GENESIS PROPERTY



01.01.2025 - 31.12.2025

# Sustainability Report 2025

Prepared in accordance with the
European Commission's VS Standard
(Voluntary Sustainability Reporting Standard)

# Message from the CEO

> As a Romanian family business, we at Genesis Property, deeply understand the importance of leaving the world better for future generations and strongly believe that business success and sustainability are not separate paths - they are deeply interconnected.

For over two decades, as a real estate investor and developer, I've seen how buildings shape the way people live, work, and thrive. But I've also seen how the real estate sector must evolve to meet the growing expectations of society - and to address the urgent challenges of our time: climate change, energy security & energy efficiency, resource circularity, and social inclusion.

This first Report aligned with the new EU VS standard is more than a compliance exercise. It is a transparent reflection of the progress we've made and the values we stand for.

In 2025, we achieved a 44.2% reduction in operational greenhouse gas emissions (Scopes 1 and 2, location-based) compared with our 2019 baseline, while maintaining our transition to 100% renewable electricity procurement across the portfolio. We also achieved BREEAM Outstanding certification for two of our flagship buildings – the highest rating under the BREEAM certification framework. Our operational excellence is further validated by the EMAS certification of Genesis FM, our facilities management subsidiary - the only facility management company in Romania to hold this prestigious recognition, confirming that our day-to-day building operations meet the European Union's most demanding environmental management standards.

We are also the first Romanian property company with an SBTi-validated Near-Term Target and the first Romanian company, from any sector, to become a UN Forward Faster signatory. We also achieved GRESB Green Star status - placing us as a top property company globally.

These results come from consistent investment, innovation, and the deep dedication of our people.

We are proud to provide workspaces for some of the world's most respected companies - Siemens, HP, Ericsson, Accenture, and others - and we know their expectations are high. ESG is not only a business imperative; it is a shared language with our tenants, our partners, and our financial community.

At Genesis Property, we see sustainability as a strategic advantage and a moral responsibility. We will continue to build and operate spaces that are not only future-ready but that actively contribute to the well-being of people and the planet.

I would like to thank everyone in our team who helped us reach this point - and I invite all our stakeholders to hold us accountable as we move forward on this journey.

**Let's keep building sustainably - together, because the future belongs to the brave.**



**Liviu Tudor**

Founder & CEO
Genesis Property

# Greetings from the ESG Team

> We are pleased to present this Sustainability Report - a reflection of our collective commitment to building a more resilient, responsible, and forward-looking real estate company.

Resilient Buildings

Sustainability is not just a priority; it is a mindset that guides how we develop, operate, and maintain our portfolio of office and residential properties. From Yunity Park - our landmark business campus - to our residential communities West Gate Studios and Studio One, we integrate sustainability into every decision that impacts our people, our tenants, and our planet.

Responsible Communities

In recent years, we have strengthened our sustainability governance, aligned our operations with the UN Global Compact principles, and laid the groundwork for structured ESG reporting under the new EU' VS Standard. In 2025, we celebrated key milestones: the continued procurement of 100% renewable electricity across our portfolio, the BREEAM Outstanding certification of buildings F and DE in Yunity Park, and a 44.2% reduction in our operational Scope 1 and Scope 2 greenhouse gas emissions, calculated using the location-based method, compared with our 2019 baseline.

These achievements are not just performance indicators - they reflect the dedication of our teams, the trust of our tenants, and our determination to create long-term value through sustainable real estate.

Sustainable Future

Our ESG journey is ongoing. We know that challenges such as climate change, resource scarcity, and evolving regulations demand continuous adaptation. But we also see immense opportunity: to innovate, to attract new partners and sustainable financing, and to strengthen our role as a catalyst for positive change in the Romanian real estate sector.

We thank all our stakeholders for being part of this journey - and we remain committed to transparency, integrity, and action.

**Together, we are building a better future, one sustainable square meter at a time.**

**Genesis Property – ESG Team**
Bucharest, August 2026



# Table of Contents


## I. GENERAL INFORMATION

Basis for preparation (B1) 05

Reporting Scope 05

The company 06

Our sustainability approach 07

Our sustainability-related certifications and labels 13

Strategy: business model and sustainability – related initiatives (C1) 14

Our practices, policies and future initiatives for transitioning towards a more sustainable economy (B2 & C2) 21

## II. ENVIRONMENTAL PERFORMANCE

Energy, greenhouse gas emissions, targets and climate transition (B3 & C3) 28

Pollution of air, water and soil (B4) 32

Climate risks & adaptation (C4) 33

Biodiversity & ecosystems (B5) 35

Water stewardship (B6) 36

Resource use, circular economy and waste management (B7) 38

Environmental Management Systems & Certifications 41

Looking Forward: Environmental Priorities 2026 – 2030 42

## III. SOCIAL RESPONSIBILITY

Our workforce at a glance (B8) 44

Health, safety and wellbeing (B9) 45

Fair compensation, working conditions and training (B10) 45

Human rights policies and processes (C6) 48

Severe negative human rights incidents (C7) 49

## IV. GOVERNANCE AND ETHICS

Integrity & Anti-corruption (B11) 51

Revenues from certain sectors and exclusion from EU reference benchmarks (C8) 51

Board composition & oversight (C9) 51

Looking Forward: Social & Governance Commitments 52

## LIST OF ANNEXES

Annex A: VS Content Index 57

Annex B: SDG Alignment Mapping Table 60

Annex C: Glossary & Definitions 67

## V. FINAL WORDS 53

## VI. TRANSPARENCY & REPORTING 55

# General Information




Basis for preparation (B1)

Reporting Scope

The company

Our sustainability approach

Our sustainability-related certifications and labels

Strategy: business model and sustainability – related initiatives (C1)

Our practices, policies and future initiatives for transitioning towards a more sustainable economy (B2 & C2)

# I.1. Basis for preparation (B1)

## I.1.1. Reporting Scope

Genesis Property has published annual sustainability reports voluntarily since 2022 — three years before voluntary sustainability reporting standards became applicable to companies of our size — thus demonstrating its longstanding commitment to transparency and stakeholder accountability. This report, our fifth consecutive annual sustainability disclosure and the first one aligned with the new EU voluntary standard, reflects our ongoing determination to measure, manage, and communicate our ESG performance with rigor and honesty.

This report has been prepared in accordance with the **VS Standard** (Voluntary Sustainability Reporting Standard), adopted by the European Commission on 3 of July 2026. Unlike the VSME standard — which the Commission endorsed through a non-binding recommendation in 2025 — the **VS Standard** now constitutes an official European reference framework, providing large companies and financial institutions with a recognized basis for the sustainability information they receive from their value chain partners.

The report adheres to the content requirements of both the basic and comprehensive modules of the **VS Standard**. Some additional information is included in disclosures, where it is seen important to provide a more comprehensive picture.

Our annual Communication on Progress, aligned with the UN Global Compact framework, complements this disclosure by demonstrating the company's adherence to the Ten Principles across human rights, labour standards, environment, and anti-corruption. Genesis Property contributes to 14 of 17 SDGs through 11 strategic initiatives. A detailed mapping of each initiative to specific SDG targets, performance metrics, and 2030/2040 commitments is provided in Annex B: SDG Alignment Mapping Table.

The report covers Genesis Property International S.A. and its Romanian consolidated operations for the fiscal year 2025 (January 1 – December 31, 2025). The reporting scope encompasses:

- Office portfolio: Yunity Park and West Gate Business District (approximately 150,000 sqm of premium office space)
- Residential operations: West Gate Studios student accommodation (850+ units) and Studio One Accommodation Suites (32 units)
- Corporate operations and supporting functions

The report covers Genesis Property's consolidated operations. Where relevant, certain environmental indicators, such as total energy consumption, cover the entire real estate portfolio, including tenant consumption. Any differences in reporting boundaries are explained in the respective sections of the report.



# I.1.2. The Company

***Legal form***: Closed joint stock company (S.A.)
***Industry (NACE sector classification code)***: 6421 (Holdings activities)
***Country of incorporation***: Romania
***Group level reporting***: Yes

## Group Key Financials 2025

**38 300**

***Turnover (1000 €)***: 38 300



**126 900**

***Balance sheet total (1000 €)***



**339**

***Number of employees (end of fiscal year)***: 339



## Key Operational Locations

| Site | Address | Country | Coordinates (geolocation) |
|---|---|---|---|
| **WEST GATE BUSINESS DISTRICT** | 24 Preciziei street<br>District 6<br>Bucharest | Romania | 44.43338031630809, 25.986720650284095 |
| **WEST GATE STUDIOS** | 24 Preciziei street<br>District 6<br>Bucharest | Romania | 44.43218681324422, 25.98817515438759 |
| **YUNITY PARK**<br>**(former NOVO PARK)** | 6 Dimitrie Pompeiu bld. &<br>9A Fabrica de Glucoza street<br>District 2<br>Bucharest | Romania | 44.47967929644977, 26.112932553008726 |

# Group Companies

| Legal entity | Business ID | Address | Country |
|---|---|---|---|
| **GENESIS PROPERTY INTERNATIONAL S.A.** | 27645033<br>J201001043706 | Bucharest, District 6, 24 Preciziei street, Administrative Building, 1st floor, office no. 15 | Romania |
| **ALMA TRADE S.A.** | 14991396<br>J2002011136404 | Bucharest, District 6, 24 Preciziei street, Building H2, 4th floor | Romania |
| **NOVO PARC S.R.L.** | 16276135<br>J2004004865407 | Bucharest, District 6, 24 Preciziei street, Administrative Building, 1st floor, office no. 9 | Romania |
| **NOVO PARC DOI S.R.L.** | 16634551<br>J2004012173408 | Bucharest, District 6, 24 Preciziei bld., Administrative Building, 1st floor, office no. 21 | Romania |
| **NOVO PARC TREI S.R.L.** | 19408176<br>J2006020075400 | Bucharest, District 6, 24 Preciziei street | Romania |
| **WEST GATE S.A.** | 18821734<br>J2006010883406 | Bucharest, District 6, 24 Preciziei bld. | Romania |
| **WEST GATE STUDIOS S.A.** | 25186767<br>J2009002530409 | Bucharest, District 6, 24A Preciziei street, Building A1, ground floor, room 41 | Romania |
| **GENESIS DEVELOPMENT S.R.L.** | 25186775<br>J2009002529407 | Bucharest, District 6, 24 Preciziei bld., Building C1 – Administrative Building | Romania |
| **GENESIS FM S.R.L.** | 24888607<br>J2008021209402 | Bucharest, District 6, 24 Preciziei street, Building H2, 4th floor | Romania |
| **EXPERT TEAM SECURITY S.R.L.** | 34067978<br>J2015001377404 | Bucharest, District 6, 24 Preciziei street, Administrative Building, 1st floor, office no. 12 | Romania |

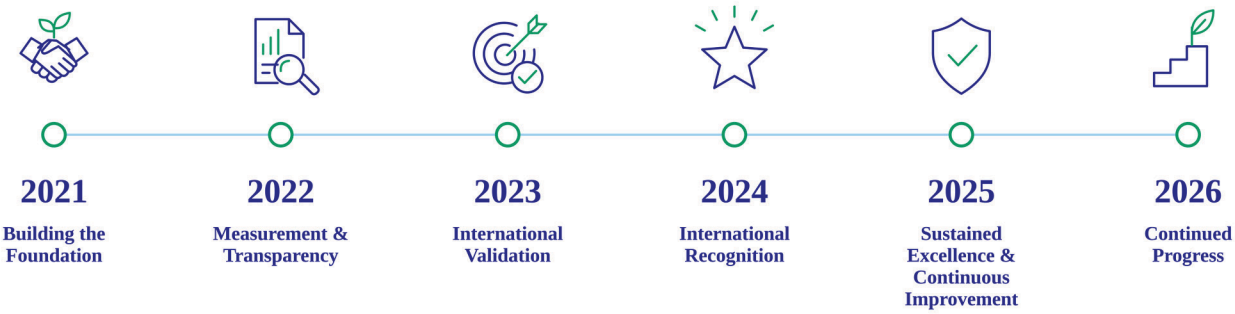
## I.1.3. Our sustainability approach

Sustainability at Genesis Property is a strategic imperative, a source of long-term resilience, and a competitive advantage. We aim to advance a bold vision for the future of office buildings and workspaces, with sustainability embedded in how we design, operate, and improve our assets.

We see buildings not only as spaces for economic activities, but as spaces where communities thrive, where connections and ideas help shape the world of tomorrow. We believe it is our responsibility to create spaces that enhance the wellbeing of the people who live and work in them.

Genesis Property's ESG strategy is built on three pillars: **healthy and sustainable buildings**, **inclusive and engaged communities**, and **responsible and ethical business.** We see sustainability and profitability as mutually reinforcing objectives that create long-term value for all our stakeholders.

# I.1.3.1. Our Pathway to Sustainability




Sustainability is a journey of continuous improvement and long-term commitment. For Genesis Property, this journey began in early 2021 with a fundamental question: how can we transform our business to create lasting positive impact? Five years later, our progress is reflected in multiple "first in Romania" achievements and international recognition that place the company among strong ESG performers in real estate.

### *2021: Building the Foundation*

In 2021, Genesis Property **Board of Directors formally adopted Genesis Property's first Sustainability Strategy**— as a strategic commitment that became embedded into our core business model.

This was accompanied by immediate action:

we commissioned a comprehensive due diligence covering all our locations and assets, including a detailed energy audit, with the scope of achieving energy performance certificates (EPC) A for all buildings and significantly decreasing our environmental footprint. The resulting measures were implemented in three stages, the last one still ongoing as of 2026.

in **March 2021**, we launched the **Yunity Park transformation project**, establishing our campus as a benchmark model for sustainable urban development.

We consider Yunity Park a model of sustainable urban development because it integrates, within a single urban campus, the three pillars of sustainability in a measurable and verifiable way.

**Yunity Park's main sustainability characteristics**:

From an **environmental perspective**, Yunity Park hosts two BREEAM Outstanding-certified buildings (Buildings F and DE) — among the very few business parks in Romania that can position as such — alongside on-site renewable electricity generation (491,793 kWh from solar PV installations in 2025), a 44.2% reduction in Group-wide operational Scope 1 and Scope 2 greenhouse gas emissions since 2019 (location-based), and active biodiversity and green space management.

From a **social perspective**, the campus provides a healthy, safe, and inclusive working environment for hundreds of daily occupants, supports tenant companies in meeting their own ESG and CSRD obligations through data transparency and green lease frameworks, and engages the broader community through educational programs and sustainability initiatives.

From an **economic perspective**, Yunity Park demonstrates that sustainability and financial performance are not opposite: certified green buildings command rental premiums, attract premium tenants, and unlock access to sustainability-linked financing.

Together, these characteristics make Yunity Park not merely a real estate asset, but a proof of concept that sustainable urban development is achievable, replicable, and financially sound — in Romania and beyond.

In October 2021, Genesis Property became the first Romanian real estate company to join the UN Global Compact, committing to align our operations with the Ten Principles and to report our progress transparently. One month later, we joined the "*Climate Neutral Now*" initiative — again as the first Romanian real estate company — demonstrating our support to immediate climate action.

### *2022: Measurement & Transparency*

In 2022, all buildings in our portfolio received EPC A certificates, following the energy efficiency measures implemented the year before. We continued to invest in our assets targeting to apply for BREEAM Very Good or Outstanding certification for all the buildings in the following years.

The transition from commitment to measurable results defined this year. We identified the sources responsible for GHG emissions and quantified for the first time our Scope 1 and 2 emissions, according to the GHG Protocol methodology. The year 2019 was selected as the baseline for our long-term GHG emissions reduction targets, providing a pre-pandemic reference point for measuring progress. **Our first comprehensive Greenhouse Gas Emissions Report** was published in June 2022 on our website**.**

In 2022, Genesis Property initiated its on-site renewable electricity generation programme through the installation of rooftop solar photovoltaic systems at Yunity Park.

2022 was also the first year in which we **voluntarily** published an annual sustainability report under the **UN Global Compact's Communication on Progress framework**. This voluntary reporting practice demonstrates our accountability to the Ten Principles of the UN Global Compact covering human rights, labour, environment, and anti-corruption. Our Communication on Progress reports provide stakeholders with comprehensive disclosures of our ESG performance—a practice that positions us as a transparency leader in Romanian real estate.

### *2023: International Validation*

In 2023 we sought validation of our climate target commitment, and in **September 2023** Genesis Property became **the first — and still is the only — Romanian real estate company to receive SBTi validation** for its **Near-Term Target**: 46% emissions reduction by 2030 and net-zero commitment by 2040. This validation confirms that our measurement methodology and targets are aligned with the goal to limit global temperature rise to 1.5C. We also joined the **global "Race to Zero"** campaign as the first Romanian real estate participant.

**Also in July 2023,** the environmental management system of **our Facility Management company became EMAS certified**, and the **only Romanian company in this sector** to hold this certification, reflecting a level of operational environmental rigour that remains rare in the local market.

In **December 2023**, we completed **Yunity Park Phase II**, creating an **urban forest spanning over 1,000 square meters** that provides biodiversity habitat, vital community green space and improved air quality.

### *2024: International Recognition*

**July 2024** delivered two critical milestones: we transitioned to **100% renewable electricity** sourcing across all assets, and **Building F at Yunity Park received BREEAM Outstanding certification**, the highest rating under the BREEAM certification framework. With a score of 85%+, Building F proves our commitment to

world-class establishments.

**In September 2024** Genesis Property became the **first Romanian company from any sector to sign the UN-backed "*Forward Faster Initiative*"** — the most ambitious corporate commitment to the UN Sustainable Development Goals.

Another notable achievement came in **October 2024** with the confirmation of the **GRESB Green Star certification**, placing Genesis Property in the **top of real estate companies globally** for ESG performance. We became the **first Romanian real estate company to achieve GRESB Green Star**, proving that Romanian companies can compete at the highest international levels.

### *2025: Sustained Excellence and Continuous Improvement*

Our commitment to sustainability continued in 2025, demonstrating ongoing leadership and a continuous drive for improvement.

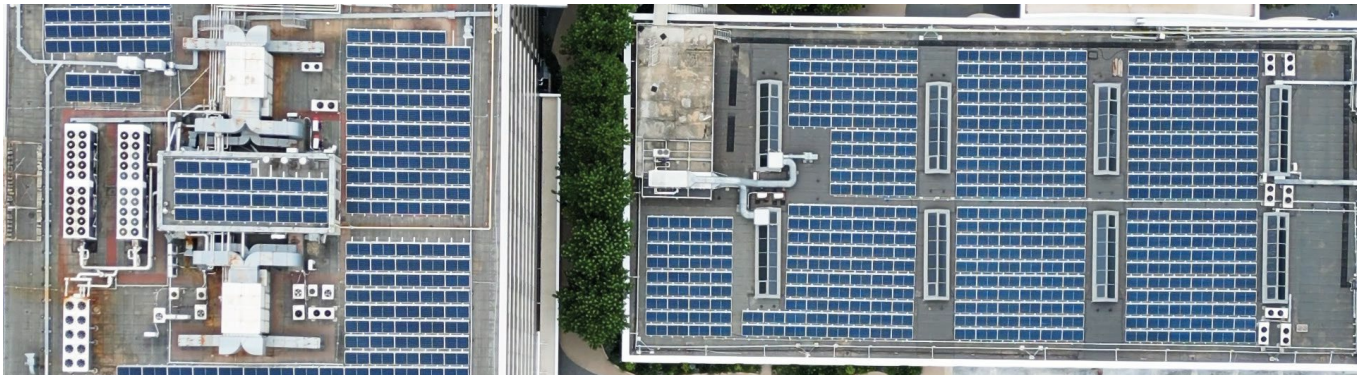
In **June 2025**, **our Facility Management company successfully renewed its EMAS certification**, reaffirming our operational excellence and maintaining our position as the only Romanian facilities management company to hold this prestigious EU certification. This renewal, following rigorous third-party reassessment, validates that our environmental management systems remain at the highest European standards.

**October 2025** delivered a powerful validation of our progress: we received **GRESB Green Star certification for the second consecutive year**, with a score of **7 points higher than our first assessment**. This significant improvement demonstrates genuine performance enhancement, not static maintenance.

This trajectory continued in **October 2026**, when Genesis Property received **GRESB Green Star certification for the third consecutive year**, with a score of **70.8 points — nearly 7 points higher than the previous year (63.9) and 14 points higher than our first assessment in 2024 (57)**. Genesis Property remains **the only Romanian real estate company whose ESG performance is measured and assessed in comparison to EU and global peers**, and the only one to achieve and maintain Green Star status for three consecutive years.

End of 2025 also marks a historic milestone for Yunity Park: **Building DE achieved BREEAM Outstanding certification**, making Yunity Park **the very few business parks in Romania with two BREEAM Outstanding-certified buildings** — a distinction that places Genesis Property among the leading sustainable real estate operators in Central and Eastern Europe.

By **December 2025**, we reached a new milestone: **approximately 500,000 kWh of self-generated renewable energy annually**. This represents steady progress towards our target of generating at least 1,000,000 kWh of on-site solar electricity annually by 2030, equivalent to an indicative 5% or more of purchased electricity.



# *Five Years of Transformation: Our Achievements*

In a nutshell, our achievements in the last five years are:

## 44.2%

**44.2% reduction in operational Scope 1 and Scope 2 greenhouse gas emissions** (location-based) between 2019 and 2025, demonstrating substantial progress towards our 2030 emissions reduction target.

## 100%

**100% renewable electricity** across our portfolio since July 2024

## 500,000 kWh

**500,000 kWh renewable self-generation** as of December 2025

## Six

**Six "first in Romania" achievements:** SBTi validation, GRESB Green Star, EMAS certification for FM services, UN Global Compact, Forward Faster, Climate Neutral Now

## GRESB Green Star

**GRESB Green Star for three consecutive years (2024-2026), with continuously improving scores (57 → 63.9 → 70.8) --- the only Romanian real estate company assessed globally**

## BREEAM Outstanding

**BREEAM Outstanding** for two buildings

## ISO

**ISO 14001, 9001, 45001** certifications

## EMAS

**EMAS certification renewed** (2025) – maintained operational excellence

### *Delivering on the UN Sustainable Development Goals*

Genesis Property's sustainability strategy is deliberately aligned with the **UN Sustainable Development Goals (SDGs)** — the world's shared blueprint for peace and prosperity. Through our 11 strategic initiatives, we contribute meaningfully to **14 of the 17 SDGs**, spanning environmental protection (SDGs 6, 7, 12, 13, 15), social inclusion (SDGs 3, 4, 5, 8, 10, 11), and strong governance (SDGs 16, 17).

**These contributions are not aspirational – they are quantified, tracked, and externally verified** through GRESB, SBTi, EMAS, and ISO certification programs. Each initiative targets specific SDG outcomes with measurable 2030 and 2040 goals.

For a comprehensive mapping of our 11 initiatives to specific SDG targets, including current performance metrics, 2030/2040 commitments, and implementation status, please refer to Annex B: SDG Alignment Mapping Table.

This detailed mapping demonstrates our commitment to the global sustainability agenda and provides stakeholders with transparent insight into how Genesis Property's business activities create positive environmental and social impact.



## I.1.3.2. The Pathway Forward

By 2030, we aim to achieve our SBTi-validated Near-Term Target for greenhouse gas emissions reduction, attain 60% BREEAM portfolio coverage, increase annual on-site solar electricity generation to at least 1 GWh, and sustain GRESB Green Star status through continuous performance improvement.

By 2040, we will achieve Net-Zero emissions with 90% absolute reduction and 100% BREEAM-certified portfolio.

# I.2. Our sustainability-related certifications and labels

Genesis Property has obtained a comprehensive portfolio of internationally recognized sustainability certifications and labels, demonstrating verified environmental, social, and governance performance. As the first Romanian real estate company to achieve several of these distinctions, we have established ourselves as the sustainability leader in Romania's commercial real estate sector.

| Certification/Label | Issuing Body | Issuing Date | Brief Description |
|---|---|---|---|
| EMAS Certification | Ministry of Environment, Waters and Forests (European Commission) | 2023 | EU's most rigorous environmental management standard. Requires annual third-party verified environmental statement and continuous performance improvement. Genesis Property's FM company is the only Romanian facility management company certified. |
| ISO 14001:2015 | ISO / CERTIND S.A. | 2020 | International standard for environmental management systems, ensuring systematic approach to reducing environmental impact and ensuring compliance. |
| ISO 9001:2015 | ISO / CERTIND S.A. | 2018 | International standard for quality management systems, focused on ensuring reliable processes, meeting customer requirements, and driving continual improvement. |
| ISO 45001:2018 | ISO / CERTIND S.A. | 2020 | International standard for health and safety management, ensuring safe working conditions and systematic risk prevention. |
| BREEAM Outstanding | BRE Group (UK) | 2024 | World's leading green building certification. "*Outstanding*" rating (85%+ score) represents top 1% globally, assessing energy, water, materials, waste, health, wellbeing, and ecology. |

| Certification/Label | Issuing Body | Issuing Date | Brief Description |
|---|---|---|---|
| SBTi Near-Term Target | SBTi (CDP, UNGC, WRI, WWF) | 2023 | Independent validation of Genesis Property's target to reduce absolute Scope 1 and Scope 2 GHG emissions by 46% by 2030 compared with the 2019 baseline. |
| SBTi Net-Zero Commitment | SBTi | 2023 | Independent validation of Genesis Property's target to reduce absolute Scope 1 and Scope 2 GHG emissions by 46% by 2030 compared with the 2019 baseline. |
| Race to Zero | UN Climate Champions | 2023 | Global campaign uniting businesses committed to achieving net-zero emissions by 2050 or sooner, backed by science-based targets and transparent action plans. |
| GRESB Green Star | GRESB B.V. (Netherlands) | 2024 | Global ESG benchmark, placing Genesis Property in a top of the most reputable real estate companies worldwide. Annual assessment covering environmental, social, and governance performance against international peers. |
| UN Global Compact | United Nations | 2021 | Commitment to align operations with Ten Principles covering human rights, labor, environment, and anti-corruption. Annual Communication on Progress reporting required. |
| Forward Faster | UN Global Compact | September 2024 | Most ambitious corporate commitment to UN Sustainable Development Goals (SDGs). Requires accelerated action on multiple SDGs with transparent public reporting. Genesis Property is the first Romanian company (any sector) to achieve signatory status. |
| Climate Neutral Now | UNFCCC | 2021 | UNFCCC initiative promoting the measurement and reduction of greenhouse gas emissions and voluntary climate action, including the use of carbon credits. |

# I.3. Strategy: business model and sustainability – related initiatives (C1)

## I.3.1. Company Overview

Genesis Property is one of Romania's leading real estate development companies, with over 20 years of experience in developing and managing premium office buildings and residential facilities. Founded by Romanian investor Liviu Tudor, the company has established itself as a pioneer in the local real estate market, with total investments exceeding EUR 400 million.

The company operates with a dedicated team of over 300 professionals who share common values of excellence, integrity, and innovation. Genesis Property's mission is to develop and operate outstanding workplaces that set new benchmarks for sustainability, quality, and tenant experience — enabling global businesses to grow while contributing to a more sustainable built environment.

# I.3.1.1. Governance Structure

The companies that are part of the Genesis Property are established as limited liability or joint stock companies organized and operating according to the provisions of Law no. 31/1990 on companies. Each of these are either companies owning one or more buildings, or companies covering a very specific field of activity (FM, development, security, energy production and management etc.). Their management is ensured in full accordance with the applicable legal regulations, through administrators and general managers, as appropriate.

Genesis Property's management is carried out through a management structure specific to the management companies, respectively by a Board and a team of general managers (executive management). The Board members' and executive management's duties are defined in the companies' articles of association and aligned with the applicable legal framework, ensuring a well-structured, efficient and accountable decision-making process.

# I.3.1.2. Sustainability Governance

In line with the principles of sound governance, the Genesis Property's Board nominated a Sustainability Task Force to ensure the necessary expertise and strengthen its decision-making capacity. This structure continues to play a central role in implementing the sustainability strategy, transforming strategic commitments into impactful actions and projects.

Throughout the year, the Task Force remained committed to ensuring compliance with the highest environmental, social and governance (ESG) standards, aiming both to comply with applicable regulations and to integrate relevant good practices into internal processes. Its composition – a chair and six members representing key functional areas – ensures decision-making balance and a diverse representation of stakeholder perspectives.

# I.3.2. Operating Context

Bucharest, where Genesis Property is headquartered, represents Romania's most attractive city for investment, accounting for over 25% of national GDP and offering the largest qualified talent pool with over 100,000 university graduates annually. The city's strategic location at the crossroads of Central and Southeastern Europe provides access to markets of 500+ million consumers, while costs remain competitive, 30-50% lower than Western European capitals.

In this dynamic business environment, Genesis Property has operated successfully for over 20 years, developing, owning, managing and maintaining over 150,000 square meters of Class A office buildings in Bucharest's most prestigious business locations: Yunity Park in northern Bucharest and West Gate Business District in the western part of the city.



# Main Services and Business Lines

## *1. Class A Office Buildings*

***Genesis Property specializes in premium office buildings rented exclusively to multinational companies and large corporations.***

***The portfolio totals approximately 150,000 square meters across two major business parks:***

YUNITY PARK

*One of the first green office campuses in Romania, located in northern Bucharest, offering integrated solutions designed to support the future way of working*



*The most important office park in western Bucharest, comprising five premium buildings with **75,000 square meters** of leasable area, including unique amenities.*

West Gate Business District



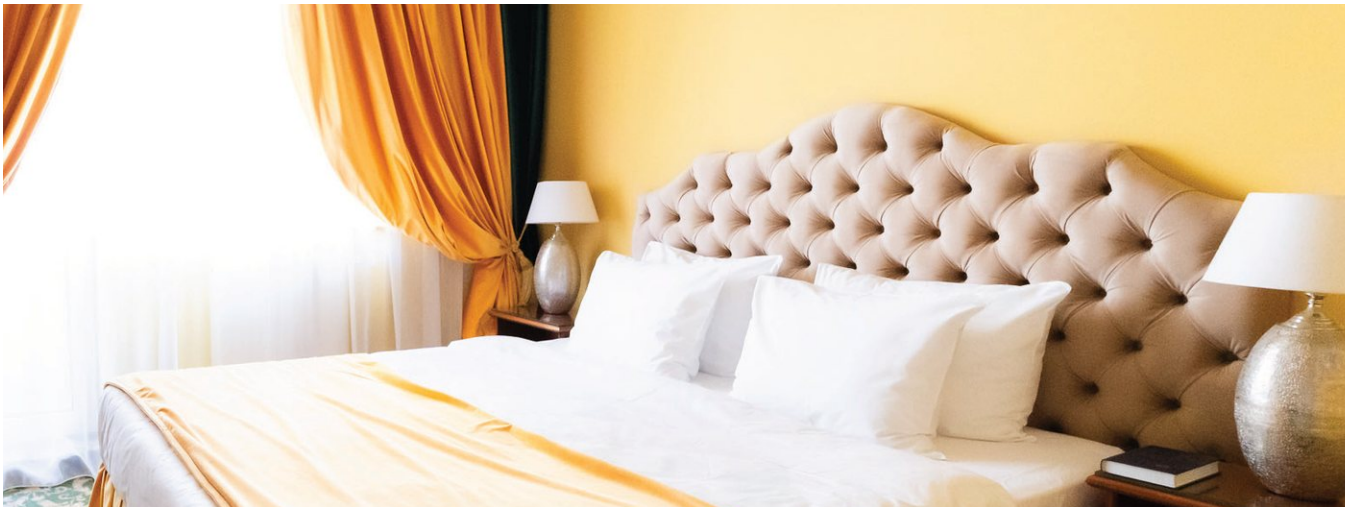
## 2. Purpose-Built Student Accommodation (PBSA)

***West Gate Studios*** *– Romania's first privately – owned Purpose – Built Student Accommodation investment, annually hosting over 1,200 local and international students. The facility is a member of the prestigious* ***International Houses Worldwide*** *organization, demonstrating Genesis Property's commitment to creating sustainable urban ecosystems that support both business excellence and educational development.*



## 3. Premium Accommodation Services

***Studio One Accommodation Suites*** *– a 4 – star accommodation facility comprising 32 premium units, serving business travelers and corporate clients within the West Gate Business District complex that hosts over 10,000 employees and students.*

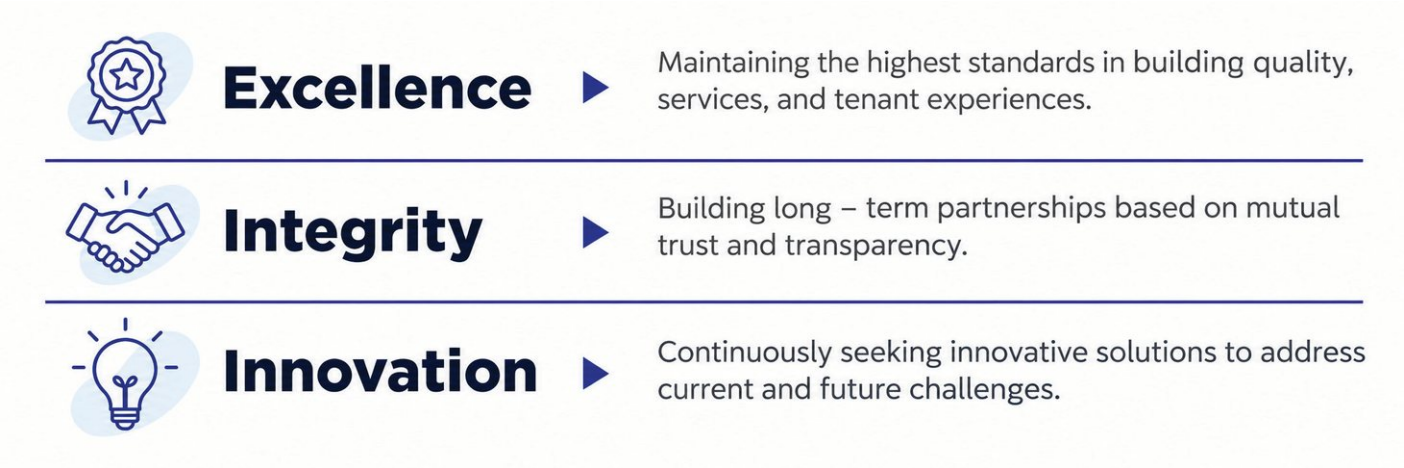


### *Markets Served and Key Customers*

Genesis Property operates exclusively in Bucharest, strategically positioning its developments in the city's most dynamic business areas. The company serves the premium office market segment, with tenants including multinational corporations across technology, financial services, retail, telecommunications, and professional services sectors. These anchor tenants typically sign long-term lease agreements (5-10 years), providing stable and predictable revenue streams.

## I.3.3. Business Strategy and ESG Integration

Genesis Property's business strategy is intrinsically linked to its sustainability commitments, demonstrating that profitability and responsibility are mutually reinforcing objectives. The company's approach is built on three fundamental pillars:




#### *1. Sustainability Strategy Alignment*

Genesis Property's sustainability strategy is founded on international frameworks and best practices:

• **Alignment with UN Sustainable Development Goals (SDGs):** The company has systematically mapped its operations and impacts to the relevant SDGs (see Mapping Table), demonstrating clear contributions to global sustainability objectives, particularly SDG 7 (Clean Energy), SDG 8 (Decent Work), SDG 11 (Sustainable Cities), SDG 12 (Responsible Consumption), and SDG 13 (Climate Action).

• **UN Global Compact membership:** Since 2021, Genesis Property has been the first Romanian real estate company to join the UN Global Compact, committing to uphold and advance the 10 universal principles concerning human rights, labor, environment, and anti-corruption in all operations and business relationships.

• **Leading ESG performance:** The company has achieved GRESB Green Star status for three consecutive years, with continuous improvement in its sustainability performance (70.8 points in 2026, up from 63.9 in 2025 and 57 in 2024), demonstrating measurable progress in the implementation of its sustainability strategy.

### *2. ESG Strategy implementation*

Genesis Property's ESG strategy operationalizes its sustainability commitments through three interconnected pillars:

#### A. Healthy and Sustainable Buildings (Environmental)

- Achieving and maintaining the highest green building certifications (BREEAM Outstanding, nZEB)
- Implementing smart building technologies for optimal energy efficiency and resource management
- Transitioning to zero-carbon operations through renewable energy and emissions reduction
- Creating resilient buildings prepared for potential climate change impacts
- Contributing to SDG 7 (Clean Energy), SDG 11 (Sustainable Cities), and SDG 13 (Climate Action)

#### B. Inclusive and Engaged Communities (Social)

- Fostering diverse and inclusive work environments for over 15,000 employees and students
- Promoting health, safety, and wellbeing through quality indoor environments and comprehensive amenities
- Supporting education and development through West Gate Studios' international student community
- Building strong partnerships with tenants, employees, and local communities
- Contributing to SDG 8 (Decent Work), SDG 10 (Reduced Inequalities), and SDG 11 (Sustainable Cities)

#### C. Responsible and Ethical Business (Governance)

- Maintaining transparent governance structures and ethical business practices
- Ensuring accountability through rigorous ESG reporting (GRESB, UN Global Compact)
- Integrating sustainability criteria into all investment and operational decisions
- Managing climate-related risks and opportunities proactively
- Building long-term value for all stakeholders through responsible leadership
- Contributing to SDG 12 (Responsible Consumption) and SDG 16 (Peace, Justice and Strong Institutions)

This integrated approach ensures that Genesis Property's business strategy, sustainability commitments, and ESG performance work in concert to create long-term value for shareholders, tenants, employees, students, and the broader community, while contributing meaningfully to Romania's sustainable development goals and climate commitments.

# I.3.4. Risk Profile

Genesis Property has identified the following material sustainability risks that could impact business performance and stakeholder value:

*Environmental Risks:*

**Physical climate risks**: Exposure to extreme weather events, rising temperatures, and changing precipitation patterns that may affect building infrastructure, operational costs, and tenant comfort

**Transition risks**: Regulatory changes including stricter energy performance standards, potential carbon pricing mechanisms, and evolving green building certification requirements that may necessitate significant capital investments

**Market risks**: Shifting tenant preferences toward certified sustainable buildings and potential asset devaluation ("*brown discount*") for properties that fail to meet evolving ESG standards

*Social Risks:*

**Occupant health and safety**: Ensuring optimal indoor environment quality, building safety, and emergency preparedness for over 15,000 employees and students

**Tenant satisfaction and retention**: Meeting evolving expectations for workplace experience, amenities, and sustainability performance

**Community impact**: Maintaining positive relationships with local communities and contributing to urban development goals

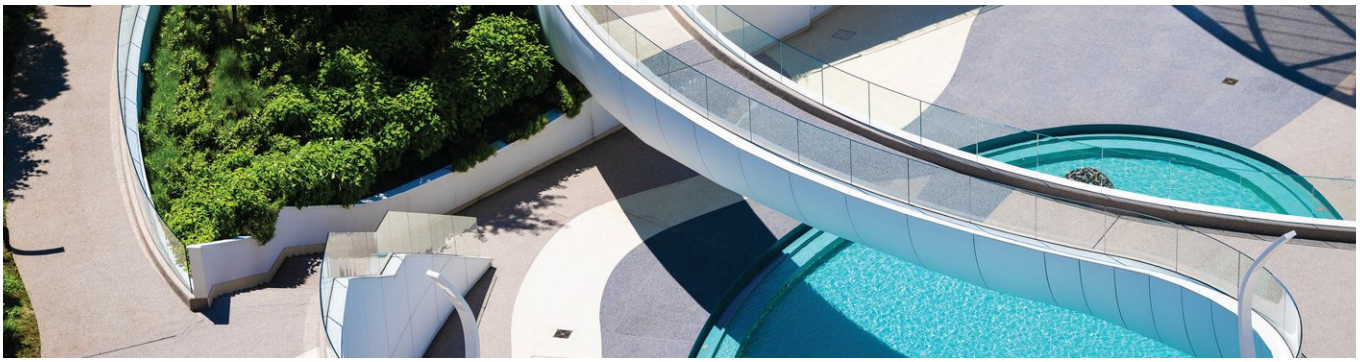
*Governance Risks:*

**Regulatory compliance**: Adapting to evolving ESG disclosure requirements (CSRD, EU Taxonomy) and real estate regulations (EPBD)

**ESG performance**: Meeting stakeholder expectations for sustainability performance, transparent reporting, and continuous improvement

**Access to capital**: Maintaining favorable access to sustainable finance instruments and meeting investor ESG criteria

**Genesis Property actively manages these risks through its integrated ESG strategy, continuous monitoring of regulatory developments, proactive stakeholder engagement, and systematic investments in building performance improvements and sustainability certifications.**



# I.4. Our practices, policies and future activities for Transitioning towards a more sustainable economy (B2 & C2)

| Topic | Brief description of Practices, Policies and Future initiatives along with their consequent actions | Future initiatives / targets | The highest senior level person accountable for implementation (if any) |
|---|---|---|---|
| **CLIMATE CHANGE** | **Current Practices:**<br>• 100% renewable electricity provision (since July 2024)<br>• Own solar electricity generation: about 500,000 kWh annually across portfolio<br>• Various energy efficiency measures implemented across operations: IoT sensors, LED lighting retrofits etc.<br>**Policies:**<br>• SBTi validated targets: -46% by 2030, Near-Term Target (first Romanian property company)<br>• UN Forward Faster signatory (first Romanian company)<br>• Annual third-party verified environmental report (EMAS)<br>• SBTi commitment to science-based decarbonization pathway | **2030 Targets:**<br>• Maintain 100% renewable electricity<br>• Continue reducing operational Scope 1 and Scope 2 GHG emissions in line with the SBTi-validated Near-Term Target of a 46% reduction by 2030 against the 2019 baseline, while pursuing the company's longer-term net-zero ambitions<br>• At least 1 GWh of annual on-site solar electricity generation, targeting an indicative share of 5% or more of purchased electricity<br>• Progressive implementation of the Scope 3 emissions reduction strategy following completion of the GHG inventory and establishment of the baseline by 2027.<br>**2040 Target:**<br>• Net-zero across Scopes 1, 2, 3 (90% absolute reduction)<br>• 100% Class A energy efficiency performance by 2035<br>• Residual emissions neutralized through verified carbon removal<br>**Future actions (2026-2029 - Phase 1):**<br>• Solar expansion: +300–400 kW capacity<br>• Energy efficiency retrofits (BMS, LED, HVAC)<br>• Climate adaptation measures in all buildings | **Chief Executive Officer (CEO)**<br>Supported by:<br>• Head of Facilities Management<br>• Head of Development<br>• Energy Manager<br>Board oversight:<br>• Semi-annual ESG dashboard review |

| Topic | Brief description of Practices, Policies and Future initiatives along with their consequent actions | Future initiatives / targets | The highest senior level person accountable for implementation (if any) |
|---|---|---|---|
| **POLLUTION** | **Current Practices:**<br>• Regular indoor air quality monitoring in 40% of occupied spaces<br>• Zero pesticides/herbicides in landscape management<br>• Contractor environmental requirements<br>• Noise pollution management during construction<br>• Light pollution minimization (smart lighting controls)<br>**Policies:**<br>• Environmental Policy (ISO 14001 certified)<br>• EMAS registration (most rigorous EU environmental standard)<br>• Sustainable Procurement Policy (low-emission materials) | **2030 Targets:**<br>• Indoor air quality monitoring covering 60% of occupied spaces by 2030<br>• 100% electric/hybrid company vehicle fleet<br>**Future actions (2026-2030):**<br>• Phase out diesel backup generators (transition to cleaner alternatives)<br>• Implement green procurement standards for all suppliers | **Chief Sustainability Officer (CSO)**<br>Supported by:<br>• Head of Facilities Management<br>• Procurement Manager<br>• Health & Safety Manager |
| **WATER & MARINE RESOURCES** | **Current Practices:**<br>• Water intensity: 0.40 $m^3/m^2$/year (2025)<br>• Low-flow fixtures in all renovations (30% consumption reduction)<br>• Daily consumption monitoring and leak detection<br>• Water quality testing in compliance with ANRSC standards<br>**Policies:**<br>• Monthly monitoring and reporting<br>• Full compliance with Romanian water regulations (ANRSC) | **2030 Targets:**<br>• Achieve a 13% reduction in water intensity by 2030 compared with the 2025 baseline, targeting a maximum of 0.35 $m^3/m^2$/year.<br>• Smart water metering in 50 % of portfolio<br>• Implement rainwater harvesting pilot systems in two buildings by 2030.<br>• Rainwater used for landscape irrigation where feasible<br>**2040 Target:**<br>• 100% smart water metering across portfolio<br>• Drought-resistant landscaping in 100% of properties<br>**Actions (2026-2030):**<br>• Water Management Policy<br>• Drought response plan<br>• Retrofit low-flow fixtures in remaining buildings<br>• Pilot rainwater harvesting system (2 buildings) | **Head of Facilities Management**<br>Supported by:<br>• Technical Services Manager<br>• Building Managers (site level)<br>Oversight:<br>• CEO (strategic oversight)<br>• Monthly Steering Committee review |

| Topic | Brief description of Practices, Policies and Future initiatives along with their consequent actions | Future initiatives / targets | The highest senior level person accountable for implementation (if any) |
|---|---|---|---|
| **BIODIVERSITY & ECOSYSTEMS** | **Current Practices:**<br>• 25%+ green space coverage in developments (above regulatory minimum)<br>• Native plant species prioritized in landscaping<br>• Biodiversity measures: insect hotels, nesting boxes, pollinator-friendly plants<br>• Zero chemical pesticides/herbicides<br>**Policies:**<br>• Minimum 25% green coverage in all developments<br>• Native species prioritization<br>• Habitat protection during construction<br>• Collaboration with biodiversity NGOs | **2030 Targets:**<br>• Maintain 25+% green coverage across portfolio<br>• Biodiversity assessments completed for 100% of portfolio<br>**2040 Target:**<br>• Net positive biodiversity impact<br>**Actions (2026-2030):**<br>• Green roofs implemented on 3 buildings<br>• Develop site-specific management plans<br>• Partnership with local biodiversity NGO | **Head of Facilities Management**<br>Supported by:<br>• Landscape Architect (external consultant)<br>• CEO (policy oversight)<br>External partners:<br>• Biodiversity NGOs<br>• Ecological consultants |
| **CIRCULAR ECONOMY** | **Current Practices:**<br>• Current diversion rate: 3.5% (2025)<br>• Partnerships with recycling and valorisation companies and NGOs<br>• Construction and demolition waste management with separate tracking<br>• Reuse of materials in renovations where feasible<br>• Tenant engagement on waste reduction<br>**Policies:**<br>• Circular Economy and Waste Management Policy<br>• Waste hierarchy: Reduce > Reuse > Recycle > Recover > Dispose<br>• Responsible Procurement Policy for recycled and recyclable materials | **2030 Targets:**<br>• Waste segregation: 5-stream system operational<br>• 65% waste diversion rate<br>• Material passports for 50% of new construction and major renovations<br>• Circular economy principles in all procurement<br>• 50% reduction in single-use plastics across operations<br>**2040 Target:**<br>• 100% waste diversion (zero waste to landfill)<br>• Full circularity in building materials<br>**Actions (2026-2030):**<br>• Expand 5-stream system to 100% of portfolio<br>• Launch circular procurement program<br>• Tenant circular economy engagement campaign | **Head of Facilities Management**<br>Supported by:<br>• Procurement Manager<br>• Building Managers (site implementation)<br>Monthly oversight:<br>• Steering Committee reviews waste performance |

| Topic | Brief description of Practices, Policies and Future initiatives along with their consequent actions | Future initiatives / targets | The highest senior level person accountable for implementation (if any) |
|---|---|---|---|
| **OWN WORKFORCE** | **Current Practices:**<br>• 100% legal employment contracts<br>• 100% on-time salary payments<br>• Competitive compensation above national minimum wage<br>• Private health insurance for all employees<br>• ISO 45001 Health & Safety certification<br>• Gender pay gap: 5% (monitored annually)<br>• Flexible work arrangements for parents<br>• Whistleblowing channel (confidential reporting)<br>**Policies:**<br>• Full compliance with Romanian Labour Code<br>• Health & Safety Policy (ISO 45001)<br>• Equal Opportunity and Non-Discrimination Policy<br>• Learning & Development (progressive increase in annual training hours towards the 2030 target).<br>• Code of Conduct (all employees)<br>• Whistleblowing Protection Policy | **2030 Targets:**<br>• Achieve an average of 40 training hours per employee annually by 2030 (2025 baseline: 5 hours).<br>• 100% sustainability training coverage maintained<br>• LTIFR <1.0, zero fatalities<br>• Gender pay gap <3%<br>• 40-60% women in management positions<br>• 1% employees with disabilities<br>**Actions (2027-2030):**<br>• Comprehensive mental health & wellbeing program launch (2027)<br>• First aid training for 50% of employees (2028) | **HR Manager**<br>Supported by:<br>• Health & Safety Manager<br>• Sustainability Director<br>Board oversight:<br>• Semi-annual review of H&S and HR KPIs<br>• Annual compensation review |
| **WORKERS IN THE VALUE CHAIN** | **Current Practices:**<br>• Supplier Code of Conduct in place<br>• Due diligence on key suppliers (top 80% by spend)<br>• Annual supplier performance reviews<br>• Requirement for contractors: legal employment, H&S compliance, insurance<br>• Preference for local suppliers (supporting local economy)<br>**Policies:**<br>• Responsible Procurement Policy<br>• Supplier Code of Conduct (labour rights, H&S, environmental compliance)<br>• Zero tolerance for forced labour, child labour, discrimination<br>• Requirement for sub-contractor compliance<br>• Escalation and remediation process for violations | **2030 Targets:**<br>• 100% of key suppliers (top 80% by spend) assessed on ESG criteria<br>• Supplier ESG training program<br>**Actions (2026-2030):**<br>• Quarterly supplier training workshops<br>• Develop supplier recognition program | **Procurement Manager**<br>Supported by:<br>• CSO (ESG standards)<br>• Legal (compliance)<br>• Operations (contractor management)<br>Steering Committee oversight:<br>• Quarterly supplier performance review |

| Topic | Brief description of Practices, Policies and Future initiatives along with their consequent actions | Future initiatives / targets | The highest senior level person accountable for implementation (if any) |
|---|---|---|---|
| **AFFECTED COMMUNITIES** | **Current Practices:**<br>• West Gate Studios: 1,200+ affordable student housing units<br>• Rental rates 10-15% below market for comparable private housing<br>• 95% average occupancy (industry-leading)<br>• Scholarship program: 10+ students supported annually<br>• Annual community investment: €30 thousand<br>• Local hiring priority in operations and construction<br>• Bi-annual community consultation meetings<br>• Event sponsorships (cultural, educational, sports)<br>• Partnerships with local NGOs<br>• Grievance mechanism for community concerns<br>**Policies:**<br>• Local procurement preference (where competitive)<br>• Investment in local infrastructure where feasible<br>• Partnerships with local authorities and NGOs | **2030 Targets:**<br>• West Gate Studios: 95% sustained occupancy<br>• Scholarship program expansion: +20%<br>• Community engagement framework formalized<br>**Actions (2026-2030):**<br>• Formalize community engagement protocol<br>• Increase community investment by 15%<br>• Annual community impact report (from 2028) | **West Gate Studios Manager**<br>**Chief Operating Officer (COO)**<br>Supported by:<br>• Chief Executive Officer (CEO)<br>• Community Manager<br>• CSO (impact measurement)<br>External stakeholders:<br>• Universities<br>• NGO partners |



| Topic | Brief description of Practices, Policies and Future initiatives along with their consequent actions | Future initiatives / targets | The highest senior level person accountable for implementation (if any) |
|---|---|---|---|
| **CONSUMERS AND END-USERS** | **Current Practices:**<br>• Tenant satisfaction surveys (annual): 95%+ satisfaction (Building F)<br>• ESG data provided to tenants for Scope 3 reporting<br>• Green lease clauses introduced (gradual rollout)<br>• Dedicated tenant portal for service requests and information<br>• Regular tenant engagement events (sustainability forums)<br>• Collaboration on energy/water efficiency<br>• Indoor environmental quality monitoring (air quality, thermal comfort)<br>• Accessible facilities for people with disabilities<br>• 24/7 security and building management<br><br>**Policies:**<br><br>• Commitment to transparency on building ESG performance<br>• Data privacy and protection (GDPR compliant) | **2030 Targets:**<br>• 60% green leases by 2030<br>• Net Promoter Score (NPS) ≥50<br><br>**Actions (2026-2030):**<br>• Launch tenant sustainability partnership program<br>• Enhanced accessibility features across portfolio<br>• Tenant Engagement and Satisfaction Policy<br>• Green Lease Framework | **Leasing Director**<br><br>Supported by:<br>• Property Managers<br>• Tenant Relations Team<br>• CSO (ESG data support)<br><br>Semi-annual review:<br>• Tenant satisfaction KPIs<br>• Green lease adoption progress |
| **BUSINESS CONDUCT** | **Current Practices:**<br>• Zero corruption incidents (2024)<br>• Code of Conduct signed by 100% of employees<br>• Annual anti-corruption training (100% management, rolling out to all employees)<br>• Confidential whistleblowing channel operational<br>• Data protection and privacy (GDPR compliant)<br>• No political contributions<br><br>**Policies:**<br>• Anti-Corruption and Business Ethics Policy<br>• Zero tolerance for bribery, corruption, fraud<br>• Data Protection and Privacy Policy (GDPR)<br>• Political neutrality (no political donations/lobbying) | **2026-2030 Targets:**<br>• Complete ISO 37001 certification for the Anti-Bribery Management System by Q1 2027<br>• Extend anti-corruption training to 100% of employees by 2027<br><br>**Continuous Target:**<br>• Zero corruption incidents maintained<br>• 100% transparency in annual reporting<br><br>**Actions (2026-2030):**<br>• Roll out anti-corruption training to all employees<br>• Whistleblower Protection Policy | **Chief Executive Officer (CEO)**<br><br>Supported by:<br>• Chief Financial Officer (CFO) - tax and financial transparency<br>• Legal Director - compliance<br>• Internal Audit function<br><br>Board oversight:<br>• Audit Committee semi-annual review<br>• Full Board annual governance assessment |

# II. Environmental Performance



**Energy, greenhouse gas emissions, targets and climate transition (B3 & C3)**

**Pollution of air, water and soil (B4)**

**Climate risks & adaptation (C4)**

**Biodiversity & ecosystems (B5)**

**Water stewardship (B6)**

**Resource use, circular economy and waste management (B7)**

**Environmental Management Systems & Certifications**

**Looking Forward: Environmental Priorities 2026 – 2030**

### Our Environmental Commitment

Environmental stewardship is at the core of Genesis Property's business strategy. As Romania's leading sustainable real estate company, we recognize that our operations impact climate, ecosystems, resources, and communities. Our environmental management approach is built on four pillars: **measurement**, impact **reduction**, **innovation**, and **transparency**.

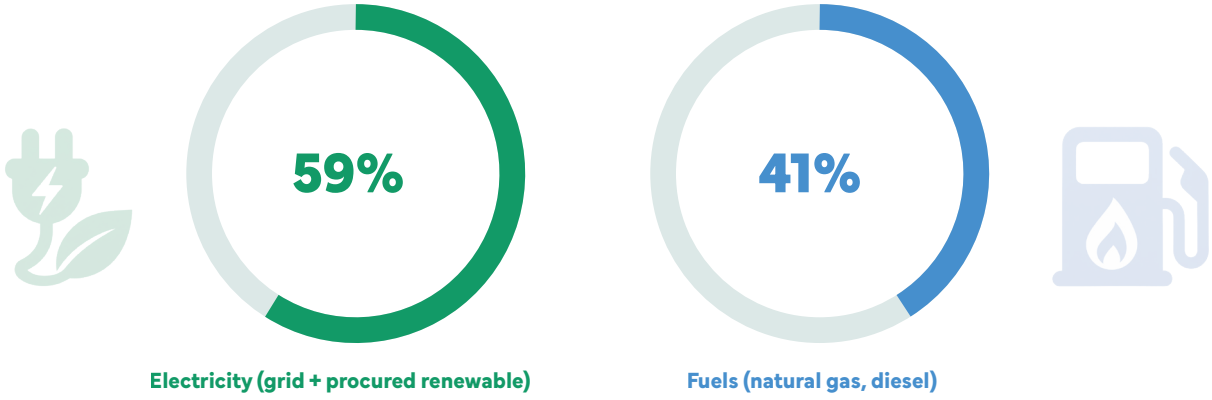
This chapter presents our 2025 environmental performance across five material topics aligned with the EU VS standard: Energy & GHG Emissions, Pollution, Biodiversity, Water, and Resource Use & Circular Economy.

# II.1. Energy Consumption & Greenhouse Gas Emissions (B3 & C3)

## *1. Energy Consumption (2025)*

In 2025, Genesis Property's total energy consumption amounted to 35,526,705 kWh across a portfolio of approximately 219,310 $m^2$, corresponding to an energy intensity of 162.0 kWh/$m^2$/year. Compared with the 2019 baseline of 174.52 kWh/$m^2$/year, this represents an improvement of approximately 7.2% in energy intensity.

## *2. Energy Mix Breakdown*




**35,526,705 – total (kWh)**



| Energy Source | Renewable (kWh) | Non-Renewable (kWh) | Total (kWh) | % of Total |
|---|---|---|---|---|
| **Electricity** (grid + procured renewable) | 20,939,923 | 0 | 20,939,923 | 59% |
| **Fuels** (natural gas, diesel) | 0 | 14,586,782 | 14,586,782 | 41% |
| **Total** | **20,939,923** | **14,586,782** | **35,526,705** | **100%** |
| **Share of total energy consumption** | **59%** | **41%** | — | — |

Effective July 2024, 100% of electricity consumed across Genesis Property's portfolio is procured from Hidroelectrica under a renewable-electricity supply contract, supported by Guarantees of Origin — a milestone that positions Genesis Property among the leaders in renewable energy adoption in Romanian commercial real estate.

**Own Renewable Generation:** In 2025, Genesis Property's on-site photovoltaic installations at Yunity Park generated 491,793 kWh of renewable electricity, equivalent to approximately 1.4% of the Group's total reported energy consumption. Electricity generated and consumed on-site reduces the need for purchased grid electricity and, consequently, the associated Scope 2 emissions.

**2030 On-Site Renewable Electricity Generation Target**

Increase annual on-site solar photovoltaic electricity generation to at least **1,000,000 kWh by 2030**, equivalent to an indicative **5% or more of the Group's annual purchased electricity**, subject to the evolution of electricity demand and the implementation of planned solar capacity expansions.

# *3. Energy Transition Progress*

Our energy strategy focuses on three parallel tracks:

**1. Energy Efficiency** – Reducing absolute consumption through:

LED lighting retrofits (85% complete across portfolio)

High-efficiency HVAC systems with smart controls

Building Management Systems (BMS) with IoT sensors in 40% of buildings

**Methodological note – Energy and GHG reporting boundaries**

Energy consumption figures presented in this section reflect total energy consumption across Genesis Property's real estate portfolio, including tenant consumption.

By contrast, Scope 1 and Scope 2 GHG emissions are calculated in accordance with the GHG Protocol, using the operational control approach. Emissions associated with tenant operations falling outside Genesis Property's operational control are attributable to Scope 3, Category 13 (Downstream Leased Assets), which has not yet been quantified.

**2. Renewable Energy Procurement** – Since July 2024, we procure **100% renewable electricity** for the entire asset portfolio.

**3. On-Site Electricity Generation** – Expanding solar capacity with:

Current installed capacity: ~500 kW across West Gate Business District and Yunity Park

2025 generation: 491,793 kWh

**2030 target:** At least 1,000,000 kWh annually (indicatively ≥5% of purchased electricity)

Planned expansion: +300-400 kW on West Gate Business District rooftops (2026-2029)

### Progress Toward Targets

In 2025, Genesis Property recorded an energy intensity of 162.0 kWh/m², compared with 117.66 kWh/m² in 2024 and 174.52 kWh/m² in the 2019 baseline year. While this represents an improvement of approximately 7.2% compared with 2019, energy intensity increased significantly compared with 2024. The evolution reflects changes in reported energy consumption and potentially in the operational characteristics and occupancy patterns of the portfolio.

### 4. *Greenhouse Gas Emissions*

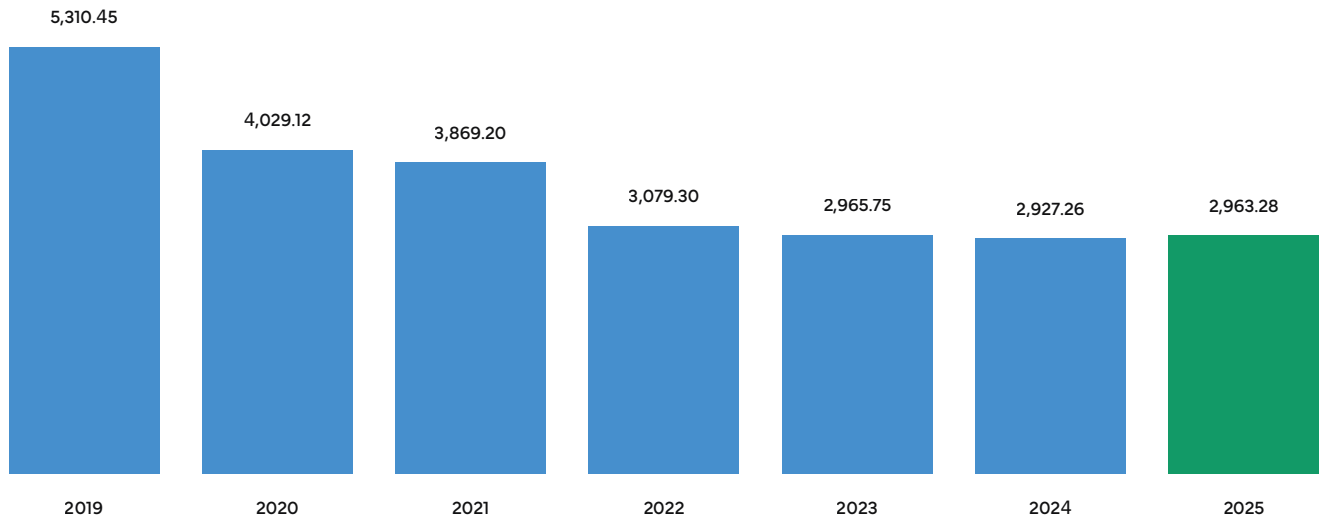
## 2025 GHG Emissions Performance:

| Scope | Emissions (tCO2e) | % of Total | Primary Sources |
|---|---|---|---|
| **Scope 1** | 1,172.48 | 39.56% | Natural gas (heating), diesel (backup generators), refrigerants |
| **Scope 2** (location-based) | 1,790.80 | 60.44% | Purchased electricity |
| **Total Scopes 1 & 2 (location - based)** | **2,963.28** | **100%** | — |
| Scope 2 (market - based) | 27.79 | 2.31% | |
| **Total Scopes 1 & 2 (market - based)** | **1,200.27** | **100%** | |

# Progress in Operational GHG Emissions Reduction (2019–2025)

The table below refers to the annual evolution of Genesis Property's Scopes 1 & 2 emissions (location – based) compared to the base year 2019:

| EMISSIONS ($tCO_2e$) | 2019 (base year) | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|
| **Scope 1** | 838.37 | 875.58 | 877.05 | 501.41 | 771.07 | 1,058.98 | 1,172.48 |
| **Scope 2** (location-based) | 4,472.08 | 3,153.54 | 2,992.15 | 2,577.89 | 2,194.68 | 1,868.28 | 1,790.80 |
| **TOTAL** | **5,310.45** | **4,029.12** | **3,869.20** | **3,079.30** | **2,965.75** | **2,927.26** | **2,963.28** |




In 2025, Genesis Property's operational greenhouse gas emissions (Scopes 1 and 2, location-based) amounted to 2,963.28 $tCO_2e$, representing a 44.2% reduction compared with the 2019 baseline of 5,310.45 $tCO_2e$.

Operational emissions intensity decreased by 44.29%, from 24.25 $kgCO_2e/m^2$ in 2019 to 13.51 $kgCO_2e/m^2$ in 2025.

These results demonstrate substantial progress in the Group's decarbonisation journey, while highlighting the need for continued emissions reduction measures to achieve its 2030 climate target.

For more details on the used methodology and calculation you can consult our annual GHG inventory reports here Politici de Sustenabilitate și Rapoarte | Genesis Property

Genesis Property reports Scope 2 emissions using both the location-based and market-based approaches, in accordance with the GHG Protocol Scope 2 Guidance. The location-based method reflects the average emissions intensity of the Romanian electricity grid, while the market-based method reflects the emission attributes of purchased electricity, based on supplier-specific emission factors and applicable contractual instruments.

| Indicator | 2024 | 2025 |
|---|---|---|
| Scope 1 | 1,058.98 | 1,172.48 |
| Scope 2 market-based | 703.69 | 27.79 |
| **Total Scope 1+2 market-based** | 1,762.67 | 1,200.27 |

In 2025, Scope 2 market-based emissions decreased to 27.79 $tCO_2e$, compared with 703.69 $tCO_2e$ in 2024, primarily reflecting the full-year effect of the transition to Hidroelectrica as the Group's electricity supplier.

The difference between the 2 methods is reflected in the emission factor used: "location-based" method shows the impact of the electricity mix of the Romanian grid and, in our case, is also the used method to track the validated SBTi target. The "market-based" method shows the impact of Genesis Property's decision to purchase certified renewable electricity and therefore is likely to lead to a much lower amount for Scope 2 emissions.

Genesis Property's decarbonisation efforts combine energy efficiency improvements, renewable electricity procurement, on-site photovoltaic generation, optimisation of heating and HVAC systems, and improved energy monitoring. These measures support the Group's long-term emissions reduction strategy, although their individual contributions to the overall emissions reduction have not been separately quantified.

### *5. Climate Commitments & External Validation*

**Science Based Targets initiative (SBTi)**: validated near-term target and long-term commitment

**Validation status**: First Romanian real estate company with Near-term target validated in September 2023.

#### Use of carbon credits

Progress towards the Group's SBTi emissions reduction targets is measured on the basis of actual GHG emissions reductions, without accounting for carbon offsets.

Any voluntary use of carbon credits is reported separately and does not substitute for the emissions reductions required to achieve science-based targets. At the net-zero target year, residual emissions will need to be neutralized through permanent carbon removals, in accordance with applicable SBTi requirements.

#### Additional Climate Commitments:

**UN Race to Zero** signatory (first Romanian real estate company)

**Climate Neutral Now** participant (first Romanian real estate company)

**UN Forward Faster** signatory (first Romanian company, any sector)

## II.2. Pollution of air, water and soil (B4)

Genesis Property's operations have minimal direct pollution impacts. We do not engage in manufacturing, chemical processing, or activities that generate significant pollutant emissions.

**Air Quality:**

**No significant air pollutants** – Our natural gas boilers and backup diesel generators comply with all Romanian and EU emission standards

**Pollutant monitoring** – Annual emissions testing for backup generators confirms compliance with NOx, SOx, and particulate matter limits

**Indoor air quality (IAQ)** – Indoor air quality monitoring is implemented in occupied spaces, with expansion to 60% of occupied spaces by 2030, supporting tenant health and productivity.

**Water Pollution:**

**No industrial wastewater discharge** – All wastewater is domestic (sanitary) and discharged to municipal sewage systems compliant with Romanian regulations

**Stormwater management** – Rainwater from roofs and paved areas drains to municipal systems; Yunity Park's urban forest provides natural infiltration and filtration

**No contamination incidents** – Zero spills, leaks, or contamination events reported in 2025

**Soil Pollution:**

**No hazardous materials storage** – We do not store chemicals, fuels, or hazardous substances in quantities that present soil contamination risk (diesel for generators stored in double-walled tanks with spill containment)

**Landscape management** – Zero pesticides or chemical herbicides used; organic and mechanical weed control only

***Pollution Prevention Commitments***

**Low-VOC materials** prioritized in all renovations and fit-outs (paints, adhesives, flooring)

**Asbestos management** – Surveys conducted; any identified asbestos safely removed by licensed contractors before renovations (zero asbestos waste generated in 2025)

**Refrigerant management** – Regular leak inspections; phase-out of high-GWP refrigerants per F-Gas Regulation

## II.3. Climate Risks & Adaptation (C4)

***Physical Climate Risks:***

Our climate risk assessments, aligned with TCFD (**Task Force on Climate-related Financial Disclosures**) recommendations, identify potential disruptions from extreme weather events as a **medium risk with medium-long term horizon (5-15 years)**. Specific risks include:

**Flooding** – Increased heavy precipitation events may overwhelm drainage systems, particularly at ground-level entrances and underground parking

**Heat stress** – More frequent and intense heatwaves could increase cooling demand, stress HVAC systems, and affect occupant comfort and productivity

**Storms & wind** – Extreme weather may damage roofs, facades, or landscaping

**Water scarcity** – Prolonged droughts could impact water availability for cooling systems and landscaping

***Adaptation Measures Implemented/Planned:***

Enhanced drainage and flood protection systems in vulnerable buildings

Heat-resilient landscaping with drought-tolerant native species (Yunity Park urban forest)

Advanced HVAC systems with increased cooling capacity buffers

***Transition Risks:***

We have identified **increased cost of energy and raw materials** as a **medium risk with short-to-medium term horizon (1-5 years)** driven by:

Potential increases in fossil fuel costs associated with the introduction of the EU Emissions Trading System for buildings and road transport (ETS2), alongside other energy and climate-related regulatory developments.

Rising fossil fuel costs due to geopolitical instability and decarbonization policies

Construction material cost inflation from embedded carbon regulations and potential supply chain disruptions.

***Mitigation Strategies:***

Energy efficiency investments contribute to reducing exposure to energy price volatility. In 2025, the Group's overall energy intensity was approximately 7.2% below its 2019 baseline, despite an increase compared with 2024.

On-site renewable generation makes us less vulnerable to price fluctuations

Long-term renewable electricity contracts lock in competitive pricing

Circular economy practices reduce raw material dependence

***Opportunity Identification:***

Climate action also creates strategic opportunities:

**Asset value and market competitiveness** – Certified, energy-efficient buildings can strengthen market positioning, support long-term asset value and reduce exposure to the risk of premature asset obsolescence.

**Tenant attraction & retention** – Demonstrable sustainability performance and access to reliable environmental data can enhance the attractiveness of buildings to corporate tenants, particularly those with their own climate commitments and sustainability reporting requirements.

**Access to sustainable finance** – Documented ESG performance, credible climate targets and transparent sustainability reporting can facilitate access to sustainable financing instruments, diversify funding sources and potentially improve financing conditions.

# II.4. Biodiversity & Ecosystems (B5)

### Our Approach to Biodiversity

While real estate development inevitably consumes land, Genesis Property is committed to minimizing biodiversity impacts and, where possible, creating net-positive outcomes through nature-oriented design and ecological restoration.

***1. Land Use (2025)***

YUNITY PARK & West Gate Business District

| Land-use type | Area | Previous year | Reporting year | % change |
|---|---|---|---|---|
| **Land-use type** | mp | -2024 | -2025 | **% change** |
| **Land-use type** | | | | **% change** |
| Total sealed area | mp | **81,319** | **52,048** | **-36%** |
| Total nature-oriented area on site | mp | **23,029** | **18,247** | **-20%** |
| Total nature-oriented area off site | mp | **-** | **-** | **-** |
| Total use of land | mp | **104,348** | **70,295** | **-32.5%** |

***2. Biodiversity Initiatives***

**Yunity Park Urban Forest (completed December 2023):**

**Area:** 1,000+ $m^2$ ecological restoration in central Bucharest

**Function:** Carbon sequestration, air quality improvement, urban heat island mitigation, biodiversity habitat

**Species:** Native tree and shrub species selected for climate resilience and wildlife value

**Impact:** Provides habitat for urban birds, pollinators (bees, butterflies), and beneficial insects

**Green Roofs & Landscaping:**

**Landscape design principles:** Prioritize native species, avoid invasive plants, minimize water requirements, eliminate chemical pesticides/herbicides

**Pollinator support:** Insect hotels, nesting boxes, and pollinator-friendly flowering plants integrated into landscaping

### *3. Biodiversity Management Practices*

**Zero pesticides/herbicides** – Organic weed control and integrated pest management only

**Native species prioritization** – Landscaping uses Romanian native trees, shrubs, and perennials adapted to local climate

### *4. Biodiversity Commitments (2030)*

**Achieve and maintain 25%+ green coverage** across both owned locations

**100% portfolio biodiversity assessments** completed with site-specific management plans

### Sites in Protected Areas

**None** of Genesis Property's buildings are located in or adjacent to:

Natura 2000 sites

UNESCO World Heritage sites

National parks or nature reserves

Other legally protected areas

All properties are in urban Bucharest locations with no significant proximity to sensitive ecosystems.

## II.5. Water Stewardship (B6)

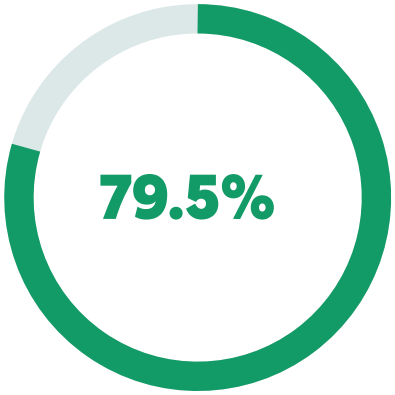
### *Water Consumption (2025)*

In 2025, Genesis Property recorded a total water consumption of 88,246 $m^3$ across its portfolio, representing a water intensity of 0.402 $m^3/m^2$ — a significant improvement compared with the previous year, reflecting the progressive impact of our water efficiency measures, smart metering systems, and tenant engagement programs.

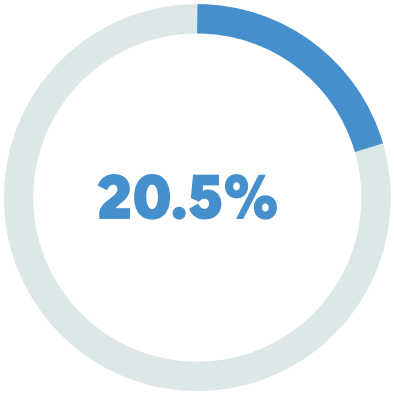
### *Consumption by Location:*

| Campus | Water Consumption ($m^3$) | % of Total |
|---|---|---|
| **West Gate Business District** | 70,182 | 79.5% |
| **Yunity Park** | 18,064 | 20.5% |
| **Total** | **88,246** | **100%** |

## Consumption by Location:




West Gate Business District




YUNITY PARK

# 88,246 Water Consumption ($m^3$)

**Source:** Municipal water supply (Bucharest water utility). Genesis Property does not extract groundwater or surface water.

***Water Stress Assessment***

**None of Genesis Property's sites are located in areas of high-water stress** according to the WRI Aqueduct Water Risk Atlas. Bucharest is classified as low-medium water stress, with adequate municipal water supply under normal conditions.

However, we recognize that climate change may increase water scarcity risk in the medium-long term (droughts, heatwaves increasing demand). As such, we proactively manage water efficiency to build resilience.

***Water Efficiency Measures***

**Current Initiatives:**

**Low-flow fixtures** – Installed in all renovations (taps, showerheads, toilets achieving ~30% consumption reduction vs. standard fixtures)

**Leak detection & repair** – Daily consumption monitoring via utility data; rapid response to anomalies

**Tenant engagement** – Water consumption data shared quarterly; best practices guidance provided

**Planned Investments (2026-2030):**

**Smart water metering** – 50% portfolio coverage by 2030, with real-time monitoring and automated leak alerts.

**Rainwater harvesting pilots** – two buildings by 2030, to capture roof runoff for non-potable uses.

***Water Quality***

**Discharge Compliance:**

All wastewater discharged to municipal sewage systems complies with Romanian water quality regulations

No direct discharge to surface water or groundwater

No water treatment required before discharge (domestic wastewater only)

**Monitoring:**

Municipal water utility conducts regular quality testing of drinking water supply

Genesis Property conducts quarterly visual inspections of plumbing systems

Legionella risk assessments conducted for all buildings with cooling towers or large domestic hot water systems

***Water Commitments (2030)***

---

**Achieve a further 13% reduction in water intensity by 2030** compared with the 2025 baseline, targeting a maximum of **0.35 $m^3/m^2$/year**, through enhanced water monitoring, leak detection, water-efficient fixtures and tenant engagement.

**50% smart metering** with real-time monitoring and leak detection

**Rainwater harvesting in 30% of buildings** by 2035

**Zero water-related pollution incidents** maintained

# II.6. Resource Use, Circular Economy & Waste (B7)

***1. Our Circular Economy Commitment***

Recognizing that **circular economy represents a material topic**, Genesis Property formalized a **Circular Economy and Waste Management Policy** in 2025. This policy establishes our ambition to transition from a linear "*take-make-dispose*" model to a circular approach that prioritizes:

**Reduce** – Minimize waste generation through design, procurement, and operations

**Reuse** – Extend product lifespans through repair, refurbishment, and repurposing

**Recycle** – Maximize material recovery and valorisation

**Recover** – Energy recovery from non-recyclable waste (to be assessed, as last resort before disposal)

**Dispose** – Landfill only as absolute last option

We have launched an **Action Plan (2025-2030)** to implement circular principles across our operations and are establishing **collaborations with waste management partners** to increase diversion rates and material recovery quality.

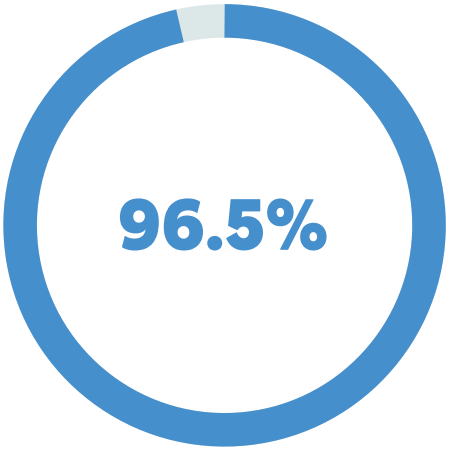
### *2. Waste (2025)*

**Total Waste Generated:** 1,166.99 tonnes

| Waste Category | Quantity (tonnes) | % of Total | Destination |
|---|---|---|---|
| **Diverted to recycling/reuse** | 40.84 | **3.5%** | Recycling facilities, reuse partners |
| **Other waste management routes** (landfill, incineration and waste-to-energy, where applicable) | 1.126,15 | **96.5%** | Waste-to-energy, landfill |
| **Total waste** | **1,166.99** | **100%** | — |




Diverted to recycling/reuse




Other waste management routes (landfill, incineration and waste-to-energy, where applicable)

## 1,166.99 - Total waste

**Waste Intensity:** 5.32 kg/m²/year (1,166.99 tonnes ÷ 219,310 m²)

In 2025, Genesis Property generated a total of 1,166.99 tonnes of waste across its portfolio, representing a waste intensity of 5.32 kg/m² — an improvement of approximately 9% compared to the previously recorded figure, reflecting the progressive impact of our waste reduction initiatives, tenant awareness programs, and operational efficiency measures.

We acknowledge that our current waste diversion rate of 3.5% falls significantly short of our ambitions. To address this, Genesis Property has committed to the following action plan:

2027: Implement mandatory waste segregation across all buildings (minimum 5 streams)

2028: Achieve 30% diversion rate through expanded recycling partnerships

2029: Reach 50% diversion rate through circular economy initiatives

2030: Target 65% diversion rate, aligned with EU circular economy objectives

Progress against these targets will be reported annually in subsequent sustainability disclosures.

**Waste Composition:**

**Non-Hazardous Waste:** 1,166.99 tonnes (100% of total)

Mixed municipal solid waste (offices, common areas, residential)

Recyclables: paper/cardboard, plastics, glass, metals (currently low separation rate)

Organic waste: food waste from cafeterias, landscaping green waste

Construction & demolition waste (from renovations, fit outs)

**Hazardous Waste:** 0 tonnes

No hazardous waste generated in 2025 (batteries, oils, fluorescent lamps, asbestos, etc.)

**Note:** This likely reflects incomplete data collection rather than zero generation. We are implementing enhanced tracking systems to capture all hazardous waste streams (e.g., batteries from UPS systems, fluorescent lamps from older fixtures, refrigerants from HVAC decommissioning) for accurate reporting from 2026 onward.

**Current Waste Diversion Rate: 3.5% (Significant Improvement Opportunity)**

Our 2025 waste diversion rate of 3.5% is significantly below industry best practices (leading buildings achieve 50-80% diversion) and below our own ambitions. This low rate reflects:

**Limited waste segregation infrastructure** – Not all buildings have multi-stream waste collection (paper, plastic, glass, metal, organic, residual)

**Tenant engagement gaps** – Inconsistent participation in recycling programs

**Measurement challenges** – Some recyclables may be diverted but not accurately tracked if tenants arrange private collection

**Contamination issues** – Poor separation quality can result in recyclables being rejected and sent to disposal

**Root causes identified:**

Insufficient waste bin infrastructure (number, signage, placement)

Lack of tenant training and engagement programs

Limited partnerships with specialized recyclers (e.g., organic waste composting, construction material reuse)

### Waste Commitments

| Metric | 2025 Baseline | 2030 Target | 2040 Target |
|---|---|---|---|
| **Waste diversion rate** | 3.5% | ≥65% | 100% (zero landfill) |
| **Waste intensity** | 5.32 kg/m²/year | <5.0 kg/m²/year | <4.0 kg/m²/year |
| **Hazardous waste tracking** | Incomplete | 100% tracked & safely disposed | 100% tracked & safely disposed |

## II.7. Environmental Management Systems and Certifications

Our environmental performance is underpinned by robust management systems and third-party certifications:

| System/Certification | Status | Scope | Verifier |
|---|---|---|---|
| **ISO 14001** (Environmental Management) | Certified | Genesis Property operations | CERTIND S.A. |
| **EMAS** (Eco-Management & Audit Scheme) | Certified | Facilities Management subsidiary | EU EMAS verifier |
| **BREEAM Outstanding** | Buildings F, DE | Certified under BREEAM In-Use | BRE Global |
| **GRESB Green Star** | 2024-2026 | Portfolio ESG performance, top 25% globally | GRESB |
| **SBTi Validation** | 2023 | Climate targets (near-term + net-zero) | Science Based Targets initiative |

These certifications ensure:

**Systematic management** – Policies, procedures, and continuous improvement cycles

**Data quality** – Robust measurement, monitoring, and reporting

**Third-party verification** – Independent assurance of performance claims

**Stakeholder confidence** – Internationally recognized standards eliminate greenwashing risk

# II.8. Looking Forward: Environmental Priorities 2026-2030

***Climate & Energy:***

Continue reducing Scope 1 and Scope 2 GHG emissions, building on the 44.2% reduction achieved by 2025 compared with the 2019 baseline, and pursue the SBTi-validated 2030 Near-Term Target and the Group's longer-term net-zero ambitions.

Achieve an approximately 20% reduction in portfolio-wide energy intensity by 2030 compared with the 2019 baseline, targeting approximately 140 kWh/m²/year, through continued investments in energy efficiency, HVAC optimisation, smart building management systems and improved energy monitoring.

Expand on-site solar photovoltaic generation to at least 1 GWh annually by 2030, targeting an indicative share of 5% or more of purchased electricity

Complete the Scope 3 GHG inventory, establish the baseline and develop an emissions reduction strategy by 2027, followed by progressive implementation.

60% portfolio BREEAM Very Good+ certified by 2030

***Pollution Prevention:***

Indoor air quality monitoring covering 60% of occupied spaces by 2030.

Zero pollution incidents maintained

Phase out high-GWP refrigerants per F-Gas Regulation

***Water & Biodiversity:***

-13% water intensity reduction by 2030

100% portfolio biodiversity assessments with management plans (2028)

Maintain 25%+ green coverage, explore net-positive opportunities

***Circular Economy:***

Achieve 65% waste diversion rate by 2030 (vs. 3.5% in 2025)

Zero hazardous waste to landfill (100% safe disposal/recycling)

Circular procurement policy implemented across all categories

Genesis Property's environmental performance demonstrates that sustainability and business success are mutually reinforcing. Our 44.2% reduction in operational Scope 1 and Scope 2 greenhouse gas emissions (location-based) compared with 2019, together with our GRESB Green Star status and SBTi-validated climate target, reflects our sustained commitment to measurable environmental progress.

# III. Social Responsibility



**Our workforce at a glance (B8)**

**Health, safety and wellbeing (B9)**

**Fair compensation, working conditions and training (B10)**

**Human rights policies and processes (C6)**

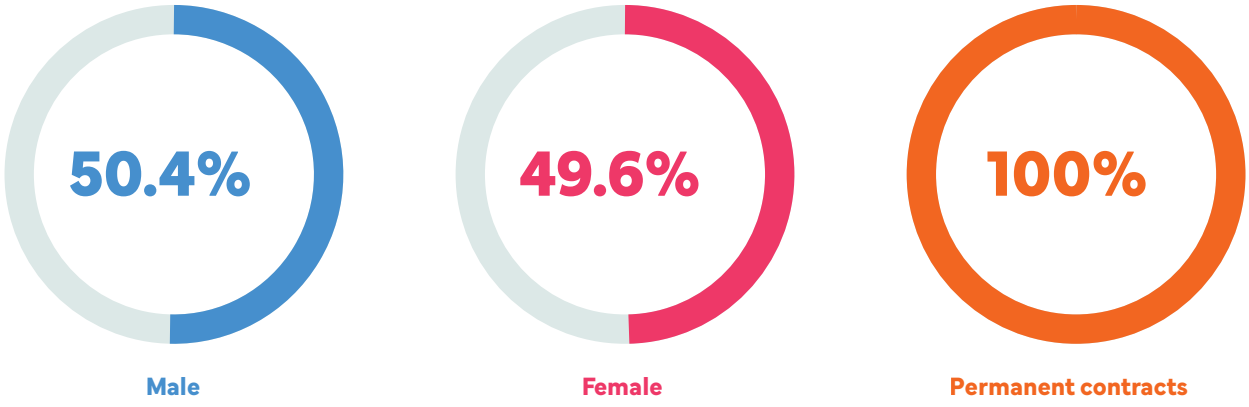
**Severe negative human rights incidents (C7)**

# III.1. Our Workforce at a Glance (B8)

At Genesis Property, we recognize that our people are our greatest asset. As of December 31, 2025, our workforce comprised **339 employees**, reflecting a stable and committed team that drives our sustainability ambitions and operational excellence.

### Workforce Composition

| Category | Metric | Value | % of Total |
|---|---|---|---|
| **Employment Type** | Permanent contracts | 339 | 100% |
| | Temporary contracts | 0 | 0% |
| **Gender** | Male | 171 | 50.4% |
| | Female | 168 | 49.6% |
| **Geography** | Romania | 339 | 100% |




**339 – Number of employees (end of fiscal year)**

**Employee Turnover Rate:** 30.5% (reflecting the dynamic Romanian real estate and facilities management sectors where skilled professionals are in high demand)

# III.2. Health, Safety & Wellbeing (B9)

### Perfect Safety Record

| Safety Metric | 2025 Result |
|---|---|
| Work-related accidents | **0** |
| Fatalities | **0** |

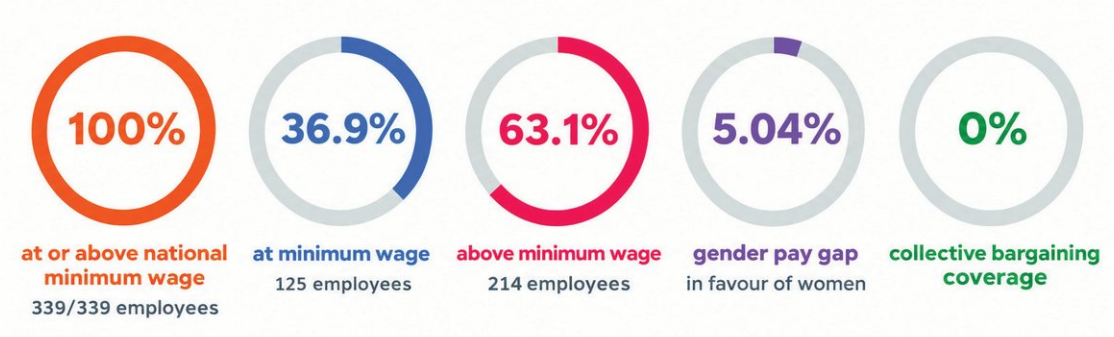
Our Health & Safety Management System is ISO 45001 certified. Our staff receive comprehensive safety training (100% employee coverage), we foster a proactive incident reporting culture, and invest in safety equipment and technology.

This safety performance is not coincidental—it reflects our deeply embedded safety culture where every employee understands that **no task is so important that it cannot be done safely**.

# III.3. Fair Compensation, Working Conditions and training (B10)

### *Wages & Pay Equity*

| Compensation Metric | Result |
|---|---|
| Employees at/above national minimum wage | 100% (339/339) |
| • At minimum wage | 125 employees (36.9%) |
| • Above minimum wage | 214 employees (63.1%) |
| **Gender pay gap** | **5.04% in favour of women** |
| Collective bargaining coverage | 0% |



**Our commitment:** Annual pay equity audits, transparent salary bands, and equal opportunity promotion ensure fair compensation based solely on merit, experience, and performance—not gender.

**Social dialogue:** While no collective bargaining agreements exist, we maintain open communication through town hall meetings, annual satisfaction surveys, open-door HR policy, and respect for freedom of association under our UN Global Compact commitment.

***Employee Development and Training Investment***

Investment in employee development is central to our sustainability strategy and operational excellence.

***Training Hours (2025), average.***




**male employees** | **female employees** | **overall average**

**Training coverage:**

Sustainability & ESG (100% employees)

Health & Safety (100% employees)

Technical skills (job-specific)

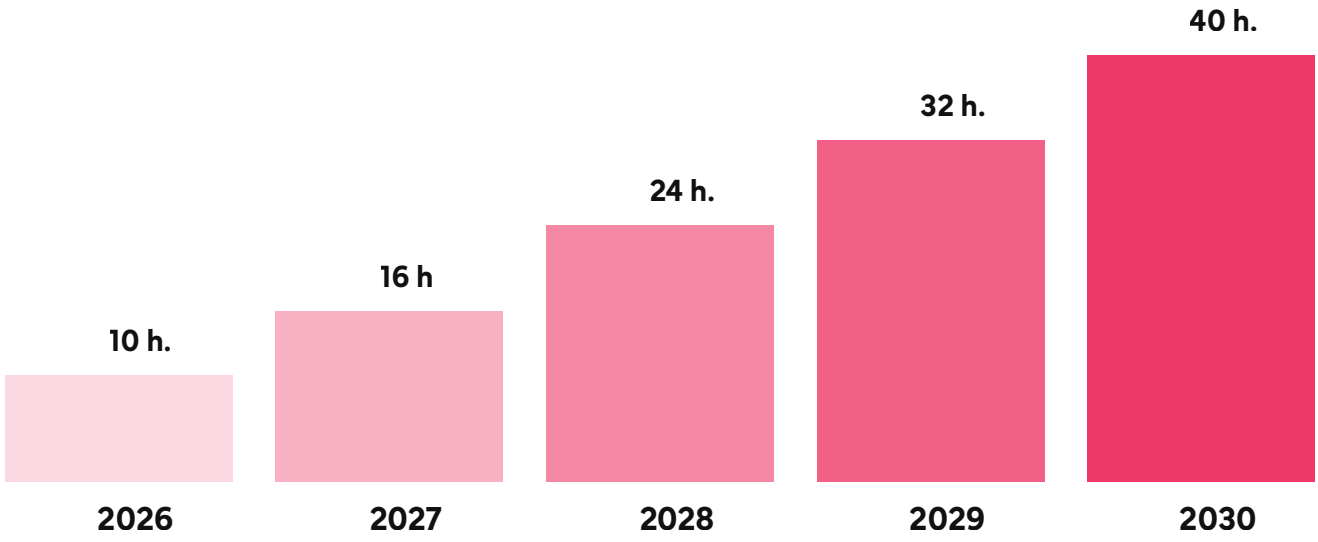
## **2030 Target:** 40 hours/employee annually

We acknowledge that our current measurement framework captures only formally recorded training and therefore understates the learning that takes place across the organisation. Extending this framework in 2026 to include onboarding, mentoring and on-the-job development is itself one of our commitments. We will report transparently on the extent to which future increases derive from expanded provision as opposed to improved measurement.

To guide this transition, we have established the following annual trajectory towards our 2030 target of 40 training hours per employee:

| | |
|---|---|
| 2026 | 10 training hours / employee |
| 2027 | 16 h / empl. |
| 2028 | 24 h. / empl. |
| 2029 | 32 h. / empl. |
| 2030 | 40 h. / empl. |

## 2030 Target: 40 hours/employee annually




The trajectory is deliberately more gradual in the initial years, when our focus is on establishing the necessary infrastructure — an expanded measurement framework, a structured course catalogue, and a digital learning platform — and accelerates from 2028 onwards, as these foundations enable a broader and more consistent training offer across the organisation.



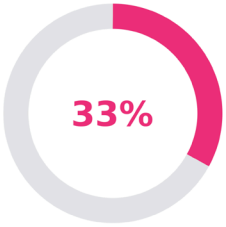
***Diversity, Inclusion & Leadership***

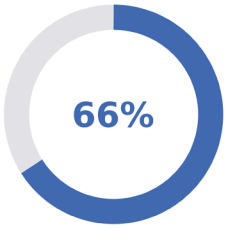
**Gender Diversity in Leadership**

## LEADERSHIP LEVEL

**board of directors**

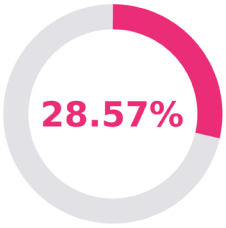
**ratio 0.5:1**

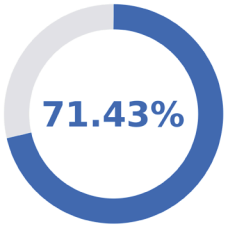



**senior management (below board)**

**ratio 0.4:1**




**2030 Commitment: we target ≥1% workforce representation of employees with disabilities, supported by accessible facilities and inclusive practices.**

# III.4. Human Rights Policies and Processes (C6)

***Code of Conduct & Human Rights Policy***

Genesis Property has established a **comprehensive Code of Conduct and Human Rights Policy** covering our own workforce. This policy explicitly addresses:

| Area | Policy | Implementation |
|---|---|---|
| Child labour | ✗ Zero tolerance | Age verification during recruitment |
| Forced labour | ✗ Prohibited | Voluntary employment, written contracts, no document surrender |
| Human trafficking | ✗ Zero tolerance | Transparent recruitment, no fees, ethical agencies only |
| Discrimination | ✗ Prohibited | Equal opportunity based solely on merit |
| Accident prevention | ✓ Mandatory | ISO 45001 certified, systematic risk prevention |

***Complaints Mechanism***

Genesis Property operates a **confidential complaints-handling mechanism** (whistleblowing channel) accessible to all employees as well as to customers. This mechanism enables employees to report:

Human rights violations

Safety concerns

Discrimination/harassment

Corruption/bribery

Policy violations

**Protections:** Confidentiality, non-retaliation, thorough investigation, remediation where needed.

## III.5. Severe negative human rights incidents (2025)

| Incident Type | Own Workforce | Value Chain | Communities/Consumers |
|---|---|---|---|
| Child labour | 0 | 0 | 0 |
| Forced labour | 0 | 0 | 0 |
| Human trafficking | 0 | 0 | 0 |
| Discrimination | 0 | 0 | 0 |

**Zero incidents** validate our proactive prevention, clear policies, training, supplier due diligence, and ethical culture.



# IV. Governance and Ethics



**Integrity & Anti-corruption (B11)**

**Revenues from certain sectors and exclusion from EU reference benchmarks (C8)**

**Board composition & oversight (C9)**

**Looking Forward: Social & Governance Commitments**

# IV.1. Integrity & Anti-Corruption (B11)

Strong governance is the foundation of Genesis Property's sustainability leadership and long-term value creation. Our governance framework ensures accountability, transparency, ethical conduct, as well as alignment of interests among all stakeholders and contributes to SDG 16 (Peace, Justice and Strong Institutions) and SDG 17 (Partnerships for the Goals). See Annex B for our complete SDG alignment mapping.

### Zero Tolerance: Perfect Compliance

| Metric | 2025 Result |
|---|---|
| Convictions for corruption/bribery | **0** |
| Fines for corruption/bribery | **€0** |

### Anti-corruption framework:

Code of Conduct (100% employees signed)

Annual anti-corruption training (100% management; expanding to all employees by 2027)

Third-party due diligence (all suppliers/partners)

Whistleblowing mechanism (confidential, non-retaliation)

Our zero-incident record is not accidental—it results from proactive prevention, clear policies, continuous training, tone-at-the-top commitment, and a culture where ethical conduct is expected and rewarded.

# IV.2. Revenues from certain sectors and exclusions from EU reference benchmarks (C8)

We are not active in controversial weapons, cultivation and production of tobacco, or fossil fuel sectors. We are also not excluded from any EU reference benchmarks that are aligned with the Paris Agreement.

### IV.3. Board Composition & Oversight (C9)

### Gender-Balanced Governance

**Board Metric & Value**



**Board key responsibilities:**

Strategic direction & sustainability integration

Risk oversight (financial, operational, ESG)

Quarterly performance monitoring (including ESG Dashboard)

Stakeholder accountability

## IV.4. Looking Forward: Social and Governance Commitments

Our social and governance performance in 2025 provides a strong foundation, but we recognize opportunities for continuous improvement:

**Priorities 2026-2030**

**Social**

Increase training hours from 5 to 40 hours per employee annually.

Reduce turnover through enhanced retention programs and career development pathways.

Achieve at least 1% workforce representation of employees with disabilities.

Maintain zero work-related accidents.

Expand mental health and flexible work programs.

**Governance**

Complete ISO 37001 certification for the Anti-Bribery Management System by Q1 2027.

Extend anti-corruption training from management to all employees by 2027.

Enhance supply chain due diligence by completing ESG assessments for 100% of key suppliers by 2028.

Maintain gender diversity at Board and management levels.

Enhance transparency and stakeholder engagement.

Genesis Property's social and governance performance reflects our conviction that long-term success requires respect for people, ethical conduct, and transparent accountability. We will continue raising standards and reporting progress honestly to all stakeholders.

# V. Final Words



With this sustainability report, we aim to offer a transparent and honest account of who we are, what we have achieved, and where we still have work to do. We are proud of the progress made since 2021 — from our SBTi-validated climate targets and GRESB Green Star recognition to our BREEAM Outstanding certifications and the transformation of Yunity Park into a benchmark for sustainable urban development in Romania. Yet we are equally aware that sustainability is a journey without a final destination.

For us, sustainability is not a separate workstream or a reporting obligation — it is embedded in every investment decision, every lease agreement, every building we design, operate, and improve. It is reflected in the energy our buildings consume, the air our tenants breathe, the communities we engage, and the standards we set for our industry.

As we continue to refine our reporting practices in line with VS standard and evolving stakeholder expectations, we remain committed to one principle above all: that the decisions we make today must create value not only for our business, but for the people, communities, and planet that will inherit what we build.



# VI. Transparency and Reporting



Genesis Property is committed to transparent reporting aligned with international standards:

| Report | Frequency | Standard/Framework |
|---|---|---|
| Financial Statements | Annual | Audited |
| VS Sustainability Report | Annual | EU VS Standard |
| GRESB Assessment | Annual | Green Star (2024-2026) |
| SBTi Progress Report | Annual | Science Based Targets |
| UNGC Communication on Progress | Annual | UN Global Compact |
| Forward Faster Progress Report | Annual | UN SDGs (1st Romanian) |

All reports are available to stakeholders, demonstrating our accountability and inviting scrutiny.



# ANNEX A
# VS CONTENT INDEX



**Annex B: SDG Alignment Mapping Table**

**Annex C: Glossary & Definitions**

The VS index has been prepared for readers familiar with the newly issued European Commission's VS standard (Voluntary Sustainability Reporting Standard) to support the identification and location of relevant VS reporting data in the sustainability report.

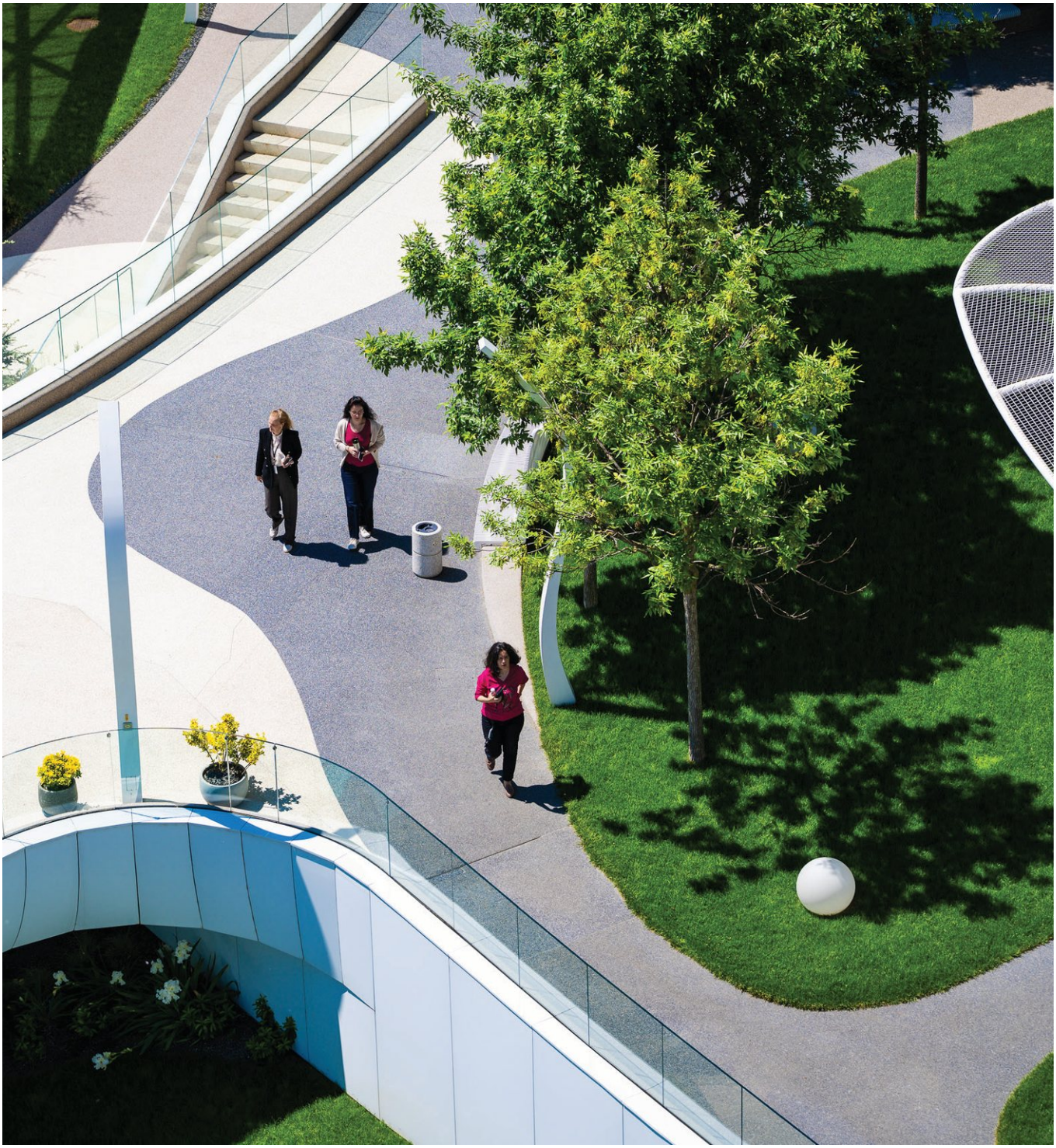
## BASIC MODULE

| Code | Topic | Page |
|---|---|---|
| B1 | Basis for preparation | 5 |
| B2 | Policies and Initiatives for Sustainable Economy Transition | 21 |
| B3 | Energy & Greenhouse Gas Emissions | 28 |
| B4 | Pollution of Air, Water and Soil Pollution | 32 |
| B5 | Biodiversity | 35 |
| B6 | Water | 36 |
| B7 | Resource Use, Circular Economy and Waste Management | 38 |
| B8 | Workforce – General Characteristics | 44 |
| B9 | Workforce – Health and Safety | 45 |
| B10 | Workforce – Remuneration, Collective Bargaining and Training | 45 |
| B11 | Convictions and Fines for Corruption and Bribery | 51 |

## COMPREHENSIVE MODULE

| Code | Topic | Page |
|---|---|---|
| C1 | Strategy: Business Model and Sustainability – Related Initiatives | 14 |
| C2 | Practices, Policies and Future Initiatives for Transitioning Towards a More Sustainable Economy | 21 |
| C3 | GHG Reduction Targets and Climate Transition | 28 |
| C4 | Climate Risks | 33 |
| C5 | Additional Workforce Characteristics | 44 |
| C6 | Human Rights Policies and Processes | 48 |

| Code | Topic | Page |
|---|---|---|
| C7 | Severe Negative Human Rights Incidents | 49 |
| C8 | Revenues from Certain Activities and Exclusion from EU Reference Benchmarks | 51 |
| C9 | Gender Diversity Ratio in the Governance Body | 51 |



# ANNEX B
# SDG ALIGNMENT MAPPING TABLE



**Annex A: VS Content Index**

**Annex C: Glossary & Definitions**

This mapping table provides a comprehensive overview of Genesis Property's 11 strategic sustainability initiatives and their contributions to the UN Sustainable Development Goals (SDGs).

Each initiative is mapped to primary and secondary SDG targets, with:

**Current performance metrics (2025)** – Our verified achievements

**2030 targets** – Medium-term commitments aligned with our Board-approved Sustainability Strategy

**2040 vision** – Long-term ambitions supporting our net-zero pathway and holistic sustainability transformation

Certain data, systems, objectives and assets are validated, certified or externally assessed, in accordance with the methodologies specific to each standard.

This mapping is reviewed and updated annually in our Sustainability Report. For questions or additional information, contact: sustainability@genesisproperty.ro

| Nr. crt. | Proposed activities / measures for implementation | Relevant SDGs | Specific Targets to which it contributes | Proposed KPIs |
|---|---|---|---|---|
| **1.** | Invest in healthy & green buildings:<br>retrofitting of all portfolios' buildings to achieve high environmental and energy efficiency certifications (min. BREEAM Very Good and A class energy efficiency certificate)<br>Installation of new equipment to improve the buildings' interior air quality<br>Integration of new technologies to make "data-led" decisions: like BMS, IoT (presence & movement sensors)<br>Priority usage of construction materials and products with eco-labels (reduced CO2 concrete, sustainable and recyclable floors, etc.) | <br><br><br> | Target 3.9.<br>Our properties are designed for people who spend there most of their time. By 2030, we aim to achieve BREEAM Very Good or Outstanding certification for at least 60% of our building portfolio, progressing towards full portfolio certification by 2040. Providing the best possible climate inside our buildings is of highest importance for health, decreasing this not only the employee illnesses, but also to increase their work efficiency.<br>Target 9.1.<br>Develop quality, sustainable, resilient and inclusive infrastructure, to support economic development and human well-being.<br>Target: 11.3, 11.6.<br>Through our work we actively contribute to the urban development of our country's capital, Bucharest.<br>We closely work with our clients, suppliers, local and central authorities for the properties' planning, construction, management and maintenance so that, together, contributing to a sustainable development of the city and society.<br>Target 12.7.<br>A new procurement policy has just been released by our Board, to promote sustainable procurement practices within all the group' entities. | % of BREEAM certified area in total assets area<br>Target 2030: min. 60%<br>Target 2040: 100%<br>% of construction and demolition waste recycled/reused<br>Target 2030: min. 40%<br>% of environmentally friendly materials in total construction materials procured<br>Target 2030: min. 60%<br>% of green area in total locations' area<br>Target 2030: min. 25% |

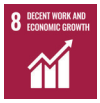
| Nr. crt. | Proposed activities / measures for implementation | Relevant SDGs | Specific Targets to which it contributes | Proposed KPIs |
|---|---|---|---|---|
| **2.** | Provision of affordable and clean energy:<br>Implement measures to increase energy efficiency (LED lighting system, equipment modernization, heat pumps etc)<br>Solar panels installation on all buildings' roofs to increase own renewable electricity production<br>Provision of 100% renewable electricity for entire buildings' portfolio | <br> | Target: 7.2 and 7.3<br>By 2030, we aim to get class A energy efficiency certifications for all our portfolio' buildings, thus demonstrating the responsibility we assume to maintain and manage our customers' energy consumption as efficiently as possible.<br>By installing over 1000 solar panels on the Yunity Park buildings roofs', we have already inaugurated our own renewable electricity production unit. By 2030 our aim is to at least double this capacity by installing solar panels on all West Park buildings roofs' also, achieving min. of 10% self-own electricity production across portfolio level.<br>We are aware that combining indoor air quality and energy initiatives creates adding value, improve tenant retention and financial outcomes.<br>Target: 13.2, 13.3<br>We are constantly working to reduce energy consumption and the use of fossil fuels, to decrease carbon dioxide emissions and therefore combat climate changes. Genesis Property has set ambitious targets, with a commitment to reduce by 46% its GHG emissions by 2030 from a 2019 base year, and to measure and reduce its Scope 3 emissions. Genesis Property has committed to reducing its Scope 1 and Scope 2 GHG emissions by 46% by 2030 against the 2019 baseline, under its SBTi-validated Near-Term Target. By the end of 2025, the Group had achieved a 44.2% reduction in operational emissions, calculated using the location-based method.<br>The Near-Term science-based target set at Group level has been validated by SBTi in 2023, under a 1.5°C Paris Agreement trajectory (scopes 1-2). | % of class A energy efficiency certified area in total assets' area<br>Target 2030: 80%<br>Target 2035: 100%<br>100% of portfolio buildings' area powered by renewable electricity (energy)<br>Target 2025: 100%<br>Increase annual own renewable electricity produced (kWh)<br>Target 2030: min. 10%<br>Electricity consumption savings compared with base year 2019<br>Target 2030: 40%<br>GHG emissions reduction vs.2019:<br>2025 performance: −44.2% (Scope 1+2, location-based)<br>2030 target: −46% |



| Nr. crt. | Proposed activities / measures for implementation | Relevant SDGs | Specific Targets to which it contributes | Proposed KPIs |
|---|---|---|---|---|
| **3.** | Facilitate and encourage the transition to a circular economy; implement the new Circular Economy Action Plan | <br><br> | Target 8.3<br>Promote circular economy partnerships with local specialized suppliers to support productive activities, decent job creation and innovation.<br>Target: 12.2, 12.4 and 12.5<br>Our ambition is to contribute to more sustainable consumption by working more efficiently with our own resources. We aim to reduce energy consumption, increase own renewable electricity capacity, handle waste in an eco-friendly way.<br>We promote numerous recycling and reuse initiatives among our tenants and visitors by providing recycling solutions at our locations as well as by organizing targeted recycling campaigns.<br>Target: 11.6.<br>We make our own contribution to reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and responsible management of municipal and other waste. | Waste diversion rate from landfill (%)<br>Target 2030: 65%<br>Target 2035: 90% (zero waste to landfill)<br>Annual reused or recycled materials (kg)<br>Target 2030: 60% |
| **4.** | Responsible water consumption and management; Implementation of rainwater collection and reuse systems | <br> | Target: 6.3 and 6.4<br>We contribute to efficient water consumption and facilitate sustainable freshwater supply. We help improve water quality by minimising emissions in the water and through smart water management technologies.<br>Target 12.2.<br>The properties are to be resource-efficient and facilitate a sustainable lifestyle. This is why we certify our buildings with the highest environmental certifications BREEAM In-Use. | Water consumption intensity: 0.402 ($m^3$/sqm/year) in 2025<br>Target 2030: -15% vs. baseline 2025<br>Rainwater harvested and reused ($m^3$/year)<br>Target 2030: min. 2 buildings / location<br>Water storage capacity<br>Target 2030: tbd<br>% of buildings with smart water metering: Target: 100% by 2030 |
| **5.** | Encourage clean mobility, investing in:<br>installation of charging stations for e. v.<br>infrastructure for bikes, bike-sharing etc. |  | Target 11.2<br>We are focussed on ensuring a lasting positive impact for the communities in which we are working to help our customers and communities thrive. Therefore, we constantly invest to facilitate and support the commuting in a sustainable way – bike, walk or take public transport.<br>Additionally, we constantly invest within our locations to multiply the charging points for electric cars and plug-in hybrids. | Number of EV stations<br>Target 2030: 1 charging point per 20 parking spaces<br>Bike parking capacity (number of spaces)<br>Target 2030: 1 bike space per 20 employees/residents |

| Nr. crt. | Proposed activities / measures for implementation | Relevant SDGs | Specific Targets to which it contributes | Proposed KPIs |
|---|---|---|---|---|
| **6.** | Invest in nature-based climate solutions to reduce CO2 pollution through:<br>green & recreational areas<br>designing green corridors and urban habitats | <br><br> | Target 11.7<br>By designing generous public and green spaces, we ensure that we offer an inclusive urban life, true oases of greenery, safety and well-being.<br>Target 13.1<br>We also want to give our properties greater resistance and a better ability to adapt to climate change - related dangers and natural catastrophes. Trees, green roofs and smart water management support us adapt our properties to climate change challenges<br>Target: 15.5.<br>It is important to contribute for reducing natural habitats destruction, halt biodiversity loss and protect and prevent the extinction of threatened species. We can do this by creating green spaces that promote species diversity, working on ecosystem services and using trees, land, walls and roofs in a sustainable way in our urban environments. | % of green area in total locations' area<br>Target 2030: min. 25%<br>Number of new plant species annually adapted<br>Target 2030: min. 6<br>Reduction of biodiversity loss (# of species) |
| **7.** | Develop, own and operate affordable housing units for students and young professionals | <br> | Target 11.1.<br>In 2009, we inaugurated "West Gate Studios", the first PBSA in Romania, with the aim of providing adequate, safe and affordable housing for local and foreign students and young professionals. We continuously work to creating a place that our residents can call home while they stay with us, through enhancements to our buildings, improved services and easy access to welfare support, thus supporting their efforts to achieve their academic and career goals.<br>Target 4.7, 4.9<br>Additionally, we promote among them skills and behaviours for sustainable development and sustainable lifestyles and offer annual scholarships to the most disadvantaged among them. | Number of young people with access to safe, affordable and sustainable housing<br>Target: min. 1200 annual<br>Average annual occupancy rate<br>Target: min. 95%<br>Tenant satisfaction score (NPS - Net Promoter Score)<br>Retention rate year-over-year<br>Target: min. 60%/year<br>Annual number of scholarships<br>Target: min. 15/year |



| Nr. crt. | Proposed activities / measures for implementation | Relevant SDGs | Specific Targets to which it contributes | Proposed KPIs |
|---|---|---|---|---|
| **8.** | Develop and provide diverse community facilities to provide training, employment and community engagement opportunities |    | Target 4.4, 4.7<br>We're committed to making a positive contribution to the communities we manage. All teams across our field operations and central support functions are involved in creating meaningful local impact through community projects and events. Moreover, tailored ESG trainings are provided for employees to promote sustainable practices and behaviours.<br>Target 8.3.<br>We constantly create and organize various opportunities for our community members to acquire relevant skills for employment, decent jobs and entrepreneurship.<br>Target 11.7.<br>We incorporated in our locations community spaces for being used by our community members, partners, as well as by charities and non-profit organizations serving the community, for creating various moments to simply bring people together and provide positive impact. | Number of training hours/FTE<br>Target: min. 40 hours/year<br>Number of community activities / year<br>Target: 40+ annually<br>People reached through community programs:<br>Target: 1,000+ people annually<br>Annual value of financial contributions to charities<br>Target: 1% of annual revenue |
| **9.** | Adopt, implement and maintain a management system based on set of values generally accepted globally, to provide an ethical and healthy working environment; ensure company' compliance with regulations, policies and procedures |   | Target 8.8.<br>We actively work to promote a safe and secure work environment, as well as good working conditions both for our own employees, as well as for those of our clients, sub-contractors and partners. Since 2023, our FM subsidiary become the first Romanian company in the field to hold the prestigious EMAS certification for our EMS and we are continuously working to maintain it.<br>Combating human rights violations is also an important part of our work and the demands we place on our suppliers.<br>Target: 16.5<br>We work proactively to minimise all forms of corruption and bribes, both among our employees and among suppliers and customers. This is our way of contributing to a peaceful and inclusive society. | Rate of work-related accidents<br>Target: 0<br>Lost Time Injury Frequency Rate (LTIFR): Target: < 1.0 (best in class for real estate)<br>Safety training completion:<br>Target: 100% of employees annually<br>Number of suspected corruption incidents<br>Target: 0 (zero tolerance)<br>Anti-corruption policy training completion<br>Target: 100% of employees and key suppliers annually |



| Nr. crt. | Proposed activities / measures for implementation | Relevant SDGs | Specific Targets to which it contributes | Proposed KPIs |
|---|---|---|---|---|
| **10.** | Foster a more inclusive and diverse culture and support the achievement of the Sustainable Development Goals |    | Target: 5.1, 5.5<br>We constantly work to strengthen gender equality and eliminate any type of discrimination at the workplace. We have an equal gender distribution within our company management team and in staff functions, an approach that will further develop.<br>Target 10.2.<br>We are aware and constantly promote social and economic inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.<br>Target 11.7.<br>Our company commits to provide access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities. | Gender pay gap<br>Current: 5%<br>Target: ≤ 5% (vs. EU average of ~13%)<br>% of women in managerial positions<br>Current: 40%<br>Target: 40 – 60% (balanced representation)<br>Women in leadership (C-level/Board):<br>Target: minimum 40%<br>Disability employment rate<br>Target: ≥ 1% of workforce |
| **11.** | Build and develop strategic Partnerships for SDGs: |  | Target 17.9, 17.G<br>We support partnerships with the main industry associations leadership (UNGC, SBTi, GRESB) and suggest a similar approach to our suppliers.<br>Moreover, we are open and support tenant engagement through green lease clauses | Number of active sustainability partnerships<br>% of lease contracts with green clauses |



# ANNEX C
# GLOSSARY AND DEFINITIONS



**Annex A: VS Content Index**

**Annex B: SDG Alignment Mapping Table**

**Adaptation** – Changes in processes, practices and structures to help cope with the effects of climate change – such as building flood defences or switching to drought-resistant crops.

**Biodiversity** - A wide range of living organisms, such as animals and plants, in an environment. Biodiversity is essential for ecosystems to survive. For example, without plants, there would be no oxygen - and without bees to pollinate, there would be no fruit or nuts.

**BREEAM** — Building Research Establishment Environmental Assessment Method. A widely used sustainability assessment method for buildings, with ratings ranging from Pass to Outstanding. Outstanding certification requires a score above 85% and places a building within the top 1% globally.

**Carbon (GHG emissions) intensity** – The amount of greenhouse gas emissions expressed in carbon dioxide equivalents per unit of activity or floor area. In this report, operational GHG emissions intensity is calculated as total Scope 1 and Scope 2 location-based emissions divided by the total portfolio floor area, expressed in $kgCO_2e/m^2$.

**CO2e (carbon dioxide equivalent)** – A standard unit for measuring the impact of each different greenhouse gas in terms of the amount of CO2 that would create the same amount of warming.

**Climate change** – The long-term changes in the Earth's climate, or a region on Earth, including variations in sea levels, amounts of snow and sea ice.

**Circular economy** – An economic model that decouples growth from resource consumption by keeping materials and products in use for as long as possible through reuse, repair, refurbishment and recycling, thereby minimising waste and the extraction of virgin resources. In a building context, this includes practices such as furniture refurbishment, material recovery during fit-outs, and designing for disassembly.

**CSRD** — Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464). The EU's mandatory sustainability reporting framework for large companies. Following the Omnibus revision, it applies to companies exceeding €450 million in net turnover and 1,000 employees.

**Decarbonisation** — The process of systematically reducing greenhouse gas emissions associated with an organisation's operations and value chain, ultimately towards net zero. In a real estate context, decarbonisation levers typically include energy efficiency improvements, electrification of heating systems, on-site renewable generation, procurement of renewable electricity, and engagement with tenants and suppliers to reduce indirect emissions.

**Double materiality** — A reporting principle requiring companies to assess both how sustainability matters affect the company (financial materiality) and how the company's activities affect people and the environment (impact materiality).

**EMAS** — Eco-Management and Audit Scheme. The European Union's most rigorous voluntary environmental management standard, requiring independent verification, publication of an environmental statement, and demonstrable continuous improvement.

**Energy mix** – The different energy sources used in a geographical region, and in what proportions - often split into renewable (such as wind, solar and tidal) and non-renewable (such as gas and coal).

**Energy intensity** — Total energy consumption divided by gross leasable area, expressed in kWh/m$^2$. Normalising consumption by floor area allows performance to be compared across buildings of different sizes and tracked over time independently of portfolio growth.

**EPBD** — Energy Performance of Buildings Directive. EU legislation establishing minimum energy performance requirements for buildings, including mandatory thresholds for non-residential buildings in 2030 and 2033.

**ESG** — Environmental, Social and Governance. The three dimensions used to assess an organisation's sustainability performance and its management of non-financial risks and opportunities. Environmental factors cover matters such as emissions, energy, water and waste; social factors address employees, tenants and communities; governance factors concern ethics, transparency, board oversight and anti-corruption practices.

**ESRS** — European Sustainability Reporting Standards. The technical standards operationalising CSRD requirements, adopted as a delegated regulation.

**GHG Protocol Initiative** — The Greenhouse Gas Protocol Initiative, a partnership between the World Resources Institute and the World Business Council for Sustainable Development. It develops the most widely used international standards for measuring and reporting greenhouse gas emissions, including the Corporate Standard, which defines the classification of emissions into Scope 1, Scope 2 and Scope 3.

**GLA** — Gross Leasable Area. The total floor area available for lease, used as the denominator for intensity indicators (energy, water, waste).

**GRESB** — Global Real Estate Sustainability Benchmark. An international assessment of ESG performance in the real estate sector. Green Star status is awarded to entities performing strongly in both management and implementation.

**Greenwashing** – Disinformation produced by an organisation to present an environmentally responsible public image.

**ISO 14001 / 45001 / 50001 / 37001** — International standards for environmental management, occupational health and safety management, energy management, and anti-bribery management systems respectively.

**Mitigation** – Actions to limit global warming by reducing human emissions of greenhouse gases into the atmosphere and reducing their concentrations.

**Net zero/carbon neutrality** – All terms for when the amount of CO2 emissions released on an annual basis is zero or negative.

**Scope 1** — Direct greenhouse gas emissions from sources owned or controlled by the organisation.

**Scope 2** — Indirect emissions associated with purchased electricity, heating or cooling. Reported using two methods: *location-based* (reflecting average grid emission factors) and *market-based* (reflecting contractual

arrangements such as renewable energy purchases).

**Scope 3** — All other indirect emissions occurring across the value chain, both upstream and downstream.

**SBTi** — Science Based Targets initiative. The organisation that validates whether corporate climate targets are aligned with limiting global warming to 1.5°C.

**SDG** — Sustainable Development Goals. The 17 goals adopted by the United Nations in 2015 with a 2030 horizon.

**SLL** — Sustainability-Linked Loan. A financing instrument in which borrowing conditions, typically the interest margin, are tied to the achievement of independently verified ESG performance indicators.

**$tCO_2e$** — Tonnes of carbon dioxide equivalent. The standard unit expressing the climate impact of all greenhouse gases relative to that of $CO_2$.

**TCFD** — Task Force on Climate-related Financial Disclosures. An initiative established by the Financial Stability Board in 2015 to develop recommendations for disclosing climate-related financial risks and opportunities, structured around four pillars: governance, strategy, risk management, and metrics and targets. Although the Task Force was disbanded in 2023 following the publication of the IFRS S2 standard, its framework remains the foundation of most climate disclosure regimes, including the ESRS.

**UN Global Compact** — The United Nations initiative committing signatory companies to ten principles covering human rights, labour, environment and anti-corruption, with annual progress reporting.

**Value chain cap** — A mechanism introduced by the VS Standard limiting the volume of sustainability information that large companies may request from smaller partners in their value chains.

**VS Standard** — Voluntary Sustainability Reporting Standard. The European reporting framework for companies outside the scope of CSRD, adopted by the European Commission on 3 July 2026.

**VSME** — The predecessor to the VS Standard, endorsed by the European Commission through a non-binding recommendation in 2025.

**Waste diversion rate** — The proportion of total waste generated that is diverted from landfill or incineration through recycling, composting, reuse or other recovery routes, expressed as a percentage. It is a key indicator of circular economy performance in building operations.

**Waste intensity** — Total waste generated divided by gross leasable area, expressed in $kg/m^2$. It measures the volume of waste arising from building operations relative to portfolio size.

**Water intensity** — Total water consumption divided by gross leasable area, expressed in $m^3/m^2$. It measures the efficiency of water use across the portfolio independently of its size.