



3

**Sustainable
development**

3

Sustainable development

3.1	ACT FOR GOOD®	70	3.4	ACT FOR PEOPLE	99
3.1.1	Governing responsibly	73	3.4.1	Increase visitors' satisfaction	100
3.1.2	Managing key trends, risks, and opportunities	74	3.4.2	Promote health, safety and well-being	101
3.2	ACT FOR THE PLANET	79	3.4.3	Offer Group employees a positive experience	104
3.2.1	Act for a low-carbon future	80	3.4.4	Champion ethics in the local communities	108
3.2.2	Contribute to a circular economy and resource conservation	87	3.4.5	Be socially conscious	110
3.2.3	Develop a fully certified portfolio	89	3.5	SUMMARY OF PERFORMANCE AGAINST LONG-TERM COMMITMENTS, METHODOLOGY AND CONCORDANCE TABLES	111
3.2.4	Innovate towards sustainable mobility	91	3.5.1	Summary performance against 2022 Act for Good® commitments	111
3.3	ACT FOR TERRITORIES	93	3.5.2	Management system and tools	112
3.3.1	Promote local employment in the communities	94	3.5.3	Industry initiatives and charters supported by Klépierre	114
3.3.2	Participate in the local economy	95	3.5.4	Methodological note	114
3.3.3	Pursue corporate citizenship	96	3.5.5	Materiality analysis	118
3.3.4	Involve local actors in development projects	97	3.5.6	Reporting on EU taxonomy	118
			3.5.7	Cross-reference tables (GRI,TCFD,SASB)	119
			3.5.8	Independent third party's report on consolidated non-financial statement	123

3.1 ACT FOR GOOD®

ACT FOR GOOD®
WITH
KLÉPIERRE

Klépierre recognizes that its environmental and societal impacts are constantly evolving and that its relationship with the resources it relies on is fundamental to delivering sustainable financial returns, as well as ensuring a positive impact on its stakeholders and the planet. Act for Good® encompasses Klépierre's ambitious corporate social responsibility program, guiding its approach to delivering value for the national and international brands occupying its properties, the millions of consumers visiting its shopping centers, its shareholders and lenders, employees, and local communities. Through robust commitments and leading initiatives, Klépierre acts for good across the following three focus areas:

**ACT FOR THE PLANET**

Ensure that Klépierre has a positive impact on the environment

**ACT FOR TERRITORIES**

Contribute to our centers' territorial integration and to the development of local communities with which we are involved

**ACT FOR PEOPLE**

Put people at the heart of actions to create value for all

**2021
performance
highlights**



ACT FOR THE PLANET



Reduction in energy intensity vs 2013
(reported scope)



Reduction in greenhouse gas emissions vs 2020
(like-for-like, market-based, scope 1 & 2)



Shopping centers with a sustainable certification
(reported scope)



ACT FOR TERRITORIES



of centers are working exclusively with local service providers for daily operation
(reported scope)



Centers contributing to local employment
(reported scope)



Centers making space available for a local initiative
(reported scope)



ACT FOR PEOPLE



of employees concerned by work-life measures beyond legal requirement
(reported scope)



Increase in the Net promoter score vs 2017
(reported scope)



Staff access to training
(reported scope)

Participation in external initiatives and benchmarks

In order to track and assess its performance against peers and wider sustainability leaders, and report transparently to its stakeholders, Klépierre takes part in the following:

 G R E S B ®	<p>GRESB is the world's leading environmental, social and governance benchmark for real estate and infrastructure. Klépierre is recognised as a Global Retail Sector Leader in shopping malls and was ranked first in the "Global Retail Listed", "Retail Listed" and "Europe Listed" categories. In 2021, the Group maintained its five-star rating and achieved a score of 97.</p>	<p>97 out of 100</p>
 CDP <small>DISCLOSURE INSIGHT ACTION</small>	<p>CDP is a global system that scores companies from A to D on their environmental impact and supports them to track and benchmark their progress against industry peers. Of the more than 13,000 companies who disclosed their data in 2021, Klépierre was one of only 12 real estate companies among the 200 businesses included in CDP's prestigious climate "A list".</p>	<p>A</p>
MSCI 	<p>MSCI measures company's resilience to long-term material environmental, social and governance risks. The ESG ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). In 2021, Klépierre's rating was upgraded from AA to the highest score possible: AAA.</p>	<p>AAA</p>
	<p>Klépierre received a "Gold" award from EPRA, which promotes, develops, and represents the European public real estate sector. EPRA actively participates in the debate on sustainability practices through different initiatives, including the development of Sustainability BPR (Best Practices Recommendations) and guidance for European listed real estate companies.</p>	<p>Gold</p>

To promote consistent and transparent reporting and ensure it is aligned with the latest climate science, Klépierre has embedded the following external initiatives into its targets and processes:

 SCIENCE BASED TARGETS <small>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</small>	<p>Klépierre's low-carbon strategy has been approved at the highest possible level by the Science Based Targets initiative (SBTi), well below 1.5°C, positioning Klépierre as the leading European real estate company in the fight against climate change.</p>
TCFD <small>TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</small>	<p>The Task Force on Climate-related Financial Disclosures (TCFD) is a framework developed to support companies' disclosure of their climate-related risks and opportunities. Klépierre has been responding to the TCFD framework since 2020.</p>
	<p>Since 2020, Klépierre has published its sustainability data in line with the Real Estate Sustainability Accounting Standards defined by SASB (Sustainability Accounting Standards Board).</p>

3.1.1 Governing responsibly

Klépierre's sustainability strategy is embedded in the Group's management and governance structure, all areas of the business and all countries in which it operates, as well as the various external initiatives in which it participates. The strategy is supported by dedicated tools to track sustainability performance and managed through the governance structure set out below:



Key Act for Good® commitments are incorporated within the performance share allocation criteria for the Group's principal managers. Country managers, company heads, country technical directors and officers at regional and shopping center levels are responsible for implementing the Group's sustainability goals and policies, in line with local context, across the dozen markets. Each country determines its annual action plan, in terms of investment and management, for all technical and sustainable development issues shaping its performance level.

These annual action plans include setting tailored targets for individual assets in collaboration with the Corporate Engineering & Sustainability Department. They are supported by best practices guides which help define the appropriate actions a country can take, based on initiatives already implemented across the Group under each Act for Good® pillar.

The action plans are then discussed at an annual meeting that brings together the entire European network, before being presented to the Group's Chief Operating Officer.

This sustainability governance framework is supported by a network of 30 delegates who cover all Klépierre subsidiaries, carry out local actions and report on best practices. The delegates engage with the head office teams including the Engineering & Sustainability Department via regular monthly meetings which increases information sharing within the business and builds robust cross-functional teams.

Klépierre also embeds the Act for Good® strategy in all company communications, so all employees can ensure this is present in the day-to-day running of the business.

CO-CONSTRUCTION WITH STAKEHOLDERS

Klépierre developed the Act for Good® strategy following a comprehensive, multi-stakeholder materiality review in 2017.

A panel including retailers, investors, human resources and CSR experts, scientists, non-governmental organizations, and public authorities assessed various issues based on their materiality to Klépierre and ranked the top ten in terms of risks and opportunities. The panel then helped to develop a strategy that would: meet the expectations of Klépierre's stakeholders; see a positive correlation between sustainability and performance; focus on key impact areas; reflect the Group's operating content and feel meaningful for employees.

Four key themes emerged, which underpin the Act for Good® strategy:



The risks identified in the 2017 materiality assessment are reviewed annually for accuracy by the CSR Committee, drawing on internal and external research.

For more information on Klépierre's stakeholders, see the business model in chapter 1 of Klépierre's 2021 Universal Registration Document. The materiality matrix in section 3.5.5 presents the initial CSR risks and opportunities analysis.

3.1.2 Managing key trends, risks, and opportunities

3.1.2.1 Understanding the environment in which Klépierre operates

Klépierre's business model is affected by several macro-trends, as laid out here. To continue creating value for its stakeholders, it is essential that Klépierre responds to these trends and effectively manages the resulting risks and opportunities to build the retail of the future.



The past year marked a period of accelerated commitments and action surrounding climate change, spanning industries and countries with climate resilience and the transition to net zero taking center stage in the lead up to the 26th United Nations Climate Change conference (COP26). With building operations responsible for 28% of annual global greenhouse gas emissions^(a), and rising supply chain disruptions due to resource scarcity, Klépierre has a responsibility to mitigate its negative impact on the environment and embed resilience throughout its value chain and operations.



At the same time, increased consumer awareness on environmental issues and pressure from stakeholders in the form of rising standards and legislation, industry initiatives and investor requirements are pushing the private sector towards a more responsible approach to environmental, social and governance issues.



As the Covid-19 recovery lingers and we continue to shape a new normal, Klépierre must manage a heightened focus on health and well-being and increased socio-economic equality. The pandemic revealed the value of shopping centers as community hubs and their importance for providing essential goods and services to local communities. As urbanisation continues, shopping centers like Klépierre's have a unique opportunity to be at the heart of community cohesion, support the shift to a more equal society through employment opportunities and local procurement, and embed health and well-being and place-making into assets' design and services.



The pandemic also accelerated trends such as the shift to new modes of consumption including e-commerce and click and collect services. These are largely enabled by technological innovation which plays an increasing role in providing people with planet-friendly solutions such as touchless experiences and consumer apps.



Lastly, companies are operating in a competitive market when it comes to attracting and retaining talent, and will need to adapt and evolve on key issues such as diversity and inclusion and well-being to meet the changing needs of today's workforce.

(a) <https://www.worldgbc.org/embodied-carbon>.

3.1.2.2 Building resilience by managing key risks and opportunities

Social, environmental and governance risks affecting Klépierre's business model and core activities, in line with the trends identified above, are reviewed on an annual basis as part of the Group's overall risk assessment (described in detail in chapter 5).

In 2021, 11 material risks were identified at Group level: five relate to environmental, social and governance issues including health, safety and security, compliance, climate change, stakeholders, and human resources.

The following graphic outlines Klépierre's key non-financial risks, their importance to stakeholders and the gross risk they present to Klépierre before considering the mitigation measures the Group has put in place. It also details Klépierre's management approach and the key performance indicators used to track its progress.



CLIMATE CHANGE (see section 3.2.1)



Associated risks	Risk level	Change in risk level	Stakeholders	Management approach	Key performance indicators
Closure or deterioration of centers due to weather events	MODERATE	=	<ul style="list-style-type: none"> › Visitors › Tenants › Providers › Shareholders › Investors 	<ul style="list-style-type: none"> • Analysis of the portfolio's exposure to physical risks (asset by asset) • Structure audits every five years with associated Capex plan (monthly review) • Support to tenants • Approval of the climate strategy by the Science-Based Targets initiative (SBTi) 	Reduction in the carbon intensity of assets
					Number of assets with a net-zero balance sheet
Regulatory tightening in building energy efficiency requirements	MODERATE	↑	<ul style="list-style-type: none"> › Tenants › Public authorities 	<ul style="list-style-type: none"> • BREEAM In-Use certification of the entire portfolio • Participation in specialized industry bodies • Support to tenants through engagement and shared best practices • Piloting monthly internal digital tool for steering and monitoring deployed for all assets • Increased use of renewable energy • Analysis of the portfolio's exposure to transition risks (asset by asset) • Energy saving approach 	Percentage of assets certified BREEAM In-Use
					Proportion of electricity consumption from renewable sources
					Reduction in energy consumption in common areas
Increase/tension on the price of energy	MODERATE	↑	<ul style="list-style-type: none"> › Providers › Suppliers › Public authorities 	<ul style="list-style-type: none"> • Energy saving measures to limit the impact • Contractualization or renegotiation of contracts with energy providers 	Cost of energy consumption

NATURAL RESOURCES AND CIRCULAR ECONOMY (see section 3.2.2)



Inadequate performance on waste management in operations	MODERATE	=	<ul style="list-style-type: none"> › Tenants › Visitors › Providers 	<ul style="list-style-type: none"> • Piloting monthly internal digital tool for monitoring system deployed for all assets • Renegotiation of contracts with waste service providers to include performance targets (sorting, recovery, etc.) • Customer support and training • BREEAM In-Use certification of the entire portfolio • Pilot projects for certifications and innovative projects linked to the circular economy (Too Good To Go partnership, etc.) 	Percentage of assets certified BREEAM In-Use
					Percentage of recovered waste
					Percentage of assets that have engaged their customers (brands) in a circular economy approach
Tension over materials needed for development projects	MODERATE	=	<ul style="list-style-type: none"> › Providers › Suppliers › Public authorities 	<ul style="list-style-type: none"> • BREEAM New Construction certification (Excellent level minimum) • Use of environmentally friendly materials in construction projects • Pilot projects for certifications and innovative projects linked to the circular economy (Cradle to Cradle certification, Cycle Up partnership, etc.) 	Proportion of development projects certified by BREEAM New Construction, minimum level Excellent

KEY: ↓ Decreasing = Stable ↑ Increasing



TERRITORIAL ANCHORING, LOCAL IMPACT (see sections 3.3.1 & 3.3.3)



Associated risks	Risk level	Change in risk level	Stakeholders	Management approach	Key performance indicators
Inadequate contribution to local social and economic development	MODERATE	=	<ul style="list-style-type: none"> Public authorities Local communities Visitors Tenants 	<ul style="list-style-type: none"> Use of local service providers for the day-to-day operation of centers Local partnerships and events to promote local employment Opening of spaces within centers to members of the local community Solidarity-based operations in response to the needs of the territories Support and strengthening of tenants' responsible initiatives in centers Local consultation for each new development project 	Proportion of centers using local service providers for their day-to-day operation
					Proportion of centers having promoted local employment
					Proportion of centers having offered space to members of the local community
					Proportion of centers having organized a solidarity collection
					Proportion of centers having supported a citizen's initiative organized by a retailer in the center
					Proportion of development projects having organized local consultations upstream
Risk of local protest and local unacceptability of activities	LOW	=	<ul style="list-style-type: none"> Public authorities Local communities Visitors Tenants 	<ul style="list-style-type: none"> Use of local service providers for the day-to-day operation of centers Local partnerships and events to promote local employment Solidarity-based operations in response to the needs of the territories Local consultation for each new development project 	Proportion of centers using local service providers for their day-to-day operation
					Proportion of centers having promoted local employment
					Proportion of centers having organized a solidarity collection
					Proportion of development projects having organized local consultations upstream

KEY: ↓ Decreasing = Stable ↑ Increasing



HUMAN CAPITAL (see section 3.4.3)



Associated risks	Risk level	Change in risk level	Stakeholders	Management approach	Key performance indicators
Lack of staff engagement	MODERATE	↑	› Employees	<ul style="list-style-type: none"> • Priority given to internal mobility • Promotion of co-building of company's future • Flexible working negotiation 	Happiness Index (staff component) Share of staff participating to co-building of company's future Staff access to training
Difficulty in attracting and retaining staff	HIGH	↑	› Employees	<ul style="list-style-type: none"> • Development of training policy • Individual development interviews campaign 	Share of recent graduates who have been given the opportunity to receive personalized career guidance Staff turnover
Lack of diversity and gender equality	MODERATE	=	› Employees	<ul style="list-style-type: none"> • Objectives for the proportion of women on management bodies • Comprehensive gender diversity policy (training, personalized coaching, mentoring, etc.) 	Share of women among managers
Mental ill-health	LOW	=	› Employees	<ul style="list-style-type: none"> • Free psychological support platform 	Absenteeism rate

HEALTH SAFETY AND SECURITY (see section 3.4.2)



Assault (terrorist attack, armed robbery, etc.)	LOW	=	› Visitors › Tenants › Providers	<ul style="list-style-type: none"> • On-site internal and external audits • Anti ram car barriers • Alarm and/or 24/7 security agents • Video protection systems • Training • Quarterly follow-up of incidents (country and regional levels) before consolidation by internal audit to prepare a remediation plan 	Security level 4 incident alert messages
Fire	LOW	=	› Visitors › Tenants › Providers	<ul style="list-style-type: none"> • On-site internal and external audits • Operational standards on all EHS risks, monitoring in the Komply IT tool • Training • Quarterly follow-up of incidents (country and regional levels) before consolidation by internal audit to prepare a remediation plan 	Fire safety level 3 and 4 incident alert messages
Non-compliance with regulations	LOW	=	› Employees › Tenants › Providers	<ul style="list-style-type: none"> • On-site internal and external audits • Structure audits every five years • Operational standards on all EHS risks, monitoring in the Komply IT tool • Training • Legionella tests 	Major incidents caused by building defaults

KEY: ↓ Decreasing = Stable ↑ Increasing

HEALTH SAFETY AND SECURITY (see section 3.4.2)



Pandemic	MODERATE	↑	<ul style="list-style-type: none"> › Employees › Tenants › Service providers › Public authorities › Shareholders › Investors 	<ul style="list-style-type: none"> • Development and deployment of specific COVID-19 policies • Operational standards on all EHS risks, monitoring in the Komply IT tool • Training 	Percentage of shopping centers audited and certified by Bureau Veritas in the context of the health crisis
Building collapse	LOW	==	<ul style="list-style-type: none"> › Visitors › Tenants › Providers 	<ul style="list-style-type: none"> • On-site internal and external audits • Structure audits every five years • Operational standards on all EHS risks, monitoring in the Komply IT tool • Training • Quarterly follow-up of incidents (country and regional levels) before consolidation by internal audit to prepare a remediation plan 	Major incidents caused by building defaults

BUSINESS ETHICS (see section 3.4.4)



Bribery and non-compliance with regulations on advocacy	LOW	==	<ul style="list-style-type: none"> › Employees › Public authorities › Tenants › Suppliers › Providers 	<ul style="list-style-type: none"> • Code of business ethics • Anti-corruption Code of Conduct • E-learning • Disciplinary sanctions provided within internal regulations • Multi-channel alert device (internal and external, phone and web) 	Percentage of employees aware/trained in the fight against corruption
Money laundering	LOW	==	› Tenants	<ul style="list-style-type: none"> • Code of business ethics • Anti-corruption Code of Conduct • Internal accounting controls • E-learning • Disciplinary sanctions provided within internal regulations • Multi-channel alert device (internal and external, phone and web) 	Percentage of employees aware/trained in the fight against corruption
Fraud and conflicts of interest	LOW	==	› Employees	<ul style="list-style-type: none"> • Code of business ethics • Anti-corruption Code of Conduct • E-learning • Disciplinary sanctions provided within internal regulations • Multi-channel alert device (internal and external, phone and web) 	Percentage of employees aware/trained in the fight against corruption Number of "key" employees trained in the fight against fraud
Economic dependence of service providers	LOW	==	<ul style="list-style-type: none"> › Suppliers › Providers 	<ul style="list-style-type: none"> • Code of business ethics • Anti-corruption Code of Conduct • Third-party evaluation procedures • Internal accounting controls • E-learning • Annual internal audit of the sourcing and monitoring of suppliers and service providers • Responsible Purchasing Charter • Multi-channel alert device (internal and external, phone and web) 	Percentage of employees aware/trained in the fight against corruption Share of service providers selected on the basis of CSR criteria Share of external stakeholders aware of business ethics
Business partners with poor CSR practices	LOW	==	<ul style="list-style-type: none"> › Suppliers › Providers 	<ul style="list-style-type: none"> • Code of business ethics • Anti-corruption Code of Conduct • Third-party evaluation procedures • E-learning • Annual internal audit of the sourcing and monitoring of suppliers and service providers • Prior checks of on-site workers • Responsible Purchasing Charter • Multi-channel alert device (internal and external, phone and web) 	Percentage of employees aware/trained in the fight against corruption Share of service providers selected on the basis of CSR criteria Share of external stakeholders aware of business ethics

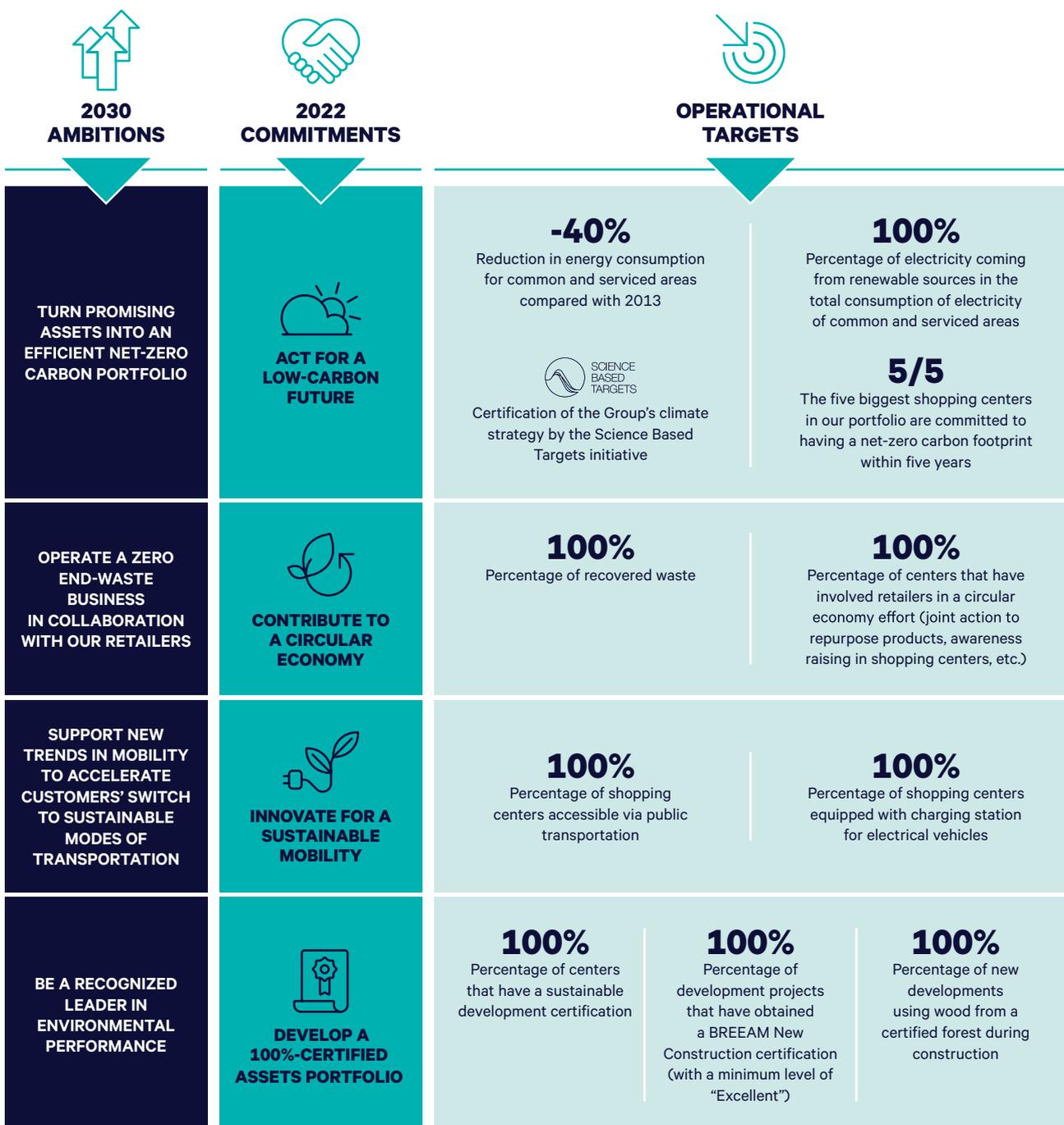
KEY: ↓ Decreasing == Stable ↑ Increasing

3.2 ACT FOR THE PLANET

Act for the Planet addresses the major environmental challenges and opportunities that Klépierre faces.

In 2021, Klépierre continued to make improvements in the environmental performance of its assets and progress against its 2022 targets, which remain in place despite challenging and evolving external factors. Efficiency processes put in place before the pandemic hit in early 2020, meant that although Klépierre's advancement was slowed, the Group progressed in terms of its commitments, largely thanks to the agility of teams dealing with Covid-19 at shopping center level.

The Group remains on track to accomplish its long-term targets. It has achieved BREEAM In-Use certification for its entire portfolio and fostered a culture of constructive engagement among key stakeholders, supported by robust internal reporting mechanisms to identify inefficiencies and put in place improvement plans. This approach is manifested in the successful "BOOST" interventions which have contributed to successive reductions in the Group's energy consumption and have been extended to support the Group's target of eliminating waste to landfill.



3.2.1 Act for a low-carbon future

The climate crisis is one of the most defining issues of our time, with concern on climate change at an all-time high amongst stakeholders in the form of growing legislation and standards, investor requirements and citizen activism.

As an industry leader and responsible business, Klépierre has a target to achieve a net-zero carbon footprint for its entire portfolio across Europe by 2030. Its low-carbon strategy and commitment to limiting global warming to well below 1.5°C was approved by the Science Based Targets initiative (SBTi) and it was once again included in the CDP’s “A list” for its dedication to responding to the impacts of climate change.

Target Description 	2018	2019	2020	2021	2022 COMMITMENT
Reduction in energy consumption for common and serviced areas compared with 2013	-17%	-29%	-43%	-45%	-40%
Percentage of electricity coming from renewable sources in the total consumption of electricity of common and serviced areas	73%	93%	93%	95%	100%
The five biggest shopping centers in our portfolio are committed to having a net-zero carbon footprint within five years	Ongoing	Ongoing	1/5	4/5	5/5 CENTERS NET-ZERO CARBON
Certification of the Group’s climate strategy by the Science Based Targets initiative	Ongoing	Ongoing	Certified	Certified	Certified

3.2.1.1 Transitioning the portfolio to net-zero carbon by 2030⁽¹⁾

Klépierre’s low-carbon strategy involves four key activities:



Reducing energy consumption

Klépierre tracks the energy efficiency performance of its portfolio and individual assets through monthly reporting and follow-ups using the Deepki reporting tool. The approach is adapted to each center’s specificities to ensure a dedicated and efficient energy-saving program led by on-site managers.



Renewable energy supply

To reduce the carbon footprint of its energy consumption and reduce its dependence on fossil fuels, Klépierre is committed to using 100% of electricity produced from renewable sources in 2022. Current contracts are being re-negotiated, or new contracts are being signed with green energy suppliers.



On-site renewable energy production

Klépierre believes that sustainable solutions are even more meaningful when local. The Group is therefore developing its own on-site renewable energy production to provide direct access to renewable energy for shopping malls. In Europe, eight centers are already partially supplied by their own renewable energy production.



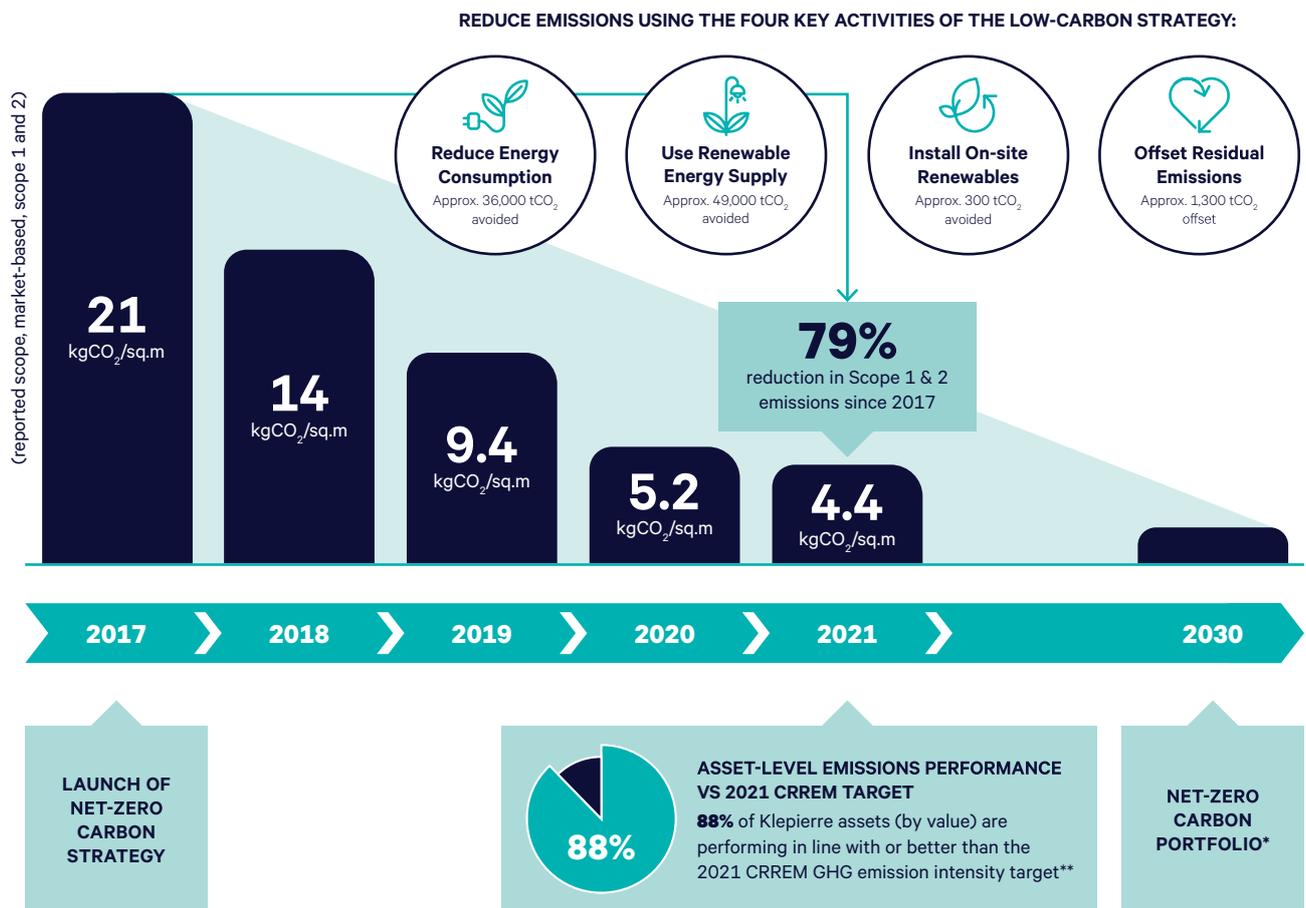
Carbon offsetting

Klépierre sees carbon offsetting as a finishing touch, once it has drastically reduced its carbon emissions through operational actions. Carbon offsets generate financing for projects that support carbon-positive actions including GHG emissions and strengthening natural carbon sinks. The Group is currently investigating the most suitable projects.

(1) Unless otherwise specified, all 2021 GHG emissions figures contained in this section apply to the following scope: 116/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only shopping centers. The corresponding coverage rate amounts to 99.9% of the total shopping center portfolio value.

To date, Klépierre has made significant progress towards its transition to net-zero carbon footprint, reducing carbon emissions intensity by 84% (Scopes 1 & 2, market-based, reported scope) compared to 2013. The net zero pathway below reflects this performance, along with the Group's roadmap to 2030.

NET-ZERO CARBON PORTFOLIO BY 2030 PATHWAY



* Residual emissions expected in 2030 will require offsetting.

** The 2021 performance of each asset in the Klépierre portfolio has been assessed against the national CRREM (Carbon Risk Real Estate Monitor) targets for shopping centers in 2021, under the most ambitious scenario of GHG 1.5°C. GHG emission intensity (in kgCO₂eq/sq.m) was calculated based on real data where available. Estimates were applied for tenants' energy consumption where real data was not available at asset level.

KLÉPIERRE'S NET-ZERO CARBON STRATEGY IN ACTION

By the end of 2021, 18 of Klépierre's shopping centers were net-zero carbon including four out of five of the biggest shopping centers. The five biggest centers chosen to be net-zero carbon by 2022 for Klépierre's commitment reflect a diverse range of climatic conditions, energy mixes and ages, providing an ideal testing ground and foundation to expand the Group's net-zero carbon program to cover all assets in its portfolio by 2030.

The four biggest centers that are net-zero carbon, located in Denmark, Sweden and France, have achieved significant energy reductions since 2013, purchase renewable energy and offset any residual emissions. They have achieved reductions in their energy intensity since 2013 (kWh/sq.m) of between 26% and 52%, and have purchased 100% renewable electricity since 2017, and in addition, 100% of natural gas in France since 2019.

One of these four assets has produced 37,000 kWh of renewable energy on-site. Lastly, a total of 435 tons of residual emissions (for the four assets) have been offset to achieve net-zero carbon footprints.

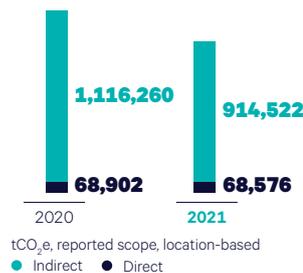
3.2.1.1.1 Managing direct GHG emissions performance: Scope 1 & 2

As part of its low-carbon strategy, approved by the SBTi, Klépierre aims to reduce its direct Scope 1 and 2 GHG emissions from centers by 80% per sq.m. between 2017 and 2030. In 2021, the Group reduced its Scope 1 & 2 emissions intensity (reported, market-based) from building energy consumption by 17% compared to 2020, achieving 4.4 kgCO₂/sq.m. The following graph reflects an overall Scope 1 and 2 emissions intensity reduction of 87% since 2013 (reported scope, market-based).

Klépierre tracks its direct greenhouse gas (GHG) emissions in accordance with Scopes 1 & 2 of the GHG Protocol, using both location- and market-based methods. The market-based calculation method enables energy bought through renewable energy tariffs to be counted as lower emissions, by applying the emission factor directly from the supplier, in comparison to the national average. This illustrates the impact of efforts to switch to renewable tariffs in Belgium, France, Germany, Italy, Norway, Poland, Portugal, Spain, Sweden and The Netherlands.

3.2.1.1.2 Managing the broader carbon footprint: Scope 3

SCOPE 3 GHG EMISSIONS



The Group has set an SBTi-approved target to reduce its indirect Scope 3 emissions associated with its retailers' energy consumption by 41% per sq.m. between 2017 and 2030.

Klépierre's measurement of Scope 3 emissions is amongst the most comprehensive in the industry. The Corporate Value Chain Standard for Scope 3 emissions published by the GHG Protocol identifies 15 broad categories of Scope 3 emissions. Klépierre reports nine of these, divided

between those the Group has direct leverage over – investments, commuting, business trips, non-property fixed assets, goods/services purchased, waste – and those where it has indirect leverage. Scope 3 emissions with indirect leverage constitute the bulk of Klépierre's Scope 3 emissions consisting of 89%⁽¹⁾ for visitor travel and 11%⁽¹⁾ for downstream leasing (market-based, reported scope). Emissions from upstream leasing are not included in the Scope 3 calculations, but they represent a non-material share of Klépierre's global GHG emissions (assets for which Klépierre is a tenant).

Visitor travel constitutes the largest proportion of the Group's carbon footprint, totalling 819,931 tCO₂e in 2021 which is equal to 83% of the Group's Scope 3 emissions (market-based method, reported scope). GHG emissions are calculated using a survey on visitor travel habits (to and from shopping centers), extrapolated in line with the total number of visitors. The shift to more sustainable modes of mobility is a key priority for Klépierre: by 2022, it aims for 100% of its shopping centers to be accessible via public transport and equipped with electric vehicle charging stations (for more information see section 3.2.4).

Retailers' energy consumption is a second key focus. In 2021, this was 109,730 tCO₂e, equal to 11% of the Group's Scope 3 emissions (market-based, reported scope). Their emissions are calculated from available sources of information and extrapolated to cover retailers' overall footprints. Although this represents a notable proportion, Klépierre's influence over them is limited due to a lack of obligation on the part of tenants to share and reduce their consumption. However, this trend is changing. For example, pilot projects in various centers in France, Sweden and the Czech Republic, based on the Tertiary Decree⁽²⁾, support Klépierre to receive consumption data from retailers, which is used to benchmark their performance at the shopping center level and drive collective energy efficiency improvements.

The Group favours a collaborative approach with its strategic retailers to achieve reductions in energy use. At the local level, shopping center teams are encouraged to engage retailers on their consumption and increase awareness on the steps they can take to reduce it. For example, BOOST action plans (see page 86) and operational guides are shared that detail best practice activities for improving energy efficiency in their stores, along with other environmental impacts including water consumption and waste management. In addition, sustainability clauses are included in all signed standard lease contracts for the Group's retailers across Europe, including requirements to share waste and utility data, integrate sustainability considerations into store fit-outs and design, and a commitment to adhere to practices that are consistent with each center's environmental management system and building certification.

(1) Calculation based on total of indirect leverage of Scope 3.

(2) More details on page 114 under Charter for energy efficiency of tertiary buildings.

3.2.1.1.3 Developing resilient assets

Considering the findings of the Intergovernmental Panel on Climate Change's (IPCC) most recent report and the latest United Nations Environment Programme (UNEP) Emissions Gap Report, the world is on track for substantially higher warming than the 1.5°C needed to avoid the worst impacts of climate change. As a result, many climate risks are now inevitable and present devastating consequences for businesses and their assets.

Driven by the desire to develop and operate a resilient portfolio, Klépierre strives to manage the climate risks most material to its business such as growing legislation and the effects of extreme weather. Through its low-carbon strategy, the Group continues to reduce its energy consumption and increase green energy procurement and on-site renewable generation, thereby decreasing its reliance on fossil fuels. Klépierre also participates in industry working groups such as the French Council of Shopping Centers (CNCC) and the European Public Real Estate Association (EPRA) on reducing risks associated with energy market volatility and changes to the regulatory regime.

To build a greater understanding of its most material climate risks, in 2017 the Group commissioned an extensive study of the climate impacts that could affect its shopping centers over the next 70 to 100 years.

This included the impacts from higher-than-average temperatures, and changes in the intensity or frequency of heatwaves, cold spells, intense rainfall and/or snowfall and droughts. Whilst no assets were exposed to significant physical risks, the results informed the review of structural requirements for the Group's assets, including the introduction of a mandatory asset-level structure audit every five years which surpasses legal requirements, alongside additional components relating to climate change risks. To capture the evolving impacts of a rapidly changing climate, the Group plans to conduct a new study in 2022.

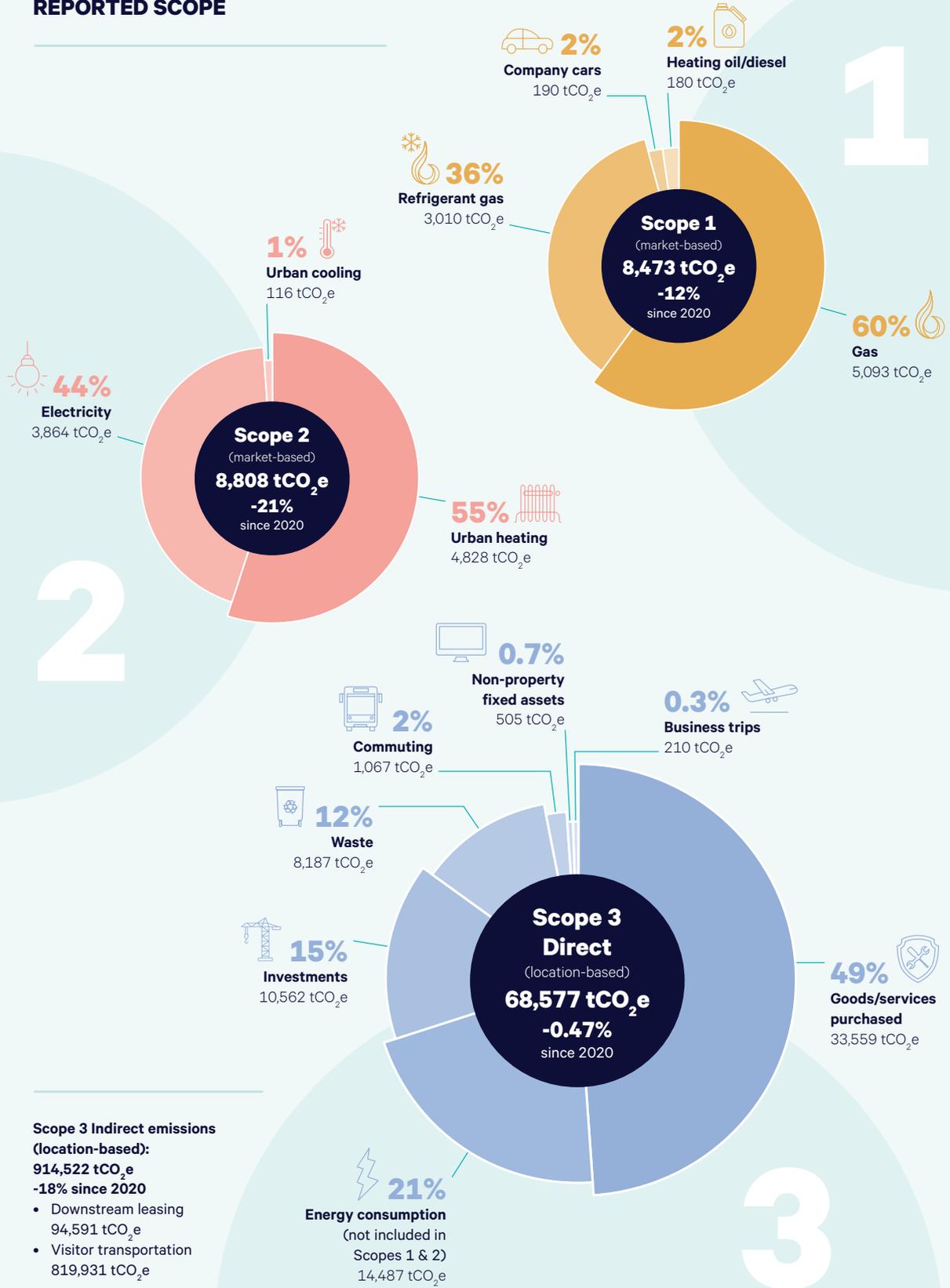
At the development stage, Klépierre is conducting scenario planning using modelling software to predict how energy management systems and building materials can be designed and optimized given different climatic conditions. For example, the Grand Place extension in Grenoble used the software to optimize energy efficient design and achieve BREEAM "Excellent" New Construction.

The Group is also protecting its assets from impacts associated with increased heating and cooling requirements and extreme weather, from development through to operation. The refurbishment of assets using features such as green walls and roofs that help reduce flood risks and decrease heat gain to the mall ensures the Group is protecting its assets and contributing to energy, carbon, and green building targets.

EMBEDDING CLIMATE RESILIENCE IN ASSET DESIGN

Klépierre's shopping centers often integrate glass skylights and facades. Glass with a lower U-factor and solar factor is more efficient as it reflects the sun, reducing heat transfer into the mall and decreasing the demand for air conditioning. In the Gran Reno development project, all skylights have a U-factor of 1 W/sq.m. and solar factor of 14.4%, helping to mitigate against extreme temperatures and support climate control within the center.

**BREAKDOWN IN GHG EMISSIONS,
REPORTED SCOPE**



3.2.1.2 Energy⁽¹⁾

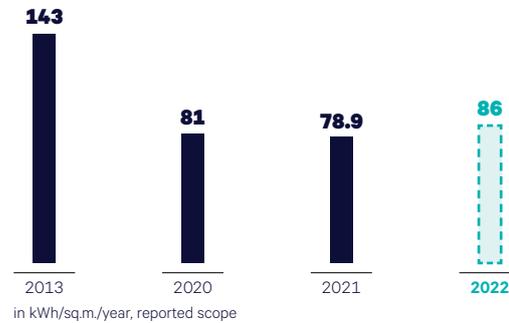
Klépierre's strong energy performance in 2021 was achieved in the context of challenging external factors. Extreme weather events including snowstorms and lower-than-average negative temperatures across southern Europe led to increased heating requirements and therefore energy demand at the assets affected.

At the same time, some countries have been managing a dramatic increase in energy costs which required a rapid response to ensure technical teams were implementing best practice tools and standards to limit the impact. Steps have already been taken to account for this risk moving forward, including enhanced support with energy monitoring and purchasing (see section 3.1.2).

Local teams continued to be affected by the ongoing impacts of Covid-19 including lockdowns and rapidly changing restrictions which differed greatly on a country and even regional basis. Although this required an increased focus on health and safety, the agility of shopping center teams and strength of the processes and standards already in place, meant the Group maintained its industry-leading approach for energy performance management and realised strong progress against its targets.

3.2.1.2.1 Energy efficiency

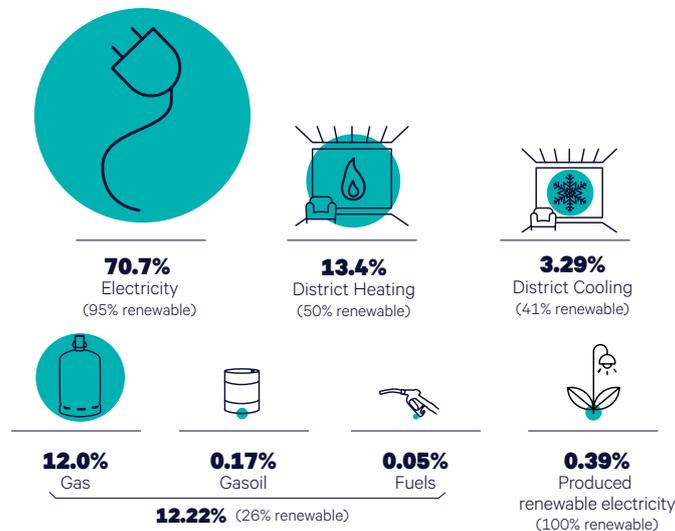
ENERGY INTENSITY FOR COMMON AND SERVICED AREAS



Reducing energy consumption and improving energy efficiency is the primary activity in Klépierre's carbon strategy and the Group has set a long-term target to reduce energy consumption (kWh per sq.m.) in its shopping centers' common and serviced areas by 40% by 2022, compared to the 2013 baseline.

Klépierre surpassed its target two years ahead of schedule, reducing the average shopping center consumption from 81 kWh/sq.m. to 78.9 kWh/sq.m. over the past year.

ENERGY MIX IN COMMON AND SERVICES AREAS (reported scope)



Klépierre's energy reduction strategy combines monitoring, in-depth analysis of individual shopping centers' energy performance, the sharing of best practices and investments in energy efficiency equipment.

(1) Unless otherwise specified, all 2021 energy consumption figures contained in this section apply to the following scope: 116/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only shopping centers. The corresponding coverage rate amounts to 99.9% of the total shopping center portfolio value.

Energy monitoring

All centers use the Deepki tool to monitor and report monthly energy, water, and waste consumption data in a standardized method. This enables the Group to analyze data at the shopping center, country, regional and portfolio levels, control climate factors and undertake a robust benchmarking assessment according to opening hours and

other variables. By establishing “clusters” of shopping centers that have similar variables such as retailer density, car park management, coverage of heating and cooling supply, surface area and construction and/or renovation dates, the Group has been able to identify the strongest and weakest performing assets in its portfolio and target energy management interventions accordingly.

REDUCING ELECTRICITY CONSUMPTION THROUGH NIGHT-TIME MONITORING

A key focus for 2021 was monitoring and reducing the electricity use of all shopping centers during the night, to ensure all are operating to the best practice standard.

As a first step, this entailed engaging shopping center management and technical teams to increase awareness on where and how they could monitor their electricity use. Second, local teams analyzed the consumption data to compare what the minimum electricity consumption should be *versus* what is currently being used. This required building an understanding of what needed to be running during the night such as CCTV in their individual shopping center, and then identifying what was driving the additional electricity consumption. Although the focus was on electricity, this ultimately led to consumption decreases across other energy types such as heating and cooling.

Klépierre conducted monthly follow-ups for each center with webinars for the management and technical teams to review results, benchmark performance and share best practices amongst the teams. As a result, Klépierre developed nightly best practice operating standards which all centers can implement and be benchmarked against.

At the end of 2021, Klépierre’s electricity consumption has decreased by 8% (reported scope), equivalent to 18,863 MWh, mainly thanks to this project. In addition, six centers were able to achieve a reduction in their electricity consumption of over 70%.

Energy management and engagement

Klépierre’s energy reduction strategy is supported by energy management software, which uses a range of meters to record the energy use of individual appliances within the centers and report it in real-time at shopping center, territory and Group level. At the end of 2021, these systems covered 76% of the Group’s portfolio.

Regular communication is key to a culture of energy management optimization. Quarterly Act for Good® meetings and monthly webinars provide an opportunity to take stock of environmental performance data, review performance against targets for each region and center and highlight best practices. This approach encourages further engagement within countries and between regions; ensures accountability among country managers, country function heads, shopping center managers

and shopping center technical managers for the performance of their assets; and fosters a spirit of positive competition among shopping center teams. Since the onset of the pandemic, these discussions have increased in frequency to better deal with issues that arise and maintain contact between shopping centers.

Individual shopping centers are encouraged to share successful energy reduction initiatives, ranging from managing the temperature and operation schedules of HVAC system equipment, to purchasing new devices such as sensors and variable speed drives to better control energy-consuming equipment. Cross-center experience sharing and innovation proposals provide staff with informative examples of projects and initiatives. Best practice examples are collated in reference guidelines.

EMBEDDING A CULTURE OF ENERGY MANAGEMENT OPTIMIZATION

The BOOST programme consists of two-day assessments by specialist and on-site staff to identify lower performing assets. Through consultation with shopping center teams, a concrete action plan is developed, supported by tailored performance targets which are reviewed during monthly follow-up calls to track progress.

BOOST action plans prioritize no- or low-cost interventions. For shopping centers that have already implemented all identifiable operational measures, investments are made to upgrade technical equipment such as heating, ventilation, and air conditioning (HVAC) components, retrofitting LED lighting and the roll-out of CO₂ sensors to reduce air flow and optimize the functioning of air-treatment plants.

The success of the programme is driven by multi-stakeholder collaboration and an ethos that investing time to train technical teams will empower them to find improvement opportunities and medium-term energy efficiency interventions within their current means. BOOST results can also enrich ongoing discussions with retailers, providing them with feedback on what could be optimized to make savings on a store-wide scale.

In 2021, Klépierre introduced a new dimension to the programme, addressing the energy efficiency of expansions and refurbishments from delivery. The BOOST process was applied to analyze the delivery of recent refurbishments and Klépierre worked with the construction and project management teams to identify performance improvements that could be made from the outset. As well as improving energy efficiency, the process increased collaboration and supported a smooth handover between the project management and operational teams, supported by a comprehensive handover checklist that minimizes any issues once the building is delivered. Moving forward, the in-house standards of testing and commissioning created because of the project will enable the Group to apply the learnings from this process to other development activities.

Investments

To make the right investments, Klépierre ensures that a shopping center is as close as possible to its optimum performance. In addition, the Group aims to implement energy efficiency measures above and beyond BREEAM requirements by focusing on local conditions, for example, by making sure to build insulation and ventilation that reduces energy demand from heating and air-conditioning. Annually, the Group aims to implement 10% of its total yearly CAPEX investments which are linked to improving the sustainability performance of its assets. However, in 2020 and 2021, investments have been limited to regulatory and safety required investments due to the pandemic.

Prioritising energy efficiency during expansions and renovations

The Group targets BREEAM “Excellent” as the minimum performance standard for expansions and renovations. This includes the evaluation of a range of energy-related management and operational impacts, from life-cycle assessments and construction practices, to energy monitoring, lighting, and technical equipment specification.

3.2.1.2.2 Renewable energy supply

Klépierre has set a target for all common and serviced parts of its shopping centers to be powered by 100% renewable electricity by 2022. At the end of 2021, 95% (reported scope) was generated by renewable sources. As the Group renegotiates electricity contracts, it is progressively switching over to green tariffs.

At present, 10 of the 12 countries where Klépierre operates are procuring 100% renewable electricity for their common and serviced areas.

Klépierre is also procuring green gas in its French centers. In total, 79% of the energy consumed in Klépierre’s centers in 2021 was from renewable sources compared to 78% in 2020 (like-for-like scope).

3.2.1.2.3 On-site renewable energy production

On-site renewable energy supports reductions in carbon emissions whilst improving the energy security of Klépierre’s individual shopping centers. To date, renewable energy systems have been installed at eight of its centers with a total generating capacity of 1,503 MWh, primarily comprising of solar photovoltaic panels. Feasibility studies are underway across the Group’s portfolio to identify further opportunities, including its development portfolio.

SOLAR ENERGY IN MADRID

This year, Klépierre developed a large-scale solar project, installing photovoltaic panels on approximately 12,910 sq.m. of roof top space. The panels span across three shopping centers in Madrid and have a total capacity of 2,443 kWp. This source of renewable energy will provide for a significant proportion of the shopping centers’ total electricity consumption, specifically 32% at Plenilunio, 33% at La Gavia and 11% at Principe Pio.

3.2.2 Contribute to a circular economy and resource conservation

The operation, refurbishment and expansion of shopping centers can consume a significant amount of natural resources and generate considerable volumes of waste.

This is why the Group is integrating new models of product use and recycling, embedding circular economy principles into its business model, and reimagining the management of operational waste and consumption of resources of its shopping centers, including retailers.

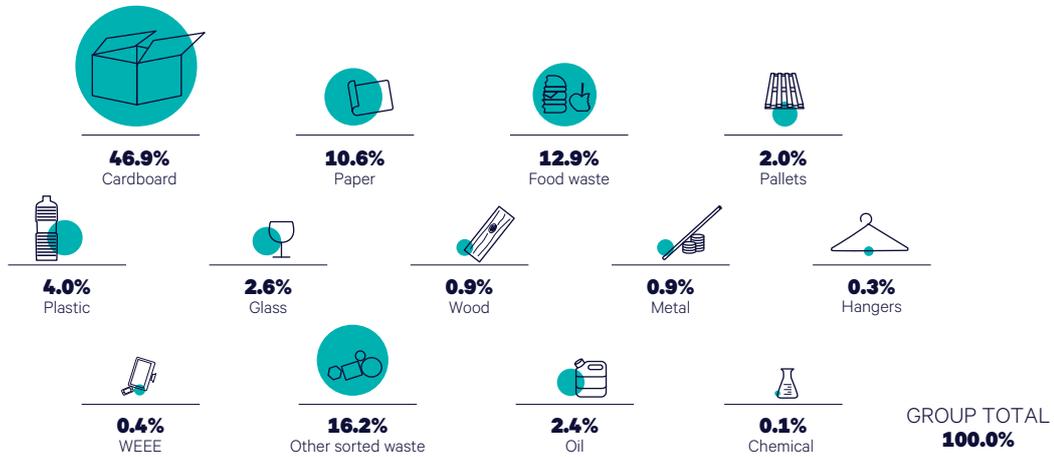
To support these principles, Klépierre applies the BREEAM certification standard, specifying products and materials that promote resource efficiency and low emissions. These products and materials are easy to maintain, reuse and recycle and must have an eco-label and/or lower environmental impact (such as PEFC™ or FSC®-certified timber). Throughout all stages of the building life cycle, preference is always given to suppliers with certified environmental management systems.

Target Description	2018	2019	2020	2021	2022 COMMITMENT
Percentage of recovered waste	90%	93%	96%	98%*	100%
Percentage of centers that have involved retailers in a circular economy effort	45%	71%	86%	94%	100%

* Percentage of recovered waste applies to the following scope: 87/116 owned and managed shopping centers + 5/6 managed-only shopping centers + 4/8 owned only. The corresponding coverage rate amounts to 84% of the total shopping center portfolio value.

3.2.2.1 Waste reduction⁽¹⁾

BREAKDOWN OF SORTED WASTE BY TYPE (by tonnage)



Klépierre has set a target to ensure that 100% of shopping centers' operational waste is recovered by 2022. 99.6% of the waste generated in the Group's shopping centers is categorized as non-hazardous and recyclable: cardboard, organic waste, paper, plastic, glass, wood, and metal.

The remaining 0.4% of hazardous waste mainly consists of used lightbulbs and fluorescent tubes, electronic waste, electrical appliances, and paint. These waste streams are separated on site and processed through special recovery channels.

Increasing on-site sorting of waste is key to reducing overall waste management costs. The majority of Klépierre's assets are fitted with multi-compartment waste bins to promote waste awareness towards visitors. Shopping center retailers receive training on how to segregate waste correctly and are provided with appropriate facilities.

By engaging with waste contractors to set key performance indicators, providing waste training and incentives for employees and retailers, 99 top performing centers across 11 of Klépierre's countries of operation have achieved waste recovery rates of 99% and above.

In 2021, the Oslo City shopping center introduced sensors on compactors to detect their level of fullness. A yellow light signifies the machine is 75% full, prompting the center to get in touch with the waste collection supplier. Not only does this initiative lower costs, but helps to reduce GHG emissions due to a reduction in waste transportation.

Klépierre uses the Deepki reporting platform to enter each shopping center's waste data for monthly analysis. This allows the Group to monitor waste flows using specific performance indicators and identify the types of waste being processed, enabling the Group to set suitable targets for each asset.

The Group's BOOST interventions also support waste management. The program brings together shopping center teams, suppliers, waste contractors and technical experts from Group or country level, to conduct a deep dive analysis of individual shopping center waste practices over a 24-hour period. The team then creates an action plan, including a range of low-cost measures such as introducing changes to

the layout and design of waste stations and storage facilities, improved guidance for retailers and the introduction of new waste streams for waste contractors.

3.2.2.2 Circular economy

Klépierre's objective is for 100% of its shopping centers to involve their retailers in a circular economy approach. BOOST interventions and actions plans are key to this. They offer the Group deeper insight into the challenges faced by retailers in meeting 100% diversion rates, such as the use of packaging or products which are not compatible with the center waste flows, that prevent the effective sorting of waste or cannot be recycled. To support this approach, meetings take place annually to communicate waste and sorting standards and share feedback with retailers' staff.

Other circular economy-driven initiatives include free takeaway boxes, introduced in Portugal food courts to limit food waste. In three months, 4,000 boxes were given away and approximately 235 kg of food saved. In Turkey, at the Akmerkez center, food waste was collected from center restaurants and turned into compost for its roof garden.

At Créteil Soleil in France, through a partnership with Cycle Up, the center aims to extend the useful life of materials and products that were deconstructed in the refurbishment process, including stairs, automatic doors, marble, and flowerpots.

Klépierre also encourages visitors to participate in the circular economy. For example, in Denmark and The Netherlands specifically, clothes collections were promoted in centers in exchange for benefits such as discounts to use in shops that engaged with the initiative.

3.2.2.3 Water use⁽²⁾

Klépierre's water consumption is not substantial when compared with other real estate assets and has therefore not been identified as having a material environmental impact. However, the Group recognizes the importance of monitoring this data and applies best practices as part of its wider efforts to reduce its consumption of natural resources.

(1) Unless otherwise specified, all 2021 waste figures contained in this section apply to the following scope: 115/116 owned and managed shopping centers + 6/6 managed-only shopping centers + 5/8 owned only. This corresponds to a coverage rate of 99.8%.

(2) Unless otherwise specified, all the 2021 water figures contained in this section apply to the following scope: 115/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only. The corresponding coverage amounted to 99.5% of shopping centers owned and managed or owned only. This corresponds to a coverage rate of 99.6%.

In 2021, 2,261,435 cu.m. of water (reported scope) was consumed across Klépierre's shopping centers, including retailers' water consumption. This reflects a 22% decrease compared to 2020. Klépierre uses the Deepki reporting platform for monthly analysis and benchmarking, in the same way as for energy benchmarking. Shopping centers are grouped according to similarities in the amount of greenery present, the characteristics of their cooling towers and the proportion of retailers and operators floor space dedicated to more water intensive services such as restaurants and hairdressers.

Water efficiency interventions are targeted at air-conditioning, toilets, and cleaning, as these are the largest water-consuming systems. The Group also tries to use drought-tolerant plant species in green areas and recover and reuse rainwater where feasible. The Group invests in more efficient equipment, such as cooling towers and low-flow sanitary fittings, as and when replacements are required. Currently, eight shopping centers capture rainwater for their internal use. For example, in Spain, at the Plenilunio center, Klépierre constructed a 5,000-liter rainwater collector, thus limiting water consumption from the main supply.

3.2.3 Develop a fully certified portfolio

Green building certifications are widely becoming the minimum standard for industry-leading businesses looking to differentiate their buildings from competitors and drive long-term asset value. As well as signalling higher environmental performance and quality, the demand for buildings which integrate best-in-class sustainability features is growing amongst stakeholders, particularly investors and tenants, with the latter potentially striving to meet their own environmental and social ambitions.

Certifications such as BREEAM and ISO 14001 set standards and drive continuous improvements on topics critical to achieving Klépierre's Act for Good® strategy including carbon, energy, waste, water, materials, air quality, transport and health and well-being. As well as the proven performance gains, the economic benefits of owning such assets are becoming increasingly clear in the form of lower operating costs, increased retailer attraction and retention that can materialize into higher rents, and enhanced asset values.

In the context of Covid-19, certified buildings can provide reassurance to stakeholders that the shopping centers are already focused on factors that prioritise the health and safety of visitors including indoor air quality and non-toxic materials.

Klépierre favors BREEAM New Construction for extensions and BREEAM In-Use for centers in operation and undergoing renovation, and ISO 14001 certification for operational centers' environmental management systems due to their complementary nature. BREEAM provides a consistent and comparable framework for assessing impacts and costs from a lifecycle perspective and enhancing the environmental quality of the building and its socio-economic contribution to the local area. Whilst ISO 14001 provides a framework to target, deliver and monitor environmental improvements at each center, and establish procedures for continuous improvement.

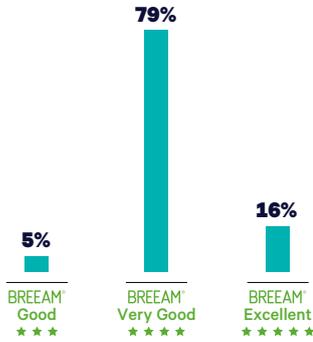
In addition, the Group operates a portfolio-wide environmental management system covering 100% of the assets it owns and manages. This means that all assets establish environmental targets, implement actions, and monitor their performance, with this process being supported and reviewed by dedicated specialists at national and Group levels.

Target Description	2018	2019	2020	2021	2022 COMMITMENT
 Percentage of centers that have a sustainable development certification (BREEAM In Use, ISO 14001, etc.)	74%	100%	100%	100%	100%
Percentage of development projects that have obtained BREEAM New Construction certification (with a minimum level of "Excellent")	100%	N/A	100%	N/A*	100%
Percentage of new developments using wood from a certified forest during construction	100%	N/A	100%	N/A*	100%

*No development projects superior to 10,000 sq.m. were delivered in 2021.

3.2.3.1 Operating a fully sustainability certified portfolio⁽¹⁾

BREEAM IN-USE PART 1 CERTIFICATION BY VALUE
(reported scope)



In 2019, the Group reached its long-term target to certify 100% of the assets in its portfolio according to BREEAM In-Use, three years ahead of its 2022 commitment. Klépierre is the largest portfolio under management, and second company in its industry globally, to be fully certified in this way.

The portfolio-approach means BREEAM audits a sample of representative properties each year, rather than every single one, every three years. This allows the Group to reinvest and concentrate its efforts on asset optimization.

The entire portfolio holds a Part 1 BREEAM In-Use certification covering asset performance as a minimum. 69% (by value) of the centers have achieved Part 2 building management certification and 40%⁽²⁾ of the Group’s properties operate ISO 14001-certified and/or ISO 50001 environmental management systems. In 2021, the Group’s first Italian shopping center, Pescara Nord, became ISO 50001 certified.

3.2.3.2 Adding value through developments

Klépierre predominantly expands and/or refurbishes its standing assets, transforming and improving existing urban landscapes whilst minimizing impacts on the local natural environment. The development strategy, tailored to the unique needs of each project, pursues four objectives:

 <p>Better integration of the assets, and adding value to the surrounding district</p>	 <p>Positioning projects towards mixed-use themes, while maintaining retail as the predominant activity</p>	 <p>Extending existing assets when sufficient potential is identified</p>	 <p>Implementing the Group’s operational initiatives (Retail First®, Destination Food®, Clubstore® and Act for Good®) to fine-tune the retail mix and introduce new concepts to enhance customer-centricity</p>
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Klépierre applies the BREEAM standards for New Construction or Refurbishment and Fit-Out, as applicable, to all development projects. These set out requirements to enhance the customer experience including indoor air quality and accessibility. Obtaining a BREEAM “Excellent” rating is a key requirement of the Group’s Act for Good® Development Checklist which is applied to all projects involving over 10,000 sq.m. of new development area. Other requirements include:

- All timber to be certified to PEFC™ or FSC® standards;
- Undertaking community engagement at the initial stages of the project;
- Ensuring that the main contractor has committed to sustainability principles during the procurement and worksite phases;
- Creating a biodiversity action plan.

EMBEDDING ENVIRONMENTAL EXCELLENCE THROUGH THE GRAND PLACE EXTENSION

With the design phase of the project completed in 2021, work will begin on the Grand Place Extension in early 2022 to achieve BREEAM “Excellent” New Construction certification. The project will also include the installation of 490 kWc solar panels on the roof of the center, with 88% of the production to be consumed locally, equivalent to 22% of the center’s electricity consumption. In addition, the works will target a minimum recycling ratio of 85% and the biodiversity plan includes 2,640 sq.m. of green roof.

(1) Unless otherwise specified, all 2021 certification figures contained in this section apply to the following scope: 115/116 owned and managed shopping centers + 6/6 managed-only shopping centers + 5/8 owned-only shopping centers. The corresponding coverage rate amounted to 98.5% of the total shopping center portfolio value.

(2) This figure applies the following scope: 116/116 owned and managed shopping centers + 6/6 managed-only shopping centers + 5/8 owned-only shopping centers. The corresponding rate amounted to 99.9%.

3.2.4 Innovate towards sustainable mobility

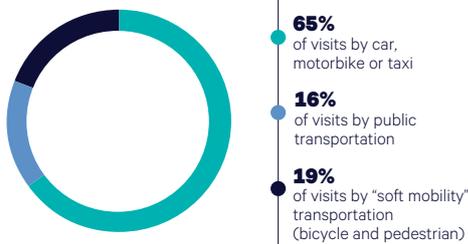
Air pollution is considered one of the greatest environmental risks to public health in Europe. Concerns about air quality, congestion and global warming are prompting national and local governments to develop plans for more sustainable and healthy forms of mobility, such as walking, cycling, public transport and electric vehicles.

Ensuring accessibility for all forms of mobility is an integral part of Klépierre's strategy. Location, urban density, and transport connectivity are key criteria in the Group's investment selection process and Klépierre is acting across its operational portfolio to diversify the transportation and mobility offering associated with its centers.

This approach supports the integration of its assets within the communities they serve, underpins efforts to increase footfall by enabling easy access for as many people as possible, reduces pollution and GHG emissions from motor vehicles and helps to future-proof the Group's assets.

Target Description 	2018	2019	2020	2021	2022 COMMITMENT
Percentage of centers accessible via public transport	97%	98%	98%	100%	100%
Percentage of centers equipped with charging station for electric vehicles	56%	60%	68%	72%	100%

3.2.4.1 Visitors' travel modes⁽¹⁾



In 2021, 35% of visits to Klépierre's shopping centers were made using soft mobility (walking, cycling etc.) or public transport.

By 2022, the Group wants 100% of its shopping centers to be accessible by public transport and equipped with charging stations for electric vehicles. At the end of 2021, 100% of the Group's centers have one or more bus, train or tram stops less than 500 meters away from the entrance with services at least every 20 minutes. In addition, 99% of the Group's shopping centers have space reserved for cyclists.

72%⁽²⁾ of centers had electric vehicle charging points in place by the end of 2021, including 100% of centers in Scandinavia, The Netherlands, Czech Republic and Turkey. Initiatives such as car-sharing, renting, and encouraging alternative forms of transport help reduce private vehicle use to and from shopping centers. Klépierre also offers:

- Meeting places for carpooling (27% of centers);
- Private shuttle bus services when public transport is not available (17% of centers);
- Live displays of public transport timetables (20% of centers).

RE-ENERGY ELECTRIC VEHICLE PROJECT, IBERIA

In 2021, Klépierre launched the Re-Energy project in Iberia, to prepare for the exponential growth expected in electrical vehicle charging requirements, driven by upcoming regulations. By 2022, every center will be equipped with EV chargers that support shorter full recharging times, reducing the charge time from eight hours to up to 90 minutes, at a low price. To date, 10 chargers have been introduced in Principe Pio in Spain. Notably, the project integrates a new business model which capitalizes on multiple income opportunities including the sale of electricity, sponsorships, and specialty leasing with a three-year pay-back period. Moreover, all revenue from the project will be reinvested to increase the number of electric charging stations.

(1) Unless otherwise specified, all 2021 travel mode figures contained in this section apply to the following scope: 116/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only shopping centers. This corresponded to a coverage rate of 99.9% of the total shopping center portfolio value.

(2) This figure applies the following scope: 101/116 owned and managed shopping centers + 6/6 managed only shopping centers + 3/8 owned only. This corresponded to a coverage rate of 89.6% of the total shopping center portfolio value.

3.2.4.2 Master planning transport solutions

Klépierre recognizes the importance of engaging with local authorities and services to integrate its shopping centers successfully in neighborhood masterplans. The Group seeks to future proof its assets in light of evolving trends in mobility, urban transportation, logistics and supply chains. This includes analysis around how assets will need to adapt to retailers' changing needs in view of new retail and distribution models and the impact of visitor travel on shopping center design.

In France's Créteil Soleil shopping center, the former design meant that visitors had to cross the car park to access the metro station. During the recent development project, the works were designed to extend the shopping center onto the top of the car park, thereby creating a friendlier, more convenient, and safer urban link for visitors.

Through another development and refurbishment project, the new design at Grand Place will see pedestrian and bicycle lanes created and connected to public transport links and the various neighbouring districts, to increase more sustainable modes of travel to the center in a way which is safely accessible. A square will be developed in front of the main entrance to reorganize traffic flows and ensure seamless access to bus, tram, and carpooling services. In addition, 88 new parking spaces will be created consisting of 70 spaces dedicated to electric vehicles and 12 for car-pooling.

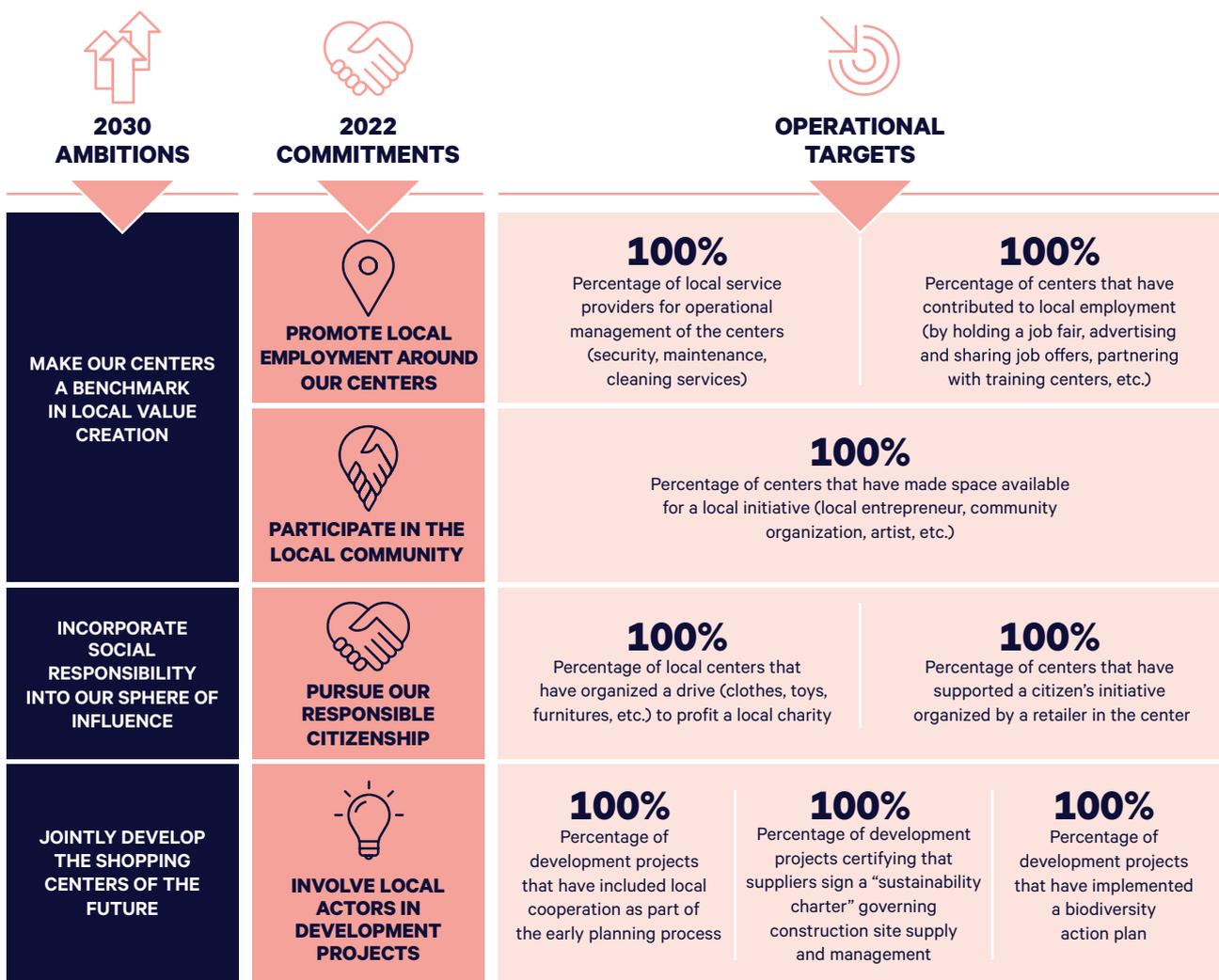
3.3 ACT FOR TERRITORIES⁽¹⁾

At the heart of Klépierre's Act for Territories pillar is its commitment to address local challenges in the communities that it serves. As a hub for bringing people together, the Group has both the drive and sense of responsibility to be a catalyst in supporting community-based initiatives and amplifying actions initiated by local community players on key issues including unemployment, local economic development, and social impact.

Driven by overarching Group-wide commitments, Klépierre empowers shopping centers to put in place a tailored approach that reflects the specific needs and priorities of their catchment area. The strength of Klépierre's Act for Territories strategy was evidenced during the pandemic when centers showcased their agility and rapid response for providing essential support to local organisations and the community, including by providing space for vaccinations and food or clothes drives. With a heightened focus on topics such as local economic development and employment, and community solidarity, Klépierre's existing initiatives and commitments in these areas meant it was well placed to ramp up its efforts and make a positive impact.

The Group has made significant progress towards its 2022 commitments this year, a testament to its management approach and the daily commitment and dedication of shopping center teams. Supported by a new reporting tool which was implemented in 2020 to reinforce oversight of the Group's commitments at both shopping center and country level on a quarterly basis. Klépierre holds quarterly meetings to meet with key internal stakeholders to drive progress against the targets and more effectively support the reporting process. Klépierre also conducted a training webinar at the beginning of 2021, providing marketing and shopping center management teams across all countries with a refresh on the purpose of Act for Territories and the best practice guidelines that help shopping centers address each target within their local context.

As the Group looks to 2022, the focus will be on achieving its 2022 commitments, setting new ambitious targets for the years ahead, and continuing to reinforce a sense of community among its stakeholders, amplifying meaningful local initiatives, and contributing to the social and economic life and development of its territories.



(1) Unless otherwise specified, all 2021 figures contained in this section apply to the following scope: 115/116 owned and managed shopping centers + 6/6 managed only shopping centers + 1/8 owned only shopping centers. This corresponds to a coverage rate of 98%.

3.3.1 Promote local employment in the communities

Klépierre's shopping centers are major economic hubs that attract thousands of visitors each day and make a significant contribution to local employment.

The Group has made a long-term commitment to ensure all shopping centers in its portfolio promote local employment by working with tenants, employment agencies and more widely with local employment actors. Klépierre also aids local economic development by favouring local partners and supporting local companies and retailers.

Klépierre delivers its employment commitments through its strategy by:

- Ensuring all service suppliers behind the day-to-day operations of its centers are recruited from the local community;
- Utilising its local networks to facilitate employment opportunities by working with tenants, employment agencies, and more widely with local employment actors.

Target Description 	2018	2019	2020	2021	2022 COMMITMENT
Percentage of local service providers for operational management of the centers (security, maintenance, cleaning services)	65%	78%	87%	98%	100%
Percentage of centers that have contributed to local employment	48%	85%	95%	100%	100%

3.3.1.1 Encourage procurement from local suppliers

Klépierre is committed to ensuring that 100% of its shopping centers use local service suppliers by 2022. At the end of 2021, 98%⁽¹⁾ of service suppliers met the Group's definition of local⁽²⁾ (versus 87% in 2020). All procurement activities are managed at country level. When contracts approach the renewal period, procurement teams actively prioritize local suppliers.

At the end of 2021, France, Belgium, Scandinavia, Iberia, Poland, Czech Republic, The Netherlands and Germany have already reached the target. Going forward, future tenders should also make it possible for the remaining centers to achieve this.

3.3.1.2 Partnerships to boost local employment

The majority of Klépierre's operational job opportunities are created indirectly by its tenants, which represent a broad spectrum of small businesses, national and international brands. The Group plays a significant role by facilitating employment opportunities using both its local presence and national scale. To support this, Klépierre collaborates with recruitment agencies and specialized non-governmental organizations to connect retailers and those seeking employment.

The Group has committed to a long-term target for all centers to integrate local employment within each shopping center's marketing plan. The shopping center's marketing and management team are accountable for sourcing relevant partners to propose events and initiatives adapted to each center and their employment needs. This approach allows the center's marketing teams to engage with retailers and the local communities on how they can best meet their needs through innovative solutions and initiatives.

Across the Group, several centers have introduced initiatives to meet the Group's commitment to local employment. For example, a dozen centers, including Grand Littoral in France, have introduced an Act for Good® wall where each retailer can publish their job offers. The wall is fitted with a mailbox for applicants to post their CVs which are then distributed to the corresponding retailers. Out of the Group's 122 shopping centers, 90 of these supported their recruiting tenants by sharing opportunities via their digital platforms and social media to ensure the opportunities were accessible and reaching a wider audience of potential employees. As well as identifying local needs at shopping center level, Klépierre also promotes regional initiatives to enhance its impact. These include recruitment fairs, posting job offers on shopping center websites and within the centers themselves, and by working with local and national recruitment organizations.

(1) This figure applies the following scope: 116/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only shopping centers. This corresponds to a 99.9% coverage rate.

(2) Regional and/or within 300 km of the shopping center.

CELEBRATING WOMEN'S ENTREPRENEURSHIP

In support of International Women's Rights Day, three of Klépierre's France-based shopping centers partnered with the charitable organization Action'elles to launch a competition for female entrepreneurial projects. Action'elles is dedicated to supporting female entrepreneurs through networking and training and by helping them to create and develop ambitious projects and businesses.

The competition encouraged local female-led businesses and projects to apply and take part in a public online vote. 27 projects were put forward, and Klépierre and Action'elles worked together to define a shortlist of potential winners. Each of the potential winners was invited to present their story and projects using a short video which was promoted through the shopping centers' social media accounts. Visitors were asked to vote for their favorite project online. In total, three winners were selected from each of the centers: Bear's Flowers, Laety & Milly's and Iwashii. The winners received up to €5,000 and one year of strategic coaching provided by Action'elles.

The Founders of Laety & Milly's, one of the winners, provided their thoughts on the experience: *"We are delighted to have been chosen by the visitors of Val d'Europe to win this contest which has been a real springboard for our activity. It allowed us to launch our business more serenely, despite the lockdown. We benefited from the support of Action'elles and shopping center teams who continue to offer advice. This victory also allowed us to gain visibility and to increase our local renown thanks to the regional influence of Val d'Europe and the numerous visitors to its mall and on social networks."*

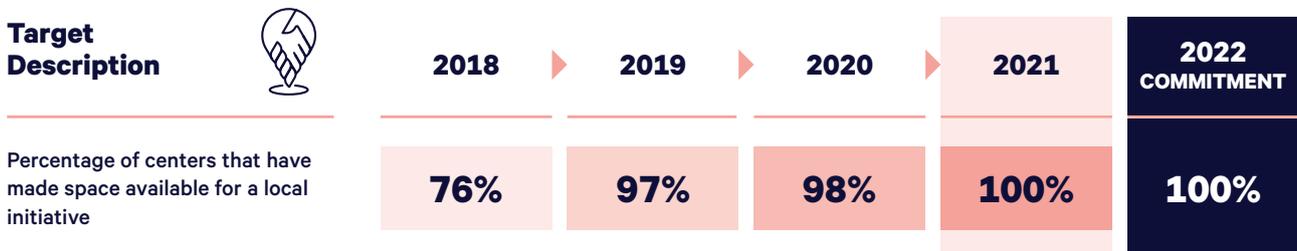
In addition, the Beaulieu center collaborated with ADIE to utilize a vacant shopping unit to promote and display the handicrafts of 15 local female creators for three months. ADIE is an organization that encourages women to grow and strengthen their businesses and endeavors to create a more united and responsible economy in France.

3.3.2 Participate in the local economy

The importance of shopping centers as local hubs at the heart of their communities has never been more evident than throughout Covid-19, with the pandemic revealing shopping centers' critical role in addressing urgent local needs to provide essential goods and services.

Long-term, the Group aims to make its centers a benchmark in local value creation and has a target for all centers to offer free space to showcase local initiatives at least once a year. By strengthening

connections with the local economy, Klépierre provides an opportunity for local organizations and charities to engage with the millions of daily visitors. This also builds community cohesion and a sense of place amongst residents, offering visitors the best possible experience and in turn, increasing footfall and customer loyalty. The dedication of Klépierre's centers is reflected in the 100% that met the target in 2021.



The Group has an overarching framework that sets out guidance for identifying relevant initiatives and comparable metrics that can be used to calculate the Group's overall value creation, such as footfall and social media reach. Importantly, each center has the flexibility to select

initiatives based on their unique local circumstances and community. Participatory organizations include non-governmental organizations, local entrepreneurs and sports clubs, student bodies and local artists.

SUPPORTING THE LOCAL ECONOMY

In 2020, with the help of Utopies, a French consulting agency expert in CSR topics, Klépierre conducted a study to assess the socio-economic impact of its shopping centers. Using the agency's Local Footprint® Methodology, the Group analyzed the impact of its centers' activities on the local economy and employment where they operate, accounting for the impact of Klépierre's, and its retailers', purchases, wages, and taxation.

To better reflect Klépierre's impact, 2019 data was used as it is the most representative recent year of its performance due to Covid-19 restrictions in 2020 and 2021. Klépierre's Local Footprint® can be summarized by three main KPIs, two of which reflect the positive impact of Klépierre and its centers on the dynamism of the economy, and one that reflects local anchorage of its shopping centers:



3.2 job supported multiplier coefficient
For 1 job in Klépierre and its shopping centers, 2.2 jobs are created in the economy, with a global impact of more than 230,000 extra jobs supported



76% of jobs supported by Klépierre are in its countries of activity



3.1 GDP generated multiplier coefficient
For €1 generated by the Group and its centers, €2.1 of additional wealth are generated worldwide

3.3.3 Pursue corporate citizenship

Klépierre is committed to being a responsible member of the communities it serves, with a long-term target to boost the social impact of its operations. The Group collaborates with retailers to create projects with real impact, that give visitors the opportunity to take part in meaningful actions that meet their expectations.

Target Description	2018	2019	2020	2021	2022 COMMITMENT
Percentage of centers that have organized a drive (clothes, toys, furniture, etc.) for a local charity	61%	84%	96%	100%	100%
Percentage of centers that have supported a citizens' initiative organized by a retailer in the center	53%	79%	98%	99%	100%

3.3.3.1 Promoting charitable giving among shopping center visitors

In 2021, Klépierre has achieved its target, one year ahead of schedule, for 100% of shopping centers to organize a clothing, toys and/or furniture collection drive for a local charity. These events support the center's visitors to donate new or second-hand items for those in need, whilst also connecting the center with local charities and organizations.



Visitors created 40 "Christmas boxes"
to be distributed locally to those who otherwise wouldn't receive a Christmas gift by the Val d'Europe and Places d'Armes centers, in partnership with retailer Pylones



A week-long collection
of toys, clothes, and sports equipment was hosted by Hoog Catharijne in The Netherlands with a charitable organization that supports underprivileged children



Over 30 tons of clothes and food collected
at the Meridiano shopping centre in Spain in partnership with Sonrisas Canarias in support of families affected by the volcanic eruption in La Palma



Donation campaigns
at Tarsus in Turkey, with emergency response organisations, Afad and Kizilay, helped collect 1,200 unused products in seven days, with 60 aid parcels sent to those affected by the forest fires

The success of these initiatives has been enhanced by strong communications *via* social channels, showcasing the centers' ability to engage visitors in their community projects.

3.3.3.2 Partnering with tenants to amplify collective impact

Klépierre works closely with its retailers on joint sustainability objectives to enhance their impact and strengthen collaboration. The Group has set a target for all its centers to support an in-house responsible

initiative organised by a retailer. By the end of 2021, 99% of Klépierre's shopping centers promoted at least one action by providing mall space, media coverage or logistic support.

In the Netherlands, the Villa Arena shopping center collaborated with retailers to promote their Corporate Social Responsibility (CSR) initiatives by organising a "Sustainable shopping route" during the October Living Month. Visitors could follow the route *via* the Villa Arena website and in the different shops that included specific labelling on responsible products, supporting customers to find responsible alternatives. In the Bruuns Galleri center, complementary videos were created for retailers to promote some of the great CSR and sustainability projects they have. The videos were shared *via* social media and reached 134,000 online users.

3.3.4 Involve local actors in development projects

Klépierre's development activities predominantly involve the expansion, repurposing and modernization of existing assets within its portfolio. Each of the Group's centers has a unique local context bringing varying challenges and opportunities that can significantly impact the local community, urban environment, and infrastructure.

The Group's approach to developing shopping centers which meet local needs has been shaped by its experiences and best practice examples to ensure a consistent standard is applied whilst also enabling flexibility to account for the individual circumstances surrounding the asset. Activities are supported by robust commitments that seek to minimize adverse impacts on the environment and society and drive positive outcomes for local stakeholders.

Target Description 	2018	2019	2020	2021	2022 COMMITMENT
Percentage of development projects that have included local cooperation as part of the early planning process	100%	N/A	100%	N/A*	100%
Percentage of development projects certifying that suppliers sign a sustainability charter governing construction site supply and management	100%	N/A	100%	N/A*	100%
Percentage of development projects that have implemented a biodiversity action plan	100%	N/A	100%	N/A*	100%

*No development projects superior to 10,000 sq.m. were delivered in 2021.

3.3.4.1 Actively integrating local stakeholder engagement

As well as compliance with all legal planning and consultation requirements, active engagement and consultation with local stakeholders is embedded throughout the Group's development process. Their participation, input and valuable feedback influences the design, purpose, facilities, and retail mix of Klépierre's shopping centers, to ensure each one reflects the catchment area's unique interests and drives mutually-beneficial outcomes including local support, a compelling commercial and leisure offer and long-term project success.

Engagement occurs at specific intervals, through traffic impact studies, market research and surveys. In addition, shopping center managers regularly consult with community members in advance of proposed developments and discuss local issues with them.

During the extension and refurbishment of Grenoble Grand Place, for example, monthly committees with the city ensure local employment and local economic development opportunities are being prioritized. Similar consultation activities are in place for all the Group's developments to enhance the interests unique to the project's specific local context.

3.3.4.2 Embedding responsibility into the supply chain

The Group's impact extends beyond its direct operations to the suppliers it chooses to work with – from the procurement of construction materials to site management – ensuring its supply chain adheres to Klépierre's sustainable procurement standards is a priority.

This is driven by a target for all development suppliers to sign a Sustainability Charter covering both procurement and construction site management. The charter sets out Klépierre's expectations regarding the selection of materials, employment conditions and broader community impacts and each of the service providers are briefed on integrating the three pillars of Act for Good® into each project action. By signing the charter, suppliers commit to minimizing the adverse impacts of their activities, such as air pollution, noise, and waste management, and to meeting required standards on working conditions and the selection of materials.

3.3.4.3 Enhancing biodiversity value

Klépierre actively protects and enhances the biodiversity value of its assets throughout the property lifecycle, from design through to operation. Its approach is underpinned by a target for all development projects to implement a biodiversity plan as well as a mandatory requirement for development projects to have obtained a minimum level of BREEAM "Excellent" New Construction certification. As a result, Klépierre assesses significant biodiversity impacts and mitigation measures aligned with BREEAM "Excellent" level requirements, whilst creating customised biodiversity action plans that enable flexibility to account for unique local conditions.

Ecologists and landscapers are systematically involved in the design and development of new assets or extensions to existing buildings to shape a greater understanding of the surrounding natural environment. Their expertise guides the architects and developers to consider existing ecosystems and select the right plant species to preserve local flora and fauna. Green roofs have become a common feature across the portfolio given their multifaceted role in stormwater management, enhancing biodiversity value, energy savings, and reduced pollution.

3.4 ACT FOR PEOPLE

Klépierre puts people at the heart of its actions. For the millions visiting its shopping centers annually, that means continually evolving the customer journey to meet shifting needs and expectations and creating a positive experience. For the people who work for the Group, that means investing in development, training, and well-being in order to attract and retain talent and drive productivity, creativity and innovation. For

both visitors and retailers, Klépierre makes health, safety, and well-being a priority. The aim is to make the Group's centers leading destinations where people want to visit and work.

This approach is underpinned by Klépierre's unwavering commitment to acting responsibly and to the highest ethical standards. These principles extend to the Group's suppliers and business partners.

 2030 AMBITIONS	 2022 COMMITMENTS	 OPERATIONAL TARGETS	
BE THE LEADER OF OUR INDUSTRY IN CUSTOMER CARE	 INCREASE THE SATISFACTION OF VISITORS	+3 pts Increase in the Group's Net Promoter Score (NPS)	100% Percentage of customer questions asked on social media handled
BE RECOGNIZED AS AN EXEMPLARY EMPLOYER	 PROMOTE HEALTH AND WELL-BEING IN OUR CENTERS	100% Percentage of centers that have promoted health and well-being	100% Percentage of centers that have offered dedicated services to their retailers' employees
PROMOTE MORE ETHICAL BUSINESS PRACTICES	 OFFER GROUP EMPLOYEES A POSITIVE EXPERIENCE	100% Rate of access to training for Group employees	100% Percentage of employees who have contributed to the co-construction of the Group's future
PUT CHARITY AT THE HEART OF OUR STRATEGY	 CHAMPION ETHICS IN THE LOCAL COMMUNITIES	100% Percentage of employees who have been made aware of ethical business practices	100% Percentage of external stakeholders who have been made aware of ethical business practices
BE SOCIALLY CONSCIOUS	 BE SOCIALLY CONSCIOUS	100% Percentage of employees who have been given the opportunity to take part in a philanthropic initiative	NGO One long-term partnership signed in each country with an NGO committed to employability and/or family

3.4.1 Increase visitors' satisfaction

Klépierre positions its shopping centers as places for visitors to shop, meet and connect. In today's competitive retail market, enhancing the customer experience to increase visitor satisfaction is fundamental to the Group's success.

To evolve and innovate Klépierre's offering, from brands and services to cultural events and high-quality dining, it's essential to understand visitors' needs and the make-up of the local community. This approach is supported by continuous engagement with retailers and sound partnerships with tenants, Klépierre's first-tier customers, along with a deep understanding of industry insight and appreciation for

customer feedback. Today, the Group operates in the context of evolving expectations around environmental and social issues. In addition, advances in technology are fuelling a shift towards digital solutions such as online shopping, click & collect, and omnichannel services. The global pandemic has fast-tracked many of these trends. As society continues the return to a new normal, understanding the customer and their expectations will be vital to ensure initiatives and investments increase footfall and loyalty, as well as generate value for visitors and the highest return for the business.

Target Description	2018	2019	2020	2021	2022 COMMITMENT
 Increase in the Group's Net Promoter Score (NPS, baseline 2017)	+2 pts	+10 pts	+8 pts	+18 pts	+3 pts
Percentage of customer questions asked on social media handled	50%	68%	92%	87%	100%

3.4.1.1 Embedding a customer centric approach

Clubstore® embodies Klépierre's holistic and seamless customer journey, comprising of 16 touchpoints that enhance experience, establish loyalty, and increase footfall across the Group's shopping centers, based on a deep understanding of best practice and customer expectations. The Clubstore® standards influence every interaction with the center, including the website, center design, online or in-person services, streamlined access and parking, hospitality, and digital connectivity. Clubstore® best practices are shared internally via a platform and country-wide meetings that promote continuous improvement.

The Clubstore® Charter works in synergy with other elements of Klépierre's Act for Good® strategy, such as electric vehicle charging stations, biophilic design, health and safety information and community-focused events. For example, Act for Good® initiatives are deeply embedded within shopping centers' activities, organized by local marketing teams who have an acute understanding of the local

context and the power of initiatives that provide people with a tangible opportunity to contribute. Initiatives can include fundraising for local charities and environmental awareness campaigns.

In 2022, to further embed sustainability into the customer journey, Klépierre will be rolling out a new event strategy with a strong focus on Act for Good® topics. For this new year, the main challenge will be to make more visible actions and their results to position our centers as local hubs within their community: anchoring shopping centres in the community through local initiatives that connect them to consumers' daily lives, create activations that contribute to help and support local associations or organize events that celebrate major milestones in their area of influence.

The existing trend towards delivery and click-and-collect services, offering a safe and convenient way for customers to receive their shopping, has been fast-tracked by the pandemic. In Klépierre's Amanda shopping center in Norway, at-risk customers were able to place orders with the tenants and have their shopping delivered over three days during the Christmas period, using an electric car borrowed from a local car dealer and Amanda employees who offered their time.

3.4.1.2 Embracing customer insights

Customer insight is invaluable to Klépierre's approach for improving the customer experience. The Group has developed a strong social media presence with around 5.15 million combined Facebook and Instagram subscribers. Through its #JustAsk platform customers can ask questions and receive a response through Facebook Messenger

during opening hours. Klépierre has set a target to respond to 100% of customer questions on social networks. Marketing teams have undergone digital skills training to maintain this community and respond to requests effectively. Together, these platforms facilitate interactions and conversations with visitors, provide up-to-date information about center brands, products, promotions, services and events, and gauge feedback and trends.

AVERAGE NPS SCORE



The Group tracks customer insights on individual shopping centers using Critizr, a multi-functional tool that can collate and monitor visitor feedback from multiple social media and online channels. The system gives each center a dashboard view, enabling them to understand how the customer journey is being experienced by visitors. In 2021, local marketing teams began creating a weekly summary of the main issues highlighted by customers. Shopping center managers are informed and responsible for leading the necessary actions which need to be

taken. Klépierre's efforts to make tangible improvements to increase visitor's satisfaction has been validated by the significant increase in its NPS score in 2021.

Klépierre uses the Net Promoter Score (NPS) as a quantitative measure of customers' satisfaction, based on visitors' propensity to be a promoter, passive or a detractor. Beyond customer satisfaction, NPS measures how likely each visitor is to recommend the shopping center to friends and family. As shown in the graph, the Group surpassed its NPS target three years ahead of 2022.

3.4.2 Promote health, safety and well-being

Klépierre has a comprehensive suite of policies and management systems that comply with the highest safety standards and regulations, to minimize the risk of incidents and injuries to visitors and workers.

With the drive to more active and healthier lifestyles, Klépierre positions its shopping centers as places where people can feel safe, relaxed and well, by actively promoting health and well-being products, services and activities.

To improve the quality of life for tenants' employees, workers at each center benefit from services including internal discount cards, reserved parking spaces, access to local fruit and vegetable delivery plans, and facilities for team meetings.

3.4.2.1 Safeguarding health and safety standards

Health and safety risk prevention is governed by a set of Group-wide policies and management systems, which are continually reviewed to ensure compliance with local regulations and the highest international standards. Fire, building collapse due to extreme weather conditions or other unforeseen events, major pollution and public health risks, slips, trips and falls, and work at height, constitute the most serious health and safety risks for the Group. Each shopping center takes responsibility for identifying, assessing, and managing safety risks in accordance with the standards. This includes:

- Health and safety risks and prevention training including fire risk prevention, health, and safety in the workplace and first aid. In 2021, 931 hours of training were conducted with 218 staff members;

- Persistent monitoring by operational teams and periodic checks by Internal Audit to ensure that all relevant risk controls are in place, including:
 - Cooling equipment to prevent Legionella contaminations, and bacterial and/or viral propagation,
 - Standard Group safety measures designed to minimize safety incidents occurring due to day-to-day activities by Klépierre's staff, subcontractors or tenants' staff and/or suppliers within shop units:
 - Visitor incidents are reported at management level, with incident investigation and data analysis forming the basis of action plans to further improve risk prevention,
 - Accidents that occur within tenants' units fall outside the scope of Klépierre's responsibility, nevertheless the Group requires tenants to submit plans for any work being undertaken and inspects shop units once these are completed. A permit is issued that identifies the significant safety risks associated with the proposed work and any recommended preventative measures. Ongoing work is inspected on a regular basis by the shopping center safety and technical management team. In addition, other permits are required for any hot work, which is inspected within two hours of completion and regularly thereafter to prevent any fire risks;
- A Group-wide health, safety and environment compliance application to manage and report health and safety performance data at center level;

- Compliance checks and safety and security reminders for all centers. The actions of technical center managers and directors are coordinated via monthly Engineering & Sustainability and Safety webinars;
- Integration of Health and Safety key performance indicators in the annual objectives for all supporting functions, including Country Directors, Operations Directors and Engineering & Sustainability Departments at the country and shopping center level;
- A new compliance tool, KOMPLY, is currently being rolled-out across all shopping centers, providing local teams with comprehensive information on regulatory requirements based on their technical inventory. Teams will be trained on how to use the tool, which offers a centralised platform for compliance management including action plans relating to non-compliance and incidents and the escalation process.

CONTINUITY OF SPECIFIC AND LOCAL RESPONSE TO THE PANDEMIC

Klépierre, supported by International SOS and backed by regulatory intelligence law firms, operates numerous strategy documents that define stringent “Covid prevention standards” within the Group, to comply with local and national guidelines for the prevention of Covid-19, regarding Shopping Center’s Operations and HR at head offices.

Bureau Veritas, for the second year, certified all of Klépierre’s shopping centers as being compliant to Global Safe Site Excellence. Bureau Veritas continuously assesses the maturity, relevance and effectiveness of the procedures implemented for Covid-19 risk prevention and reduction. It has inspected all sites in order to confirm that the centralized hygiene and safety system has been correctly implemented and is in line with organizational requirements as well as best health practices (surface cleaning procedures, layout modifications to reduce risks, systems to minimize contamination, etc.). Inspections also address measures designed to minimize the risk of contamination for Klépierre staff, retailers, and visitors, as well as auditing compliance among suppliers and sub-contractors with Klépierre’s rules and guidelines in addition to their own.

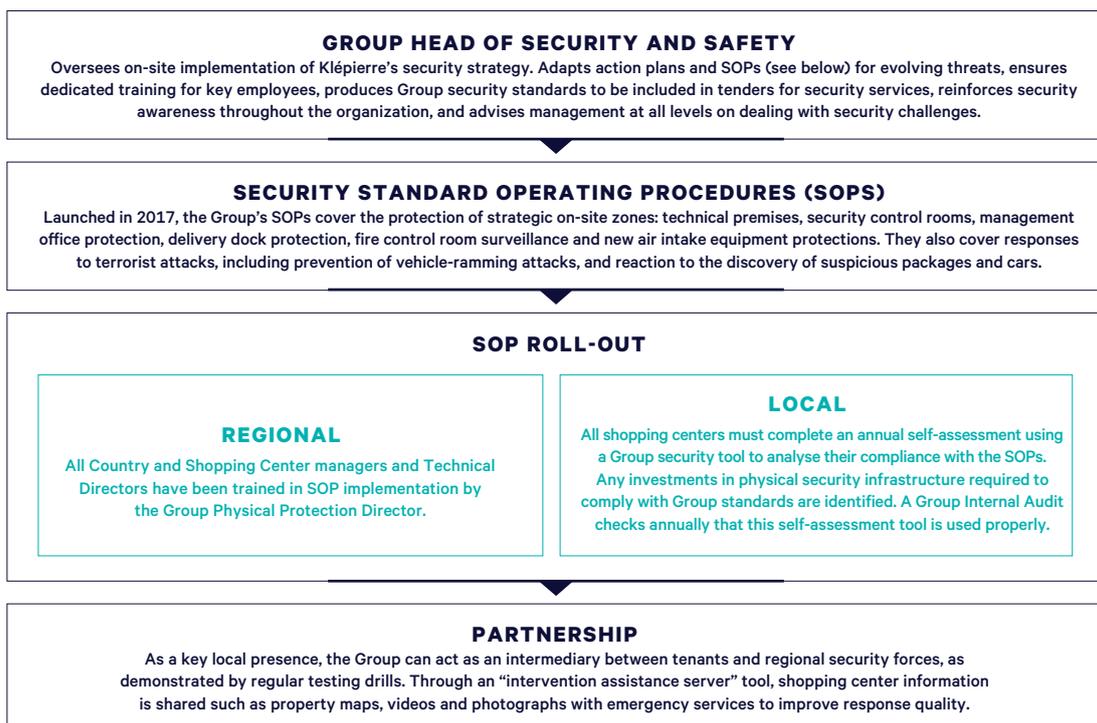
Health awareness information and training for staff, in addition to robust processes, has been the cornerstone of the Group’s Crisis Management Plan, ensuring psychological resilience and safety from a health perspective. All employees have been trained to factor Covid-19 prevention into their daily routines, and dedicated presentations have been led by International SOS at various key stages of the crisis, including lockdown and reopening phases.

3.4.2.2 Managing security risks

Klépierre has adopted a comprehensive security strategy and a phased action plan to anticipate, mitigate and thwart the evolving security threats facing the Group’s assets. This strategy covers crime, anti-social behavior and civil unrest, as well as terrorism risks.

The Group’s security approach is a holistic one. Both in classrooms and e-learning, courses enable employees to take ownership of their security environment and develop partnerships with stakeholders, including tenants, municipal and governmental authorities, civil protection organizations, emergency services, state or local police forces, and other private security teams deployed in the area. Security is included as a standard agenda item in all team meetings at both management and shopping center levels.

The strategy’s key stakeholders and activities are:



Despite the ongoing effects of the pandemic, in 2021, Klépierre adapted quickly to developing threats to ensure the consistent implementation of robust processes, strengthening its crisis management capabilities to face potential new safety and security challenges.

By actively sharing information and coordinating responses, the Group has enhanced its centers' ability to anticipate and respond to security risks, while at the same time positioning them as secure and friendly destinations where visitors can have a relaxing time in complete security.

3.4.2.3 Promoting health and well-being for visitors and tenants

In line with the operational objectives described in the previous section, Klépierre aims to promote good health and well-being in 100% of its shopping centers by 2022, which it achieved for the first time in 2021.

Well-being starts with shopping center design. Klépierre uses materials with low volatile organic compound content, effective ventilation systems, and biophilic design features such as natural light and vegetation in all its developments and refurbishments.

The Group is committed to achieving BREEAM New Construction "Excellent" certification for all new developments with a gross leasable area more than 10,000 sq.m, which ensures minimum standards relating to internal and external lighting levels, indoor air quality and acoustic performance.

During the operational phase, the Group focuses its broad range of activities that are offered to visitors and tenants in three areas (outlined below), from regular sports activities to promoting meetings with healthcare professionals and nutritionists. Through these initiatives, Klépierre's shopping centers forge closer connections with their visitors and tenants.



Facilitate access to good quality care and help people stay informed

About 1 million people throughout Europe have been vaccinated against COVID-19 in Klépierre's shopping centers since the beginning of the health crisis. At Porta di Roma, near Rome, a 1,000 sq.m vaccination hub was constructed and opened in May to allow for 3,500 people to be vaccinated a day. The hub features a decontamination passage to control the temperature at the entrance, 28 vaccination booths and a large waiting room for the 15 minutes following the vaccination. Its success is a testament to the long-standing relationship between the center and the Red Cross who worked together to establish an optimal vaccination hub.



Promote healthy lifestyles and offer new services

Across France, Norway, Poland and Spain, shopping centers dedicate specific time slots for changing their sound and visual environment to adapt to the specific needs of their elderly visitors, those with disabilities and those who just need some peace and quiet while they shop. Lighting is dimmed, background music is switched off and scents are no longer diffused. In most of the participating centers, hypermarket and retailers are also part of the silent hours' initiative.



Position centers as communal venues where visitors can meet, experience, learn and discover

Various Iberian shopping centers are equipped with urban gardens, producing a range of vegetables and fruits, and offering visitors the opportunity to participate in workshops. New urban gardens in centers in Portugal and Principe Pio, La Gavia and Nueva Condomina in Spain welcome local communities to learn how to cultivate and grow their own produce in a more efficient, ecological and healthy way. All products are donated to social institutions including a local school and the Association for the Treatment of People with Cerebral Palsy and Related Pathologies (ASTRAPACE).

Just as with its own employees, Klépierre seeks to improve the work-life quality of retailers and their employees, with a 2022 commitment for 100% of shopping centers to offer dedicated services to retailers' employees such as sports and fitness and childcare services.

In 2021, 100% of centers achieved this. In addition, at some centers across France and Poland, retailers' employees were welcomed back during the post-pandemic reopening of stores with specific attentions including welcome coffee and vouchers to use in shopping centers.

DEDICATED TRAINING FOR RETAILERS' EMPLOYEES

Throughout 2021, several shopping centers offered dedicated training to retailers' employees to enhance their work-related skills in regard to key trends.

Marieberg Galleria in Sweden conducted a free online seminar for all tenants with a retail expert, focusing on sales and how to keep customers happy as they returned to the center after Covid-19. The center also offered training on the handling and development of digital channels such as TripAdvisor and Facebook. The training was timely given that physical shopping visits had decreased, and retailers were experiencing a significant up-lift in their digital channels. The 10-minute sessions were available on the extranet, making them quick and easy for retailers to access and complete.

3.4.3 Offer Group employees a positive experience

Klépierre recognizes the important connection between a positive employee experience and business success. It therefore provides a quality workplace that encourages engagement, innovation, and creativity.

The Group has set four long-term targets, that reflect the ambition of the HR strategy and its aim to be recognized as an outstanding employer. These targets cover talent management and development, quality of life at work and engagement within the Company. To best achieve these targets, and to reflect its key strategic position, Klépierre's Human Resources function sits within the executive management team. It is supported by the Group-wide Human Resources Committee, made up

of HR leads from each country. The committee shares policies and best practices and establishes consistent guidance across all operations and territories, ensuring the Group's approach and employee value proposition is aligned.

A Group-wide Human Resources dashboard tracks the Group's performance against its Act for Good® targets, as well as country level performance indicators such as turnover to identify potential risks and put in place remediation plans that draw from the Group's collective experience. In 2021, the Group created an employee experience position within the Human Resources Department to drive initiatives and a positive employee experience.

Target Description	2018	2019	2020	2021	2022 COMMITMENT
Rate of access to training for Group employees	92%	98%	100%	100%	100%
Percentage of employees concerned by measures aimed at achieving work-life balance	96%	100%	100%	100%	100%
Percentage of recent graduates who have been given the opportunity to receive personalised career guidance	100%	100%	100%	100%	100%
Percentage of employees who have contributed to the co-construction of the Group's future	15%	36%	38%	38%	100%

3.4.3.1 Talent management

Klépierre's talent management policy is based on five pillars: attraction, onboarding, learning and development, performance review and internal mobility. In 2021, for each of these pillars and associated projects, the focus was to drive and embed updated recruitment and onboarding processes and promote the "Klépierre culture".

By the end of 2021, Klépierre directly employed 1,071 employees, including 1,036 on permanent contracts. Klépierre's continued investment in its workforce is reflected in the average length of service of the Group's employees (9.6 years in 2021). Considering the departures in 2021, Klépierre's turnover rate increased to 11.7% from 9.1% in 2020, which should be viewed within the context of a highly competitive yet more challenging job market.

TOTAL HEADCOUNT

Territory	2021	2020
France-Belgium	442	444
Italy	179	180
Scandinavia	124	139
Iberia	110	114
Central Europe & Other	111	112
Netherlands	54	57
Germany	51	50
GROUP TOTAL	1,071	1,096

HEADCOUNT AT YEAR-END, BY TYPE OF CONTRACT

	2021	2020
Permanent	1,036	1,057
Temporary	35	39
TOTAL	1,071	1,096

HEADCOUNT AT YEAR-END, BY AGE

	2021	2020
<30	12%	12%
30-39	31%	31%
40-49	33%	34%
≥ 50	24%	23%

3.4.3.1.1 Attraction

Attracting and retaining talented employees is vital to the Group's capacity to grow and develop. Klépierre invests in a diverse workforce through recruitment and continues to grow employee knowledge and skills through training which remains one of the key success factors for its business and employer brand. This is evidenced by the average length of service for Klépierre staff, which was 9.6 years in 2021.

To further the Group's attraction opportunities, Klépierre underwent a comprehensive process in 2021 to define its company values. The process entailed co-construction workshops with employees, senior managers, and country directors across the business, with the support of an external specialized agency, to identify the values that most innately reflect the Group. In 2022, these values will be communicated across the business and will enable the Group to build on its existing employer brand.

Klépierre has an exciting and attractive offering of internships, apprenticeships, and permanent positions for students, which allows the business to enjoy a strong talent pipeline. Despite the continuing effects of the pandemic such as lockdowns and intermittent home working, the Group maintained 100% of its planned internships this year and welcomed 66 interns to the business through a fully adapted onboarding and mentoring process. To ensure the business is as accessible as possible, the Group leverages the use of online tools such as the graduate recruitment platform Jobteaser.

The Group puts a major emphasis on attraction and recruitment for the last two quarters of the year through school forums, open recruitments and pushing the employer brand.

3.4.3.1.2 Onboarding

Klépierre's onboarding programs, organized at Group and local levels, provide new employees with a bespoke induction to the business based on their role and location, and ensure they have access to the key information they need to build their internal network.

The Group-level onboarding program, which includes presentations by members of the Executive Board, introduces new joiners to Klépierre's organization, business strategy and corporate culture and gives attendees the opportunity to network and meet the senior management team. The program covers the roles and responsibilities of key people,

including shopping center teams who represent the business' core function. In 2021, 62 new hires from 12 countries benefitted from this initiative. Onboarding programs continue to be adapted and digitized into remote courses in line with the ongoing pandemic.

In 2021, Klépierre demonstrated its commitment to innovation in their onboarding process with a virtual escape room style challenge, designed to forge links between the participants, with 40 candidates taking part.

3.4.3.1.3 Learning and development

Klépierre actively promotes learning and development for all its employees, to support employee engagement and to ensure the Group has the technical and professional skills to deliver its business model, meet objectives and address emerging trends.

In 2021, the Group has continued to fulfil its target of 100% access to training for employees, calculation based on average workforce. The creation of key business e-learning modules, the transformation of face-to-face training sessions into virtual classrooms, as well as the implementation of a community of learning influencers at country level has helped Klépierre maintain success in this area. Klépierre's learning influencers play a key role in training and development delivery, including translating training content into local languages and supporting events for learners.

The Group recognizes the importance of providing clear development pathways for employees, mapping professional and soft skills that support their career aspirations and internal mobility, with a focus on new joiners, experienced hires, and existing long-term employees.

Klépierre University is the Group's main learning and development hub, with over 150 courses across three main areas:

- **Adapting constantly to business needs** – Engaging internal trainers and working closely with managers to understand business shifts and needs for new competencies
- **Serving employees' development** – Welcoming and engaging each employee according to their function, encouraging employees to take an active role in their own development and putting them in a position to succeed
- **Building engagement and motivation** – Optimizing training through a blended approach of face-to-face and e-learning sessions whilst building efficient training paths with interactive and engaging modules

The University offered over 150 courses and delivered over 18,296 hours of training in 2021. Klépierre University contributes to the Group's HR ambitions through its main objectives; training graduate employees in the Group's specific professions, supporting the business to adapt to changes in the market and needs by developing personal skills, offering diversified training to all employees to promote international and cross-functional mobility, promoting an innovative culture across the business and helping managers to support dispersed teams and manage remotely.

During the Covid-19 pandemic, Klépierre University adapted quickly to transform face-to-face sessions into virtual classroom and e-learning modules, providing valuable opportunities for interactive discussions and case studies. These were delivered by the relevant subject matter

experts, many of whom are Klépierre employees. In 2021, 32% of the Group's training and development sessions were delivered by internal trainers, demonstrating the technical expertise held within the business.

In 2021, Klépierre University launched its second edition of the Digital Summer School. The 10-week program included a certified learning path, relevant to the need for adaptability in 2021, focusing on "dealing with change" soft skills. Participants had access to 16 recommended e-learning courses and a quiz and were invited to take part in three challenges to allow them to get the most out of the program. All participants then attended a virtual conference, available in both French and English, which included talks from keynote speakers on topics such as change, curiosity and agility. 125 of the Group's employees took part in the 2021 Digital Summer School.

DISCOVERY

In 2021, Klépierre University introduced Diskovery, a learning program focusing on essential skills in which over 500 employees took part as active learners.

The program is made up of three courses per quarter, alongside additional media such as articles, videos, and podcasts, with each quarter focusing on one specific skill. A quiz at the end of each quarter allowed participants to see their progress and assess their learning. Klépierre University also worked to engage and upskill internal trainers, giving them access to customized support from the HR team, as well as to lectures and interactive sessions to support their development.

3.4.3.1.4 Performance and development review

Klépierre's performance review and development process is managed through two one-to-one meetings each year, the first focusing on individual performance and the second on career development.

The performance-specific review meeting, which takes place between November and January, is mandatory. It aims to assess the employee's achievements from the past year, as well as set personal objectives for the coming year. It also highlights the resources and training needed for each employee to develop their skills in line with the Group's priorities.

Employees have the option of having an additional mid-year review at their discretion and/or that of their manager, to ensure their individual objectives are up to date and aligned with their development plan. In 2021, 503 employees (51% of the workforce) took advantage of the mid-year review procedure.

Every line manager is responsible for their team members' development through feedback and support in creating personalized development plans. Any employee can request a development review to discuss their career aspirations and training needs and the Group recommends that each employee take advantage of this at least every two years, or annually for employees under 30. The Group encourages employees to self-assess their skills, which promotes greater engagement in the process and its outcome. The aim is to make each employee's development path consistent with the resources they need to achieve it, to give the business the right people for the right jobs at the right time.

In 2021, 47.5% of graduates participated in the career development process, demonstrating a willingness to discuss their development early in their career and the success of the targeted HR communications towards the recent graduates, despite the increase in home working. This was a decrease when compared to 2020 due to a substantial increase in the number of the Group's graduates receiving an internal promotion and therefore not requiring a development interview with their managers in 2021.

Klépierre also seeks to retain the knowledge and skills of more senior employees, who represent 24% of its workforce. Promoting their inclusion in an internal trainers' program allows them to share their wealth of experience with new hires and encourages internal mobility. The 60+ internal trainers receive personalized guidance *via* internal coaching, dedicated training and best practices sharing.

3.4.3.1.5 Internal mobility

The Group's international footprint means it is well placed to offer opportunities both within functions and between businesses, which supports its succession planning, recruitment, and retention objectives. Job opportunities are pushed towards high potential employees to develop their specialist expertise, take on new responsibilities, consolidate their leadership through managing cross-functional projects, and enhance their ability to grow in a multicultural environment.

In 2021, the Group began an internal people review, an analysis of staff led by the HR Department in partnership with managers, to address development needs, performance issues and to anticipate internal moves and feed into succession pipelines. The review encourages and promotes diversity in management roles and ensures the business can continue to build a strong succession pipeline of internal talent. As a result, 31% of open job positions were filled by internal mobility, a significant rise from 17% in 2020.

HR teams from across the Group coordinate and guide employees throughout the entire mobility process, starting with the identification and matching of job opportunities with individual employee's objectives, through to taking up the new position. Executive-level promotions are assisted by a support team and mentoring program.

In 2022, HR teams will continue their journey to further engage employees and will assess compensation packages, deploy a leadership program in line with Klépierre's cultural pillars, and design a group mental health strategy, consolidating the work already done on preventing psychosocial risks.

3.4.3.1.6 Diversity and inclusion

Klépierre is an inherently diverse organization, with over 30 nationalities represented throughout the Group. The real estate industry nonetheless faces diversity challenges, particularly regarding gender balance at senior management levels. The Group's Diversity and Inclusion strategy is designed with three key pillars:

- To promote an inclusive culture;
- To ensure gender balance;
- To provide support during parenthood.

To further the Group's commitment to a diverse and inclusive workforce, a Diversity and Inclusion board was introduced to manage and promote D&I throughout the business, this was also supported by the nomination of over 40 D&I ambassadors across the business to further advocate inclusion.

In late 2020, Klépierre introduced a dedicated policy on gender balance. As part of this policy, the Group has committed to bringing the proportion of women on the management team up to at least 30% by December 31, 2022, and at least 40% by December 31, 2025. The same targets are set for the top 100 managers by December 31, 2023, and December 31, 2026 respectively.

In the space of one year, significant progress has been made on this matter as the proportion of women on the management team⁽¹⁾ had already reached the 30% mark as of December 31, 2021, and the number of female staff in the top 100 managers rose to 33% as of the same date. In 2021, along with other real estate companies, the Group signed an Equality Charter to establish greater professional parity between men and women in real estate companies. The charter aims to drive equal pay, promote female talent into strategic positions and the visibility of women, and make performance equality an essential part of company policy. In addition, the Klépierre Diversity Charter (signed in 2010) summarises its commitment to promote equal opportunities for all employees and prohibit discrimination based on age, disability, family status, race, religion, or gender.

As such, the Group has set out to increase the percentage of employees who contribute to the co-construction of the Company's future by 2022. Ensuring Klépierre's policies, processes and activities are inclusive is vital to its success and listening to a diverse set of voices is key to its approach for creating a future where everyone feels heard, engaged and comfortable to be themselves. In 2021, an internal Women's Network was introduced as a pilot initiative, made up of 15 senior managers from the Corporate team and France.

DIVERSITY AND INCLUSION WEEK

In 2021, a Group-wide project was launched to celebrate Diversity and Inclusion Week (November 29 – December 3) to allow employees to find out more about what diversity and inclusion means.

Klépierre held four events over the week to share the Group's Diversity and Inclusion ambition, testimonials from employees and to encourage and promote conversation around topics such as intergenerational inclusion, gender equality, stereotypes, and disability. The events were attended by over 600 participants.

The Group also introduced five e-learning modules, with over 350 employees completing at least one new training module.

During the week, over 40 diversity and inclusion ambassadors supported the running of the events and sessions and promoted several local initiatives in their own regions including virtual reality training.

3.4.3.2 Quality of life at work

Research increasingly shows the benefits of a high-quality workplace and a strong positive correlation between healthy workplaces, employee well-being and their productivity.

3.4.3.2.1 Health, safety, and well-being at work

Occupational health and safety are a vital component of Klépierre's commitment to enhance employees' working life. The Group promotes health and safety training, awareness raising and well-being initiatives to improve the quality of its workplaces and spaces.

Serious health and safety incidents such as fatalities are extremely rare due to the nature of the business. Instead, occupational health and safety issues such as mental health risks are among the most significant incidents contributing to employee absence. In the current context of the ongoing pandemic, home working has been extended to many employees. New mental health risks have materialized and must be anticipated and considered to ensure that employees in need receive the requisite support.

Accordingly, the Group uses Klépierre University to deliver mental health and well-being training to managers and employees, through online modules and face-to-face sessions. The Group also provides a free and anonymous mental health helpline to all French and Belgian employees in partnership with Axis Mundi, and a similar assistance program has been set up in Turkey.

In 2021, Klépierre ran a week-long group-wide Well-being @ Work initiative which offered e-learning modules, conferences, and workshops for employees through the Group's internal social network, intranet, and a direct email campaign. Ten online training modules were made available to all group employees to support their well-being in various work-related situations. The training covered topics such as work-life balance, how to deal with stress, bonding with remote teams and developing emotional intelligence. In France, employees had the opportunity to join fitness and cooking classes, as well as sessions that focused on the impacts of home working and how the pandemic has affected office life.

(1) Management team : Executive board and Corporate Management team.

In addition, the Group provides regular lectures organized in partnership with International SOS, aimed at explaining the evolution of the ongoing pandemic and answering questions to ensure employees feel supported.

In 2022, the Group aims to introduce more support for managers to help manage increased mental health issues due to the ongoing health crisis.

3.4.3.2.2 Benefits and work-life balance

Klépierre’s benefits and work-life programs are largely managed at a country level and are designed to reflect local needs and practices, although the Group ensures that certain benefits are available to all employees.

The Group’s competitive benefits and compensation help improve engagement and retention levels, enhanced by a range of non-financial benefits that collectively provide a rewarding work environment and

support employees to better balance their work-life commitments. In France and Sweden, for example, additional parental leave and part-time working opportunities are available, while in Italy and Spain, Klépierre offers a benefits allowance that employees can put towards health and well-being activities. The Company also applies a “right to disconnect” policy outside of working hours following a collective bargaining agreement enacted in France in 2017.

Thanks to these initiatives, there was a smooth transition to home working during the health crisis. All employees were equipped with laptops, cloud solutions were deployed company-wide, and the daily use of collaborative tools has been widespread. This has facilitated remote team-based work and enhanced employee responsiveness on various subjects.

3.4.4 Champion ethics in the local communities

Klépierre operates to the highest ethical standards and ensures everyone working with and for the Group acts according to the same principles. This is essential for maintaining the Group’s reputation as a responsible business and safeguarding its long-term relationships with customers, retailers, shareholders, and local communities. In 2021, all employees received training of the following type: Compliance & Ethics.

All Klépierre employees, first-tier suppliers and service providers are based in countries that have ratified the eight fundamental conventions of the International Labor Organization (ILO) including: the elimination

of discrimination in the workplace, respect for freedom of association and the right to collective bargaining; the elimination of any form of forced or compulsory labor, and the abolition of child labor. Human rights standards are supported by strict national and European regulations.

Klépierre became a signatory to the United Nations Global Compact in 2012, and the Group conducts an annual review of human rights risks, policies, monitoring, and reporting procedures across all countries where it operates using the UN Global Compact’s analysis tool.

Target Description 	2018	2019	2020	2021*	2022 COMMITMENT
Percentage of employees who have been made aware of ethical business practices	100%	100%	100%	100%	100%
Percentage of external stakeholders who have been made aware of ethical business practices	58%	63%	50%	64%*	100%
Percentage of suppliers selected on the basis of CSR criteria	100%	100%**	100%**	100%**	100%

* Suppliers, service providers and M&A teams

** Calculated on the scope managed by the Group Procurement Department i.e., 37% of Klépierre (key) suppliers

3.4.4.1 A culture of business ethics

Business ethics are deeply embedded within the Group's culture and guide Klépierre's relationships with external partners and employees.

In 2021, the Audit & Internal Control Department restructured to create two separate departments: Internal Audit and Risk Management. The change aligns the Group's business ethics procedures with best practice governance, establishing independence for internal audit activities, more effective segregation and specialization of roles, as well as an enhanced focus on risk management. A Group-wide Risk Management Committee has also been formed and will commence in 2022 to enhance knowledge sharing and the perception of key risks by all top managers, create stronger governance and coordination of initiatives, and improve the allocation of resources and responsibilities.

Compliance with all national laws and regulations is a prerequisite to operating responsibly. France's "Sapin II" law stipulates that large companies must establish an anti-corruption program to identify and mitigate relevant risks. This includes obligations to draw up a risk map, a dedicated Code of Conduct, an internal whistleblowing system, third-party due diligence, accounting controls, a compliance training program, a disciplinary mechanism, and internal evaluation controls.

Klépierre's approach is underpinned by two ethical codes. The Code of Professional Conduct sets out the Group's commitment to ethics and human rights and instructs employees' behaviour including: respect for the law and local customs; customer service; confidentiality and observance of professional secrecy; financial and media communication; delegations of authority and signatures; protection and utilization of Company assets; whistleblowing; health and safety; prevention of acts of discrimination and harassment, and respect for privacy; and environmental responsibility. The Anti-corruption Code of Conduct sets out the Group's expectations regarding the giving and receiving of gifts and invitations, conflicts of interest, facilitation payments, patronage and sponsorship and lobbying activities.

The codes are available on the Group's corporate website and are regularly reissued to all Group personnel, with annual Group-wide training conducted to refresh employee's knowledge and deep-dive into specific topics. In 2021, 99% of the present headcount at year-end completed training on data confidentiality to understand the different forms of data and information leakage, recognize sensitive data, raise awareness on the importance of data protection, and promote best practices.

Whistleblowers can raise alerts internally, using a confidential reporting procedure, and externally, using an independent specialist service provider. Depending on local regulations, alerts can be made both anonymously or publicly. Based on upcoming regulation, whistleblowing procedures are being reviewed internally to effectively protect those raising alerts.

3.4.4.1.1 Money laundering and terrorism financing

Klépierre's ethical values extend to its partners. To ensure compliance with the anti-corruption aspects of the "Sapin II" law and the 4th and the 5th European Directive on money laundering and terrorist financing, the Group has "Know Your Business Partner" procedures in place.

These procedures comprise an electronic tool containing a list of sanctions, convictions, politically exposed persons, and negative press articles to assess the probity risk of third parties and identify beneficial owners and external stakeholders. These third-party assessments are primarily applicable to business relationships with retailers, but also to buyers and sellers of assets, key suppliers and service providers, and intermediaries recruited as part of development transactions. The tool is undergoing a review to ensure wide-spread deployment across the Group, with improvement recommendations due to be implemented in 2022.

In 2021, Klépierre raised awareness of business ethics with 64% of its external stakeholders, bringing it well within reach of the 100% 2022 target.

3.4.4.2 Responsible purchasing

Klépierre purchases goods and services from a diverse first-tier supply chain of around 14,000 suppliers across 12 countries, ranging from small local businesses to large international companies. Five major service categories including utilities (energy and water), general operations, cleaning, maintenance, and safety and security represent approximately 85% of the Group's operating budget.

Major suppliers are viewed as partners, with whom the Group nurtures long-term relationships built on trust and mutual respect, to create mutually beneficial value beyond each formal contractual agreement.

A central procurement team evaluates and monitors the Group's top 80 suppliers, equivalent to 37% of supply chain spend, providing support to country-level procurement teams to ensure the consistent application of the Group's standards and procedures. Procurement and service provision are primarily managed by country procurement teams, supported by local multi-disciplinary teams, and overseen by Country Heads, Operational Departments and Procurement Departments. This enables the local context to be accounted for, such as prioritizing local businesses to support the Group's long-term targets (see Act for Territories, section 3.3).

To work with Klépierre, suppliers, including all service providers, must formally commit to and sign the CSR Responsible Purchasing Charter, which defines the expected standards relating to human rights, ethics, security, energy performance, waste management, sustainable behavior, local development and building certification. The Charter is regularly reviewed and updated. By the end of 2021, 100% top suppliers had signed the charter.

The Group favors suppliers with management systems certified to ISO 9001 or 14001 for technical services as an indicator of responsible business practices. At the end of 2021, 90% of cleaning suppliers, 95% of security suppliers and 94% of facility management suppliers were certified against at least one of these standards. For all key suppliers, the Group uses an assessment matrix to evaluate their social and environmental policies and practices. Since 2018, 100% of Klépierre's suppliers (on the scope managed by the French procurement team) have been selected based on CSR criteria, four years ahead of the target date.

As operating expenses are mostly passed on to tenants through the service charge, they are subject to extensive scrutiny by retailers. The Group continually seeks to reduce costs on behalf of its tenants, for

example by consolidating energy and waste management contracts at regional and national level. The Group also operates a stringent selection and approval process. The signing of framework agreements and continuous on-site monitoring ensures that risks in relation to operating expenses are identified and minimized. The financial sustainability of suppliers is considered as part of this process, and the proportion of suppliers' total revenue that is derived from business with Klépierre may not exceed 22%.

Purchasing teams follow two fundamental principles: neutrality, to ensure fair, ethical, objective, and transparent processes; and the consideration of the life-cycle cost of purchased products. The Group's social and environmental commitments have also been progressively incorporated into contractual agreements.

3.4.5 Be socially conscious

Empowering employees to contribute to causes important to them and their local communities is essential for a positive employee experience, driven by shifting employee attitudes towards volunteering, philanthropy, and corporate social responsibility. Offering opportunities to take part in these activities can positively contribute to engagement and satisfaction levels, whilst strengthening ties with local communities.

Target Description 	2018	2019	2020	2021	2022 COMMITMENT
	Percentage of employees who have been given the opportunity to take part in a philanthropic initiative	61%	90%	100%	100%
One long-term partnership per country signed with an NGO committed to employability and/or family*	Not yet	Not yet	Not yet	Ongoing	Signatures

* In the absence of a suitable Group level partnership, all countries are encouraged to develop their own long-term partnerships with NGOs, with support from the group

Since 2020, 100% of the Group's employees have been given the opportunity to take part in a philanthropic initiative, well ahead of the 2022 deadline. In addition, each country is encouraged to identify opportunities for long-term partnerships with non-governmental organizations (NGOs) dedicated to employability and family, with support from the Group. Many have taken the lead in supporting families and young people in their catchment areas and in 2021, 100% organized at least one philanthropic activity. In 2022, Klépierre's focus will be to ensure that a partnership with an NGO is in place at all shopping centers and an activity to support them has commenced.

Across France, The Netherlands, Germany, Italy, and Poland, 348 Klépierre employees took part in a Solidarity Walk in support of *Apprentis d'Auteuil*. Together, the employees walked 37,427 km and over 50 million steps, equivalent to a round trip from France to New Zealand, the

furthest distance of all companies who entered the initiative. Due to the dedication and hard work of the Group's employees that participated, 28 families will be supported by the charity for a year, which aims to provide a safe space to families who need support in areas such as education and financial security. Klépierre has worked with the French NGO on several previous projects including providing space for people supported by the charity to test their projects and sales training for people starting out in their careers.

Similarly, in Portugal and Spain, shopping centers partnered with an NGO called Action Against Hunger where employees could log the kilometers they ran, walked, or cycled online. The distance achieved was exchanged for money on shopping cards for families in need. Together, employees walked a total of 3,240 km, equivalent to €2,680, filling the shopping cart of approximately 63 families.

3.5 SUMMARY OF PERFORMANCE AGAINST LONG-TERM COMMITMENTS, METHODOLOGY AND CONCORDANCE TABLES

3.5.1 Summary performance against 2022 Act for Good® commitments

For all indicators, the reference year is 2017 as this corresponds to the baseline of the current Act for Good® strategy, except for energy for which the Group has chosen a target in relative terms (40% decrease vs. 2013).

ACT FOR THE PLANET

	2020	2021	2022
ACT FOR A LOW-CARBON FUTURE			
Reduction in energy consumption for common and serviced areas compared with 2013 ^(a)	-43%	-45%	-40%
Percentage of electricity from renewable sources in common and serviced areas	93%	95%	100%
The five biggest shopping centers in our portfolio to be net-zero carbon (Scopes 1 & 2)	1/5	4/5	5/5
Certification of the Group's climate strategy by the Science Based Targets Initiative	Certified	Certified	Certified
CONTRIBUTE TO A CIRCULAR ECONOMY			
Percentage of recovered waste	96%	98%	100%
Percentage of centers that have involved retailers in a circular economy effort	86%	94%	100%
DEVELOP A FULLY-CERTIFIED PORTFOLIO			
Percentage of centers that have a sustainable development certification (BREEAM In-Use, ISO 14001, etc.)	100%	100%	100%
Percentage of development projects that have obtained BREEAM New Construction certification (with a minimum level of "Excellent")	100%	N/A ^(b)	100%
Percentage of new developments using wood from a certified forest during construction	100%	N/A ^(b)	100%
INNOVATE FOR SUSTAINABLE MOBILITY			
Percentage of centers accessible via public transport	98%	100%	100%
Percentage of centers equipped with electric vehicle charging stations	68%	72%	100%

(a) 2013 baseline: 143 kWh/sq.m.

(b) No development projects superior to 10,000 sq.m. were delivered in 2021.

ACT FOR TERRITORIES^(a)

	2020	2021	2022
ENCOURAGE LOCAL EMPLOYMENT AROUND OUR CENTERS			
Percentage of local service providers for operational management of the centers (security, maintenance, cleaning services)	87%	98%	100%
Percentage of centers that have contributed to local employment	95%	100%	100%
PARTICIPATION IN THE LOCAL COMMUNITY			
Percentage of centers that have made space available for a local initiative	98%	100%	100%
PURSUE OUR CORPORATE CITIZENSHIP			
Percentage of centers that have organized a drive (clothes, toys, furniture, etc.) for the benefit of a local charity	96%	100%	100%
Percentage of centers that have supported a citizen's initiative organized by a retailer in the center	98%	99%	100%
INVOLVE LOCAL STAKEHOLDERS IN DESIGNING NEW DEVELOPMENTS			
Percentage of development projects that have included local cooperation as part of the early planning process	100%	N/A ^(b)	100%
Percentage of development projects certifying that suppliers sign a Sustainability Charter governing construction site supply and management	100%	N/A ^(b)	100%
Percentage of development projects that have implemented a biodiversity action plan	100%	N/A ^(b)	100%

(a) All Act for Territories targets are measured by value.

(b) No development projects superior to 10,000 sq.m. were delivered in 2021.

ACT FOR PEOPLE

	2020	2021	2022
CONTINUOUSLY INCREASE VISITOR SATISFACTION			
Increase in the Group's Net Promoter Score (NPS) ^(a)	+8 pts	+18 pts	+3 pts
Percentage of customer questions asked on social media handled	92%	88%	100%
PROMOTE HEALTH AND WELL-BEING IN THE CENTERS			
Percentage of centers promoting health and well-being	99%	100%	100%
Percentage of centers offering dedicated services to the employees of their retailers	94%	100%	100%
OFFER GROUP EMPLOYEES A POSITIVE EXPERIENCE			
Rate of access to training for Group employees	100%	100%	100%
Percentage of employees concerned by measures aimed at achieving work-life balance	100%	100% ^(b)	100%
Percentage of recent graduates who have been given the opportunity to receive personalized career guidance	100%	100%	100%
Percentage of employees who have contributed to the co-construction of the Group's future	38%	38%	100%
SPREAD ETHICS IN OUR COMMUNITIES			
Percentage of employees who have been made aware of ethical business practices	100%	100%	100%
Percentage of external stakeholders who have been made aware of ethical business practices	50%	64%	100%
Percentage of service suppliers selected based on CSR criteria	100%	100% ^(c)	100%
BE SOCIALLY CONSCIOUS			
Percentage of employees who have had the opportunity to take part in a philanthropic initiative	100%	100%	100%
One long-term partnership per country signed with an NGO committed to employability and/or family	Not yet	Ongoing	Signature

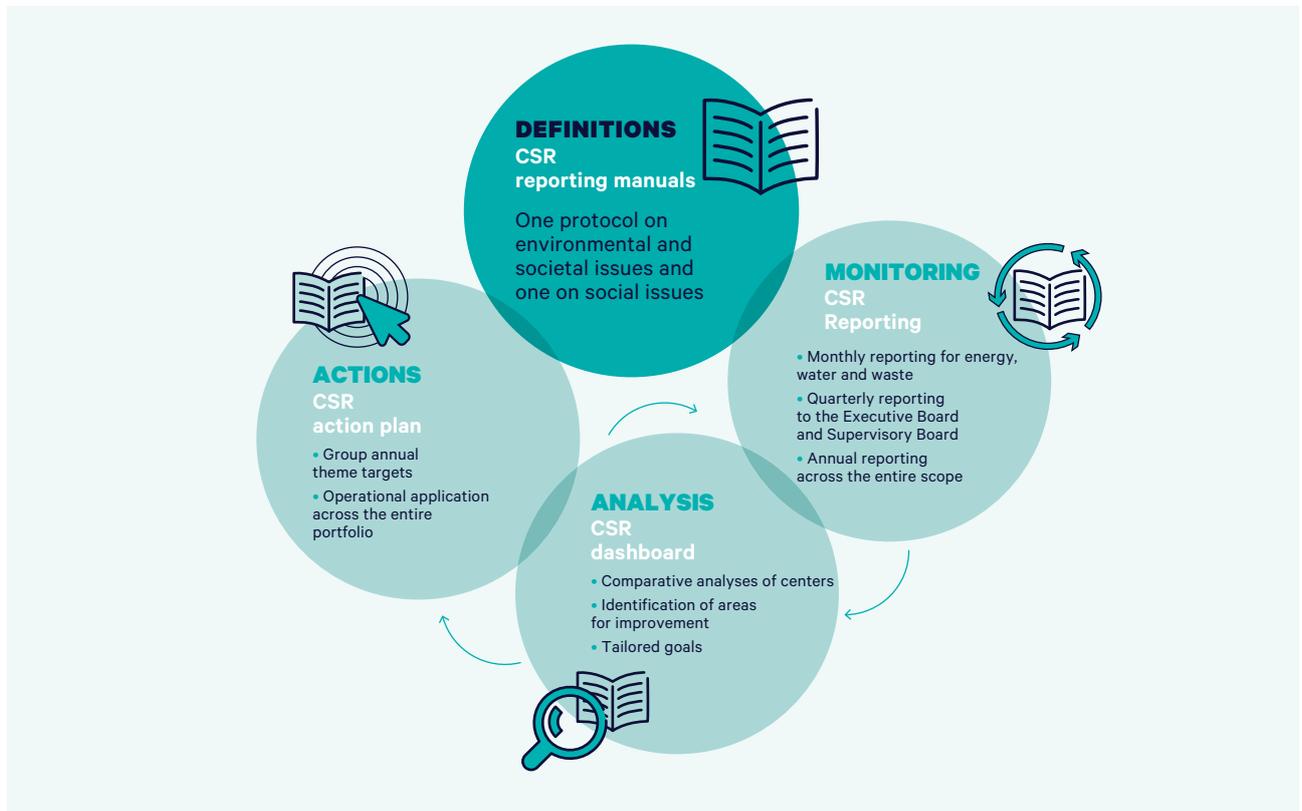
(a) 2017 baseline.

(b) 99.8%

(c) Calculated on the scope managed by the French Procurement Department, 37% of Klepierre key suppliers.

3.5.2 Management system and tools

For uniformity and internal clarity, the Group uses a suite of tools and processes to integrate environmental and societal issues into all its operational procedures. These are organized into four groups:



3.5.2.1 Definitions: CSR reporting manuals

The Group has established standard definitions for the environmental, social, and societal impacts that all shopping centers and Group operations are expected to monitor.

The definitions are grouped into two reporting protocols:

- Social aspects, which are sent to Human Resources Managers in each country, and include both quantitative and qualitative data.
- Environmental and societal aspects, which are communicated to each country and asset, and contain approximately 120 data points to be collected for each shopping center in the portfolio.

These documents are updated annually to reflect developments in the business activities of the Group, and changes to regulation in each of the Group's operating countries.

3.5.2.2 Monitoring: CSR reporting

3.5.2.2.1 Internal reporting

Klépierre monitors environmental, social, and societal data covering 99.9% of its portfolio of owned shopping centers by value and of all its staff, against the defined impacts and key performance indicators (for full details on reporting scope, please refer to section 3.5.4).

Center Managers and Technical Directors monitor utility consumption (energy and water) and waste production at least once a month. 76% of centers are also equipped with energy measurement systems that enable automated reporting (by directly hooking up to utility suppliers, for example) and provide real-time analysis of the actual performance of assets. The Group uses Deepki to standardize its monthly reporting of energy, water and waste data. The tool enables data analysis at shopping center and portfolio level, control for climate factors, and allows for a robust shopping center performance benchmarking assessment. Social data in relation to the Group's Act for People activities are monitored using an information system shared with all Group Human Resources teams, thereby enabling standardized and structured management of data based on a single source. The Group's progress against its Act for Territories activities is monitored on a country and shopping center basis using Deepki which allows for a quarterly review of each commitment, as well as during quarterly meetings (see below) which are supported by regular communications between relevant teams and the Group's Engineering & Sustainability Department.

Both data sets and supporting qualitative information are compiled and reported quarterly to the Executive Board and to the Supervisory Board's Sustainable Development Committee.

The Management Committee of each country attends quarterly meetings to share progress against each Act for Good® pillar and monitor key performance indicators. The meetings also serve to identify areas where individual countries and/or shopping centers may need additional support, and this is aided by the best practice guidelines referred to above (see section 3.1.1 "Governing responsibly").

3.5.2.2.2 External reporting

The Group reports performance against its Act for Good® commitments, key performance indicators, non-financial risks, and opportunities annually through its universal registration document. The report is prepared in accordance with the provisions of Article R.225-105 of the French Commercial Code.

Klépierre also chooses to report its environmental, social and governance performance using voluntary reporting standards including the EPRA Sustainability Best Practices Recommendations (sBPR), the Global Reporting Initiative (GRI) Reporting Standards, the Task Force on Climate-related Financial Disclosures (TCFD), the Carbon Disclosure Project (CDP), the Real Estate Sustainability Accounting Standards defined by SASB and the UN Sustainable Development Goals.

A separate supplementary report presenting the Group's performance against the third edition of the EPRA sBPR is available for download from the CSR section of the Klépierre website (<https://www.klepierre.com/en/notre-identite/l-engagement-rse>).

Although the report is not fully prepared in accordance with the GRI Standards, a cross-reference table with the relevant GRI Standards covered by the contents of this report is available in section 3.5.6.

3.5.2.2.3 Actions: CSR action plan

The detailed performance analysis described above makes it possible for the Engineering & Sustainability Department and Group Human Resources Department to identify areas for improvement at all levels, and in particular at the beginning of the year:

- Share Group goals; each country then implements them within its own organization, in line with the most suitable local processes and regularly reports on them during the year;
- Propose individual goals for shopping centers; these are discussed with each country department for possible readjustment considering local conditions. Once jointly approved, these goals are implemented in each center. Progress is monitored monthly.

All these goals are first approved by the internal CSR Committee, chaired by the Executive Board.

3.5.3 Industry initiatives and charters supported by Klépierre

Klépierre is an active member of the following national and international trade associations that the Group considers strategic for its business. In several of them, it holds a position on the governance body and/or sits on their key committees, including those dealing with sustainable development issues.

European Public Real Estate Association (EPRA)

EPRA's members include more than 200 European listed real estate companies. The EPRA Sustainability Best Practices Recommendations (sBPR) aim to establish a standardized approach to reporting on the environmental and social impacts that are material for publicly traded real estate companies. Klépierre is a member of the Sustainability Committee.

French Council of Shopping Centers (CNCC)

CNCC promotes and represents the shopping center industry in France. Klépierre is involved in the Sustainable Development Commission which is tasked with the oversight, sharing of best practice and coordination of industry players.

French Real Estate Association (FSIF)

FSIF promotes and represents the shared business interests of French real estate companies, including sustainability through awards and member discussions.

Global Real Estate Sustainability Benchmark (GRESB)

GRESB's primary purpose is to assess the environmental and social performance of private and publicly listed real estate companies and funds. Klépierre has participated in this benchmark since its beginning and is also a member.

United Nations Global Compact

As signatory to the United Nations Global Compact since 2012, Klépierre issues an annual Communication on Progress summarizing its commitment to implementing the 10 universal principles promoted

by the Global Compact (covering human rights, labor standards, the environment, and the fight against corruption). In 2017, the Group reached the "advanced" level in this improvement process.

Charter for energy efficiency of tertiary buildings

The Charter provides a framework for real estate companies to improve the energy efficiency of their portfolios and anticipate future regulatory obligations related to tertiary buildings' energy performance. The Group has been a signatory since November 2013 and signed up again in 2017 following publication of the new version of the Charter.

Diversity Charter

The Charter commits signatories to promote diversity in their workplaces and confirm their commitment to non-discrimination and equal opportunities. Klépierre has been a signatory since 2010.

Charter for Parenthood

Enacted by the French Monitoring Agency for Parenthood in the Workplace (OPE), this Charter promotes better work-life balance and has three objectives: to bring about a change in attitudes towards working parents, to create a favorable environment for working parents, and to respect the principle of non-discrimination in career development for such employees. The Group has been a signatory since 2009.

The Palladio Foundation

Klépierre is a founding member of the Palladio Foundation. The Palladio Foundation was created in 2008 (under the aegis of *Fondation de France*) to promote sustainable urban development with a focus on construction and buildings. It is a unique organization that brings together all sectors involved in the building and development of towns and cities to make urban environments as human and livable as possible.

Association pour le développement du Bâtiment Bas Carbone (BBCA)

BBCA's goal is to reduce the carbon footprint of buildings, and to promote approaches that help develop low carbon buildings. It has developed a certification program that was published in 2016.

3.5.4 Methodological note

Group CSR reporting is one of the key methods of monitoring, organizing, and overseeing Klépierre's CSR initiatives. Klépierre uses a comprehensive management system to quantify and pinpoint the main environmental, societal, and social impacts of the Group and its activities.

The key reporting principles are as follows:

- Relevance: material sources of impacts and opportunities for each topic are considered;

- Representativeness: selected indicators are representative of the Group's sites and activities;
- Consistency: a guarantee that data comparisons by region and period are relevant;
- Transparency: assumptions and calculation methods are clearly defined;
- Accuracy and reliability: records are kept at site level and at the various sub-groups, to ensure traceability.

3.5.4.1 Methodological note for environmental and societal indicators

3.5.4.1.1 Key industry indicators

Definitions of key indicators

A reporting protocol for environmental and societal indicators has been circulated Group-wide since 2006 to ensure the consistency and reliability of the CSR reporting procedure and the qualitative and quantitative data published by the Group. It acts as a reference framework for all participants in the reporting process. The protocol is updated each year to ensure that it is as relevant as possible to Klépierre's CSR commitments and strategy, and to take account of feedback received following each reporting period, of regulatory changes and of evolving industry practices and standards.

Above all, it sets out the method for collecting and calculating the data underlying the indicators, including definitions, scopes, units, formulas, contributors involved, data entry processes, etc.

Units of measurement

- Portfolio coverage rates are mostly expressed as percentages of the value of the underlying assets (as opposed to the number of assets, for example) to better reflect their contribution to the Group's overall portfolio.
- Energy, carbon, and water data are presented both in gross terms (kWh, tCO₂e, cu.m.) for the purposes of assessing volumes, and as ratios (gross value divided by floor area or footprint) to discern the performance of assets on each of the given topics.
- The reference surface for non-financial indicators is the surface that the Group directly manages (common areas and private areas served by common facilities for heating and cooling). It is different from the total surface area of the portfolio, which includes private portions and other outdoor areas.

Additional clarifications

- Energy efficiency and greenhouse gas emissions of serviced areas and shared equipment: consumption intensity and energy performance indicators expressed in kWh or kWh/sq.m. reflect the heating and air conditioning consumption of serviced areas which include the common areas of the shopping centers and the private areas (shops, storage rooms, etc.) that are connected to shared equipment without a sub-metering system.
- Greenhouse gas emissions are presented using "location-based" and "market-based" methods. For location-based data, emissions factors used in the calculations are sourced from the French Environment and Energy Management Agency's (ADEME) Bilans GES database (average national factors). For market-based data, emissions factors are sourced directly from each energy supplier.
- For energy and water consumption, the Group uses meter reading data (as opposed to invoices) to ensure shorter data collection lead times and greater relevance.

- Where Klépierre neither owns nor manages head office buildings it occupies, the related consumption data are not included in this report.
- Water consumption corresponds to drinking water consumption for the entire building in question (both common and private areas), exclusive of water used for heat pumps.
- Development projects included in the 2020 reporting scope correspond to projects delivered during the year, except for carbon data, for which emissions relating to project construction are spread over the years of the corresponding work.
- All key indicators are calculated based on actual and exhaustive data. For certain missing data, Klépierre has provided estimates detailed in the charts or tables concerned.

Industry frameworks

The environmental and societal management system take into account the recommendations included in the leading industry and/or international frameworks, namely:

- Global Reporting Initiative (GRI) Standards;
- European Public Real Estate Association (EPRA) Sustainability Best Practices Recommendations;
- French Council of Shopping Centers (*Conseil national des centres commerciaux* – CNCC) – CSR industry reporting guide/Non-financial performance statement;
- United Nations (UN) Sustainable Development Goals (SDGs);
- Taskforce on Climate-related Financial Disclosures (TCFD);
- Sustainability Accounting Standards Board (SASB).

Cross-reference tables with the non-financial information presented by Klépierre in this document covering the CNCC non-financial performance statement, the GRI Standards, the UN SDGs and SASB are provided in section 3.5.6.

3.5.4.1.2 Reporting scope

2021 reporting scope and coverage rate

Acquisitions, disposals, and developments (extensions and/or new constructions) may alter the reporting scope and distort period-on-period comparisons for the various indicators.

To provide data that is both exhaustive and comparable, Klépierre distinguishes between "reported" and "like-for-like" scopes for most of its indicators.

In addition, the notion of operational management, which is specific to the shopping center industry, is used to determine which assets are included in the scope.

The Group's scope aggregates assets owned and managed by Klépierre, and assets managed but not owned by the Group (where data are available), to reflect its activities as accurately as possible. Assets owned but not managed by Klépierre are included in the Group's reporting scope where data are available. For these assets, the Group is only responsible as a delegate. However, as owners of these assets, Klépierre strives to increase the information collected each year and include more in its coverage scope.

Section	Reporting Scope rules	Scope & coverage rate
All KPIs – except the ones mentioned below	All assets under Klépierre's operational control are included in the scope. All exclusions are specified in each section of the document.	Scope (127/130): 116/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only shopping centers. Coverage rate: 99.9%
% of recovered Waste	All assets under Klépierre's operational control are included in the scope, however when municipality or local authorities are responsible for waste management, as we do not have leverage over the final destination strategy and utilities, shopping centers in this situation are excluded from the scope.	Scope (96/130): 87/116 owned and managed shopping centers + 5/6 managed-only shopping centers + 4/8 owned only. Coverage rate: 84.00%
Waste – other KPIs	All assets under Klépierre's operational control are included in the scope. Despite this rule, a shopping center may be removed from the scope when it is managed by the municipality and we do not have access to the tonnage.	Scope (126/130): 115/116 owned and managed shopping centers + 6/6 managed-only shopping centers + 5/8 owned only. Coverage rate: 99.8%
Water – all KPIs	All assets under Klépierre's operational control are included in the scope. A shopping center is excluded when a third-party (i.e., a hypermarket) is managing the water contract and consumption data.	Scope (126/130) : 115/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only. Coverage rate: 99.6%
% of shopping centers equipped with charging stations	All assets under Klépierre's operational control are included in the scope, some centers are excluded from this scope when we are not responsible for the management of the parking area. In this case, we are unable to impose a charging station for electric vehicles, however in such a situation we try to work with the co-owner to find solutions.	Scope (110/130) : 101/116 owned and managed shopping centers + 6/6 managed only shopping centers + 3/8 owned only. Coverage rate: 89.6%
Act for Territories section – except local providers KPIs	All assets under Klépierre's marketing control are included in the scope; centers are excluded from this scope when we are not in charge of the marketing operations, as in this case we unable to impose our strategy.	Scope (122/130): 115/116 owned and managed shopping centers + 6/6 managed only shopping centers + 1/8 owned only shopping centers. Coverage rate: 98%
HR KPIs	This relates to all employees who were already present for all or a portion of the period, whether or not they are still under contract with the entity at the end of the reporting period.	Eligible workforce : open-ended and fixed-term contracts. (1,096 employees) Coverage rate : 100%

Reported scope

The reported scope is used to assess the CSR impact of the property portfolio over a calendar year. It reflects the impacts of management, renovation, and arbitrage (acquisitions and disposals) policies. In 2021, it includes:

- All shopping centers owned and managed by Klépierre (116 assets);
- Shopping centers not owned by Klépierre but managed by the Group on behalf of third parties, and for which operating data are available (6 assets, all in France);
- Shopping centers owned by Klépierre but not managed by a third party, and for which operating data are available (8 assets: 2 in France, 3 in Greece, 2 in Italy and 1 in Turkey).

Shopping centers acquired and managed by the Group are included in the scope as from the first full year following the acquisition. Real estate development projects are not included in the reporting scope during development or construction, but from the first full year following completion (except for carbon footprint calculation). Additionally, certain centers under redevelopment, extension and/or renovation may be excluded from the reported scope.

This configuration may vary slightly for assets managed on behalf of third parties. Depending on the situation, Klépierre may have full management of electricity, for example, but be charged by a third party (hypermarket, etc.) for fuel usage. Waste may also be collected by a third party (such as a local authority) on a flat rate basis, for example. Some of these configurations may hinder the collection of reliable quantitative data and lead the Group to exclude the corresponding shopping centers from the reported scope for certain items. Typically, only centers that Klépierre manages outright and has full control over energy, water and waste consumption data are included in the reported scope, which explains the difference in coverage rates between the various indicators.

Coverage rates are expressed in terms of the total value of owned and managed shopping centers. Shopping centers which are only managed are not included in the coverage rate calculation as their values are unavailable.

The 2021 reported scope represented 99.9% of the Group's total shopping center portfolio value as of September 30, 2021, which comprises all owned shopping centers. The remaining 0.1% represents shopping centers which Klépierre does not manage.

Like-for-like scope

The like-for-like scope is used to assess changes in performance across an identical scope on a comparable basis and reflects the Group's ability to manage and optimize its asset portfolio. It excludes the impact of acquisitions and disposals and includes all shopping centers owned and managed. However, it excludes shopping centers acquired or completed during the year as well as those not managed for the entire period.

The 2021 like-for-like scope represents 99.9% of the Group's portfolio as of December 31, 2021.

Lastly, where assets are excluded from the scope of a given indicator, they are indicated in the footnotes to the tables and charts in this chapter.

Reporting periods

The Group wants to minimize the use of estimates and focus on collecting and consolidating real data, hence uses two different reporting periods, depending on the indicator. For consumption, including all energy, climate change, waste, water and transportation indicators, the reporting period corresponds to a rolling 12 months from October 1 of the prior year, to September 30 of the current year (i.e., October 1, 2020 to September 30, 2021 for the 2021 reporting scope). Social impact indicators, such as NPS data, suppliers and initiatives carried out by centers, are also included within this period.

All other indicators (including building certifications, human resources data, etc.) are calculated based on the calendar year, i.e., from January 1, 2021 to December 31, 2021 for the 2021 reporting scope.

3.5.4.1.3 Data collection process**Data collection tool**

The Group operates an online data collection tool for its entire reporting scope aimed at automating and improving the reliability of data collection for the environmental and societal impacts of its activities. This is accessible remotely and in real time by all on-site teams in the shopping centers, the head offices of the national subsidiaries and by Klépierre's corporate teams.

The tool was selected for its ability to meet the reporting requirements of the Group's annual publications process, as well as – and especially – for its functionality in terms of the daily monitoring of the buildings owned and/or managed by the Group.

Collection frequency

Consumption and billing data for energy, waste and water are collected on a monthly basis for all assets. Data for certain additional indicators are collected quarterly (Act for Good® follow-up meeting per country) and/or annually, in particular to produce the universal registration document.

3.5.4.2 Methodological note for social indicators**3.5.4.2.1 Period and reporting scope**

For all social indicators, the reporting period is the calendar year, from January 1 to December 31 of the year under review.

The data collection and reporting scope covers all Group subsidiaries as of December 31, 2021, in which the employees hold employment contracts with the Group.

Changes in scope arise from acquisitions of new entities and disposals of existing entities. Employees within these entities are included in or removed from the Klépierre reporting scope with effect from the month following the transaction date.

3.5.4.2.2 Definitions and clarifications

Workforce: total number of employees at December 31 on open-ended and temporary contracts, regardless of the number of hours worked or duration of employment during the year.

Average workforce: average number of employees as at the end of each month during the year.

Average gross wages: sum of contractual fixed annual salaries of employees in the Group as of December 31, on a full-time equivalent basis excluding variable compensation, divided by the workforce as of December 31 (excluding Executive Board members).

3.5.4.3 Audit by the independent third-party verifier

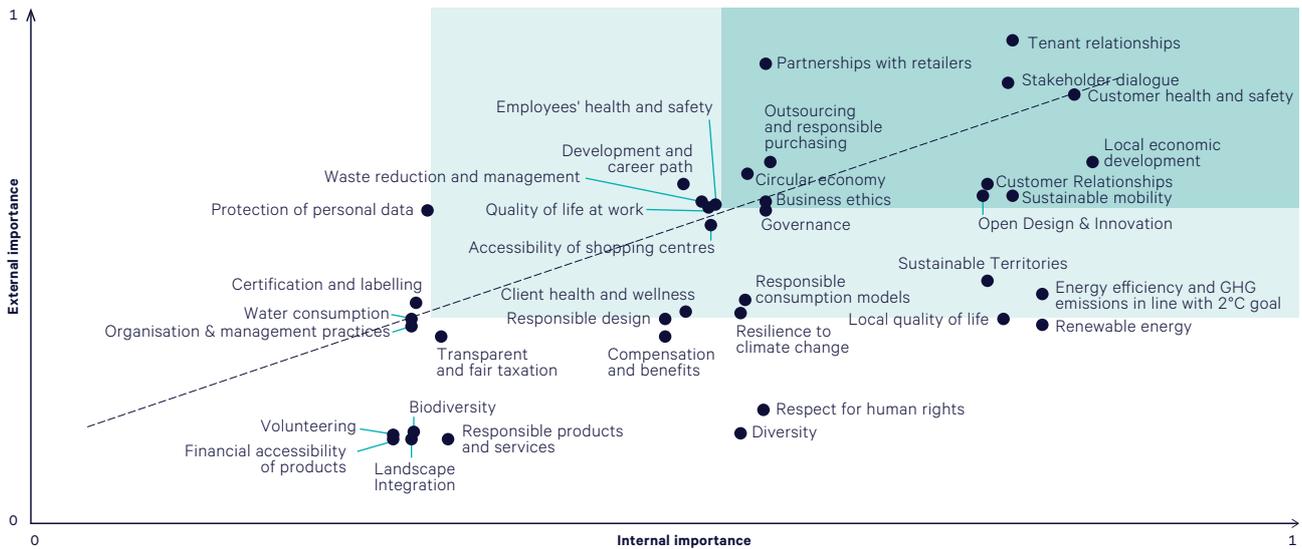
Over the last nine years, Klépierre has been committed to ever greater transparency and accordingly, all its non-financial information is independently verified.

This external audit is carried out each year, based on the Group's regulatory obligations and industry best practices.

3.5.5 Materiality analysis

Materiality analysis helps to define issues which can have a significant impact on the organization's activities. It also helps to determine the ability to create value for itself and its stakeholders. The Klépierre materiality analysis is therefore at the heart of the Act for Good® strategy, allowing the Group to identify environmental, human resources and

social issues in order to take appropriate action, as well as to define projects in compliance with NFPD requirements, G4 guidelines from the Global Reporting Initiative (GRI) and the European Public Real Estate Association (EPRA).



Issues comprising major risks

- Business ethics
- Respect for human rights
- Customer health and safety
- Outsourcing and responsible purchasing
- Governance

Issues offering the greatest opportunities

- Partnership with retailers
- Local economic development
- Dialogue with stakeholders
- Renewable energy
- Circular economy

3.5.6 Reporting on EU taxonomy

The European Union has recently established a taxonomy to help direct investments towards sustainable projects and activities. From the viewpoint of companies, the taxonomy is a classification system meant to provide investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable according to the following six objectives:

1. Climate change mitigation;
2. Climate change adaptation;
3. The sustainable use and protection of water and marine resources;
4. The transition to a circular economy;
5. Pollution prevention and control; and
6. The protection and restoration of biodiversity and ecosystems.

As of the publication date of this non-financial statement, the full set of regulations pertaining to the EU taxonomy had not yet been passed. In accordance with the ones already applicable to 2021 disclosures⁽¹⁾, Klépierre reports in this section only on the proportion of its economic activities that are “taxonomy-eligible” with respect to the first two objectives above.

Taxonomy-eligible activities are those listed as such by the European Union⁽²⁾. This eligibility analysis does not provide any information on the environmental sustainability of Klépierre’s activities. The extent to which Klépierre’s activities make a substantial contribution to, and do not significantly harm climate change mitigation and adaptation will be disclosed as from 2023 onwards, in accordance with the regulations in force as of the publication date of this non-financial statement.

(1) See Article 10.2 of Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021.
 (2) See Annex 1 to the Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021.

3.5.6.1 Reporting scope

Turnover, capital expenditure (CapEx) and operating expenditure (OpEx) considered for this reporting cover the full array of Klépierre's activities and correspond to the scope of consolidation of its financial statements as described in note [4] to the 2021 consolidated financial statements (see p. 140 of this document).

The financial data presented here are extracted from said financial statements so that the turnover and expenditure figures given in the below section tie in with the consolidated accounts (see section 4.1 of this document).

Accordingly, entities over which Klépierre has joint control or a significant influence are excluded from the calculation of the ratios presented below.

3.5.6.2 Eligibility of Klépierre's activities to the EU Taxonomy

As described in the business model section of this document (see p. 34), Klépierre has the following three main activities:

- Acquiring and selling shopping centers;
- Operating them on a daily basis; and
- Developing and refurbishing them.

All these pertain to "acquisition and ownership of buildings" as per the EU Taxonomy.

The below table indicates the share of Klépierre's turnover, capital and operating expenditure that are eligible to the Taxonomy.

KLÉPIERRE'S TURNOVER, CAPITAL AND OPERATING EXPENDITURE THAT ARE ELIGIBLE TO THE EU TAXONOMY

Economic activities	Codes	Turnover		CapEx		OpEx	
		€ millions	%	€ millions	%	€ millions	%
TAXONOMY-ELIGIBLE ACTIVITIES							
Acquisition and ownership of buildings	7.7	1,071.4	100.0%	184.9	100.0%	322.4	100.0%
TOTAL		1,071.4	100.0%	184.9	100.0%	322.4	100.0%

3.5.6.2.1 Turnover

Klépierre's turnover consists in gross rental income, and management, administrative and other income.

In 2021, total turnover amounted to €1,071.4 million and 100% thereof was eligible to the EU Taxonomy.

- Acquisitions of, and capital expenditures in investment properties at fair value (see note 5.4.1); and
- Acquisitions of, and capital expenditures in investment properties at cost (see note 5.4.2).

They amounted to €184.9 million for 2021.

3.5.6.2.2 Capital expenditure

All capital expenditure incurred by Klépierre and defined as such by the EU Taxonomy are associated to the acquisition and ownership of its shopping centers. They encompass the following:

- Acquisitions of intangible assets (see note 5.2 to the consolidated financial statements);
- Acquisitions of property, plant and equipment and work in progress (see note 5.3 of the same);

3.5.6.2.3 Operating expenditure

At Klépierre, operating expenditure as defined by the Taxonomy are accounted for as service charge costs. By definition, they relate to the day-to-day servicing of Klépierre's shopping centers, including cleaning, air conditioning and heating, safety and security, as well as building renovation, maintenance and repair that are not capitalized.

As per Klépierre's consolidated statements of comprehensive income, they amounted to €322.4 million in 2021, all of which were eligible to the EU Taxonomy.

3.5.7 Cross-reference tables (GRI, TCFD, SASB)

The following tables include an analysis of the cross-referencing between the information published by Klépierre in this document and the main (European and Global) reporting standards for non-financial information: the Global Reporting Initiative GRI Standards, the TCFD and SASB.

A separate report presenting the Group's performance against the third edition of the EPRA Sustainability Best Practices Recommendations (sBPR) is available to download from the CSR section of the Klépierre website (<https://www.klepierre.com/en/notre-identite/l-engagement-rse>). Links between the UN SDGs and CSR risks and opportunities can be identified in the graphic included in section 3.1.2.

Non-financial statement

Topics	Universal Registration Document
Description of the business model	1
Description of the principal non-financial risks relating to the Group's business	3.1.2
Description of the policies to identify, prevent and mitigate non-financial risks and their outcomes, including key indicators	3.1.2/3.5.1
Respect for human rights	3.4.4
Anti-corruption measures	3.4.4
Climate change (contribution and adjustments)	3.2.1
Circular economy	3.2.2
Food waste	3.2.2
Collective bargaining agreements and their impacts	3.4.3
Measures taken to combat discrimination and promote diversity	3.4.3
Societal commitments	3.3/3.4

Global Reporting Initiative GRI Standards (2016)

GRI Standard	GRI Standard no.	Universal Registration Document
Economic	200	
Economic performance	201	4 – Financial statements – page 127
Market presence	202	1 – Group overview – page 4
Indirect economic impacts	203	1 – Group overview – page 4
Procurement practices	204	3.3 – Encourage procurement from local suppliers - page 94 3.4 – Responsible purchasing - page 109
Anti-corruption	205	3.4 – Champion ethics in local communities – page 108
Anti-competitive behavior	206	3.4 – Champion ethics in local communities – page 108
Environmental	300	
Materials	301	3.2 – Develop a fully-certified portfolio – page 89
Energy	302	3.2 – Act for a low-carbon future – page 85
Water	303	3.2 – Contribute to a circular economy and resource conservation – page 88
Biodiversity	304	3.3 – Involve local actors in development projects – page 98
Emissions	305	3.2 – Act for a low-carbon future – page 84
Effluents and waste	306	3.2 – Contribute to a circular economy and resource conservation – page 87
Environmental compliance	307	3.1 – Act for Good® – page 70 3.1 – Main non-financial risks and opportunities – page 74 3.5 – Summary of performance against long-term commitments, methodology and concordance – page 111
Supplier environmental assessment	308	3.4 – Champion ethics in the local communities – page 109
Social	400	
Employment	401	3.4 – Offer Group employees a positive experience – page 104
Labor/management relations	402	3.4 – Offer Group employees a positive experience – page 104
Occupational health and safety	403	3.4 – Offer Group employees a positive experience – page 107
Training and education	404	3.4 – Offer Group employees a positive experience – page 105
Diversity and equal opportunity	405	3.4 – Offer Group employees a positive experience – page 107
Non-discrimination	406	3.4 – Offer Group employees a positive experience – page 107
Freedom of association and collective bargaining	407	3.4 – Champion ethics in the local communities – page 108
Child labor	408	3.4 – Champion ethics in the local communities – page 108
Forced or compulsory labor	409	3.4 – Champion ethics in the local communities – page 108
Security practices	410	3.4 – Promote health, safety and well-being – page 101
Rights of indigenous peoples	411	Not applicable
Human rights assessment	412	3.4 – Champion ethics in the local communities – page 108
Local communities	413	3.3 – Act for Territories – page 93
Supplier social assessment	414	3.4 – Champion ethics in the local communities – page 109
Public policy	415	Not applicable
Customer health and safety	416	3.4 – Promote health, safety and well-being – page 101
Marketing and labeling	417	3.4 – Promote health, safety and well-being – page 101
Customer privacy	418	Not applicable
Socio-economic compliance	419	Zero incidents of non-compliance with laws and/or regulations in the social and economic areas have been identified

Task Force on Climate-related Disclosures

Topics	TCFD recommendations	Cross-Reference
1. Governance Describe the organization's governance of climate-related risks and opportunities	1. a) Describe the Board's oversight of climate-related risks and opportunities 1. b) Describe the role of management in assessing and managing climate-related risks and opportunities	5.3 Risk Management – Organization 5.2 Risk Management – Main risk factors 3.1.1 Governing responsibly 5.1 Risk Management 3.2.1 Act for a low carbon future
2. Strategy Describe the existing and potential impacts of climate-related risks and opportunities on the organization's operations, strategy and financial planning, to the extent that the information is relevant	2. a) Describe the climate-related risks and opportunities that the organization has identified for the short, medium and long term. 2. b) Describe the impacts of climate-related risks and opportunities on the organization's operations, strategy, and financial planning 2. c) Describe the resilience of the organization's strategy, taking into consideration different climate scenarios, including a scenario at 2°C or less	5.3 Risk Management 3.1.2 Managing key trends, risks, and opportunities 3.2.1 Act for a low carbon future 3.2.1 Act for a low carbon future
3. Risk Management Describe how the organization identifies, assesses and manages climate-related risks	3. a) Describe the organization's processes for identifying and assessing climate-related risks 3. b) Describe the organization's processes for managing climate-related risks 3. c) Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the organization's risk management	5.3 Risk Management – Organization 3.1.2 Managing key trends, risks, and opportunities 5.3 Risk Management – Organization 5.2 Risk Management – Main risk factors 3.1.1 Governing responsibly 5.3 Risk Management 3.1.2 Managing key trends, risks, and opportunities 3.2.1 Act for a low carbon future
4. Metrics & Targets Describe the indicators and targets used to assess and manage climate-related risks and opportunities, to the extent that the information is relevant	4. a) Describe the indicators used by the organization to assess climate-related risks and opportunities in relation to its strategy and risk management process 4. b) Publish greenhouse gas (GHG) emissions from Scope 1, Scope 2, and, where relevant, Scope 3, and the corresponding risks 4. c) Describe the objectives used by the organization to manage climate-related risks and opportunities, and its performance against the objectives	3.2 Act for the Planet (indicators) 3.2.1 Act for a low carbon future 3.2 Act for the Planet (indicators and objectives)

Real Estate Sustainability Accounting Standards defined by SASB (Sustainability Accounting Standards Board)

Energy management

Indicators	SASB code	2021
Energy consumption data coverage as a percentage of total floor area, by property subsector	IF-RE-130a.1	98.5%
Total energy consumed by portfolio area with data coverage, by property subsector ^(a)	IF-RE-130a.2	1,118,552 GJ / 98.5% in floor area
Percentage grid electricity, by property subsector	IF-RE-130a.2	99.5%
Percentage renewable, by property subsector	IF-RE-130a.2	79%
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector ^(a)	IF-RE-130a.3	-5% / 98.5% in floor area
Percentage by floor area of eligible portfolio that has an energy rating, by property subsector ^(a)	IF-RE-130a.4	91%
Percentage of eligible portfolio that is certified to ENERGY STAR, by property subsector	IF-RE-130a.4	Not eligible in Europe
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	3.2.1 Act for a low carbon future

(a) Scope: 116/116 owned and managed shopping centers + 6/6 managed only shopping centers + 5/8 owned only shopping centers (excluding Greece). This corresponds to a 99.9% coverage rate in value.

Water management

Indicators	SASB code	2021
Water withdrawal data coverage as a percentage of total floor area, by property subsector ^(a)	IF-RE-140a.1	98.2%
Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	IF-RE-140a.1	36%
Total water withdrawn by portfolio area with data coverage ^(a)	IF-RE-140a.2	2,261,435 m ³
Percentage in regions with High or Extremely High Baseline Water Stress, by property subsector ^(a)	IF-RE-140a.2	42%
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector ^(b)	IF-RE-140a.3	-17%
Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	3.2.2.3 Water use

(a) Reported Scope: 115/116 owned and managed shopping centers (excluding Vittuone Il Destriero) + 6/6 managed only shopping centers + 5/8 owned only (excluding Greece shopping centers). This corresponds to a 99.6% coverage rate in value.

(b) Like-for-like Scope: 114/116 owned and managed shopping centers (excluding: Utrecht, Hoog Catharijne; Vittuone, Il Destriero) + 6/6 managed only shopping centers + 5/8 Owned only. This corresponds to a 95.3% coverage rate in value.

Management of tenant sustainability impacts

Indicators	SASB code	2021
Percentage by floor area of new leases that contain a cost recovery clause for resource efficiency-related capital improvements, and associated leased floor area, by property subsector	IF-RE-410a.1	100% 4,107,303 sq.ft
Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	IF-RE-410a.2	(1) 77.7% (2) 0%
Description of water management risks and discussion of strategies and practices to mitigate those risks		3.2.1.1.2 Managing the broader carbon footprint: Scope 3

Climate change adaptation

Indicators	SASB code	2021
Area of properties located in 100-year flood zones, by property subsector	IF-RE-450a.1	8,362,277 sq.ft
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	F-RE-450a.2	3.2.1.1.3 Developing resilient assets

3.5.8 Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial performance statement

Year ended December 31, 2021

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders' Meeting,

In our capacity as Statutory Auditor of KLEPIERRE SA (hereinafter the "Company"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee (Cofrac), under number 3-1048 (Cofrac Inspection Accreditation, no. 3-1048, scope available at www.cofrac.fr) and currently adapting our management system as required by the Cofrac for this accreditation (from ISO17020 to ISO 17029), we have conducted procedures to express a limited assurance conclusion on the historical information (observed or extrapolated) in the consolidated non-financial performance statement, prepared in accordance with the Company's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2021 (hereinafter the "Information" and the "Statement", respectively), presented in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

Conclusion

Based on our procedures as described in the section "Nature and scope of procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial performance statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of the Information enables the use of different but acceptable measurement techniques that may impact comparability between entities and over time.

Accordingly, the Information must be read and interpreted with reference to the Guidelines, summarised in the Statement and available on the Company's website or on request from its headquarters.

Limits inherent in the preparation of the information relating to the Statement

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Company

The Executive Board is responsible for:

- selecting or determining the appropriate criteria for the preparation of the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented with respect to these risks as well as the outcomes of these policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- implementing such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Company's Guidelines as referred to above.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the “Information”.

As it is our responsibility to issue an independent conclusion on the information prepared by management, we are not authorised to participate in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to provide a conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the duty of vigilance and the fight against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement and acting as the verification programme and with the international standard ISAE 3000 (revised).

Independence and quality control

Our independence is defined by Article L. 822-11-3 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of eight people between November 2021 and March 2022 and took a total of sixteen weeks.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around fifteen interviews with people responsible for preparing the Statement.

Nature and scope of procedures

We planned and performed our work taking account of the risk of material misstatement of the Information.

We consider that the procedures conducted in exercising our professional judgement enable us to express a limited assurance conclusion:

- We familiarized ourselves with the activities of all companies in the consolidation scope and the description of the principal risks.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, respect for human rights and the fight against corruption and tax evasion;
- We verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of the principal risks associated with the activities of all the consolidated entities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;

- We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important⁽¹⁾; for certain risks or information, our work was carried out on the consolidating entity, while for other risks, our work was carried out on the consolidating entity and on a selection of entities;
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We obtained an understanding of internal control and risk management procedures implemented by the Company and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes⁽²⁾ that we considered to be the most important, we implemented:
 - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
 - substantive tests, on a sample basis and using other selection methods, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities⁽³⁾ and covered between 10% and 51% of the consolidated data selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the entire Company.

The procedures conducted in a limited assurance review are substantially less in scope than those required to issue a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, March 29, 2022
One of the Statutory Auditors,

DELOITTE & ASSOCIES

Emmanuel Proudhon

Partner

Julien Rivals

Partner, Sustainability Services

(1) Scope 3 greenhouse gas emissions, percentage of shopping centers having organized an action for a charity, percentage of employees having participated in co-construction actions, percentage of internal stakeholders trained in ethics.

(2) Energy consumption, renewable energy production and consumption, greenhouse gas emissions (scopes 1 and 2), water consumption, waste management, certification of shopping centers, sustainable mobility, local employment initiative, headcount, absenteeism, hirings and departures, turnover rate, diversity (share of women by management level), training's number of hours and training access rate.

(3) Shopping centers audited (environmental and social indicators): France: Val d'Europe, Aubervilliers Le Millénaire, Valenciennes Place d'Armes; Belgium: Louvain-la-Neuve l'Esplanade; Netherlands: Rotterdam Alexandrium, Rotterdam Markthal; Germany: Dresden Centrum Galerie, Berlin Boulevard Berlin, Duisburg Forum; Italy: Rome Porta Di Roma.
Countries audited (social indicators): France, Belgium, Netherlands, Germany.