

# GTC |

## 2022 ESG GTC REPORT



# Table

**GTC's management letter**

**Chapter 1: Introduction**

Our operations 7

Business strategy 9

Our sustainability pathway 12

GTC in 2022 14

Investment portfolios 15

Selected 2022 performance indicators 21

Awards and accolades 23

Green financing strategy 24

**Chapter 2: Our approach to sustainable development**

ESG policy and priorities for sustainable development 28

GTC for UN sustainable development goals 34

ESG issue materiality matrix 39

Our stakeholders 43

Partnerships and memberships 46

**Chapter 3: E – environment**

Environmental and climate impact management model 48

Key results 52

Our response to the climate challenges 55

Green buildings 61

Investments for sustainable cities and communities 68

Care for biodiversity 71

**Chapter 4: S – social. Impact on human quality of life**

Social impact management model 74

Our activities for local communities 77

Overview of local social activities 80

Our organizational culture 88

Health and safety in the workplace 89

Training and competence development 91

Employee benefits 95

Caring about relationships with tenants 96

**Chapter 5: G – governance. The foundations of managing our responsibilities**

Leadership and corporate governance principles 98

Ownership structure 108

ESG management model 109

Ethics and values 114

ESG risk and opportunity management 120

Responsible supply chain management 123

**Chapter 6: ESG results figures summary**

Environmental performance 129

Social performance 169

Governance 178

**Chapter 7: About the report**

Reporting approach 189

GRI index (with reference to EPRA guidelines) 190

TCFD index 198

Contact 199

# of Content

[GRI 2-22]

## GTC's management letter

Dear Sirs,

We are pleased to present our third ESG report, which provides a transparent summary of GTC Group's sustainability efforts and actions taken or ongoing in 2022.

In the past year, we faced a few challenges posed by economic uncertainty, but we managed to successfully adapt to the dynamically changing reality.

We have directed GTC's activities towards sustainable development. Our priority is to create high-end buildings that enhance people's quality of life while not placing a heavy toll on the environment.

We have reorganized our portfolio to higher-rated countries and expanded our strategy by making investments in certain new fields. Potential new



**Zoltán Fekete**  
Chief Executive Officer,  
Management Board Member



**Barbara Sikora**  
Chief Financial Officer,  
Management Board Member



**János Gárdai**  
Chief Operating Officer,  
Management Board Member

directions for our investments will include sectors that provide more sustainable growth compared to traditional real estate ones.

We are proud that GTC's portfolio already includes 87% of buildings certified or in the process of LEED/BREEAM recertification. These are recognized worldwide as an indicator of high quality and sustainable approach to construction. 2022 was marked among others by the achievement of LEED PLATINUM certification for the Nothus office building

in the Aeropark Business Centre in Warsaw and LEED GOLD certification for the Pillar office building in Budapest. We remain steadfast in our efforts and aim to achieve full certification of our portfolio.

Managing the carbon footprint is of particular importance to us. We monitor environmental performance of our properties and activities and strive to reduce greenhouse gas emissions from building construction and operation.

Management letter



We reduce emissions by increasing energy efficiency, introducing renewable energy sources, implementing new technologies and using appropriate building materials. In line with our 2021 targets, all our properties in Poland, Romania, Hungary, and Croatia, as well as the Advance Business Center I and II office buildings in Bulgaria, use green energy. Galeria Północna in Warsaw has taken an important step toward sustainability - in 2022 it began producing its own energy, after commissioning 224 photovoltaic panels on the roof of the building.

We are committed to promoting and developing best practices in our industry, being aware of the impact our activities have on the environment. We do this primarily through our membership in the European Public Real Estate Association (EPRA), where we participate in task forces, working on solutions for efficient, environmentally friendly real estate management.

Continued efforts to improve the environmental impact of our properties have resulted in numerous awards and accolades. In 2022, GTC Group's ESG report was once again recognized by EPRA Sustainability Best Practices Recommendations - we received a silver award for excellent reporting standards and comprehensive data. Moreover, GTC was recognized for its work at the 2022-2023 European Property Awards, receiving prizes in the Mixed-Use Architecture and Mixed-Use Development categories for the Sofia Tower II office building in Bulgaria.

Social issues are another key area of the Group's commitment. In each of the countries of GTC's presence, we take an active part in a number of non-profit activities as a partner, organizer or sponsor.

With an eye on the comfort of our tenants, we are constantly improving the standards of leased office space. The last months of 2022 were full of the implementation of many amenities to facilitate the use of space by people with disabilities. Concern for a common space accessible to all has resulted in the award of the „Building without barrier” certificate to eight GTC buildings in three complexes in Poland. All of the buildings comprising the Korona Office Complex in Krakow and the Francuska Office Centre in Katowice were certified in December 2022, while the University Business Park office buildings in Lodz were certified in January 2023.

In the elevators at Duna Tower in Budapest, we installed KONE Elevator AirPurifiers - high-generation air purifiers that eliminate most pollutants and reduce viruses and bacteria counts. We have equipped some of our facilities with free bicycle services and electric car charging stations.

Particularly close to the values we uphold is our educational campaign-based cooperation with WWF Poland, whose goal, in addition to providing real support for WWF's conservation efforts, is to raise awareness among our tenants, employees, business representatives and the public about the importance of environmental protection in today's world. Our educational campaigns have reached more than one million people, helping to purchase equipment that is expected to play a significant role in conservation efforts for the endangered tigers in Malaysia and the scarce brown bear population in Poland.

2022 once again showed how much we owe to our employees and here we would like to thank them sincerely. It is through the talents, hard work, and commitment of our employees that we are able to achieve our goals and create value for customers and stakeholders. At the same time, we would like to thank all our shareholders and business partners for their trust and unbounded confidence in GTC Group's performance.

*As you read through the following pages, we hope you share our excitement about the progress we made this past year and the many opportunities ahead to deliver meaningful impact from our efforts.*

**Management Board Members**  
Globe Trade Centre S.A.



Globe Trade Centre

# Introduction

Our operation

Business strategy

Our sustainability pathway

GTC in 2022

Investment portfolio

Selected 2022 performance indicators

Awards and accolades

Green financing strategy



# 01

[GRI 2-1], [GRI 2-2], [GRI 2-6], [GRI 2-23], [Cert-Tot]

# Our operations

We are a leading investor and developer operating in the commercial real estate market in Central, Eastern and Southeastern Europe.

GTC Group is active in the commercial real estate sector, actively managing a growing portfolio of commercial properties, in addition to delivering selected development projects. We are expanding our portfolio of environmentally certified retail and office buildings in CEE and SEE. As a Group operating in many countries, our strategy is informed by our consideration of a wide, complex, and evolving set of environmental, social, and governance (ESG) issues.

We consistently implement ESG policies and strive to achieve our business goals in accordance with sustainable development principles. Our priorities include tenant satisfaction, sustainable development and delivering sustainable value to investors.



## GTC Group's business model



### MISSION

Creating commercial real estate that adds real value for all partners



### STRATEGIC OBJECTIVE

Diversifying the portfolio in new, fast-growing, and more sustainable sectors focus on investments developed in accordance with ESG principles

# Nearly **30 YEARS** of experience



**72 subsidiaries** active  
in **6 countries**

**224 people**, including  
**195 FTEs** and **29 consultants**

**2,300 subcontractors**  
and **vendors**

**DEVELOPMENT**  
of shopping centres and office facilities

**ACQUISITION**  
of shopping centres and office facilities

**MANAGEMENT**  
of the properties



**44<sup>1</sup> modern commercial buildings** in the portfolio

**1,000 tenants**

**87% buildings** with **green certificates** or in the recertification process worth over EUR 2 billion

**new investment sectors**

[EU/TCFD]

## Business strategy

We take a strategic approach to setting our priorities, addressing issues that are important to our businesses and to the communities where we operate.

## Our Strategic Objectives



1

Creating value through active management of our growing commercial real estate portfolio, property acquisitions and selected development projects.



2

Creating and maximizing shareholder value by continuously adapting to changes in the market in which the group operates, while maintaining maximum performance of our core real estate portfolio, always taking into account the group's prudent financial policy.

## GTC Group's strategy is founded on:

- continuously expanding the income-generating portfolio through the development and acquisition of profitable properties,
- optimizing operational and financial performance,
- selling stabilized properties<sup>2</sup>,
- maintaining a balanced set of investments in the CEE and SEE regions and adapting to changes in real estate markets,
- implementing activities with sustainability considerations throughout the value chain.

In August 2022, we expanded our Strategy, making investments in some new sectors. This decision is consistent with the GTC Group's ESG Policy that we are currently executing. We want to focus on sustainability-oriented solutions. As we diversify our portfolio, we are focusing on fast-growing sectors.

## Potential new sectors we have identified as investment targets under the new strategy:



investments in **innovation** and **technology parks**



investments in **renewable energy facilities**



investments in the **construction of rental housing assets** (Private Rented Sector - PRS)

<sup>2</sup> Completed commercial properties that generate a stable stream of rental income and, in the Group's view, have achieved their long-term value.

## 2022 was marked by the expansion of our strategy

*into new market segments and geographic areas. GTC has invested in a technology center, which provides diversification of our business and excellent opportunities for value creation.*

*We are going to look for opportunities in the broader real estate market to further diversify our revenue streams and strengthen the position of our company. Our actions are in line with our commitment to develop GTC's properties in an environmentally friendly manner and to use resources efficiently throughout the life cycle of the buildings. We rely on modern, environmentally conscious solutions, and we are aiming for 100% environmental certification of the buildings in our portfolio.*

**Zoltán Fekete**  
GTC's CEO



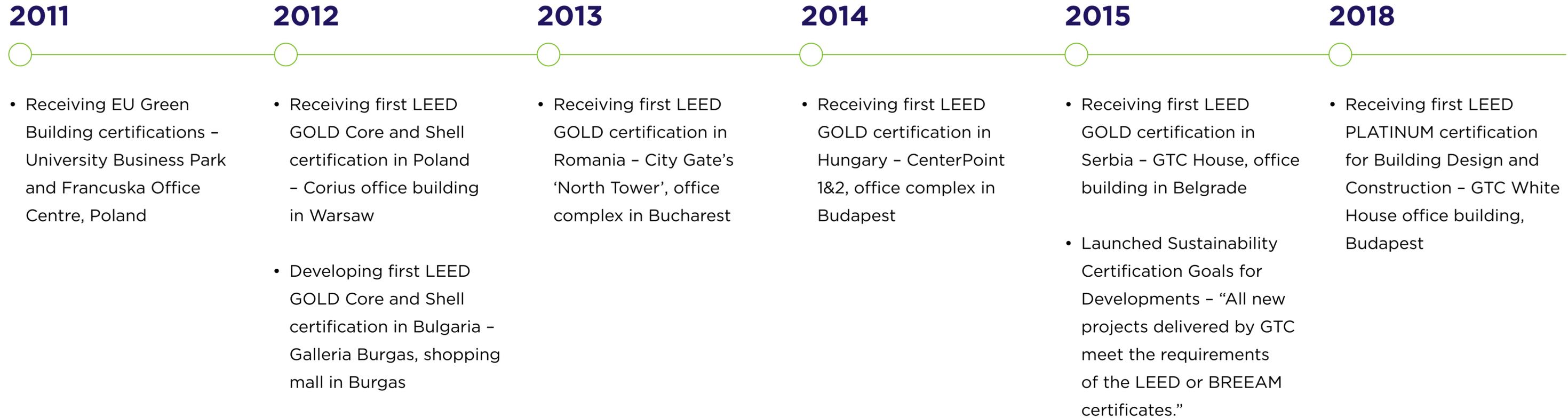
We made our first transaction under the new strategy – a joint venture investment worth EUR 115 million into a technology park project in Ireland. With this decision, GTC wanted to, among others, diversify its portfolio in new and fast-growing yet more sustainable sectors compared to traditional real estate.

**Kildare Innovation Campus** - is located to the west of Dublin. It covers an area of over 72 hectares (of which 34 hectares remain undeveloped). There are plans to turn it into a life sciences and technology campus. Currently, the campus consists of nine buildings: six of them are purpose-built rental buildings, such as industrial, warehouse, manufacturing, and office/laboratory space. The campus also has three service buildings, consisting of a sports hall, a conservatory, a campus cafeteria, and a power station.

[GRI 3-3], [GRI 2-22], [GRI 2-23]

## Our sustainability pathway

We are focused on operating our businesses with integrity, honesty, trust, respect, and teamwork.



Our sustainability

# pathway



## 2020

## 2020/21

## 2021

## 2022



- Receiving first LEED PLATINUM certification Core and Shell in Croatia – Matrix A and Matrix B office buildings in Zagreb
- Adopted the Green Bond Framework

- Issue of Green Bonds

- Published our first ESG report

- Receiving LEED PLATINUM certification for Zephyrus office building in Warsaw
- Receiving LEED GOLD certification for Advance Business Center II office building in Sofia and Pillar office building in Budapest
- Cooperation with WWF Poland
- Published Ada Mall first ESG report

[GRI 2-6]

# GTC in 2022

## GTC's value growth potential

- Stable financial results and turnover generated by shopping centres match those from before the pandemic.
- Strategy expansion with investments in new sectors.
- Completion of construction of 3 office buildings: Pillar (Hungary), GTC X (Serbia), and Sofia Tower 2 (Bulgaria) offering a total of 55,000 sq m of office space.
- Reorientation of the portfolio to higher-rating countries e.g. through purchase of commercial buildings and land for future investment in Hungary and a sale of 14 buildings (primarily in Belgrade as well as the Cascade office building in Romania, and the Matrix A and B buildings in Croatia).
- Commencement of construction of the following A-class office buildings:
  - Center Point 3 in Budapest and
  - Matrix C in Zagreb.
- The first transaction as part of the new strategy - a joint-venture investment worth EUR 115 million in a technology park in Ireland.

Potential

## On course to sustainability

- Prioritizing ESG principles.
- The new „Building without barrier” certificates awarded to GTC's office buildings testify to the introduction of new facilities and solutions for people with disabilities.
- 100% of our buildings in Poland are LEED/BREEAM certified or in the recertification process, confirming the use of energy- and water-efficient solutions.
- 87% of buildings in the Group's global portfolio with green certificates or in the recertification process.
- Renewal or obtaining of green certificates for 19 buildings.
- **LEED PLATINUM certification for the Nothus office building at Aeropark Business Centre in Warsaw and LEED GOLD certification for the Pillar office building in Budapest.**
- All GTC's properties in Poland, Romania, Hungary and Croatia, as well as the Advance Business Center office complex in Bulgaria, use green energy.

Sustainability

## Stakeholder value

- GTC develops an inclusive and friendly employment environment and nurtures career opportunities for its employees in 6 countries.
- Buildings developed and managed by GTC are operated in a responsible and modern way, with various needs of tenants and local communities in mind.
- Tenants appreciate our efforts to promote responsible business and sustainable construction. This confidence is confirmed by a number of lease extension and expansion agreements.
- GTC's office buildings are home to many multinational companies and major listed companies.
- Our efforts to be transparent about our contribution to sustainability have been recognized with a silver EPRA Sustainability Best Practices Recommendations award for 2022.

Value

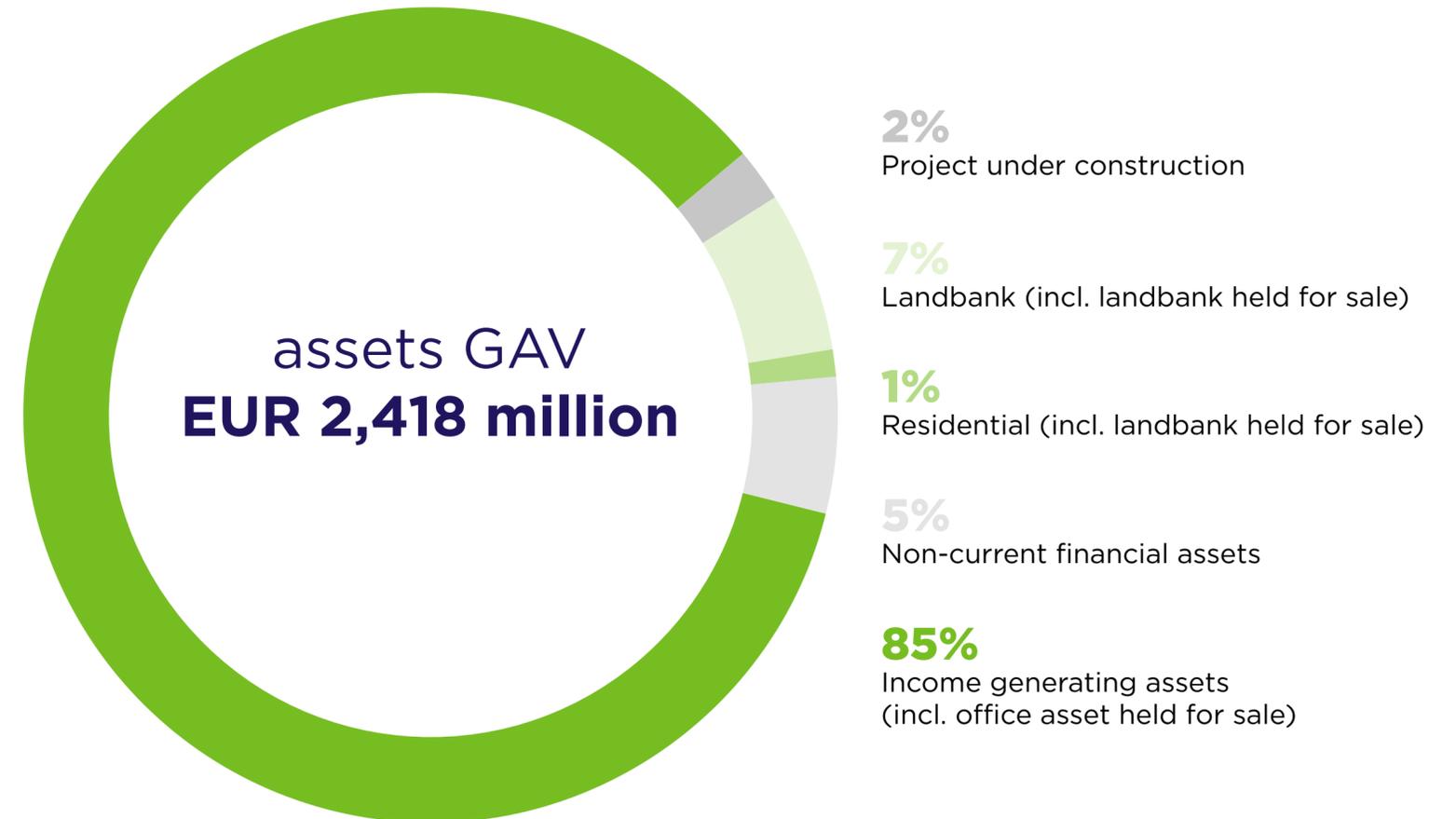
## Investment portfolio

We are focused on operating responsibly and on conducting our business in accordance with high business standards.

GTC Group has operations in Poland, Hungary, Belgrade, Bucharest, Zagreb, and Sofia. The Group's portfolio notably includes commercial real estate, primarily office buildings and office parks, and shopping centers.

- **90%** of GAV base is recurring income-producing
- **65%** of recurring income-producing portfolio is office
- Active development projects of **2%** and land reserves account for almost **8%** of total property portfolio
- **93%** in EU countries
- **87%** of assets green certified or under recertification, **13%** under the certification process

### TOTAL ASSETS (book value)



Investment

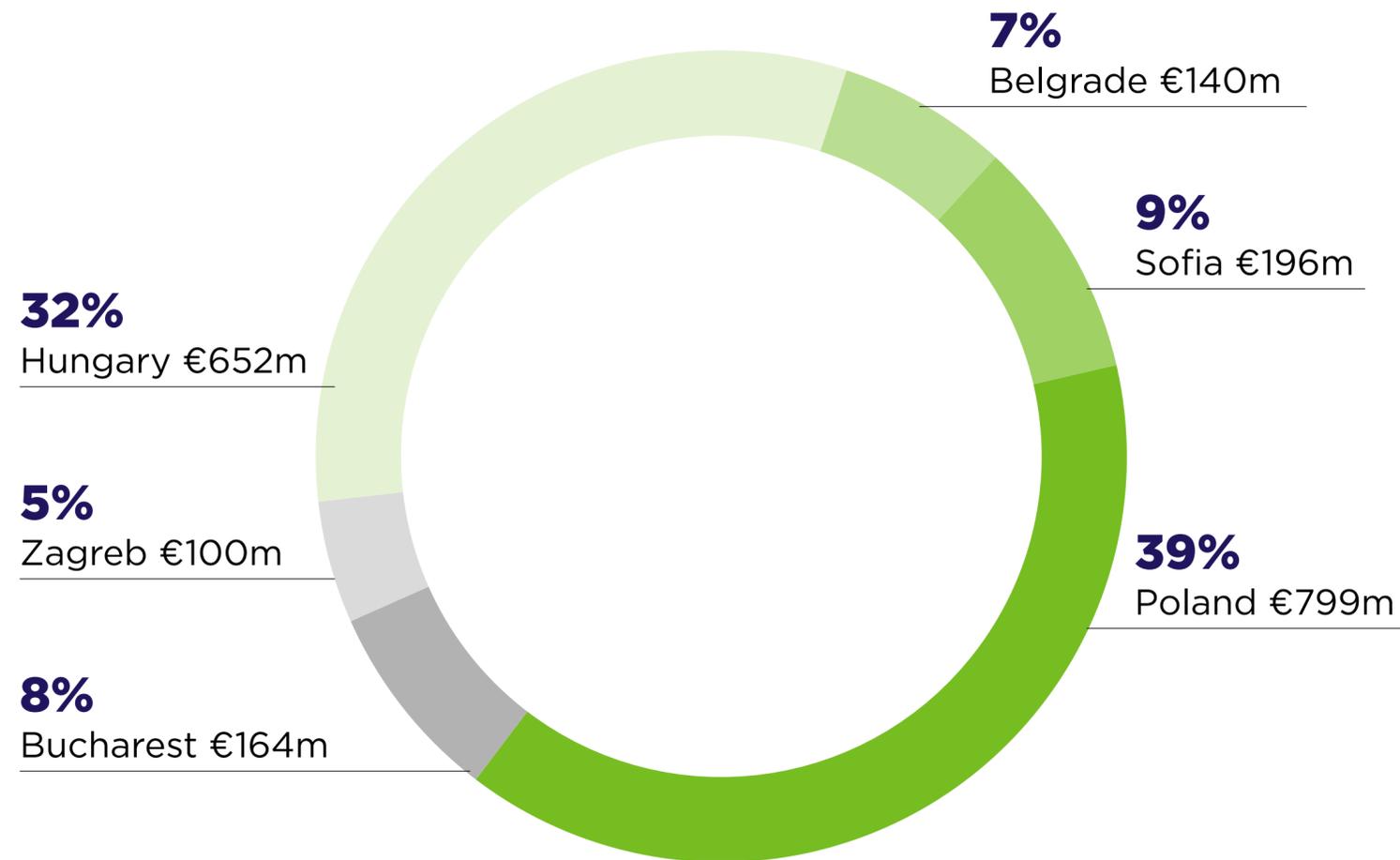
## TOTAL PORTFOLIO (book value)



- 2%**  
Project under construction
- 7%**  
Landbank (incl. landbank held for sale)
- 1%**  
Residential (incl. landbank held for sale)
- <1%**  
Own use assets
- 90%**  
Income generating assets  
(incl. office asset held for sale)

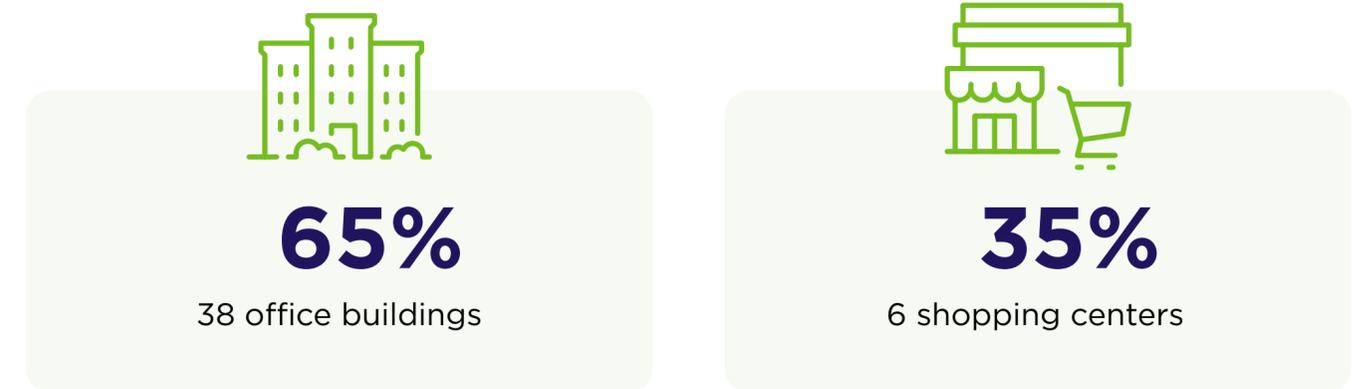


- 33%**  
Hungary €756m
- 7%**  
Belgrade €175m
- 9%**  
Sofia €200m
- <1%**  
Own use €6m
- 37%**  
Poland €841m
- 8%**  
Bucharest €178m
- 6%**  
Zagreb €132m



## Income producing assets (book value)

In 2022<sup>3</sup> the Group managed commercial projects with the total gross area of about 762,000 sq m:



INCOME GENERATING ASSETS KEY METRICS	December 31 2022	December 31 2021
Gross asset value (EUR million)	2,051	1,930
Office	1,331	1,209
Retail	720	721
Lettable area (ths. sq m)	762	732
Office	558	527
Retail	204	205
WALT (years)	3.7	3.6
Office	3.7	3.3
Retail	3.7	4.1

<sup>3</sup> As at 31 December 2022.

### 3 projects under construction offering a total of 61,000 sq m of office space<sup>5</sup>:

- **Matrix C** – an office building with a total GLA of about 10,500 sq m to be built in Zagreb, Croatia,
- **Center Point 3** – an office building with a total GLA of up to about 36,000 sq m to be built in Budapest, Hungary,
- **Rose Hill Business Campus** – an office building with a total GLA of up to about 14,700 sq m to be built in Budapest, Hungary.



### Income producing assets (book value)

#### HUNGARY

12 office buildings in Budapest with a total gross leasable area of 223,000<sup>4</sup> sq m, 1 shopping center (Hegyvidék Office and Retail Center).

#### SERBIA

1 office building in Belgrade with a total leasable area of 18,000 sq m, 1 shopping center (Ada Mall).

#### BULGARIA

4 office buildings in Sofia with a total leasable area of 52,000 sq m, 1 shopping center (Mall of Sofia).

#### POLAND

16 office buildings located in Warsaw, Krakow, Lodz, Katowice, Poznan, and Wroclaw with a total gross leasable area of 196,000 sq m, 2 shopping centers (Warsaw – Galeria Północna and Częstochowa – Galeria Jurajska).

#### ROMANIA

4 office buildings in Bucharest with a total leasable area of 62,000 sq m.

#### CROATIA

1 office building in Zagreb with a total leasable area of 7,000 sq m, 1 shopping center (Avenue Mall Zagreb).

<sup>4</sup> One asset held for sale located in Debrecen.

<sup>5</sup> 2% of the Group's real estate portfolio value.



*Furthermore, the Group has a vast bank of land earmarked for commercial development and for residential construction, allowing it to expand its real estate portfolio.*

We intend to continue to focus our operations on properties located in Poland and Hungary and in the capitals of European countries, which are distinguished by macroeconomic stability, prospects for further GDP growth and demand from investors and tenants.





**Some of our goals include further improvement of buildings:**



to highest sustainability standards,



within a EU taxonomy requirements,



which meet the requirements of tenants, as well as all relevant environmental standards in accordance with green certifications (LEED and BREEAM standards).

# Improvement

## Selected 2022 performance indicators

Despite multiple challenges, 2022 was quite successful and we managed to limit our risks and adapt to the changing economic environment. Our financial performance is good and shows stability in achieved financial indicators.



# 2022 results



**EUR 167 million**

total revenues



**EUR 2.1 billion**

a modern real estate portfolio



**EUR 115 million**

cash



**EUR 68 million**

FFO I

# 2022 results



**110,600 sq m**

leases were signed in 2022



**88%**

Total occupancy rate  
96% for shopping malls  
and 84% for office space



**87%**

of the buildings in the GTC group's  
portfolio were environmentally  
certified or in the process of  
recertification



**44.5%**

net LTV

We have presented the full financial data for key performance indicators [HERE](#)

# Awards and accolades



## MIXED-USE ARCHITECTURE

Awards in Mixed-Use Architecture and Mixed-Use Development categories presented at 2022-2023 European Property Awards - GTC was recognized for its Sofia Tower II office building in Bulgaria.



## SILVER EPRA SUSTAINABILITY BEST PRACTICES RECOMMENDATIONS AWARD

for GTC Group's ESG Report - in 2021 and again in 2022, our reports were recognized by EPRA. We received a silver award for our excellent reporting standards and comprehensive data.



## INVESTMENT DEAL OF THE YEAR

award granted during 4th annual CRE Awards ceremony - an award for the sale of GTC's Belgrade portfolio to Indotek Group.



# Awards

[EU/TCFD]

## Green financing strategy

During 2020, the management board decided to change the financing strategy of GTC and started its journey on a change from secured financing to predominantly unsecured financing through the issuance of Green Bonds.

To be able to achieve that goal, we put a lot of effort into optimizing our portfolio, focusing on sustainable investments in key CEE markets and had our Company assessed by Scope Ratings in 2020 but also Fitch and Moodys in 2021. Following a very successful two bonds issuance on the Hungarian market in late 2020 and early 2021, we started the preparation of our debut Eurobond issue. The three ratings, combined with the Green Bonds Framework we developed, allowed us to make great success of the landmark green Eurobonds issue of EUR 500 million. The issue was 2.8x oversubscribed with a peak order book of more than EUR 1.4 billion. This was another demonstration of the fact that our commitment to sustainable development meets investors' interest.

# Green





## GREEN BONDS

We issued EUR 164 million of unsecured bonds on the Hungarian market in two tranches: EUR 110 million in December 2020 and EUR 54 million in March 2021.

In 2021, GTC Group issued, for the first time, unsecured green bonds worth EUR 500 million. The issue attracted strong interest from European investors.

The green bond issue allows the Group to raise loans on attractive terms to finance or refinance green properties under the Green Bond Framework and will also finance future projects.

Net proceeds of EUR 610.4 million from all three green bond issues.

We used the proceeds in 2021 to finance environmental projects with a total area of 403,400 sq m:<sup>6</sup>

- **82%** of the funds were used to refinance loans for existing green projects: Ada Mall in Serbia, City Gate, Premium Point, and Premium Plaza in Romania, Center Point 1&2, and GTC Metro in Hungary, Advance Business Center I&II, Sofia Mall, and Sofia Tower in Bulgaria, Matrix A&B in Croatia, Galeria Północna and Korona Office Complex in Poland,
- **18%** of the funds for the acquisition of completed environmental projects: Vaci Greens D, Ericsson HQ, and evosoft in Hungary.



## RATINGS

GTC Group received ratings from rating agencies in 2020 and 2021, which recognized the high proportion of certified properties in its portfolio, the diversity of its portfolio of high-quality properties in attractive locations, stable cash flows from credit-quality tenants and solid economic fundamentals in major jurisdictions.

- **Fitch Ratings** awarded the Group a BBB rating - with a stable outlook,
- **Moody's Investors Service** awarded the Group a Ba1 rating with a stable outlook,
- **Scope Ratings** awarded the Group an investment rating of BBB - with a stable outlook.

The ratings assigned by the Rating Agencies reflect GTC's resilience to external factors, i.e., stable economies in which GTC operates, good quality portfolio and stable financial profile.

**All ratings were confirmed during the annual review in 2022.**

# Ratings

# Our approach to sustainable development

ESG policy and priorities for sustainable development

GTC for UN sustainable development goals

ESG issues materiality matrix

Our stakeholders

Partnerships and memberships

# 02



[GRI 3-3], [GRI 2-22], [GRI 2-23], [GRI 2-29], [EU/TCFD]

# ESG policy and priorities for sustainable development

Responding to the challenges of sustainability in our industry, we are focusing on projects based on sustainable construction, creating environmentally friendly solutions surrounding the investments that are friendly to tenants and local communities.

We are committed to conducting business in accordance with high standards of business ethics and complying with applicable laws, rules, and regulations that represent our stakeholders' interests. GTC Group invests in and manages real estate, considering environmental, social, and corporate governance issues. In 2020, we identified important areas of sustainability and presented them in the ESG Policy that was published in 2021.

Our assessment of priority areas of impact to our businesses and stakeholders drives the content and data in this report. These priorities are informed by various frameworks. At GTC, we define pathways and implement solutions

to support the implementation of the UN Sustainable Development Goals included in Agenda 2030 and consider the provisions of the 2015 Paris Agreement under the United Nations Framework Convention on Climate Change.

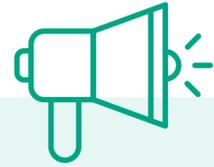
We are a member of the European Public Real Estate Association (EPRA), where we participate in task forces, working on solutions for efficient and environmentally friendly real estate management.

The Group's ESG policy is based on 3 pillars and 8 subject areas. It is accompanied by the key ESG goals set by GTC Group for the coming years. They are translated into the Group's

# Policy

strategic decisions to develop its ESG investment portfolio towards more sustainable sectors and technologies.





## Promoting

a sustainable approach to real estate development and management



## Contributing

to the protection of the environment and the development of the local communities in which the Group operates



## Pursuing

a sustainable business model that allows the Group to achieve its business goals without placing undue strain on the environment

# GTC'S objectives under the ESG policy



## Actively

managing the Group's assets to continuously improve their environmental performance, quality, and resilience



## Encouraging

the active participation of all the Group's employees, tenants, customers, and stakeholders in the achievement of all the objectives in line with this policy

3 PILLARS OF ESG POLICY	8 AREAS OF RESPONSIBILITY	THE PRACTICES WE FOCUS ON
<p><b>CONCERN FOR THE ENVIRONMENT</b></p>	<p><b>E1. GREEN BUILDINGS</b></p>	<ul style="list-style-type: none"> <li>• Delivering sustainable buildings that operate with reduced climate impact, use green energy and far fewer natural resources (such as water), and focus on tenant well-being,</li> <li>• Operating in a closed-loop system that minimizes waste and resource consumption,</li> <li>• Contributing to the circular economy by renovating, minimizing waste and maximizing resource use,</li> <li>• Developing processes that result in the sustainability of our portfolio as evidenced by green certification (LEED, BREEAM, DGNB and WELL).</li> </ul>
	<p><b>E2. COMBATING CLIMATE CHANGE</b></p>	<ul style="list-style-type: none"> <li>• Delivering new buildings, acquiring and managing assets with a focus on environmental protection,</li> <li>• Reducing our carbon footprint by carefully analyzing ways to reduce CO<sub>2</sub> emissions and developing an appropriate low-carbon strategy,</li> <li>• Improving energy efficiency and reducing emissions in our buildings.</li> </ul>
<p><b>GROWTH, RESPECT AND DIVERSITY</b></p>	<p><b>S1. TENANTS</b></p>	<ul style="list-style-type: none"> <li>• A professional approach to strengthening loyalty,</li> <li>• Direct and effective collaboration through relations between the leasing teams and our tenants to resolve any issues that arise and meet day-to-day needs of the tenants,</li> <li>• Coordinating the activities of various departments and/or third-party vendors engaged for the tenants by our asset management team. We liaise with lawyers, public institutions, insurance companies, contractors, etc., acting on behalf of our tenants,</li> <li>• Engaging tenants through collaboration and raising awareness on how to achieve meaningful results in terms of the property's environmental and social impact.</li> </ul>
	<p><b>S2. EMPLOYEES AND ASSOCIATES</b></p>	<ul style="list-style-type: none"> <li>• Creating stable employment conditions, respecting workers' rights, adequate salaries and fringe benefits,</li> <li>• Creating a good working atmosphere based on mutual trust and respect,</li> <li>• Maintaining a rigorous approach and compliance with health and safety regulations,</li> <li>• Developing employees through training and participation in industry events,</li> <li>• Involving employees in social activities, charity, and sports events,</li> <li>• Confirming with our actions that we are a reliable and competitive employer.</li> </ul>
	<p><b>S3. COMMUNITIES</b></p>	<ul style="list-style-type: none"> <li>• Pursuing investment in a responsible manner with concern for local communities, through the revitalization of brownfield sites and the delivery of high-quality buildings enabling us to make an impact on:             <ul style="list-style-type: none"> <li>• developing sustainable and accessible urban spaces,</li> <li>• stimulating social development and responding to the local needs of the environment in which our properties are situated.</li> </ul> </li> </ul>

3 PILLARS OF ESG POLICY

8 AREAS OF RESPONSIBILITY

THE PRACTICES WE FOCUS ON

**G1. COMPLIANCE**

- Continuous adherence to the highest business ethics at work in a proactive and open manner,
- Maintaining good business practices in every aspect of the group's operations,
- Zero tolerance for all forms of corruption, fraud, anti-competitive and monopolistic behavior,
- Upholding compliance with the law in every decision regarding our investments, development, management practices and other processes,
- Maintaining excellent relations with our partners based on mutual trust.

**G2. RISK MANAGEMENT**

- Management to ensure the sustained profitability of our operations,
- Identifying key risks and effective ways to mitigate the occurrence of these risks,
- Annually reviewing our risk management framework and updating our business procedures,
- Continuously raising our employees' awareness of the importance of risk management and encouraging them to proactively report risky situations and threats relating to environmental, social and corporate governance issues in their daily employment.

**G3. TRANSPARENCY**

- Development of monitoring and reporting practices of ESG indicators.

**BEST MANAGEMENT PRACTICES**

Priorities

**Our mission is to build a solid foundation for business for years to come. We are investing in our people and operating responsibly.**

We believe that by delivering commercial real estate and building lasting relationships, we create real added value for all our partners: tenants, investors, and employees. We strongly integrate all our activities with social and environmental issues.

# Mission



**ENVIRONMENTAL PILLAR:  
CONCERN FOR THE ENVIRONMENT**

We reduce our carbon footprint. We build and manage certified buildings, saving energy and other raw materials, lowering our CO<sub>2</sub> emissions. We contribute to a circular economy.



**SOCIAL PILLAR:  
GROWTH, RESPECT AND DIVERSITY**

We provide our tenants with office and retail space where they can conduct and develop their operations. We care about our employees, who are our pillar. By investing in the local community, we are a good neighbor.



**ORGANIZATIONAL GOVERNANCE PILLAR:  
BEST MANAGEMENT PRACTICES**

We act ethically, ensuring legal compliance in all our operations. We implement processes to minimize ESG risks. We communicate openly and honestly with our stakeholders.

We measure year-over-year performance of certain metrics and include selected reporting standard indexes to help our stakeholders find the information that is important to them. This report represents our impacts, progress, and results as they relate to social and environmental responsibility.

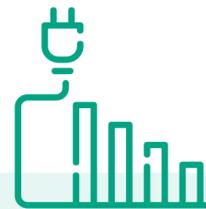
# 2022 ESG key results



**36%**

(19% LfL) lower CO<sub>2</sub> emissions vs. 2021

- All GTC's properties in Poland, Romania, Hungary, and Croatia, as well as the Advance Business Center office complex in Bulgaria, use green energy.
- (36% LfL) lower CO<sub>2</sub> emission from scope 1 and 2 vs. 2021



**9%**

(4% LfL) lower energy consumption vs. 2021



**30%**

(4% LfL) less garbage generated vs. 2021

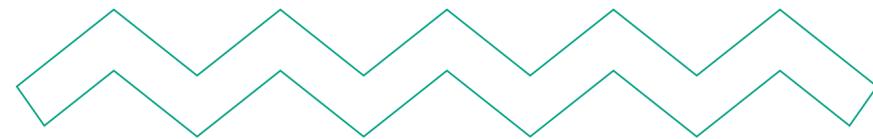


**7%**

(31% LfL) higher water consumption vs. 2021

## 8 buildings in Poland with „Building without Barrier” certificates

The most important of the solutions that have been added to the buildings include: evacuation chairs, a sign language interpreter at the reception desk, induction loops for the hearing impaired, glazing wrapped in film to mark glass as an obstacle, additional signage on stairs, handrails and floors for the consideration of the visually impaired, installation of intercoms and access control panels at a lower height, equipping elevators with voice message emitters, as well as buttons labelled in Braille and with raised tactile symbols and numbers. The buildings were also given additional ramps and handrails to facilitate access for people with disabilities.



## 87% of the buildings in the Group's portfolio with green certificates or in the certification process

In 2022, we obtained or renewed environmental certification for 19 buildings in our portfolio:

- **Advance Business Center II in Sofia** and **Pillar in Budapest** – the office buildings were awarded **LEED GOLD certification**,
- **Hegyvidék Shopping Center** and **GTC Metro buildings in Budapest** were awarded **BREEAM IN USE EXCELLENT certification**,
- **Zephyrus building in Warsaw** (Aeropark Business Centre complex) was upgraded to **PLATINUM LEED certificate** from GOLD,
- **14 office buildings** received **certification renewal** and **maintained certification at the current level**.



# Certificates

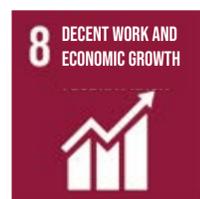
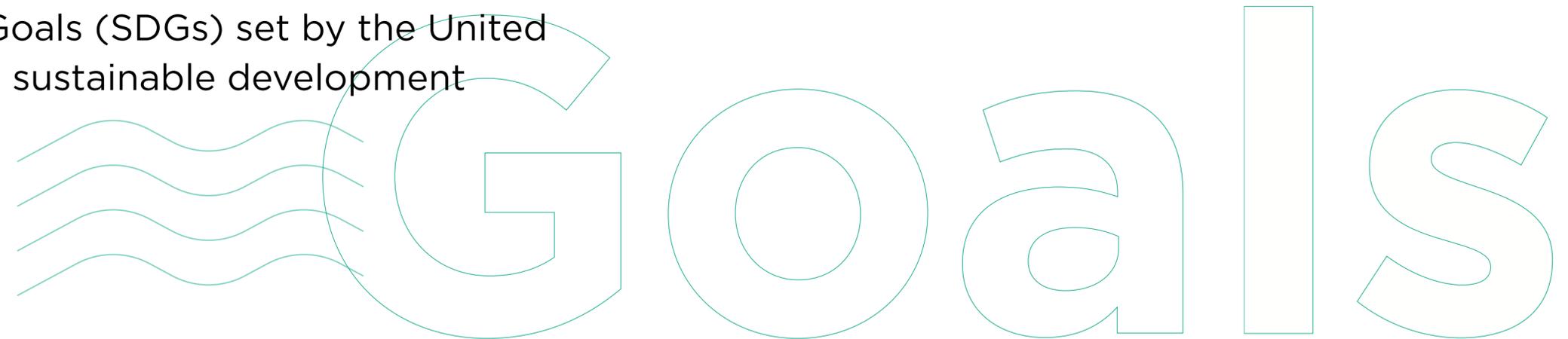
We have presented the full summary data for key performance indicators and the broader set of ESG indicators [HERE](#)

[GRI 3-3], [GRI 2-22], [GRI 2-23]

# GTC for UN sustainable development goals

At GTC, we conduct business in a manner that contributes to the 17 Sustainable Development Goals (SDGs) set by the United Nations for 2015-2030 and supports sustainable development in areas that are important to us.

The leading UN 2030 Sustainable Development Goals from the perspective of GTC's impact and responsibility:



# Sustainable Development Goal (SDG)



## Goal 5:

**Achieve gender equality and empower women and girls**

- GTC employs 63% women (64% in 2021) (employees and associates), of whom 11% in managerial positions (12% in 2021).
- 40% women hold management positions in local management boards.
- In H1 2023, Ms. Barbara Sikora joined GTC's Management Board as GTC's new Chief Financial Officer.
- We apply the principles of equal treatment in the workplace, regulated in GTC Group's internal documents.
- Our "Anti-Mobbing and Anti-Discrimination Policy" applies to all employees and associates.



## Goal 6:

**Ensure access to water and sanitation for all through sustainable water resource management**

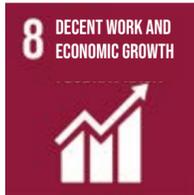
- 87% of our buildings hold LEED and BREEAM green certifications, whose goals include water conservation.
- We implement solutions to reduce water consumption in our buildings.
- In 2021, 7% water savings vs. 2020, but as a result of health restrictions after COVID in 2022 we consumed 7% more water than in 2021. The increase was mainly in shopping malls where the number of visitors increased significantly after post-pandemic closures in 2020-2021.
- In 2022, 17% water savings in offices vs. 2021 (LfL increased by 15%).



## Goal 7:

**Ensure affordable access to sources of stable, sustainable and modern energy for all**

- We installed photovoltaic panels at Galeria Północna in Warsaw in 2022.
- We use green energy in all our buildings in Poland, Hungary, Romania, Croatia, and the Advance Business Center I and II office buildings in Bulgaria.
- 4% (LfL) energy saved in 2022 vs. 2021 (in 2021 5% more vs. 2020).
- 87% of all our buildings (and 100% of buildings in Poland) have LEED and BREEAM green certifications or are in the recertification process. Their purpose includes increasing the energy efficiency of the buildings.



**Goal 8:**  
**Promote stable, sustainable and inclusive economic growth, full and productive employment, and decent work for all people**

- We are a responsible employer.
- We have 195 employees and 29 consultants and co-workers.
- We operate on the basis of a diversity policy, employing a varied workforce in terms of gender, age, work experience, education, cultural background, and ensuring equal treatment in the workplace.
- We pay our taxes in Poland, Hungary, Bulgaria, Serbia, Romania and Croatia.
- We promote local entrepreneurs and regional products (i.e., by providing space in shopping centers).



**Goal 9:**  
**Build stable infrastructure, promote sustainable industrialization, and foster innovation**

- We contribute to the development of modern urban infrastructure.
- We undertake initiatives to support the development of local communities.
- We implement projects that improve infrastructure.
- In 2022, we obtained or renewed environmental certification for 19 buildings in our portfolio.



**Goal 10:**  
**Reduce inequality within and between countries**

- We invest in Central and Eastern European countries contributing to the development of local real estate markets and supporting local suppliers in each country.
- We provide our employees with fair wages, social protection, and benefits.
- We create accessible and open buildings for everyone. We ensure that our retail and office projects are accessible to everyone, including the elderly and people with disabilities. We remove architectural barriers.
- In 2022, even more GTC buildings passed the audit for accessibility to people with disabilities and were certified as “Building without barrier”.

# Goals



**Goal 11:**  
**Make cities and human settlements safe, stable, sustainable, and inclusive**

- As part of our development processes, we revitalize degraded, post-industrial sites, reintegrating them into the urban fabric.
- We create inclusive and friendly urban spaces.
- We raise financing for green projects through green bonds.
- We publicly present our projects to the local community before they are implemented.
- Our buildings are LEED and BREEAM green certified to create healthier places for people and to preserve green areas.



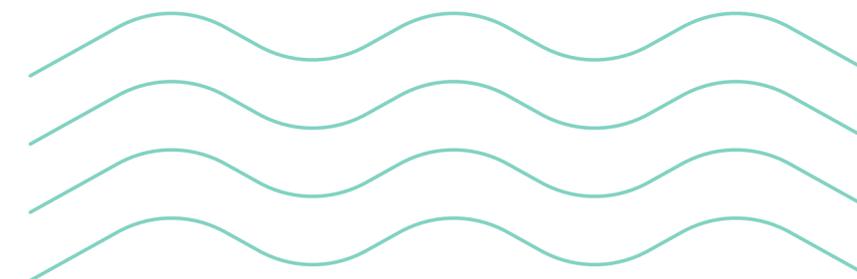
**Goal 12:**  
**Ensure patterns of sustainable consumption and production**

- The LEED and BREEAM green certifications awarded to GTC's buildings confirm our efforts to reduce consumption of non-renewable resources and create a closed loop in waste management.
- We use recycled and rapidly renewable materials in our buildings.
- We reduce the amount of waste generated during construction and implement efficient waste management systems in our buildings.
- We disclose our sustainability performance to the public.
- In 2022, we recycled 29% of the waste generated.
- We reduced our waste by 30% (4% LfL) through management efficiencies and applied technologies.



**Goal 13:**  
**Take urgent action to address climate change and its impact**

- We develop GTC's real estate portfolio in accordance with the principles of sustainable development.
- We closely monitor and analyze the carbon footprint of our operations.
- We deliver safe, sustainable, and environmentally friendly buildings. Since 2015, all new projects developed by GTC have met LEED or BREEAM certification requirements.
- We strive for green certification for all our projects. 87% of our portfolio is certified.
- In Poland, 100% of GTC's buildings are certified and powered by green energy.





**Goal 17:**  
**Strengthen implementation measures and reinvigorate the global partnership for sustainable development**

- As part of green certification, we create a community around sustainable construction.
- We are involved in local and international industry initiatives.
- We cooperate with local authorities to implement social projects. We have become a partner of WWF Poland for 2022 and support the environmental activities of this organization.



[GRI 3-1], [GRI 3-2]

# ESG issues materiality Matrix

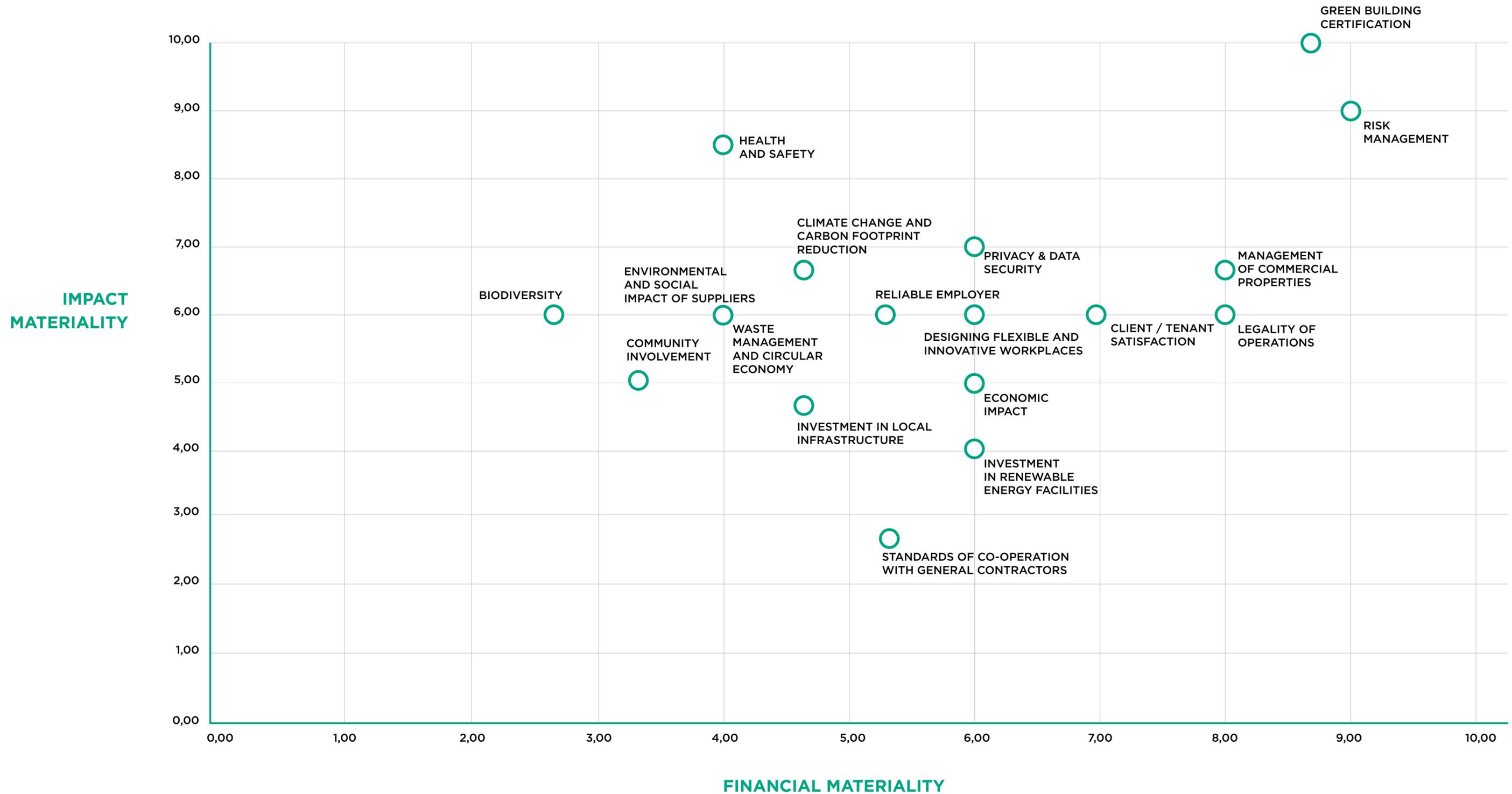
As part of the 2022 reporting process, we analyzed the materiality of ESG reporting issues. For this purpose, we conducted a survey of our key stakeholders and internal workshop meetings with the Management Board.

This year, in determining the importance of the issues that should be included in our reporting, we followed the criteria established by the EU CSRD – the so-called dual materiality analysis. As a result, we analyzed a broad list of pre-identified ESG issues in terms of the strength of our impact on people’s quality of life and the environment, and the strength of the impact of these issues on our operations and financial performance.

As a result of the stakeholder survey, the analysis of the sustainability context of our operations, and the Management Board’s final review of dual materiality, we have identified a pool of the most relevant issues that we seek to highlight in this report.



Matrix



ISSUE	
<b>GREEN BUILDING CERTIFICATION</b>	It requires us to meet multiple sustainability criteria, stimulates investment in cutting-edge solutions, and lays out a clear path for reducing the environmental impact of our operations.
<b>RISK MANAGEMENT</b>	This is an important strategic management perspective, appreciated in our operations by ratings and investors. It includes, among other things, ESG risks, especially those relating to the consequences of climate change.
<b>COMMERCIAL PROPERTY MANAGEMENT</b>	Our experience and high standards in this area are the basis for our strong market position, which is why, among other things, we constantly take care of our specialized staff and improve our competence.
<b>CUSTOMER/TENANT SATISFACTION</b>	Everything we do must translate into customer satisfaction; this is naturally our priority.
<b>LEGALITY OF OPERATIONS</b>	We do not accept any deviation from this principle, we implement solutions to counteract any irregularities in this regard.
<b>PRIVACY &amp; DATA SECURITY</b>	For us, protecting the privacy and data security of our stakeholders is one of the basic manifestations of social responsibility.
<b>DESIGNING FLEXIBLE AND INNOVATIVE WORKPLACES</b>	It is in response to the expectations of our employees and the employment market, which have been influenced by, among other things, the pandemic reality of recent years.
<b>RELIABLE EMPLOYER</b>	We create workplace principles and our organizational culture with a view to the trust of our employees and their satisfaction in being part of the GTC team.
<b>ECONOMIC IMPACT</b>	We create stable employment and affect local economies through our procurement and cooperation with suppliers. The quality and location of the office and retail properties we manage are conducive to business operations of our tenants.
<b>INVESTMENT IN LOCAL INFRASTRUCTURE</b>	Our properties are integrated into the urban fabric and the construction of each of our buildings involves our investment in local infrastructure.
<b>STANDARDS OF COOPERATION WITH GENERAL CONTRACTORS</b>	Our operations require partnerships with a wide range of service and product providers, including general contractors of construction sites. We are committed to partnerships with entities that operate in accordance with ethical standards and responsibly manage their social and environmental impact.
<b>ENVIRONMENTAL AND SOCIAL IMPACT OF SUPPLIERS</b>	

ISSUE	
<p><b>CLIMATE CHANGE AND CARBON FOOTPRINT REDUCTION</b></p>	<p>We operate in an industry that has a high impact on greenhouse gas emissions and is realistically affected by the consequences of climate change, which is why we invest in energy efficiency for our properties and in renewable energy, among other things.</p>
<p><b>INVESTMENT IN RENEWABLE ENERGY SOURCES</b></p>	
<p><b>HEALTH AND SAFETY</b></p>	<p>This is invariably one of our priorities, which is reflected, among other things, in our health and safety expectations of general contractors as well as in the design and subsequent management of our properties.</p>
<p><b>WASTE MANAGEMENT AND CIRCULAR ECONOMY</b></p>	<p>These are important aspects of managing our environmental impact, which we do in parallel with our efforts to reduce our carbon footprint. The level of practices relating to these issues is part of the green certification criteria for our properties.</p>
<p><b>BIODIVERSITY</b></p>	
<p><b>COMMUNITY INVOLVEMENT</b></p>	<p>We target our social activities on the needs of the local communities that we are part of.</p>

# ISSUE



[GRI 2-29]

# Our stakeholders

At GTC, we actively build relationships with our key stakeholders, we rely on carefully identified needs and consistent communication with the former, and we include their opinion in our decision-making processes.

Dialogue with stakeholders was crucial at the stage of defining our ESG Policy, when we conducted a comprehensive survey of their outlook on sustainability and responsible business priorities in our operations. We listen to the opinions and expectations of our investors, customers and business partners, industry and ESG experts, our employees, and the social environment. We strive to make it easier for our stakeholders to contact us and we create space for better communication. For example: starting from 2021, in our relations with our tenants, we have been using an additional communication channel,

the "Welcome GTC" app, to facilitate communication in the office space.

We engage stakeholders at many stages of our operations. The stakeholder perspective affects our approach to the implementation of new investments and the management of buildings in GTC's portfolio.



# Stakeholders

# GTC's main responsibilities to stakeholders



## GENERAL CONTRACTORS AND BUSINESS PARTNERS:

safety, ensuring quality and highest standards of project delivery, resource efficiency and environmental protection, ethical standards of cooperation.



## SOCIAL ENVIRONMENT:

development of local infrastructure, revitalization of post-industrial areas with respect for the environment and history, support for social initiatives in response to the problems and needs of local communities, contribution to educational, pro-health, as well as ecology and art activities.



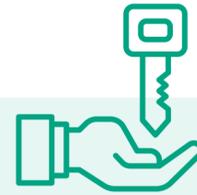
## EMPLOYEES AND ASSOCIATES:

security, employment stability, friendly and ethical workplace environment, promotion of diversity and equality, sustainable development of the company.



## INVESTOR COMMUNITY AND CAPITAL MARKET:

providing financing for investments, creating value for investors, implementing advanced technologies and innovative solutions, primarily those serving the environment and mitigating climate change.



## TENANTS, REAL ESTATE AGENTS AND CUSTOMERS:

quality offering, security, timeliness, reliability, value creation, co-creation of socially and culturally relevant urban places, joint creation of a sustainable value chain.

TYPE OF STAKEHOLDERS	PURPOSE OF ENGAGEMENT	MAIN TYPES OF STAKEHOLDER	FREQUENCY	HOW WE SEEK TO ENSURE MEANINGFUL ENGAGEMENT
Employees		Individual meetings, performed by directors of the company	When critical events occur or upon employee demand, ongoing if needed	Making sure to clearly communicate to each employee that any of their request for the meeting will be accepted, that they will be heard and their feedback/request will be seriously considered.
Suppliers	Identify expectations, assess satisfaction levels, clear communication	Meetings, operations manager	Annually	Analysing the feedback and evaluating if approach in management needs to be adjusted
Clients		Meetings, leasing manager	Annually and ongoing	Analysing the feedback and evaluating if approach in management needs to be adjusted
Stock exchange environment		Meetings, conferences and emails, IR department and management board members	Quarterly and ongoing	Analysing the feedback and evaluating if approach in management needs to be adjusted
Regulators	Clear communication, build good relationship	Meetings	Ongoing if needed	Analysing the feedback and evaluating if approach in management needs to be adjusted
Local community members	Identify expectations, assess satisfaction levels, build good relationship	Events, marketing manager, leasing manager	Ongoing, during events	Making sure that they will be heard and their feedback/request will be considered
Financial markets	Identify expectations, assess satisfaction levels	Meetings, conferences and emails, IR & financial department	Quarterly and ongoing	Analysing the feedback and evaluating if approach in management needs to be adjusted
Business partners	Identify expectations, build good relationship	Meetings, related manager	Ongoing	Analysing the feedback and evaluating if approach in management needs to be adjusted
Media	Build good relationship, hear their/ market feedback	Meetings, conferences and emails, IR department, and management board members	Quarterly and ongoing	Analysing the feedback and evaluating if approach in management needs to be adjusted

[GRI 2-28]

## Partnerships and memberships

We pursue the UN Sustainable Development Goals in our decision-making processes.



We actively promote the advancement of the real estate development industry, participate in events and meetings, share experiences and build best practices.

Partnership with WWF: in 2022, we started cooperation with WWF Poland. With WWF's support, we educate our employees, as well as investors, business partners and local communities about environmental protection and encourage them to take pro-environmental actions together. At the same time, we made a philanthropic contribution to WWF for the brown bear conservation program in Poland and tiger conservation efforts.

More on the partnership available [HERE](#)

### GTC is a member of the following organizations:

- The European Public Real Estate Association (EPRA)
- Croatia Green Building Council
- The Polish Council of Shopping Centers
- The Association of Stock Exchange Issuers
- The Polish Chamber of Commercial Real Estate Association
- Association of Hungarian Shopping Centers (Magyar Bevásárlóközpontok Szövetsége)

- The American Chamber of Commerce in Croatia, Romania, and Bulgaria
- The Croatian Chamber of Commerce
- Tourist Board in Croatia
- Association of commercial building owners in Bulgaria
- Bucharest Real Estate Club



# Environmental

Environmental and climate impact management model

Key results

Our response to the climate challenges

Green buildings

Investments for sustainable cities and communities

Care for biodiversity



# 03

[GRI 3-3], [EU/TCFD]

# Environmental and climate impact management model

# Climate

We aim to make a positive contribution to the UN Sustainable Development Goals with our actions:

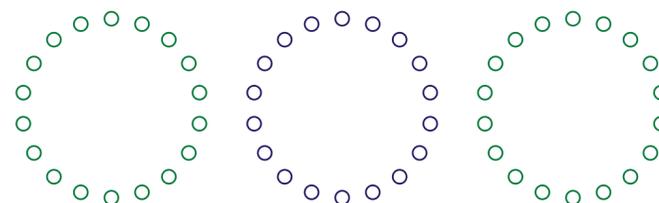


Our business goals are based on a sustainable approach to real estate development and management. This translates specifically into the modeling of GTC's building portfolio. We focus on thorough analysis of the environmental impact of the operation of the buildings we manage, continuous improvement of monitoring and management based on the most recognized environmental certification systems such as BREEAM or LEED.

## WE DO IT FOR THE ENVIRONMENT

The real estate sector plays an important role in addressing climate risk and mitigating climate change through sustainable construction projects based on green certification. We are motivated to drive change by our confidence that the pathways laid out by BREEAM and LEED certifications provide real environmental benefits. The goals of the expert team designing the BREEAM and LEED system are consistent with our objectives. We are committed to a structured, comprehensive recognition of each area of our environmental impact and to practical solutions based on the latest technologies available.

At the core of our agenda is an effort to maximize energy efficiency and reduce our negative impact on the state of natural resources. Step by step, we are changing the technical parameters and operating principles of the spaces we manage. We strive to strengthen the environmental awareness of all those who create and use them with us. We prioritize reducing our environmental footprint at the source over strategies that primarily use the offset mechanism. We prefer to avoid greenhouse gas emissions wherever possible, rather than just compensating the environment for the carbon footprint that has taken place. Therefore, as of the end of 2022, we have been using green energy from certified sources in all buildings in Hungary, Poland, Romania, and Croatia, and partially in Bulgaria.





**WE DEVELOP**

GTC's property portfolio in accordance with the principles of sustainable development.



**WE FOCUS**

on solutions to improve environmental impact management in accordance with the strict BREEAM and LEED certification requirements.



**WE CONSISTENTLY**

strive for environmental certification of every building in GTC's portfolio.



**WE WANT TO CONTRIBUTE**

to the development of best practices of our entire industry. We are a member of the European Public Real Estate Association (EPRA), where we participate in task forces, working on solutions for efficient, environmentally friendly real estate management.

# Environmental



Responsible management of environmental impact forms one of the three pillars of our ESG Policy. The framework for managing this area is also guided by other internal regulations. Global sustainability challenges influence the Group's strategic decisions relating to the development of its investment portfolio toward more sustainable sectors and technologies.

# Environmental



**Environmental impact**  
(E) environment

**We limit our carbon footprint**

**We deliver sustainable buildings**  
which operate with a decreased  
impact on the climate

**We develop processes** which result  
in offsetting our portfolio as  
**confirmed by green certificates**

**2 Areas of the pillar**

**E1.** Green buildings

**E2.** Countering climate change



# Impact



### CAPITALS WE UTILIZE

#### Environmental capital:

- Climate and related weather conditions
- Energy, raw materials and natural resources used in the processes of carrying out construction projects
- Energy, raw materials and natural resources used in the daily operations of our company
- Energy, raw materials and natural resources required for the operation of the properties we manage and their users

Utilize



### DIRECTIONS OF OUR ACTIVITIES

- Business strategy
- ESG policy



Activities



### IMPACT ON STAKEHOLDERS

- Energy-efficient, increasingly environmentally friendly office spaces and shopping centers
- Support for the environmental goals of our tenants
- Energy and water conservation
- Reduction of carbon footprint primarily through energy efficiency of buildings and investment in energy from renewable sources
- Satisfaction of our green bond holders resulting from the effects and scale of the green investments we pursue

Stakeholders

At least once a year at Management Board and Supervisory Board meetings, we discuss environmental risks, including climate risks, challenges and trends in this area, the company's goals, and progress on major initiatives. The Management Board is responsible for overseeing the implementation of the ESG Policy, with the support and assistance of local technical teams.

# Impact

[GRI 302-1], [GRI 302-3], [GRI 303-5], [GRI 305-1], [GRI 305-2], [GRI 305-3], [GRI 306-3],  
 [Own indicator: Number of assets with green certification and their percentage in the real estate portfolio]

# KEY RESULTS

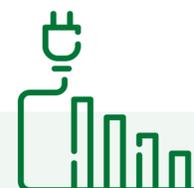


**87%**

of certified buildings in the Group's portfolio (including 100% of buildings in Poland).

**19 buildings**

achieved/renewed LEED and/or BREEAM certifications in 2022.



## ELECTRICITY CONSUMPTION

**131,866 MWh**

4% less than in 2021



## ENERGY CONSUMPTION

**705,765 GJ**

**196,046 MWh**, 9% less than in 2021 (4% reduction LfL).

**250 kWh per year**

energy consumption in the Group's portfolio per square meter of building area.



## CO<sub>2</sub> EMISSIONS

**68,663 tCO<sub>2</sub>e**

36% less than in 2021 (19% less LfL) (Scope 1,2,3)

**18,977 tCO<sub>2</sub>e**

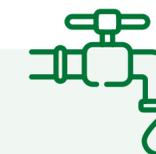
36% less than in 2021 (36% less LfL). (Scope 1,2)

**49,686 tCO<sub>2</sub>e**

36% less than in 2021 (11% less LfL). (Scope 3)

<sup>7</sup> When analyzing data relating to the consumption of energy and other utilities, it is important to consider the unique situation of reduced use of office space and shopping centers in 2020 and 2021. In 2022, we noted, among other things, the trend of our tenants' employees returning from remote modes to office work, which affects the level of energy consumption.

<sup>8</sup> Comparative data for locations using the same method of estimating waste weight as in the previous year.



## WATER CONSUMPTION

**327,383 m<sup>3</sup>**

7% more than in 2021.<sup>7</sup> Additionally water consumption excludes the amount of 311,952 m<sup>3</sup> in 2021 and 346,073 m<sup>3</sup> in 2022 that refers to groundwater used by heat pumps for heating and cooling that are installed in the Matrix buildings. The same amount is returned to the underground.



## REDUCTION IN WASTE

**29%**

of waste generated recycled in 2022.

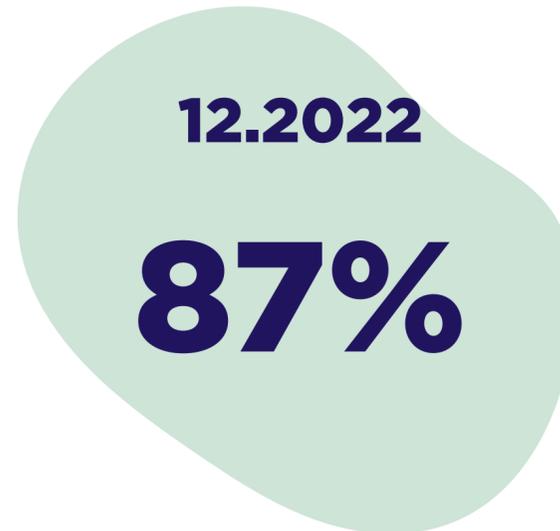
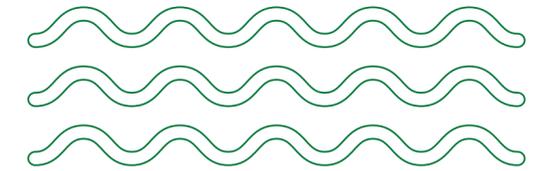
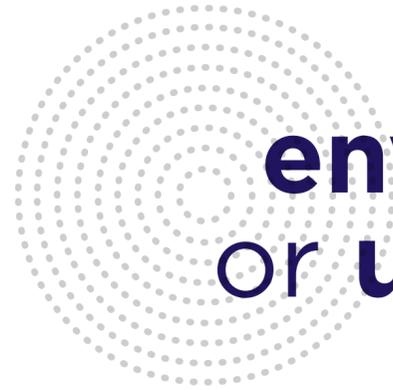
**30%**

reduction in waste, LfL 4% reduction<sup>8</sup>.

**3 buildings**

Introduction of a system of weighing waste by recipients in 3 buildings in Poland, which provides the possibility of more accurate data monitoring than the method of converting volume into weight.

# Properties with environmental certification or undergoing recertification



<sup>9</sup> 88% including buildings certified in January 2022; Excludes 11 Serbian office assets held for sale in 2021 and sold in January 2022

# Certification

UN GOALS	GTC ESG POLICY PILLAR	AREA OF RESPONSIBILITY	PRACTICES WE FOCUS ON	HOW WE SEEK TO ENSURE MEANINGFUL ENGAGEMENT
   	<p><b>CARE FOR THE ENVIRONMENT</b></p>	<p><b>E1. GREEN BUILDINGS</b></p> <hr/> <p><b>E2. COUNTERACTING CLIMATE CHANGE</b></p>	<ul style="list-style-type: none"> <li>• Delivering sustainable buildings that operate with reduced climate impact, use green energy and far fewer natural resources (such as water), and focus on tenant Well-being.</li> <li>• Operating in a closed-loop system that minimizes waste and resource consumption.</li> <li>• Contributing to the circular economy by renovating, minimizing waste and maximizing resource use.</li> <li>• Developing processes whereby the sustainability of our portfolio is confirmed by green certifications (LEED, BREEAM, DGNB, and WELL).</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Construction of new buildings, acquisitions and asset management with a focus on environmental protection.</li> <li>• Reduction of CO<sub>2</sub> footprint by carefully analyzing ways to reduce CO<sub>2</sub> emissions and developing an appropriate low-carbon strategy.</li> <li>• Improvement of energy efficiency and reduction of emissions in our buildings.</li> </ul>	<ul style="list-style-type: none"> <li>• We use green energy in all our buildings in Poland, Hungary, Romania, Croatia, and the Advance Business Center I and II office buildings in Bulgaria.</li> <li>• We have commissioned a photovoltaic system in Galeria Północna in Warsaw.</li> <li>• We are raising financing for green projects through green bonds.</li> <li>• As early as 2021, we financed a broad portfolio of green projects under green bonds worth 610 million euros (for projects totaling 403,400 sq m).</li> <li>• Since 2015, all new projects developed by GTC have met leed or breem certification requirements.</li> <li>• 87% of the buildings in the group's portfolio are green certified or in the process of recertification.</li> <li>• We monitor our carbon footprint and consistently aim to reduce it (36% reduction scope 1&amp; 2 LfL,).</li> <li>• We develop systems for collecting and analyzing data including the volume of waste generated.</li> </ul>

Detailed environmental data is presented [HERE](#).

[GRI 3-3], [EU/TCFD], [Cert-Tot]

## Our response to the climate challenges

The real estate industry<sup>10</sup> is one of the main energy consumers<sup>11</sup> responsible for 1/3 of global emissions.

The decarbonization of the sector in which we operate is therefore crucial to meeting the commitments made by countries around the world under the Paris Agreement, the UN's Agenda 2030. We are also an important link in the European Union's drive for a sustainable transformation of the economy.

Designing and using buildings in a green way contributes to both environmental and social well-being. Reducing greenhouse gas emissions is also essential for tenants of GTC buildings seeking solutions to reduce their carbon footprint.

It is particularly important for our strategy to monitor scientific findings relating to the scale of the negative effects of climate change. Already, the issue of the resilience of our buildings to sudden weather events or periods of very high temperatures is an

important factor affecting our technological solutions and building design.

We strive to reduce greenhouse gas emissions from the construction and operation of buildings through energy efficiency, the introduction of RES, the implementation of new technologies and the use of appropriate building materials.

We regularly analyze climate risks and their impact on our business. They are part of the ESG risk mapping and management system, which is the responsibility of the Development and Sustainability Director.



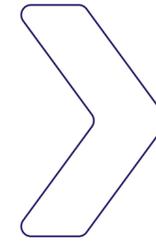
<sup>10</sup> Including the construction and use of buildings.

<sup>11</sup> It accounts for 40% of energy consumption, source: the International Energy Agency (IEA).

## GTC for climate

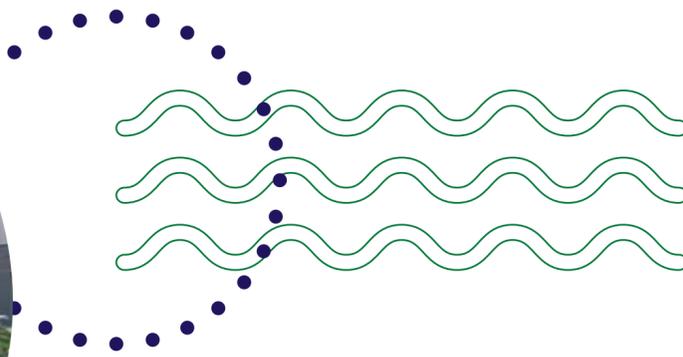
- We are developing monitoring and reporting of greenhouse gas emissions linked to our operations. This provides us with a basis for realistic and informed planning of actions to reduce our and our tenants' carbon footprint.
- In 2020, we set a base year for Scope 1, 2 and 3 (tenants) greenhouse gas emissions due to electricity consumption.
- At the same time, we are implementing a number of solutions to increase the energy and environmental efficiency of all properties in our portfolio. These solutions are a prerequisite for green certification of our buildings. The certifications confirm our efforts in this respect.

**BREEAM AND  
LEED BUILDING  
CERTIFICATIONS**



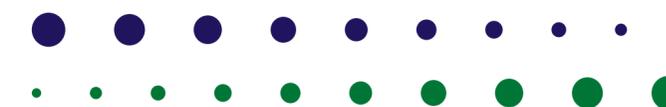
**CONFIRMATION OF BUILDING  
MANAGEMENT FOCUSED  
ON LOW EMISSIONS**

## GTC'S GOALS: 100% CERTIFIED BUILDINGS IN OUR PROPERTY PORTFOLIO



Climate

# 36% - reduction of greenhouse gas emission y/y (-19% LfL)



## 2020

Base year.  
Determination of direct (SCOPE 1) and indirect (SCOPE 2) emissions resulting from the use of electrical energy.



## 2021

A decision to consequently, gradually increase the use of green energy.  
Due to the technologies used and the introduction of green energy, we reduced our emissions by 62% in Romania and by 44% in office buildings in Poland.



## 2022

Commissioning of the photovoltaic system in Warsaw. Use of energy from RES in all the buildings in our portfolio.  
Reduction of SCOPE 1 and 2 emissions by 36%. Reduction of SCOPE 3 emissions by 36%.



# Green Energy

## 2020

Scope 1 + Scope 2 + scope 3 (only tenants) emission = 108,069 tCO<sub>2</sub>e.

## 2021

Scope 1 + Scope 2 emission = 29,563 tCO<sub>2</sub>e.  
Scope 3 <sup>12</sup> emissions = 78,239 tCO<sub>2</sub>e.

Scope 1 + Scope 2 + Scope 3 = 107,802 <sup>14</sup> tCO<sub>2</sub>e.

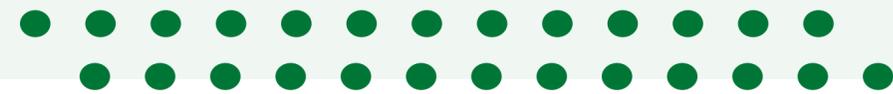
Emission intensity for all markets<sup>15</sup>  
= 125 kgCO<sub>2</sub> e/sq m/year

## 2022

Scope 1 + Scope 2 emission = 18,977 tCO<sub>2</sub>e.  
Scope 3 <sup>13</sup> emission = 49,686 tCO<sub>2</sub>e.

Scope 1 + Scope 2 + Scope 3 = 68,663 tCO<sub>2</sub>e.

Emission intensity for all markets  
= 88 kgCO<sub>2</sub> e/sq m/year



<sup>12</sup> Tenant emissions only

<sup>13</sup> Tenant emissions only

<sup>14</sup> Data were corrected, last year we reported: Scope 1 + Scope 2 + Scope 3 = 112,546. The change is due to double counting part of emission in Ada Mall and correction of electricity consumption in Galeria Jurajska.

<sup>15</sup> The calculation includes direct emission (Scope 1), energy indirect emission (Scope 2) and consumption by tenants - emissions comprising part of Scope 3.

# GALERIA PÓŁNOCNA, WARSAW

- Becoming green, apart from concern for the climate, can also be a response to the energy crisis. Our Galeria Północna invested in renewable energy sources (RES).
- The installation will primarily allow us to satisfy our own needs in the common areas, i.e., escalators, elevators or lighting for the shopping alleys and the food hall.
- Thanks to the solar panels, we will be able to generate up to 97.9 MWh of energy per year, we will also significantly reduce CO<sub>2</sub> emissions.



*The photovoltaic system that we commissioned is a practical solution that allows us to not only reduce the scale of energy purchases on the market and partially reduce costs, but also, importantly, achieve a certain degree of energy independence for our infrastructure under conditions of uncertainty. In an era of rapid climate change, this is a necessary and responsible action, which is also part of our ESG Policy.*



**Roman Bugajczyk**  
Head of Retail in Poland of GTC S.A.

# Becoming Green

[GRI 416-1]

# DUNA TOWER, BUDAPEST

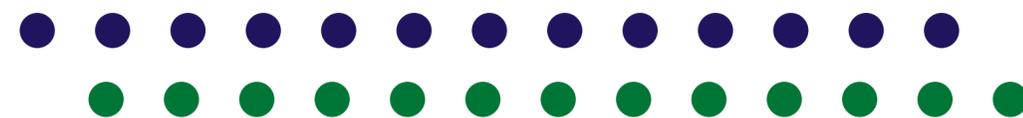
## Germ-free, safe, and more sustainable elevators installed in Duna Tower

The health and safety of our tenants and visitors is a key priority for us, particularly with the flu season approaching and the number of COVID cases increasing again. We know that many people are hesitant to enter elevators at this time of the year and we want to make elevator rides stress-free and safe for everyone in our buildings.

The brand new, best-in-class KONE DX Class elevator cabins in Duna Tower are installed with KONE Elevator AirPurifier as the first in Hungary. The AirPurifier solution designed by KONE Finland uses a filter and a catalyzer with UV light combined with a photocatalysis

reaction to effectively eliminate most pollutants, and reduce viruses, bacteria, and odors for clean and uncontaminated air.

Experience the improved elevator ride and cleaner air quality in Duna Tower!



# Sustainable

[GRI 3-3]; [Cert-Tot], [Own indicator: Description of implemented innovations affecting the reduction of negative environmental impact of the company]

## Green buildings

We strive to use modern technological solutions to reduce our environmental impact. We invest in environmentally friendly properties and make efficient use of resources throughout the life cycle of buildings. We build new and upgrade acquired buildings and manage them to maximize environmental benefits.



### GREEN BUILDINGS

- we develop sustainable buildings using green energy and reducing consumption of natural resources, ensuring tenants' comfort,
- we reduce CO<sub>2</sub> emissions,
- we operate in a closed-loop system, minimizing waste and resource consumption,
- we strive to have all our investments certified with relevant green certificates.



### BY DELIVERING HIGH QUALITY BUILDINGS, WE:

- reduce energy consumption in cities,
- improve water use efficiency,
- reduce consumption of non-renewable resources,
- reduce the level of environmental pollution,
- ensure conservation of green areas.



**Green-certified buildings are a key part of combating climate change and meeting ESG goals. They improve the quality of life for people - tenants and the communities living around them.**

Green





### WE USE SOLUTIONS AND TECHNOLOGIES THAT ALLOW US TO USE LESS RAW MATERIALS AND REUSE THEM:

- Systems to reduce water consumption and increase energy efficiency in buildings
- Highly energy-efficient glazing, doors, and windows
- Modern heating and ventilation systems
- Air-purifying elevators
- Green roofs
- Lighting with the highest energy efficiency parameters
- Motion sensors
- Aerators and toilets to help save energy
- Systems that enable detailed monitoring of utility consumption



### KEY CERTIFICATES FOR OUR BUILDINGS

We strive to make all our projects fully compliant with sustainable building certifications, both those we build and those we modernize. By 2022, 87% of our developments were LEED or BREEAM certified or in the recertification process, confirming the application of specific and measurable sustainability solutions. 100% of our investments in Poland have green certification or are in the process of recertification.

### We aim for 100% of the buildings in our portfolio to meet the criteria for sustainable construction and be certified with the following:

- LEED (Leadership in Energy & Environmental Design)
- BREEAM (BRE Environmental Assessment Method)
- DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen<sup>16</sup>)

#### In 2022, we (re)certified 19 properties, including:

- A new Pillar building in Budapest, Hungary - received certification to LEED Gold certification level.
- The GTC Metro building in Budapest, Hungary - received the EXCELLENT BREEAM IN USE certification.
- The buildings of the Aeropark Business Centre office park in Warsaw: the Zephyrus building maintained its Gold level, and Nothus raised its rating to reach the Platinum level of LEED certification.

A full list of certified buildings is available [HERE](#).

<sup>16</sup> German Sustainable Building Council



### LEED-CERTIFIED BUILDINGS

LEED-certified buildings provide the following benefits<sup>17</sup>:

- improved energy efficiency,
- lower CO<sub>2</sub> emissions and reduced impact on global climate change,
- lower utility costs,
- protection of water resources,
- healthier places for people,
- closed loop in waste management.



<sup>17</sup> Source: U.S. Green Building Council: <https://www.usgbc.org/leed>

To obtain LEED certification, after meeting the prerequisites, a project is awarded points relating to CO<sub>2</sub> emissions, energy, water, waste, transportation, materials, health, and indoor environmental quality:

Depending on the number of points received, a project is awarded the following status:

- Certified (40-49 points)
- Silver (50-59 points)
- Gold (60-79 points)
- Platinum (80+ points)



LEED



**BREEAM (BRE ENVIRONMENTAL ASSESSMENT METHOD)**

**BREEAM** is an internationally recognized certification system that evaluates a company's performance in terms of building sustainability. Assessment and certification can take place at many stages of a building's life cycle, from design and construction to operation and renovation.

**The assessment comprises the following categories:**

- energy
- health and well-being
- innovations
- land use
- materials
- pollution
- management
- transport
- waste
- water



Critical requirements include, for example, the use of legally grown and harvested wood or asbestos-free materials.

**Depending on the number of points received, the project is awarded the following status:**

- 30-44% - pass,
- 45-54% - good,
- 55-69% - very good,
- 70-84% - excellent,
- Over 85% - outstanding.



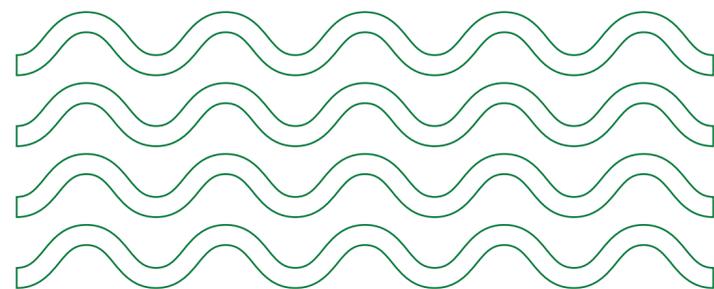
B R E E A M

# UNIVERSITY BUSINESS PARK, ŁÓDŹ

The University Business Park complex in Łódź has maintained its 2022 BREEAM In-Use Excellent certification and was awarded a “Building without barrier” certificate in January 2023. The awarded property consists of two 9-story A-class office buildings with a total leasable area of 40,400 sq m.

University Business Park provides tenants with a range of amenities, including: a green patio, a green meadow, extensive bicycle infrastructure, electric car chargers, a sign language interpreter at the reception desk, induction loops for the hearing impaired, a „Welcome GTC” app, and the ‚Fair-Play’ sports and language nursery and kindergarten. In addition, GTC, out of concern for its tenants,

has partnered with NaviParking, a technology start-up specializing in digital transformation of parking lots. Through the NaviParking app, employees are able to remotely manage and book parking spaces.



# University Business

# ADA MALL, BELGRADE

# Ada Mall

Ada Mall in Belgrade. Ada Mall is a complex built on the site of a former transformer factory. The building meets LEED Gold certification criteria.

With tenants, their customers and all other local stakeholders in mind, the Ada Mall staff have developed a separate sustainability report that seeks to illustrate GTC's main social and environmental goals for the site.

*What makes us green? Well, we do have one of the best international green passes, LEED Gold Certificate for building and design, acknowledging that Ada Mall was built with as much locally sourced materials, as optimized resources and as little carbon footprint as possible. We manage to operate the mall in a way that brings measurable results in preserving and contributing to the environment and local community.*



**Alex Linchev**

Shopping Center General Manager, GTC Serbia

## Sustainability achievement 2022 Ada Mall

# Belgrade





**Achieved in operating Ada Mall as a green building, compared to a non - green asset of the same specification:**



**30%**

Less electricity consumption thus saving enough energy to power the full annual needs of 275 households



**112 tons**

Less waste disposal, due to its partial recycling, thus saving the annual municipal waste generated by 224 human beings



**1220 m<sup>3</sup>**

Of less potable water used, equivalent to saving enough bottled water to satisfy the annual needs of 10339 human beings



**2208 MWH**

Less consumption of lighting, due to the deployment of smart LED lights, which is enough to secure the full annual power consumption of 375 households



**18%**

Less water consumption, thus saving enough to fill in 8250 bath tubs



**210**

Bike parking places and 12 electrical car chargers, thus allowing for less pollution, traffic and congestion on the city roads



**2732 kt**

Less carbon emissions, equivalent to erasing the pollution caused by 594 cars annual emissions



**6000+**

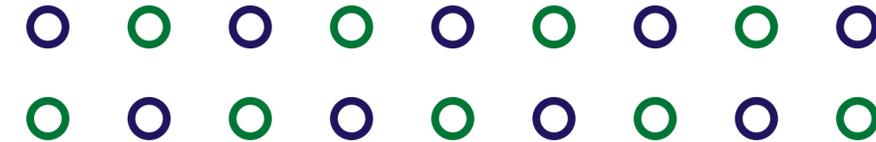
Trees, bushes and potted plants

**To learn more about the data compiled by Ada Mall, click [HERE](#)**

[GRI 3-3]

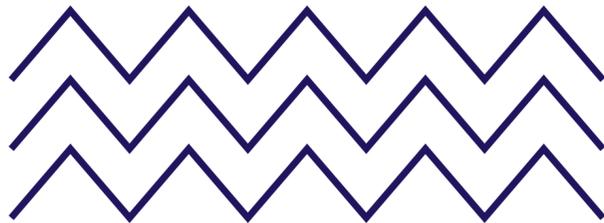
# Investments for sustainable cities and communities

GTC's sustainable investments positively contribute to sustainable urban development.

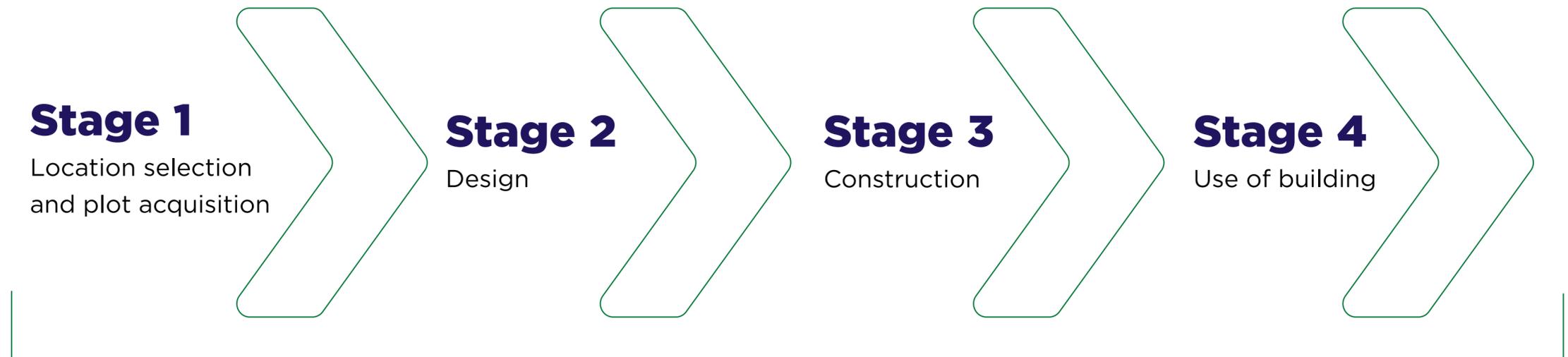


**They:**

- revitalize and integrate brownfield and degraded areas,
- create local infrastructure,
- reduce negative environmental impact,
- open up modern and green space for residents,
- integrate the local community.



Our investments are about minimizing the impact on the environment, the local community, and the surrounding area. We are guided by this principle at every stage of our work, from the selection of the location of the plot to the use of the building. When designing office buildings, we take into account, among other things, the proximity of access to public transportation. Each building either has adequate infrastructure for bicycles or is being upgraded along these lines to encourage tenants and their employees to use environmentally friendly means of transportation.



**WE CONSIDER SOCIAL AND ENVIRONMENTAL CRITERIA AT EVERY STAGE**

### Stage 1. Location selection and plot acquisition

Our investments are built in areas in need of revitalization.

Our role is to integrate them into the urban fabric, taking into account the local, cultural and urban context.

We conduct a thorough analysis of the existing development. We assess the most important parameters of the location and the investment: safety, noise, pollution, or impact on particular local factors, such as groundwater levels, proximity to a river, protected areas.

We assess the availability of public transportation and the project's impact on traffic congestion. We check the possibility of using municipal utilities.

### Stage 2. Design

**Social aspects**

We design for comfort, safety and with the needs of our tenants in mind. We analyze the impact of the investment on the surroundings. We consider, among other things, the method of construction, the preservation of the social context, the creation of a friendly urban space.

**Environmental aspects**

Each investment we make takes environmental protection into account, in accordance with the principles of environmental certification. For example, when designing foundations, we analyze the flow of groundwater, and when choosing the color of the facade and the way it is glazed, we check its visibility to birds.

At the design stage, we look for solutions to reduce energy consumption, such as through better wall insulation, effective ventilation or heat recovery.

### Stage 3. Construction

**Environmental aspects** are considered at the stage of general contractor selection which is then supervised throughout the construction process.

We carry out the construction stage in accordance with the principles of sustainable construction certificates.

We consider the following aspects:

- dust reduction,
- effective management of hazardous materials (fuel for machinery),
- reduction of landfill waste,
- efficiency of energy and water use,
- use of locally produced raw materials, recycled, and certified materials.

The property is subject to approval and testing prior to commissioning.

### Stage 4. Use of building

We deliver buildings that are comfortable and safe for our tenants. We care about sustainable building management and provide appropriate training in this area to our employees.

We base our building management on modern BMS (Building Management System), which affect the achievement of energy efficiency in buildings through:

- enabling control of air parameters: temperature, pollution, or humidity,
- affecting the energy efficiency of projects,
- influencing the reduction of water consumption.

Our contracts require tenants to comply with environmental standards, including energy and water use efficiency, selection of furnishings.

At the same time, the building management team regularly inspects the degree of user satisfaction and maintains an open dialogue on continuous improvements.

# Investments

## GTC's milestone - opening of a new office building in Budapest:

In 2022, we commissioned Pillar, a new A-class office building in Budapest, Hungary. Located in a fast-growing business district of the Hungarian capital, the Pillar building offers 29,000 sq m of premium commercial space. It offers café space, restaurant space, co-working space, a conference center, a post office, a playroom, a relaxation garden, bicycle amenities, and retail space.

Pillar was designed to meet the expectations and needs of international tenants, while minimizing harmful environmental impact. The design incorporates sustainable solutions to let tenants enjoy an environmentally friendly building.

- Pillar was designed and developed in accordance with LEED certification, receiving the Gold level and becoming part of GTC's green portfolio.
- The attention to detail and tailored solutions were just as important as the opinion and vision of the

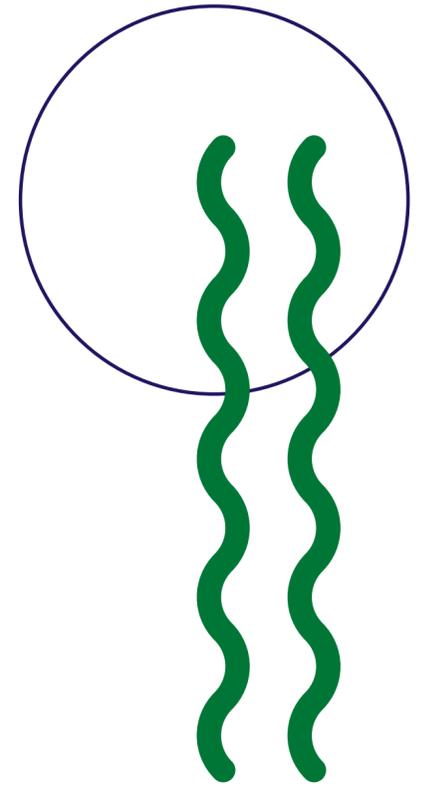
building's major tenant, who had significant input into the project and worked closely with GTC to ensure the best possible space for its employees.

- LEED GOLD certification: includes the result of environmentally conscious solutions:
  - Garden irrigation: mainly drip irrigation or drought-tolerant plants
  - Greywater use: collected rainwater is used for irrigation and toilet flushing
  - Metering of cooling and heating: each tenant area has its own electric sub-meter



### Our implemented and excellent ecological solutions in Pillar:

- low-energy 4-tube fan-coil system with heat recovery
- cooling with a modern HVAC system controlled by a BMS system ensures the right temperature in offices and meeting rooms with low energy consumption!
- waste sorting service, selective waste collection
- over 4,000 sq m of internal garden, a green area with 2,335 sq m
- electric car charging stations on the basement levels
- bicycle lockers (198 pcs), changing rooms and showers
- external shading controlled by smart weather monitoring system
- solar parks (a small power plant) on top of lift cores



# Milestone

[GRI 3-3], [Own measure: Description of measures to protect biodiversity]

## Care for biodiversity

We emphasize the preservation of biodiversity. We strive to promote flora and fauna by following, among other things, the exact guidelines required by BREEAM certification in this regard.

As part of the certification process for a property, a so-called 'ecologist's report' is produced, which is preceded by an ecological analysis of the investment in question, which takes into account:

- land use,
- the state of biodiversity,
- identification of existing habitats and factors affecting the environment.

In 2022, such a report, including recommendations for actions that care for biodiversity, was created for, among others, the University Business Park in Łódź, Francuska Office Centre in Katowice and Korona Office Complex in Kraków.

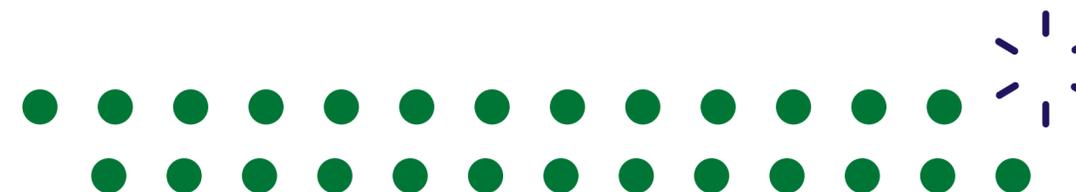


The report includes information on the ecological value of the site, guidelines for maintaining or improving the greenery within the property, an action plan for maintaining or increasing biodiversity, including a Management Plan for existing and proposed greenery, taking into account methods of integrated pest management (IPM).



It defines further possible courses of action to improve the ecological value of the property and adjacent areas affecting the environment.

The strategic direction in the ecologist's recommendations is the progression of biodiversity of native species in accordance with the Convention on Biological Diversity and the National Program for Conservation and Sustainable Use of Biodiversity.



## Key actions for biodiversity

- reduction of lawn areas in favor of bio-diverse mini habitats and the dominance of native flora species,
- modernization of infrastructure elements for beneficial fauna,
- extensive greenery on separated sections of roofs,
- minimizing the area of flora monocultures,
- striving to achieve a state of biological balance of native flora and beneficial fauna,
- not allowing the area to be populated with invasive species plants,
- minimizing anthropopressure and improving local climatic parameters, i.e., for example, temperature amplitudes, wind direction and strength,
- initiation of ecological corridor links and refuges for beneficial fauna and its maintenance,
- improving the biological fertility of anthropogenic soils,
- retention of rainwater,
- creation of a Biodiversity Management Plan, describing the principles of action for biodiversity and the principles of care and maintenance of green areas for those directly involved in the care using pro-ecological methods,
- setting a long-term action plan for improving biodiversity.



## Cooperation with a credible partner

In 2022, we established cooperation with WWF Poland. We were keen to choose a reliable partner with expertise in biodiversity, combining experience in educational activities with the implementation of specific conservation programs in the field.

The goal of cooperation with WWF is to raise awareness among our staff and other stakeholders about the importance of environmental protection and biodiversity. In 2022, with the support from WWF Poland, we educated our employees, tenants and local communities and encouraged them to take concerted environmental action.

*Together, we have been able to reach more than a million audiences with environmental content through educational campaigns, and with financial support we have helped WWF purchase equipment that will help protect the endangered tiger in Malaysia and the sparse brown bear population in Poland.*

Initiatives undertaken as part of this cooperation include:

- a social media education campaign on endangered tigers and bears
- an educational campaign about tigers in the GTC app
- educational mailing about tigers for tenants
- organization of an exhibition of endangered animal species at Galeria Północna in Warsaw.

An estimated 1.1 million people were reached by the **GTC-backed WWF campaign**.



# Social

- Social impact management model
- Our activities for local communities
- Overview of local social activities
- Our organization culture
- Health and safety in the workplace
- Training and competence development
- Employee benefits
- Caring about relationships with tenants

# 04



[GRI 2-7], [GRI 3-3]

## Social impact management model

One of the three pillars of our ESG Policy is responsible social impact management. The framework for managing this area is also guided by other internal regulations, in particular our Code of Conduct.

We always aim to take full responsibility for the impact we have on the space around us. Through our investments, we actively influence the development of infrastructure. Each investment is the beginning of changes in its surroundings. We often present our projects to the local community and take an active part in public meetings on urban planning. By revitalizing buildings, we restore them to the urban fabric, create places to meet and spend time in, and take care of expanding green areas in cities.

# Social Impact

### Social impact

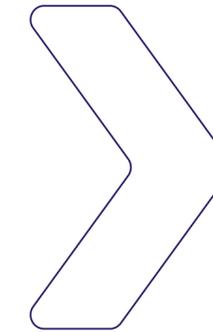
(s) Society: Equality, Respect and Diversity



We deliver office and retail space where our tenants can grow.

We care about our employees, who are our most important asset.

We are a good neighbour, investing in local communities.



### 3 Areas of the pillar

- S1. Tenants
- S2. Employees
- S3. Communities

Capitals we use	Directions of our activities	Impact on stakeholders
<p><b>Social and relational capital</b></p> <ul style="list-style-type: none"> <li>• The trust of our business and social partners</li> <li>• Tenants and local communities using our properties in 6 countries</li> </ul> <p><b>Employee and intellectual capital</b></p> <ul style="list-style-type: none"> <li>• 224 people in 6 countries, including 195 employees and 29 consultants</li> </ul>	<ul style="list-style-type: none"> <li>• Business strategy</li> <li>• ESG policy</li> <li>• An operating model based on stakeholder dialogue, analysis and responsible management of impacts on people's quality of life</li> </ul>	<ul style="list-style-type: none"> <li>• Stable, responsible employment</li> <li>• Development of competencies and skills of our employees</li> <li>• Satisfaction of our tenants and support of their goals</li> <li>• People- and environment-friendly spaces: office buildings and shopping centers managed in accordance with the principles of sustainable development</li> <li>• Support of social goals important to us and our stakeholders</li> </ul>

## OUR PRINCIPLES COVERED IN THE CODE OF CONDUCT ARE AS FOLLOWS:

- We are committed to sustainable and socially responsible development, promoting a safe, healthy, and valuable work environment,
- We respect people - they create GTC's greatest value,
- We express our commitment through our daily employment,
- We understand the interests of our shareholders and stakeholders,
- We respect diversity and human rights, which are strictly protected in the workplace created by GTC,
- We learn, share knowledge, and communicate to become better every day.



ISSUE	
<b>TENANTS</b>	<ul style="list-style-type: none"> <li>• Presenting a professional approach to strengthening loyalty, working directly and effectively through the relationship between the leasing teams and our tenants,</li> <li>• Coordinating of the activities of various departments and/or third-party vendors engaged for tenants by our asset management team,</li> <li>• Engaging tenants through collaborating and raising awareness of the means of achieving meaningful results regarding the properties' environmental and social impact.</li> </ul>
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>• Creating stable employment conditions, respecting workers' rights, adequate salaries and additional benefits,</li> <li>• Creating a good workplace atmosphere based on mutual trust and respect,</li> <li>• Maintaining a rigorous approach and compliance with health and safety regulations,</li> <li>• Developing employees through training and participation in industry events,</li> <li>• Involving employees in social activities, charity, and sports events,</li> <li>• Confirming with our actions that we are a reliable and competitive employer.</li> </ul>
<b>COMMUNITIES</b>	<p><b>Our key objective is to pursue responsible investment with concern for local communities by revitalizing brownfield sites and providing high-quality buildings that can make an impact:</b></p> <ul style="list-style-type: none"> <li>• Building sustainable and accessible urban spaces,</li> <li>• Stimulating social development and responding to the local needs of the environment surrounding our properties.</li> </ul>

[GRI 413-1]

## Our activities for local communities

For years, our priority has been to be a good neighbor, involved in social activities that are important to the local community.

We want to respond to local needs in the vicinity of our investments and work together to advance causes that are important to us.

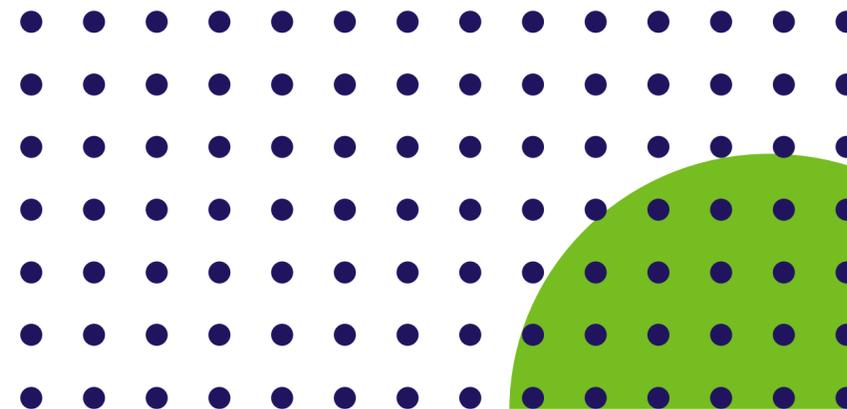
Our local offices are best versed in the needs of the local community and the market in which they operate, which is why they are the ones who make decisions about ongoing social actions and local collaborations.

### Development of local infrastructure

When managing our investments in new developments, we create road and traffic infrastructure that we make available to all residents.

On undeveloped lots or plots of land that will surround our future developments, we create green

spaces, parks and squares that are accessible to all. We are committed to improving infrastructure, increasing availability for people with disabilities, creating accessible places to meet and spend time, and taking care to expand green spaces and protect biodiversity.



# Infrastructure

## Aid to refugees from Ukraine

As a real estate company, we joined the #Property4Ukraine campaign. Wanting to help refugees, we provided office space in our projects in Poland and organized free Polish language courses. Helping the refugees learn Polish, we aimed to increase their chances of finding employment, improving, and stabilizing their living conditions.

In addition, we provided in-kind and financial assistance in cooperation with local authorities and foundations in the countries where we operate. The assistance we have offered stems from our commitment and concern for the plight of others and their needs. We organized a collection of toys and sweets for children in Ukraine in our offices and shopping malls in Poland.

People are the foundation of GTC Group, so it is obvious and natural for us to carry out such activities in fulfillment of our social goals.

In office buildings in Kraków and Łódź, we conducted the #UkrainaNaZdalnym campaign, in which we provided Ukrainians with free workstations, with printer and Internet access.




Property4Ukraine

## Involvement of employees in social actions

Social involvement of our employees is particularly important to us.

We try and create an atmosphere in which our employees willingly participate in various actions – charitable, sports or environmental ones. We support them in these activities.

We feel confident in saying that involvement in social actions not only benefits the communities in which we operate, but also has a positive impact on the well-being and personal development of employees, increases the commitment of the entire team and builds a positive corporate image.

# Social Actions

### Our employees have:



Actively participated in the organization of charitable collections for Ukraine



Participated in a number of social sports events e.g. Love Run Race, Poland Business Run 2023



Taken part in tree planting initiatives in Serbia and Romania



Been involved in social campaigns organized in collaboration with WWF Poland

[GRI 203-1], [GRI 203-2], [GRI 413-1], [Own indicator: Percentage of assets under operational control that have implemented social involvement, impact evaluation and development programs], [Comty-Eng]

## Overview of local social activities

- In each of the countries where GTC is present, we take an active part in many non-profit activities as a partner, organizer or sponsor.
- In 2022, we contributed EUR 429,000 to charitable efforts.



An important place among the actions we carry out or support, not only charitable ones, are those promoting ecology and a healthy, active lifestyle:

### Health promotion campaigns we carried out and/or sponsored

- Yoga classes – promotion of active leisure,
- Physical games for children during the summertime,
- City games for families – promotion of outdoor activities,
- A volleyball festival – promotion of a healthy lifestyle,
- A beach volleyball tournament – The Silesia Cup,
- An open 40+ beach volleyball championship at Galeria Jurajska,
- Bieg przez most (The Run Across the Bridge) in Warsaw,
- Charity volleyball – a JLL volleyball tournament,
- Białołęcki bieg mam (The Moms` Run - Białołęka) in Warsaw,
- Independence run in Warsaw,
- Love run race in Zagreb.

### Eco campaigns we carried out and/or sponsored

- Workshop to celebrate the first day of summer on insect houses, creating a forest in a jar,
- Participating in the Earth Hour campaign,
- Providing space for an exhibition of endangered animal species prepared by the WWF,
- Planting 100 saplings in Belgrade,
- Through sponsorship, we contributed to the planting of trees in Romanian forests,
- Environmentally friendly amenities for employees and customers using our buildings, such as free bicycle repair stations, greening of offices and patios in our buildings, and charging stations for electric vehicles,
- Other environmental education activities, including those related to our partnership with [WWF](#).

# Social Activities

**Charitable activities in support of the disadvantaged are close to all of us. For obvious reasons, in 2022 we focused on initiatives supporting Ukrainian citizens.**

**Parallel to these activities, our local offices carried out many health care-related initiatives. Our support included helping the following institutions:**

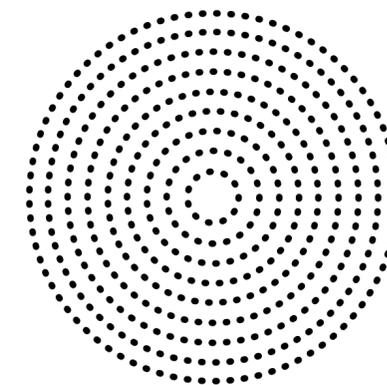
- **Sofia Pediatric Hospital,**
- **KAPTÁR Adult Day Care Center in Budapest,**
- **The intensive care unit for premature infants of St. John's Hospital in Budapest.**

The KAPTÁR Adult Day Care Center in Budapest is a specialized private institution catering to the complex needs of 25 young people with intellectual and developmental disabilities (IDD), as well as 7 young adults facing severe forms of intellectual disability and autism. We are proud that through our cooperation we were able to contribute just a little to bringing more frequent smiles to the faces of KAPTÁR's residents in 2022.



# Charity

# Social actions in selected buildings owned by the Group:



## Poland, office buildings

### SOCIAL GOAL

- We added further improvements for the needs of people with disabilities: we added Braille lettering, provided an application for the deaf, and modernized restrooms.
- In office buildings in Krakow and Lodz, we conducted the #UkrainaNaZdalnym campaign, in which we provided Ukrainians with free workstations, with printer and Internet access.
- We provided financial support to those in need in Ukraine.
- We organized a collection of toys and candy for children in Ukraine.
- We organized a collection of clothing as part of the #PomaganiePrzezUbranie [helping through clothing] campaign.
- In Korona Office Complex (Krakow), we provide a salt cave for tenants, free of charge.

- In the Aeropark Business Centre complex (Warsaw), we organize free yoga classes for the complex's employees every Tuesday.
- In the office complex in Lodz, we provided space for a blood donation event organized with the tenants.
- We modernized our patio and greened the space in the UBP complex in Lodz.



### ENVIRONMENTAL GOAL

- We provided free bicycle service for the employees of the complex.
- We installed electric car charging stations.
- We organized an electro-waste collection in which we gave away plants or seeds in exchange for junk.
- We organized days to promote cycling and provided free bicycle service for the complexes' employees.



# Social Actions

## Warsaw, Galeria Północna

### SOCIAL GOAL

- We introduced quiet hours in effect every Thursday to make customers who are disturbed by intense stimuli more comfortable.
- We organized a collection of donations for Ukraine and a free Polish language course for Ukrainian refugees.
- Every month, together with the “Association of Honorary Blood Donors Biało-Krewka” we organized a blood donation point.
- Every month, we provided space for a blood donation point as part of an action organized by the Polish Red Cross and the PCK Białołęka Club of Honorary Blood Donors.
- We rented space free of charge to volunteers from UNICEF, WWF, DKMS, the Zaczytani Foundation and local associations and offered publicity support to them.
- We organized a picnic that included free theatrical performances for children and adults, live concerts, and a firefighter show.

- We held garage sales every month.
- We organized free yoga classes during the holiday season.
- We sponsored sports events such as the Moms’ Run, the Run Across the Bridge, the Independence Run and the Freedom Run.

### ENVIRONMENTAL GOAL

- We invested in 224 photovoltaic panels, which will allow us to generate up to 100 MWh of clean energy per year!
- We provided space for an endangered animal species exhibition developed by the WWF.

# Galeria Północna



## Częstochowa, Galeria Jurajska

### SOCIAL GOAL

- We integrate the local community by organizing family picnics with free concerts, educational events for schools and sports events.
- We promote a healthy lifestyle. We organize periodic sports tournaments on dedicated beach volleyball courts in the mall area.
- We are a regular sponsor of local sports teams: Raków Częstochowa and Włókniarz Częstochowa.
- We help residents of Częstochowa to settle their taxes by providing free accounting services in the mall area (in cooperation with Mikulska Accountants). Each year about 300 people use this type of assistance.
- In cooperation with the Kennel Club of Częstochowa, we organize the PET FAIR, where local entrepreneurs have a chance to present themselves as well. The fair is an opportunity to get expert knowledge on the safety of your pet on the road and many other aspects, related to animals.

- We train in pre-medical first aid and organize rescue demonstrations in cooperation with local Public Benefit Organizations.
- We organize health and beauty fairs with free screening tests for residents of the city and surrounding areas in cooperation with the Rescue Team in Częstochowa.
- MAMMOBUSES” [mobile mammography testing points] periodically appear in the Galeria Jurajska area, examining our female customers. The examinations carried out by NZOZ Largo take place within the framework of the „Population Program for Early Detection of Breast Cancer, for women in the age range of 50-69 which is financed by the National Health Fund.
- Together with Hegelmann Poland, we conducted a collection of donations for Ukrainian refugees.



# Galeria Jurajska

- We nurture local customs and traditions. In 2022, the Song and Dance Ensemble „Silesia” was hosted on Galeria Jurajska’s stage. Moreover, we invited local kindergartens to an Easter competition for the most beautiful, giga Easter egg, decorated with traditional methods – encouraging the cultivation of traditions from an early age.
- We care about the safety of children – before the vacations we distributed several hundred special anti-lost wristbands, which, in addition to their traditional function (contact details of the child’s guardian) had a protective function – each of them was equipped with a UV indicator.
- Every month we organize garage sales. In 2022, more than 50,000 people visited them. The events designed to promote pro-environmental attitudes, as well as ideas related to circular fashion and zero waste, attracted more than 600 exhibitors from all over the region.

- We promote local schools, associations and all sorts of institutions that encourage children and young people to spend their free time creatively - by organizing a regular Extracurricular Activities Fair in mall.
- In cooperation with the Brother’s Eye Foundation, we co-hosted the celebration of World Down Syndrome Day, educating customers what disability is and taming relationships with people with disabilities. The event aimed to break down barriers, but also to show full solidarity with people with Down syndrome.

# Jurajska



# Galeria

## Belgrade, Ada Mall

### SOCIAL GOAL

- We organized more than 300 educational workshops for children.
- We collected more than 500 kilograms of toys, books, and food for the needy through the „Last Christmas” campaign.
- We supported more than 30 local farmers and local fashion designers by providing a booth or promotional events.
- We donated EUR 10,000 to cover the cost of a 15-year-old girl's brain surgery.
- We donated to the ADRA organization to support Ukrainian refugees.
- We funded cash prizes in an art competition at 3 local schools.
- We entered into a partnership with the Red Cross, Dječje Selo (Children's Village) and Kuća za Žene (Home for Women), where we organized multiple charity events.

### ENVIRONMENTAL GOAL

- We planted 100 saplings in Belgrade.
- We report on our environmental impact for the Ada Mall project.

**To learn more about the data compiled by Ada Mall, click [HERE](#)**



## Budapest

### SOCIAL GOAL

- We provided financial support to the KAPTÁR Day Care Center.
- We financially supported the intensive care unit for premature babies at St. John's Hospital in Budapest. The life-saving support is for the hospital's youngest patients.
- GTC's Hungarian asset management team initiated the collection of Christmas gifts in all the buildings we manage.
- We are founder and financial supporter of the BUILDING ON ART, HUNGARY Programme and Voluntary Cooperation Platform that aims to promote the inclusion of artistic content in real estate investments in Hungary.

## Sofia

### SOCIAL GOAL

- We donated to refugees from Ukraine.
- We sponsored the purchase of a blood infusion treatment warmer for a local pediatric hospital.

## Zagreb

### SOCIAL GOAL

- We donated money for the refugees in Ukraine.
- We donated cinema tickets for the Red Cross homeless shelter in Zagreb.
- We donated to the "Love Run".

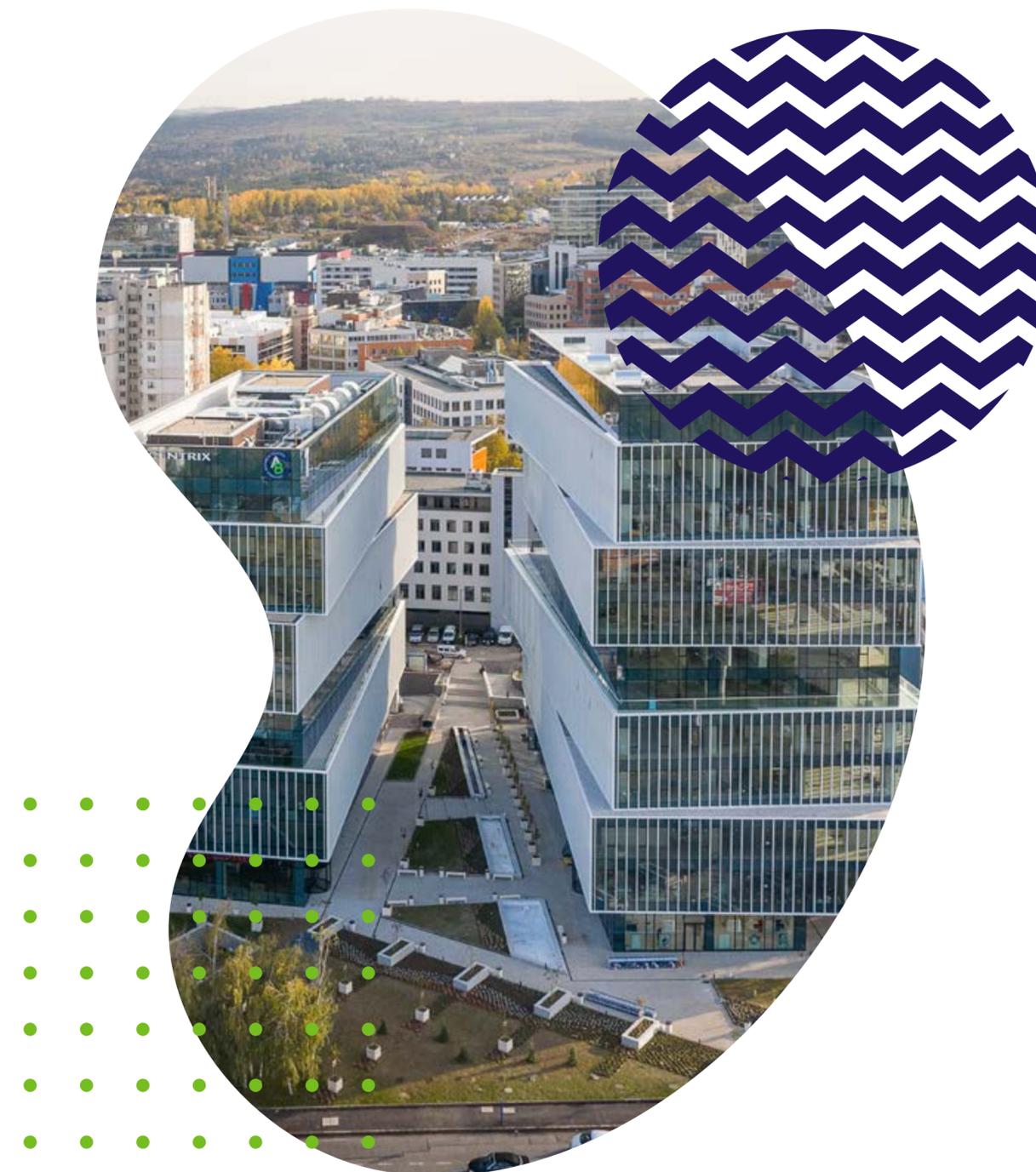
## Bucharest

### SOCIAL GOAL

- We donated money for the refugees in Ukraine.
- We promoted volunteering among our employees and tenants.
- We volunteered for SOS Satele Copiilor.
- All our buildings were illuminated in purple to honor International Day of Persons with Disabilities - Purple Night.

### ENVIRONMENTAL GOAL

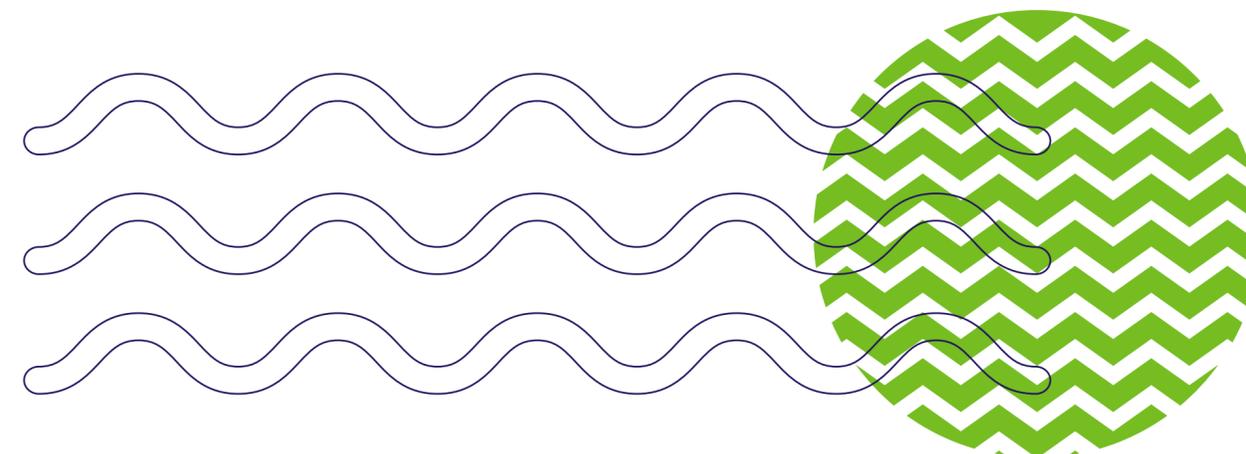
- Sponsorship for planting trees in Romanian forests.



[GRI 3-3]

## Our organizational culture

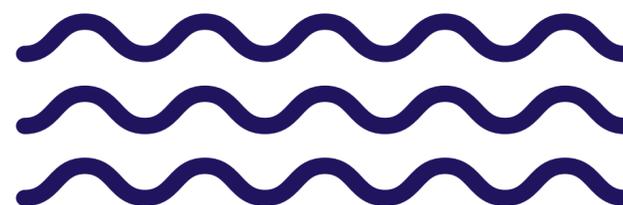
We take a fair and transparent approach to people management, as described in our employment regulations and diversity policy. We base our management practices in this area on the principles of responsible business and our values.



**The foundation of our corporate culture is formed by stability, responsibility, diversity, dialogue, teamwork, quality, and innovation. Respect for each person who contributes to our teams is ensured, among other things, by the Group's Diversity Policy:**

- we focus on respecting employees regardless of their gender, age, education and/or cultural heritage,
- our goal is to integrate employees in their workplace and to ensure that all employees are treated equally at work.

Organizational



Culture

[GRI 403-1], [GRI 403-2], [GRI 403-3], [GRI 403-4], [GRI 403-5], [GRI 403-6], [GRI 403-7], [GRI 403-9], [Emp-Training], [Emp-Dev]

## Health and safety in the workplace

We care about the safety of our employees, while taking care of safety and compliance with employment standards during construction work carried out by general contractors.

We strictly adhere to the principles of health and safety in the workplace:

- GTC Group companies conduct mandatory occupational health and safety (OHS) training and additional training in accordance with the law.
- Any changes in the OHS field are implemented, at a minimum, after consultation with the country's management.
- Any employee can submit his or her comments on OHS to both the Management Board and the HR department.
- In accordance with the law and our company's internal regulations, employees are informed of OHS changes each time by the HR representative responsible for the country.

- Individual companies have an OHS system in place in accordance with legal requirements in the markets where they operate.
- OHS-related training is provided in each country.
- In 2022, as in the previous year, we recorded no serious injuries.



# Health

## Health promotion among employees

**Our employees can benefit from additional medical care provided by an independent third party. Furthermore, we strive to support employees in strengthening healthy habits of active lifestyles and healthy eating.**

**Initiatives at many of our locations include:**

- fresh fruit delivery
- yoga classes
- periodic health checks
- private health insurance
- sports passes



## Examples of local goals and initiatives

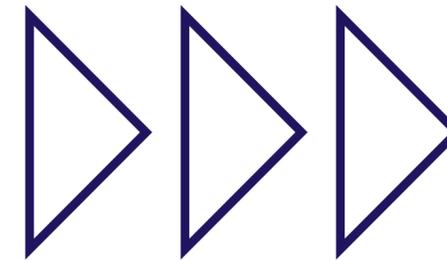
- private health insurance
- periodical health checks for all employees
- mandatory instructions regarding the health and safety working conditions
- develop and maintain safe systems of work, and a safe working environment
- consult on these topics with employees as well as health and safety experts
- provide information and training for employees
- assess all risks before work starts on new areas of operation
- remove unacceptable risks to work safety
- encourage a smoke free workplace
- encourage more physical exercise
- daily deliveries of fresh fruits and vegetables in the office
- free gym pass to all employees



[GRI 3-3], [GRI 404-1], [GRI 404-3]

# Training and competence development

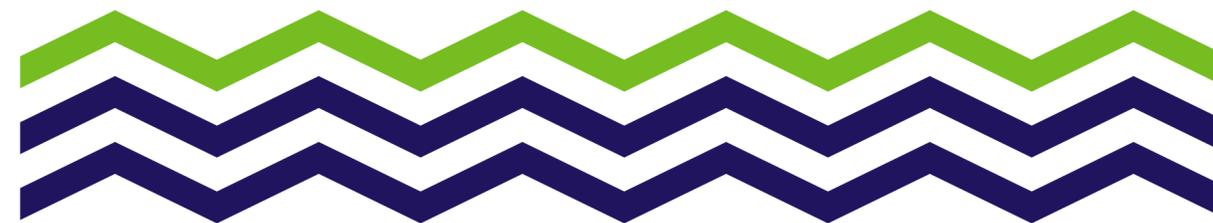
Our ambition is to provide employees with a workplace that supports their knowledge and skill development.



The competencies and level of engagement of our employees are a fundamental asset without which we would not achieve any of our goals. Clear training policies and transparent career development paths are basic expectations of our employees, and we strive to meet them in the best interest of all.

- We invest in employee development by offering specialized training related to their respective positions and facilitating participation in industry events.
- Once a year, GTC SA conduct performance evaluations for each employee, discussing their strengths and identifying areas for improvement.
- Each employee receives an individualized development plan tailored to their position and role within the organization.

2021	2022
<ul style="list-style-type: none"> <li>• In 2021, our employees participated in a total of 1,196 training hours.</li> <li>• The average number of training hours per employee is 5.7h.</li> </ul>	<ul style="list-style-type: none"> <li>• In 2022, our employees participated in a total of 2,820 training hours.</li> <li>• The average number of training hours per employee is 14.5h (3,052 training hours in total; 13.6h per employee and co-worker).</li> </ul>

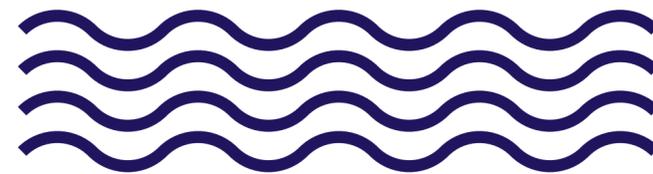


# Ambition

## Local development activities

- We encouraged our employees to participate in activities related to their occupation such as fiscal consultancy sessions for accountants and technical and real estate conferences.
- Our employees are motivated by attending conferences and we also organize internal training sessions.
- We believe training is a two-way process. We encourage employees to participate and to highlight any gaps in their own skills or knowledge they believe they have.
- Most significant training topics: GDPR, legal, leasing, accounting, tax and marketing training, English language courses, construction engineering, Microsoft office, technical and real estate conferences, IR conferences, legal and leasing conferences.

- Mall Managers and Deputy Mall managers from Serbia, Poland and Bulgaria participated in cross-border training. The discussion concerned cutting-edge practices in valuation, marketing, facility management and customer engagement deployed across Europe, Asia and in the USA. GTC Shopping Centers Marketing Training took place in Sofia in July 2022. Serbian Marketing team together with Mall manager learnt some great tips about the science behind being truly creative and innovative, including the method of using Simple, Specific and Unique, Dynamic Connections approach, etc.



# Promotion



## Selected conferences attended by our Employees

### Fiscal/accounting conferences

- TaxEU Forum 2022 in Romania
- IFRS course
- Tax & Finance Forum 2022 in Romania
- Webinar series – Challenges of annual reporting: Annual Reporting by Listed Companies. IFRS – current and future challenges
- Webinar series – Challenges of annual reporting: SF taxonomy
- Webinar series – Challenges of annual reporting: ESEF
- RRIF Tax position of real estate
- Financial reporting by issuers – compliance with applicable regulations (financial framework), in particular IAS/IFRS and ESEF (Uniform European Reporting Format)
- RRIF Peculiarities of the annual calculation in the construction industry

### Real estate conferences

- CEE GRI
- Europa Property Investment & Manufacturing Awards
- European ESG Property Forum
- CEE Property Forum, Vienna
- Portfolio Property X 2022 Conference in Balatonfüred
- Conference Balrec
- MAPIC
- Property & Facility Conference in Romania
- ROFMA
- SEE Property Forum
- CEE Property Forum
- Residential market trend
- Polish Real Estate Summit

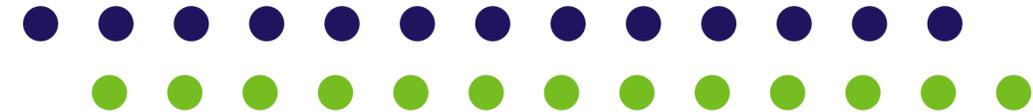
### Legal

- Webinar „Upcoming changes in EU regulations”
- Webinar „Changes in the Labor Code”
- Webinar within the FRN „New powers and duties of supervisory boards”

# Employees



## Selected conferences attended by our employees



# Conferences

### ESG

- European ESG Property Forum
- Webinar „Green energy for issuers”
- Webinars:
  - „Disclosure obligations of issuers in the field of non-financial information”
  - „ESG and financing of companies in the real estate industry”
  - „Financing sustainable development – basic issues”
  - „Decarbonization of companies according to the Science-Based Target methodology: How to start and define targets?”
  - „What can be gained by implementing an energy strategy?”

### Marketing

- Weekend Media Festival and Marketing training in Bulgaria

### IR

- Webinar „Fulfillment of disclosure obligations by issuers of securities – supervisory experience and market practices in this area”
- Webinar „Prevention of money laundering and financing of terrorism in the capital market sector in the legislative context”
- Webinar series - „Challenges of annual reporting: DPSN2021”
- Webinar „AML for ‚ordinary’ issuers”
- Webinar „Impact of economic sanctions on the operation of listed companies”
- XIII Congress on Investor Relations of Listed Companies, SEG
- FRN Conference „CSDD, ESG, Management Board and Management Incentive Programs, Amendments to the Companies Act and Audit Committees’ Work Plan”
- Webinar as part of the XII FC „Insider list as a tool to control the flow of information.”
- Webinar as part of XII FC „When does insider information arise?”

# Employee benefits

**We strongly believe in the potential and creativity of individuals. It is our priority to ensure that our employees are not only content but also productive, as their well-being directly impacts their efficiency.**

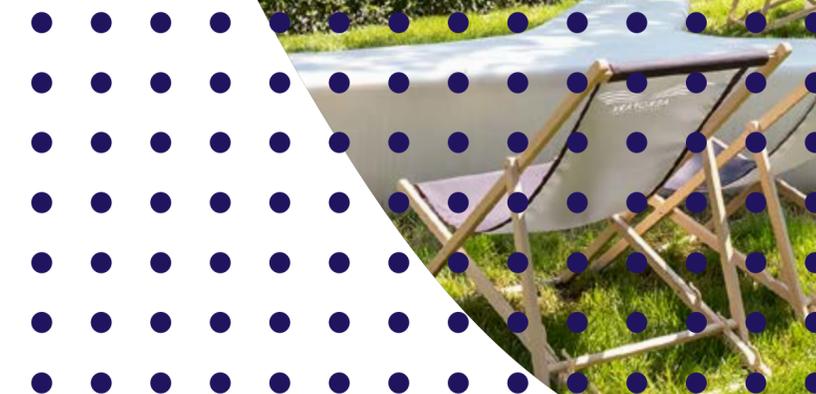
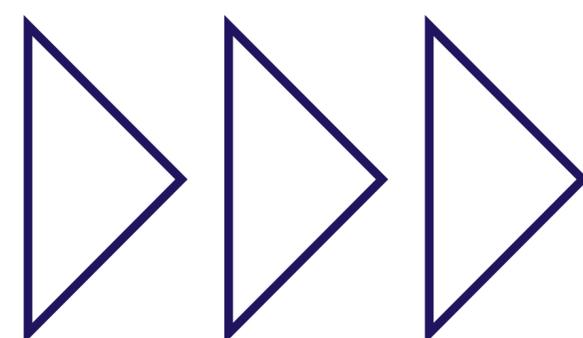
That's why we go the extra mile to provide them with a range of additional amenities.

The specific benefits we offer may vary from country to country, tailored to meet the needs and preferences of our employees. These benefits encompass various aspects such as financial rewards, physical well-being, and personal development.

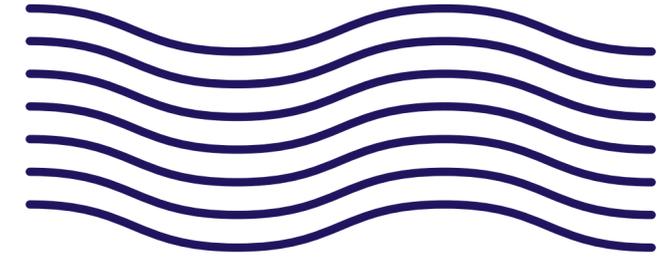
**Here are some examples of the benefits we provide:**

- An annual bonus scheme,
- Comprehensive private healthcare insurance coverage,
- Access to a well-equipped gym or sports vouchers,
- Transportation cost reimbursements,
- Weekly availability of fresh fruits for our employees,
- Free yoga classes available in Hungary, Bulgaria and Poland.

Furthermore, we actively organize educational campaigns that aim to promote a healthy lifestyle and encourage pro-health behavior among our workforce. We firmly believe that these measures contribute to the overall satisfaction and well-being of our employees.



[GRI 3-3], [Own measure: Description of approach to measuring customer/tenant satisfaction]



## Caring about relationships with tenants

By fostering open and honest communication, we build relationships based on tenant support and the provision of safe and friendly office spaces. Our dedicated teams are responsible for maintaining these tenant relationships.

They work collaboratively with lawyers, public institutions, insurance companies, and contractors to address the needs and concerns of our tenants. We also gather information about tenant requirements and feedback through marketing research and direct inquiries at our information points.

**Here are some key aspects of our tenant communication:**

- We engage in individual meetings with all tenants and provide regular newsletters to keep them informed.
- In commercial projects, we utilize various internal communication channels such as our website, newsletters, and LED screens.

- Since 2021, in Poland, we have implemented a modern tenant communication application called WELCOME GTC. This innovative tool allows tenants to access and utilize the office environment in an entirely new way, tailored to their specific needs.

The effectiveness of our tenant collaboration approach is evident through rental indicators, a roster of long-standing brand partners who have been our tenants for years, ongoing tenant feedback, and our financial results.

The environmentally and socially certified buildings we offer to our tenants assist them in achieving ESG goals and supporting the United Nations Sustainable Development Goals, particularly those related to the environment and climate, as well as social aspects related to the quality of the working environment. Certification requirements enable, among other things, reduced energy, and resource consumption, thus minimizing the negative impact on the environment and associated costs.

To learn more about our environmental initiatives, please visit [HERE](#).



# Tenants

# Governance

Leadership and corporate governance principles

Ownership structure

ESG management model

Ethics and values

ESG risk and opportunity management

Responsible supply chain management

# 05



[GRI 2-9], [GRI 2-10], [GRI 2-11], [GRI 2-12], [GRI 2-13], [GRI 2-17], [GRI 2-18], [GRI 2-19], [GRI 2-20], [Gov-Selec], [Gov-Board]

## Leadership and corporate governance principles

The implementation of our business strategy and the resulting ESG Policy requires us to take a careful approach to governance issues.

Our operations are regulated by several documents, including the „Articles of Association” which, among other things, set out the rules for holding the General Meeting and appointing Management Board members, as well as the „Commercial Companies Code” and internal regulations.

GTC is doing its best to comply with the Code of Best Practices for WSE Listed Companies („Best Practices”). Among a number of recommendations, we comply with the disclosure obligations required of listed companies, ensure the transparency of our operations, and incorporate ESG issues into our business strategies. A detailed description of our practices

is provided in GTC Management Board's annual management report on operations.

The General Meeting of Shareholders, the Supervisory Board, and the Management Board are the bodies of the Company. The Supervisory Board has appointed the Audit Committee and the Remuneration Committee. For the transparency of our activities, we make the Group's corporate documents available to stakeholders on our website: <https://www.gtcgroup.com/en/investors/corporate-governance/codes-policies-and-documents>



# Leadership

## General Meeting

**The General Meeting of Shareholders operates based on Polish Commercial Companies Code regulations and the Company's articles of association.**

The General Meeting of Shareholders makes resolutions concerning the following issues:

- Approving the management reports and financial statements,
- Deciding on profit distribution or loss coverage,
- Granting discharge to Management Board and Supervisory Board members from the execution of their duties,
- Determining the remuneration of the Supervisory Board,
- Amending the Company's articles of association,
- Increasing or decreasing share capital,
- Merging or transforming the Company,
- Dissolving and liquidating the Company,
- Issuing convertible or preferential bonds,
- Selling or leasing the Company, and establishing the right to use or sell the Company's entity,
- All provisions related to claims for damage repair upon Company establishment or during the execution of management or supervision.

# Meeting

The General Meeting is attended by individuals who were shareholders of the Company sixteen days prior to the date of the General Meeting (the date of registration for participation in the General Meeting).

The General Meeting of Shareholders makes decisions regarding the issue or buyback of the Company's shares. The Management Board's powers in this regard are limited to the execution of all resolutions adopted by the General Meeting.

## Supervisory Board

The composition of GTC's Supervisory Board changed in 2022. We transparently inform our stakeholders about the current composition of the Supervisory Board. You can read more about the experience and diversity of the Supervisory Board members [HERE](#).

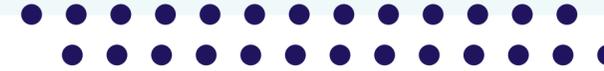


Supervisory Board members are appointed for a term of three years. In 2022, Artur Kozieja, Gyula Nagy, and Bruno Vannini were newly appointed to the Supervisory Board, and Mariusz Grendowicz and Marcin Murawski were reappointed.

Composition



**János Péter Bartha**  
Chairman of the Supervisory Board



**Lóránt Dudás**  
Member of the Supervisory Board



**Balázs Figura**  
Member of the Supervisory Board



**Mariusz Grendowicz**  
Member of the Supervisory Board



**Artur Kozieja**  
Independent Member of the Supervisory Board



**Marcin Murawski**  
Independent Member of the Supervisory Board



**Gyula Nagy**  
Member of the Supervisory Board



**Sławomir Niemierka**  
Independent Member of the Supervisory Board



**Bálint Szécsényi**  
Member of the Supervisory Board



**Bruno Vannini**  
Member of the Supervisory Board



**Dominik Januszewski**  
Independent Member of the Supervisory Board  
(since 16 May 2023)

The Supervisory Board has between 5 and 20 members, including the Chairman of the Supervisory Board. Each shareholder who individually holds more than 5% of the Company's share capital (the „Initial Threshold”) has the right to appoint one member to the Supervisory Board. Shareholders also have the right to appoint one Supervisory Board member from each stake held representing 5% of the Company's share capital above the Initial Threshold.

Members of the Supervisory Board are appointed by a written notice made by eligible shareholders delivered to the Chairman of the General Meeting of Shareholders at a General Meeting of Shareholders or outside a General Meeting of Shareholders, delivered to the Management Board including a written statement by the elected person that he/she agrees to be appointed to the Supervisory Board.

The number of members of the Supervisory Board shall be equal to the number of members appointed by eligible shareholders, plus one General Meeting Delegate, provided that in no case will this number be fewer than five.

The Supervisory Board conducts its operations in accordance with the Commercial Companies Code, as well as on the basis of the provisions of the

Company's Articles of Association and the Regulations of the Supervisory Board dated 14 April 2005, as amended by the General Meeting of Shareholders on 16 May 2017.

In accordance with the articles of association, the Supervisory Board performs ongoing supervision of GTC S.A.'s operations.

The members of the Supervisory Board take the necessary steps to receive regular and comprehensive information from the Management Board on important matters relating to the Company's operations and risks and risk management strategies.

The Supervisory Board may (without prejudice to the competence of other bodies of the Company) express its opinion on all matters related to the Company's operations, including submitting motions and proposals to the Management Board.



# Supervisory

## In addition, in the performance of its duties, the Supervisory Board:

- once a year prepares and presents before the Annual General Meeting a concise evaluation of the Company's situation, including an assessment of the internal control system and the system for managing areas of risk that are relevant to the Company,
- once a year draws up and presents before the Annual General Meeting an evaluation of its own operations,
- once a year prepares and presents before the Annual General Meeting a Remuneration report, an overview of the remuneration model of Globe Trade Centre S.A. as it reflects the total remuneration of the members of the Management Board and the Supervisory Board of the Company,
- discusses and gives its opinion on matters that will be the subject of resolutions of the General Meeting.

# Duties



**Apart from the matters defined in the Commercial Companies Code or other applicable laws, the competencies of the Supervisory Board shall include the following:**

**a) the determination of remuneration**

(including commissions) for the members of the Company's Management Board and representing the Company when executing agreements with Management Board members and in any disputes with Management Board members;

**b) granting consent to the Company or an entity controlled by it for entering into a related-party transaction,** in each case other than any intra-group transactions i.e., transactions between the Company or an entity controlled by it with another entity controlled by the Company (the term "control" and "related-party transaction" shall be understood as provided in International Accounting Standard 24 (Related party disclosures));



# Competencies

**c) granting consent for the Company or an entity controlled by it to execute a transaction**

(in the form of a single legal act or a number of legal acts) resulting in the acquisition or disposal of assets, or the creation of a liability, in excess of EUR 30 million, except for (i) scheduled or early debt repayment; and (ii) hedging transactions in relation to such debt that have been approved by the Supervisory Board under this point; for the avoidance of doubt, prior to entering into any of the transactions referred above in this point c), in addition to the consent of the Supervisory Board, the consent of the respective management bodies of the entity controlled by the Company or the consent of the Management Board of the Company itself shall also be required, as the case may be, in each case to the extent required by (a) the constitutional documents of the entity controlled by the Company or this statute and (b) the respective legislation.

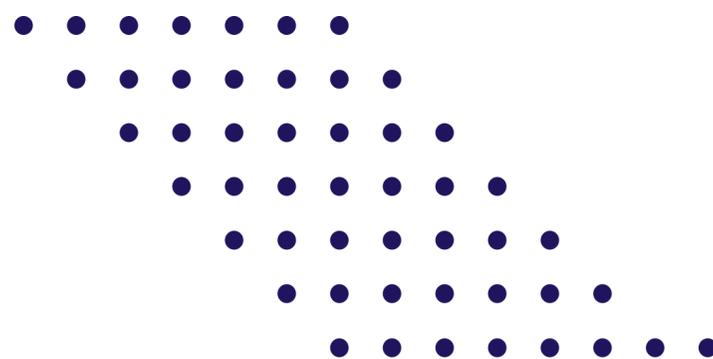


The Supervisory Board has the authority to establish committees for the purpose of investigating certain matters within its competency, or to act as advisory and opinion-forming bodies for the Supervisory Board. The currently functioning committees include the Audit Committee and the Remuneration Committee.

The main responsibilities of the Audit Committee involve performing assessments of financial control administration, financial reporting, as well as internal and external auditing within GTC Group, and providing advice to the Supervisory Board in these areas as necessary.

The Remuneration Committee is responsible for making recommendations to the Supervisory Board with respect to the remuneration of the members of the Management Board and the policies for setting such remuneration.

The remuneration paid to members of the Supervisory Board was awarded and paid in accordance with the Remuneration Policy. Members of the Supervisory Board received fixed remuneration for their role on the board and in some cases additional compensation for performing extra roles in a separate committee (or committees) of the Supervisory Board. The remuneration of the Supervisory Board is approved by the General Meeting of Shareholders.



# Authority

# MANAGEMENT BOARD



**Zoltán Fekete**  
CEO, President of the Management Board

President of GTC's Management Board as of 17 March 2022. Previously, he was a member and Chairman of GTC's Supervisory Board. Mr. Fekete has more than 30 years of experience in international investment banking and private equity funds. During his career, he has executed multiple IPOs, M&A transactions and private equity investments in real estate, technology, and life sciences.



**János Gárdai**  
COO, Member of the Management Board

Member of GTC's Management Board and Chief Operating Officer as of 1 February 2022. He has been involved in all aspects of the real estate development business for over 22 years, holding successive positions at White Star Real Estate (AIG/Lincoln): Chief Financial Officer, Chief Development Officer, Managing Director, and Country Partner. He managed and supervised the operations of the Hungarian office and was involved in real estate development, property management, asset management and acquisitions as well as new business opportunities. Over the years, he managed investments with a total value of EUR 400 million.



**Barbara Sikora**  
CFO, Member of the Management Board

Member of GTC's Management Board and Chief Financial Officer as of 1 May 2023. She is a senior financial executive involved in all aspects of corporate finance and business development, managing large groups of companies as a Management Board member, CEO and CFO. Barbara Sikora has nearly 20 years of experience in the construction and real estate sectors, as well as in auditing and transaction processing. She holds a master's degree from the Poznań University of Economics (Department of International Relations, International Financial Management), Executive Master of Business Administration (EMBA), University of Illinois at Urbana-Champaign, USA. She is a Certified Internal Auditor (CIA), a member of the Institute of Internal Auditors and a member of the Association of Chartered Certified Accountants (FCCA).

In 2022 and at the beginning of 2023, significant changes in the composition of GTC's Management Board took place. János Gárdai joined the Management Board as Chief Operating Officer, Zoltán Fekete as President, and Barbara Sikora as Chief Financial Officer, while Yovav Carmi, Gyula Nagy, Pedja Petronijevic and Ariel Alejandro Ferstman resigned from their positions as Management Board Members.



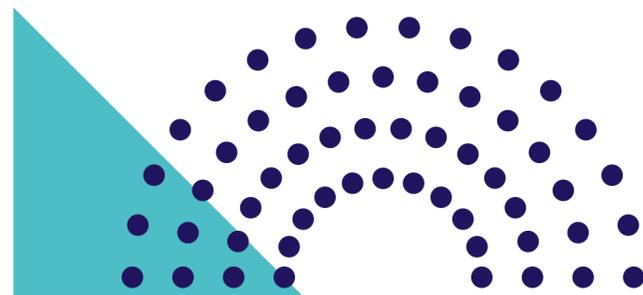
# Management Board

[GRI 2-10], [GRI 2-18], [GRI 2-19], [GRI 2-20], [Gov-Selec]

The Management Board of the Company is responsible for the day-to-day management of the Company and its representation before third parties. All matters relating to the Company's operations fall within the scope of the Management Board's activities, unless they fall within the competence of the Supervisory Board or the General Meeting by law or the Articles of Association.

According to Article 12 of the Articles of Association, the Management Board comprises between 1 and 7 members, appointed by the Supervisory Board for a three-year term.

In addition, the Supervisory Board appoints the President of the Management Board (CEO) and may appoint a deputy. The Management Board meets at least once a month, but usually meets weekly.



Management Board members attend the General Meeting of Shareholders and answer questions raised at the General Meeting. In addition, Management Board members are invited to meetings of the Company's Supervisory Board by the Chairman of the Supervisory Board and participate in its meetings with the right to express their opinions on matters on the agenda.

The Management Board is responsible for the Group's strategy and operations and seeks to achieve its strategic and financial goals. The Management Board and senior management include experienced real estate professionals with a combination of local market knowledge and international experience. In making decisions regarding the Group's affairs, Management Board members act within reasonable limits of economic risk. In their decisions, they take into account ESG aspects relevant to our industry and key sustainability results are a component of the Management Board's performance evaluation.

# Performance

In accordance with the provisions of the Polish Commercial Companies Code, the Supervisory Board performs ongoing supervision of the Company's operations. In performing its supervision, the Supervisory Board may request from the Management Board any information and documents relating to the Company's operations. In addition, once a year the Supervisory Board prepares the Annual Supervisory Board Report, in which it presents an assessment of how the Management Board and the Supervisory Board are performing.

In the Supervisory Board's opinion, in 2022 the Company fulfilled all obligations relating to the application of the principles of corporate governance set forth in the WSE Rules and the law on the disclosure of current and periodic information to the public by issuers of securities.

In 2022, the Supervisory Board positively assessed the way the Management Board prepared and disclosed information, documents, reports or explanations requested by the Supervisory Board, required to exercise supervision over the Company's operations.

In 2022, the General Meeting of Shareholders adopted a new Remuneration Policy. It states that the remuneration of Management Board members is set by the Supervisory Board at a level appropriate to each member's position on the Management Board and related duties, and the level of remuneration depends on, among other things, additional functions performed, the qualifications and professional experience of the members, the current market and economic situation, as well as the financial and operational situation and the needs of the Company.

The Remuneration Committee is responsible for making recommendations to the Supervisory Board on the remuneration of Management Board members and the rules for determining such remuneration.

- We publish more extensive information on the biographies of current Management Board Members [HERE](#).
- Detailed responsibilities, duties, and procedures of the Management Board are set forth in the Bylaws of the Management Board, which are available [HERE](#).



# Supervision

# Ownership Structure

Shareholders holding more than 5% of Globe Trade Centre S.A.'s shares as at 31 December 2022

- **GTC Dutch Holdings B.V.**
- **Icona Securitization Opportunities**
- **Group S.A R.L.**
- **Powszechne Towarzystwo Emerytalne PZU S.A.**  
(managing PZU "Złota Jesień" Open Pension Fund)
- **Powszechne Towarzystwo Emerytalne Allianz Polska S.A.** (managing jointly Allianz OFE, Allianz DFE and Drugi Allianz OFE)

**Globe Trade Centre S.A.<sup>18</sup>, a WSE and JSE-listed Company is the dominant entity of GTC Group.**

<sup>18</sup> In the report referred to as „GTC S.A.”, „Company”.



**17.05%**  
Free Float

**3.81%**  
GTC Holding Zártkörűen Működő Részvénytársaság („GTC Holding Zrt”)

**43.10%**  
GTC Dutch Holdings V.V. („GTC Dutch”)

**15.70%**  
Icona Securitization Opportunities Group S.A R.L („Icona”)

**10.86%**  
PTE Allianz

**9.48%**  
OFE PZU SA Złota Jesień

Structure

[GRI 3-3], [GRI 2-13], [GRI 2-17], [EU/TCFD]

## ESG management model

Sustainability issues are inextricably linked to our business strategy and the map of roles and responsibilities in the Group's organizational structure.

The ESG Policy we have been implementing in our organization since its adoption in 2021, is a compass of ESG priorities and principles for the management and employees.

- We presented the ESG Policy Pillars in [chapter II](#) of this report.

The Management Board is responsible for reviewing the sustainability goals and monitoring the level of their achievement.

The Management Board, supported by the Development and Sustainability Director, decides on goals and activities related to ESG issues. The Management Board considers in its decisions, among other things, the conclusions of the assessment of ESG risks, the results of stakeholder surveys, and annually conducts

a materiality analysis of ESG topics.

The Management Board approves plans for implementing the ESG Policy, including directions for developing the knowledge of our Company's teams in this area.

The ongoing environmental and social certification processes of our properties, among others, is the impetus for continuous education in its practical dimension. Implementing solutions at the highest level required by the certifying bodies involves our managers and entire teams of employees and provides new challenges and information. GTC executives also follow global sustainability trends. In 2022, Management Board representatives participated in the European ESG Property Forum and the CEE Property Forum, where discussions included sustainability issues relevant to our industry.

*We view the goal of making a positive contribution to sustainable development as a fundamental commitment to our stakeholders and, at the same time, as a potential for strengthening GTC's market position. This is evidenced by our business strategy and the effort we put into modeling our real estate portfolio in line with the EU goals of decarbonizing our operations. We manage our business operations based on recognized social and environmental standards. Our ambitions require the ongoing development of management and all employees' awareness of ESG opportunities and risks related to the industry and local conditions. We set sound management decisions in the broader context of the economic, social, and environmental challenges faced by both the business and the entire societies of which we are a part. This gives us a long-term perspective for building sustainable value for our shareholders, employees, social and business partners. Therefore, each ESG area has clearly assigned priorities and responsibilities in our Company, and we report results using a broad suite of measurable, transparently reported indicators.*



**Małgorzata Czaplicka**  
IR Director

[GRI 2-14]

# Key roles in the ESG management model

## Management Board of GTC S.A.

Considering ESG and sustainability issues, oversees the activities within the scope of:

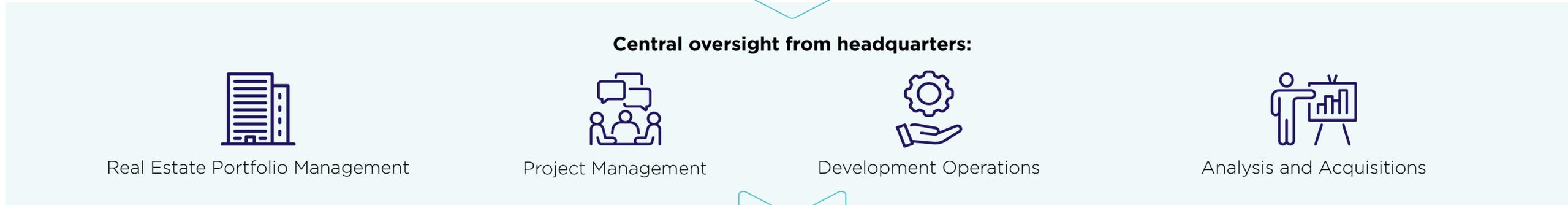


Leading, overseeing the carrying out and implementing the strategy and ESG Policy in the regional offices

### Local offices

Poland Romania Croatia Hungary Bulgaria Serbia

Central oversight from headquarters:



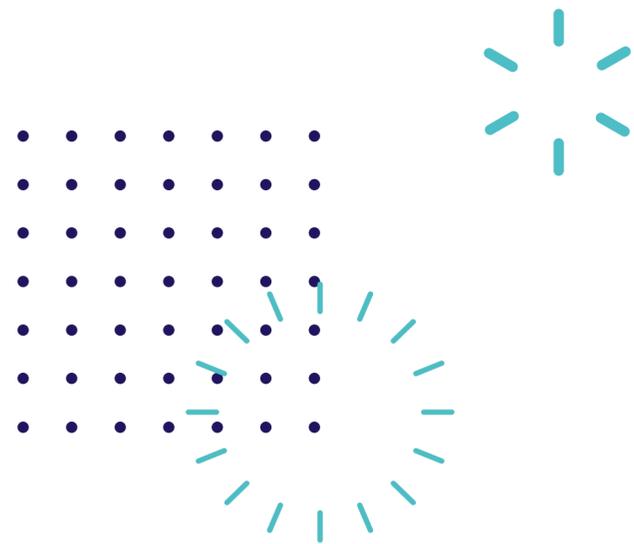
Supervising the implementation of ESG goals and Policies, reporting directly on ESG issues to the Management Board

### Development and sustainability director

Implementing ESG goals and initiatives in each of the Group's areas of operation

### Organisational Units of GTC S.A. and Subsidiaries

As of 2020, we have been disclosing sustainability data in GTC Group's annual ESG report. As a rule, the Management Board actively participates in decisions on the scope of reported information and its materiality. With each edition of the report, Management Board members are involved in the process at the stage of identifying relevant reporting topics, prioritizing them, and then approving the scope of non-financial information disclosed. Our reports are appreciated by expert organizations and a wide range of our stakeholders.



# Management

## The following are our 11 guiding principles

In addition to the ESG Policy, the importance of sustainability and responsible business is also underscored by our Code of Conduct and the principles set forth therein:

1

GTC is steadfastly dedicated to fostering a transparent culture and environment highlighted by trust, honesty, accountability, and an unwavering commitment to the highest professional and ethical standards.

2

Our commitment extends towards pursuing business strategies that are not only economically viable and prosperous, but also socially responsible.

3

Our ethos is rooted in sustainable and socially responsible growth. We are dedicated to cultivating a safe, healthy, and enriching work environment that values each employee.

4

Our commitment towards sustainability, transparency, and responsibility is not just a statement, but a philosophy ingrained in our everyday operations.

5

We uphold and respect local laws and adhere to all applicable regulations in each country where GTC operates.

6

Our actions are congruent with GTC policies, and we ensure that instances of non-compliance are promptly reported and addressed.



7

We are attuned to the interests of our shareholders and stakeholders, and we value their trust and investment in our mission.

8

We celebrate diversity within our organization and fiercely protect human rights, thereby creating an inclusive and respectful workplace environment within GTC.

9

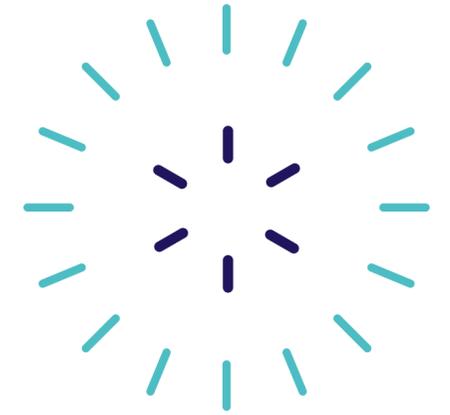
We value and respect every member of our organization, as we recognize that our people are GTC's most valuable asset.

10

Any instances of unethical conduct, disrespect, harassment, or verbal abuse are swiftly addressed by the GTC Management Board and relevant personnel, as they are antithetical to our values.

11

We foster a culture of continuous learning, knowledge sharing, and open communication, enabling us to improve and evolve each day.



Full wording of our Code of Conduct is available [HERE](#).



# Principles

[GRI 3-3], [GRI 2-15], [GRI 2-16], [GRI 2-23], [GRI 2-24], [GRI 2-26], [Gov-CoI]

## Ethics and values

We make every effort to ensure that our operations are conducted in a fair and transparent manner for stakeholders, and we transpose the most important principles into policies and codes of conduct and other internal solutions.

GTC's system of principles, which is publicly available to every employee, is consistent across all Group companies.

### GTC's policies primarily relate to the following areas:

- conducting operations with consideration of the interests of all stakeholder groups,
- protecting assets and developing the real estate portfolio in accordance with the principles of sustainable development,
- equal treatment and the promotion of diversity in the workplace,
- occupational health and safety,
- maintaining confidentiality,
- protecting legally confidential information,
- ensuring that operations comply with the law

- and standards of social coexistence,
- fair competition,
- zero tolerance for any form of corruption, bribery, or undue influence.

### Key regulations that define our approach to ethics in business operations

- Code of Conduct
- ESG Policy
- Whistleblowing Policy
- Anti-bribery and Corruption Policy

Since 2021, we have been using a set of procedures for anonymous reporting of potential violations of the law and ethical standards (Whistleblowing Policy). In accordance with our guidelines, any employee can anonymously report behavior and misconduct of concern, and we guarantee

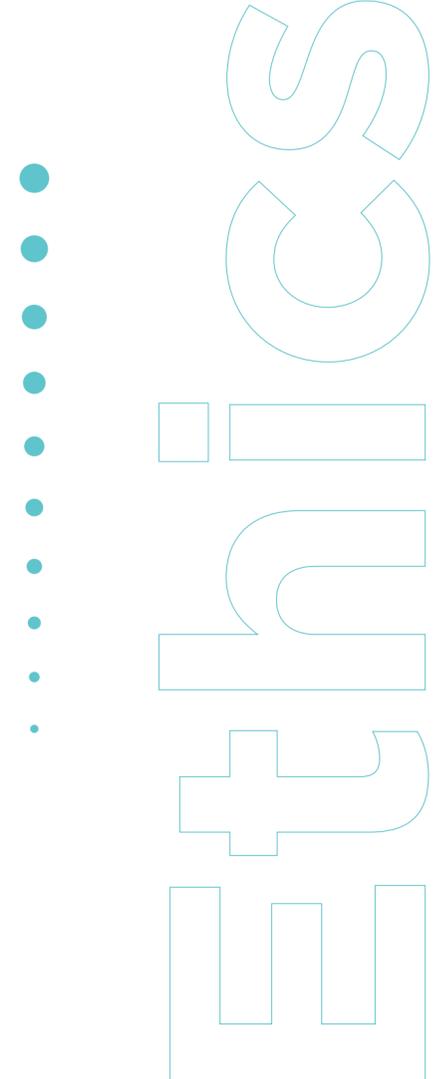


to protect the employee who has made a report in good faith.

### Our whistleblowing policy is aimed to:

- encourage anonymous reporting of suspected misconduct at any time,
- ensure that the whistleblower's concerns are taken seriously and properly attended to, and that their confidentiality is respected,
- provide guidance on the mode of reporting any concerns,
- assure the whistleblower of the right to report concerns without fear of retaliation, even if they turn out to be unfounded.

We strive to encourage openness and support anyone who, in good faith, raises legitimate concerns, even if they turn out to be unfounded.



# RULES OF OUR WHISTLEBLOWING POLICY

## How do you comply?

- 5.1. All GTC Representatives must ensure that they read, understand, and comply with this Policy. To enable this, GTC will provide annual trainings for GTC Representatives. An exam session will be included in the trainings.
- 5.2. If you have any concerns related to suspected wrongdoing, business misconduct or danger affecting any GTC activities, you should report it under this Policy.

## How to raise a concern?

- 7.1. If you have any concerns or questions about issues that fall under this Policy, please contact, of your choice, directly as follows:
  - a) Group Head of Compliance;
  - b) members of the Compliance Unit;
  - c) Outside Contact Person (jointly: the "Contact Persons")
- 7.2. You may approach the Contact Persons in the following manners:
  - a) personally;
  - b) via email to [compliance@gtcgroup.com](mailto:compliance@gtcgroup.com);
  - c) via email to the Outside Contact Person;
  - d) via the Confidential Whistleblowing System.

We care about transparency, so we make all the above regulations public for the benefit of our stakeholders on [our Company's websites](#).



[GRI 2-27], [GRI 206-1]

## Compliance

Compliance with the law and regulatory compliance are the cornerstone of our operations. All transactions and activities we undertake are conducted in compliance with applicable regulations in all markets in which we operate and with community law.

- Our employees are committed to complying with the law and maintaining the highest ethical standards in the workplace, in their relationships with customers, tenants, the social environment and in working with suppliers.
- In our risk management system, we make every effort to ensure that GTC operations are in full compliance with the law.

Globe Trade Centre S.A., as a public company listed on the Warsaw Stock Exchange, is subject to supervision by the Financial Supervision Authority. To ensure compliance of operations in various areas, we have implemented a number of internal regulations in individual markets relating to, among other things, anti-corruption, protection of confidential and legally protected data, and anti-discrimination and mobbing.

In 2022, we did not record any instances of our operations being inconsistent with the law or generally accepted principles of social relations. There were also no legal proceedings (pending or completed) against the Group relating to violations of free competition or monopolistic practices.



# Compliance

**As part of the ESG Policy we have adopted and, as an expression of our management responsibility, we are committed to:**



Actively and openly adhere to business ethics - we strive to conduct our operations in a manner that promotes integrity and transparency. We apply high ethical standards in all areas of our operations.



Conduct operations within the framework of good business ethics.



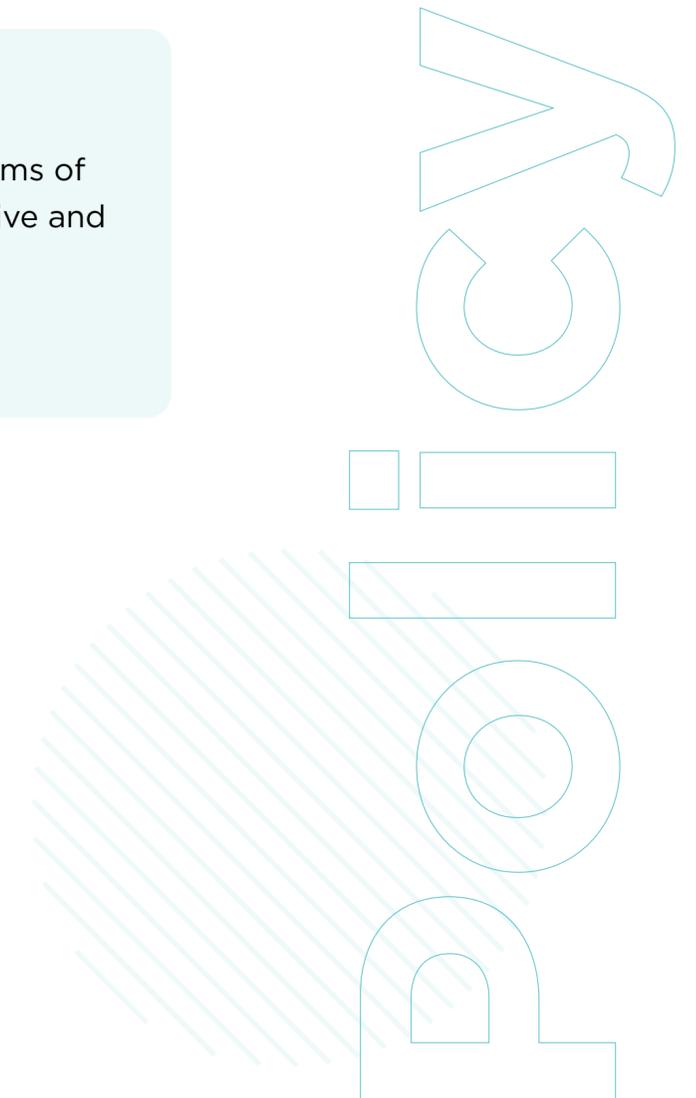
Apply zero tolerance for all forms of corruption, fraud, anti-competitive and monopolistic behavior.



Incorporate legal compliance into every decision relating to investments, development, management practices and other processes.



Take care of the mutual trust of our partners.



[GRI 2-15], [Gov-CoI]

## Avoiding conflicts of interest

In order to avoid situations of conflict of interest, we comply with the Commercial Companies Code and the principles contained in „Code of Best Practices for WSE Listed Companies 2021.” In addition, we have internally established clear rules relating to engaging in activities that could lead to such a conflict. The documents governing these issues are primarily the Anti-Corruption Policy, the Code of Conduct, the Articles of Association, and the Remuneration Policy for Management Board and Supervisory Board members.

In accordance with the Remuneration Policy for Members of the Management Board and Supervisory Board, contracts concluded with Management Board members must contain **mandatory clauses** relating to non-competition and confidentiality. The Supervisory Board



plays an important role in analyzing the risk of potential conflicts of interest and, if such a conflict is identified, takes the necessary steps to resolve the situation.

- GTC representatives are required to immediately report any conflicts of interest or receipt of gifts to the local compliance officer by providing them with a completed disclosure statement. GTC employees are strictly prohibited from using their position to engage in any operation that may lead to a conflict of interest between GTC and their own personal interests.
- Without the consent of the Supervisory Board, no member of the Management Board may engage in competitive operations or participate in a company engaged in competitive operations as an employee, member of the management board or shareholder holding (directly or indirectly) more than 1% (one percent) of the company's shares.

**The rules relating to the issue of conflicts of interest are also guided by the Code of Conduct, section 5.3 of which reads:**

The personal interests of GTC Representatives should never conflict with GTC's principles of conduct if private interests outweigh professional duties. GTC Representatives have a duty to always act in the best interests of GTC and its shareholders. GTC Representatives are required to demonstrate the highest ethical standards, including the avoidance of conflicts of interest.



# Rules

[GRI 205-1], [GRI 205-2]

# Anti-corruption measures

We apply the principle of „zero tolerance for corruption” embodied in our policies and Code of Conduct.

We operate in accordance with the law and the highest ethical standards of business conduct. We expect all our employees and business partners to act responsibly and respect our principles.

**The Anti-Bribery and Corruption Policy** supplements our **Code of Conduct**.



## Anti-bribery and Anti-corruption Policy Objective

GTC intends to strengthen its anti-corruption approach to operations by distinguishing the role of preventive measures from any liability that could result from the failure of preventive measures. Adopting appropriate preventive measures should make compliance not just an exercise in ticking off items on a list, but a tool to encourage GTC to actively improve its own standards and procedures to prevent corruption.

- The Anti-Bribery and Corruption Policy applies to all GTC representatives, its agents and business partners.
- The Group Head of Compliance is responsible for advising GTC's representatives on anti-corruption issues.
- GTC requires that all material contracts entered into with third parties include contractual provisions relating to compliance with the Anti-Bribery and Corruption Policy signed by both parties.

**According to the policy, GTC representatives may not, directly or indirectly:**

- transmit, promise, or offer payments, gifts, or hospitality with the expectation or hope of obtaining a business advantage, or to reward a business advantage already gained,
- transmit, promise, deliver, or offer payments, gifts, or hospitality to a public official, agent, or representative to „facilitate” or expedite a routine procedure,
- accept payments from third parties, which GTC representatives know, or suspect are offered with the expectation that it will bring them business benefits,

- accept a gift or hospitality from a third party, if GTC representatives know or suspect that they are offered or transmitted with the expectation that GTC will provide a business benefit in return,
- threaten or take retaliatory actions against another GTC representative who has refused to commit a bribery offense or who has raised concerns within the scope of the ABC Policy.

	2021	2022
Percentage of employees who received antibribery and antimonopoly training	99%	100%
Number of legal proceedings (pending or completed) relating to violations of free competition or monopolistic practices	0	0
Number of cases of non-compliance of our operations with the law, including situations bearing the characteristics of corruption	0	0



[GRI 3-3], [EU/TCFD]

# ESG risk and opportunity management

**We systematically analyze risks, including ESG risks:**

- we identify key risk factors and take actions to limit them,
- once a year, verify the risk management system and update business procedures,
- raise our employees' awareness about the importance of risk management and encourage them to actively report risky situations and threats related to environmental, social, and corporate governance issues.

We annually revise the risk management framework and update our business procedures. The disclosures on ESG-related risks can be found in our Current, Periodic and ESG Reports.

We are committed to assessing ESG-related risks resulting from our activities

and incorporate them into our risk management framework. We identify key risk factors and effective ways to mitigate risks before they materialize. Senior management, in particular representing the financial, legal and investor relations departments, participates in risk assessment. ESG risks and opportunities, including those related to climate, are discussed at least once a year at meetings of the Management Board and the Supervisory Board.

We are especially responsible for the environment and define short- and long-term environmental risks. We prepare relevant action plans to monitor our climate impact.



# Risks GTC Group identifies, including ESG risks



## Compliance

- Risk of legal disputes and claims
- Risk of changes in the law
- Risks associated with the actions of supervision authorities



## Assets

- Risk of fluctuations in the property portfolio
- Valuation
- Investment risk
- Lease risk
- Risk of increased competition
- Asset risk during the pandemic



## Management and corporate governance

- Business strategy risk
- Asset management ability risk
- Conflict of interest risk



## Employee issues

- Risk of becoming dependent on the management
- Risk of a lack of qualified staff



## External risks

- Macroeconomic risk
- Cyclical property market risk
- Counterparty risk
- Performance risk
- Infrastructure risk
- Other external factors risk



## Financial risks

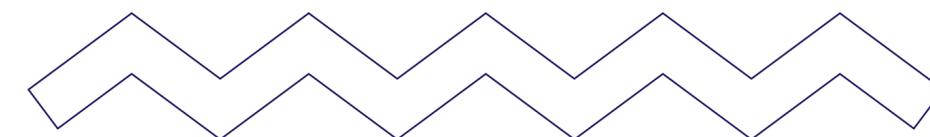
- Currency risk
- Credit risk
- Insurance risk
- Interest rate risk, debt service risk, or the ability to pay dividends
- Shareholding structure risk (fluctuations in share prices and dilution of shareholding)



## Environmental issues

- Risk of compliance with environmental regulations
- Climate risk

# Risks

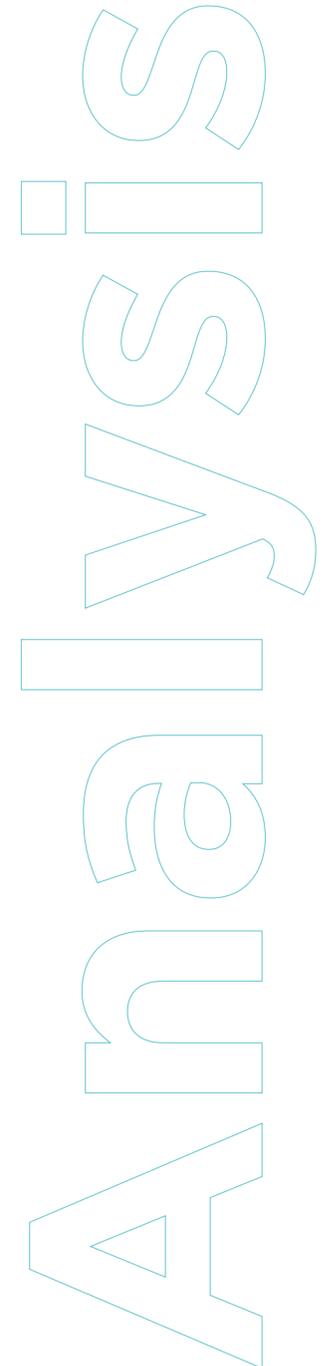
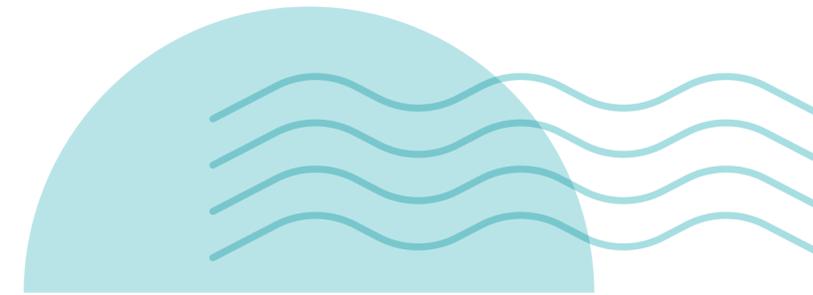


ESG risk analysis and their mitigation goals run in parallel with our internal assessments of the potential of solutions based on sustainable development principles for building our Company's enduring value. An example of our strategic approach to sustainable development opportunities is our decision to issue green bonds.

This decision stems from GTC's commitment to certifying our office and commercial properties under the most recognized ecological certifications such as LEED, BREEAM, or DGNB. We allocate the proceeds from the issuance to finance or refinance green properties under the Green Bond Framework, as well as to finance future projects.

The implementation of good ESG practices simultaneously strengthens GTC's social capital and the trust of our key stakeholders, including our most valuable capital, our employees, and their know-how. It also responds to

the expectations of many of our largest customers who foster their sustainable development policies and pay attention to social and environmental issues in their value chain.



	Risk
<b>Risks identified in 2021:</b>	
<b>Compliance</b>	<ul style="list-style-type: none"> <li>• The risk of changes in tax law</li> <li>• The risk of legal changes due to COVID-19</li> </ul>
<b>External risks</b>	<ul style="list-style-type: none"> <li>• Inflation risk</li> </ul>
<b>Employee issues</b>	<ul style="list-style-type: none"> <li>• The risk of an increase in employee costs</li> </ul>
<b>Risks identified in 2022:</b>	
<b>External risks</b>	<ul style="list-style-type: none"> <li>• The impact of the geopolitical situation due to the war in Ukraine</li> <li>• The energy crisis risk</li> </ul>
<b>Employee issues</b>	<ul style="list-style-type: none"> <li>• The change in the work model</li> </ul>

[GRI 3-3], [GRI 2-6]

# Responsible supply chain management

Our cooperation with suppliers is based on the procedures of the service purchase process and internal control over these processes. When selecting suppliers, we focus on cost and time, the quality of products and services as well as meeting environmental and social requirements.

Our relations with and expectations of suppliers are influenced, among other things, by our Code of Conduct. According to its provisions, transparency and honesty are some important principles to us:

*In conducting its business, GTC strives to operate with a high degree of integrity and transparency. GTC does not engage in any transactions with entities which do not operate under the highest standard of transparency*

*or in business transactions involving sanctioned persons, entities, or countries.*

*GTC does not engage in any transaction where opaque structures or corporate vehicles are used to prevent disclosure of the controlling persons and beneficial owners or where corporate structures have been implemented for illegal tax evasion or tax frauds. GTC requires clean criminal record from its investors and other partners.*

GTC respects fundamental and internationally recognized human rights in all spheres of its operation and verifies whether its business activity does not result in any adverse impact on observance of human rights by its business partners.

## GTC Group's supply chain

	2021	2022
Total number of suppliers, general contractors and contractors	2 040	2 302
New suppliers, general contractors and contractors	596	773

### Our suppliers fall into the following groups:

- technical service of buildings
- architects
- general contractors
- media providers
- consulting companies
- other suppliers

Supply chain

[GRI 308-1]

## Ethical and environmental criteria in the choice of suppliers

In adherence to our Group-wide anti-corruption policy and Organizational governance standards, we conduct rigorous vetting of our suppliers, contractors, and business partners. This screening process takes place both at the outset of our relationships and throughout their duration, as circumstances necessitate.

We insist that all our suppliers comply stringently with anti-corruption and anti-bribery laws. GTC Group prioritizes legal obligations, even if it means discontinuing associations with certain business partners and suppliers. Every new supplier and general contractor we engage is scrupulously evaluated against ethical criteria.

During the supplier selection process, we take into consideration the product's origin and the contractor's approach during the construction phase. Our preference is for locally sourced raw

materials, and we select general contractors who effectively manage their environmental impact, aligning with Green certification guidelines. Concurrently, we are developing our internal guidelines, incorporating environmental criteria for supplier selection in our building manuals.

- Number of new suppliers and general contractors that have been evaluated based on environmental criteria: **10%**
- Number of new suppliers and general contractors that have been evaluated based on ethical criteria: **100%**



# Criteria

[GRI 403-7]

## Safety at the construction site

In accordance with legal regulations, an OHS coordinator, who reports to the external site manager and the management team on the part of GTC, is responsible for safety at the construction site. General contractors are to follow the health and safety regulations in buildings.

The facility management team ensures that the contractors' staff comply with these rules when working in the buildings.



# Safety

# Results ESG

[ESG figures summary](#)

[Environmental performance](#)

[Social performance](#)

[Governance](#)



# 06

# ESG FIGURES SUMMARY



**87%**

of certified buildings in the Group's portfolio (including 100% of buildings in Poland).

**19 buildings**

achieved/renewed LEED and/or BREEAM certifications in 2022.



## ENERGY CONSUMPTION

**705,765 GJ**

**196,046 MWh**, 9% less than in 2021 (4% reduction LfL).

**250 kWh per year**

energy consumption in the Group's portfolio per square meter of building area.



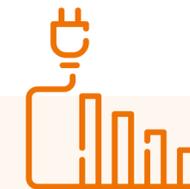
## REDUCTION IN WASTE

**29%**

of waste generated recycled in 2022.

**30%**

reduction in waste, LfL 4% reduction<sup>20</sup>



## ELECTRICITY CONSUMPTION

**131,866 MWh**

4% less than in 2021



## SOCIAL ACTIVITIES

In 2022, the Group incurred expenses to support charity and social activities in the amount of EUR 431 thousand (EUR 25 thousand a year earlier) and sports in the amount of EUR 8 thousand (EUR 7 thousand in the previous year).

In 2022, social involvement and/or development programs were implemented in 95% of the properties under operational control of GTC Group (52% in the previous year).

19 - total number of NGOs



## WATER CONSUMPTION

**327,383 m<sup>3</sup>**

7% more than in 2021<sup>19</sup>



## CO<sub>2</sub> EMISSIONS

**68,663 tCO<sub>2</sub>e**

36% less than in 2021 (19% less LfL) (Scope 1,2,3)

**18,977 tCO<sub>2</sub>e**

36% less than in 2021 (36% less LfL). (Scope 1,2)

**49,686 tCO<sub>2</sub>e**

36% less than in 2021 (11% less LfL). (Scope 3)

<sup>19</sup> When analyzing data relating to the consumption of energy and other utilities, it is important to consider the unique situation of reduced use of office space and shopping centers in 2020 and 2021. In 2022, we noted, among other things, the trend of our tenants' employees returning from remote modes to office work, which affects the level of energy consumption.

<sup>20</sup> Comparative data for locations using the same method of estimating waste weight as in the previous year.



**EMPLOYEES**

**75%**

employees are people aged 30-50

**14%**

employees are people over 50 years of age

**11%**

employees are under 30 years old

**63%**

Women account for 63% of all employees and coworkers, 40% of senior management team

**21%**

The turnover rate was 21% for employees who left the organization, 2% less than in 2021 and 36% for new employees, 7% more than in 2021

**3.4**

years is the average length of service at GTC

[GRI 308-1]

**Supply chain at GTC Group in 2022**

Re	Unit	2021	2022
Total number of suppliers, general contractors, and contractors	Number	2 040	2 302
New suppliers, general contractors, and contractors	Number	596	773
Number of new suppliers and general contractors that have been assessed against the environmental criteria	Number	2	78
Number of new suppliers and general contractors that have been assessed against the ethical criteria	Number	596	773



Supply chain

# Environmental performance

## Methodology

- When calculating and presenting the results, we consider the guidelines of the Global Reporting Initiative (GRI) and EPRA Sustainability Best Practices Recommendations Guidelines (EPRA sPBR).
- The following is a presentation of results for the entire GTC portfolio with a breakdown into office buildings, retail properties and markets.
- Calculations of greenhouse gas (GHG) emissions were performed in accordance with the international GHG Protocol Corporate Accounting and Reporting Standard.



## Methodology for calculation of environmental indicators

- Projects under construction were not included in calculation.
  - The data does include utility consumption by tenants
  - The following is a presentation of results for the entire GTC portfolio with a breakdown into office buildings, retail properties and markets. Moreover, we present the results for the Group's offices in particular countries for energy consumption, which are located in a building belonging to the Group.
  - The figures for energy, water and waste are calculated based on actual consumption. They only cover the period when the assets concerned were owned by GTC and utility bills and meter readings were monitored directly by our team.
- The intensity indicators for energy, greenhouse gas emissions and water were calculated according to the formula: total annual consumption (numerator) divided by the gross leasable area (GLA) expressed in square meters (denominator).



- Like-for-like consumption includes a comparison between the same assets in 2021 and 2022. Only buildings that belonged to GTC throughout 2021 and 2022 were considered in the calculations. In cases where the building started to operate during the year, an appropriate comment was added under the table and presented in the year-on-year approach.
- Like-for-like calculation includes 5 shopping malls and 30 office buildings
- The GHG emissions in this report have been calculated for the following gases: carbon dioxide (CO<sub>2</sub>), SO<sub>2</sub> and N<sub>2</sub>O. The unit of data presentation is the carbon dioxide equivalent (CO<sub>2</sub>e). We used in the calculations from emission factors or data from the National Center for Emissions Management and Balancing and national regulations as well as local indicators provided by our suppliers for foreign markets.

# Environmental

[GRI 2-4]

**CORRECTION OF DATA REPORTED IN 2021 ESG REPORT**

SHOPPING MALLS	Unit	Shopping centers reported in 2021 ESG report	Shopping centers corrected	Total reported in 2021 ESG report	Total corrected
<b>POLAND - electricity consumption was updated for Galeria Jurajska</b>					
Electrical power	MWh	29 256	23 797	54 670	49 211
Total Energy	MWh	36 459	31 549	78 386	73 477
Energy intensity	kWh/sq m/year	321	278	254	238
GHG emission Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	24 897	23 134	38 746	37 483
GHG emission intensity	kgCO <sub>2</sub> e/sq m/year	219	204	125	121
<b>SERBIA - GHG emissions was updated due to double counting part of emission in Ada Mall</b>					
Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	18 561	15 580	47 797	44 816
GHG emission intensity	kgCO <sub>2</sub> e/sq m/year	536	451	305	286
<b>TOTAL</b>					
Total energy consumption for all markets	MWh	73 473	68 564	219 243	214 333
Energy intensity for all markets	kWh/sq m/year	359	332	257	249
Total emissions for all markets	tCO <sub>2</sub> e	53 118	48 434	112 546	107 802
Emission intensity for all markets	kgCO <sub>2</sub> e/sq m/year	260	199	132	125
<b>Serbia - updated for Ada Mall</b>					
Waste	t	1 878	2 020	4 655	4 802
<b>TOTAL</b>	<b>t</b>	<b>4 147</b>	<b>4 236</b>	<b>10 934</b>	<b>11 081</b>

[Own indicator] [Cert-Tot]

**CERTIFIED BUILDINGS**

Group's certified buildings broken down by certificates obtained: number and percentage share in the portfolio volume (as at 31 December 2022)

RE	NUMBER OF CERTIFIED BUILDINGS			PERCENTAGE SHARE OF CERTIFIED BUILDINGS IN THE PORTFOLIO VALUE		
	Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
LEED Platinum certificate	1	0	1	1%	-	1%
LEED Gold certificate	10	2	12	27%	17%	44%
LEED Silver certificate	1	1	2	1%	4%	5%
BREEAM IN USE Excellent certificate	15	2	17	23%	10%	33%
BREEAM Very Good certificate	1	0	1	1%	-	1%
BREEAM IN USE Very Good certificate	1	0	1	2%	-	2%
Other certificates - DGNB	2	0	2	2%	-	2%
Under certification	5	1	6	9%	4%	13%
No certification	2	0	2	<1%	-	<1%
<b>TOTAL</b>	<b>38</b>	<b>6</b>	<b>44</b>	<b>65%</b>	<b>35%</b>	<b>100%</b>
<b>TOTAL CERTIFICATE</b>	<b>31</b>	<b>5</b>	<b>36</b>	<b>55.5%</b>	<b>31%</b>	<b>86.5%</b>

Please note: Includes 1 office building that was sold in January 2023.

[Own indicator] [Cert-Tot]

**CERTIFIED BULDINGS**

**Group's certified buildings broken down by certificates obtained: percentage share in the portfolio volume y-o-y**

RE	NUMBER OF CERTIFIED BUILDINGS			PERCENTAGE SHARE OF CERTIFIED BUILDINGS IN THE PORTFOLIO VALUE		
	Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
LEED Platinum certificate	2%	-	2%	1%	-	1%
LEED Gold certificate	24%	18%	42%	27%	17%	44%
LEED Silver certificate	1%	4%	5%	1%	4%	5%
BREEAM IN USE Excellent certificate	21%	11%	32%	23%	10%	33%
BREEAM Very Good certificate	3%	-	3%	1%	-	1%
BREEAM IN USE Very Good certificate	2%	-	2%	2%	-	2%
Other certificates - DGNB	2%	-	2%	2%	-	2%
Under certification	7%	4%	11%	9%	4%	13%
No certification	1%	-	1%	<1%	-	<1%
<b>TOTAL</b>	<b>63%</b>	<b>37%</b>	<b>100%</b>	<b>65%</b>	<b>35%</b>	<b>100%</b>
<b>TOTAL CERTIFICATE</b>	<b>55%</b>	<b>33%</b>	<b>88%</b>	<b>55%</b>	<b>31%</b>	<b>87%</b>

Data for year 2021 includes buildings certificated in January 2022; excludes 11 Serbian office assets held for sale in 2021 and sold in January 2022

[GRI 302-1] [GRI 302-3] [Elec-Abs] [DH&C-Abs] [Fuels-Abs] [Energy-Int]

# Energy

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
<b>POLAND</b>	<b>MWh</b>	<b>39 001</b>	<b>34 310</b>	<b>73 310</b>	309
Electrical power	MWh	23 259	28 063	51 322	133
Including electricity from renewable sources	MWh	16 163	9 481	25 644	133
% of electricity from renewable sources	%	69%	34%	50%	100%
Central heating or cooling	MWh	15 737	6 246	21 984	176
% central heating or cooling from renewable sources	%	0%	0%	0%	0%
Fuels	MWh	5	0	5	0
% of fuels from renewable sources	%	0%	-	0%	-
Energy intensity	kWh/sq m/year	199	302	237	210
Number of buildings considered in the calculation	No	16	2	18	HQ - part of Group's portfolio

# Energy

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
<b>BULGARIA</b>	<b>MWh</b>	<b>6 914</b>	<b>11 944</b>	<b>18 858</b>	<b>82</b>
Electrical power	MWh	4 101	9 867	13 968	21
Including electricity from renewable sources	MWh	3 278	2 171	5 449	20
% of electricity from renewable sources	%	80%	22%	39%	95%
Central heating or cooling	MWh	2 813	2 077	4 890	61
% central heating or cooling from renewable sources	%	0%	0%	0%	0%
Fuels	MWh	-	-	-	-
% of fuels from renewable sources	%	-	-	-	-
Energy intensity	kWh/sq m/year	156	503	278	179
Number of buildings considered in the calculation	No	3	1	4	HQ - part of Group's portfolio

# Energy

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
<b>CROATIA</b>	<b>MWh</b>	<b>5 192</b>	<b>11 079</b>	<b>16 271</b>	<b>9</b>
Electrical power	MWh	4 646	9 583	14 229	9
Including electricity from renewable sources	MWh	4 646	9 583	14 229	9
% of electricity from renewable sources	%	100%	100%	100%	100%
Central heating or cooling	MWh	546	1 494	2 040	0
% central heating or cooling from renewable sources	%	0%	0%	0%	-
Fuels	MWh	-	2	2	0
% of fuels from renewable sources	%	-	0%	0%	-
Energy intensity	kWh/sq m/year	183	402	291	25
Number of buildings considered in the calculation	No	3	1	4	HQ - part of Group's portfolio

# Energy

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
<b>ROMANIA</b>	<b>MWh</b>	<b>15 098</b>	<b>-</b>	<b>15 098</b>	<b>66</b>
Electrical power	MWh	4 794	-	4 794	24
Including electricity from renewable sources	MWh	4 794	-	4 794	24
% of electricity from renewable sources	%	100%	-	100%	100%
Central heating or cooling	MWh	10 303	-	10 303	41
Including central heating or cooling from renewable sources	MWh	10 303	-	10 303	41
% central heating or cooling from renewable sources	%	100%	-	100%	100%
Fuels	MWh	0	-	0	0
% of fuels from renewable sources	%	-	-	-	-
Energy intensity	kWh/sq m/year	234E	-	234E	198
Number of buildings considered in the calculation	No	5	-	5	HQ - part of Group's portfolio

# Energy

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
<b>SERBIA</b>	<b>MWh</b>	<b>238</b>	<b>13 917</b>	<b>14 155</b>	<b>-</b>
Electrical power	MWh	238	11 380	11 618	-
Including electricity from renewable sources	MWh	0	0	0	-
% of electricity from renewable sources	%	-	-	-	-
Central heating or cooling	MWh	0	0	0	-
% central heating or cooling from renewable sources	%	-	-	-	-
Fuels	MWh	0	2 537	2 537	-
% of fuels from renewable sources	%	-	0%	0%	-
Energy intensity	kWh/sq m/year	54E	402	284E	-
Number of buildings considered in the calculation	No	1	1	2	-

# Energy

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
<b>HUNGARY</b>	<b>MWh</b>	<b>46 839</b>	<b>1 669</b>	<b>48 508</b>	<b>136</b>
Electrical power	MWh	34 266	1 669	35 935	37
Including electricity from renewable sources	MWh	7 117	167	7 284	4
% of electricity from renewable sources	%	21%	10%	20%	10%
Central heating or cooling	MWh	12 573	0	12 573	99
Including central heating or cooling from renewable sources	MWh	986	-	986	9
% central heating or cooling from renewable sources	%	8%	-	8%	9%
Fuels	MWh	9 167	680	9 847	0
% of fuels from renewable sources	%	0%	0%	0%	-
Energy intensity	kWh/sq m/year	245	340	247	111
Number of buildings considered in the calculation	No	12	1	13	HQ - part of Group's portfolio

**ENERGY**

**Total energy consumption and energy intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			GTC GROUP OFFICES
		Office buildings	Shopping centers	Total	
TOTAL ELECTRICAL POWER	MWh	71 304	60 562	131 866	224
TOTAL CENTRAL HEATING OR COOLING	MWh	41 972	9 817	51 789	377
TOTAL FUELS	MWh	9 172	3 219	12 391	0
TOTAL ENERGY CONSUMPTION (ELECTRICITY, CENTRAL HEATING OR COOLING, FUEL) FOR ALL MARKETS	MWh	122 448	73 598	196 046	601
ENERGY INTENSITY FOR ALL MARKETS	kWh/sq m/year	213E	357	250E	157
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	40	6	46	5

**Please note:**

- Projects under construction were not included in the calculation.
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- GTC Serbia's headquarters consumption were not included, as in 2021 we used a coworking space that is not metered.
- Energy intensity for GTC X in Serbia was annualized based on 3-month consumption.
- Energy intensity for Cascade building was annualized based on 7-month consumption.

Energy

[Elec-Lfl] [DH&C-Lfl] [Fuels-Lfl]

# Energy

**ENERGY**

Like-for-like and year-on-year energy consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	YOY			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
<b>POLAND</b>								
Electricity in 2021	MWh	25 414	23 797	49 211	77	25 414	23 797	49 211
Electricity in 2022	MWh	23 259	28 063	51 322	133	23 259	28 063	51 322
% change in electricity consumption y/o/y	%	-8%	18%	4%	73%	-8%	18%	4%
Central heating or cooling in 2021	MWh	16 510	7 752	24 262	129	16 510	7 752	24 262
Central heating or cooling in 2022	MWh	15 737	6 246	21 984	176	15 737	6 246	21 984
% change in consumption of central heating or cooling y/o/y	%	-5%	-19%	-9%	-36%	-5%	-19%	-9%
Fuels in 2021	MWh	4	0	4	0	4	0	4
Fuels in 2022	MWh	5	0	5	0	5	0	5
% change in fuel consumption y/o/y	%	17%	-	17%	-	17%	-	17%

# Energy

**ENERGY**

Like-for-like and year-on-year energy consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	YOY			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
<b>BULGARIA</b>								
Electricity in 2021	MWh	4 403	8 763	13 166	17	4 403	8 763	13 166
Electricity in 2022	MWh	4 101	9 867	13 968	21	4 101	9 867	13 968
% change in electricity consumption y/o/y	%	-7%	13%	6%	22%	-7%	13%	6%
Central heating or cooling in 2021	MWh	2 822	2 152	4 974	30	2 822	2 152	4 974
Central heating or cooling in 2022	MWh	2 813	2 077	4 890	61	2 813	2 077	4 890
% change in consumption of central heating or cooling y/o/y	%	0%	-3%	-2%	103%	0%	-3%	-2%
Fuels in 2021	MWh	0	0	0	0	0	0	0
Fuels in 2022	MWh	0	0	0	0	0	0	0
% change in fuel consumption y/o/y	%	-	-	-	-	-	-	-

# Energy

**ENERGY**

Like-for-like and year-on-year energy consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	YOY			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
<b>CROATIA</b>								
Electricity in 2021	MWh	4 534	9 310	13 844	8	4 534	9 310	13 844
Electricity in 2022	MWh	4 646	9 583	14 229	9	4 646	9 583	14 229
% change in electricity consumption y/o/y	%	2%	3%	3%	10%	2%	3%	3%
Central heating or cooling in 2021	MWh	614	1 545	2 159	22	614	1 545	2 159
Central heating or cooling in 2022	MWh	546	1 494	2 040	0	546	1 494	2 040
% change in consumption of central heating or cooling y/o/y	%	-11%	-3%	-6%	-100%	-11%	-3%	-6%
Fuels in 2021	MWh	0	2	2	0	0	2	2
Fuels in 2022	MWh	0	2	2	0	0	2	2
% change in fuel consumption y/o/y	%	-	24%	24%	-	-	24%	24%

# Energy

**ENERGY**

Like-for-like and year-on-year energy consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	YOY			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
<b>ROMANIA</b>								
Electricity in 2021	MWh	5 886	-	5 886	45	5 611	-	5 611
Electricity in 2022	MWh	4 794	-	4 794	24	4 576	-	4 576
% change in electricity consumption y/o/y	%	-19%	-	-19%	-47%	-18%	-	-18%
Central heating or cooling in 2021	MWh	3 101	-	3 101	12	2 866	-	2 866
Central heating or cooling in 2022	MWh	10 303	-	10 303	41	9 879	-	9 879
% change in consumption of central heating or cooling y/o/y	%	232%	-	232%	249%	245%	-	245%
Fuels in 2021	MWh	10 588	-	10 588	52	9 870	-	9 870
Fuels in 2022	MWh	0	-	0	0	0	-	0
% change in fuel consumption y/o/y	%	-100%	-	-100%	-100%	-100%	-	-100%

# Energy

**ENERGY**

**Like-for-like and year-on-year energy consumption in GTC Group**  
(comparison between the same assets in 2021 and 2022)

RE	Unit	YOY			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
<b>SERBIA</b>								
Electricity in 2021	MWh	18 676	11 315	29 991	-	-	11 315	11 315
Electricity in 2022	MWh	238	11 380	11 618	-	-	11 380	11 380
% change in electricity consumption y/o/y	%	-99%	1%	-61%	-	-	1%	1%
Central heating or cooling in 2021	MWh	4 863	-	4 863	-	-	0	0
Central heating or cooling in 2022	MWh	0	0	0	-	-	0	0
% change in consumption of central heating or cooling y/o/y	%	-100%	-	-100%	-	-	-	-
Fuels in 2021	MWh	7 280	2 514	9 794	-	-	2 514	2 514
Fuels in 2022	MWh	-	2 537	2 537	-	-	2 537	2 537
% change in fuel consumption y/o/y	%	-100%	1%	-74%	-	-	1%	1%

# Energy

**ENERGY**

Like-for-like and year-on-year energy consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	YOY			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
<b>HUNGARY</b>								
Electricity in 2021	MWh	24 437	985	25 422	27	13 425	-	13 425
Electricity in 2022	MWh	34 266	1 669	35 935	37	12 001	-	12 001
% change in electricity consumption y/o/y	%	40%	69%	41%	39%	-11%	-	-11%
Central heating or cooling in 2021	MWh	7 554	-	7 554	237	3 028	-	3 028
Central heating or cooling in 2022	MWh	12 573	-	12 573	99	2 705	-	2 705
% change in consumption of central heating or cooling y/o/y	%	66%	-	66%	-58%	-11%	-	-11%
Fuels in 2021	MWh	8 833	680	9 512	-	7 816	-	7 816
Fuels in 2022	MWh	9 167	680	9 847	-	5 869	-	5 869
% change in fuel consumption y/o/y	%	4%	0%	4%	-	-25%	-	-25%

RE	Unit	GTC GROUP			GTC GROUP OFFICES	LFL		
		THE PROPERTY PORTFOLIO OF GTC GROUP				THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total		Office buildings	Shopping centers	Total
ELECTRICITY CONSUMPTION FOR ALL MARKETS IN 2021	MWh	83 350	54 170	137 520	174	53 386	53 185	106 571
ELECTRICITY CONSUMPTION FOR ALL MARKETS IN 2022	MWh	71 304	60 562	131 866	224	48 584	58 893	107 476
CONSUMPTION OF CENTRAL HEATING OR COOLING FOR ALL MARKETS IN 2021	MWh	35 464	11 449	46 913	430	25 840	11 449	37 290
CONSUMPTION OF CENTRAL HEATING OR COOLING FOR ALL MARKETS IN 2022	MWh	41 972	9 817	51 789	377	31 680	9 817	41 497
FUEL CONSUMPTION FOR ALL MARKETS IN 2021	MWh	26 705	3 196	29 900	52	17 689	2 516	20 205
FUEL CONSUMPTION FOR ALL MARKETS IN 2022	MWh	9 172	3 219	12 391	-	5 874	2 539	8 413
TOTAL ENERGY CONSUMPTION IN 2021	MWh	145 518	68 815	214 333	656	96 916	67 150	164 066
TOTAL ENERGY CONSUMPTION IN 2022	MWh	122 448	73 598	196 046	601	86 138	71 249	157 387
% CHANGE IN IN ELECTRICITY CONSUMPTION Y/O/Y FOR ALL MARKETS	%	-14%	12%	-4%	29%	-9%	11%	1%
% CHANGE IN CONSUMPTION OF CENTRAL HEATING OR COOLING Y/O/Y FOR ALL MARKETS	%	18%	-14%	10%	-12%	23%	-14%	11%
% CHANGE IN FUEL CONSUMPTION FOR ALL MARKETS	%	-66%	1%	-59%	-100%	-67%	1%	-58%
% CHANGE IN TOTAL ENERGY Y/O/Y	%	-16%	7%	-9%	-8%	-11%	6%	-4%
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	40	6	46	5	30	5	35

Please note:

- Projects under construction were not included in the calculation.
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- GTC Serbia's headquarters consumption were not included, as in 2021 we used a coworking space that is not metered.
- In LfL calculation:
  - o Serbia excludes all building for office consumption;
  - o Romania excludes Cascade building for office consumption;
  - o Hungary includes only Duna Tower, GTC Metro and Center Point 1&2 buildings for office consumption

[GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GHG-Dir-Abs]  
 [GHG-Indir-Abs] [GHG-Int] [EU / TCFD][GHG-Int] [EU / TCFD]

# Emissions

## EMISSIONS

**Total greenhouse gas emissions (scope 1, 2 and part of 3) and emission intensity  
 in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total
<b>POLAND</b>				
Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	11 040	16 506	27 545
Scope 1	tCO <sub>2</sub> e	124	1 185	1 310
Scope 2	tCO <sub>2</sub> e	498	1 052	1 550
Scope 3 (only tenants emission)	tCO <sub>2</sub> e	10 418	14 268	24 686
Emission intensity	kgCO <sub>2</sub> e/sq m/year	56.4	145.5	89.1
Number of buildings considered in the calculation	No	16	2	18
<b>BULGARIA</b>				
Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	1 523	8 145	9 668
Scope 1	tCO <sub>2</sub> e	268	188	456
Scope 2	tCO <sub>2</sub> e	567	3 313	3 880
Scope 3 (only tenants emission)	tCO <sub>2</sub> e	688	4 644	5 332
Emission intensity	kgCO <sub>2</sub> e/sq m/year	34.5	343.2	142.4
Number of buildings considered in the calculation	No	3	1	4

# Emissions

**EMISSIONS**

**Total greenhouse gas emissions (scope 1,2 and part of 3) and emission intensity in GTC Group in 2022**

**THE PROPERTY PORTFOLIO OF GTC GROUP**

RE	Unit	Office buildings	Shopping centers	Total
<b>CROATIA</b>				
Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	71	194	265
Scope 1	tCO <sub>2</sub> e	0	0	0
Scope 2	tCO <sub>2</sub> e	11	97	108
Scope 3 (only tenants emission)	tCO <sub>2</sub> e	60	97	157
<b>Emission intensity</b>	kgCO <sub>2</sub> e/sq m/year	2.5	7.1	4.7
<b>Number of buildings considered in the calculation</b>	No	3	1	4
<b>ROMANIA</b>				
Scope 1,2 and 3 (tenants emission)	tCO <sub>2</sub> e	1 822	-	1 822
Scope 1	tCO <sub>2</sub> e	10	-	10
Scope 2	tCO <sub>2</sub> e	-	-	-
Scope 3 (only tenants emission)	tCO <sub>2</sub> e	1 812	-	1 812
<b>Emission intensity</b>	kgCO <sub>2</sub> e/sq m/year	28.2E	-	28.2E
<b>Number of buildings considered in the calculation</b>	No	5	-	5

# Emissions

**EMISSIONS**

**Total greenhouse gas emissions (scope 1,2 and part of 3) and emission intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total
<b>SERBIA</b>				
Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	315	15 637	15 952
Scope 1	tCO <sub>2</sub> e	0	559	559
Scope 2	tCO <sub>2</sub> e	22	4 524	4 546
Scope 3 (only tenants emission)	tCO <sub>2</sub> e	293	10 555	10 848
<b>Emission intensity</b>	kgCO <sub>2</sub> e/sq m/year	71.1E	452.2	323.2E
<b>Number of buildings considered in the calculation</b>	No	1	1	2
<b>HUNGARY</b>				
Scope 1, 2 and 3 (tenants emission)	tCO <sub>2</sub> e	12 796	615	13 410
Scope 1	tCO <sub>2</sub> e	2 047	137	2 184
Scope 2	tCO <sub>2</sub> e	4 107	269	4 375
Scope 3 (only tenants emission)	tCO <sub>2</sub> e	6 642	209	6 851
<b>Emission intensity</b>	kgCO <sub>2</sub> e/sq m/year	55.9	89.1	56.9
<b>Number of buildings considered in the calculation</b>	No	12	1	13

**EMISSIONS**

**Total greenhouse gas emissions (scope 1, 2 and part of 3) and emission intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total
TOTAL EMISSIONS (SCOPE 1) FOR ALL MARKETS	tCO <sub>2</sub> e	2 449	2 069	4 519
TOTAL EMISSIONS (SCOPE 2) FOR ALL MARKETS	tCO <sub>2</sub> e	5 204	9 254	14 458
TOTAL EMISSIONS (SCOPE 3) FOR ALL MARKETS	tCO <sub>2</sub> e	19 913	29 773	49 686
TOTAL EMISSIONS (SCOPE 1,2,3) FOR ALL MARKETS	tCO <sub>2</sub> e	27 566	41 097	68 663
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	40	6	46
EMISSION INTENSITY FOR ALL MARKETS	kgCO <sub>2</sub> e/sq m/year	49.1E	199.3	88.4E

Please note:

- The calculation included direct emissions (scope 1) and indirect energy emissions (scope 2) as well as tenants emission (part of scope 3).
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- Emission intensity for GTC X in Serbia was annualized based on 3-month consumption.
- Emission intensity for Cascade building was annualized based on 7-month consumption.

Emissions

**EMISSIONS**

Like-for-like and year-on-year emission in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>POLAND</b>							
Emission (Scope 1,2,3-tenants only) in 2021	tCO <sub>2</sub> e	13 849	23 134	36 983	13 849	23 134	36 983
Emission (Scope 1,2,3-tenants only) in 2022	tCO <sub>2</sub> e	11 040	16 506	27 545	11 040	16 506	27 545
% change y/o/y	%	-20%	-29%	-26%	-20%	-29%	-26%
<b>BULGARIA</b>							
Emission (Scope 1,2,3-tenants only) in 2021	tCO <sub>2</sub> e	3 246	8 047	11 293	3 246	8 047	11 293
Emission (Scope 1,2,3-tenants only) in 2022	tCO <sub>2</sub> e	1 523	8 145	9 668	1 523	8 145	9 668
% change y/o/y	%	-53%	1%	-14%	-53%	1%	-14%
<b>CROATIA</b>							
Emission (Scope 1,2,3-tenants only) in 2021	tCO <sub>2</sub> e	618	1 304	1 922	618	1 304	1 922
Emission (Scope 1,2,3-tenants only) in 2022	tCO <sub>2</sub> e	71	194	265	71	194	265
% change y/o/y	%	-89%	-85%	-86%	-89%	-85%	-86%

# Emissions

**EMISSIONS**

Like-for-like and year-on-year emission in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>ROMANIA</b>							
Emission (Scope 1,2,3-tenants only) in 2021	tCO <sub>2</sub> e	3 175	-	3 175	2 967	-	2 967
Emission (Scope 1,2,3-tenants only) in 2022	tCO <sub>2</sub> e	1 822	-	1 822	1 738	-	1 738
% change y/o/y	%	-43%	-	-43%	-41%	-	-41%
<b>SERBIA</b>							
Emission (Scope 1,2,3-tenants only) in 2021	tCO <sub>2</sub> e	29 237	15 580	44 816	-	15 580	15 580
Emission (Scope 1,2,3-tenants only) in 2022	tCO <sub>2</sub> e	315	15 637	15 952	-	15 637	15 637
% change y/o/y	%	-99%	0%	-64%	-	0%	0%
<b>HUNGARY</b>							
Emission (Scope 1,2,3-tenants only) in 2021	tCO <sub>2</sub> e	9 244	368	9 613	4 224	-	4 224
Emission (Scope 1,2,3-tenants only) in 2022	tCO <sub>2</sub> e	12 796	615	13 410	4 395	-	4 395
% change y/o/y	%	38%	67%	40%	4%	-	4%

# Emissions

**EMISSIONS**

Like-for-like and year-on-year emission in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>TOTAL</b>							
EMISSION (SCOPE 1,2,3-TENANTS ONLY) IN 2021	tCO <sub>2</sub> e	59 368	48 434	107 802	24 903	48 065	72 968
EMISSION (SCOPE 1,2,3-TENANTS ONLY) IN 2022	tCO <sub>2</sub> e	27 566	41 097	68 663	18 767	40 482	59 249
% CHANGE Y/O/Y	%	-54%	-15%	-36%	-25%	-16%	-19%
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	40	6	46	30	5	35

Please note:

- The calculation included direct emissions (scope 1) and indirect energy emissions (scope 2) as well as tenants emission (part of scope 3).
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- In LfL calculation:
  - o Serbia excludes all building for office consumption;
  - o Romania excludes Cascade building for office consumption;
  - o Hungary includes only Duna Tower, GTC Metro and Center Point 1&2 buildings for office consumption.

# Emissions

# Methodology for year 2022

## Poland

**Emission for chillers:** our consumption in kg x emission factor (1.430 or 2.088) = GHG emission in tCO<sub>2</sub>e.

**For refrigerants were used following emission factors:**

- R134a - 1.430 tCO<sub>2</sub>e/kg
- R410a - 2.088 tCO<sub>2</sub>e/kg

**Fuel:** our consumption in kWh x 0.761/1000 = GHG emission in tCO<sub>2</sub>e

**Electric power:** our consumption in kWh x (0.708 - Poznan, Wroclaw, Warsaw, Katowice, Cracow, Lodz) - local factor for year 2022 from KOBIZE report: /1000 = GHG emission in tCO<sub>2</sub>e

**District Heating:** our consumption in kWh x local factor (0.38607 - Poznan; 0.346522 Wroclaw, Warsaw, Katowice, Cracow, Czestochowa; 0.3741786 - Lodz, 0.5568 - Wroclaw) /1000 = GHG emission in tCO<sub>2</sub>e

## Bulgaria

For the calculation were used the emission factors for the energy sources officially valid for Bulgaria and listed in Ordinance No E-ПД-04-2 from 22.01.2016 (under the Energy Efficiency Act).

**Electricity** - 0.819 tCO<sub>2</sub>e/MWh

**Heat from district heating** - 0.290 t CO<sub>2</sub>e/MWh

**Diesel** - 0.267 tCO<sub>2</sub>e/MWh

**For refrigerants were used following emission factors:**

- R134a - 1.430 tCO<sub>2</sub>e/kg
- R410a - 2.088 tCO<sub>2</sub>e/kg
- R407c - 1.774 tCO<sub>2</sub>e/kg

The GHG emissions were calculated based on the working hours of both diesel generators in the building multiplied by the referent indications from the laboratory tests made during the commissioning period. In addition to the CO<sub>2</sub>, SO<sub>2</sub> and N<sub>2</sub>O were converted equivalent to CO<sub>2</sub>.

## Croatia

Stationary combustion tool Version 4.1. from GHG protocol page was used and GHG Protocol Scope 2 Guidance

HEP Opskrba Electricity supplier: Based on contract electricity supply for 2022 is 100% from renewable sources

HEP Toplinarstvo heating supply: Sources in 2019- CO<sub>2</sub> emission intensity by generation mix of HEP Toplinarstvo sources amounted to 0,130 kg CO<sub>2</sub>/kWh.



# Methodology

# Methodology

## Romania

The CO<sub>2</sub> emission was calculated according to <https://www.rensmart.com/Calculators/KWH-to-CO2>

## Serbia

For the calculation were used the emission factors for the energy sources:

- **Electric power:** our consumption in kWh x 2.5 =  
Primar energy x 0.53 = GHG emission in tCO<sub>2</sub>e
- **Gas Boilers:** our consumption in kWh x 1.1 =  
Primar energy x 0.2 = GHG emission in tCO<sub>2</sub>e

## Hungary

For the calculation were used the emission factors for the energy sources:

- **Electric power:** our consumption in kWh x  
0.286 / 1000 = GHG emission in tCO<sub>2</sub>e
- **District Heating:** our consumption in kWh x  
0.357 / 1000 = GHG emission in tCO<sub>2</sub>e
- **Fuel:** our consumption in kWh x 0.202 /  
1000 = GHG emission in tCO<sub>2</sub>e



[GRI 303-5] [Water-Abs] [Water-Int]

# Water

**WATER**

**Total water consumption and water consumption intensity in GTC Group in 2022**

		THE PROPERTY PORTFOLIO OF GTC GROUP		
RE	Unit	Office buildings	Shopping centers	Total
<b>POLAND</b>				
Water consumption	m <sup>3</sup>	40 376	92 821	133 197
Water consumption intensity	m <sup>3</sup> /sq m/year	0.21	0.82	0.32
Number of buildings considered in the calculation	No	16	2	18
<b>BULGARIA</b>				
Water consumption	m <sup>3</sup>	10 416	25 636	36 052
Water consumption intensity	m <sup>3</sup> /sq m/year	0.24	1.08	0.53
Number of buildings considered in the calculation	No	3	1	4
<b>CROATIA</b>				
Water consumption	m <sup>3</sup>	9 520	30 563	40 083
Water consumption intensity	m <sup>3</sup> /sq m/year	0.34	1.11	0.72
Number of buildings considered in the calculation	No	3	1	4

# Water

**WATER**

**Total water consumption and water consumption intensity in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP		
		Office buildings	Shopping centers	Total
<b>ROMANIA</b>				
Water consumption	m <sup>3</sup>	15 517	-	15 517
Water consumption intensity	m <sup>3</sup> /sq m/year	0.23E	-	0.23E
Number of buildings considered in the calculation	No	5	-	5
<b>SERBIA</b>				
Water consumption	m <sup>3</sup>	952	11 253	12 205
Water consumption intensity	m <sup>3</sup> /sq m/year	0.22E	0.33	0.29E
Number of buildings considered in the calculation	No	1	1	2
<b>HUNGARY</b>				
Water consumption	m <sup>3</sup>	79 836	10 493	90 329
Water consumption intensity	m <sup>3</sup> /sq m/year	0.35	1.52	0.38
Number of buildings considered in the calculation	No	12	1	13

# Water

**WATER**

**Total water consumption and water consumption intensity in GTC Group in 2022**

		THE PROPERTY PORTFOLIO OF GTC GROUP		
RE	Unit	Office buildings	Shopping centers	Total
<b>TOTAL</b>				
WATER CONSUMPTION	m <sup>3</sup>	156 617	170 766	327 383
WATER CONSUMPTION INTENSITY	m <sup>3</sup> /sq m/year	0.27E	0.83	0.42E
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	40	6	46

**Please note:**

- Consumed water is from the waterworks.
- Projects under construction were not included in calculation.
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- Water intensity for GTC X in Serbia was annualized based on 3-month consumption.
- Water intensity for Cascade building was annualized based on 7-month consumption.
- Croatia: Additionally, 346,073 m<sup>3</sup> in 2022 and 311,952 m<sup>3</sup> in 2021 of groundwater used by heat pumps for heating and cooling installed in Matrix A&B buildings. The same amount is returned back to the underground.

[Water-Lfl]

**WATER**

Like-for-like and year-on-year water consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>POLAND</b>							
Water consumption in 2021	m <sup>3</sup>	35 344	64 732	100 076	35 344	64 732	100 076
Water consumption in 2022	m <sup>3</sup>	40 376	92 821	133 197	40 376	92 821	133 197
% change y/o/y	%	14%	43%	33%	14%	43%	33%
<b>BULGARIA</b>							
Water consumption in 2021	m <sup>3</sup>	6 673	18 012	24 685	6 673	18 012	24 685
Water consumption in 2022	m <sup>3</sup>	10 416	25 636	36 052	10 416	25 636	36 052
% change y/o/y	%	56%	42%	46%	56%	42%	46%
<b>CROATIA</b>							
Water consumption in 2021	m <sup>3</sup>	7 300	21 759	29 059	7 300	21 759	29 059
Water consumption in 2022	m <sup>3</sup>	9 520	30 563	40 083	9 520	30 563	40 083
% change y/o/y	%	30%	40%	38%	30%	40%	38%

Water

**WATER**

Like-for-like and year-on-year water consumption in GTC Group (comparison between the same assets in 2021 and 2022)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>ROMANIA</b>							
Water consumption in 2021	m <sup>3</sup>	15 458	-	15 458	13 575	-	13 575
Water consumption in 2022	m <sup>3</sup>	15 517	-	15 517	14 605	-	14 605
% change y/o/y	%	0%	-	0%	8%	-	8%
<b>SERBIA</b>							
Water consumption in 2021	m <sup>3</sup>	56 808	6 611	63 419	-	6 611	6 611
Water consumption in 2022	m <sup>3</sup>	952	11 253	12 205	-	11 253	11 253
% change y/o/y	%	-98%	70%	-81%	-	70%	70%
<b>HUNGARY</b>							
Water consumption in 2021	m <sup>3</sup>	67 985	5 219	73 204	31 634	-	31 634
Water consumption in 2022	m <sup>3</sup>	79 836	10 493	90 329	33 996	-	33 996
% change y/o/y	%	17%	101%	23%	7%	-	7%

Water

**WATER**

**Like-for-like and year-on-year water consumption in GTC Group (comparison between the same assets in 2021 and 2022)**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>TOTAL</b>							
WATER CONSUMPTION IN 2021	m <sup>3</sup>	189 568	116 333	305 901	94 526	111 114	205 640
WATER CONSUMPTION IN 2022	m <sup>3</sup>	156 617	170 766	327 383	108 913	160 273	269 186
% CHANGE Y/O/Y	%	-17%	47%	7%	15%	44%	31%
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	40	6	46	30	5	35

**Please note:**

- Projects under construction were not included in the calculation.
- In LfL calculation:
  - Serbia excludes all building for office consumption;
  - Romania excludes Cascade building for office consumption;
  - Hungary includes only Duna Tower, GTC Metro and Center Point 1&2 buildings for office consumption.
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- Croatia: Additionally, 346,073 m<sup>3</sup> in 2022 and 311,952 m<sup>3</sup> in 2021 of groundwater used by heat pumps for heating and cooling installed in Matrix A&B buildings. The same amount is returned to the underground.

Water

[GRI 306-3] [GRI 306-4] [Waste-Abs]

# Waste

**WASTE**

**Total weight of waste and waste treatment methods in GTC Group in 2022**

		THE PROPERTY PORTFOLIO OF GTC GROUP				
RE	Unit	Office buildings	Shopping centers	Total	Share of total country weight of waste	
<b>POLAND</b>						
Total weight of waste	t	1 130	1 125	2 255	100%	
Hazardous waste	t	3.5	0	3.5	0%	
Including hazardous waste destined for reuse or recycling	t	0.1	0	0.1	0%	
Non-hazardous waste	t	1 127	1 125	2 252	100%	
Including non-hazardous waste destined for reuse or recycling	t	220	982	1 202	53%	
Number of buildings considered in the calculation	No	16	2	18	n/a	
<b>BULGARIA</b>						
Total weight of waste	t	158	625	783	100%	
Hazardous waste	t	0	0	0	-	
Including hazardous waste destined for reuse or recycling	t	0	0	0	-	
Non-hazardous waste	t	158	625	783	100%	
Including non-hazardous waste destined for reuse or recycling	t	70	374	444	57%	
Number of buildings considered in the calculation	No	3	1	4	n/a	

# Waste

**WASTE**

**Total weight of waste and waste treatment methods in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			Share of total country weight of waste
		Office buildings	Shopping centers	Total	
<b>CROATIA</b>					
Total weight of waste	t	175	484	659	100%
Hazardous waste	t	0	0	0	-
Including hazardous waste destined for reuse or recycling	t	0	0	0	-
Non-hazardous waste	t	175	484	659	100%
Including non-hazardous waste destined for reuse or recycling	t	55	194	249	38%
Number of buildings considered in the calculation	No	2	2*	3	n/a
<b>ROMANIA</b>					
Total weight of waste	t	583	-	583	100%
Hazardous waste	t	3.1	-	3.1	1%
Including hazardous waste destined for reuse or recycling	t	3.0	-	3.0	1%
Non-hazardous waste	t	580	-	580	99%
Including non-hazardous waste destined for reuse or recycling	t	46	-	46	8%
Number of buildings considered in the calculation	No	5	-	5	n/a

# Waste

**WASTE**

**Total weight of waste and waste treatment methods in GTC Group in 2022**

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			Share of total country weight of waste
		Office buildings	Shopping centers	Total	
<b>SERBIA</b>					
Total weight of waste	t	33	1 899	1 932	100%
Hazardous waste	t	0	0	0	-
Including hazardous waste destined for reuse or recycling	t	0	0	0	-
Non-hazardous waste	t	33	1 899	1 932	100%
Including non-hazardous waste destined for reuse or recycling	t	-	132	132	7%
Number of buildings considered in the calculation	No	1	1	2	n/a
<b>HUNGARY</b>					
Total weight of waste	t	1 492	104	1 595	100%
Hazardous waste	t	17	31	48	3%
Including hazardous waste destined for reuse or recycling	t	1.8	0	1.8	0%
Non-hazardous waste	t	1 474	72	1 547	97%
Including non-hazardous waste destined for reuse or recycling	t	286	10	296	19%
Number of buildings considered in the calculation	No	12	1	13	n/a

**WASTE**

**Total weight of waste and waste treatment methods in GTC Group in 2022**

**THE PROPERTY PORTFOLIO OF GTC GROUP**

RE	Unit	Office buildings	Shopping centers	Total	Share of total country weight of waste
<b>TOTAL</b>					
<b>TOTAL WEIGHT OF WASTE</b>	t	3 571	4 236	7 807	100%
<b>HAZARDOUS WASTE</b>	t	24	31	55	1%
INCLUDING HAZARDOUS WASTE DESTINED FOR REUSE OR RECYCLING	t	4.9	0	4.9	0%
<b>NON-HAZARDOUS WASTE</b>	t	3 547	4 205	7 752	99%
INCLUDING NON-HAZARDOUS WASTE DESTINED FOR REUSE OR RECYCLING	t	677	1 692	2 369	30%
<b>NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION</b>	No	39	7*	46	n/a

\*Includes 1 office building (Avenue Centre in Zagreb)

**Please note:**

- Projects under construction were not included in the calculation.
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- The data for galleries in Poland and offices in Warsaw, Katowice and Lodz are provided in tons and are not converted.

**Waste for other places were converted based on the following values:**

- mixed municipal waste/communal waste 1l = 0.20kg (1 m3 = 0.20t)
- office paper and cardboard waste 1l = 0.106 kg (1 m3 = 0.106t)
- plastic waste 1l = 0.042 kg (1 m3 = 0.042t)
- glass 1l = 0.25kg (1 m3 = 0.25t)

Waste

[Waste-Lfl]

**WASTE**

**Total like-for-like weight of waste in GTC Group**  
(comparison between the same assets in 2022 and 2021)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>POLAND</b>							
Waste in 2021	t	1 563	1 095	2 658	1 563	1 095	2 658
Waste in 2022	t	1 130	1 125	2 255	1 130	1 125	2 255
y/o/y percentage change	%	-28%	3%	-15%	-28%	3%	-15%
<b>BULGARIA</b>							
Waste in 2021	t	215	612	827	215	612	827
Waste in 2022	t	158	625	783	158	625	783
y/o/y percentage change	%	-26%	2%	-5%	-26%	2%	-5%
<b>CROATIA</b>							
Waste in 2021	t	135	403	538	135	403	538
Waste in 2022 r.	t	175	484	659	175	484	659
y/o/y percentage change	%	29%	20%	23%	29%	20%	23%

Waste

**WASTE**

**Total like-for-like weight of waste in GTC Group**  
(comparison between the same assets in 2022 and 2021)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>ROMANIA</b>							
Waste in 2021	t	621	0	621	571	0	571
Waste in 2022	t	583	0	583	554	0	554
y/o/y percentage change	%	-6%	-	-6%	-3%	-	-3%
<b>SERBIA</b>							
Waste in 2021	t	2 777	2 025	4 802	0	2 025	2 025
Waste in 2022	t	33	1 899	1 932	0	1 899	1 899
y/o/y percentage change	%	-99%	-6%	-60%	-	-6%	-6%
<b>HUNGARY</b>							
Waste in 2021	t	1 477	158	1 635	661	-	661
Waste in 2022 r.	t	1 492	104	1 595	804	-	804
y/o/y percentage change	%	1%	-34%	-2%	22%	-	22%

Waste

**WASTE**

**Total like-for-like weight of waste in GTC Group**

(comparison between the same assets in 2022 and 2021)

RE	Unit	THE PROPERTY PORTFOLIO OF GTC GROUP			LIKE FOR LIKE		
		Office buildings	Shopping centers	Total	Office buildings	Shopping centers	Total
<b>TOTAL</b>							
WASTE IN 2021	t	6 788	4 293	11 081	3 145	4 135	7 280
WASTE IN 2022	t	3 571	4 236	7 807	2 822	4 133	6 954
Y/O/Y PERCENTAGE CHANGE FOR ALL MARKETS	%	-47%	-1%	-30%	-10%	0%	-4%
NUMBER OF BUILDINGS CONSIDERED IN THE CALCULATION	No	39	7*	46	29	6*	35

Please note:

- Projects under construction were not included in the calculation.
- Data for consumption of office buildings in Romania includes 7-month consumption for Cascade.
- Data for consumption of office buildings in Serbia shows 3-month consumption for GTC X.
- In LfL calculation:
  - o Serbia excludes all buildings for office consumption;
  - o Romania excludes Cascade building for office consumption;
  - o Hungary includes only Duna Tower, GTC Metro and Center Point 1&2 buildings for office consumption
- Nature of the hazardous waste: mostly the wastewater (mud) of the oil extractors of the garages, the used air filters of the air handling units and the used luminescent lighting elements. No type of hazardous waste like asbestos, etc

Waste

# Social performance

## Approach and methodology

- Calculations concerning the social area are based on the Global Reporting Initiative (GRI) guidelines, EPRA Sustainability Best Practices Recommendations Guidelines (EPRA sPBR) in terms of the calculation method and presentation of the indicator, as well as own indicators.
- The results are presented collectively for all markets.



Social

GRI 2-7] [GRI 2-8] [GRI 405-1] [Diversity-Emp]

**EMPLOYEE DATA**

The number of employees broken down by type of contract (permanent employment contract, other types of contracts) in GTC Group as at 31 December 2022.

RE	Unit	Permanent contract	Other types of contracts	Co-workers and consultants
<b>WOMEN</b>				
aged under 30	No	13	4	2
aged 30-50	No	96	5	7
aged over 50	No	15	0	1
<b>TOTAL NUMBER OF WOMEN</b>	No	124	9	10
<b>MEN</b>				
aged under 30	No	4	0	2
aged 30-50	No	46	2	15
aged over 50	No	8	2	2
<b>TOTAL NUMBER OF MEN</b>	No	58	4	19
<b>TOTAL NUMBER OF EMPLOYEES (TOTAL NUMBER OF WOMEN AND MEN)</b>	No	182	13	29

Employee data

[GRI 2-7] [GRI 405-1] [Diversity-Emp]

**EMPLOYEE DATA**

The number of employees broken down by type of contract (permanent employment contract, other types of contracts) in GTC Group as at 31 December 2022.

RE	Unit	Permanent contract	Other types of contracts
<b>WOMEN</b>			
aged under 30	No	17	0
aged 30-50	No	97	2
aged over 50	No	14	3
<b>TOTAL NUMBER OF WOMEN</b>		<b>128</b>	<b>5</b>
<b>MEN</b>			
aged under 30	No	4	0
aged 30-50	No	47	1
aged over 50	No	10	0
<b>TOTAL NUMBER OF MEN</b>	No	<b>61</b>	<b>1</b>
<b>TOTAL NUMBER OF EMPLOYEES (TOTAL NUMBER OF WOMEN AND MEN)</b>	No	<b>189</b>	<b>6</b>

Employee data

[GRI 2-7] [GRI 2-8] [GRI 405-1] [Diversity-Emp]

**EMPLOYEE DATA**

The number of employees broken down by type of contract (permanent employment contract, other types of contracts) in GTC Group as at 31 December 2022.

# Employee data

RE	Unit	Group Management Board (applicable to the entire Group)	Local Management Boards	Directors and other management positions	Other employees	Co-workers and consultants
<b>WOMEN</b>						
aged under 30	No	0	0	0	17	2
aged 30-50	No	0	3	17	77	7
aged over 50	No	0	0	3	14	1
<b>TOTAL NUMBER OF WOMEN</b>		0	3	20	108	10
<b>MEN</b>						
aged under 30	No	0	0	0	4	2
aged 30-50	No	3	8	14	26	15
aged over 50	No	0	1	3	5	2
<b>TOTAL NUMBER OF MEN</b>	No	3	9	17	35	19
<b>TOTAL NUMBER OF EMPLOYEES (TOTAL NUMBER OF WOMEN AND MEN)</b>	No	3	12	37	143	29

# Employee data

[GRI 2-7] [GRI 404-1] [GRI 405-1] [Emp-Turnover] [Diversity-Emp]

## EMPLOYEE DATA

### Turnover ratios in GTC Group in 2022

RE	Unit	Newly hired employees	Employees who left the organization
<b>WOMAN</b>			
aged under 30	No	16	4
aged 30-50	No	31	24
aged over 50	No	3	3
<b>TOTAL NUMBER OF WOMEN</b>		50	31
<b>MEN</b>			
aged under 30	No	3	2
aged 30-50	No	13	6
aged over 50	No	4	2
<b>TOTAL NUMBER OF MEN</b>		20	10
<b>TOTAL NUMBER OF NEW EMPLOYEES / EMPLOYEES WHO LEFT THE GROUP (TOTAL NUMBER OF WOMEN AND MEN)</b>		No	70
<b>RATIO OF THE NEWLY HIRED EMPLOYEES AND THOSE WHO LEFT THE GROUP TO THE TOTAL NUMBER OF WORKERS</b>		%	36%

[GRI 2-7] [Own measure]

**EMPLOYEE DATA**

**Length of service in GTC Group in 2022**

RE	Unit	Women	Men	Total
over 5 years	No	30	13	43
over 10 years	No	19	8	27
over 15 years	No	11	3	14
over 20 years	No	2	0	2
<b>AVERAGE LENGTH OF SERVICE IN GTC GROUP</b>	No	3.5	3.1	3.4
<b>TOTAL NUMBER OF EMPLOYEES IN THE GROUP (TOTAL NUMBER OF WOMEN AND MEN)</b>	No	133	62	195

Employee data

# Employee data

[GRI 403-9]

**SAFETY**

**Employee safety in GTC Group in 2022.**

RE	Unit	Women	Men	Total
NUMBER OF WORK-RELATED ACCIDENTS	No	0	0	0
Including the number of serious accidents, excluding fatal accidents	No	0	0	0
Including the number of fatal accidents	No	0	0	0
NUMBER OF WORK-RELATED ACCIDENTS <sup>20</sup>	No	0	0	0
NUMBER OF DAYS LOST DUE TO ACCIDENTS	No	0	0	0

<sup>20</sup> When calculating the accident rate, we use the following formula: the number of accidents recorded in the reporting period divided by the total number of hours worked by all employees multiplied by 200,000.

[GRI 404-1] [GRI 404-3] [Emp-Training] [Emp-Dev]

**TRAININGS**

**Training and development at GTC Group in 2022.**

RE	Unit	Women	Men	Total
TOTAL NUMBER OF TRAINING HOURS	No	2 096	957	3 052
Average number of training hours for all employees, co-workers, and consultants	No	14.9	11.5	13.6
Percentage of employees, co-workers, and consultants receiving regular performance and career development reviews	%	43%	37%	41%

# Employee data

[GRI 201-1] [GRI 203-2] [Contribution to the state budget]

## ECONOMIC IMPACT

Our economic impact, including spending on social activities in 2022.

RE	Unit	Amount
Total income tax and other taxes	EUR	12,621 thousand
Total wages and other employee benefits	EUR	13,282 thousand
Total costs paid to suppliers and contractors (CAPEX)	EUR	150,711 thousand
Contribution to social commitment: donations, grants, obligations pro bono	EUR	439 thousand
<b>TOTAL</b>	EUR	177,053 thousand

[Percentage of assets under operational control that have implemented community involvement, impact assessment, and development programs] [Comty-Eng]

## COMMUNITY ENGAGEMENT

Properties subject to operational control with community involvement, impact assessment, and/or development programs implemented in 2022.

RE	Unit	Total
Number of assets under operational control where community engagement, impact assessments, and/or development programs have been implemented	No	42
Number of assets under operational control where community engagement, impact assessments, and/or development programs have been implemented	%	95%

# Employee data

## COMMUNITY ENGAGEMENT

### Organizations with which GTC Group collaborated in 2022.

RE	
Total number of NGOs	19
Total number of schools and universities	103
Total number of cultural institutions (e.g., theaters, festivals)	13
Total number of other organizations	45

## SUPPLIERS

### Supply chain at GTC Group in 2022.

RE	Unit	Total
Total number of suppliers, general contractors, and contractors	Number	2 302
New suppliers, general contractors, and contractors	Number	773

[GRI 308-1]

## SUPPLIERS

### Assessment of new suppliers and general contractors in terms of meeting the environmental criteria in 2022.

RE	Total
Number of new suppliers and general contractors that have been assessed against the environmental criteria	78
Percentage of new suppliers and general contractors that have been assessed against the environmental criteria	10%

# Governance

## ECONOMIC DATA

### Key performance indicators (KPIs) for 2021-2022<sup>21</sup>

KPI	Year	2021	2022
Gross rental margin		EUR 128 million	EUR 119 million
Result for the period		EUR 43 million	EUR 25 million
FFO I		EUR 74 million	EUR 68 million
EPRA NTA		EUR 1.272 million	EUR 1.273 million
Value of the property portfolio <sup>22</sup>		EUR 2.507 million	EUR 2.418 million
Net debt to property value ratio (LTV)		42% <sup>23</sup>	44.5% <sup>24</sup>

<sup>21</sup> The data presented as at 31 December 2021 and 2022, respectively.

<sup>22</sup> Book value: investment properties, assets held for sale, residential land bank, own-use properties less land perpetual usufruct right value.

<sup>23</sup> Excludes Serbian assets sold in January

<sup>24</sup> Includes non-current financial assets and adjusted for disposal of Forest Offices Debrecen, concluded on 30 January 2023.

Economic data

# Economic data

**GTC GROUP**

**Income-generating investment properties (as at 31 December 2022)**

LOCATION	TOTAL GROSS RENTABLE AREA (SQ. M)	SHARE BY RENTABLE AREA (%)	AVERAGE OCCUPANCY LEVEL (%)	BOOK VALUE (%) (EUR '000)	SHARE BY BOOK VALUE (%)
Poland	309 300	41%	85%	799 138	39%
Hungary*	229 700	30%	89%	652 348	32%
Sofia	74 700	10%	91%	195 300	9%
Bucharest	62 500	8%	74%	163 785	8%
Belgrade	51 600	7%	98%	140 400	7%
Zagreb	34 400	4%	98%	99 600	5%
<b>Total</b>	<b>762 200</b>	<b>100%</b>	<b>88%</b>	<b>2 050 571</b>	<b>100%</b>

\*Includes 1 office asset held for sale.

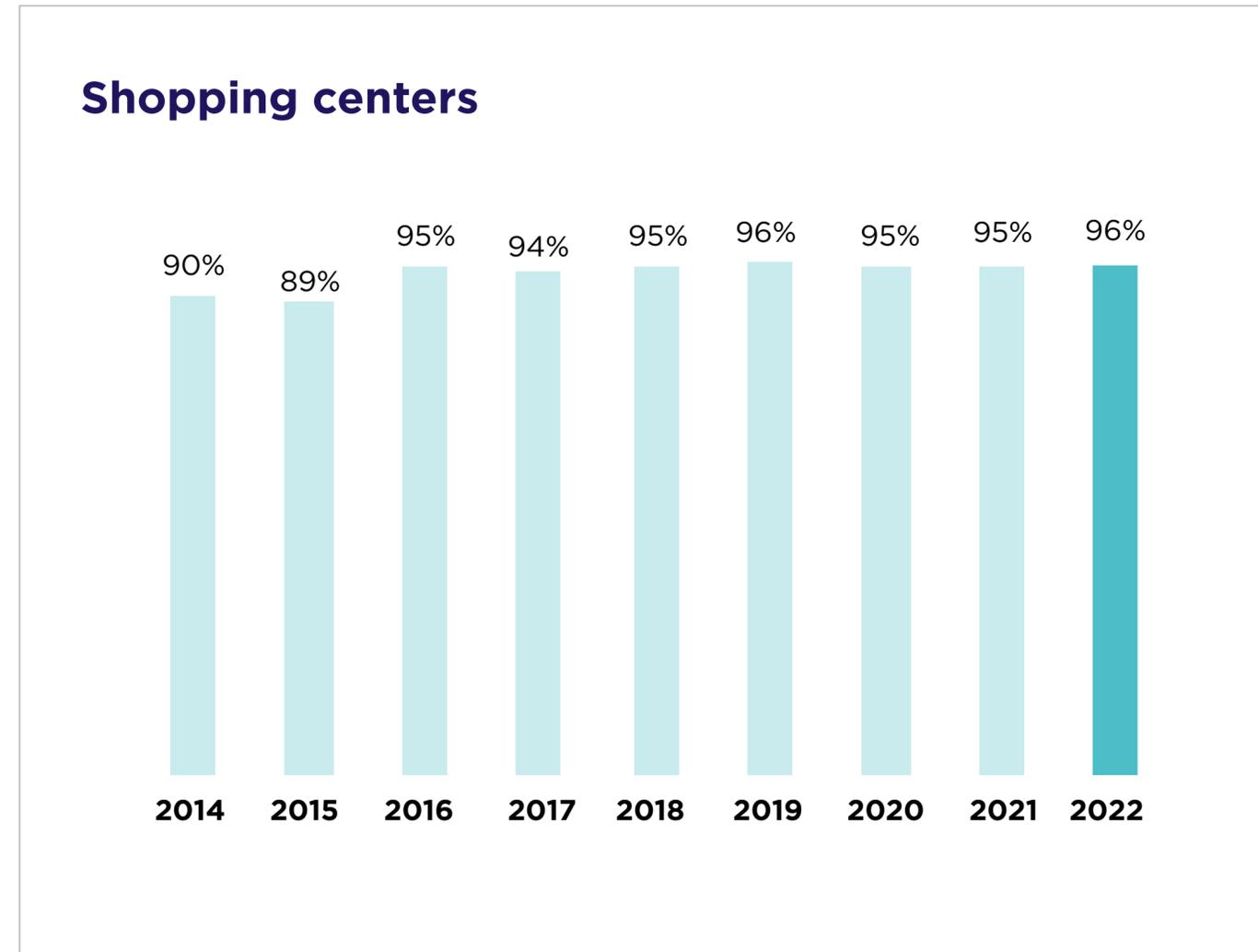
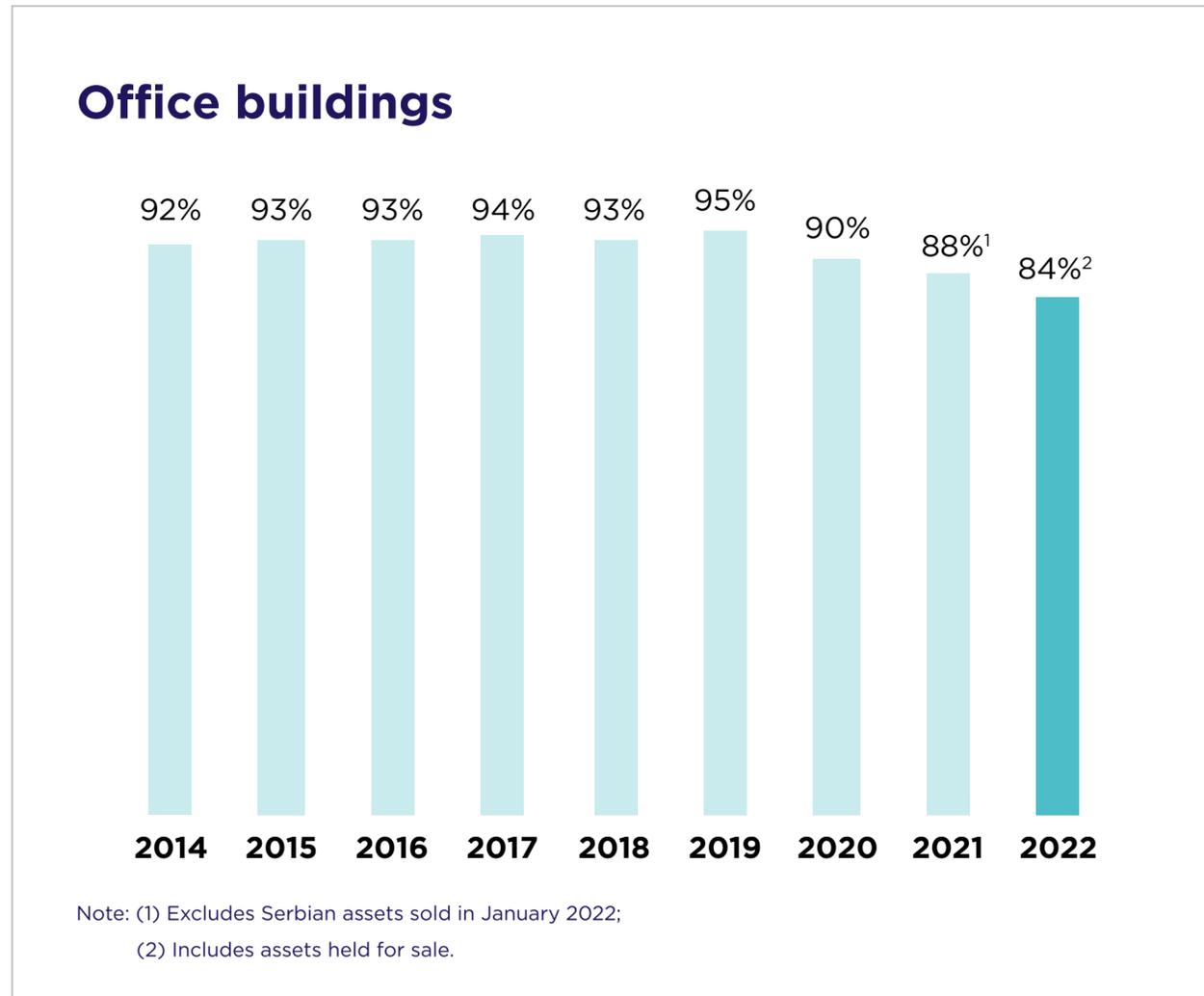
**GTC GROUP**

**Income-producing investment properties by property type (as of 31 December 2022)**

LOCATION	TOTAL GROSS RENTABLE AREA (SQ. M)	SHARE BY RENTABLE AREA	BOOK VALUE (EUR '000)	BOOK VALUE (%) (EUR '000)	SHARE BY BOOK VALUE (%)
Office buildings	558 000	73%	84%	1 330 671	65%
Shopping centers	204 200	27%	96%	719 900	35%
<b>TOTAL</b>	<b>762 200</b>	<b>100%</b>	<b>88%</b>	<b>2 050 571</b>	<b>100%</b>

**GTC GROUP**

**Occupancy rates for offices and shopping centers 2014-2022**



Economic data

[GRI 205-2]

## Governance data

### ANTI-CORRUPTION POLICY

Employees advised about anti-corruption procedures.

	Percentage of employees who are familiar with the anti-corruption policy and procedures
Members of the governing bodies	100%
Employees of GTC Group	100%

### ANTI-CORRUPTION POLICY

Number of confirmed cases of corruption.

Number of confirmed cases of corruption	0
---	---

# Economic data

[GRI 2-2]

**SUBSIDIARIES****Companies of GTC Group, as of 31 December 2021 and 31 December 2022**

NAME	HOLDING COMPANY	COUNTRY OF INCORPORATION	31 DECEMBER 2022	31 DECEMBER 2021
GTC Konstancja Sp. z o.o. (0)	GTC S.A.	Poland	100%	100%
GTC Korona S.A.	GTC S.A.	Poland	100%	100%
Globis Poznań Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Aeropark Sp. z o.o.	GTC S.A.	Poland	100%	100%
Globis Wrocław Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Satellite Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Sterlinga Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Karkonoska Sp. z o.o. (0)	GTC S.A.	Poland	100%	100%
GTC Ortal Sp. z o.o.	GTC S.A.	Poland	100%	100%
Diego Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Francuska Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC UBP Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Pixel Sp. z o.o.	GTC S.A.	Poland	100%	100%

NAME	HOLDING COMPANY	COUNTRY OF INCORPORATION	31 DECEMBER 2022	31 DECEMBER 2021
GTC Moderna Sp. z o.o.	GTC S.A.	Poland	100%	100%
Centrum Handlowe Wilanów Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Management Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Corius Sp. z o.o.	GTC S.A.	Poland	100%	100%
Centrum Światowida Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Galeria CTWA Sp. z o.o.	GTC S.A.	Poland	100%	100%
Artico Sp. z o.o.	GTC S.A.	Poland	100%	100%
GTC Hungary Real Estate Development Company Pltd. („GTC Hungary”)	GTC S.A.	Hungary	100%	100%
GTC Duna Kft.	GTC Hungary	Hungary	100%	100%
Váci út 81-85. Kft.	GTC Hungary	Hungary	100%	100%
Riverside Apartmanok Kft. (O)	GTC Hungary	Hungary	100%	100%
Centre Point I. Kft.	Váci út 81-85. Kft.	Hungary	100%	100%
Centre Point II. Kft.	Váci út 81-85. Kft.	Hungary	100%	100%
Spiral I. Kft.	GTC Hungary	Hungary	100%	100%
Spiral I. Kft.	GTC Hungary	Hungary	100%	100%
Albertfalva Üzletközpont Kft.	GTC Hungary	Hungary	100%	100%

NAME	HOLDING COMPANY	COUNTRY OF INCORPORATION	31 DECEMBER 2022	31 DECEMBER 2021
GTC Metro Kft.	GTC Hungary	Hungary	100%	100%
Kompakt Land Kft.	GTC Hungary	Hungary	100%	100%
GTC White House Kft.	GTC Hungary	Hungary	100%	100%
VRK Tower Kft.	GTC Hungary	Hungary	100%	100%
GTC Future Kft.	GTC Hungary	Hungary	100%	100%
Globe Office Investments Kft.	GTC Hungary	Hungary	100%	100%
Office Planet Kft. (1)	GTC Hungary	Hungary	-	100%
GTC Investments Sp. z o.o.	GTC Hungary	Poland	100%	100%
GTC Univerzum Projekt Kft.	GTC Hungary	Hungary	100%	100%
GTC Origine Investments Pltd. ("GTC Origine")	GTC S.A.	Hungary	100%	100%
GTC HBK Project Kft.	GTC Origine	Hungary	100%	100%
GTC VI188 Property Kft.	GTC Origine	Hungary	100%	100%
GTC FOD Property Kft.	GTC Origine	Hungary	100%	100%
G-Delta Adrssy Kft.	GTC Origine	Hungary	100%	100%
GTC KLZ 7-10 Kft.	GTC Origine	Hungary	100%	100%
GTC PSZTSZR Projekt Kft (2)	GTC Origine	Hungary	100%	-

NAME	HOLDING COMPANY	COUNTRY OF INCORPORATION	31 DECEMBER 2022	31 DECEMBER 2021
GTC DBRNT Projekt Kft (2)	GTC Origine	Hungary	100%	-
GTC B41 d.o.o. (2)	GTC Origine	Serbia	100%	-
GTC K43-45 Property Kft. (3)	GTC Origine	Hungary	100%	-
GTC Liffey Kft. (3)	GTC Origine	Hungary	100%	-
GTC UK Real Estate Investments Ltd. (3)	GTC Origine	United Kingdom	100%	-
GTC Nekretnine Zagreb d.o.o.	GTC S.A.	Croatia	100%	100%
Euro Structor d.o.o.	GTC S.A.	Croatia	70%	70%
Marlera Golf LD d.o.o.	GTC S.A.	Croatia	100%	100%
Nova Istra Idaeus d.o.o.	Marlera Golf LD d.o.o.	Croatia	100%	100%
GTC Matrix d.o.o. (1)	GTC S.A.	Croatia	-	100%
GTC Seven Gardens d.o.o.	GTC S.A.	Croatia	100%	100%
Towers International Property S.R.L.	GTC S.A.	Romania	100%	100%
Green Dream S.R.L.	GTC S.A.	Romania	100%	100%
Aurora Business Complex S.R.L.	GTC S.A.	Romania	100%	100%
Cascade Building S.R.L. (1)	GTC S.A.	Romania	-	100%
City Gate Bucharest S.R.L.	GTC S.A.	Romania	100%	100%

NAME	HOLDING COMPANY	COUNTRY OF INCORPORATION	31 DECEMBER 2022	31 DECEMBER 2021
Venus Commercial Center S.R.L.	GTC S.A.	Romania	100%	100%
City Gate S.R.L.	GTC S.A.	Romania	100%	100%
City Rose Park S.R.L.	GTC S.A.	Romania	100%	100%
Deco Intermed S.R.L.	GTC S.A.	Romania	66.7%	66.7%
GML American Regency Pipera S.R.L. (4)	GTC S.A.	Romania	75%	66.7%
NRL EAD	GTC S.A.	Bulgaria	100%	100%
Advance Business Center EAD	GTC S.A.	Bulgaria	100%	100%
GTC Yuzhen Park EAD	GTC S.A.	Bulgaria	100%	100%
Dorado 1 EOOD	GTC S.A.	Bulgaria	100%	100%
GOC EAD	GTC S.A.	Bulgaria	100%	100%
GTC Flex EAD (3)	GTC S.A.	Bulgaria	100%	-
GTC Medj Razvoj Nekretnina d.o.o. Beograd (1)	GTC S.A.	Serbia	-	100%
GTC Business Park d.o.o. Beograd (1)	GTC S.A.	Serbia	-	100%
Commercial and Residential Ventures d.o.o. Beograd (1)	GTC S.A.	Serbia	-	100%
Demo Invest d.o.o. Novi Beograd (1)	GTC S.A.	Serbia	-	100%
Atlas Centar d.o.o. Beograd (1)	GTC S.A.	Serbia	-	100%

NAME	HOLDING COMPANY	COUNTRY OF INCORPORATION	31 DECEMBER 2022	31 DECEMBER 2021
Commercial Development d.o.o. Beograd	GTC S.A.	Serbia	100%	100%
Glamp d.o.o. Beograd (5)	GTC S.A.	Serbia	100%	100%
GTC BBC d.o.o. (1)	GTC S.A.	Serbia	-	100%
GTC Aurora Luxembourg S.A.	GTC S.A.	Luxembourg	100%	100%
Europort Investment (Cyprus) 1 Limited	GTC S.A.	Cyprus	100%	100%

(0) Under liquidation

(1) Sold

(2) Acquired

(3) Newly established wholly-owned subsidiary

(4) Acquisition of non-controlling interest

(5) GTC S.A. holds 100% shares through a wholly-owned subsidiary GTC Hungary, which has 70% of shares and remaining 30% is held directly by GTC S.A.

# Companies

# About the report

[Reporting approach](#)

[GRI index \(with reference to EPRA guidelines\)](#)

[TCFD index](#)

[Contact](#)

# 07



[GRI 2-2], [GRI 2-3], [GRI 2-4], [GRI 2-14], [GRI 2-5], [GRI 3-1]

# Reporting approach

**This Report is the third ESG Report of GTC Group and includes information about all the Group's companies. The Report covers the financial year from 1 January to 31 December 2022. We publish the Report on an annual basis. The Report was prepared in accordance with the newest GRI Standards. ESG reporting was introduced in all GTC Group companies included in the annual financial statements.**

In 2020, we started the process of non-financial reporting in accordance with the international GRI Standard. We took on a duty to report in accordance with this standard in order to provide our key stakeholders with knowledge about ESG management and results in our Group in a credible and comparable manner, but also to involve them in the process. For the revision of the materiality of reported topics, we also conducted a stakeholder dialogue at the end of 2022. Our Group's Management Board was involved in the final decisions on the relevance of the topics.

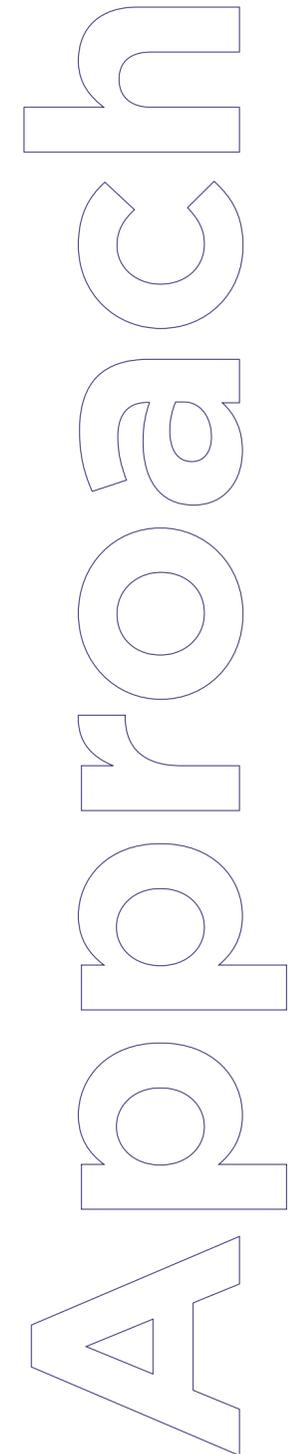
The following aspects were taken into account in the presentation of the approach and indicators:

- Recommendations of the CSRD Directive on the approach to the materiality analysis of ESG topics (double materiality)
- GRI Standards;
- EPRA Sustainability Best Practices Recommendations Guidelines;
- TCFD (Task Force on Climate-related Financial Disclosures);
- The United Nations Sustainable Development Goals, which aim to ensure a sustainable future. The Report has not been subject to additional external verification.

The data presented was gathered from internal reporting systems. The report was not subjected to additional external verification. Any corrections to the data reported for the previous year were marked in each case in a footnote to the information in question.

The Report was prepared in accordance with the GRI Standard and its substantive guidelines: stakeholder engagement, sustainable development context, relevance, and completeness. As a result of a re-analysis of the market, stakeholder survey and matrix validation by the Group's Management Board, we have significantly changed the list of most important ESG issues when compared to the previous year. In the process of selecting material topics, indicators, and the scope of the report, we took into account the results of an internal analysis of sustainable development in our industry and international regulations.

Learn about the materiality matrix of ESG topics [HERE](#).



# GRI INDEX (WITH REFERENCE TO EPRA GUIDELINES)

## STATEMENT OF USE

GTC S.A.'S SUSTAINABILITY REPORT FOR THE PERIOD FROM 01.01.2022 TO 31.12.2022 WAS PREPARED IN ACCORDANCE WITH THE GRI REPORTING STANDARDS

**GRI 1 used** GRI 1: Foundation 2021

**Applicable GRI Sector Standard(s)** None

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>GRI 2: GENERAL DISCLOSURES 2021</b>				
<b>Organization's sustainability reporting</b>				
GRI 2-1		Organizational details	7-11, 199	
GRI 2-2		Entities included in the organization's sustainability reporting	7-11, 182-187, 189	
GRI 2-3	GRI 2 General Disclosures	Reporting period, frequency and contact point	189, 199	
GRI 2-4		Restatements of information	130	
GRI 2-5		External assurance	189	
<b>Activity and employees</b>				
GRI 2-6		Activities, value chain and other business relationships	14, 123	
GRI 2-7	GRI 2 General Disclosures	Employees	75-76, 170-175	
GRI 2-8		Workers who are not employees	75-76, 170, 172	
<b>Governance</b>				
GRI 2-9		Governance structure and composition	98-107	Gov-Board
GRI 2-10	GRI 2 General Disclosures	Nomination and selection of the highest governance body	98-107	Gov-Selec
GRI 2-11		Chair of the highest governance body	100, 105	Gov-Board

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>GRI 2: GENERAL DISCLOSURES 2021</b>				
<b>Governance</b>				
GRI 2-12		Role of the highest governance body in overseeing the management of impacts	98-107	
GRI 2-13		Delegation of responsibility for managing impacts	98-113	
GRI 2-14		Role of the highest governance body in sustainability reporting	110-111	
GRI 2-15		Conflicts of interest	114-117	
GRI 2-16		Communication of critical concerns	114-115	Gov-Col
GRI 2-17	GRI 2 General Disclosures	Collective knowledge of the highest governance body	98-113	
GRI 2-18		Evaluation of the performance of the highest governance body	98-107	
GRI 2-19		Remuneration policies	98-107	
GRI 2-20		Process to determine remuneration	98-107	
GRI 2-21		Annual total compensation ratio		Presented in <a href="#">Remuneration report</a> page 9
<b>Strategy, politics and processes</b>				
GRI 2-22		Statement on sustainable development strategy	3-5	
GRI 2-23		Policy commitments	114-115	
GRI 2-24	GRI 2 General Disclosures	Embedding policy commitments	114-115	
GRI 2-25		Processes to remediate negative impacts	48-51, 112-117	
GRI 2-26		Mechanisms for seeking advice and raising concerns	114-115	
GRI 2-27		Compliance with laws and regulations	114-117	

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>GRI 2: GENERAL DISCLOSURES 2021</b>				
<b>Stakeholder relations</b>				
GRI 2-28		Membership associations	46	Cert-Tot
GRI 2-29	GRI 2 General Disclosures	Approach to stakeholder engagement	27-33,43-45	
GRI 2-30		Collective bargaining agreements	There are no labor unions in GTC. There are no collective bargaining agreements in GTC.	
<b>GRI 3 MATERIAL TOPICS</b>				
GRI 3-1	GRI 3. Material topics 2021	Process to determine material topics	39-42, 189	
GRI 3-2		List of material topics	39-42	
<b>DETAILED DISCLOSURES ON RELEVANT TOPICS</b>				
<b>ENVIRONMENTAL IMPACT</b>				
<b>KEY TOPIC: GREEN BUILDING CERTIFICATION</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42,48-70	
Own measure	Not applicable	Number of assets with green certification and their percentage of the real estate portfolio	52, 131-132	Cert-Tot
<b>KEY TOPIC: CLIMATE CHANGE AND CARBON FOOTPRINT REDUCTION; INVESTMENT IN RENEWABLE ENERGY SOURCES</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 48-60, 68-73, 109	
GRI 302-1	GRI 302. Energy 2016	Energy consumption within the organization	52, 133-146	Elec-Abs Elec-Lfl DH&C-Abs DH&CLfl Fuels-Abs Fuels-Lfl

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>ENVIRONMENTAL IMPACT</b>				
<b>KEY TOPIC: CLIMATE CHANGE AND CARBON FOOTPRINT REDUCTION; INVESTMENT IN RENEWABLE ENERGY SOURCES</b>				
GRI 302-3	GRI 302. Energy 2016	Energy intensity	52, 133-139	Energy-Int
GRI 305-1	GRI 302. Energy 2016	Direct (Scope 1) GHG emissions	52, 57-58, 147-155	GHG-Dir-Abs
GRI 305-2	GRI 302. Energy 2016	Energy indirect (Scope 2) GHG emissions	52, 57-58, 147-155	GHG-Indir-Abs
GRI 305-3	GRI 302. Energy 2016	Energy 2016 Other indirect (Scope 3) GHG emissions	52, 57-58, 147-155	
GRI 305-4	Not applicable	GHG emissions intensity	57-58, 147-150	GHG-Int
Own measure	Own measure	Description of the innovations implemented to reduce the company's negative environmental impact	55-64	
<b>MATERIAL TOPIC: WASTE MANAGEMENT AND CIRCULAR ECONOMY</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 48-54	
GRI 306-3	GRI 306. Waste 2020	Waste generated	52, 162-168	Waste-Abs Waste-Int
GRI 306-4	GRI 306. Waste 2020	Waste diverted from disposal	52, 162-168	
<b>KEY TOPIC: BIODIVERSITY</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 71-73	
Own measure	Not applicable	Description of measures to protect biodiversity.	71-73	
GRI 303-5	GRI 303: Water and Effluents 2018	Water consumption	52, 156-161	Water-Abs Water-Lfl Water-Int
<b>SOCIAL IMPACT</b>				
<b>KEY TOPIC: CUSTOMER/TENANT SATISFACTION</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42,75-76, 89, 91-94,96	
Own measure	Not applicable	Description of approach to measuring customer/tenant satisfaction	96	

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>SOCIAL IMPACT</b>				
<b>KEY TOPIC: COMMERCIAL REAL ESTATE MANAGEMENT</b>				
GRI 3-3	Material topics 2021	Management of material topics	75-79	
GRI 416-1	GRI 416. Customer Health and Safety 2016	Assessment of the health and safety impacts of product and service categories	89,125	H&S-Asset
GRI 416-2	GRI 416. Customer Health and Safety 2016	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2022, we did not record any cases of non-compliance of our assets with regulations regarding their impact on health and safety.	H&S-Comp
<b>KEY TOPICS: INVESTMENT IN LOCAL INFRASTRUCTURE AND ECONOMIC IMPACT</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42	
GRI 203-2	GRI 203. Indirect Economic Impacts 2016	Significant indirect economic impacts	176	
GRI 201-1	GRI 201. Economic Performance 2016	Direct economic value generated and distributed	176	
<b>KEY TOPICS: RELIABLE EMPLOYER; DESIGN OF FLEXIBLE, INNOVATIVE WORKPLACES; HEALTH AND SAFETY</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 75-76, 89-96	
GRI 404-1	GRI 401. Employment 2016	New employee hires and employee turnover	128,173	Emp-Turnover
GRI 401-2	GRI 401. Employment 2016	Benefits provided to full-time employees that are not provided to temporary or part-time employees	91, 95	
GRI 403-1	GRI 403. Occupational Health and Safety 2018	Occupational health and safety management system	GTC Group companies have a health and safety management system in place that complies with legal requirements in the markets where they operate.	H&S-Emp
GRI 403-2	GRI 403. Occupational Health and Safety 2018	Hazard identification, risk assessment, and incident investigation	Employees are encouraged to report to their superiors and to services dedicated to the company's health and safety management any situation that may pose a health and safety risk.	

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>SOCIAL IMPACT</b>				
<b>KEY TOPICS: RELIABLE EMPLOYER; DESIGN OF FLEXIBLE, INNOVATIVE WORKPLACES; HEALTH AND SAFETY</b>				
<b>GRI 403-3</b>	GRI 403. Occupational Health and Safety 2018	Occupational health services		
			GTC Group strictly adheres to the principles of protecting employees' personal data, especially data on their health. In accordance with the law and the company's internal regulations, we do not allow situations of breach of confidentiality in this regard.	
<b>GRI 403-4</b>	GRI 403. Occupational Health and Safety 2018	Worker participation, consultation, and communication on occupational health and safety		H&S-Asset
			GTC Group strictly adheres to occupational health and safety rules. In accordance with the law and the company's internal regulations, an employee is informed each time there are changes in workplace health and safety by the person responsible for HR in the country. Workplace health and safety changes are implemented at a minimum after consultation by the country's management. Any employee can report his or her OSH concerns to both Management and HR.	
<b>GRI 403-5</b>	GRI 403. Occupational Health and Safety 2018	Worker training on occupational health and safety		H&S-Comp
			GTC Group companies conduct mandatory health and safety training and additional training in accordance with the law.	
<b>GRI 403-6</b>	GRI 403. Occupational Health and Safety 2018	Promotion of worker health	89-90	
<b>GRI 403-7</b>	GRI 403. Occupational Health and Safety 2018	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	89, 69, 124-125	
<b>GRI 403-9</b>	GRI 403. Occupational Health and Safety 2018	Work-related injuries	89-90, 175	
<b>GRI 404-1</b>	GRI 404. Training and Education 2016	Average hours of training per year per employee	91, 175	Emp-Training

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>SOCIAL IMPACT</b>				
<b>KEY TOPICS: RELIABLE EMPLOYER; DESIGN OF FLEXIBLE, INNOVATIVE WORKPLACES; HEALTH AND SAFETY</b>				
GRI 404-3	GRI 404. Training and Education 2016	Percentage of employees receiving regular performance and career development reviews	91, 175	Emp-Dev
GRI 405-1	GRI 405. Diversity and Equal Opportunity 2016	Diversity of governance bodies and employees	170-174	Diversity-Emp
Own measure	Not applicable	Length of service	174	
<b>KEY TOPIC: COMMUNITY ENGAGEMENT</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 77-87	
GRI 413-1	GRI 413. Local Communities 2016	Operations with local community engagement, impact assessments, and development programs	77-87	Comty-Eng
Own measure	Not applicable	Percentage of assets under operational control that have implemented social engagement, impact assessment and development programs	82-87, 176	Comty-Eng
<b>GOVERNANCE</b>				
<b>KEY TOPIC: COMPLIANCE OF ACTIVITIES WITH THE LAW</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 116-122	
GRI 205-1	GRI 205. Anti-corruption 2016	Operations assessed for risks related to corruption	118-119	
GRI 205-2	GRI 205. Anti-corruption 2016	Communication and training about anti-corruption policies and procedures	118-119,181	
GRI 206-1	GRI 206. Anti-competitive Behavior 2016	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	116-117	

DISCLOSURE	GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	EPRA CODE <sup>23</sup>
<b>GOVERNANCE</b>				
<b>KEY TOPIC: RISK MANAGEMENT</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 120-122	
Own measure	Not applicable	Description of risk management approach	120-122	
<b>KEY TOPICS: ENVIRONMENTAL AND SOCIAL IMPACT OF SUPPLIERS; STANDARDS FOR WORKING WITH GENERAL CONTRACTORS</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 124-125	
GRI 308-1	GRI 308. Supplier Environmental Assessment 2016	New suppliers that were screened using environmental criteria	124-125, 128, 177	
<b>KEY TOPIC: PRIVACY AND DATA SECURITY</b>				
GRI 3-3	Material topics 2021	Management of material topics	40-42, 114	
GRI 419-1	GRI 419. Socioeconomic Compliance 2016	Non-compliance with laws and regulations in the social and economic area		GTC has not found any non-compliance with laws and/or regulations, including any loss or mismanagement of data security.

# Approach

# TCFD INDEX

## Disclosures on Task Force on Climate-related Financial Disclosures (TCFD) guidelines for reporting climate-related information

DISCLOSURES	PAGE NO. IN THE REPORT
<b>Governance</b> - The organization's governance around climate-related risks and opportunities	48-58, 109-110
<b>Strategy</b> - Impact on climate issues, risks and opportunities on the company's business model, strategy and financial plans	9-14, 24-25, 27-31
<b>Risk Management</b> - Description of the processes for identifying and assessing climate-related risks and opportunities that the organization uses	48-52, 120-122
<b>Metrics and Targets</b> - The metrics and targets used to assess and manage relevant climate-related risks and opportunities	55-67, 147-155



# TCFD INDEX

# Contact

If you have any questions regarding this report,  
please contact us:

**Małgorzata Czaplicka**

Investor Relations Director

Email: [malgorzata.czaplicka@gtcgroup.com](mailto:malgorzata.czaplicka@gtcgroup.com)

[www.gtcgroup.com](http://www.gtcgroup.com)

**Globe Trade Centre S.A.**

KOR 45A,

02-146 Warsaw, Poland

