2024

Nature Report

COVIVIO

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Berlin - Residential

editorial

This Nature Report follows on from the Climate report as we were able to publish it in 2022 and 2023, enriching it with the entire Biodiversity dimension. It seemed natural for us to combine Climate and Biodiversity in the same publication, as these two issues are major and complementary and involve multiple interactions, for Covivio as well as for humanity.

In 2024, we finalised our Biodiversity policy, after two years of work. This reflects the already high ambitions and achievements that we have been pursuing since 2010. Our Biodiversity policy is the result of extensive consultation with our German, French and Italian teams and has been developed with a robust scientific approach based on the Global Biodiversity Score (GBS) methodology. This first step led us to assess the impacts of the Group's economic activities on biodiversity throughout the value chain and to identify the main levers to reduce these impacts (choice of materials, reduction of soil artificialisation, etc.). In the second phase, objectives were set. An action plan is currently being developed, in coordination with the operational staff.

This approach to biodiversity intersects with that led by Covivio concerning its climate issues and carbon policy. In 2024, work in this area consisted in continuing the deployment of green CAPEX (renovation work, maintenance, modernisation, etc.). We have also embarked on a new project aimed at renewing the scope of our multi-year targets, so as to continue our carbon trajectory until 2035 and 2050, and no longer until 2030. This reflection is based on the new methodology published at the end of 2024 by the SBT initiative, and takes into account the scenarios of CRREM , SBT's partner on our various tertiary portfolios, as well as the new framework set by the CSRD.

A NATURE REPORT COMBINING CLIMATE AND BIODIVERSITY AT THE HEART OF OUR STRATEGY

This Nature report marks a new phase for Covivio, which is now capitalising on in-depth work carried out over several years, that has currently reached a degree of maturity that allows it to set new ambitions, especially concerning climate and biodiversity issues. An approach that accelerates the transformation of the company, its products,-services and know-how, with an agility and long-term vision that will reinforce the resilience of its economic model.

Christophe Kullmann
CEO

Covivio in figures

1036 employees
(excluding hotel operations)

50% Women

50% Men

95/100
M/F EQUALITY INDEX 2023

€6bn
OFFICES

€3.5bn
HOTELS

aligned with Green Bond frameworks

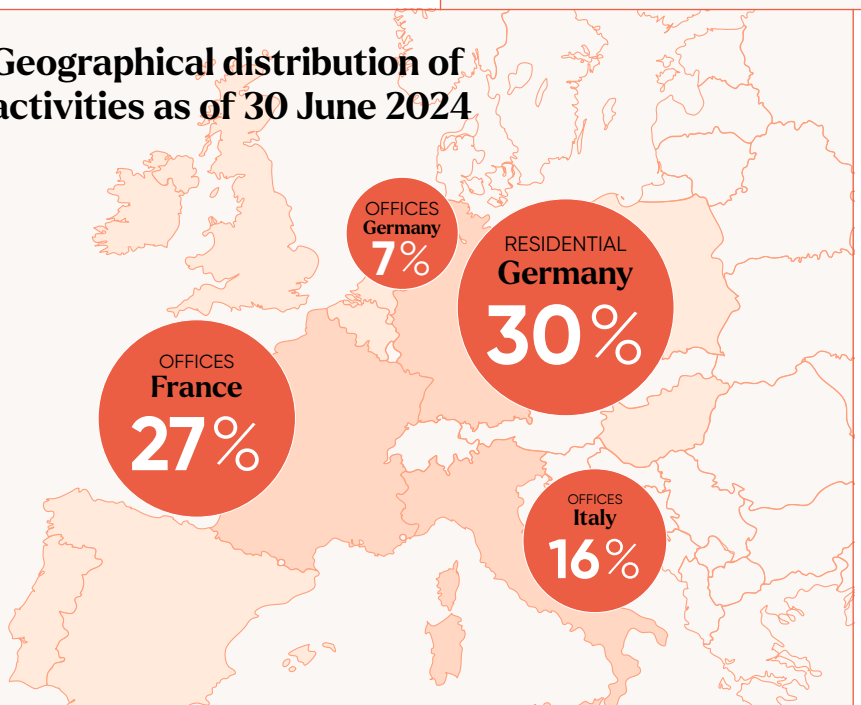
36%
OF REVENUE

75%
OF CAPEX[1]

aligned with taxonomy (operational definition)

[1] Capital expenditures

Geographical distribution of activities as of 30 June 2024



HOTELS IN Europe **20%**

100%
of the assets analysed in terms of

- **Climate** MSCI
- **Water** WRI AQUEDUCT
- **Biodiversity** UTOPIES

Paris - Stream Building

Key learnings

A sector at the heart of climate and biodiversity issues

The construction and real estate sectors play a key role in erosion of biodiversity. They contribute to changes of land use and waterproofing phenomena during the construction of buildings, as well as upstream through their high consumption of raw materials to manufacture materials.

Lyon - Silex

Milan - Symbiosis

An integrated Nature strategy

Aware of the multiple links between climate and biodiversity issues, Covivio wanted to define an integrated "Nature" strategy, by completing existing climate objectives with new commitments relating to land use, resource use or land restoration, with the aim of addressing all its impacts on living organisms. The formalisation of this strategy is the result of two years of work, fuelled in particular by the performance of an in-depth diagnosis of biodiversity issues (assessment of risks, opportunities, impacts and dependencies - ROID). Validated in 2024 by the Executive Committee and then the CSR Committee, this 2030 strategy forms the basis of Covivio's commitment to environmental issues and demonstrates the Group's renewed commitment to the transition.

A three-pillar strategy

Covivio's new Nature strategy is composed of three objectives:

PILLAR 1

Avoid the degradation of natural habitats, to dissociate our real estate model from the degradation of natural spaces.

PILLAR 2

Reduce our consumption of resources, in order to target environmental sobriety throughout our value chain, in line with our carbon trajectory.

PILLAR 3

Contribute to biodiversity improvement in cities, to develop nature in cities and spread a culture of living organisms among our stakeholders.

This strategy has been built on the basis of the "Avoid, Reduce and Transform" framework, inspired by the "Avoid, Reduce, Regenerate, Restore and Transform" framework, favoured by the work of the Science-Based Target Network. This approach is focused on mitigating the impact of Covivio's activity (avoidance and reduction) on the one hand and contributing to the restoration of biodiversity within its scope of activity on the other.

Governance adapted to Nature's challenges

The monitoring and implementation of Covivio's Nature strategy is based on the existing CSR governance bodies: the CSR Committee supervises the Nature strategy, and the Sustainable Development Department is responsible for its operational management, in coordination with the different activities and countries of the Group. The Group's Sustainability Steering Committee, which regularly brings together the Managing Director, the Secretary-General and the Sustainability Director, also makes it possible to strengthen the link between nature issues and decision-making bodies.

Paris - Grands Boulevards

METHODOLOGICAL ASPECTS

Covivio's Nature Report is simultaneously part of the recommendations issued by the Climate Expert Group constituting the Task Force on Climate-related Financial Disclosures (TCFD) (Covivio became an official supporter of this initiative in March 2021) and those of the Task Force on Nature-related Financial Disclosures (TNFD). This report takes into account the «guidance for all sectors» and the «additional guidelines» set by the TCFD and the TNFD for asset owners and managers.

The recommendations of these two bodies are articulated around four pillars: strategy, risk management, objectives and indicators, governance. This report is structured around these four pillars. It deals with the Climate and Biodiversity dimensions, which intersect and combine under the sole term of Nature.
This Nature report includes a number of elements present in the Consolidated Statement on Non-Financial Performance (SNFP) published in April 2024 (*Chapter 3 URD*).

Covivio holds and manages real estate assets of €23 billion (€17 billion group share) with a long-term vision, by regularly developing and renovating buildings in order to constantly improve the technical, environmental and financial performance of its portfolio. Its strategy isorganised around three pillars:

1. **Centrality:** increased presence at the heart of the major European capitals and the main business and leisure centres;
2. **Hospitality:** assets and an offer inspired by hospitality, to accompany the transformation of cities and new customer expectations;
3. **Sustainability:** a commitment to climate transition for a sustainable and resilient city, placing CSR at the heart of the economic model.

These three pillars integrate the considerable challenges that territories and buildings must meet: environmental, climate and health emergencies, lifestyle and technology revolution, etc.

A changing business

A sector at the heart of the ecological transition

Nature is at the heart of every aspect of human life (water cycle, climate regulation, etc.) and is crucial for our economies, with more than 50% of global GDP directly dependent on natural resources. Yet, over the last few decades, it has been increasingly degraded by anthropogenic activities, with a large number of indicators reflecting its alarming state: in 2019, 75% of the Earth's surface was significantly deteriorated by human action, over 85% of wetlands had been lost and the size of wildlife populations decreased by 69% between 1970 and 2018. The economic development methods that have prevailed so far are now incompatible with the preservation of living ecosystems.

Although the erosion of biodiversity is not recent, the subject is receiving renewed attention in the wake of the 15th United Nations Convention on Biological Diversity (COP15) of 2022, which led to the Kunming-Montreal Agreement (or Global Biodiversity Framework). The regulatory landscape and methodological frameworks have been strengthened over several years, at the national (National Strategy for Biodiversity in France and Italy, Sustainable Development Strategy in Germany, etc.), European (CSRD, Taxonomy, etc.) and international (TNFD, SBTN, etc.) level. Companies and investors are increasingly required to integrate biodiversity issues into their strategic thinking and to communicate transparently about them. The increased awareness of the links between economic actors and biodiversity thus invites to shift the focus away from climate issues alone, in favour of a more holistic view of environmental impacts - or "Nature" impacts, thus enabling synergies to be developed and avoiding antagonisms between the different environmental themes.

The construction and real estate sectors play a key role in erosion of biodiversity. They contribute to changes of land use and waterproofing phenomena during the construction of buildings, as well as upstream through their high consumption of raw materials to manufacture materials. The extraction (e.g. gravel and sand) and raw material processing (clinker, etc.) stages account for a major part of the sector's impact on biodiversity (contribution to changes in land use, pollution, etc.) as well as on the climate, which makes taking into account the entire life cycle of the building a major challenge. Beyond reducing their impact, the building and real estate sectors can also play a positive role through their contribution to the transition of cities and territories, influencing lifestyles as well as ways of living and working.

Berlin - Alexanderplatz

An integrated Nature strategy

Italy - SoCovivio Week

Aware of the multiple links between climate and biodiversity issues, Covivio wanted to define an integrated "Nature" strategy, by completing existing climate objectives with new commitments relating to land use, resource use or land restoration, with the aim of addressing all its impacts on living organisms. The formalisation of this strategy is the result of two years of work, fuelled in particular by the performance of an in-depth diagnosis of biodiversity issues (assessment of risks, opportunities, impacts and dependencies - ROID).

After collaborative work involving representatives of the Group's various business lines in France, Germany and Italy, the strategy was then validated in 2024 by the Executive Committee and the CSR Committee. This 2030 strategy forms the basis of Covivio's commitment to environmental issues and demonstrates the Group's renewed commitment to the transition.

The neighbourhood and the building of tomorrow: resilience and sobriety

Today, urban space is undergoing profound changes, driven by an evolution in urban uses. These changes primarily concern offices: 33% of employees worked from home regularly in 2022 (at least one day a week), compared to only 3% in 2017 (Institut Montaigne). At the same time, the flex office is developing. The trend is now more towards reducing the number of square metres and organisations now want "ultra-accessible offices", with more services. At the same time, residential spaces are also being transformed. The pressure on housing is high in many urban areas. We are therefore seeing an expansion of residential buildings, but also the transformation of some neighbourhoods, which were once centred on the tertiary activity.
Covivio wants to support these urban transformations as closely as possible, while ensuring that its buildings are integrated into an urban ecosystem, both in terms of the environment with respect to climate and biodiversity and in terms of society, particularly with regard to well-being, connectivity and mobility. For example, the Group has decided to transform some of its office buildings into residential programmes[1], in the Ile-de-France region and in Italy. A way to address the territorial and demographic challenge, building housing for the city, but also to meet a major economic challenge: restoring life into buildings that have become obsolete and, in doing so, working on the regeneration of urban space.


Bordeaux - Noème
(offices to residential transformation

Covivio is committed to defining the new benchmarks for the building of tomorrow, integrating the challenges

of flexibility, in terms of construction and scalability to meet environmental and regulatory challenges. On the direct perimeter, by guaranteeing the resilience of its assets to physical climate risks, and by positioning itself as a player in the reintroduction of nature in cities by recreating green spaces and focusing on developments in areas that have already been built-up. On the indirect perimeter, by limiting the consumption of resources, improving their traceability and using its influence to disseminate a culture of the living in-house and among its customers. Covivio must also meet the needs of its customers by being energy and water-efficient, to make sure that their operating costs are kept under control. In this respect, Covivio has developed the range of solutions it offers: flexible office offerings, teleworking and "nomadic" working, coworking, coliving, new hotel concepts "like at home", etc. For Covivio, the building of tomorrow must be flexible, service-oriented and open to the local community, connected, and environmentally efficient, like its new European headquarters in Paris, *l'Atelier*.

[1] More information about the projects can be found here.

L'Atelier, an exemplary renovation in the heart of Paris

Paris - *L'Atelier*

The renovation of this 6,500 m² property, which used to house offices and a telephone switchboard, was carried out using the best environmental standards (HQE BD Excellent, BREEAM Excellent, BBCA, OsmoZ, R2S, BiodiverCity). The site illustrates Covivio's vision for the building of tomorrow:

FLEXIBILITY	Modular rooms, collaborative spaces, Wellio spaces for service provision
SERVICE	Catering, gym, wellness services, concierge service
OPEN TO THE REGION	Working with local service providers, organising events open to the region
CONNECTED	Building-based application allowing booking of rooms, services and access to practical information
ENVIRONMENTALLY EFFICIENT	energy savings of 44% compared to the initial state, elimination of the use of fossil fuels on site and creation of 1,000 m² of accessible outdoor spaces, including 400 m² of green spaces and a rooftop offering a 360° view of Paris

A governance involved in Nature issues

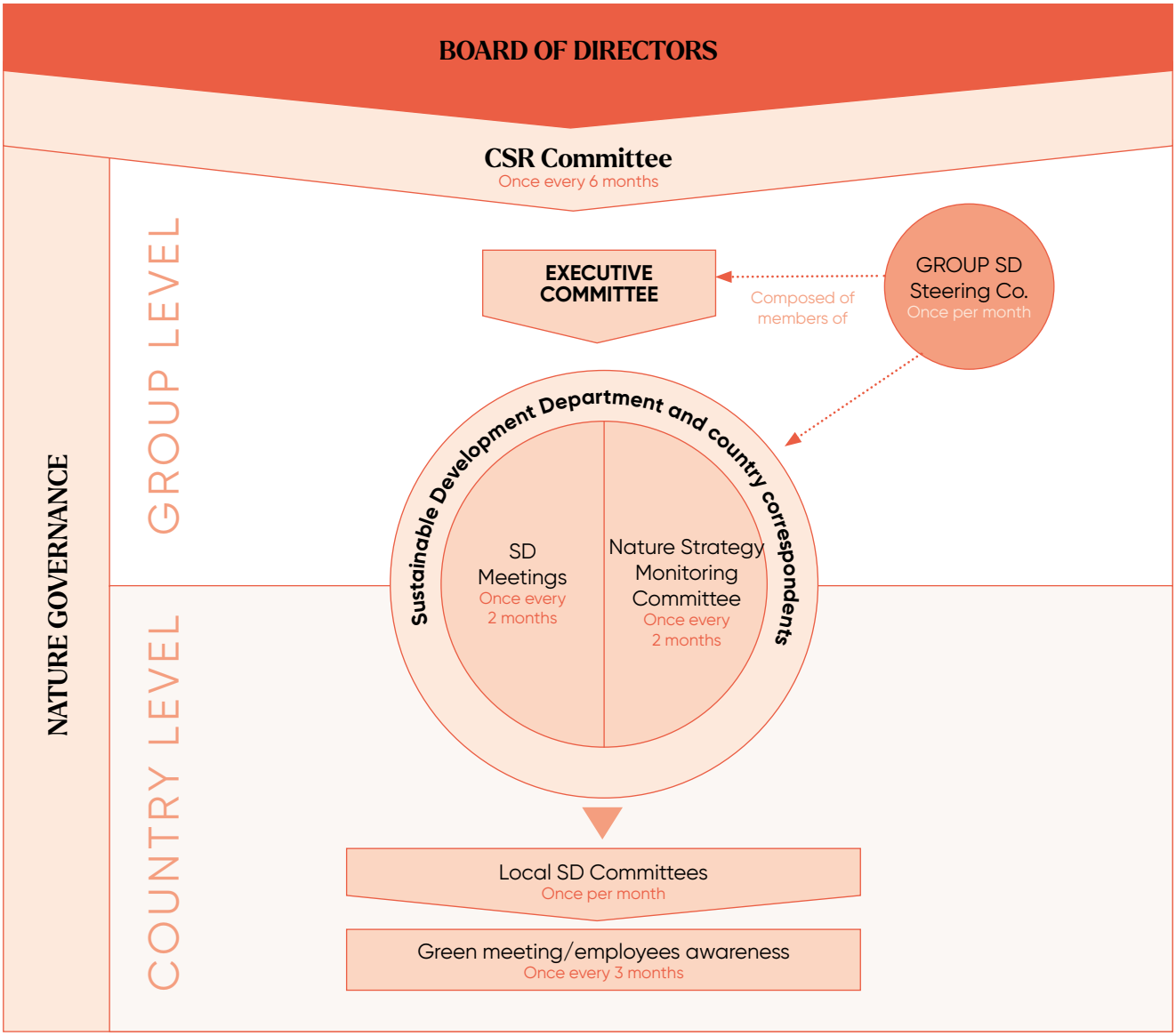
The CSR Committee supervises the Nature strategy, and the Sustainable Development Department is responsible for its operational management, in coordination with the various activities that make up the Group. The roles and composition of these bodies are described below. This organisation ensures direct involvement of the Group's main governance bodies insofar as the CSR Committee is composed of members of the Board of Directors and led with the Executive Committee, and the Sustainability Department reports directly to the latter. The Group's Sustainable Development Steering Committee, which brings together the Managing Director, the Secretary-General and the Sustainability Director at regular intervals, also makes it possible to strengthen the link between nature topics and the Group's decision-making bodies. Appropriate governance is also in place to ensure that these topics are disseminated throughout the Group's main countries of operation and operational levels.

A governance adapted to Nature issues

For many years, Covivio has made CSR an important component of its business model and development strategy, with a central role dedicated to the climate issue, now extended to biodiversity through the definition of a more holistic Nature strategy. Building on the CSR governance already in place, Covivio's Nature strategy is shared with the main levels of the company and covers all the activities of the Group.

The diagram below shows all the bodies involved in monitoring Nature topics and associated ROIDs (risks, opportunities, impacts and dependencies), as well as their links with the main governance bodies, i.e. the Board of Directors and the Executive Committee.

Governance of ROIDs and the Nature strategy at Covivio



Commitment of Covivio's management bodies to Nature issues

CSR Committee

The CRS Committee includes members of the Board of Directors and is run with the Executive Committee and independent experts. Its role is to validate and monitor the implementation of the Group's CSR strategy and commitments linked to its Mission Statement, to support other bodies on these subjects, to guarantee the policy of gender diversity and equality within the management bodies, and to review, with the Audit Committee, the relevance and integrity of the sustainability information reported. The Committee meets at least twice a year and systematically reviews the objectives and progress of the CSR strategy. In 2021, during the Board of Directors seminar, a session was devoted to the carbon trajectory. At the same time, the Council decided to set up a CSR Committee, which has since studied all CSR topics in detail, including carbon. The Chairperson of the Committee reports on the work of the Committee after each meeting, therefore, at least twice a year. The CSR Committee has already been involved in CSR and climate issues throughout the formalisation exercise of the Nature strategy, via the review of the main results of ROID studies on biodiversity (CSR Committee of March 2023), as well as the objectives of the new Nature strategy (CSR Committees of April 2024 and October 2024). As for the carbon trajectory and the climate strategy that feature on each agenda of the CSR Committee meetings since its creation (either directly, or via the taxonomy or more specific studies such as the quantification of green CAPEX), the objectives relating to the other environmental dimensions of the Nature strategy will be systematically monitored by the CSR Committee from the end of 2024.

The CSR Committee interacts with the Audit Committee on CSR Risk Factors, and with the Remuneration and Appointments Committee on the determination of relevant CSR criteria in the framework of executive remuneration.

Remuneration criteria indexed to the implementation of the CSR strategy

In order to align the corporate strategy with the Group's CSR issues, specific criteria are integrated into the variable remuneration of managers and then applied within the operational teams. The CSR Committee determines a set of remuneration criteria, which are then awarded according to positions and portfolios. The Board of Directors, on a proposal from the CSR Committee, decided to increase the weighting of the CSR criteria of the Long-Term Incentive (LTI) of corporate officers from 20 to 30% at the end of 2022, and agreed to integrate the carbon trajectory into these criteria in 2023 (for 15% of the total LTI, the remaining 15% relating to employee commitment and team feminisation aspects).

Similarly, the CSR Committee proposed to the Remuneration Committee, which accepted it, an increase in the weighting of the CSR criteria linked to the annual bonus of corporate officers: 12% of Christophe Kullmann's 2024 bonus will be subject to the implementation of a biodiversity and circular economy policy, the redesign of the responsible purchasing policy and the achievement of target ratings by certain non-financial agencies. Likewise, 15% of Olivier Estève's 2024 bonus will be subject to obtaining environmental certifications on ongoing developments, obtaining biodiversity labels and promoting the circular economy on ongoing projects, and implementing the new responsible purchasing policy on all projects. All these criteria are then applied to the managers' remuneration system, in an operational manner.

Composition, role, expertise and link with other Group entities of the members of the CSR Committee

	Member	Role	Qualification on Nature topics	Involvement in other Group bodies
Permanent participation	 **Alix d'Ocagne**	Chair of the CSR Committee - Independent Director	Founder and president of Bring the way, a consultancy firm specialising in the deployment of societal commitments in companies	President of the Covivio Foundation
	 **Jean-Luc Biamonti**	Chairman of the Covivio Board of Directors	Experience in corporate governance, Lead Director of EssilorLuxottica	President of the Board of Directors
	 **Christian Delaire**	Independent	Former Senior Advisor - Foncière Atland: in charge of ESG issues applied to real estate	Chairman of the Audit Committee
	 **Patricia Savin**	Independent	Lawyer specialising in environmental law	Member of the Covivio Stakeholder Committee
	 **Daniela Schwarzer**	Independent	Former CEO of the NGO Open Society Foundations in Europe and Asia for Human Rights, Justice and Democracy and member of the Board of the Bertelsmann Foundation	
Participation as a guest	 **Christophe Kullmann**	Managing Director	Climate Fresk and targeted awareness-raising according to the professions	Member of the Board of Directors Member of the Executive Committee Member of the Group's Sustainable Development Steering Committee
	 **Yves Marque**	Secretary-General		Member of the Executive Committee Member of the Group's Sustainable Development Steering Committee Secretary of the Board
	 **Olivier Estève**	Deputy Managing Director		Member of the Executive Committee In charge of tertiary developments and, as such, sustainable development topics linked to these projects
	 **Jean-Eric Fournier**	Sustainable Development Director		Member of the Group's Sustainable Development Steering Committee Leads SD meetings, Nature Monitoring Committees and green meetings
Occasional participation	 **Paul Arkwright**	Group CFO	Climate Fresk and targeted awareness-raising according to the professions	Member of the Executive Committee Responsible for relations between the Financial Department and the Sustainable Development Department, mainly through green financing and taxonomy
	 **Tugdual Millet**	Hotels Managing Director		Member of the Executive Committee Responsible for the Covivio Hotels subsidiary
	 **Elsa Canetti**	HRD		Responsible for social issues and sustainability training
	 **Marielle Seegmuller**  **Alexei Dal Pastro**	Director of Operations - France Offices/ Director of Italy Offices and Germany Offices		Members of the Executive Committee In charge of managing Office Assets and related sustainability issues

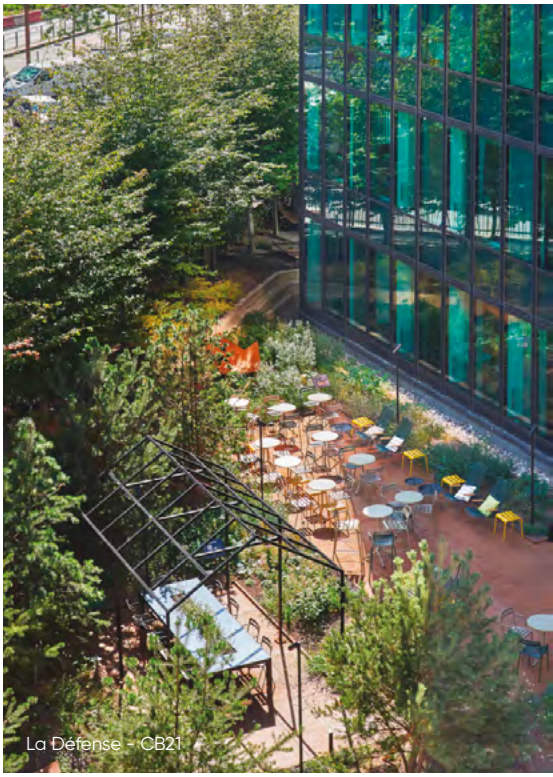
The **Innovation and Transformation Committee**, which is not included in the diagram above, is also a communication body for certain cross-functional topics related to the sustainable development strategy. It includes Olivier Estève (Deputy Managing Director), Development, Asset Management and ISD managers, Wellio, Innovation, Sustainability and Laurie Goudallier, Chief Transformation Officer.

Leaders and employees involved in strategy execution

Sustainable Development Department

The Sustainable Development Department drives, deploys and coordinates initiatives within the Group's various levels and activities, in direct contact with the General Management, the Board of Directors via the CSR Committee and the Sustainable Development Steering Committee. Working across the entire Group, this dedicated team of seven people (four FTEs in France, two in Germany and one in Italy) provides technical expertise to the various departments and divisions, with a driving role in terms of strategic management, innovation, awareness-raising and CSR reporting. Based in France, the Sustainable Development Department also relies on multiple link players, members of the operational and corporate teams located in France, Germany and Italy.

The Sustainable Development Department formally meets every two months via SD meetings (Sustainable Development) to monitor the implementation of CSR commitments at Group and country level. Alternating with the SD meetings, also once every two months, the Sustainable Development Department meets as part of the Nature Strategy Monitoring Committee. Created in 2024, this body is dedicated to managing the new Nature strategy and supporting the deployment of its actions (proposing solutions to difficulties encountered during implementation, etc.). It brings together the operational managers of the Nature strategy actions, in addition to the team members, according to the needs and progress. This Committee is also a platform for sharing experiences and knowledge on nature topics at the level of the Group's various European entities.


La Défense - CB21

Yves Marque
Chief Corporate Officer

"Covivio's CSR policy rely on a solid governance at all levels of the organisation. From the Local Committees to the CSR Committee, sustainable development issues are addressed at both operational and Board level. The development of the Nature strategy has been able to capitalise on this already well-established organisation while mobilising new resources. The entire process was monitored and challenged by the Executive Committee and the CSR Committee during the two years it took to develop it."

Sustainable Development Steering Committee (SC)

The Sustainability Steering Committee is a regular exchange body between the Sustainable Development Department, represented by Jean-Éric Fournier (Director of Sustainable Development) and the Executive Committee, represented by Christophe Kullmann (Managing Director) and Yves Marque (Secretary-General). It meets every month and makes progress reports on the implementation of the various CSR action plans (including the Nature strategy), adopts certain decisions relating to its implementation, and shares them with the Executive Committee and the Board of Directors. The SC is also an exchange body on studies and diagnostics associated with CSR issues, including Nature topics (ROID studies), as well as on the associated strategic implications.

Robin Ringhardt
CSR manager Germany - Covivio

"To operationally manage the group's sustainable development strategy, we implemented a regular monthly meeting with the local management board and the CEO of Covivio Immobilien. These meetings are an opportunity to take stock of the progress of projects and to relay the information shared during the European SD meetings."

Simone Pinoli
CSR manager Italy - Covivio

"The workshops organized for the development of the nature strategy were also an opportunity to share our feedback on a European scale and ensure that the specificities related to our country and our activity are taken into account."

Local Sustainability Committees

The role of these committees is to steer operational issues related to the business divisions, mainly real estate engineering and development, of each country. It meets on an ad hoc basis as required, in connection with the issues identified by the Nature Strategy Monitoring Committee. It includes local CSR coordinators and members of local Executive Committees, whose managers are members of the Group Executive Committee. These Local Committees therefore serve as an interface between the Group's strategy and the specificities linked to the various activities and locations.

Green meetings

Green meetings are bi-monthly awareness-raising and information meetings on sustainable development related to Covivio's businesses. Open to all Covivio employees, these meetings allow internal or external experts (design offices, associations, etc.) to present key or emerging topics for the Group: new labels, regulations, feedback on CSR-related projects, presentation of remarkable properties, etc. In 2024, the following topics were discussed in connection with Nature: protection of biodiversity illustrated using the example of *l'Atelier* (new European headquarters of Covivio in Paris), circular economy and food, presentation of the 2024 Eco-challenge, progress of the Covivio 4 Climate project. The Nature strategy will give rise to a dedicated Green meeting at the end of 2024.

Paris - *L'Atelier*

Placing Nature challenges at the heart of the corporate strategy

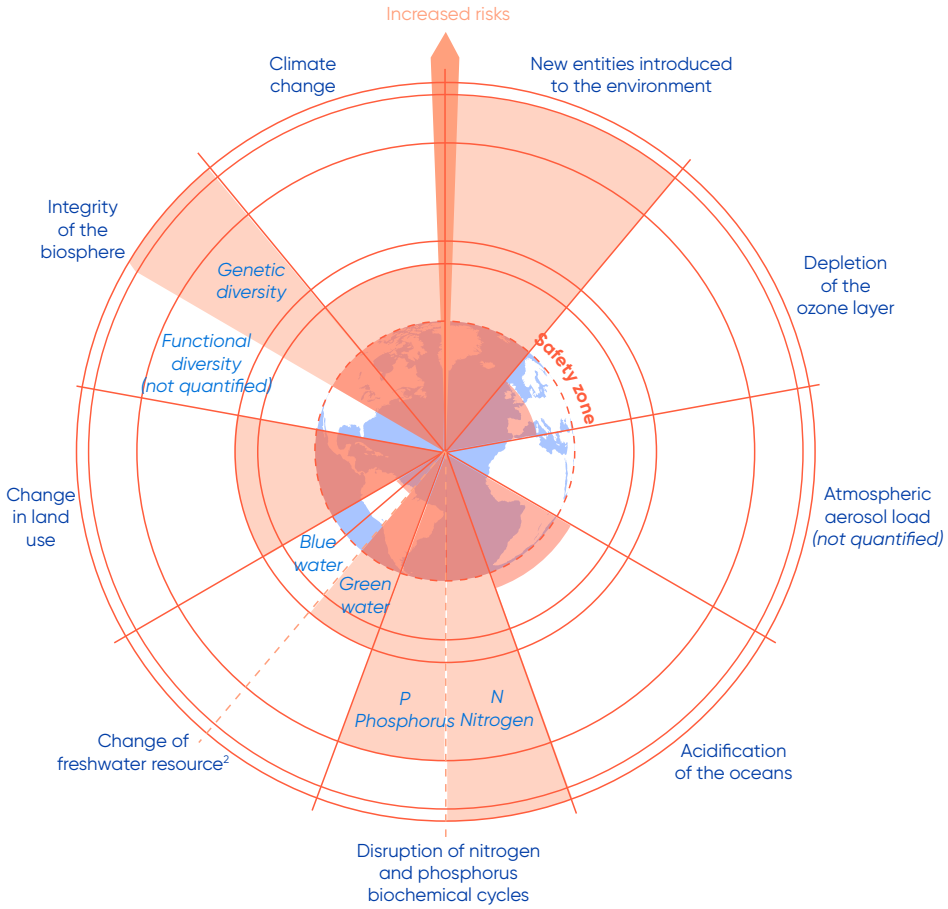
By defining a CSR strategy in 2008, a carbon trajectory in 2017 or even a Nature strategy in 2024, Covivio is constantly evolving its corporate strategy to ensure a good integration of financial and non-financial issues, based on solid fundamentals. Covivio's Mission Statement, "Building well-being and sustainable connections", expressed at the end of 2019, is part of a long-term vision. It is fuelled by the Group's mission to capitalise on proven know-how in long-term partnerships and on the ability to create living places that offer a unique experience and contribute to the emergence of more sustainable, resilient and inclusive real estate and cities. The inclusion of Covivio's Mission Statement in its articles of association was approved by the shareholders at the Joint General Meeting of 17 April 2024

Considering planetary boundaries

Planetary boundaries quantify the risks that anthropogenic disruptions place on the planet: for nine major processes involved in the functioning of the "Earth system", scientists[1] define nine limits. Breaking every boundary increases the risk of irreversibly destabilising the planet's environment, with major impacts on living beings and human societies. These boundaries include biodiversity erosion as well as other phenomena that also accelerate biodiversity loss: climate change, pollution, changes in land use, etc.


Venice - Hotel Palazzo dei Dogi

The planetary boundaries in 2023[1]



Covivio's GHG emission reduction target is validated by the SBT initiative (SBTi), guaranteeing Covivio's contribution to a trajectory of alignment with the planetary climate change boundary. Aware of the many interactions between all the environmental dimensions that intersect the planetary boundaries, Covivio has chosen to extend the perimeter and scope of its strategy objectives. The Group's Nature strategy now includes objectives on reducing the Group's impacts on water, soil, climate, resource use and the circular economy as well as biodiversity.

Covivio is currently analysing the alignment of its climate objectives with the new Real Estate framework of the SBT initiative. Subsequently, the Group will study the possibility of setting objectives validated by the SBTN, in particular on land and water use.

[1] The planetary boundaries have been defined and monitored by the Stockholm Resilience Centre since 2009 https://www.stockholmresilience.org/research/planetary-boundaries.html

[2] Use of blue water (lakes, rivers and groundwater) / green water (soil moisture).

Leveraging sustainable finance

The European Green Taxonomy, which came into force in 2021, aims to set sustainability criteria, in particular in risk management, promote transparency and the long-term and ultimately direct capital flows towards sustainable investments. In order to comply with the Taxonomy Regulation, a significant contribution must be made to at least one of its six objectives, without prejudice to the others.
The asset mesh analysis conducted in this context identified rapid improvement levers for certain assets. Other assets may also meet the alignment conditions following the investments implemented as part of the Group's carbon trajectory.

Covivio is concerned by eight of the activities identified for the application of the taxonomy with regard to climate change mitigation and adaptation objectives. These eight activities are: construction of new buildings (activity 7.1), renovation of existing buildings (7.2), installation, maintenance and repair of equipment promoting energy efficiency (7.3), electric vehicle charging stations (7.4), energy performance management instruments and devices (7.5), renewable energy technologies (7.6), building acquisition and ownership (7.7), and specialised services related to energy performance of buildings (9.3). For each of these activities, the company may declare "green" revenues, CAPEX or OPEX within the meaning of the taxonomy if it simultaneously complies with the technical alignment criteria, the applicable DNSH (Do Not Significantly Harm) and minimum safeguards (more information in section 3.3.4.1 of the Sustainable Development Report).
The Delegated Act on the four other environmental objectives, including the protection of biodiversity, was published in June 2023. It places the hotel business within the scope of the taxonomy. The alignment calculation, required for FY2024, will require five technical conditions to be met, which themselves include detailed sub-criteria: contribution to conservation or restoration activities; action plan to contribute to nature conservation; sustainable supply chain and environmental management system; minimum requirements to qualify performance; information audit.
In 2023, Covivio initiated the first analysis of these criteria in order to launch a collection of information on its hotels under management.

[1] All the information is available in sections 3.3.4.1 and 3.7.3 of Covivio's SNFP.

Main taxonomic indicators as of 31/12/2023[1]

	Revenue		CAPEX	
	% eligible	% aligned	% eligible	% aligned
Regulatory definition	97.4%	24.2%	100%	73.3%
Climate operational definition	92%	35.6% (eligible climate activities)	100%	75.4%

Paul Arkwright
CFO Covivio

Jean-Eric Fournier
CSO Covivio

1 What was the impact of the taxonomy at Covivio?

J.E.F.: At Covivio, sustainable development always includes an economic dimension, to guarantee its viability and acceptability by users, while creating value. Financial and non-financial issues are increasingly converging, driven by analysts, investors and regulations, particularly with the taxonomy.
P.A.: Covivio issued its first Green Bond in 2016 and now 100% of bonds are green. When refinancing our bank debts, we also add ESG criteria. As early as 2022, we integrated the taxonomy criteria into Covivio's Green Bond Framework. Then we were among the first to include full taxonomy alignment (including DNSH and minimum guarantees) as an eligibility criterion in the framework of our subsidiary Covivio Hotels, published in 2023.

2 How does the approach go beyond GHG emissions issues?

P.A.: Investors are gradually integrating biodiversity, in addition to climate, into their analyses. It is a major issue for real estate, with current and potential financial impacts, and is attracting increasing attention from tenants and local authorities.
J.E.F.: In order to offer its stakeholders a readable and comparable reporting, Covivio uses recognised guidelines to structure its approach, such as the TCFD framework and now TNFD. This also enables us to anticipate new regulations, such as the CSRD to which Covivio will be subject from 2025 as part of the 2024 financial year.

A collective requirement shared with an ecosystem of initiatives and labels

Covivio actively contributes to public building policy through its strong commitments within working groups and professional associations. Covivio is a member of the Orée association, the *Observatoire de l'immobilier durable*, the *Fédération des Entreprises Immobilières* (FEI, formerly FSIF), whose CSR Commission is chaired by Jean-Eric Fournier, Director of Sustainable Development at Covivio. He is also vice-chairman of the Alliance HQE-GBC France, member of the *Bureau du Plan Bâtiment Durable* and chairman of the Professional Sustainability Group of the RICS France. Covivio's involvement in various working groups linked to associations (BBCA, Orée, SBA, OID), in the context of work with the start-up incubator Immowell Lab, with scientific bodies (*Politecnico di Milano*), its participation in national studies (Palladio, IFPEB) or European studies (EPRA), and its commitment to the Global Compact or the Paris Action Climate Charter demonstrate the Group's strong contribution to sustainable real estate.

BIODIVERCITY

Developed by the International Biodiversity Property Council (IBPC), the BiodiverCity construction label assesses and promotes construction operations that take into account and enhance biodiversity in urban areas. Obtaining the Label involves the intervention of an ecologist and the monitoring of a technical guideline drawn up with biodiversity experts. In 2024, 65% of the France Office pipeline is part of the BiodiverCity labelling approach.

BBCA

Covivio, a founding member of the BBCA association, promotes low-carbon practices and supports the BBCA label, which assesses the reduction of a building's carbon footprint over its entire life cycle. In its 1.5°C trajectory, Covivio relies on this label to achieve its objectives in Europe. Covivio is also participating in the European LBCI initiative, coordinated by BBCA, which led in January 2024 to the creation of a European standard for low-carbon buildings, with the LCBI methodology (V1.0) and the associated label.

THE HQE-GBC ALLIANCE

As a long-standing member of this association, Covivio has actively contributed to the work on carbon footprint reduction and the circular economy. A pioneer in life cycle assessments (LCA) since 2010, Covivio is a partner of the HQE Performance initiative and has participated in the NZC Renovation project to reduce emissions related to renovations.
He also collaborated on the HQE "Circular Economy Performance" test integrating an LCA and a material flow analysis (MFA). The "So Pop" operation, delivered in September 2022, demonstrated excellent results in terms of material choice.

SEKOYA

Dedicated to the challenges of low-carbon construction and led by Impulse Labs in partnership with Eiffage, SEKOYA is a Carbon & Climate platform whose purpose is to identify and highlight low-carbon solutions from innovative companies participating in the fight against climate change and the emergence of the sustainable city and infrastructures.
This initiative has enabled Covivio to identify solutions to significantly reduce the carbon footprint of its development and renovation operations.

LOW-CARBON EXPERT HUB

The low-carbon expert hub aims to pool the means of analysing and choosing low-carbon solutions in the building sector. Run under the aegis of IFPEB and Carbone 4, this initiative offers a collaborative platform allowing its participants to have access to a series of tools, targeted services as well as information by material family and supports building specifiers in the development of low-carbon solutions.
This initiative has enabled Covivio to improve the measurement of the carbon impact of certain products and materials, and contributes to raising awareness among its teams of these issues.

Covivio is aware that it operates in a sector of activity that is highly dependent and has a significant impact on biodiversity, and is convinced that taking Nature issues into account is essential for the Group, whether it is environmental responsibility or risk management. In 2019, Covivio also launched a set of diagnostics aimed at better understanding the relationships between its activity and climate change, water resources and biodiversity. To complete these initial elements, an in-depth and comprehensive study of Nature's impacts, dependencies, risks and opportunities was carried out between 2021 and 2024. The Nature strategy was designed on this basis, integrating and complementing the existing commitments and renewing the company's environmental ambition.

Covivio's business model resilience to Nature issues

Identify the impacts and dependencies of Covivio's activities across the value chain

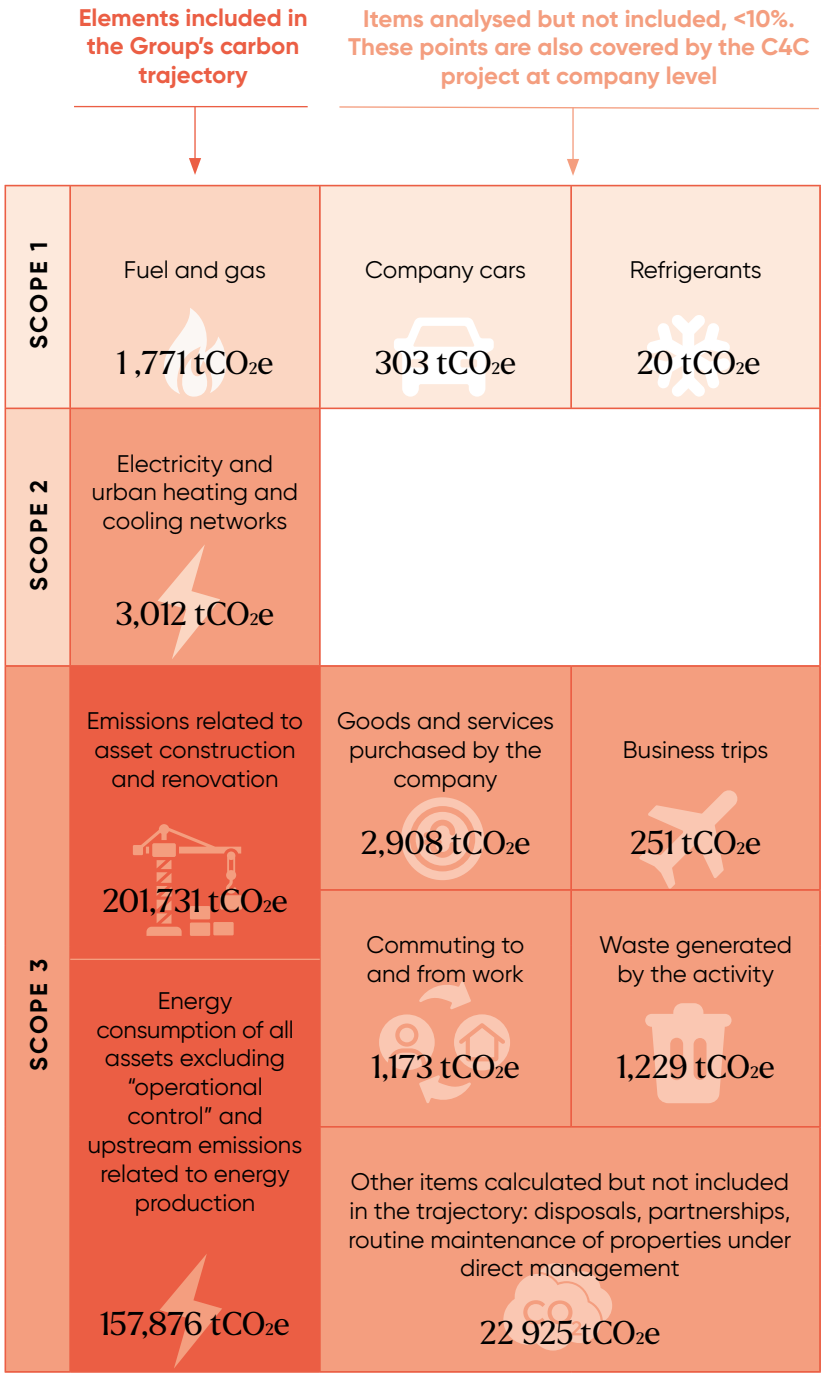
Main carbon impacts

According to the French Ministry of the Ecological Transition, in 2022, the building sector accounted for 43% of energy consumption and 23% of French GHG emissions. In 2023, Covivio emitted 393,199 tonnes of CO_2 eq. Most of the Group's carbon footprint is upstream and downstream in the value chain. Upstream, the purchase of building materials for development and renovation activities concentrates the impacts with 51% of the Group's total GHG emissions. The energy and water consumption of all assets, located downstream[1] in the value chain, represents 40% of the Group's total GHG emissions.

The Group's carbon balance was drawn up using the GHG Protocol approach from several sources:
- Group carbon energy reporting 2023;
- Life cycle analyses of the various CSTB projects and modelling concerning emissions related to the construction and renovation of assets;
- Corporate carbon balance calculated with the support of a consultant.

[1] With the exception of the electricity consumption of buildings located in the operational perimeter which are located upstream (scope 2)

Breakdown of Covivio's GHG emissions for 2023



METHODOLOGY USED

The carbon balance was calculated according to the GHG Protocol method, the factors used are mainly those of the ADEME Carbon Base or its national equivalents in Germany and Italy.

The "operational control" perimeter covers the common parts of multi-tenant office buildings and buildings occupied by Covivio teams. The items included in the Group's carbon trajectory are the most significant for the company and the most tangible given its activity. More details on Covivio's carbon balance methodology and scope are available in the 2023 presentation of results.

Biodiversity impacts and dependencies

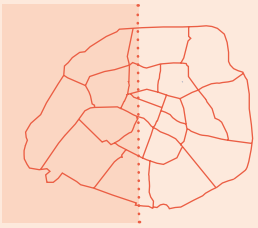
In 2023, Covivio conducted an assessment of its main impacts on biodiversity and its dependencies on ecosystem services throughout its value chain, based in particular on the GBS (Global Biodiversity Score), ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tools, as well as the WBCSD report "Roadmap to Nature Positive, Foundations for the built environment system". In particular, this initial diagnosis identified the company's main impact areas and served as the basis for defining the "Nature" strategy.

Every year, Covivio's activities thus contribute to a loss of biodiversity equivalent to the destruction of an area of abundant nature over an area of 2 km².

MAIN IMPACTS

Covivio's impacts are obviously attributable to its intrinsic activity. However, reducing them is imperative and therefore measuring them is essential.

Static impacts assess the share of "ecological debt" for which Covivio is responsible. Ecological debt is equivalent to the cumulative degradation of biodiversity in the past (preceding the year of the study), including the persistence of its impact which is still visible today. Dynamic impacts assess the additional biodiversity degradation caused by a year of activity (the year of study).

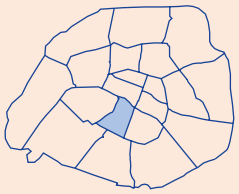


STATIC LAND IMPACT

48 MSA.km²
being half of Paris

STATIC AQUATIC IMPACT

11 MSA.km²
being 1/4 of Lake Bourget



LAND DYNAMIC IMPACT

2 MSA.km²
being the size of the 6th arrondissement of Paris

2/3

of Covivio's impacts on biodiversity are related to the supply of building materials.

Table opposite: **Covivio's main impacts on biodiversity, by scope and by pressure**[1]

IPBES pressures	GBS pressures	**SCOPE 3 UPSTREAM** suppliers	**SCOPE 2** electricity supply	**SCOPE 1** group operations	**SCOPE 3 DOWN-STREAM** customers
Change in land and sea use	• Use and change of use of soil in river basins, wetlands and on land. • Encroachment and fragmentation	●	◔	◑	◑
Over-exploitation of resources	Water disruption caused by water consumption*	◑	◔	◔	◑
Climate change	GHG emissions**	●	◔	◔	●
Pollution	Ecotoxicity*	●	◔	◔	◑
	Atmospheric nitrogen fallout	◔	◔	◔	◔
	Eutrophication of fresh water*	●	◔	◔	◔
Invasive exotic species	Not taken into consideration	Not evaluated	Not evaluated	Not evaluated	Not evaluated

*Static pressure only
** Dynamic pressure only

● High-impact ◑ Medium impact ◔ Low impact

[1] The definition of direct pressures on biodiversity is provided on the IPBES website.

The sourcing of raw materials (namely aluminium, cement, steel and wood) for construction and renovation activities concentrates the majority (around 2/3) of Covivio's impacts. The main pressures associated with these activities are the change in land use (development of extraction and processing sites), GHG emissions (energy consumption to extract and process minerals), ecotoxicity and eutrophication (water and soil pollution associated with mineral processing).
Tenant energy consumption (especially in the case of hotels) represents the second largest impact item (around 25%), generating GHG emissions in particular.
In comparison, the use and conversion of land associated with real estate development and management activities has a relatively low impact (around 10% of the impacts). The latter is mainly related to the footprint of the existing building, in particular that of the German residential park, the largest park of the Group in terms of surface area. The low impact of this position is also linked to the fact that Covivio operates mainly in already built-up areas and that the real estate development activity is not a major activity in the Group (69,000 m² of offices delivered in 2024, including 60% renovations).

Covivio's activities depend strongly on the services provided by nature, throughout its value chain.

Table opposite: **main biodiversity dependencies on the value chain and by ecosystem services** [1]

	SCOPE 2 & 3 UPSTREAM Extraction of minerals and aggregates, and manufacture of building materials	**SCOPE 1** Construction site and maintenance of existing buildings	**SCOPE 3 DOWNSTREAM** Asset durability and operation of leased assets
Surface water	●	●	●
Ground water	◐	◐	◐
Soil stabilisation and erosion control	●	◐	◐
Quality of water	Not evaluated	●	●
Fibres and other materials	●	Not evaluated	Not evaluated
Flood and storm protection	◐	●	●
Climate regulation	●	◐	◐

● High dependency ◐ Medium dependency

[1] Only the strongest dependencies are shown

Main dependencies

Overall, Covivio's activities are heavily dependent on several ecosystem services:

1 **The availability and quality of water** throughout the entire value chain, as a resource necessary for the extraction and manufacture of materials (cement, etc.) as well as for the smooth running of construction sites (mortar preparation, etc.) and the operation of buildings

2 **Production and availability of construction materials** (sand, gravel, wood, etc.)

3 **Climate control and protection against floods and storms,** essential for the sustainability of assets and the safety of construction sites such as extraction and material processing sites

METHODOLOGY USED

The GBS (Global Biodiversity Score) tool launched in 2020 by CDC Biodiversity uses the company's economic and physical data (areas/m², water and energy consumption, etc.) to assess the contribution of its activities to various pressures on biodiversity, direct operations and the supply chain. This contribution is expressed through a single metric, the mean species abundance (MSA) per km², proxy of biodiversity degradation (1 MSA.km² represents 1 km² of virgin biodiversity that has been destroyed). More information about the GBS method can be found here.

The ENCORE tool is used to identify which ecosystem services a given activity depends on based on the global macro-sector average of its sector, over the entire value chain. The results of the tool were then reviewed and completed thanks to the WBCSD report "Roadmap to Nature Positive, Foundations for the built environment system". More information on the ENCORE method can be found here.

Identify Nature risks to better prevent them, and identify opportunities to better seize them

To prevent and manage climate and biodiversity risks, Covivio has carried out dedicated analyses and described the risk factors that could have a significant effect on the company's financial and extra-financial situation. In addition to the Group risk mapping, regularly updated under the control of the Risks, Compliance, Audit and Internal Control Department and the CSR risk mapping carried out in 2019 (in connection with the implementation of the SNFP) and 2020 (CSR risks linked to purchases)[1], an initial assessment of climate risks was carried out in 2020 on the Offices perimeter via the MSCI Climate Value at Risk solution. This study was then extended to the entire Group. Updated annually, the latter is completed by other thematic analyses on biodiversity or water stress issues (WRI Aqueduct) as well as by the use of the PREDICT tool to analyse Covivio's heritage exposure to the increase in heat waves and floods. Internal mapping also made it possible to assess the exposure of assets to rising sea levels. In 2024, a Nature risk study, including all of this work, was carried out, providing input for the structuring of the eponymous strategy.

These studies were conducted with the participation of the Sustainable Development Department, contributors and country link players and were subject to validation by the Sustainable Development Steering Committee. The main Nature risks and opportunities identified as part of these studies are presented below.

Priority risks for Covivio

1 **Political transition risks**, linked to changes in regulatory contexts: obligations to install **solar panels** or green roofs on buildings, frameworks aimed at limiting **urban development** and sanctifying green spaces, development of a carbon tax associated with an increase in materials prices or traceability and responsibility obligations in relation to raw materials such as the **European Regulation against imported deforestation (EUDR)**.

2 **Physical and systemic risks linked to climatic phenomena or the collapse of ecosystems:** rising water levels, rising temperatures and changes in soil stability (shrinking/swelling of clays, etc.); scarcity of water resources that may lead to shortages or conflicts of use; disruption of supply chains and rising raw material prices (shortage of wood resources due to fire or pests, concrete shortages due to water stress, etc.).

Key opportunities for Covivio

1 Business opportunities associated with emerging **new markets for renovation** (including energy renovation), **deconstruction as well as sustainable building design**.

2 **Funding opportunities related to the development of these new markets**, supporting ecological restoration or sector transformation.

3 **Opportunities in terms of resource use and ecosystem protection**, in particular in terms of using green spaces to contribute to ecological continuity.

METHODOLOGY USED

1/ Identification of the main risks and opportunities by category (regulatory, market, etc.).
2/ Assessment of the probability of occurrence of the various risks and opportunities based on two scenarios based on the ADEME[2] publication "Transition(s) 2050", documentary work and expert views.
3/ Assessing the potential impacts of each risk or Covivio's ability to seize each opportunity, via a workshop with representatives from each country's operational teams.

[1] All risks identified in the context of the various mappings are presented in the Covivio URD (Chapter 2, sections 3.2.4.2 and 3.4.2.3 respectively).
[2] https://presse.ademe.fr/2022/03/transitions-2050-quatre-scenarios-et-leurs-feuilletons-pour-atteindre-la-neutralite-carbone-en-2050.html
In scenario 1, the transition is taking place slowly to the detriment of biodiversity and climate; in scenario 2, the transition is taking place quickly under the pressure of a demanding regulatory context.

Environmental risks, likelihood of occurrence, impact level, strengths and weaknesses of Covivio to address them and associated strategic axes

 Main risks identified during the analysis

TNFD Category	Description	Probability of occurrence per scenario	Impact level taking into account vulnerability	Strengths and weaknesses	Covivio strategy related axes
PHYSICAL - OCCASIONAL AND CHRONIC	 **Disruption of supply chains and material shortages due to extreme events** (e.g.: wood shortages due to forest fires, pests, concrete shortages due to water stress) ▶ *Main financial risks: construction site delays, increased cost of materials*	Sc. 1 : ●●●●● Sc. 2 : ●●●●○	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	Covivio has a wide variety of suppliers and can therefore adapt to changes in material availability. Nevertheless, disruptions can lead to increases in costs and delivery times. A Group-wide sourcing strategy, as well as a more local anchoring of the sourcing would be required. Covivio has deployed a Responsible Purchasing policy since 2010 and reinforced it in 2023 by extending its scope to all of the Group's activities and subscribing to EcoVadis services. 186 Group suppliers were rated at the end of 2023.	***Pillar 1 :*** **Avoid the degradation of natural habitats** • *Axis #3* - We are setting up a traceability standard for key materials ***Pillar 2 :*** **Reduce our consumption of resources** • *Axis #2* - Our dependence on new raw materials has been reduced
	 **Loss of worker productivity due to heatwaves** ▶ *Main financial risks: construction site delays in the event of prolonged heat waves*	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Sc. 1 : ●●●●○ Sc. 2 : ●●○○○	Despite having identified the risk, Covivio seems to have limited room for manoeuvre, as it has few levers for action over the organisation of construction sites. Among the solutions adopted by construction companies, staggered hours or postponement of certain types of work outside heatwave days.	*This risk is not directly linked to an objective of the action plan but is part of the Group's adaptation strategy, starting with a commitment to map the various risks in its real state using recognised scientific scenarios.*
	 **Damage to real estate assets due to climate change** (e.g.: flooding, temperature, soil, etc.) ▶ *Main financial risks: loss of value and accelerated obsolescence, repair work*	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Sc. 1 : ●●●○○ Sc. 2 : ●○○○○	This risk has been clearly identified by Covivio. Nevertheless, the studies carried out have shown that the Group's assets face limited exposure to climate hazards. The MSCI 2023 study concludes that, based on a 5°C scenario - ROE 8.5, in 2050 (worst-case scenario), physical risks represent 0.24% of the value of the assets analysed (-0.45% by 2100). The use of the PREDICT model on the 2019 tertiary assets also made it possible to identify that Covivio's portfolio is expected to face an average temperature increase over the period 2015-2050 of 0.8°C compared to the period 2005-2014 (scenario SSP3-7.0, intermediate). Over the same period, 14% (in surface area) of the assets analysed should face an increase of more than 1°C. Furthermore, 29% of the assets analysed could face 20 days of heat waves (13% compared to 25 days of heat waves, respectively), and 13% could experience an average of 10 days of intense rainfall per year.	
	 **Damage to real estate assets related to rising sea levels, rising temperatures and decreasing soil maintenance** ▶ *Main financial risks: loss of value and accelerated obsolescence, repair work*	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Covivio has clearly identified this risk: according to the studies carried out, very few assets are exposed, however those that are exposed would be significantly affected (up to 2% of the value of the assets concerned). Construction reinforcement measures to mitigate flooding risks have been implemented on all new high-risk projects. Soil characteristics are also taken into account for new projects.	

TNFD Category	Description	Probability of occurrence per scenario	Impact level taking into account vulnerability	Strengths and weaknesses	Covivio strategy related axes
TRANSITION - POLICY	**Obligation to install solar panels or green roofs on 30% to 50% of the surface area for any new (or built after 2019) commercial, industrial or craft building or warehouse (Climate and Energy Law) and on existing buildings in the future** ▶ *Main financial risks: additional costs linked to equipment and facilities*	Sc. 1 : ●●●●○ Sc. 2 : ●●●●●	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	In general, Covivio systematically includes the use of green roofs and/or the installation of solar panels on the buildings it builds or renovates. Technical constraints for existing buildings, or certain local regulations may nevertheless hinder the development of these devices.	***Pillar 3:*** **Contribute to biodiversity improvement in cities**
	Creation and increase of carbon tax affecting import prices of materials (e.g.: cement under the new EU ETS) ▶ *Main financial risks: additional costs linked to the increase in the price of materials*	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	The creation of a carbon tax could affect the profitability of certain projects, particularly in the residential sector. The teams remain vigilant on the effective implementation of these taxes.	***Pillar 2:*** **Reduce our consumption of resources** • *Axis #1: our buildings are exemplary because we enable our customers to reduce their water and energy consumption*
	Obligation to carry out increasingly comprehensive and detailed CSR reporting in connection with regulations and investor requirements (e.g.: disclosure of a complete biodiversity footprint, with indicators, information on the value chain and location of activities (link with SBTN), transition plan) ▶ *Main financial risks: costs linked to the additional reporting burden*	Sc. 1 : ●●●●○ Sc. 2 : ●●●●●	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	Covivio's reporting is already well structured, but difficulties in obtaining certain data in connection with recent regulations have been identified, particularly in the value chain. A set of MSCI-type studies have been carried out to calibrate the Group's transition plan.	***Pillar 1: Avoid the degradation of natural habitats*** • *Axis #3*: we are setting up a traceability standard for key materials
	Obligation to demonstrate that raw material purchases are compatible with imported zero deforestation regulation for goods imported into Europe (e.g.: wood and rubber are already covered, regulation could be extended to mining products) ▶ *Main financial risks: verification and reporting costs*	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	Commitments relating to obtaining certain labels involve collecting information on the origin of certain materials. These exercises are currently performed on a one-off basis.	***Pillar 1: Avoid the degradation of natural habitats*** • *Axis #3*: we are setting up a traceability standard for key materials
	Mandatory labelling of buildings concerning the use of bio-based materials(e.g.: RE2020, E+C-, etc.) ▶ *Main financial risks: additional costs of materials insofar as the sector is not yet structured*	Sc. 1 : ●●○○○ Sc. 2 : ●●●●○	Sc. 1 : ●●●○○ Sc. 2 : ●●●○○	Obtaining a number of certifications (e.g. HQE, BREEAM, LEED, BBCA) for certain projects ensures that the necessary skills are present within the teams involved. The structuring of these initiatives at Group strategy level is nevertheless necessary. These initiatives are also rarely mentioned or promoted in the standards, which does not encourage their implementation. Difficulties associated with the supply of sustainable materials and rising costs are also to be anticipated.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #3*: we are setting up a traceability standard for key materials
	Obligation to comply with regulations relating to urban planning limitation, soil artificialisation and the protection of natural spaces (e.g.: objective of 30% of CDB protected areas, green and blue corridors, etc..) ▶ *Main financial risks: costs of the work (although already integrated in the overall projects)*	Sc. 1 : ●●●●● Sc. 2 : ●●●●●	Sc. 1 : ●●●○○ Sc. 2 : ●○○○○	Limiting soil artificialisation is one of Covivio's strategic objectives. Most of the Group's projects are densification projects in built-up areas. However, recreating natural environments in built-up areas can present technical difficulties.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #2*: our real estate development is dissociated from the degradation of natural spaces

TNFD Category	Description	Probability of occurrence per scenario	Impact level taking into account vulnerability	Strengths and weaknesses	Covivio strategy related axes
TRANSITION - MARKET	**Raw material prices increase in connection with increasing needs of priority sectors** (e.g.: concrete and steel needs of the wind energy sector) ▶ *Main financial risks: increased costs*	Sc. 1 : ●●●○○ Sc. 2 : ●●●○○	Sc. 1 : ●●●●○ Sc. 2 : ●●○○○	The renovation of buildings, in particular as part of improving energy performance, has been identified as a promising market by Covivio. However, the economic profitability of these projects may vary depending on the price of the materials used.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #2*: our real estate development is dissociated from the degradation of natural spaces
TRANSITION - MARKET	**Evolving customer/tenant preferences for sustainable building design** (e.g.: healthy, energy-efficient materials, green, modular building materials including restoration of natural habitats, etc.) ▶ *Main financial risks: lower revenues, higher construction costs*	Sc. 1 : ●●●○○ Sc. 2 : ●●●●○	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	Covivio is already subject to customers' requirements regarding the energy performance of buildings and is able to adapt to this demand by offering associated offers. In addition to equipment, the changes required in the architecture of buildings can be a technical challenge in terms of energy efficiency.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #2*: our real estate development is dissociated from the degradation of natural spaces
TRANSITION - TECHNOLOGY	**Multiplication of designs taking into account the need for flexibility in the use of buildings** (e.g.: coworking, easy conversion of offices to residential, co-use, etc.) **leading to a reduction in artificialisation** ▶ *Main financial risks: increased costs related to materials/equipment deployed and energy*	Sc. 1 : ●●●●○ Sc. 2 : ●●●●○	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	The consideration of flexibility in the use of buildings is well integrated in the Group's vision, which has a positive effect on extending the life of a building by reducing its obsolescence potential from the design stage. These desires for flexibility may nevertheless conflict with economic constraints as they generate additional costs.	***Pillar 2:*** **Reduce our consumption of resources** • *Axis #1*: our buildings are exemplary because we enable our customers to reduce their water and energy consumption
TRANSITION - REPUTATION AND RESPONSIBILITY	**Local conflicts related to land availability, reduction of space available for development and soil quality** ▶ *Main financial risks: potential litigation costs.*	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	Most of the Group's projects do not involve the conversion of natural spaces, although the creation of a new building can still be a local source of conflict.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #2*: our real estate development is dissociated from the degradation of natural spaces
TRANSITION - REPUTATION AND RESPONSIBILITY	**Local conflicts related to water use, during the construction phase and the use phase of buildings** ▶ *Main financial risks: stoppage of operations or certain specific equipment on assets (especially in hotels)*	Sc. 1 : ●●●●● Sc. 2 : ●●●○○	Sc. 1 : ●●●○○ Sc. 2 : ●●●○○	All of Covivio's new projects and renovated buildings are equipped with water-saving systems. The topic has been particularly identified in the hotel park, where water consumption is highest and where specific restrictions can occur in the event of shortages (swimming pools, for example). The equipment in old buildings remains more complex.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #2*: our real estate development is dissociated from the degradation of natural spaces
TRANSITION - REPUTATION AND RESPONSIBILITY	**Reputational risk due to supply scandals in the value chain or an attack for non-compliance with environmental regulations** ▶ *Main financial risks: litigation or reputation with potential impact on marketing*	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	Apart from obtaining certain labels for which specific criteria relating to the origin of the materials must be met, the traceability of the materials is monitored extensively at project level. The few initiatives for reinforced traceability monitoring must be structured at a Group level.	***Pillar 2:*** **Reduce our consumption of resources** • *Axis #1*: our buildings are exemplary because we enable our customers to reduce their water and energy consumption
TRANSITION - REPUTATION AND RESPONSIBILITY	**Attacks for exaggerated claims on sustainable practices (greenwashing)** ▶ *Main financial risks: mainly reputation risks that may result in a decline in trust on the part of our partners*	Sc. 1 : ●●○○○ Sc. 2 : ●●●●○	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	Covivio positions itself as a player in rational and substantiated environmental reporting, as closely as possible or even in anticipation of regulatory requirements, in a logic of transparency.	***Pillar 1:*** **Avoid the degradation of natural habitats** • *Axis #3*: we are setting up a traceability standard for key materials
ECOSYSTEM STABILITY	**Local drinking water shortages** ▶ *Main financial risks: operating risk rather moderate at Group level but may impact hotels more specifically at a local level*	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Sc. 1 : ●●●●○ Sc. 2 : ●●○○○	This risk has been well identified by Covivio: according to the Aqueduc WRI study carried out in 203, more than 50% of Covivio's portfolio is located in regions with high water stress (not only the south northern France, Belgium or cities such as Frankfurt).	
ECOSYSTEM STABILITY	**Shortages of certain bio-based materials** (e.g.: wood, sand) ▶ *Main financial risks: project delays and potential replacement costs*	Sc. 1 : ●●●●○ Sc. 2 : ●●●○○	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	Covivio has a wide variety of suppliers and can therefore adapt to changes in material availability. Nevertheless, disruptions can lead to increases in costs and delivery times. A Group-wide sourcing strategy, as well as a more local anchoring of the sourcing would be required.	

Main environmental opportunities, probability of occurrence, impact level, strengths and weaknesses of Covivio to address them and associated strategic axes

Main opportunities identified during the analysis

TNFD Category	Description	Probability of occurrence per scenario	Impact level taking into account vulnerability	Strengths and weaknesses	Covivio strategy related axes
BUSINESS – MARKET	**New renovation and deconstruction market, linked to net zero artificialisation policies**	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	There is expertise on some of these offers within the Group, in particular on the office park, where half of the operations are already renovations, and a quarter concern projects for densification or installation in already built-up areas. However, renovation projects can have more technical constraints and prove more costly for older buildings. The Group must also further develop its expertise on the circular economy in the cleansing/ deconstruction phase, which is still at the pilot stage today.	***Pillar 1: Avoid the degradation of natural habitats*** • *Axis #2: our real estate development is dissociated from the degradation of natural spaces*
	New market for sustainable building design (e.g.: energy efficient, green, modular building materials, including restoration of natural habitats, etc.)	Sc. 1 : ●●○○○ Sc. 2 : ●●●●●	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	The design of the projects integrates various mechanisms to optimise the environmental performance of buildings, in connection with the long-standing strategy of building certification. The use of sustainable materials is common practice, but not systematic, due to a lack of a structured Group-wide policy in this regard. The price of these materials can also hinder their use, particularly in a tense economic context.	***Pillar 1: Avoid the degradation of natural habitats*** • *Axis #2: our real estate development is dissociated from the degradation of natural spaces*
BUSINESS – EFFICIENT USE OF RESOURCES	**Reduction in the cost of recycled and bio-based materials thanks to greater maturity of the sector, economic incentives, etc.**	Sc. 1 : ●●●○○ Sc. 2 : ●●●●○	Sc. 1 : ●●●○○ Sc. 2 : ●●○○○	There are internal resources on the use of recycled and bio-based materials, pilot projects, and training courses are underway to improve this expertise, although the use of these materials is not systematic. Nevertheless, the use of some of these materials remains a challenge in terms of procurement, regulatory framework and/ or business model. Working with industry partners remains essential for Covivio.	***Pillar 2:*** **Reduce our consumption of resources** • *Axis #2*: our dependence on new raw materials has been reduced
	Measures to reduce energy and water consumption for residential and office buildings. Reduction in costs for tenants associated with heating residential buildings and renewable energy production	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	The renovation of buildings (both in the tertiary and residential park) is also a strong identified lever (implementation of the green CAPEX plan of €254M by 2030 as part of the carbon trajectory). The teams are continuously working on optimising the energy consumption of assets. Green appendices and clauses included in the leases make it possible to engage tenants and owners on these issues. However, these efforts are harder to implement on existing assets than on new projects, and the results also depend on tenant practices, the Group also aims to raise awareness among the latter.	***Pillar 2:*** **Contribute to biodiversity improvement in cities** • *Axis #1*: our buildings are exemplary because we enable our customers to reduce their water and energy consumption
BUSINESS – CASH FLOWS AND FINANCING	**Increased financing opportunities linked to the development of sustainable real estate projects** (e.g.: green bonds, private or public investments, conservation financing, etc.)	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	The Group's activities have already been identified by financial market players as likely to benefit from green financing. Two Green Bond frameworks specify the eligibility conditions for assets (e.g. full alignment with the taxonomy criteria for the hotel industry).	***Pillar 3:*** **Contribute to biodiversity improvement in cities** • *Axis #1*: we have a positive impact on biodiversity in 100% of our operations

TNFD Category	Description	Probability of occurrence per scenario	Impact level taking into account vulnerability	Strengths and weaknesses	Covivio strategy related axes
BUSINESS - REPUTATION	**Reputation opportunities linked to the environmental quality and quality of life offered by the park**	Sc. 1 : ●●●○○ Sc. 2 : ●●●●○	Sc. 1 : ●●●○○ Sc. 2 : ●●●○○	Through its commitment to quality of life for its tenants, with the introduction of green spaces, energy efficiency and water saving measures, Covivio has been identified by its tenants as a landlord committed to the environment. This was confirmed specifically by an independent study carried out in Germany.	***Pillar 3:*** **Contribute to biodiversity improvement in cities** • *Axis #1*: we have a positive impact on biodiversity in 100% of our operations
SUSTAINABILITY PERFORMANCE - SUSTAINABLE USE OF NATURAL RESOURCES	**Design buildings in a way that optimises resource use, focusing on renovation and optimisation of the end-of-life of buildings**	Sc. 1 : ●●●○○ Sc. 2 : ●●●●●	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	The teams are working on new designs and reducing the use of resources on an ad hoc basis, especially through the use of life cycle analyses and the BIM (Building Information Modelling) system. However, these approaches are still based on business opportunities and could be linked to defined strategic objectives.	***Pillar 2:*** **Avoid the degradation of natural habitats** • *Axis #2*: our dependence on new raw materials has been reduced
SUSTAINABILITY PERFORMANCE - PROTECTING, RESTORING AND REGENERATING ECOSYSTEMS	**Use of the green spaces of the park to contribute to ecological continuity or to restore biodiversity in city centres based on ecological diagnosis**	Sc. 1 : ●●○○○ Sc. 2 : ●●●●●	Sc. 1 : ●●○○○ Sc. 2 : ●●○○○	The restoration of ecological continuities is sometimes part of the environmental objectives associated with the execution of certain projects. It is then carried out based on ecological studies and is valued by calculating the BAF (biotope coefficient per area) before and after the project - calculation also carried out on all French projects. However, the use of such diagnostics and practices must become systematic across the Group.	***Pillar 3:*** **Contribute to biodiversity improvement in cities**

Buildings with greater resilience

Covivio's responses to the resilience challenges of buildings are two-fold: on the one hand, reducing its impact and environmental footprint and, on the other hand, adapting to climate change through an eco-design approach that anticipates the consequences. Resilience can also be improved by changing the conditions of use of the building, involving users in room design choices, the implementation of a public transport policy, teleworking, adapting employee's schedules, video conferencing, Green IT solutions, etc.
In order to assess the ability of buildings to withstand the consequences of climate change, a set of studies on exposure and vulnerability to risks was carried out. These studies made it possible to assess the exposure and/or potential impact on the rental value. The main conclusions are as follows:


Berlin - Residential

▶ **According to the PREDICT study, over the 2015-2050 period and according to the IPCC SSP3-7.0 scenario:**
• On average, Covivio's portfolio is expected to face an average temperature increase of 0.8°C compared to the 2005-2014 period, of which 14% of surfaces will face an increase of 1°C
• 29% of assets could face 20 days of heatwave[1]
• 13% could experience 10 days of intense[2] rainfall on average per year.

▶ **According to the MSCI study,** the main risks that Covivio's assets will face are river floods, coastal floods and heat waves (see focus below). However, an internal study, based on tertiary land and a representative sample of German residential property, found that only 2% of assets (in value) were exposed to the risk of rise in sea levels of one metre.

▶ **The WRI study** conducted on the portfolio showed that 21.7% and 9.5% of the water reporting scope are in high and very high risk areas, i.e. 21% and 14.4% of water consumption reported in 2023 (*see page 36*).

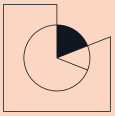
▶ **According to the mapping of the proximity of the assets to protected areas,** 42% % of Covivio's sites are located less than one kilometre from a protected area, 25% are less than 500 m away and five sites are located directly within these areas *(see page 42)*.

These studies resulted in several recommendations to strengthen the topic of resilience in the study of assets, particularly in the due diligence phase prior to investments (development or acquisition), and to guide climate, water and biodiversity commitments.

Symbiosis project

Covivio is continuing to develop the Symbiosis programme in Milan with the construction of two new buildings, including the future headquarters of Moncler. Prior to the programme, a restoration phase of the pre-existing industrial heritage - a chimney and an old water tower - was carried out. To do this, Covivio called on the expertise of Lorenzo Jurina, civil engineer, professor at the Politecnico di Milano and expert in the renovation of historic buildings. The objective was not only to preserve these historical elements, but also to reuse them, giving them new functions. The water tower will thus be used as a rainwater collector for garden and green space maintenance, while the chimney will capture the air that will be used to cool the interior spaces of the new office buildings.

[1] 5 consecutive days with a temperature 5°C higher than the historical average
[2] More than 20 mm/m²/day



Assessing the financial impact of risks associated with climate change

At the end of 2023, Covivio carried out a new version of the climate risk analysis on its portfolio's with MSCI Real Assets. More than 5,300 assets (offices, hotels and residential - worth €14.6 billion group share) were analysed to measure the financial impact of physical and transition risks on the value of each asset and at portfolio level.

The analysis carried out makes it possible to go further than with the previous ones, thanks to the qualification of risks and the precision of their time horizons via new features of the MSCI Real Assets Climate model.

Physical and transitional risk analyses are now carried out for 2030, 2040, 2050 and 2100. The number of physical risks analysed has been extended from 6 to 11 to better align with the various European regulations, including the taxonomy.

The financial impact is calculated for all the following physical risks: floods, violent winds from cyclones, extreme heat and extreme cold, forest fires. The model also makes it possible to qualify exposure to the following physical risks (not financially quantified to date): water stress, extreme rainfall, extreme winds, significant snowfall.

According to a scenario of 3°C I REMIND I Current policies, the Climate Value at Risk of the Covivio portfolio is -0.16% by 2050 and -0.26% by 2100.

FINANCIAL IMPACT OF PHYSICAL RISKS FOR COVIVIO'S PORTFOLIO OVER DIFFERENT TIME HORIZONS

The main physical risks for the portfolio are storm floods (-0.08%) and coastal floods (-0.03%), with a level of financial impact categorised as "negligible" overall.

In the previous version of the analysis and according to the same scenario, the Climate Value-at-Risk was -0.41% by 2100. The decrease is explained by the revision of the flood risk analysis model, which made it possible to revise down the risk exposure for certain assets.

In terms of comparables, the level of financial risk by 2050 is lower than that of the MSCI Europe Annual Universe (containing more than 35.000 assets analysed), which is -0.48%.

According to a 5°C IPCC scenario, the value of physical risk increased to -0.24% in 2050, a level also qualified as "negligible".

WHAT LEVEL OF FINANCIAL IMPACT FOR THE TRANSITION RISK?

The issue at portfolio level mainly concerns transition risks, inherent to the need to reduce greenhouse gas emissions. Transition risk analysis can be modelled according to different scenarios of alignment with a carbon trajectory, taking into account expected developments in terms of demographics, energy mix and carbon credit cost.

The transition risk analysis is based on actual energy consumption data for 88% of Covivio's assets. According to a 1.5°C REMIND Net Zero scenario, the portfolio is aligned with the 2023 reduction objective.

Overall, the financial impact of the transition risk is -4.33% by 2050 and -0.44% by 2030. Most of the risk is expected between 2040 and 2050. The risk level, for the overall portfolio, by 2050 is lower than that of the MSCI Europe Annual Universe (containing more than 35,000 assets analysed), which is -4.70%.

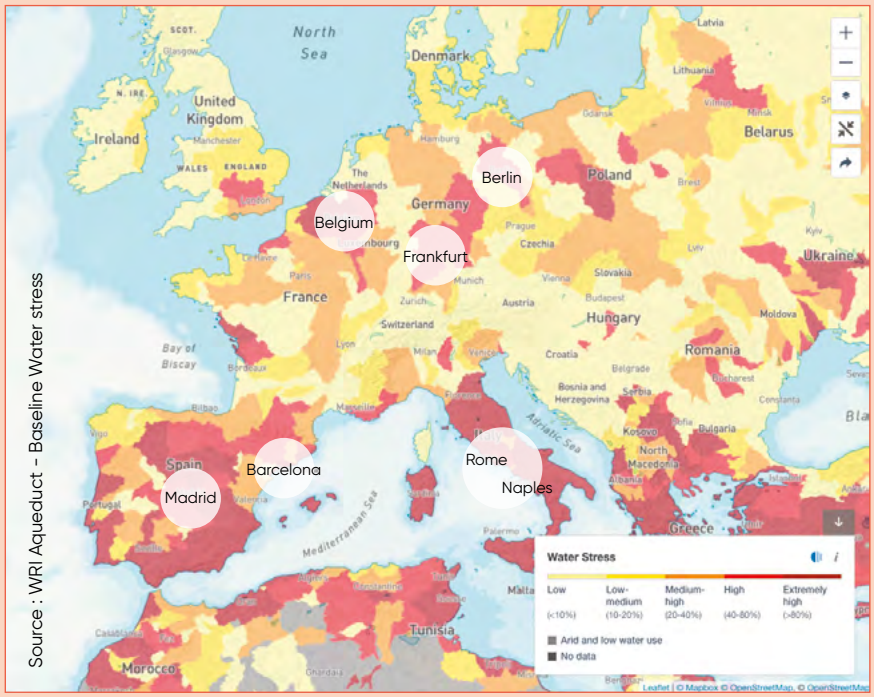
Supply disruptions in our value chain are a major risk

Extreme physical risks (heat waves or forest fires) or chronic risks (continuous rise in temperatures, depletion of water resources, etc.), as well as changes in regulations and geopolitical issues, are likely to create supply disruptions in the value chains on which Covivio depends[1]. For example, timber production, which is directly dependent on the health of ecosystems and climate stability, is likely to be caught between a sharp increase in demand and a drop in productivity, creating a high pressure on its price, and supply disruptions. In 2021, forest fires in British Columbia in Canada had a very significant impact on the increase in the price of wood in the United States over the same period. Concrete production, which is closely linked to the availability of the water resource, is also likely to be undermined by the scarcity of the resource. It has been estimated that by 2050, 75% of the water abstraction areas required for concrete production will be located in water-stressed areas[2], or that sand, the second most consumed resource in the world after water, could see its demand increase by 45% by 2060, creating considerable pressure on this finite resource[3].

To mitigate these risks, Covivio uses construction companies with a diverse panel of suppliers, enabling them to adapt to the fluctuating availability of many materials critical to its projects, such as wood or sand. Nevertheless, the Group remains vulnerable to supply shortages and increases in the prices of key materials for improving the environmental quality of buildings, such as wood. In this respect, improving knowledge regarding the traceability of materials, reducing the use of new materials, and knowledge of suppliers are strong axes of the Group's new Nature strategy (*Pillar 1 axis 3*).

Covivio's assets against water risks

Water availability is an important indicator to consider in the analysis of buildings, as it is a major and growing issue in terms of business resilience. In 2023, Covivio measured the level of exposure of its park to regions subject to a high level of water stress using the sand tool (WRI). The analysis shows that 21.7% and 9.5% of the water reporting scope are in high-risk and very high-risk areas, i.e. 21% and 14.4% of water consumption reported in 2023. However, Covivio is not required to draw directly from the groundwater since the water consumed in the park during operation and development operations comes exclusively from the municipal water networks. Nevertheless, the Group has accelerated its efforts to reduce the consumption of water in all its offices in France with its "Ecowater" programme.



Main high water stress level areas in the Covivio portfolio

[1] www.researchgate.net
[2] *Impacts of booming concrete production on water resources worldwide, A Miller et al, Nature Sustainability, 2018.*
[3] *NewScientist - We are running out of sand and global demand could rise 45% by 2060.*

Covivio's strengths and weaknesses to address Nature risks and opportunities

Covivio has several advantages to deal with risks and seize the Nature opportunities identified.

In particular, the Group has a good understanding of its exposure to risks thanks to:
• several dedicated studies performed;
• a development model in dense urban contexts to combat urban sprawl and promote building renovation;
• a set of pilot projects to build upon, on key themes, such as the use of bio-based materials or the installation of green roofs.

Covivio has also identified the following points for improvement to better take biodiversity risks and opportunities into account:

• structure purchasing traceability mechanisms;
• develop know-how to intervene on existing assets (e.g. for the creation of natural spaces, or the installation of certain energy and water-saving systems).

Saint-Ouen - So Pop

All these elements have been taken into account in formalising the Nature strategy.

Covivio, a European real estate player combining carbon performance and biodiversity

Based on the diagnoses made, Covivio has defined a Nature strategy structured around three pillars: avoiding the degradation of natural habitats, (pillar 1), reducing resource consumption (pillar 2), contributing to the improvement of biodiversity in cities (pillar 3). Each of these pillars has been developed around objectives and an operational action plan, which will be finalised by the beginning of 2025. This strategy renews the Group's environmental commitment, integrating and completing the already existing objectives (climate, etc.) with new areas of work (artificialisation, traceability, renaturation, etc.).

The Group's initiatives and objectives on social and human resources aspects are not mentioned in this document but are listed in the Annual Sustainable Performance Report and the Universal Registration Document, as part of the presentation of the Group's CSR Strategy, which includes all nature, social and governance aspects.

COVIVIO

LIVING REAL ESTATE

This strategy was developed based on analyses of impacts, risks, opportunities and dependencies and thanks to workshops conducted with the operational teams involved in the implementation of these objectives. It was validated by the CSR Committee in October 2024.

PILLAR 1	PILLAR 2	PILLAR 3
Avoid the degradation of natural habitats	**Reduce our consumption of resources**	**Contribute to biodiversity improvement in cities**
Innovate to separate our real estate model from the degradation of natural spaces. R&D and continuous improvement to develop traceability in our value chain and ensure the implementation of NZA.	**Set an example by targeting environmental sobriety throughout our value chain.** Choice of materials, circular economy, supporting users in reducing their water and energy consumption.	**Develop urban nature and spread a culture of the living among our employees, customers and stakeholders.** Renaturation targets and natural indicators on operations, corporate culture and customer awareness of biodiversity.

PILLAR 1 Avoid the degradation of natural habitats

Padova - Ca' del Chiostro

Covivio's biodiversity impacts are linked to the artificialisation of soils (the primary source of degradation of living organisms), caused by its development operations, but also and above all upstream in its value chain, in connection with the extraction and processing of raw materials. Limiting artificialisation, strengthening traceability and defining demanding standards on key materials are therefore major areas of work for Covivio, which is thus working to dissociate its real estate development model from any additional degradation of natural habitats.

Our commitments:

1
The direct impact of our assets on natural spaces is known

Systematise monitoring of indicators to qualify the impact of our assets in terms of artificialisation and proximity to key biodiversity areas

2
Our real estate development is decoupled from the degradation of natural spaces

Committing to net zero artificialisation (NZA) and strengthening associated real estate offers

3
We are establishing a traceability standard for key materials

Developing a better understanding of the environmental impact of the materials used to promote the most sustainable among them

Commitments	2030 Objective	Key milestones	Time horizon
The direct impact of our assets on natural spaces is known	1 **Monitoring of artificialisation indicators (including the BAF) on 100% of the pipeline**	• Systematisation of the BAF measurement on 100% of current and future development projects and identification of the share of projects where this coefficient improves/remains similar/degrades • Definition of a set of artificialisation indicators complementary to the BAF to be monitored on 100% of the pipeline	**Launched** ↓ **End 2025**
	2 **100% of the portfolio is covered by the listing of assets located near natural spaces**	• Update of our study on the proximity of assets to natural spaces (*see page 42*) • Identification of assets at risk or with ecological potential, and definition of associated action plans	↓ **Done**
Our real estate development is decoupled from the degradation of natural spaces	3 **Net zero artificialisation (balance at the level of the committed pipeline, cumulative from 01/01/2024 on the pipeline to be retained)**	• Generalisation of the calculation of the artificialisation score at portfolio level, then that of assets (in line with objective 1). • Definition of an associated action plan to target the net zero artificialisation at the pipeline level	**2026-2028** ↓ **Permanent**
	4 **Promote restructuring rather than demolition/reconstruction: at least 30% of development CAPEX linked to restructuring or roof lifting**	• Deployment of a monitoring indicator for the share of CAPEX associated with these offers, based on the EU Taxonomy, and definition of an associated improvement plan	**2026-2028** ↓ **Permanent**
We are establishing a traceability standard for key materials	5 **Structure a traceability process of the main construction materials (aluminium, etc.) used for operations**	• Identification of the priority materials on which to deploy a traceability process (linked to objective 12)	**2024** ↓ **End 2026**
	6 **Reinforce a responsible purchasing policy by integrating and deploying new criteria for key materials (recycled, low carbon, origin, etc.)**	• Definition of specific criteria for priority materials and integration of these in the specifications, in the responsible purchasing charter and in the additional clauses specific to development and renovation projects	**2026** ↓ **End 2028**

Limit artificialisation and impact on environments

At the level of a project or a territory, artificialisation is defined as "the lasting alteration of all or part of the ecological functions of a soil, in particular its biological, water and climatic functions, as well as its agronomic potential through its occupation or use" (Art. 192 - Climate and Resilience Act). However, its definition may differ according to local, national or European regulations, in particular in terms of what is considered to be already artificialised, thus influencing the understanding of "Net Zero Artificialisation". The BAF tool used by Covivio to control, among other things, the artificialisation and reverse the artificialisation of soil associated with its projects, considers a surface to be artificialised if it is waterproofed. Covivio is therefore committed to combating artificialisation and urban sprawl, mainly by favouring restructuring but also densification. The Group is thus committed to building the city on the city in several ways: more than 50% of Covivio's tertiary pipeline consists of restructuring operations, the Group is also densifying its German residential park and transforming old offices into housing with 800 housing units in the pipeline.


Offices to residential transformation

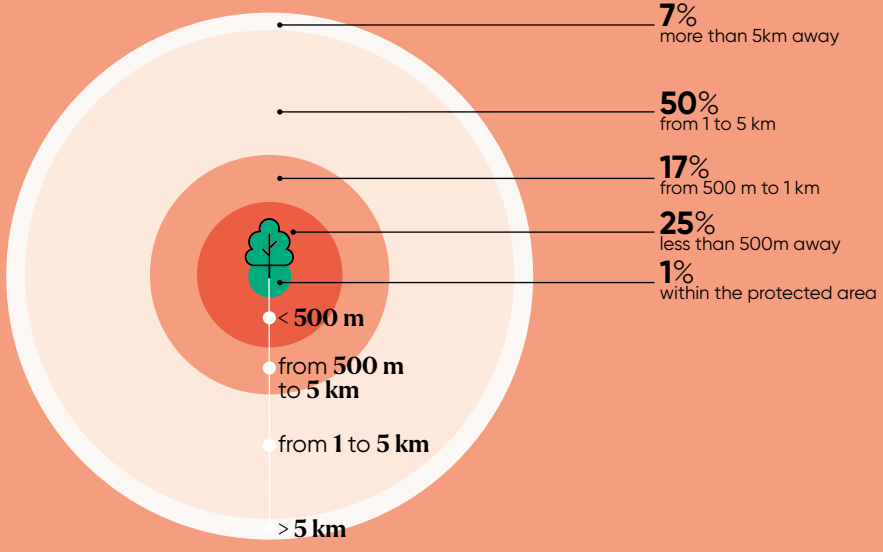
The proximity of Covivio's assets to protected areas and the risks associated with the protection measures for these areas

In 2024, Covivio analysed the proximity of its 1,641 sites to protected areas, following similar analyses carried out in 2015, 2017 and 2020 on smaller scopes. The study reveals that a significant proportion of the Group's assets are located close to these key areas for biodiversity: 42% of sites are located less than a kilometre from a protected area, 25% are less than 500 metres away and five sites are located directly within protected areas.

These sites are concentrated in particular in France, Germany, Italy, Spain, Great Britain, Belgium and Poland, with Germany and Great Britain standing out with almost half of the assets concerned. Only 7% of assets are located more than five kilometres from a protected area.

This important proximity confers on Covivio a particular responsibility in terms of preserving biodiversity, in particular for sites that are closest to or integrated into protected areas (alignment with regulations, development of action plans aimed at reducing and minimising potential impacts linked to the operation of the site, training of Covivio teams and awareness-raising of occupants, etc.). These sites also represent an opportunity to strengthen links with local stakeholders committed to nature conservation and to anchor the Group's commitment to biodiversity at a local level. Moreover, beyond mitigating negative impacts, it is relevant to consider the means at Covivio's disposal to contribute to the maintenance, or even restoration, of natural spaces and green, blue and black grids.

Site's location with respect to protected areas



The BAF, a tool for measuring the biodiversity impact of projects

Paris - Gobelins :
Creation of 350 m² of green space (vs. 0 initially)

Covivio has chosen, in partnership with the ARP-Astrance design office, to develop its own indicator, capable of integrating green spaces and their social values on the sites in operation. Covivio's BAF (Biotope Area Factor) is based on the BAF methodology used by stakeholders in the sector, defined from existing scientific literature and biodiversity references. The indicator describestheratiobetweeneco-socio-developableareas(non-waterproofed areas favourable to biodiversity and biophilia) and the total area of the site. Thus, each type of area is assigned a weighting according to its importance for biodiversity, with the weighting scale ranging from 0 to 1.2 (0 representing waterproofed surfaces and 1.2 representing surfaces of strong ecological interest). Covivio's BAF integrates eight different types of areas as well as 17 bonus elements (awareness boards, nest boxes, flower meadows, etc.). These bonuses are aligned with Covivio's challenges, allowing the concepts of biophilic value, ecosystem services, biodiversity and ecological management of green spaces to be integrated. The value of the BAF makes it possible to compare the sites in their current state with development scenarios, or to compare data from one year to the next for the same site.

The BAF has been measured on two thirds of projects delivered in France over the last two years. The ambition is to generalise it to all future projects, including Germany and Italy.

Our key 2030 objectives

Contribute to

Net Zero

artificialisation

30%

of capital expenditure related to energy renovation and densification operations

Development of a traceability system for high-risk materials (at national or regional level)

PILLAR 2 Reduce our consumption of resources

Wellio Italy - Via Dante

The aim of this pillar is to reduce the consumption of natural resources linked to Covivio's activities. This objective is based on two levers of commitment: reducing the use of virgin raw materials by developing the circular economy and offering buildings that are low in water and energy use. Beyond the reduction of the Group's environmental impact, these commitments make it possible to strengthen the Group's resilience to Nature risks and improve customer satisfaction through the reduction of their consumption.

Our commitments:

1

Our buildings are exemplary because we enable our customers to reduce their water and energy consumption

Ensuring a high level of water and energy performance on all our assets

2

Our dependence on new raw materials is reduced

Promoting the use of upstream recycled materials, and selective deconstruction and downstream recovery

Commitments	2030 Objective	Key milestones	Time horizon
Our buildings are exemplary because we enable our customers to reduce their water and energy consumption	7 **-40% of the carbon intensity of GHG emissions (scope 1, 2 and 3, reference year 2010)**	• GHG intensity monitoring and updating of reduction targets by 2030, in line with the new SBTi method, when published • CAPEX plan of €254M by 2030 on the park in operation • Increased use, as part of its new or renovation operations, of the BBCA/LCBI label (Objective 75% in France and 50% in Germany/Italy)	**Launched** ↓ **End 2030**
	8 **100% of Core assets and 100% of new projects certified in environmental terms (Excellent/Gold level at least)**	• Attaining HQE[1] and/or BREEAM[2] and/or LEED[3] certification or equivalent with at least an Excellent or Gold level on development operations and implementation of an annual reporting process and monitoring of the certification level	**Launched** ↓ **End 2025**
	9 **-25% energy consumption in 2030 (2019 basis), on tertiary assets**	• Reassessment of the target in 2024 to integrate the residential portfolio, which is now also covered by the collection • Continued deployment of the automatic consumption reporting system in the operational perimeter • Implementation of the green CAPEX plan to increase energy efficiency (linked to objective 7)	**Lancé** ↓ **End 2030**
	10 **-10% average water intensity within the operational control perimeter, and compliance with consumption thresholds set by portfolio[4]**	• In line with the internal Ecowater plan, implementation of a process to monitor water saving measures in the operational control perimeter, to continue to reduce water consumption (already -34% between 2019 and 2024) • Extending the plan at the European level	**Launched** ↓ **End 2030**
	11a **Use electricity with guarantees of renewable origin for 100% of common spaces under operational control**	• Review of assets not yet covered and definition of action plans to assess the possibility of new contracts in the coming years	**Launched** ↓ **End 2025**
	11b **Double solar energy production on the Group's assets**	• Building an accurate picture of assets with solar panel and production capacity • Identification of potential assets on which to install solar panels	**Launched** ↓ **End 2030**
Our dependence on new raw materials is reduced	12 **Monitoring the consumption of materials that have an impact on biodiversity (e.g. concrete, glass, steel, aluminium, etc.) in at least 80% of new development operations**	• Evaluation, on pilot operations in each country, of the availability of information for materials identified as priorities through the implementation of objective 5 • Verification that the request for information is included in the contracts with the construction companies	**2024** ↓ **End 2026**
	13 **Development of the use of [30%]* recycled steel, [30]%* recycled aluminium and [30%]* low-carbon concrete and increase in volumes of recycled materials per m² built** (*to be refined after diagnosis, the 30% is indicated in reference to the taxonomy for the construction activity under the circular economy objective)	• Evaluation, on pilot operations, of the recycled content used and its potential to increase in order to set ambitious and realistic targets • Generalisation of the calculation for each project and integration of the target in the contracts	**2026-2029** ↓ **End 2030**
	14 **Developing partnerships with key players in the reuse and sustainable materials sector, by country**	• Mapping of relevant actors, identification of opportunities to participate in Working Groups and implementation of first pilots	**2024-2026** ↓ **Permanent**
	15 **Implementation of resource diagnostics for all large-scale demolition operations (>5,000 m² rental area) and commitment to save/reuse (in-situ or ex-situ) 30% of materials (mass calculation)**	• Definition of what will be required in the diagnosis based on local regulations of Covivio's countries of operation and Group objectives • Conducting diagnostics and analysing key findings to assess potential for increasing circularity in projects • Regular updates to be planned to adapt to changes in the sector and regulations	**2026-2029** ↓ **End 2030**

[1] HQE: High Environmental Quality
[2] BREEAM: Building Research Establishment Environmental Assessment Method3
[3] LEED: Leadership in Energy and Environmental Design
[4] In m³/m²/year: 0.5 Offices France and Germany, 1 Offices Italy, 1.5 Residential Germany, 2 Hotels Europe

Our methods to reduce the upstream environmental footprint of our buildings


Berlin - LOFT

Based on the refurbishment of an early twentieth century Berlin factory, while retaining the most typical characteristics of this former working-class neighbourhood, LOFT will eventually offer 9,000 m² converted in modern and customisable office lofts. The complex will benefit from a green roof and several terraces. LOFT also stands out for its environmental performance: 100% reuse of the concrete and steel structure of the existing building, installation of 120 m² of photovoltaic panels and collection of 50% of rainwater for irrigation of vegetation. The project aims for DGNB Gold, WiredScore Gold and KFW Efficiency Building 55 certifications as well as taxonomy alignment (climate change mitigation objective).

Our actions to reduce the downstream environmental footprint associated with our tenants' consumption

A variety of actions implemented:

- €29 million in CAPEX invested to improve the park's energy performance in 2023
- A gradual phase-out of fossil fuels by replacing gas boilers with heat pumps or connecting buildings to urban networks
- A tenant awareness programme to encourage the rational use of energy and water resources, including on the residential portfolio, through welcome booklets or targeted awareness raising

First significant results:

- 21% less primary energy between 2019 and 2024 on the tertiary perimeter (intensity)
- Less 10% water intensity on the same perimeter

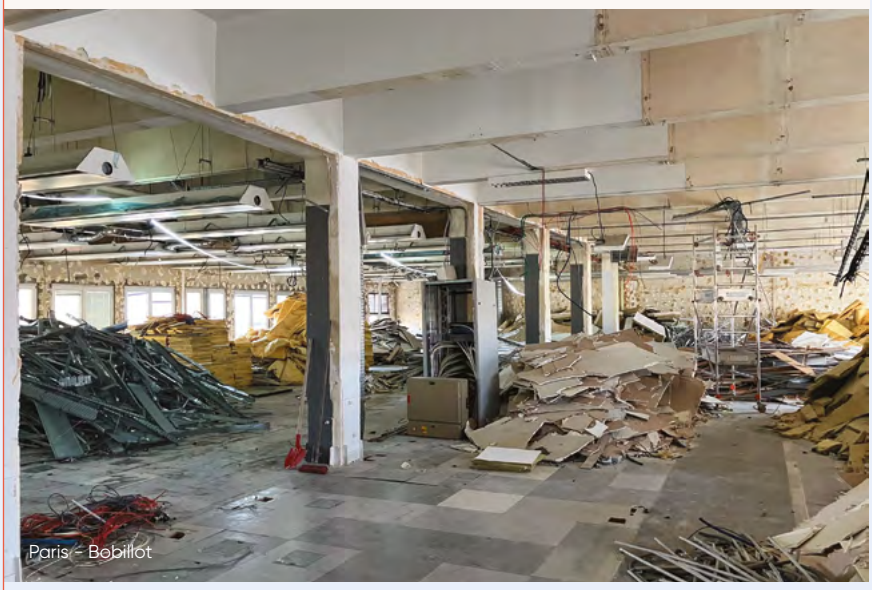

North Rhine-Westphalia - Tenant event

Vincent Floquet

Deputy Technical Director – Covivio

The Bobillot project, Paris: an example of implementing virtuous deconstruction practices

"The cleaning of the Bobillot site in Paris was the subject of extensive preparatory work in order to optimise the reuse and recycling of materials and equipment present on site. The teams thus mobilised an entire ecosystem of circular economy players in the Paris region: materials suppliers, centralisation platform, specialised design offices. Among the recovery solutions identified: false floor, technical lots (WC, cast iron radiators, ducts and cable trays), doors and windows. This operation also allowed identifying difficulties, particularly in terms of logistical constraints (schedule, storage, prices). It will be used to feed the experience for future operations and to clarify Covivio's strategy in this area. In particular, the French Development Department has set up an internal Circular Economy Working Group; its first task was to draw up specifications dedicated to taking the subject into account in projects".



Paris – Bobillot

Our key 2030 objectives

-40%
of GHG emissions

100%
of assets have environmental certifications

-25%
of energy consumption (2019 basis)

x2
solar energy production on the Group's assets

Increase in the use of recycled materials per m² built

PILLAR 3

Contribute to biodiversity improvement in cities

Paris – *L'Atelier*

In addition to limiting the impact of buildings on the environment, Covivio wants to play its full role in the redevelopment of Nature in cities, through soil conservation, the development of solutions for including biodiversity in its operations, but also the creation of a "biodiversity culture" among its teams and customers. Aiming for a positive impact on biodiversity in most projects, and raising awareness among teams and residents are thus the highlights of this third and last pillar of Covivio's Nature strategy.

Our commitments:

1

We have a positive impact on biodiversity in 100% of our operations

Track and maximise biodiversity gains on projects

2

We promote a culture of Nature within our teams

Raising awareness of key functions and developing biodiversity expertise internally

3

We involve our customers and stakeholders in biodiversity issues

Raising awareness of environmental issues and making them a strong axis of our brand image

Commitments	2030 Objective	Key milestones	Time horizon
We have a positive impact on biodiversity in 100% of our operations	16 **Improvement of the post-project biotope area factor (BAF) (compared to the pre-project situation) for 90% of new constructions**	• Analysis of results for each project (linked to objective 1) • Systematisation of the use of the biodiversity charter for designing green spaces on projects in order to guarantee calculation • Increase in the proportion of pipeline covered by the BiodiverCity label principles to reach 100% of projects	**2024** ↓ **End 2026**
	17 **Net gain in biodiversity on the 20 largest areas of the portfolio under direct management**[1]	• Identification of the largest areas in the portfolio (in m² of plots) • Assessment of the current state of biodiversity at these sites • Identification of a prioritised action plan according to a cost/efficiency logic • Reassessment of the plan 2 to 3 years after the first assessment	**2026-2029** ↓ **End 2030**
We promote a culture of Nature within our teams	18 **100% of senior management trained on industry biodiversity issues**	• Definition of biodiversity training frequencies and program including presentation of strategy progress, regulatory requirements, etc.	**2024-2026** ↓ **Permanent**
	19 **Inclusion of ecologists in 100% of large-scale development/renovation projects (>5,000 m² rental area) and awareness-raising of operational teams on biodiversity issues**	• Systematisation of the use of an ecologist in development processes • Design and planning of awareness-raising sessions	**2024-2026** ↓ **Permanent**
	20 **100% of the new transactions reviewed by the Investment Committee are subject to a biodiversity impact assessment (acquisition or development)**	• Addition of biodiversity topics in the due diligence phase and as part of the presentation of projects to the Investment Committee	**2025-2026** ↓ **Permanent**
We involve our customers and stakeholders in biodiversity issues	21 **Raising our customers' awareness of climate and nature-related topics and including these topics in tertiary leases**	• Definition of the right awareness channel for each activity, a frequency and a format	**2025-2029** ↓ **Permanent**

[1] Based on indicators such as the amount of green areas created, non-green areas, consideration of green and dark corridors, etc.

From net zero artificialisation to positive biodiversity

Since 2022, BAF has been measured on 5 projects delivered or in progress, corresponding to 3⁄4 of projects delivered in the last two years and a total floor space of 18,569 m^2. For these projects, carried out exclusively in densely built-up areas, the BAF has been multiplied by 3.3 compared to the initial situation.
The exterior development programme implemented on the So Pop project increased the BAF by 3.8 times compared to the pre-works status. 4,000 m^2 of gardens, patios and terraces were created. To exploit the biodiversity potential of this asset, a BiodiverCity Life approach (in operation) has been launched. So Pop is thus the first Covivio site to receive this label in July 2024.

Raising our customers' awareness of biodiversity issues

The Group relies on a strong partnership with its customers approach to work in favour of the environmental transition. All awareness-raising actions are described in the Sustainable Development Report (section 3.4.3), including the introduction of green clauses in leases, the organisation of Sustainable Development Committees, awareness-raising as part of a sobriety approach, etc. Covivio now wishes to strengthen awareness-raising on nature issues by relying on these existing channels (objective 21 of the strategy).

“

Manuel Cattaneo
Environment Health & Safety - NTT DATA

"Having always been attentive to environmental issues, NTT DATA joined the TFND Forum in February 2023, reaffirming its intention to preserve biodiversity and foster its prosperity.
Within the activities of the corporate services function of the NTT DATA organisation, this focus is applied to real estate activities related to the identification and management of corporate locations. In fact, the company strives to understand and incorporate the historical, social, geographical and biological aspects typical of the contexts in which its offices are located, so as to benefit from and contribute to the value of places.
With Covivio's The Sign Complex, the Italian branch of NTT DATA has found a solution in line with the environmental objectives the own group pursues including the commitment to guarantee and preserve biodiversity ensured by the complex's park, the first in Italy to obtain the BiodiverCity certification, which in addition to boasting the presence of a biolake for the protection of flora and small aquatic fauna also hosts a "Butterfly Garden", flowering areas for insects and pollinators as well as shelters and nests for the native animal population such as hedgehogs and sparrows".

Our key objectives

90%
of new constructions with a positive impact on biodiversity (i.e. improved BAF)

Net biodiversity[1] gain on the
20
largest areas of the portfolio under direct management

[1] Based on indicators such as the amount of green areas created, non-green areas, consideration of green and dark corridors, etc.

A Nature strategy covering the entire life cycle of the building

Our commitments over the entire life cycle of the building

	DESIGN/DEVELOPMENT		OPERATION	RENOVATION/ END OF LIFE
COMMITMENTS	We monitor and limit the impact of our assets on artificialisation (1.1 and 1.2) and aim for a positive impact on biodiversity at project level (3.1).	We track and limit the impact of building materials through traceable materials (1.3) and as far as possible derived from recycling (2.2).	Our assets are efficient in terms of water and energy consumption (2.1).	We promote the use of renovation, selective deconstruction and recovery (2.2).
2030 OBJECTIVES	• **Net Zero Artificialisation** • **90%** of new builds **with a positive impact on biodiversity** (i.e. Improved BAF). • **Net biodiversity gain** on the 20 largest areas of the portfolio under direct management.	• Development of **a traceability system for high-risk materials** (national or regional) • **Use of recycled materials:** 30% steel, 30% aluminium and 30% cement per m² built.	• **-25% energy consumption** (2019 basis) • **100% renewable energy** (operational control) • **Doubling of solar energy production** on Group's portfolio	• **30% of capital expenditure related to energy renovation and densification operations**

TRANSVERSAL COMMITMENTS:
We promote a culture of Nature within our teams (3.2) and involve our customers and stakeholders in biodiversity issues (3.3)

-40%
of GHG emissions by end-2030

100%
of assets have environmental certifications by end-2025

Annexes

TNFD indicators, strategic numerical objectives and links with ROIDs

Nature of indicator	Covivio indicator	Comment
Nature and value of assets, debts, income vulnerable to transitional and physical risks	• Physical risks = -0.03% to -0.04% of the portfolio value by 2030 and -0.21% to -0.45% by 2100 (RCP 2.6 to RCP 8.5 scenarios) • Transition risks = -0.24% to -0.44% of the portfolio value by 2030 and -2.19% to -4.33% by 2100 (CRREM to REMIND 1.5°C scenarios)	These results are derived from the MSCI Climate Value at Risk analysis (*see page 35*).
Nature and amount of fines for the current year related to impacts on nature	• None	As a precautionary measure, Covivio had already decided several years ago to set aside a provision of €1.3 million should it have to bear the cost of depolluting a site held as part of a non-strategic activity.
Nature and amount of expenditure on nature-related opportunities	• For the time being, these budgets are only identified at project level. For a renovation such as *l'Atelier*, the exterior development budget represented more than 4% of the work (excluding demolition)	The costs associated with the development and maintenance of green spaces vary greatly depending on the assets. Covivio may also be required to support environmental protection associations as part of one-off projects (LPO – Silex 2).
Income from nature-friendly products and services	• 35.6% of Covivio's revenues are aligned with the climate change mitigation objective of the taxonomy (operational definition, 24.2% according to the regulatory definition) • However, Covivio does not isolate income from buildings that contribute to preserving or encouraging biodiversity	With regard to the development pipeline, half of the operations are restructurings integrating biodiversity topics, in particular through the creation of green spaces.
C1. Footprint	• Surfaces owned: 4,928,714 m^2 owned and 43,430 hotel rooms • Static aquatic footprint GBS: 11 MSA.km^2 • GBS Land Static Footprint: 48 MSA.km^2 • GBS Dynamic Footprint: 2 MSA.km^2 • Restored surface area (m^2) as part of development projects, within the operational scope: 2,200m^2 (calculated on the basis of BAF indicators for 75% of projects delivered in France since 2022) • Restored surface area (m^2) in the value chain: a priori none • Type and method of balanced management (green spaces): no information	Calculated with GBS version 1.4.2, on 2021 data, based on financial data and physical raw material flows for Italian constructions. For downstream, based on tenants' energy consumption and associated GHG emissions.
C2.0. Releases of pollutants into soil	• Upstream: 28 MSA.km^2 • Direct operations: 0.02 MSA.km^2 • Downstream: 0.5 MSA.km^2 • Hazardous pesticides used: no information • Nitrogen chemical inputs used: no information • Phosphorus-containing mineral inputs used: no information	Terrestrial ecotoxicity, calculated with GBS version 1.4.2, on 2021 data, based on financial data and physical raw material flows for Italian constructions. For downstream, based on tenants' energy consumption and associated GHG emissions.
C2.1. Water discharges	• Volume of water discharged (m^3) into freshwater or other environments (incl. temperature and concentration of pollutants): not applicable • Quantity of water (m^3) discharged without treatment, treated by the organisation, treated by a third party: not applicable • % coverage in relation to the m^2 operated for which the information is available: not applicable	Covivio uses only public water networks and associated treatment systems.

Nature of indicator	Covivio indicator	Comment
C2.2. Waste generation	• Tonnes of hazardous and non-hazardous waste generated: 12 kt of non-hazardous waste in 2023 on the park, 3.9 kt of non-hazardous waste on construction sites, 15 t of hazardous waste • Tonnes of hazardous and non-hazardous waste incinerated: no information • Tonnes of hazardous and non-hazardous waste landfilled: no information • Tonnes of hazardous and non-hazardous waste landfilled and then reused, recycled, undergoing further treatment: 33% of the waste in the operating park is recycled and 83% of construction site waste is recycled (including 10% recovered as energy) • % coverage in relation to m^2 operated for which information is available: data on 42% of the portfolio in operation and 65,600 m^2 of construction site (100% of projects delivered in France in 2023)	More information section 3.3.2.5 of Covivio's Sustainability Report.
C2.3. Plastic pollution	• No information	Plastic pollution was not identified as a material issue with regard to Covivio's activities. However, the Group has implemented a zero single-use plastic policy across its corporate perimeter.
C2.4. Atmospheric pollutants other than GHG	• Information partially available, at the level of certain sites or projects in the context of air quality studies. In the context of development projects, this topic is covered in particular in the low-nuisance construction site charters as part of environmental certifications • Tonnes of particulate matter (PM2.5 and/or PM10): no information • Tonnes of nitrogen oxides (NO2, NO and NO3): no information • Tonnes of volatile organic compounds (VOCs or NMVOCs): no information • Tonnes of sulphur oxides (SO2, SO, SO3, Sox): no information • Tonnes of ammonia (NH3): no information.	Covivio has deployed the Octopus Lab device in 10 directly managed multi-tenant buildings; this solution uses sensors to monitor air quality in real time and identify any deviations in order to rectify them.
EH.C2.0 Pollution	• On this subject, Covivio relies on regulations and the responsibility of partner manufacturers • Volume of spills of diesel, paints, solvents and toxic chemicals, and wastewater discharges exceeding local or international regulatory standards (m3), by national or company spill classification system, if applicable, and by type of ecosystem impacted, by reference to the standard respected: no information	
C.3. Water abstractions and consumptions in water stress zones	• According to the Beta Aqueduct mapping on water stress level of the regions (WRI), 21.7% and 9.5% of the water perimeter are in high-risk and very high-risk zones, respectively, i.e. 21% and 14.4% of the reported water consumption • % coverage in relation to the m^2 owned for which the information is available: 100% on the operationally controlled perimeter, 86% on the entire park • Total water abstraction (m^3): 5,980,909 m^3 (extrapolated to all m^2 owned) • Water source: 100% of the water comes from municipal networks • No abstraction from groundwater • Rainwater collected on equipped assets is not included in consumption	More information section 3.3.2.4 of Covivio's Sustainability Report.

Nature of indicator	Covivio indicator	Comment
C3.1. Quantities of high-risk resources extracted	• Aluminium: 3,000 tonnes for Italian production in 2021 • Cement/concrete: 73,000 tonnes for Italian production 2021 • Gasoline: 10 MkWh scope 3 downstream • Natural gas: 1,508 tonnes on scope 3 upstream in 2021/27,000 tonnes on scope 3 downstream in 2021 • Steel: 27,000 tonnes for Italian production 2021 • Wood: 52 tonnes for French production in 2021 Other at-risk materials used without volume estimates: Copper, Iron, Lead, Oil, Paper. The data has not yet been consolidated across the entire scope. The Nature strategy aims, in particular, to improve the collection of data on the volumes used for these raw materials.	
GHG emissions	Included carbon trajectory: • Scope 1: 1,771 tCO_2e • Scope 2: 3,012 tCO_2e • Scope 3 upstream: 201,731 tCO_2e • Scope 3 downstream: 157,876 tCO_2e Outside carbon trajectory: • Scope 1: 323 tCO_2e • Scope 3 upstream: 13,186 tCO_2e • Scope 3 downstream: 15,300 tCO_2e	Results of 2023 carbon assessment.
C.4. Invasive exotic species	• Proportion of high-risk activity concerning the unintended introduction of EIS: due to its biodiversity charters and the work carried out with ecologists on development projects, the risk of introducing EIS is considered to be limited	

Concordance table between the risks and opportunities identified and the objectives of Covivio's Nature strategy

Pillar 1
Avoid the degradation of natural habitats

Commitments	2030 Objective	Impacts/Dependencies	Risks/Opportunity
1 **The direct impact of our assets on natural spaces is known**	1 • Monitoring of artificialisation indicators (including the BAF) on 100% of the pipeline	**Impacts:** Change in land use	**Risk:** Obligation to comply with regulations relating to urban planning limitation, soil artificialisation and the protection of natural spaces (e.g. objective of 30% of CDB protected areas, green and blue corridors, etc.)
	2 • 100% of the portfolio is covered by the listing of assets located near natural spaces	**Impacts:** Change in land use	
2 **Our real estate development is dissociated from the degradation of natural spaces**	3 • Contribute to Net zero artificialisation (balance at the level of the committed pipeline, cumulative from 01/01/2024 on the pipeline to be retained)	**Impacts:** Change in land use **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risk:** Obligation to comply with regulations relating to urban planning limitation, soil artificialisation and the protection of natural spaces (e.g. objective of 30% of CDB protected areas, green and blue corridors, etc.)
	4 • Promote restructuring rather than demolition/reconstruction: at least 30% of development CAPEX linked to restructuring or roof lifting	**Impacts:** Land use change, climate change	**Opportunity:** New renovation and deconstruction market, linked to net zero artificialisation policies
3 **We are setting up a traceability standard for key materials**	5 • Structure a traceability process of the main construction materials used for operations	**Impacts:** Change in land use, climate change, overexploitation of water resources and pollution **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risks:** - Obligation to demonstrate that raw material purchases are compatible with imported zero deforestation regulation for goods imported into Europe (e.g. wood and rubber are already covered, regulation could be extended to mining products) - Disruption of supply chains and material shortages due to extreme events (e.g. wood shortages due to forest fires, pests, concrete shortages due to water stress)
	6 • Reinforce a responsible purchasing policy by integrating and deploying new criteria for key materials (e.g. recycled, low carbon, origin, etc.)	**Impacts:** Change in land use, climate change, overexploitation of water resources and pollution **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risk:** Disruption of supply chains and material shortages due to extreme events (e.g.: wood shortages due to forest fires, pests, concrete shortages due to water stress)

Pillar 2
Reduce our consumption of resources

Commitments	2030 Objective	Impacts/Dependencies	Risks/Opportunity
1 **Our buildings are exemplary because we enable our customers to reduce their water and energy consumption**	**7** • -40% of the carbon intensity of GHG emissions (scope 1, 2 and 3, reference year 2010)	**Impacts:** Climate change **Dependency:** Climate Stabilization	**Risk:** Stricter regulations concerning GHG emissions from corporate activities **Opportunity:** Financial support for the installation of solar panels or green roofs
	8 • 100% of Core assets and 100% of new projects certified in environmental terms (Excellent/Gold level at least)		**Opportunity:** Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)
	9 • -25% energy consumption in 2030 (2019 basis), for tertiary services only	**Impacts:** Climate change **Dependency:** Climate Stabilization	**Risk:** Stricter regulations concerning GHG emissions from corporate activities **Opportunity:** Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)
	10 • -10% average water intensity within the operational control perimeter, and compliance with consumption thresholds set by portfolio[1]	**Impacts:** Overexploitation of water resources	**Risks:** - Local conflicts related to the use of water, during the construction phase and the use phase of buildings - Local drinking water shortages **Opportunity:** Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)
	11a • Use electricity with guarantees of renewable origin for 100% of common spaces under operational control	**Impacts:** Climate change	**Risk:** Stricter regulations concerning GHG emissions from corporate activities **Opportunity:** Financial support for the installation of solar panels or green roofs
	11b • Double solar energy production on the Group's assets	**Impacts:** Climate change	**Risk:** Stricter regulations concerning GHG emissions from corporate activities **Opportunity:** Financial support for the installation of solar panels or green roofs

[1] In m^3/m^2/year: 0.5 Offices France and Germany, 1 Offices Italy, 1.5 Residential Germany, 2 Hotels Europe.

Commitments	2030 Objective	Impacts/Dependencies	Risks/Opportunity
2 **Our dependence on new raw materials has been reduced**	**12** • Monitoring of the consumption of materials with the highest impact on at least 80% of new development operations (e.g. concrete, glass, steel and aluminium)	**Impacts:** Change in land use, climate change, overexploitation of water resources and pollution **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risks:** - Creation and increase of carbon tax affecting import prices of materials (e.g. cement under the new EU ETS) - Supply chain disruption and material shortages due to extreme events (e.g. wood shortages due to forest fires, pests, concrete shortages due to water stress)
	13 • Development of the use of [30%]* recycled steel, [30%]* recycled aluminium and [30%]* low-carbon concrete and increase in volumes of recycled materials per m2 built (*to be identified after diagnosis)	**Impacts:** Change in land use, climate change, overexploitation of water resources and pollution **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risks:** - Creation and increase of carbon tax affecting import prices of materials (e.g. cement under the new EU ETS) - Disruption of supply chains and material shortages due to extreme events (e.g. wood shortages due to forest fires, pests, concrete shortages due to water stress) **Opportunity:** Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)
	14 • Developing partnerships with key players in the reuse and sustainable materials sector, by country	**Impacts:** Change in land use, climate change, overexploitation of water resources and pollution **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risks:** - Creation and increase of carbon tax affecting import prices of materials (e.g. cement under the new EU ETS) - Supply chain disruption and material shortages due to extreme events (e.g. wood shortages due to forest fires, pests, concrete shortages due to water stress) **Opportunities:** - New renovation and deconstruction market, linked to net zero artificialisation policies - Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)
	15 • Implementation of resource diagnostics for all large-scale demolition operations (>5,000 m² rental area) and commitment to retain/reuse (in-situ or ex-situ) 30% of materials (mass calculation)	**Impacts:** Change in land use, climate change, overexploitation of water resources and pollution **Dependency:** Fibres and other materials (e.g. availability of sand, aggregates, wood, etc.)	**Risks:** - Creation and increase of carbon tax affecting import prices of materials (e.g. cement under the new EU ETS) - Supply chain disruption and material shortages due to extreme events (e.g. wood shortages due to forest fires, pests, concrete shortages due to water stress) **Opportunities:** - New renovation and deconstruction market, linked to net zero artificialisation policies. - Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)

Pillar 3

Contribute to biodiversity improvement in cities

Commitments	2030 Objective	Impacts/Dependencies	Risks/Opportunity
1 **We have a positive impact on biodiversity in 100% of our operations**	16 • Improvement of the post-project biodiversity coefficient per area (hBAF) (compared to the pre-project situation) for 90% of new constructions	**Impacts:** Change in land use	**Risk:** Obligation to comply with regulations relating to urban planning limitation, soil artificialisation and the protection of natural spaces (e.g. objective of 30% of CDB protected areas, green and blue corridors, etc.) **Opportunity :** Use of the park's green spaces to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnoses)
	17 • Net gain in biodiversity[1] on the 20 largest areas of the portfolio under direct management	**Impacts:** Change in land use	**Risk:** Obligation to comply with regulations relating to urban planning limitation, soil artificialisation and the protection of natural spaces (e.g. Objective of 30% of CDB protected areas, green and blue corridors, etc.) **Opportunity:** Use of the park's green spaces to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnoses)
2 **We promote a culture of Nature within our teams**	**18** • 100% of senior management trained on industry biodiversity issues		
	19 • Inclusion of ecologists in 100% of large-scale development/renovation projects (>5,000 m² rental area) and awareness-raising of operational teams on biodiversity issues		**Opportunity:** Use of the park's green spaces to contribute to ecological continuity or to restore biodiversity in city centres (based on ecological diagnoses)
	20 • 100% of the new transactions reviewed by the Investment Committee are subject to a biodiversity impact assessment (acquisition or development)	**Impacts:** Change in land use	**Opportunities:** - New renovation and deconstruction market linked to net zero artificialisation policies - Increased financing opportunities linked to the development of sustainable real estate projects (e.g. green bonds, private or public investments, conservation financing, etc.)
3 **We involve our customers and stakeholders in biodiversity issues**	**21** • Raising our customers' awareness of climate and nature-related topics and including these topics in tertiary leases		

[1] Based on indicators such as the amount of green areas created, non-green areas, consideration of green and dark corridors, etc.

Concordance table between TNFD items and the report's sections

TNFD Chapter	Expected TNFD	Report Section
1• **Governance**	A• Specify how the Board of Directors oversees nature-related ROIDs	Pages 16-19
	B• Specify how management manages nature-related ROIDs. Specify these elements, in particular monitoring the achievement of targets relating to ROIDs on Nature and Climate	
2• **Strategy**	A• Description of nature dependencies and impacts across the value chain. Description of material risks and opportunities arising from impacts and dependencies over several time horizons	Pages 25-27
	B• Description of the impact of nature-related ROIDs on the activity (financial risk and associated with value creation)	Pages 28-33
	C• Description of the company's resilience to nature-related ROs (vulnerability of the strategy, adaptations, measures implemented, scenarios considered)	Pages 34-37
	D• Identification of assets and activities located in biodiversity sensitive areas (identification process, potential influence on activity)	Page 42
3• **Impact and risk management**	A•B• For direct operations and upstream the value chain, method description: - Identification of nature-related ROIDs potentially material to the company. - Assessment of the magnitude of nature-related RO related to IDs - Assessment of the significance of ROs with respect to the nature of their prioritisation and management + Definition and methodology elements, and data used	Pages 28-33
	C• Description of the method of managing nature-related ROIDs by the company	Pages 39-51
4• **Indicators and objectives**	A• Disclosing the following core metrics: Nature and value of assets, liabilities, income vulnerable to transitional and physical risks (1 and 2); Nature and amount of fines for the current year related to impacts on nature (3); Nature and amount of expenses in favour of nature-related opportunities (NGOs, catering, etc.) (4); Nature-friendly products and services income (5)	Pages 53-55
	B• Data to be disclosed/collected a priori throughout the value chain: - Static and dynamic footprint - Release of pollutants into the soil - Wastewater and waste discharge per type of management - Plastic pollution - Air pollutant excluding GHG - Water abstraction and consumption in water stress zones - Quantity extracted from high risk resources - GHG emissions + Definition and methodology elements, and data used	Pages 53-55
	C• Presentation of a set of quantified objectives relating to the nature-related ROID factors identified, in connection with existing national and international objectives (for impacts and dependencies) and vulnerabilities (for risks)	Pages 56-59

Ensure transparency towards stakeholders

As a listed company, Covivio responds every year to requests ESG topics from various analysts, non-financial rating agencies and investors. In order to ensure real transparency with its stakeholders, Covivio shares a great deal of information in its publications, complying with recognised international standards to improve readability and having this information verified by an Independent Third Party Body.

Selection of ratings obtained by covivio related to climate

	CDP	ISS ESG	MSCI
Overall Rating	A Climate A-list	B- Prime Status	AAA
Specific sub-scores related to a nature issue	A or A- to all modules (climate risks and opportunities, objectives, energy, etc.)	Green building considerations: A Greenhouse gas emission reduction targets and action plans: A+	Opportunities in Green Building: 1st quartile

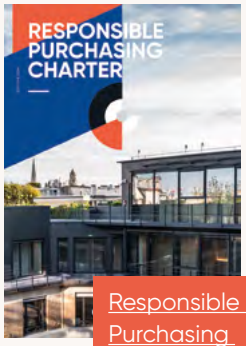
Covivio also voluntarily responds to other agencies: GRESB, CSA S&P (ex-DJSI), Ethifinance, EcoVadis; and ranks among the top 15 global Sustainalytics companies across all sectors considered to have the lowest ESG risk[1].

All of the Group's financial and non-financial publications are available on its website, in particular:

Universal Registration Document

Annual Sustainable Performance Report

Ethics Charter



Responsible Purchasing Charter

Verification of informationby an Independent Third Party Organisation (ITO)

As part of the Group's consolidated Non-Financial Performance Statement, an ITO is appointed to give a moderate assurance opinion on the published non-financial information. Among this verified quantitative and qualitative information, the following was included in the Nature Report:

- Total workforce
- Asset certification rate
- Energy and carbon intensity
- Water intensity
- Management of health and environmental risks and regulatory compliance
- Measures taken to exceed construction standards and combat asset obsolescence
- Carbon trajectory
- Measures taken to ensure sustainability of the supply chain
- Relationship and cooperation with stakeholders
- Partnerships implemented for the integration of society into the sustainable city

The full opinion is available in chapter 3.8 of the Annual Sustainable Performance Report.

[1] Covivio SA ESG Risk Rating (sustainalytics.com)

Details of prospective scenarios used for risks and opportunities analysis

The analysis of climate and biodiversity risks and opportunities was based on two scenarios designed on the basis of the four prospective 2050 transition scenarios proposed by the ADEME in its publication "Transition(s) 2050: Four scenarios and their worksheets to reach carbon neutrality by 2050". The two scenarios used are as follows:

	OPPORTUNISTIC ADAPTATION In a less restrictive regulatory environment, the transition to more sustainable models is difficult and slower than environmental changes. Some institutional shortcomings lead to additional costs and poor adaptation strategies are observed. Ecosystems are degraded, with temperature warming reaching +3°C by 2050.	**PLANNED TRANSFORMATION** Strongly encouraged by regulation, society is moving towards a more sustainable model, based on resource conservation and adaptation. The structure of the economy is undergoing profound transformation, allowing economic players to rethink their models. Ecosystems are preserved, temperature warming is maintained at +2°C by 2050.
Status of ecosystems	Global warming and biodiversity degradation are not halted. Ecosystem services are degraded, the use of technological solutions is requested, generating additional costs.	Nature is protected, nature-based solutions are put in place. Ecosystem services have maintained a functional level, and access to natural resources is highly regulated.
Availability of land	Development of big cities and artificialisation.	Drastic reduction in the number of new constructions.
Changing eating habits	Low, meat consumption decreases slightly.	Meat consumption is significantly reduced.
Energy	Slight reduction in consumption, significant use of biomass and renewable energies.	Very significant reduction in energy consumption, massive renovation of buildings.
Material and circular economy	The amounts of steel, aluminium, glass, and cardboard and plastics from recycling have increased.	The majority of steel, aluminium, glass, cardboard and plastics are derived from recycling.
Agriculture	Intensification of agriculture, particularly in relation to energy needs.	Extensification of agriculture.
International Trade	Imports play a very important role in a globalised economy that promotes trade.	Industrial production contracted and supply tightened to "Made in France".
Regulatory framework	Non-binding, based on transparency of practices and incentives.	Binding, based on severe sanctions for non-compliance.

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