Business Park	YES	2024	06.09.2023	05.12.2023

9. GOVERNANCE: TRUST THROUGH TRANSPARENCY AND MINDFUL MANAGEMENT

These instructions are updated annually with decisions made by the Head of Retail Property Management, Technical Department and Services Quality Department. The internal auditor periodically verifies our properties, documents potential dangers and files reports with identified risks. EPP has also implemented internal procedures for weather-related dangers. Whilst internal safety audits were not conducted in 2021 due to the evolving circumstances of the COVID-19 pandemic, employees responsible for health and safety maintained daily supervision and control of all assets.

The actions we have taken to ensure compliance on health and safety matters serve to prevent negative impacts such as reputational damage or additional costs resulting by fines. We conduct an annual inventory of accidents in all properties categorising them by

employees, tenants and visitors. The analysis of accident locations and causes informs solutions aimed at eliminating risks. In 2021, we implemented a system to monitor accidents in all properties, focusing on risk elimination. This monitoring system does not cover 12 shopping centres outside our operational control due to the lack of data resulting from the binding contract with the company responsible for the buildings' management (please refer to 'About this Report' section for more details).

Looking ahead, we aim to perform health and safety external audits for 100% of assets by 2025. In 2021, we selected an external provider to audit our health and safety management processes. Our safety management system will be reviewed and adapted once the external audits are completed.

Table 32

[GRI 403-2] [GRI 403-9]

Total number of accidents

Metric	FY23	2022*	2019*
Visitors	27	8	10
Tenants	5	4	4
Suppliers	2	0	2
Total	34	12	16

*Calendar year – Group changed reporting period

Table 33

The key performance indicators associated with our medium priority governance topics for 2023 are listed in table 33. (Reference to materiality exercise if necessary).

Medium Priority Social Topics	KPI	2021*	FY22	FY23	Reference to ESRS / GRI	SDG
Sustainable procurement policy	% of key suppliers (contract value above €100K) going through ESG assessment	n/a	25%	50%	ESRS G1-1; GRI 3-3/414	SDG 12
Corporate culture supporting sustainable development	% of employees trained in ESG principles	n/a	n/a	82%	ESRS G1-1; GRI 3-3	SDG 17

10. GRI INDEX TABLE

Statement of use	EPP has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2021
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not required for preparing a report in accordance with the GRI Standards in the case of the Universal Standards 2016 or the Universal Standards 2021 (GRI Universal Standards 2021)

GRI Standard	Disclosure	Page no	Comments	External assurance
GENERAL DISCLOSURES				
GRI 2: General Disclosures 2021	The organisation and its reporting practices			
	2-1 Organisational details	5	N/A	N/A
	2-2 Entities included in the organisation's sustainability reporting	5	N/A	N/A
	2-3 Reporting period, frequency and contact point	5	N/A	N/A
	2-4 Restatements of information	5	N/A	N/A
	2-5 External assurance	omitted	This report was not externally audited.	
	Activities and workers			
	2-6 Activities, value chain and other business relationships	12		N/A
	2-7 Employees	55		N/A
	2-8 Workers who are not employees	55		N/A
	Governance			
	2-9 Governance structure and composition	16-18	N/A	N/A
	2-10 Nomination and selection of the highest governance body	16	N/A	N/A
	2-11 Chair of the highest governance body	16	N/A	N/A
	2-12 Role of the highest governance body in overseeing the management of impacts	18	N/A	N/A
	2-13 Delegation of responsibility for managing impacts	18	N/A	N/A
	2-14 Role of the highest governance body in sustainability reporting	18	N/A	N/A
	2-15 Conflicts of interest	18	N/A	N/A
	2-16 Communication of critical concerns	72	N/A	N/A
	2-17 Collective knowledge of the highest governance body	18	N/A	N/A
	2-18 Evaluation of the performance of the highest governance body	18	N/A	N/A
2-19 Remuneration policies	16	N/A	N/A	
2-20 Process to determine remuneration	16	N/A	N/A	
2-21 Annual total compensation ratio	omitted	This data is unavailable. Compensation is regulated by remuneration policy. EPP does not monitor annual total compensation ratio.		N/A

10. GRI INDEX TABLE

GRI Standard	Disclosure	Page no	Comments	External assurance
	Strategy, policies and practices			
	2-22 Statement on sustainable development strategy	3	N/A	N/A
	2-23 Policy commitments	72-73	N/A	N/A
	2-24 Embedding policy commitments	72-73	N/A	N/A
	2-25 Processes to remediate negative impacts	73	N/A	N/A
	2-26 Mechanisms for seeking advice and raising concerns	72-73	N/A	N/A
	2-27 Compliance with laws and regulations	72	N/A	N/A
	2-28 Membership associations	8	N/A	N/A
	Stakeholder engagement			
	2-29 Approach to stakeholder engagement	19-25	N/A	N/A
	2-30 Collective bargaining agreements	omitted	This disclosure is not applicable. No collective bargaining agreements.	N/A
MATERIAL TOPICS				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	23	N/A	N/A
	3-2 List of material topics	28-32	N/A	N/A
Energy				
GRI 3: Material Topics 2021	3-3 Management of material topics	72	N/A	N/A
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	39	N/A	N/A
	302-2 Energy consumption outside of the organisation	omitted	It has not been disclosed in this reporting cycle.	N/A
	302-3 Energy intensity	39	N/A	N/A
	302-4 Energy reduction	39	N/A	N/A
	302-5 Reductions in energy requirements of products and services	omitted	Not part of EPP's business model.	N/A
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics	36	N/A	N/A
GRI: 305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	41	N/A	N/A
	305-2 Energy indirect (Scope 2) GHG emissions	41	N/A	N/A
	305-3 Other indirect (Scope 3) GHG emissions	41-42	N/A	N/A
	305-4 GHG Emissions intensity	41	N/A	N/A
	305-5 Reduction of GHG emissions	43	N/A	N/A
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	omitted	Not significant impacts in operations.	N/A
Waste				
GRI 3: Material Topics 2021	3-3 Management of material topics	26	N/A	N/A

10. GRI INDEX TABLE

GRI Standard	Disclosure	Page no	Comments	External assurance
GRI: 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	omitted	Waste will be reported in the next reporting cycle.	N/A
	306-2 Management of significant waste-related impacts	omitted	Waste will be reported in the next reporting cycle.	N/A
	306-3 Waste generated	omitted	Waste will be reported in the next reporting cycle.	N/A
	306-4 Waste diverted from disposal	omitted	Waste will be reported in the next reporting cycle.	N/A
	306-5 Waste directed to disposal	omitted	Waste will be reported in the next reporting cycle.	N/A
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	52	N/A	N/A
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	53, 56-57	N/A	N/A
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	56	N/A	N/A
	401-3 Parental leave	57	N/A	N/A
Occupational health and safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	70	N/A	N/A
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	75	N/A	N/A
	403-2 Hazard identification, risk assessment, and incident investigation	75, 77	N/A	N/A
	403-3 Occupational health services	75	N/A	N/A
	403-4 Worker participation, consultation, and communication on occupational health and safety	75	N/A	N/A
	403-5 Worker training on occupational health and safety	75	N/A	N/A
	403-6 Promotion of worker health	75	N/A	N/A
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	75	N/A	N/A
	403-8 Workers covered by an occupational health and safety management system	75	N/A	N/A
	403-9 Work-related injuries	75, 77	N/A	N/A
	403-10 Work-related ill health	75	N/A	N/A
Training and Education				
GRI 3: Material Topics 2021	3-3 Management of material topics	52	N/A	N/A
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	53	N/A	N/A
	404-2 Programs for upgrading employee skills and transition assistance programs	53	N/A	N/A
	404-3 Percentage of employees receiving regular performance and career development reviews	59	N/A	N/A

10. GRI INDEX TABLE

GRI Standard	Disclosure	Page no	Comments	External assurance
Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics	52	N/A	
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	53, 58		
	405-2: Ratio of basic salary and remuneration of women to men	58	N/A.	
Local Communities				
GRI 3: Material Topics 2021	3-3 Management of material topics	52	N/A	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	60	N/A	
	413-2 Operations with significant actual and potential negative impacts on local communities	omitted		
Customer Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	70	N/A	
GRI 416: Customer Health and Safety 2016	416-1: Assessment of the health and safety impacts of product and service categories	76	N/A	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	70	N/A	
Human Rights Assessment				
GRI 3: Material Topics 2021	3-3 Management of material topics	53	N/A	
GRI 412: Human Rights Assessment	412-1 Operations that have been subject to human rights reviews or impact assessments	omitted	It will be reported as of next reporting cycle.	
	412-2 Employee training on human rights policies or procedures	omitted	It will be reported as of next reporting cycle.	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	omitted	It will be reported as of next reporting cycle.	



Shaping the face of retail in Poland

We welcome your feedback on this report and the topics covered. If you would like to share your thoughts, please e-mail to:



Aleksandra Noworyta
ESG Director
aleksandra.noworyta@epp-poland.com

