

SUSTAINABILITY
REPORT
| 2021

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SPAZI DAVVERE

Objectives of this document

Present the new features of the 12th Sustainability Report

Describe the results obtained during the year and during the 2019-2021 plan with regard to the targets set

The milestones in the IGD sustainability process

2011	The first Sustainability Report (on 2010 data)
2012-2014	The process for greater internal awareness
2013	The integration of sustainability into the Business Plan
2014-2015	Materiality and the new layout of the Report
2016	First approval by the Board of Directors
2017	First year of certification of the Report and new materiality
2018	New sustainability goals and introduction of methodology to assess impact adopted on three projects
2019	Integration of risk analysis in the sustainability strategy and definition of short/medium and long-term targets
2020	Participation in the United Nations' Global Compact
2021	The start of Scope 3 reporting and definition of 2022-2024 quantitative targets and «Ambitions» up to 2030

The standards used and assurance

Standards used



Assurance



Structure of the Sustainability Report

The structure of the Sustainability Report is based on 12 material issues identified by IGD from the materiality analysis, which are then grouped together into sections according to the acronym G.R.E.A.T.



Letter to stakeholders

Methodological preface

Introduction: about IGD & brief outline on economic performance

⚙️ Sustainability strategy

GREEN

⚙️ Climate Change

⚙️ Accessibility and mobility

RESPONSIBLE

⚙️ Good employment

⚙️ Wellbeing, health and safety

ETHICAL

⚙️ Governance, ethics and corruption

ATTRACTIVE

⚙️ Sustainable enhancement of the portfolio

⚙️ Retail offer

⚙️ Spaces to be lived in

⚙️ Innovation

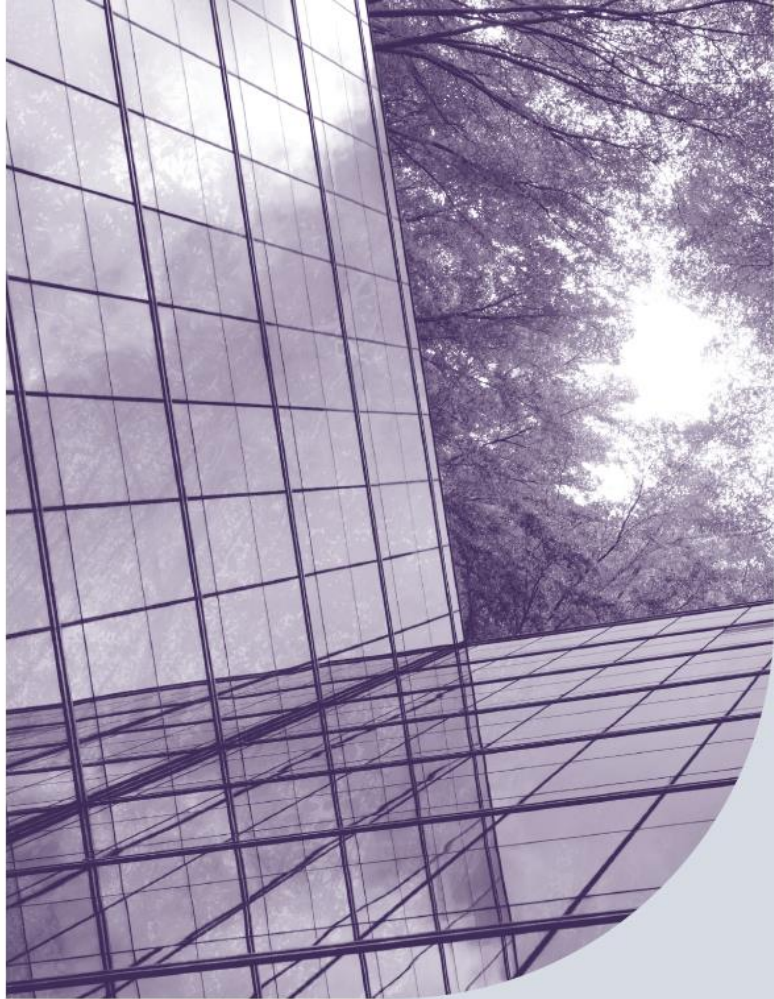
TOGETHER

⚙️ Stakeholder engagement

⚙️ Local communities

GRI STANDARDS, EPRA, SDGs tables

External Assurance



SUSTAINABILITY STRATEGY

Main focus on the 2021 sustainability strategy

- 1. IN-DEPTH ANALYSIS OF THE IMPACT OF COVID-19 ON STRATEGY AND PERFORMANCE - COMPARISON 2020-2021**
- 2. REPORT ON THE LEVEL OF ACHIEVEMENT OF 2019-2021 PLAN TARGETS AND THE 2022-2024 PLANNING PROCESS (WITH AMBITIONS UP TO 2030)**
- 3. UPDATE REGARDING PARTICIPATION IN INTERNATIONAL STANDARDS/BENCHMARKS**



1. In-depth analysis of the impact of Covid-19 on strategy and performance - comparison 2020-2021

	Material issues	CSR risks	Achievement of targets	Performance
2020	The 12 issues were confirmed, with greater focus on the issue of «health»	Specific « pandemic risks » introduced		Highly difficult to compare performance with previous years
2021	<ul style="list-style-type: none"> • The 12 present in 2020 were confirmed; • New important issues will be included in the 2022 materiality analysis 	<ul style="list-style-type: none"> • The mapped risks were monitored and some risks were adapted to the new needs; • Introduction of “opportunities” related to a careful management of risks 	<p>Significant impact of the pandemic both on investments and on the possibility to organise events with gatherings in the Shopping Centres</p>	In the first 5 months performance comparable to 2020 ; after the lifting of restrictions performance of many KPIs comparable with the pre-pandemic period

2. Report on the level of achievement of 2019-2021 plan targets and the 2022-2024 planning process (with ambitions up to 2030)

2019-2021 TARGETS

2021 was the third and last year of the 2019-2021 Plan. The Report describes both the actions carried out to reach the targets during the year and an assessment regarding the level of achievement of the targets over the Plan time-span (on a scale from 1-target not achieved to 4-target fully achieved).

OVERALL LEVEL OF ACHIEVEMENT OF TARGETS

80%

The 2016-2018 Plan reached a level of 90%

2022-2024 PLANNING PROCESS

The Report describes the process which led IGD to the definition of the sustainability targets included in the Business Plan. More specifically:

- 1. THE CHOICES UPON WHICH THE NEW PLANNING WAS BASED**
- 2. THE PERPARATION METHODOLOGY**
- 3. THE PREPARATION PROCESS AND THE INVOLVEMENT OF THE BOD**
- 4. THE PLANNING CONTENTS**

The Report contains an account of the 41 quantitative 2022-2024 targets and of the 22 «Ambitions» up to 2030 included in the Business Plan, which was approved on 14 December 2021.

3. Update regarding participation in international standards/benchmarks



After joining the United Nations' Global Compact in 2020, IGD issues a yearly report on its policies and performance in support of the Ten Principles on Human Rights, Labour, the Environment and the Fight against Corruption



In the 2021 Sustainability Report, for the third year, IGD responded to the recommendations of the Task Force on climate-related financial disclosures (TCFD*)

IGD sustainability at national and international level



IGD has been a member of the Sustainability Committee since 2018. In 2021 it participated in the two online meetings organised



IGD has been a member of Impronta Etica since 2010. Amongst other activities, in 2021 IGD participated in specific in-depth studies on circular economy and communication



IGD has been a member of the Sustainability Group since it was founded in 2020. In 2021 it participated in the 6 online meetings organised



The Chair of the ESG Commission, which met 11 times in 2021, is assigned to IGD. During the year, amongst other issues, the Association's Sustainability Manifest was defined, the possible points of interest for the sector with regard to the National Recovery and Resilience Plan were identified and the main new changes in European legislation were analysed

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green

1.1 Climate change – Summary of actions

8 photovoltaic systems installed in 7 Shopping Centres, for overall power of 2.1 MWp. In 2021 they produced 7% of total electricity



100% of the Shopping Centres used green energy. 17,200 tonnes of Co2 were not emitted into the atmosphere

100% energy from renewable sources

Photovoltaic

THE GREEN ASPECTS OF IGD'S PORTFOLIO

UNI EN ISO 14001 certification



Currently 24 Shopping Centres, in addition to the Bologna headquarters, have obtained and maintained this certification, corresponding to 95% of m² of IGD's fully-owned Malls.

BREEAM certification



The common areas of 8 Shopping Centres are BREEAM certified, corresponding to 54% of the value of the entire Italian freehold Malls portfolio

Monitoring of electricity consumption



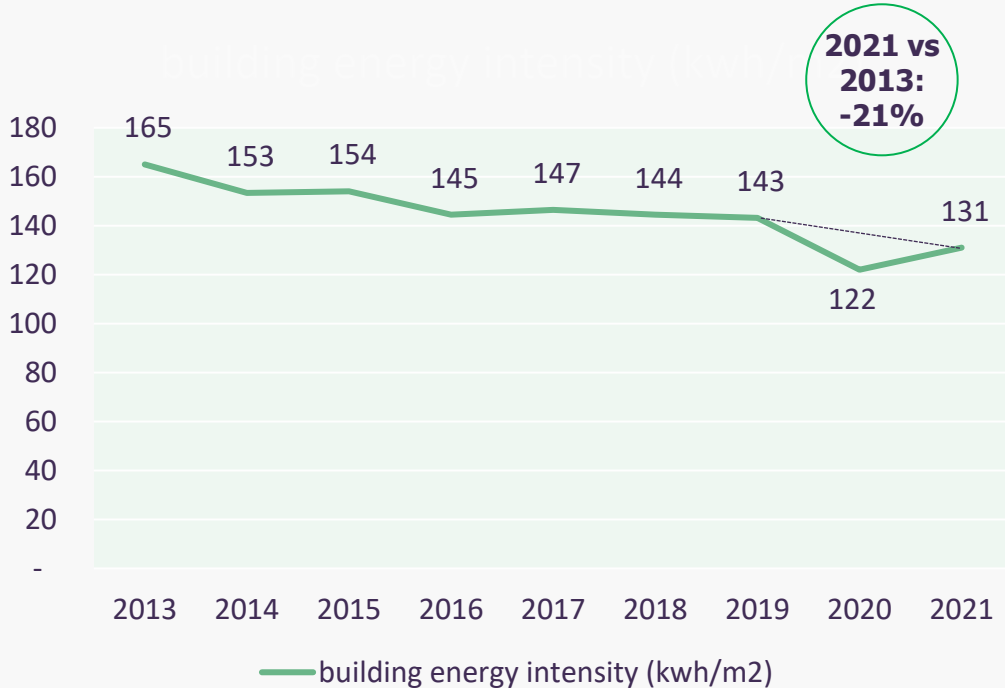
248 divisional meters installed in 20 Shopping Centres to monitor electricity consumption. Pilot projects using artificial intelligence to be launched soon

LED technology lighting



Currently there are 19 IGD Shopping Centres equipped with LED technology lighting systems. In 2021, 6.5% saving in consumption

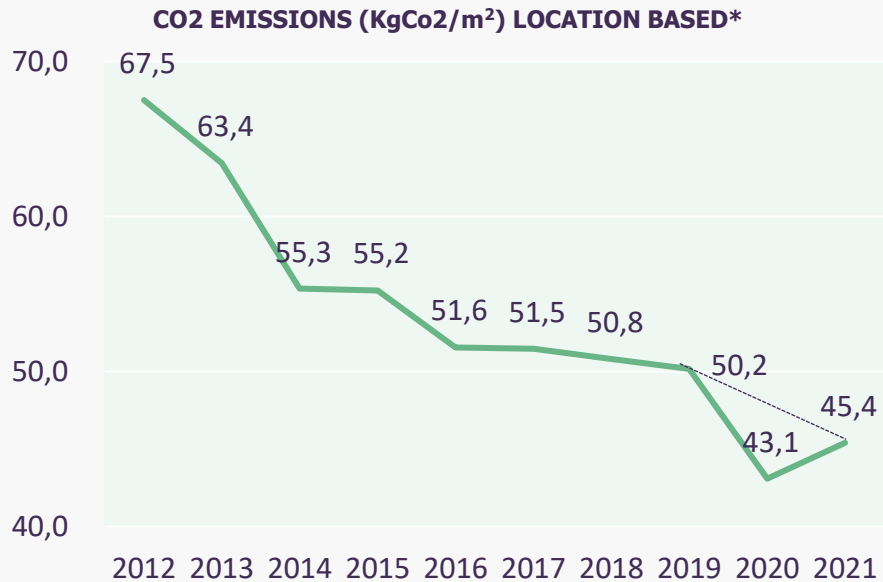
1.1 Climate change – Energy intensity per m²



The **reduction in energy intensity** in the IGD portfolio over the years **bears witness to the Group's commitment to channel its investments (5.8 million euros over the last 3 years) towards the improvement of energy efficiency** in its structures.

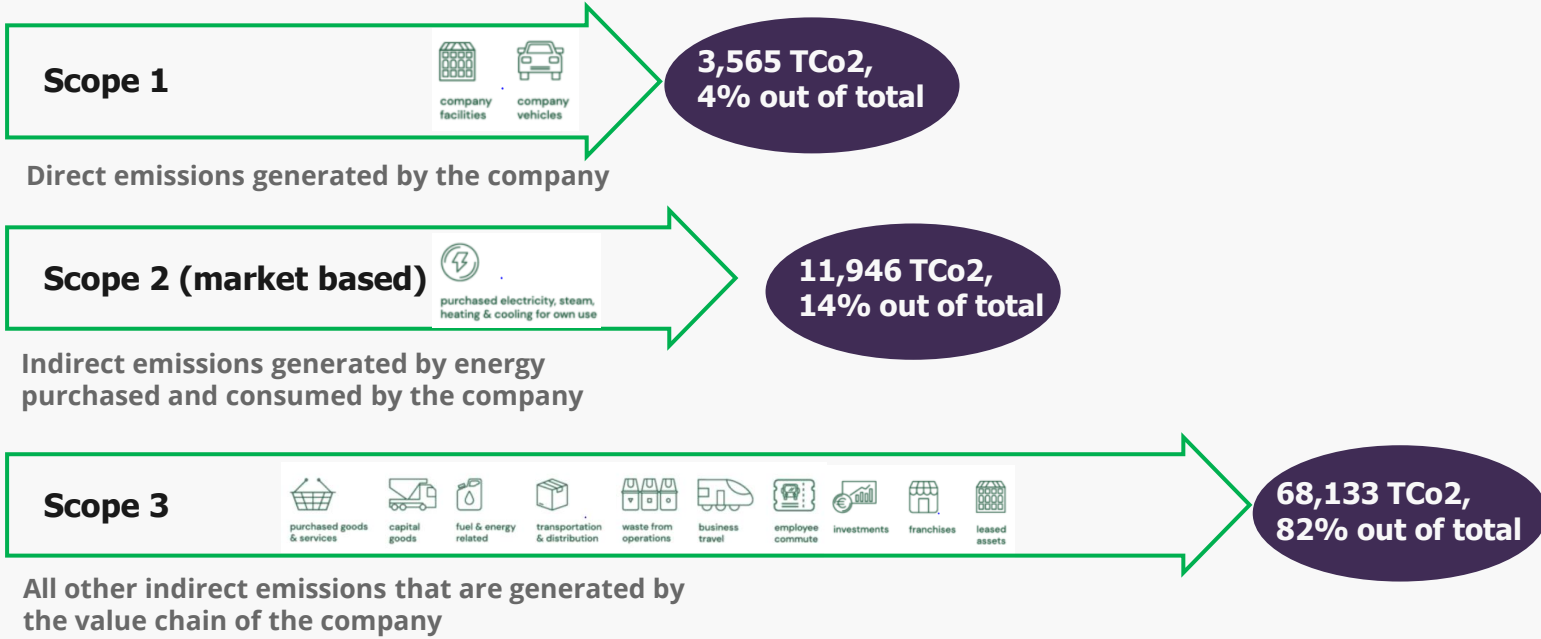
1.1 Climate change - CO2 emissions intensity per m² - Scope 1 and 2

Excluding the year 2020 (with 87 days of closure), the 2021 greenhouse gas emissions confirmed the ongoing reduction which has been continuing since 2012.



*LOCATION BASED: refers to where energy consumption takes place

1.1 Climate change – Greenhouse gas emissions - Scope 1, Scope 2, Scope 3

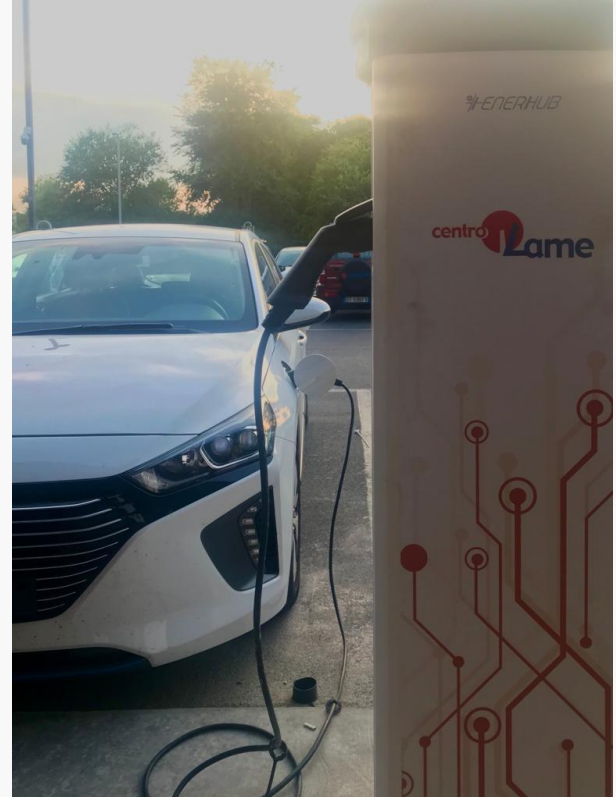


The comprehensive evaluation of Scope 1, 2 and 3 CO₂ emissions will ensure IGD to undertake a process to set science-based emissions reduction targets to decrease its environmental impact.

1.2 Accessibility and mobility – Projects underway

ELECTRIC VEHICLES

- Altogether 35 EV charging stations have been installed in 20 Shopping Centres. This resulted in the saving of 14.4 tonnes of CO2 which would have been produced in one year by a traditional car travelling the same number of kilometres*.
- Following the agreement signed in 2021 with two international leaders on electric mobility, over the next few years the Shopping Centres with Fast Charging stations will go from the current 3 to 10.

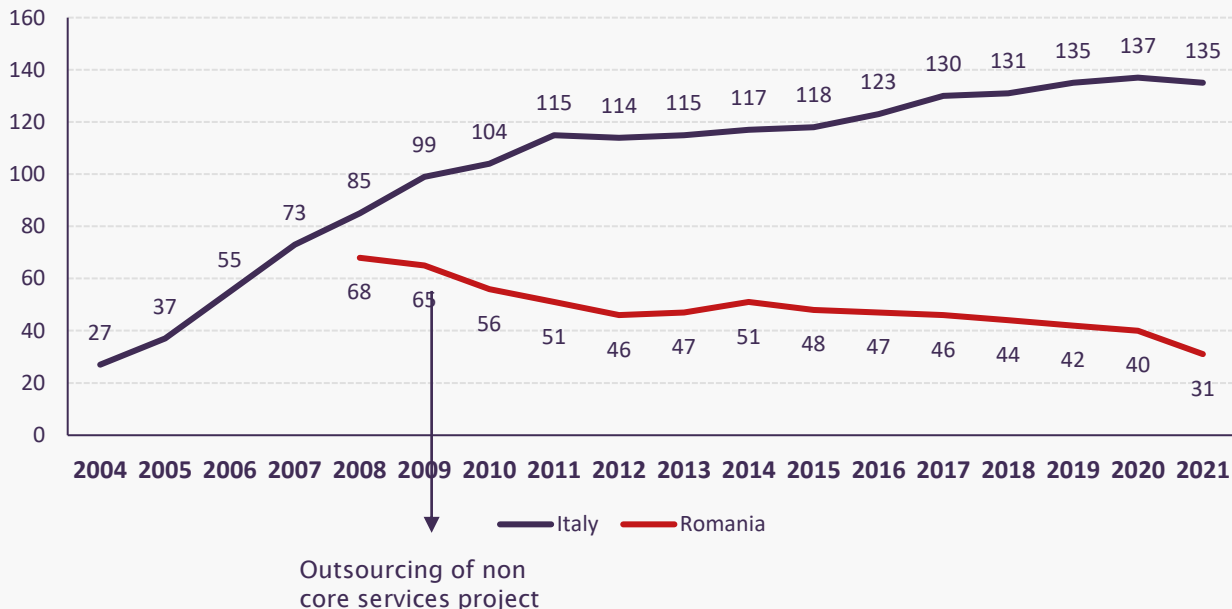


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responsible

2.1 Good employment - Workforce



Employment data was stable. The new Information Technology corporate role was established. The decrease in the workforce in Winmarkt was due to retirements and organisational changes

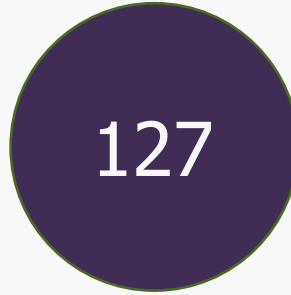
2.1 Good employment - Training Italy and Romania



2.3 Wellbeing, health and safety - Corporate welfare



Utilisation rate



Employees involved



Available budget used



2.3 Wellbeing, health and safety - Policies in the Shopping Centres

BIO SAFETY CERTIFICATION



7 Shopping Centres and the headquarters obtained this certification using the scheme developed by the accreditation body RINA

2024 target: certify 100% of the Italian portfolio

ACTIONS TAKEN ON THE STRUCTURES



«**DOME SKYLIGHTS**»
PROJECT
Monitoring activities continued and actions to be carried out in 2022 defined



ANTI-SEISMIC
Work completed in the mall of La Favorita Shopping Centre in Mantua.



FIRE PREVENTION
Work completed on the fire extinguishing devices

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ethical

3.3 Governance, ethics and corruption – Business ethics tools



3.1 Governance, ethics and corruption - Recognitions



**INTEGRATED
GOVERNANCE
INDEX**

IGD was included in the first 5 of the extra top 100 listed companies in the Integrated Governance Index, the analysis tool organised by Etica News to assess the degree of integration of sustainability into corporate strategies.

 **GOVERNANCE
QUALITYSCORE**
HIGHEST RANKED BY ISS ESG

1

Since the month of December 2015, ISS (*Institutional Shareholder Services*) has included IGD in the “ISS QuickScore coverage universe”, a tool that measures governance risk. The elements analysed are: the structure of the Board, remuneration, shareholders’ rights and audits. In the last review referring to 2021, IGD reached a **risk assessment score equal to 1**, on a scale where 1 is the value associated to the lowest risk and 10 to the highest.

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attractive

4.1 Sustainable enhancement of the portfolio - Vaccination hubs

In order to contribute to the vaccination campaign, IGD decided to identify several areas within its own structures and, in agreement with the local health authorities, use them to create vaccination hubs.



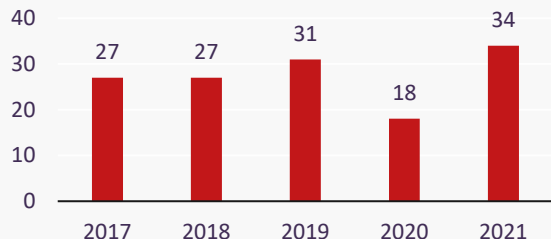
- 1,800 m² area;
- Up to now approximately **150,000 people**, have been vaccinated with an average of over 650 vaccinations a day



- 900 m² area;
- Altogether **280,000** people have been vaccinated, with an average of approximately 1,600 vaccinations a day.

4.2 Retail offer – New brands

New brands introduced (Italy)



Weight of new tenants on total present in 2021

New brands by merchandising type (Italy)



DYADEA

centro**o**borgo

4.3 Spaces to be lived in - Events

The 3 paths to follow in the year

1. **EXPERIENCE:** development of events in cooperation with the Mall tenants in order to offer the visitors experiential moments
2. **OMNICHANNEL:** increase in drive to store activities, with events and actions that enable the visitor to experience the Shopping Centre on and off line;
3. **LOYALTY:** commercial initiatives to reward the visitors' loyalty and to encourage them to return.

2021 results

€2,254,000 (vs €3.8 million in 2019)

Total expenditure of the Shopping Centres for the organisation of events (excluding institutional communication)

338 (vs 716 in 2019)

Total number of events, which is influenced by the difficulty in organising events in the Shopping Centres. Increased the number of commercial events focused on digital

4.4 Innovation – Web – Shopping Centres

The Digital Plan was developed to give the visitors the possibility to get in touch with the Shopping Centres both in a digital and physical manner during the so-called customer journey.

THE **CUSTOMER RELATIONSHIP MANAGEMENT (CRM)**, SYSTEM WAS DEVELOPED, CONNECTED TO PHYSICAL AND DIGITAL TOUCHPOINTS (TOTEMS PRESENT IN THE MALL, WI-FI SYSTEM, EVENTS, WEBSITE AND AREA PLUS) AND USED TO MANAGE COMMUNICATION WITH VISITORS



WEBSITES REVAMPED in terms of design and structure to improve user experience

4,228,150 **915.816** **148.587**

VIEWS IN THE SECOND HALF OF THE YEAR

ONE TIME USERS

RETURNING VISITORS



AREA RESERVED FOR VISITORS (Area PLUS +) created and launched, an exclusive space dedicated to them on the websites, with products, contents, services, offers and gaming occasions.



SOCIAL NETWORKS used (FACEBOOK and INSTAGRAM) to:

- Promote the products on sale in the Shopping Centre (by means of *Influencer marketing* programmes)
- Increase the drive to store opportunities (with commercial initiatives)

FACEBOOK + INSTAGRAM FANBASE : +7.1% vs 2020



GOOGLE MY BUSINESS activated and managed to further improve the communication with visitors

NEW TOOLS CREATED OR USED FOR THE FIRST TIME IN 2021

TOOLS RENEWED IN 2021

TOOLS ALREADY IN USE BEFORE 2021

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together

5.1 Stakeholder Engagement – Activities carried out

FINANCIAL INSTITUTIONS

50 MEETINGS WITH BANKS

OBJECTIVE: assess possibilities for future refinancing.

INVESTORS

89 INVESTORS MET (25 of these were new ones)

OBJECTIVE : share IGD's vision and performance, with increasing focus on **sustainability issues**

VISITORS

SURVEYS INVOLVING 17,000 VISITORS AND NON VISITORS + 5,000 STUDENTS

OBJECTIVE : understand the expectations in the pandemic period and the post-pandemic period by means of specific surveys

TENANTS

700 TENANTS MET

OBJECTIVE : define the **best conditions** to manage the pandemic period and the post-pandemic period and respond to the need to **modify the merchandising mix** adapting it to satisfy new demands

5.2 Local communities - Impact

At local level each Shopping Centre establishes and maintains continuous relations with its local community, which can be measured on 3 aspects:

SOCIAL-MEETING PLACE

Despite the difficulty in organising events with people in attendance, partnerships with

201 associations and NPOs were confirmed

and support was given to local projects amounting to

€155,000 – sponsorships

EMPLOYMENT

16,600 people work directly in the IGD Shopping Centres

820 local suppliers (45% out of the total)

COMMERCIAL

40% weight of local brands on total brands (in numbers)

10% weight of local tenants' sales on IGD's total tenants' sales