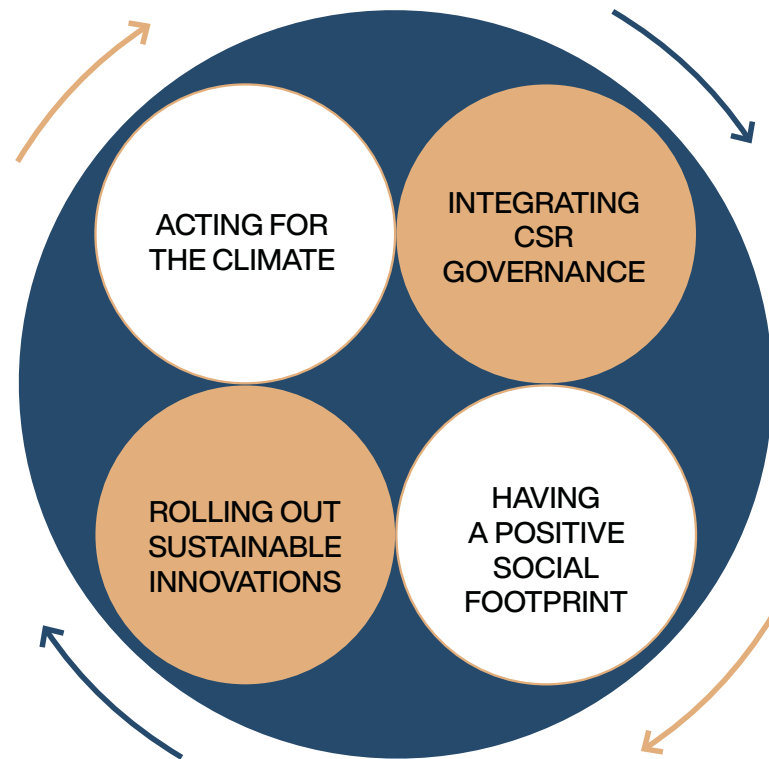


# Non-Financial Information Statement

Ever since its creation in 2006, Cegereal has strongly believed in the link between economic performance and environmental and social excellence. When it comes to sustainable development challenges, Cegereal is a committed and proactive advocate of lasting environmental and social change. It has voluntarily published a Non-Financial Performance Statement since 2013, highlighting its ambition to provide transparency and lead by example.

Cegereal's Corporate Social Responsibility (CSR) strategy is based on the materiality matrices and environmental, social and governance (ESG) risk map. It revolves around four pillars: integrating CSR into our governance, adapting to the climate, having a positive social footprint and rolling out innovative actions. Each of these pillars is reflected in ambitious, concrete commitments that are broken down over the short, medium and long term, in line with France's National Low-Carbon Strategy, the "2°C pathway" set by the Paris Agreement and the tertiary eco-energy mechanism issued within the broader framework of France's ELAN law, encouraging those involved in the energy management of tertiary buildings to reduce energy consumption (tertiary decree no. 2019-771 applying Article 175 of the ELAN law).

These commitments and the results produced since Cegereal's creation have won the recognition of national and international ESG analysts. Cegereal was awarded Leadership status with a score of A- and has been named a Global Sector Leader in the 2020 Global Real Estate Sustainability Benchmark's (GRESB) listed office property companies category, maintaining its five-star rating, with a score of 94/100. Cegereal also maintains its ranking among the top three performers, which it has held since it first participated in the GRESB assessment in 2014.

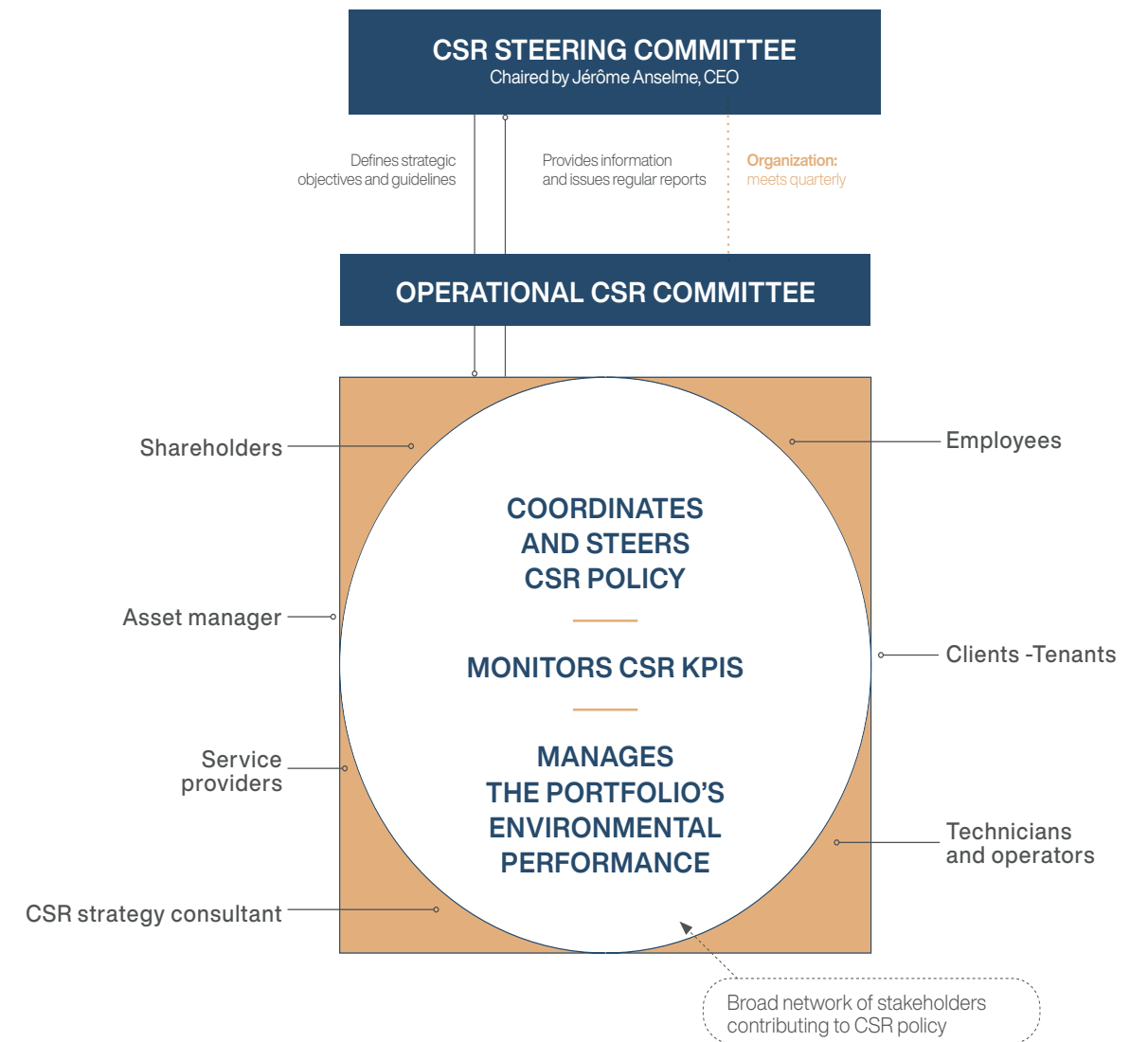


## PRIORITY 1 PURSUING INTEGRATED GOVERNANCE

Since 2013, the CSR Steering Committee, comprising members of the CSR department and Cegereal's Executive Management, has been in charge of incorporating the Group's ESG challenges and risks into its overall strategy and defining its ESG objectives and performance plan in response. The Operational CSR Committee oversees the implementation of the action plan and reports to the CSR Steering Committee.

The Group's CSR strategy is guided by three policies in the areas of environmental, social and governance. As part of its approach geared toward continuous improvement and resilience, it expects its stakeholders to adhere to the same commitments it pursues. The Group's governance also applies the principles of equal and fair treatment with respect to gender, age and background.

In order to gain more agility with respect to CSR challenges across its value chain, Cegereal seeks to secure key stakeholder buy-in using the ad-hoc processes and tools described in the following sections to engage with them.



## Measuring ESG challenges

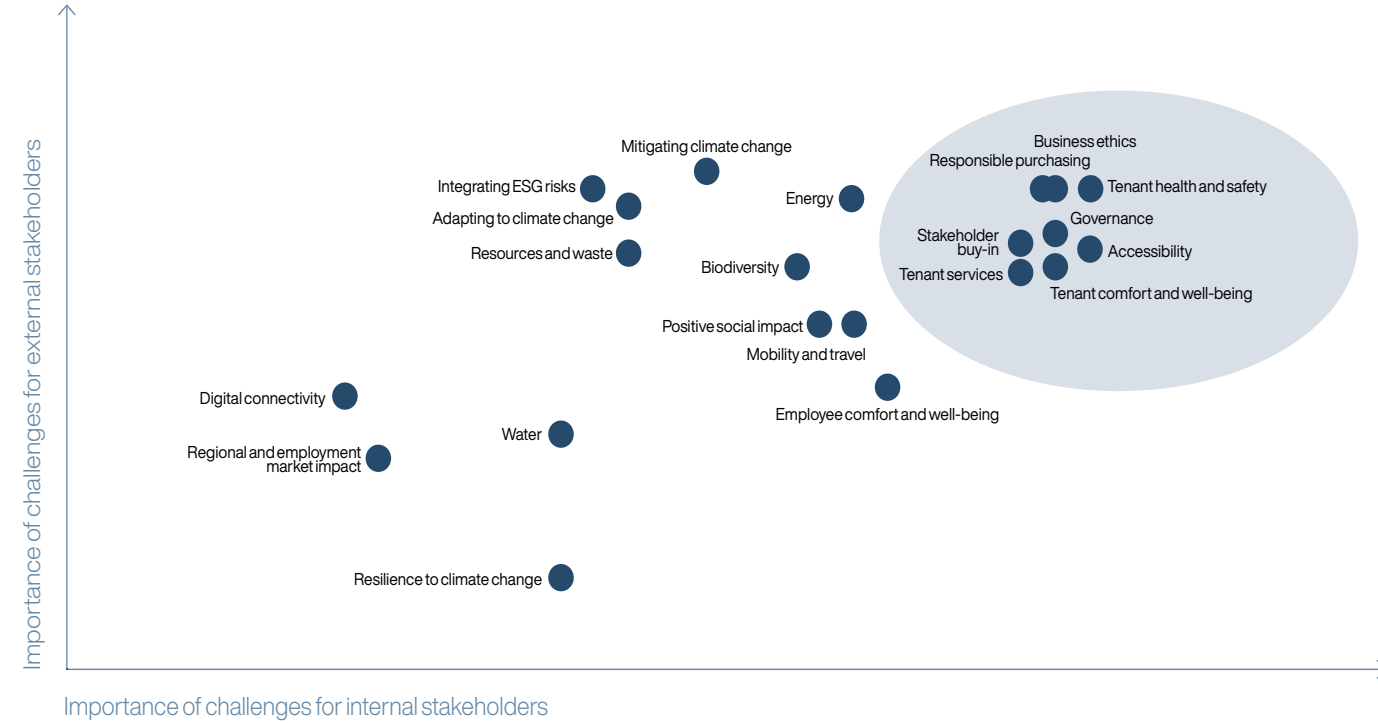
Cegereal's ESG challenges are carefully identified and prioritized on a yearly basis by its CSR Steering Committee.

The 21 challenges were defined based on benchmark references that include (i) EPRA's sBPR guidelines, (ii) the 2019 responsible real estate report put together by the French organization for the promotion of sustainable real estate, (iii) the subjects covered in

non-financial questionnaires (GRESB<sup>(1)</sup>, CDP, etc.) and (iv) 2019 MEDEF recommendations and 2020 AMF recommendations.

A materiality analysis was conducted across all of Cegereal's internal and external stakeholders, highlighting eight priority ESG challenges.

MATERIALITY MATRIX PLOTTING CEGEREAL'S ESG CHALLENGES



## Measuring ESG risks

Each year, the CSR Steering Committee reviews the ESG risks that could have a material adverse effect on its business, financial position or results. The ESG risks identified are added to the Company's overall risk analysis.

Driven by growing investor expectations in terms of ESG, the review applies the recommendations from the most recent report published by the Task Force on Climate-related Financial Disclosures (TCFD), chaired by Michael R. Bloomberg.

The risk map, which is used to analyze ESG risks, weights risks based on their probability of occurrence, impact and existing risk management measures (net impact), and serves to identify the four main ESG risks:

- reputation and market risks linked to tenant health, safety, comfort and well-being (including accessibility)

- regulatory and reputation risks linked to energy
- regulatory and reputation risks linked to greenhouse gas (GHG) emissions
- physical risks linked to climate change (heatwaves, floods, epidemics) and the longevity of buildings
- reputation risk linked to biodiversity

Reputation and market risks linked to ethics, governance and responsible purchasing involving stakeholders were also covered and do not pose a significant risk.

See the "Risk Factors" section of this report for further information regarding the Company's overall risk analysis.

## ESG action plan

As part of its continuous improvement process (certified ISO 14001 by AFNOR, the French international organization for standardization), the Group identifies the challenges prioritized by its stakeholders as well as the main risks, helping the CSR Steering Committee to define the ambitious objectives and concrete initiatives described below.

STRATEGIC FOCUS	COMMITMENT	OBJECTIVES	SCOPE	TIME FRAME	KPIS	% ACHIEVEMENT IN 2020
PRIORITY 1 – Pursuing integrated governance	GOVERNANCE - Integrating CSR	Involve stakeholders in identifying the Group's key ESG challenges	100% of key stakeholders	Continuous	Produce a materiality matrix annually	100%
PRIORITY 2 – Acting for the climate	ENERGY - Reduce final energy consumption by 40% by 2030 compared to 2013.	Implement Energy Performance Contracts (EPC) across the entire portfolio	100% of the portfolio	2022	% with Energy Performance Contracts	60%
		Automate energy data collection across the portfolio	100% of the portfolio	2023	% of automated collection/energy resource	100%
		Increase the share of renewable energy	32%	2022	Share of renewable energy in average final energy consumption per sq.m	>100% thanks to urban networks
	CLIMATE - Reduce GHG emissions by 54% by 2030 versus 2013	Pursue a 2°C pathway to 2100	100% of the portfolio	2022	% of pathway achieved	0%
		Apply a low-carbon strategy on building sites	100% of the largest building sites in terms of volume	2022	% of low carbon building sites	0%
		Offset residual greenhouse gas emissions	100% of emissions at headquarters	Continuous	% achievement of carbon neutrality for the headquarters	100%
		Raise property manager and tenant awareness of ESG issues	100% of the portfolio	2021	% of properties where awareness session(s) held	40%
		Enhance biodiversity	100% of the portfolio	Continuous	% of green spaces/total area	38%
		Map plans for emergency management and business continuity in the event that climate risks occur	100% of the portfolio	2021	% of plans verified for effectiveness	80%
	RESOURCES AND WASTE - Commit to the circular economy	Apply circular economy principles on building sites	100% of the portfolio	Continuous	% of grids effective/ number of building sites per year	0%
		Improve the recycling process across the portfolio	100% of the portfolio	Continuous	% of portfolio surface area where waste sorting takes place	100%
		Implement a policy to reduce food waste	100% of restaurant areas	2021	% of anti-waste policy rolled out	40%
WATER - 20% reduction in water consumption by 2030	Control water flow	100% of the portfolio	2022	% of water network with flow control system (automatic watering, aerators and automatic sensors)	80%	
PRIORITY 3 – Having a positive social footprint	VALUE CHAIN and RESPONSIBLE PURCHASING - Acting together	Find out about service providers' CSR practices	100% of purchasing volume	Continuous	% responses to the annual responsible purchasing questionnaire as a % of the Company's purchasing volume	95%
		Engage stakeholders in the Group's environmental policy by having them sign a responsible purchasing charter	100% of purchasing volume	Continuous	% service providers that have signed the responsible purchasing charter	100%
	HEALTH, SAFETY, COMFORT - Improve tenant and employee well-being	Ensure the health and safety of employees and adapt to their needs and expectations in terms of comfort and well-being	100% of employees	Continuous	% satisfaction	100%
		Ensure the health and safety of tenants and adapt to their needs and expectations in terms of comfort and well-being	100% of the portfolio	2021	% of tenant feedback taken into account	100%
	REGIONAL and COMMUNITY IMPACT - Create jobs and form ties in the local area	Propose an annual events program for tenants	100% of the portfolio	2021	% of properties offering a tenant events program	80%
		Assess the group's social footprint	100% of Group expenditure and revenue volume	Continuous	Number of indirect jobs created	746
	Develop partnerships and make a positive contribution to the community	100% of the portfolio	2021	Number of partnerships	7	

(1) Global Real Estate Sustainability Benchmark.

# PRIORITY 2 ACTING FOR THE CLIMATE

## Mitigating and adapting to climate change

Cegereal has introduced a plan to mitigate and adapt to climate change, led by three main objectives:

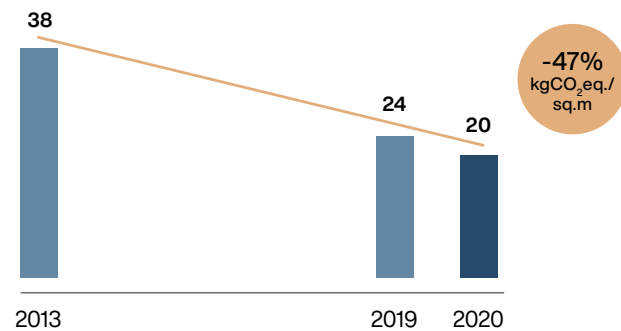
- 1 - Reduce greenhouse gas emissions by 54% between 2013 and 2030 with the aim of achieving carbon neutrality by 2050, particularly through low-carbon redevelopment work.

- 2 - Make our properties resilient to climate change.
- 3 - Get key stakeholder buy-in on climate change.

## Reducing GHG emissions

**Objective:** Reduce GHG emissions by 54% between 2013 and 2030

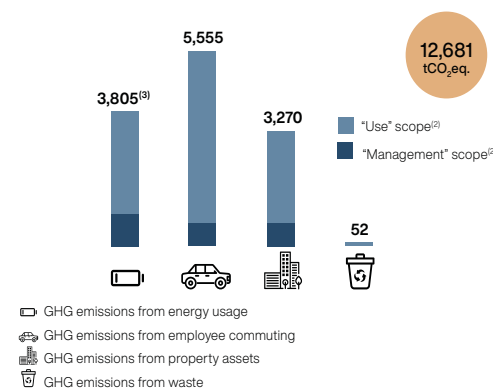
In 2020, Cegereal reduced **greenhouse gas emissions** linked to energy consumption at its properties by 47% compared to 2013<sup>(1)</sup>. The decrease in emissions between 2019 and 2020 should nonetheless be viewed in the context of the health crisis.



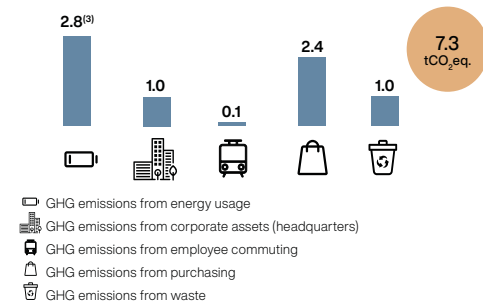
Cegereal has been analyzing its greenhouse gas emissions since 2013 in an effort to continuously improve the environmental performance of its buildings. Following its analyses, specific initiatives are implemented at each building:

- multi-year improvement programs for renovation work;
- minor upgrade plans to improve energy performance;
- action plans relating to BREEAM In-Use International and NF HQE™ Exploitation certification;
- creation of a 2050 pathway with an associated climate change plan;
- update of the environmental due diligence process for acquisitions, with criteria for mitigating and adapting to climate change;
- introducing an annual carbon accounting system following a review of its carbon footprint (Scopes 1 & 2 (emissions related to energy consumption) and Scope 3 (emissions related to use)) both across its portfolio and at its headquarters.

The **carbon footprint of Cegereal's portfolio** by source of emissions and across the different scopes<sup>(2)</sup> is as follows:



The **carbon footprint of Cegereal's headquarters** amounts to 7.3 metric tons of CO<sub>2</sub> equivalent per year, distributed across the main sources of emissions (energy consumption<sup>(3)</sup>, corporate assets and purchasing, transportation and waste).



Cegereal offsets its residual direct greenhouse gas emissions through its support for the GoodPlanet Foundation's activities, which dates back to 2016.

GoodPlanet Foundation methods are directly inspired by the principles of the Clean Development Mechanism (CDM) of the United Nations Framework Convention on Climate Change.

The foundation's voluntary GHG emission offsetting program has two main objectives:

- help vulnerable families in southern hemisphere countries obtain access to free, efficient and renewable energy;
- improve waste management in major cities in Africa.

## Make our properties resilient

**Objective:** Map plans for emergency management and business continuity in the event that climate risks occur

Since Cegereal's buildings are located in Paris' inner suburbs, they may be exposed to climate risks. These risks include heavy rainfall, floods, heatwaves and urban heat islands, which are typical in urban environments. Cegereal has therefore analyzed the risk profile for each of its buildings in order to assess their level of vulnerability so that an appropriate action plan can be deployed in 2021.

To protect against this, Cegereal has introduced a series of measures, including:

- having large quantities of diverse greenery to help adapt to climate change (conserving water resources, humidity and reducing temperatures);

- requiring property managers to update their management plan for emergency situations with the appropriate measures – the emergency management and business continuity plans proved effective during the Covid-19 crisis;
- installing basic equipment such as drip detectors and door sweeps;
- acquiring buildings that already have green spaces to reduce the heat island phenomenon typical in urban environments.

## Stakeholder engagement

**Objective:** Get stakeholder buy-in, a key success factor for reducing GHG emissions as much as possible and boost resilience

The greenhouse gas emissions linked to use make up the majority of emissions generated by real estate operations.

Cegereal has introduced the following measures to reduce them:

### For employees:

- Business travel is kept to a minimum depending on the importance of meetings.
- The Company's headquarters are easy to reach by public transportation.

### For tenants:

- The Company's properties are located as close as possible to public transportation.
- Tenants in 100% of the real estate portfolio are required to sign environmental appendices undertaking to carefully manage energy consumption.

### For service providers and suppliers:

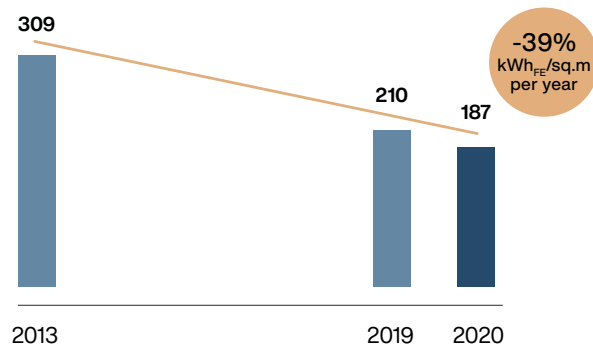
- Asset managers and property managers are required to contribute to the Company's "Upgreen Your Business" plan.
- 60% of service providers have an environmental management system (EMS) or equivalent in place.
- An ESG awareness-raising policy is in place and ESG events are held at 90% of the biggest providers in terms of purchasing volumes.

(1) Data is taken like for like and has been adjusted for climate change. See section 2 Methods used for calculations and estimates, page 63.  
 (2) Defined in the appendices to the NFIS.  
 (3) Further details are provided under EPRA indicators in the appendices to the NFIS.

## Energy efficiency and renewable energy

**Objective:** Reduce final energy consumption by 40% between 2013 and 2030

In 2020, the Company achieved a 39% reduction in energy consumption at its properties compared with 2013. The decrease in consumption between 2019 and 2020 should be viewed in the context of the health crisis<sup>(1)</sup>.



Since 2013, Cegereal has taken the following ambitious, proactive steps to anticipate the tertiary eco-energy mechanism issued within the framework of France's ELAN law, entering into force in 2021:

- conducting a supplier benchmark with the aim of increasing the share of renewable energy used;
- setting up an automated process to collect 100% of data for common and private areas;

- installing a building management system at all properties;
- rolling out Energy Performance Contracts at 60% of properties;
- carrying out responsible renovation work each time a tenant vacates;
- installing automatic shut-off faucets at 100% of the portfolio after each renovation;
- obtaining NF HQE™ Exploitation and BREEAM In-Use International certifications for its portfolio;
- conducting monthly (meter readings) and real-time (via a building management system) reporting;
- adjusting time and temperature settings based on activity;
- using urban heating and cooling networks promoting access to renewable energy (generated from biomass (household waste) or geothermal sources);
- testing windows for energy performance;
- monitoring on a monthly basis the five indicators of maintenance efficiency for multitechnical facilities (energy)/ventilation/lighting/plumbing systems;
- continuing minor renovation work to upgrade heating, ventilation and air conditioning networks and improve thermal insulation at Arcs de Seine and Hanami;
- carrying out renovation work on the Europlaza restaurant areas as well as the building's goods elevator.

## Resources and waste, committing to the circular economy

**Objective:** Limit the impact of its real estate operations across the whole value chain  
Commit to a circular economy

In 2020, waste produced in connection with operating buildings had already decreased by 41% per sq.m compared with 2019.

This was achieved through the following initiatives:

### On building sites during minor renovation work:

- the clean building site charter was updated with a "circular economy" grid, to be used for each operation. As a minimum, this requires service providers to ensure site waste is recycled by all stakeholders involved;
- renovation and maintenance work was carried out on certain facilities (elevators, HVAC systems, etc.) to increase their lifespan;
- a wood and glass recycling system was used during renovation work.

### With tenants:

- 100% of waste collection data has been collected since 2017, placing Cegereal among the most advanced in its field according

to the 2019 and 2020 responsible real estate report put together by the French organization for the promotion of sustainable real estate (OID);

- selective waste sorting is in place at 100% of properties.

### Specific initiatives at intercompany restaurants:

- electronic waste collection is occasionally available for all tenants;
- a policy is in place to reduce food waste;
- plastic packaging and cutlery has been replaced with renewable, recyclable and/or compostable materials such as bamboo or cardboard;
- reusable burlap bags are available in order to reduce waste;
- users have the option to bring their own food storage containers and bags for takeaway meals;
- local and organic products are on offer.

## Reducing water consumption

**Objective:** Further its objective to reduce building water consumption by 20% by 2030

Between 2019 and 2020, water consumption across the portfolio fell by 23%.

This was mainly attributable to:

- the installation of automatic faucets;

- the installation of a water flow reduction system;
- a monthly maintenance and meter reading process;
- the optimization and monitoring of automatic watering systems.

## Biodiversity, putting local species first

**Objective:** Apply a biodiversity action plan across our entire portfolio

In 2021, COP 15 on Biological Diversity is scheduled to take place. In France, the National Biodiversity Strategy aims to reduce land take, preserve the Earth's natural resources and protect the biodiversity that enables an activity to function (quality of life, air and water, reduction of the effects of heatwaves, etc.).

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services' (IPBES) latest report highlights the catastrophic deterioration of biodiversity. Cegereal therefore intends to enhance the biodiversity at its properties and acquire spaces that help protect nature.

In 2020, all of Cegereal's buildings had dense green spaces, including trees, shrubs and herbaceous plants, accessible to all tenants, contributing to general well-being.

Cegereal has implemented various specific initiatives.

### Acquisition:

- maintenance of 38,500 sq.m of green spaces across the portfolio, including trees, shrubs and herbaceous plants, helping to reduce the impact of heat islands during heat waves;
- systematic integration of biodiversity issues across the entire portfolio through ecological studies since 2014. The last ecological study was performed at Passy Kennedy (2019), with local species planted when vegetation had to be replaced.

### Operation:

- biotope coefficient of 40% calculated across the portfolio;
- all sites have nesting boxes installed, and five extras were added at Hanami and Europlaza;
- measures to reduce the number of bird deaths from collision are currently being drawn up for Hanami.

## Mobility, encouraging the use of low-impact mobility across our portfolio

**Objective:** Encourage the use of low-impact mobility and provide facilities for electric vehicles

Cegereal is committed to facilitating the use of public and low-impact transportation for its employees and tenants by providing resources such as guides, information screens and digital tools.

(1) Data is taken like for like and has been adjusted for climate change. See section 2 Methods used for calculations and estimates, page 63.

# PRIORITY 3

## HAVING A POSITIVE SOCIAL FOOTPRINT



### Cegereal's social footprint essentially comprises four different levels



### Buildings tailored to their tenants

#### Health, safety, comfort and well-being

**Objective:** Regular monitoring by property managers of regulatory technical inspections

Tenant satisfaction is Cegereal's top priority, which is why it does everything it can to ensure they have a good quality of life at work, in terms of both health and safety and comfort and well-being.

The main measures implemented by Cegereal include:

**Health and safety:**

- regular monitoring of regulatory audits of facilities by property managers;
- annual quality tests across 100% of the portfolio for indoor air, water, humidity and noise levels, and lighting;
- tracking of tenant satisfaction across the entire portfolio at quarterly information meetings for all tenants, and an annual survey on issues including comfort, well-being and amenities, as well as the importance of green spaces;
- implementation of new processes as part of property managers' ISO 9001 and 14001 certifications in order to control and prevent impacts that could affect tenants.

**Comfort and well-being:**

- creation of an annual events program to promote tenant well-being;

#### Accessibility

**Objective:** Make 100% of our portfolio accessible to everyone

Cegereal takes a proactive approach to accessibility. It conducts an accessibility analysis ahead of any renovation work or acquisition.

- green spaces accessible to all, offering views of nature;
- shared indoor spaces decked with plants and floral decorations, enhancing tenants' connection with nature;
- remote working resources strengthened during the health crisis;
- improved connectivity and support for new ways of working (co-working spaces in common areas, gardens, support for remote working);
- awareness-raising workshops for tenants on a variety of key topics: building energy performance and biodiversity;
- improved concierge services (tickets for cultural events, parcel management solutions, etc.);
- games rooms (snooker, table football, video games, etc.);
- book-share library;
- events to strengthen social ties (Chinese New Year, Epiphany celebrations, etc.);
- online sports and other classes during lockdown (Trainme).

### Stakeholder engagement

**Objective:** Get stakeholder buy-in for Cegereal's CSR approach to make an impact across the entire value chain

Cegereal firmly believes in the importance of actively contributing to environmental and social change alongside its stakeholders. It uses a variety of tools to gauge stakeholder expectations and bring them on board with the Group's CSR approach, as demonstrated throughout the previous sections of this chapter.

- Cegereal's updated CSR strategy is based on the materiality matrix that covers all key internal and external stakeholders;

- employee and tenant satisfaction surveys are used to identify the priority actions to be taken;
- the CSR action plan is reviewed annually with the support of the relevant experts: asset managers, property managers and CSR consultants.



### A people-centered company

**Objective:** Achieve a 100% satisfaction rate among employees and involve them in Cegereal's CSR approach

100% of employees completed the annual satisfaction survey and 100% of employees said they were satisfied.

Cegereal is a people-centered company that places the utmost importance on equal opportunity. Its employment policy respects human rights, labor law and International Labour Organization (ILO) conventions.

The main measures introduced by management that contribute to employee satisfaction include:

- signature of the United Nations Global Compact since 2015;
- creation of an annual events program for employee and tenant well-being;

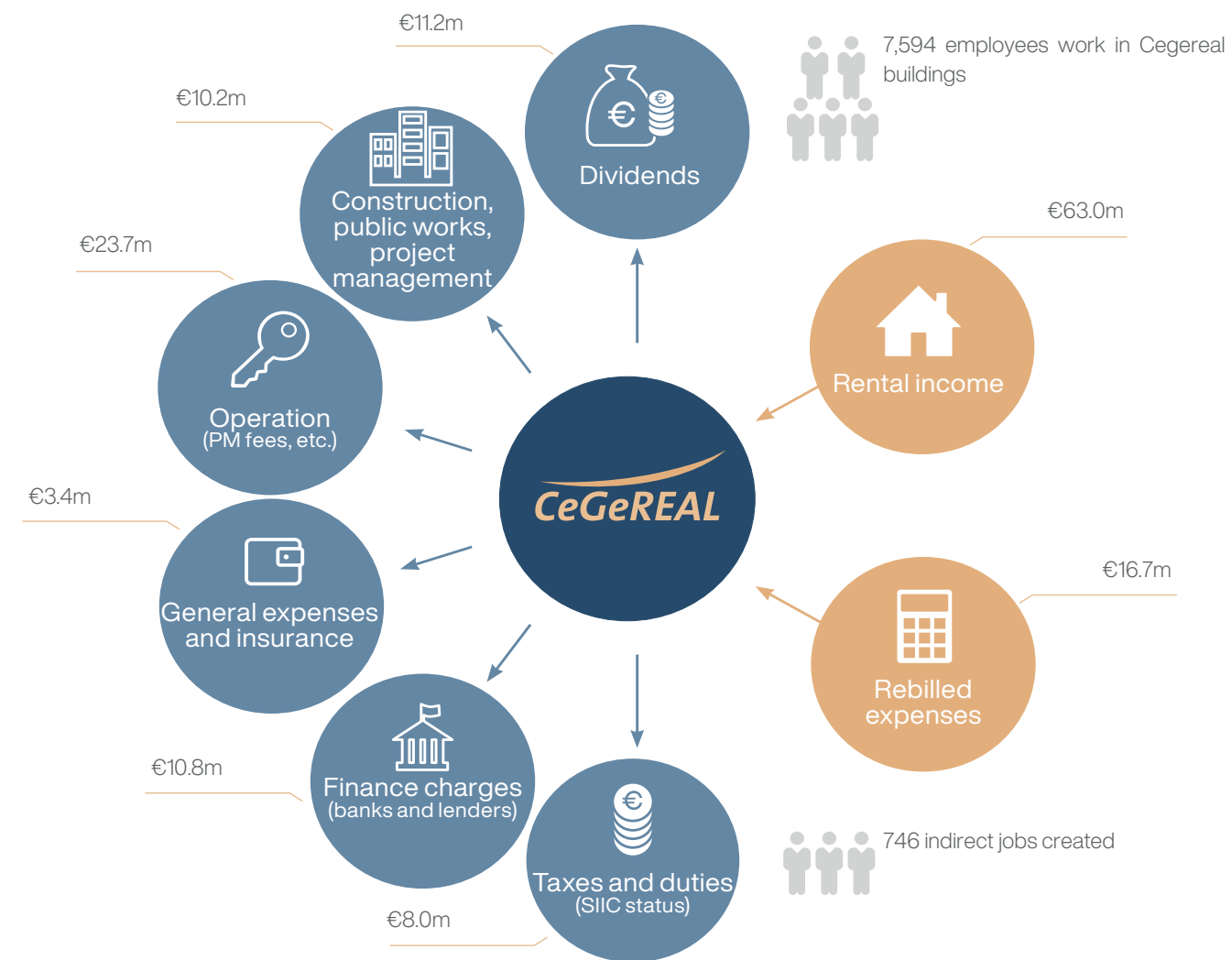
- remote working offered in all situations and implemented in full during the Covid-19 crisis;
- discussions about which ESG challenges to prioritize, based on the questionnaire completed by 100% of employees;
- an internal code of ethics signed by all employees, which includes the principles of non-discrimination (gender and career diversity), respect for human rights and labor law, for all stakeholders (members of the Board of Directors, shareholders, employees, subcontractors, suppliers, and the communities impacted by the Cegereal's properties), and the Company's sustainable development commitments.

### Regional and employment market impact

**Objective:** Assess our contribution to local social and economic activity

Regional impacts are an essential link in the real estate value chain, which is why Cegereal is seeking to increase its contribution to local communities. Firstly, it has created 746 indirect jobs through the use of local service providers.

In addition, the concierge and local leisure services provided at its properties enable it to make a concrete contribution to society at both a national and community level. The Company also brought in the French association Casques verts to run events focused on biodiversity and energy performance for tenants at the Hanami campus.



## Responsible purchasing policy

**Objective:** Achieve a 100% response rate to the responsible purchasing survey

95% of service providers (by purchase volume) responded to the annual survey they were sent.

Since Cegereal's operating model is largely based on outsourcing, its CSR strategy is focused to a great extent on ensuring the commitment of its suppliers and partners.

- 100% of asset managers and property managers have signed environmental clauses in their management mandates.

- 100% of service providers undertook to comply with Cegereal's CSR policy in 2019 by signing its responsible purchasing charter.
- 60% have measured their carbon footprint or have an EMS in place.
- 100% of Cegereal's properties hire upkeep and maintenance companies that use eco-label products.

## Partnerships and corporate sponsorship

Cegereal is involved in several real estate and sustainable development organizations, ensuring it is closely attuned to market trends and expectations.

**IOD** The **OID** (*Observatoire de l'immobilier durable*) is an independent real estate forum for the promotion of sustainable development that brings together some 60 members and partners, including leaders of the commercial real estate sector in France. It actively pushes for greater recognition of ESG issues in France and abroad, through a program of actions carried out both in the field and with public authorities.

**EPRA** The **European Public Real Estate Association (EPRA)** is made up of Europe's leading listed real estate companies. One of its aims is to standardize reporting practices across the industry. Cegereal has been an active member and sponsor of the annual EPRA conference for the last seven years. Its financial and non-financial reports have been prepared in accordance with EPRA's Best Practices Recommendations (BPRs).

**IEIF** **Institut de l'Épargne Immobilière et Foncière** is an independent research center that acts as a forum for discussion and exchange among real estate and investment professionals. Cegereal has been a member since 2010 and is listed on the Euronext IEIF "SIIIC France" index.

**GRESB** The **Global Real Estate Sustainable Benchmark** is an investor-driven organization committed to assessing the ESG performance of the real estate industry. More than 200 members, of which more than 58 pension funds and their subsidiaries, use the data collected by GRESB in their investment processes. Cegereal has been a member of GRESB since December 2014.

**Global Compact France** To underscore its commitments, Cegereal is also a member of **Global Compact France** and respects and supports the organization's Ten Principles. The Ten Principles are incorporated into Cegereal's strategy and operations through the 21 criteria needed to obtain the GC Advanced status it holds. Companies that achieve Global Compact Advanced status must be GC Active and report on 21 advanced criteria and best practices linked to strategy, governance, stakeholder commitment, contribution to the United Nations' objectives, implementation of the principles along the value chain, and transparency.

**ULI** Cegereal is also a member of the **Urban Land Institute (ULI)**. The ULI is a non-profit organization that boasts more than 33,000 members across the globe from all private and public sectors relating to urban planning and real estate development.



## PRIORITY 4 ROLLING OUT INNOVATIVE ACTIONS

In 2018, Cegereal set up a sustainable innovation fund, strengthening its drive to continuously improve the environmental performance of its assets. Managed by the CSR Committee, the fund is supplemented by an internal carbon tax of €20 per metric ton of CO<sub>2</sub>.

The tax applies to the Scope 1 and 2 emissions from Cegereal's portfolio, described in Appendix 1. It came to €51,360 in 2019, corresponding to 2,568 tCO<sub>2</sub>eq. across the portfolio in Scopes 1 and 2, and was used to finance equipment upgrades, events on comfort and well-being, and cultural and sustainable development activities.

This year, emissions generated a budget of €37,940, corresponding to 1,897 tCO<sub>2</sub>eq. across Scopes 1 and 2 (climate adjusted).

