

Immobiliare Grande Distribuzione
Società di Investimento Immobiliare Quotata S.p.A.
abbreviated IGD SIIQ SpA

ENVIRONMENTAL POLICY

Updated in October 2022

Available at www.gruppoigd.it

// INTRODUCTION – THE SUSTAINABILITY STRATEGY

IGD undertook its sustainability path in 2011, convinced that adopting socially and environmentally responsible criteria, far removed from a speculative mindset, would pave the way for healthy and long-lasting growth in the real estate sector.

As of 2013 E.S.G. (Environmental, Social, Governance) factors have increasingly become an integral part of strategic planning; in this way IGD has shared the decision to define a structured sustainability path, including planning, the implementation of projects, the assessment and monitoring of the results achieved, as well as the definition of any areas in need of improvement, with all its stakeholders (both internal and external).

This approach led to the launch in 2017 of the “Becoming G.R.E.A.T.” strategy, which summarizes the company’s commitment to sustainable growth focused on environmental issues (Green), people (Responsible), ethics (Ethical), in places that are attractive (Attractive), together with our stakeholders (Together). The sustainability strategy is informed by the identification and continuous updating of the material issues used by the company to define its targets and sustainability risks.

Each year IGD presents the results achieved in its sustainability report which is prepared in accordance with the applicable international standards, as well as those specific to the real estate sector.

As of 2020 IGD also adheres to the United Nations’ Global Compact, the world’s largest corporate sustainability initiative

// ENVIRONMENTAL POLICY

IGD is convinced that in order to build sustainable long-term growth in the real estate sector, which encompasses construction, restructuring and retail property management, of which it is the Italian market leader, the Company must adopt an environmentally responsible mind-set.

The real estate sector (residential, commercial, industrial, etc.) accounts for up to 30% of the global GHG emissions each year and consumes approximately 40% of the energy produced¹, which is why we know we must be strongly committed to taking the steps needed to reduce the environmental impact of our business and this commitment needs to be shared with all our stakeholders.

Purpose

The purpose of this environmental policy is to ensure that IGD’s investment choices and operations are environmentally friendly as IGD recognizes that this is key to the success of its business.

Scope of application

All the corporate activities which have an environmental impact.

¹ TAXONOMY REPORT: TECHNICAL ANNEX “Updated methodology and updated technical screening criteria” March 2020

Responsibilities

Three corporate bodies are involved in IGD's Corporate Social Responsibility: the Sustainability Committee, Operations Management and the Board of Directors.

Body	Composition	Role in CSR
Board of Directors	IGD' Board of Directors comprises 11 members. More information on the BoD and its composition can be found on the corporate website at https://www.gruppoigd.it/governance/consiglio-di-amministrazione/	The promotor of the Group's commitment to CSR, approves the sustainability strategy and report and assesses the social-environmental performance each year. As of 2017, the Board approves the CSR Report at the same time as the Annual Report. This testifies to the Board's commitment and the increasing importance of economic and social-environmental issues.
Operations Management	Includes the Chief Executive Officer and the Directors of the different divisions	Has a key role in defining sustainability policies: after assessing the proposals of the Sustainability Committee and identifying the key performance indicators, defines the strategies and CSR guidelines.
Sustainability Committee	Comprises the Director of Planning, Control and Investor Relations, Director of Administration, Corporate and Legal Affairs, HR and IT, Director of Finance and Treasury, Head of Investment Analysis and Planning, Head of Technical Asset Management and the Head of Marketing and Social Responsibility.	Proposes CSR strategies, the relative targets and their implementation, and is also responsible for CSR reporting. It comprises representatives of all the corporate divisions.









IGD's Operations Management prepared and approved the Environmental Policy and, together with the Sustainability Committee, will maintain a proactive role in ensuring that the targets are achieved and the strategies adhered to with a view to continuously improving the system.








Principles

- The environmental policy is the framework used to determine the environmental targets;
- IGD believes that correct environmental management of its activities is a duty it has to all its Stakeholders and is one of the Group's values;
- IGD is committed to promoting a green culture inside the company, with tenants and visitors/center shoppers, as well as all up-stream and down-stream staff and personnel;
- When choosing the products and services to be used and in dealings across supply chains, in general, IGD takes the "Life Cycle Perspective" – LCP into account.

Strategic Targets

Assuming that the compliance obligation, namely compliance with applicable domestic and international law (including global climate change agreements), is a basic principle that the company is fully committed to, IGD views the following targets, aligned with the UN's SDGs and compliant with the European taxonomy (Regulation 852/2020) as strategic:

Strategic Targets	EU Environmental Targets (Art. 9 852/2020)	United Nation's SDGs
<p>Reduce energy consumption by:</p> <ul style="list-style-type: none"> making operational changes which help to save energy designing, implementing and using systems which reduce primary energy consumption and use energy from renewable sources consistent with the investment's economic sustainability using innovative technologies 	Climate change mitigation	 
<p>Consumption of water Sustainable management of water includes reducing water consumption to a minimum, recycling and reusing water resources needed for other purposes.</p>	The sustainable use and protection of water and marine resources.	
<p>Localized land usage</p> <ul style="list-style-type: none"> when developing its business, the Company strives to use and restructure existing buildings rather than build new structures. By increasing green zones in the areas developed and using different types of native plants, the company contributes to the protection of biodiversity, while at the same time, reducing the need for maintenance. 	The protection and renewal of biodiversity and ecosystems.	
<p>Sustainable mobility/accessibility IGD is committed to improving accessibility to its properties by supporting the use of public, alternative or electric transportation in order to increase the wellbeing of shoppers and reduce pollution.</p>	Prevention and reduction of pollution.	  
<p>Waste IGD strives to decrease waste production and increase recycling in order to limit the use of landfills.</p>	Prevention and reduction of pollution	

<p>Green buildings IGD works to ensure that its properties comply with ISO14001 and, where applicable, Breeam in use certification guidelines. When acquiring new buildings or undertaking new real estate or systems related projects, IGD includes the evaluation of environmental aspects in the decision-making process.</p>	<p>Climate change mitigation Climate change adaptation</p>	  
<p>Sustainable sourcing when maintaining its properties, IGD selects providers who use materials with EPD certifications (Environmental Product Declarations provide information about the environmental impact of the product in question) or subject to LCC analysis (Life-cycle costing considers all the costs that will be incurred during the lifetime of the product, work or service – from realization to sale) in order to find a way to reduce the CO2 emissions associated with production and waste disposal.</p>	<p>Transition toward a circular economy.</p>	
<p>Promote a green culture Our company is aware that the development of a green culture shared with all its stakeholders, as well as providing the parties involved with adequate information and training, is key to being able to achieve its targets.</p>		
<p>Raising awareness about respecting the environment Although outside its direct sphere of influence, for IGD involving tenants, co-owners and shoppers in environmental issues is very important to being able to successfully achieve its environmental targets.</p>		
<p>Up-stream and down-stream supply chains The Company is committed to promoting pro-environmental behaviors (i.e. pollution prevention) with its suppliers and companies who work on behalf of the organization (up-stream and down-stream supply chains), consistent with its practices and the environmental procedures.</p>		

Reporting procedures

Each year IGD publishes a Sustainability Report in which it provides all of its stakeholders with the results relating to the environmental impact of its assets, based on the appropriate performance indicators called for in the international EPRA² and GRI standards³.

IGD uses the GHG⁴ protocols (scope 1, scope 2 and scope 3) to report on direct and indirect energy consumption, as well as on greenhouse gas emissions:

- direct consumption is the energy acquired and consumed directly as a result of activities owned and controlled by the company (combustible) (Scope 1 emissions).
- indirect consumption is the energy produced and acquired from a third party which is used for electricity, lighting, heating and cooling (Scope 2 emissions).
- indirect consumption includes the energy consumed along the company's value chain, both upstream and downstream (Scope 3 emissions). Scope 3 emissions are calculated and reported on using estimated and recorded data.

// WHERE YOU CAN FIND OUR GREEN GUIDELINES

IGD's environmental policy

The reference document for IGD's environmental policy is the MSGA.03, an integral part of the documents submitted during the ISO14001 certification process.

Sourcing guidelines

The guidelines for environmentally friendly sourcing of goods and services are found in "R.06.01 Sourcing Guidelines", an integral part of the documents submitted during the ISO14001 Certification process which also refers to the corporate procedure 03_Sourcing and Management of Suppliers.

Tenant guidelines

The recommendations for the best environmental practices to be carried out when leasing space are found in the Tenant Handbook provided to the retailer as an annex to the lease agreement.

Property management guidelines

A description of the construction code and the best environmental practices to be used when managing the common areas of the Shopping Center are included in the Building User Guide

² European Public Real Estate Association

³ Global Reporting Initiative

⁴ Green House Gas

given to tenants as part of the "Breeam in USE" certification process.

Guidelines for green investments

The investment guidelines, in accordance with the most advanced international environmental protocols and compliant the EU Taxonomy, were prepared and applied on a trial basis in the fourth quarter of 2022 and should become effective in 2023.