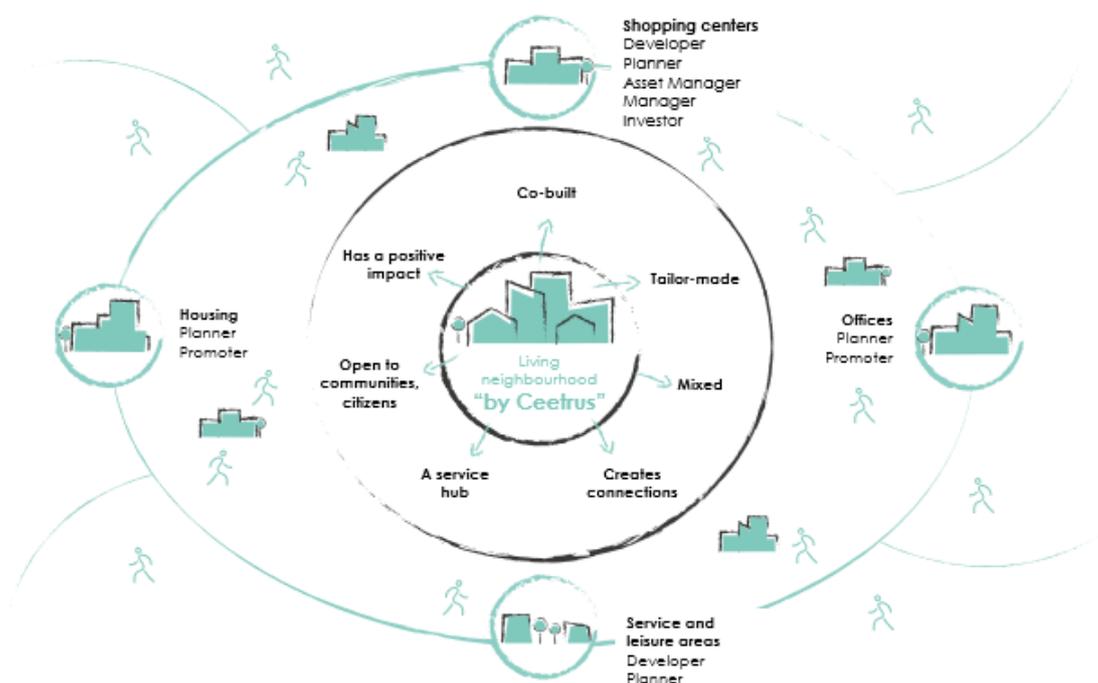


Green Bond Framework

25/10/2019

1 - MORE CONNECTIONS & OPENNESS

Founded in 1976, Ceetrus is a global real-estate actor known as Immochan until June 2018. Ceetrus is operating a transformation since 2016 to become a global real-estate development company. With 279 shopping centres worldwide and thanks to strong partnerships with citizens and territories, Ceetrus builds animating places integrating commerce, housing, offices and urban infrastructures. By creating sustainable, smart and lively places, Ceetrus' mission is to build and enhance a real human link between people to make tomorrow's city. Its fields of expertise are from development, promotion, investment, site administration to innovation.



a. The Ceetrus Vision 2030

The need to build a more sustainable world led our society to change rapidly over the last few years. Cities and neighbourhoods are transforming, restructuring around a new generation of buildings designed to accommodate the new lifestyles. Citizens are changing their way of life. They turn to more collaborative, more digital forms of consumption. They are committed to addressing environmental issues. They demand greater transparency. They hold public and private players accountable for their actions, while asking to be listened to and to have a say in the decisions of the community. More connected than ever, citizens need in the end to create reciprocal links to meet each other and to live together.

To reflect these societal changes and meet the new expectations of citizens, Ceetrus engaged two years ago, together with all of its employees and partners, an overall assessment of its future. From this arose its Vision 2030.

Ceetrus' mission is to help the people connect by creating lively, sustainable and innovative places.

To design these places, Ceetrus' Vision 2030 is structured around three pillars - "Meeting people and territories' needs",



"Acting as a global urban player", "Animating places and communities" – and four attitudes - "Co", "Care", "Committed", "Innovative".



b. Corporate Responsibility in Ceetrus

Fully aware of its social and environmental responsibility, Ceetrus is determined to lead projects with positive impact to the planet, from all stakeholders. From its way of working to the development of the project itself, Ceetrus is committed to preserving human and environmental capital through respectful working methods.

We are a socially responsible company that aims to reduce our environmental footprint. Optimizing energy performance, preventing environmental hazards, obtaining international certifications, enabling public services and mixed-mode transportation, form the basis of our approach to environmental management. Going one-step further, we seek to play a useful role in each region in order to satisfy the needs of the various players in a city.

In 2018, in line with our new vision, we launched our new co-developed CSR strategy. With more than 700 people questioned and over thirty interviews with employees, shareholders and partners, this process of consultation and listening laid the foundation for the CSR strategy defined in 2019.





Our CSR Strategy

Our strategy is focused on six main targets, divided into two areas: “Carbon -” and “Territory +”

“Carbon -” – We are committed to contributing to preserving the environment
Today, our sites and projects:

- are committed to implementing a “1.5° target” by 2025;
- are committed to choosing sustainable consumption patterns;
- are committed to developing biodiversity.

By 2025, our goal is to make 100% of our sites and projects compatible with a “1.5° Target”:

- 100% “Low Carbon” projects
- 100% of projects with a clear improvement in biodiversity
- 100% connected sites that are accessible by public transport
- 100% of sites with a “biodiversity” action plan
- 100% of our projects and major sites certified “Breeam excellent” and “Breeam in use excellent”
- 100% of leases including a responsible clause
- 100% of sites and projects with a responsible and 2nd hand offer

“Territory +” – We are committed to generating a positive impact for the territories:

Today, our sites and projects:

- engage communities and local players by giving them spaces;
- stimulate civic action by enabling our clients to become “changemakers” through targeted information sharing and events;
- are boosting the territory's economy and influence by supporting the territory's merchants and entrepreneurs and promoting local jobs.

By 2025, our goal is for 100% of our sites and projects to have a positive impact

- 100% of sites with space available for citizens to use
- 100% of projects developed through a co-construction process with citizens
- 100% of the events are educational
- 100% of sites and projects support the employment and employability of citizens



Our actions achieved

- **BREEAM certified projects**

In France, more 90% of Ceetrus projects are currently in the process of certification BREEAM new building" and 75% of projects opened since 2011 are certified.

- **Actor of a responsible resource management**

Ceetrus regularly conducts energy audits in its centres with a view to continuous improvement. The reduction in energy consumption between 2013 and 2019 is expected to be more than 25%, notably through the implementation of energy performance contracts to switch into LED lighting all of our Commercial Centers by 2025. In 2018, 40% of the used energy came from renewable energy sources.

- **Partners committed to reducing the environmental footprint**

Today, Ceetrus is a i) partner of the League for the Protection of Birds (LPO) in France (the partnership with the LPO is to create biodiversity refuges on our land reserves and provide expertise during the design of our projects and the operation of our sites in France), ii) the main partner of the Eco-City project (a national project to promote the idea of sustainable urban development in Poland) and iii) a partner of Greenpeace in Russia.



2 - Ceetrus' Green Bond Framework

The Green Bond Framework has been designed using the Green Bond Principles, 2018 version, published by the International Capital Markets Association (ICMA), and has been reviewed by Vigeo eiris who provided a Second Party Opinion.

Both Framework and Second Party Opinion will be made available on Ceetrus' website.

This Framework contributes to one high level environmental objective identified by the Green Bond Principles, namely Climate Change Mitigation.

In relation to the Green Bonds Issue, Ceetrus intends to follow best market practice and will communicate in a transparent manner on:

- i. Use of Proceeds
- ii. Process for Project Evaluation and Selection
- iii. Management of Proceeds
- iv. Reporting

i. Use of Proceeds

An amount equal to the net proceeds of the Green Bonds Issue will be used to finance and/or refinance, in part or in full, Eligible Green Assets, as defined below.

Eligible Green Assets include construction or acquisition of new or on-going assets, as well as existing assets owned by Ceetrus Group that have received major renovations, and which meet each following criteria:

i. Asset type and location:

Eligible Green Assets are either under on-going developments or in use buildings

(For each new project, a forecast date of delivery date will be communicated). Eligible Green Assets should be located within a country member of the European Union.

ii. Minimum building certification:

Eligible Green Assets should have received or are expected to receive a minimum certification of BREEAM "Very good", or equivalent. For existing buildings, the assets must have received an "In-Use" certification of at least "Very good" or equivalent up to 3 years before issuance of a Green Bond.

iii. Energy Efficiency:

Existing Eligible Green Assets under management should achieve at least energy savings of 30% in comparison to their baseline performance in ratio kwh/m².

iv. Accessibility to public transportation:

Eligible Green Assets should offer a good accessibility to public transports (located within a 10-minutes' walk of public transportation networks).

v. Tenants relationships:

Eligible Green Assets should have signed or be in the process of signing green contracts leasing on the assets financed (sharing best practices with tenants).

If for any reason an asset was no longer eligible, Ceetrus will use its best efforts to substitute any asset or project that are no longer eligible, as soon as practicable once an appropriate substitution option has been identified. Under the scenario where there is a change of ownership such as Ceetrus' ownership fall to a proportion that leads to an under commitment of Eligible Green Asset, Ceetrus will find additional assets to make up for the shortfall.

ii. Process for Project Evaluation and Selection

Our ethical commitments and compliance are based on two benchmarks:

Code of Ethics for Employees

Broadcast in June 2019, it is aimed at the community of Collaborators, employees, agents and administrators.

It is attached to the company's Internal Regulations, deployed in all countries and languages.

It deals with the following components:

- opening a confidential alert and advisory platform;
- respect for fundamental human rights;
- ethical conduct of affairs (respect for competition law, transparency and loyalty of financial information), fight against corruption, money laundering and conflicts of interest; compliance with international embargoes and economic sanctions;
- account accuracy CSR commitments.

Partner Code of Ethics

Published in October 2019, it is aimed at the community of Partners, takers (tenants), suppliers, contractors and their subcontractors. It is attached to the main contract on which it depends (e.g. the standard lease agreement or the purchase tender), deployed in all countries and in all languages, and is mandatory.

The code covers:

- opening a confidential alert and advisory platform (www.speakup.ceetrus.org)
- ethical conduct of affairs (respect for competition law, transparency and loyalty of financial information), fight against corruption, money laundering and conflicts of interest; compliance with international embargoes and economic sanctions and counter-terrorism;
- human rights and fundamental rights: respect for international labor law, fight against discrimination, environment protection, compliance with CSR commitments;
- establishing a system of remediation or sanctions in the event of a serious infringement (corruption, non-respect for fundamental rights).

As part of its obligation of mutual commitment to environment protection and natural resources preservation, Ceetrus also encourage its Partners to control their footprint and use SME and ISO 14001 certification systems. Audits can be carried out to verify compliance.

This commitment goes beyond Ceetrus' co-contractor, and applies to the entire supply chain or sub-lease. The Partner responds to Ceetrus for its own co-contractors' compliance with these obligations.

In addition, Ceetrus has an environmental charter in place.

Our environmental charter has been attached to all our leases (new and renewal) since 2012. This charter applies to any new location. Existing leases must comply when remodeling their store and changing equipment.

Our environmental charter covers:

- Energy management
- Water management
- The Control of business waste
- The environmental quality of interior design
- An environmental worksite charter

In relation to its Green Bond funding initiative, the evaluation and selection of Eligible Green Assets are made by Ceetrus' Green Bond Committee ("GBC"), a cross-departmental committee, which is expected to meet on a quarterly basis.

The GBC is expected to be comprised of members from the following teams/departments:

- Sustainable Development Department
- Treasury Department
- Operations
- Development
- Compliance

The GBC's role will be to:

1. Review, select and validate the pool of Eligible Green Assets, based on the Green Bond Framework;
2. Validate annual reporting for investors;
3. Review the Framework to reflect any changes with regards to the Company's sustainability strategies and initiatives, and any change in their third party validator of social and environmental criteria for green buildings

iii. Management of Proceeds

The net proceeds from Ceetrus' Green bonds will be deposited in the general account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Assets as selected by the GBC.

All relevant information regarding the issuance of Green Bonds and Eligible Green Assets (re)financed will be monitored and kept in its reporting systems. The balance of the tracked proceeds should be



periodically adjusted, in order to match allocations to Eligible Green Assets (re)financed during this period.

Unallocated Proceeds

Pending the allocation or reallocation, as the case may be, of the net proceeds, Ceetrus will invest the balance of the net proceeds, at its own discretion, in cash and/or cash equivalents and/or other liquid marketable instruments, as per the Company's treasury policy.

iv. Reporting

Ceetrus will report on the allocation of net proceeds and associated impact metrics within one year from the issuance of the Green Bond and annually thereafter until the proceeds have been fully allocated, and as necessary in the event of material development.

The standalone green bond report on Ceetrus' website and shall include two parts:

(A) Allocation Reporting

- The list of Eligible Green Projects (re)financed;
- The proportion of net proceeds used for financing versus refinancing; and,
- The balance of any unallocated proceeds invested in cash and/or cash equivalents (if any).

(B) Impact Reporting

Where possible, Ceetrus will report

- on a number of impact metrics associated with the Green Eligible Assets funded with the net proceeds of the Green Bond;
- and when applicable, on average basis, calculated on the full list of Eligible Green Assets being financed.

Examples of KPIs
Total energy consumption (kWhfe)
Average energy intensity (kWhfe/m ² mall/year)
Avoided CO ₂ e emissions (tCO ₂ e/year) ¹
Average distance to public transportation
Breakdown of BREEAM certification level (Outstanding, Excellent or Very good)

v. External Review

a. Pre-issuance

Prior to the Green Bond Issue, Ceetrus has appointed Vigeo eiris as **Second-Party Opinion**, to review the Eligible Green Assets and to provide a Second Party Opinion on Ceetrus' Green Bond Framework (the "**Second Party Opinion**"). The Second Party Opinion and the present Green Bond Framework will be made available on Ceetrus' website as from the date of the Green Bond Issue.

b. Post-issuance

Ceetrus has appointed an independent auditor to review annually the allocation of Green Bond proceeds, adherence to asset selection criteria, and environmental metrics. The auditors' report will be made available on Ceetrus' website until the maturity of the Green Bond Issue.

¹ Internal methodology : tCO₂/year reduction compared to 2014 reference year as baseline reference.

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