



Azora Group

Sustainability Report **2023**

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Letter from the Chair

GRI Disclosure 2-22

We are pleased to present to all of our stakeholders the Azora Group's Sustainability Report for 2023, based on the reporting criteria of the Global Reporting Initiative (GRI) Standards.

In 2023, Azora Group continued to demonstrate its commitment to maintaining strong governance and ethics in all its activities, prioritising the efficient use of resources, employee well-being and community welfare. In this report, we continue to make progress in improving the transparency and clarity of our reporting thanks to the integration of environmental, social and governance criteria (ESG) throughout all processes. Furthermore, we seek to highlight the performance milestones and achievements we have achieved over the past year, as well as our outlook and priorities regarding ESG performance for the future.

We believe that prioritising economic, environmental and social sustainability will continue to improve the performance of our core business. Notably, the Azora Group increased its total assets under management, reaching EUR 9,400 million across seven countries by the end of the year. Preserving the future and ensuring the sustainability of our business, combined with maintaining high capital solvency and providing our investors with excellent financial results, remain the priorities of our Group.

As a result of this strong performance and our long-term vision, 2023 was a year of consolidating management strategies, listing the Logistics investment vehicle on BME Growth, completing the investment plan of the Senior living investment vehicle and identifying major sustainability trends.

As a Group, we are sensitive to environmental issues. In line with this, over the last 12 months, we launched a new investment vehicle with a sustainability target in accordance with Article 9 of the European Union's Sustainable Finance Disclosure Regulation (SFDR). We also enhanced the quality of existing assets, improved our portfolios, and factored in new user demands and energy efficiency standards, which improved people's lives and reduced our environmental impact. Moreover, we approved and started to implement decarbonisation plans for both residential housing units and hotels.

To create this value for the Azora Group and our stakeholders, we have a team of professionals committed to sustainability. One of our priorities is attracting, retaining and motivating talent by providing the best working environment. Our social commitment also includes initiatives to support solidarity projects, many of which directly involve our employees, such as a project aimed at improving education for young people in Honduras or an initiative promoting housing solutions for





Letter from the Chair

homeless people. In addition, the integration of our assets into their local environment and the contribution of the Group's activities to generating value for the community form an integral part of Azora Group guidelines.

At Azora Group we are confident that the current environment offers many opportunities, despite the challenges that lie ahead. Major trends, such as innovation and sustainability, will continue to transform the economy and our environment.

In 2023, the Azora Group celebrated its 20th anniversary, demonstrating once again its capabilities which, in conjunction with the support, engagement and loyalty of our investors, employees and operators –who have been with us throughout these 20 years– will enable us to achieve our strategic objectives and continue to create value.

Concha Osácar
Chair

“Preserving the future and ensuring the sustainability of our business, combined with maintaining high capital solvency and providing our investors with excellent financial results, remain the priorities of our Group.”

2. Executive summary

GRI Disclosure 2-1, 2-3, 2-6, 2,7, 2-8

Executive summary

AZORA GROUP

**Azora Capital, S.L.**

Management company, Azora Group parent.
Headquarters: Madrid, Spain.

**Azzam Vivienda, S.A.U.**

Real estate manager
Headquarters: Madrid, Spain

**Azora Gestión, S.G.I.I.C, S.A.U.**

Management company supervised by CNMV
Headquarters: Madrid, Spain

**Azora Exan, LLC**

US management company
Headquarters: Miami, FL (United States)

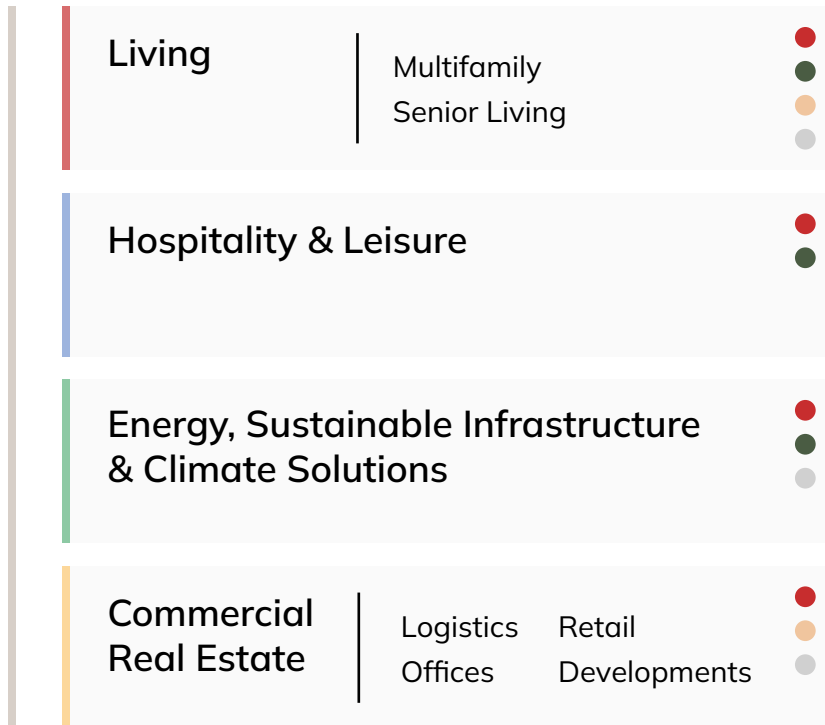
This Sustainability Report reflects the annual performance of Azora Group and its managed vehicles from an Environmental, Social and Governance (ESG) perspective, while providing insights into its strong commitment to transparency, responsible investing and creating a positive impact for its stakeholders.

Azora Capital, S.L. and its investees, hereinafter referred to as 'Group' or 'Azora Group', is a Spanish independent alternative asset manager with an international focus. The Company was created in 2003 by M^a Concepción

Osácar Garaicoechea and Fernando Gumuzio Iñiguez de Onzoño. The Group's headquarters are located in Madrid (Spain) and Miami (US), and it manages assets through direct investments in Belgium, Germany, Greece, Italy, Portugal, Spain, and the United States.

Any communications related to ESG can be done by writing to the headquarters in C/ Villanueva 2, Madrid or through an email to the Compliance, Risk Management and Sustainability area.

AZORA GROUP'S ACTIVITIES ARE DIVIDED INTO FOUR VERTICALS:



Managed by:

- Azora Capital
- Azora Gestión
- Azzam Vivienda
- Azora Exan

Azora Group is a leading company in real asset management in Europe, especially in the residential and hotel sector.

Some of the Group's key achievements in 2023 include:

- The registration of the Climate Solutions Fund.
- The decarbonisation of seven hotels owned by the Hospitality & Leisure Fund.
- The list of a Logistics SOCIMI on BME Growth.
- The completion of the investment plan for the first Senior Living SOCIMI.
- The refinance of Nestar Residencial SII, S.A.
- The 20th anniversary of Azora Group and its new corporate website.





Main figures (Data as of 31/12/2023)

20 years | Of experience. **€ 7,500 M** | Capital raised since inception.

€ 103.5 M | Net income. **€ 9.400 M** | Assets under management.

€ 61.6 M | Revenue. **7 countries** | Spain, Portugal, Italy, Belgium, Germany, Greece and the United States.

PERFORMANCE 2023

287 Employees (279 Azora employees + 8 employees outsourced) → **54%** Female employees.



G R E S B

GRESB score in 2023:

Nestar Residential: **78**

AEHL, F.C.R.: **81**



71

EcoVadis score Azzam Vivienda

367 MWh

Electricity consumption in Azora Group offices, like-for-like.



Historical milestones

Since its establishment, in 2003, Azora Group has accomplished numerous milestones and has positioned itself as a market leader.

2003	2004	2007	2011	2012	2013	2014	2016	2017	
Creation of Azora Group.	Creation of Nestar Residencial, formerly Lazora.	Creation of Azora Europa, together with the establishment of offices in Poland and the Czech Republic.	Purchase of RESA, student housing. Restructuring of management within Carey Value Added.	Creation of Azora Gestión, supervised by the CNMV.	Change of Nestar Residencial legal form to that of a real estate investment company, supervised by the CNMV.	Creation of Hispania Activos Inmobiliarios SOCIMI, S.A. (Hispania) and IPO.	First time Hispania participates in the Global Real Estate Sustainability Benchmark (GRESB).	Sale of RESA.	
2018	2019	2020	2021	2022	2022	2022	2023	2023	2023
Takeover bid for Hispania by Blackstone. Takeover bid for Hispania by Blackstone. Change in the shareholder structure Nestar Residencial, formerly Lazora.	Purchase of 100% of Azzam Vivienda. First time Nestar Residencial, formerly Lazora, participates in the GRESB.	Creation of Adriano Care. Launch of Azora European Hotel & Lodging. First time Azora European Hotel & Lodging participates in the GRESB.	Launch of Azora European Hotel & Lodging. First time Azora European Hotel & Lodging participates in the GRESB. Entry in the US market. Expansion of the senior living portfolio.	Consolidation of Azora European Hotel & Lodging. Launch of the Brisa Build-to-Rent residential vehicle. Entry in the US market. Expansion of the senior living portfolio.	Creation of the Logistics vertical. Sale of a renewable project's portfolio to ENI. Consolidation of the Logistics vertical. ISFA shareholding, new venture capital fund: Azora European	Launch of the third multi-strategy investment vehicle. Increase in the presence of the US real estate market. Consolidation of the Logistics vertical. ISFA shareholding, new venture capital fund: Azora European	Climate Solutions. Launch of the Nestar Residencial brand. Publication of the first Sustainability Report. Presentation of Azzam Vivienda in the EcoVadis index.	Registration of the Climate Solutions Fund. Decarbonisation of seven hotels owned by the Hospitality & Leisure Fund. Listing of a Logistics SOCIMI on BME Growth.	Completion of the investment plan for the first Senior Living SOCIMI. Refinancing of Nestar Residencial. 20th anniversary of Azora Group and its new corporate website.

3. Azora Group



GRI Disclosure 2-1, 2-2, 2-6, 2-23

Azora Group

The Group has established a set of principles that govern all its activities and business model. These are the principles that set Azora Group apart:



Thematic investors

The Company's forward-looking team continuously identifies trends and social changes to assess potential growth.



Active investors

Value creation distinguishes us, both in the repositioning and development of new assets.



Excellent track record

Great results come from working on higher returns for the Company's investors.



Complexity management

Ability to invest, manage uncertainty and find solutions to complex situations.



Good reputation

Earning the trust of investors by prioritising long-term relationships and loyalty with partners and competitors.



Good risk managers

The Group protects its investors' assets through rigorous risk analysis, identification, and mitigation.



Talent and teamwork

A team of extraordinary people working collaboratively to achieve the best results.



Focus on operational assets

Investment opportunities in real assets that require operational management.



Winning culture

Ambition, energy and focus on results.



Alignment with investors

Azora Group co-invests in each different vehicle and employs various remuneration schemes, aligning with the interests of our investors.

Main investment vehicles under management



Nestar Residencial SII, S.A.



Haven Energy, S.L.



Brisa Desarrollos y Residencial, S.A.



Azora América LLC



Colón Viviendas, S.A. and other developments.



One Azora Exan Multifamily Fund I LP



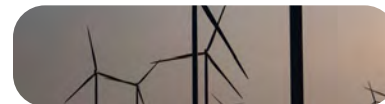
Adriano Care SOCIMI, S.A.



Multistrategy JV II, S.L.U.



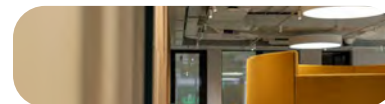
Azora European Hotel & Lodging, F.C.R.



Azora European Climate Solutions Fund, F.C.R.



Milepro Logística Última Milla SOCIMI, S.A.



Other investments in offices and retail.



PGIM Real Estate Última Milla, S.L.



Nestar Residencial

- YEAR OF INCEPTION: 2004
- DEVELOPMENTS: 92 OPERATIONAL, 2 UNDER CONSTRUCTION
- HOUSING UNITS: 8,482 OPERATIONAL, 740 UNDER CONSTRUCTION
- COMMITTED CAPITAL: EUR 919,6 M
- INVESTMENT CAPACITY: EUR 1,755 M
- SUPERVISED BY THE CNMV

Azora Group has been a pioneer in the Spanish residential rental sector and is now one of the largest asset investment managers focused on residential housing. The creation of Nestar Residencial, was instrumental in achieving these results. Aimed at offering professional service and quality housing at affordable prices for individuals with average income, particularly young people and families in Spain, since 2004 Nestar Residencial has provided homes to more than 40,000 families. Currently, Nestar Residencial carries out the integrated management of an asset comprising approximately 8,500 housing units, spread across 19 provinces throughout the Iberian Peninsula, including Madrid and Barcelona, with over 70% concentration in these areas.

In addition, Nestar Residencial renovated over 1,200 housing units between 2022 and 2023, maximising returns while significantly enhancing the quality of the units and the value of the portfolio. In this context, decarbonising the Company's existing portfolio is a key commitment, to be achieved by improving the energy performance certificates of operational assets, beginning with 20 units. This will result in a reduction of 2,300 tCO₂ per year. Nestar Residencial also has nearly 700 housing units under construction, both through in-house developments and turnkey agreements with developers, which are expected to be operational by 2024. All new assets will feature an Energy Performance Certificate rating of A and will be LEED or Building Research Establishment Environmental Assessment Method (BREEAM) certified.

Asset improvement work is underway for the certification of our entire operating portfolio in BREEAM in Use.



Brisa

- YEAR OF INCEPTION: 2021
- HOUSING UNITS: EXPECTED 8,000
- COMMITTED CAPITAL: EUR 714 M
- INVESTMENT CAPACITY: EUR 1,600 M

In 2021, Azora Group, in partnership with an institutional investor, launched a new investment vehicle. Brisa has been established as a build-to-rent residential initiative focused on developing over 8,000 affordable and sustainable housing units in Spain within the next five years. This investment targets individuals with average incomes and aims to address the acute shortage of quality, affordable rental housing for young people and families in Spain.

The investment locations are characterised by a shortage of supply and high demand for rental housing units, such as Madrid, Barcelona, Seville, Malaga, Valencia and Bilbao, among others. This strategy is being implemented both through strategic agreements with developers to deliver turnkey projects and the acquisition of land for in-house developments.

To date, Brisa has completed three turnkey projects, with a total investment of approximately EUR 100 M, and four self-development projects, with a total investment of approximately EUR 260 M. The projects also comply with high standards of sustainability and energy efficiency, as all of them are BREEAM certified.



Colón Viviendas and other developments



- YEAR OF INCEPTION: 2013
- OPERATIONAL HOUSING UNITS: 298
- OPERATIONAL DEVELOPMENTS: 4

Colón Viviendas is another company owned and managed by Azora Group within the Multifamily vertical, incorporated in 2013. Its portfolio currently includes the leasehold estate for four government-subsidised buildings and parking spaces for lease in Barcelona. The housing units are subject to a rent cap for a period of 25 years, with an average limit of EUR 5.2/m² per useful surface area.

In line with the Group commitment to sustainability, the energy and water consumption data of these buildings was collected and monitored for the first time in 2022. Azora Group plans to implement energy efficiency measures similar to those applied in Nestar Residencial.

Other developments

In 2023, the Company acquired over 1,1 M square metres of land to build affordable housing in Valdecarros, an expanding urban area of Madrid that is recognised as the largest urban development in Spain and one of the largest in Europe. With this transaction, the Group aims to lead future development in Madrid, contributing to a more sustainable, inclusive, efficient, and affordable urban development model. Azora Group has already pre-sold 59.000m² of buildable area to both Spanish and international developers.



Adriano Care

- YEAR OF INCEPTION: 2019
- ASSETS: 22
- PLACES: 2,985
- PLACES IN DAY CENTRES: 295
- COMMITTED CAPITAL: EUR 120 M
- INVESTMENT CAPACITY: EUR 267 M
- LISTED ON BME GROWTH

In 2019, Azora Group established Adriano Care, a Spanish real estate investment company that was listed for the first time on BME Growth on 25 May 2021. Adriano Care offers housing and care solutions for the elderly, ranging from independent living options to traditional residences. The company's capital primarily comes from private investors, and its main objective is to create a portfolio of high-quality real estate assets in the elderly care segment, managed by leading operators.

By the end of 2023, Adriano Care was active in 12 Spanish provinces, with a total of 22 assets. The capital committed to these assets accounts for 92% of the company's total investment capacity. In line with its commitment to growth, Adriano Care solidified its position as one of the sector's leaders in 2023, having invested EUR 14 M in a new nursing home in the city of Vigo.

Azora Group recognises the social challenges of the ageing population and has therefore intensified its commitment to new trends in quality and care for the elderly. Additionally, it contributes to reducing its environmental impact by developing new assets certified with BREEAM for maximum energy efficiency and implementing a sustainability investment plan aimed at mitigating possible climate risks in existing buildings.



Azora European Hotel & Lodging, F.C.R.



- YEAR OF INCEPTION: 2020
- ASSETS: 40
- ROOMS: 10,932
- COMMITTED CAPITAL: EUR 815 M
- INVESTMENT CAPACITY: EUR 1,811 M
- SUPERVISED BY THE CNMV

Between 2011 and 2018, with the management of Carey Value Added, S.L. and Hispania Activos Inmobiliarios SOCIMI, S.A., Azora Group entered into the hotel sector. Since then, it has managed to position as the second largest investor in resort hotels in Europe, investing more than EUR 2,400 M in a total of 73 hotels comprising around 21,000 rooms. Azora European Hotel & Lodging was established in June 2020, initially with a portfolio of seed assets acquired in 2019. The uncertainty caused by the COVID-19 pandemic led to a search for investment opportunities in a market with a strong demand and a growing need for capital. By the time of the first reporting date, the Group secured capital commitments amounting to EUR 680 M, along with an additional EUR 135 M in September 2021.

In 2023, the Fund entered the German market with the acquisition of six assets in the Baltic region. At year-end, Azora European Hotel & Lodging had 40 hotels in its portfolio with almost 11,000 rooms, and over EUR 1,200 M in committed investment in the main tourist destinations of Belgium, Germany, Greece, Italy, Portugal and Spain. During the year, the Group invested close to EUR 56 M in renovations, including the conversion of part of the Bluserena portfolio in Italy (Granserena, Torreserena, Serenus, Serene, Calaserena and Sansicario); the renovation of the Pola Giverola complex in Spain, to be completed in 2024; the retrofitting of Latroupe Prado in Spain to a hostel, which opened its doors in May 2023; and the renovation of Tivoli Vilamoura, which improved both rooms and common areas of one of the most emblematic hotels in the Algarve, Portugal.

Azora Group oversees hotel operations regularly, seeking to improve environmental performance, promote the sustainable use of resources, and ensure the well-being of both employees and guests.

Milepro

- YEAR OF INCEPTION: 2021
- ASSETS: 16 (15 IN OPERATION, 1 UNDER DEVELOPMENT)
- M²: 152,355
- COMMITTED CAPITAL: EUR 60 M
- INVESTMENT CAPACITY: EUR 120 M

Since June 2021, Azora Group has managed three companies established to acquire strategic logistics assets located near Spain's main cities. Through its logistics division, Azora Group intends to invest more than EUR 300 M in the acquisition of logistics assets. The Company's goal is to develop a robust portfolio in prime locations, capable of adapting to the shifting dynamics of the sector.

As of the date of publication of this report, Azora Group has a portfolio of 16 operational assets and four under development, with an investment exceeding EUR 200 M and a built area of approximately 300,000 m². The latest transaction involved the acquisition of a portfolio comprising 11 assets, totaling 193,000 m², located along the A2 road, the main Spanish logistics corridor, and leased to top-tier operators such as ID Logistics, Siemens, Grupo Carreras or TD Synnex. This acquisition includes a significant investment plan to modernise facilities, improve workspaces and enhance the energy efficiency and sustainability of the assets.

Other transactions have focused on assets located in Barcelona and the first ring of Madrid, in areas such as Villaverde, Vallecas, Coslada, and Getafe. These include projects currently under development, all of which include land for urban development, as well as operating assets that are fully leased. Examples include the Palibex Group HQ in Villaverde, Madrid, and the building leased to Dachser in Gélida, Barcelona.



PGIM

- YEAR OF INCEPTION: 2021
- ASSETS: 4 (1 BUILDING, 3 DEVELOPMENTS)
- M²: 27,426
- COMMITTED CAPITAL: EUR 75 M
- INVESTMENT CAPACITY: EUR 150 M

The value creation strategy linked to these investments is based on three pillars:

- **Modernisation and upgrading of obsolete assets:** located near city centres or in key logistics hubs, where limited availability of new land and a restricted supply of new product increase their value and potential for improvement.
- **Adapting and improving these assets:** by adhering to the highest ESG standards and principles, such as energy efficiency measures or BREEAM certifications, which are increasingly relevant and highly valued by tenants.
- **Acquisition of land for the development of newly built assets:** tailored to meet the current standards and needs of tenants.

This is achieved by acquiring and developing high-quality assets that excel in their spaces and equipment, as well as their modularity, adaptability, and sustainable performance.

Azora Group' goal for new developments is to achieve BREEAM 'Excellent' certification in new developments, and BREEAM 'Good' or 'Very Good In-Use' for existing assets. Additionally, new development plans include basic self-consumption facilities, which may be expanded according to the needs of each tenant. For existing assets, three properties in the portfolio already have self-consumption systems in place, and we are currently evaluating the installation of customised facilities for two tenants, with negotiations underway.



Haven

- YEAR OF INCEPTION: 2018
- PHOTOVOLTAIC PROJECTS UNDER DEVELOPMENT: 2 (296 MW IN DIVESTMENT PHASE)
- COMMITTED CAPITAL: EUR 40 M
- INVESTMENT CAPACITY: EUR 115 M

Azora Group has been developing new renewable energy projects in Spain, both wind and photovoltaic, since 2018. In 2022, Azora Capital managed a wind farm with an installed capacity of 105 MW, alongside five photovoltaic projects under development with a combined installed capacity of 796 MW, all with access and connection to the transmission grid of Red Eléctrica Española (REE). Once operational, the Haven Energía projects will be able to generate more than 2,000 GWh of clean energy per year, enough to supply 600,000 homes and prevent the emission of 1,500,000 tCO₂.

The photovoltaic projects are located in:

- Seville: projected capacity of 230 MW, plus another 200 MW project.
- Soria: projected capacity of 93 MW.

These projects play an important role in the Energy, Sustainable Infrastructure & Climate Solutions vertical, as Azora Group manages the entire value chain: from obtaining the access point or purchasing a project under development, to financial structuring, signing Power Purchase Agreements (PPAs), or overseeing construction, operation, and eventual sale.

Azora América

- YEAR OF INCEPTION: 2021
- PHOTOVOLTAIC PROJECTS UNDER DEVELOPMENT: 3 (840 MW)
- WIND FARM PROJECTS UNDER DEVELOPMENT: 1
- RESIDENTIAL PV COMPANY 'TERRA': 1 (MINORITY STAKE)
- COMMITTED CAPITAL: EUR 25 M
- INVESTMENT CAPACITY: EUR 50 M

On the other hand, Azora América has a portfolio of utility-scale wind and photovoltaic projects under development in the state of Texas, USA. Additionally, through the Saturno private equity vehicle, it is part of a company that sells and installs domestic solar panels, with a minor participation of 10% made through a preferred debt structure.



One Azora Exan Multifamily Fund I LP



- YEAR OF INCEPTION: 2022.
- MULTIFAMILY ASSETS IN OPERATION: 4.
- MULTIFAMILY UNITS IN OPERATION: 1019.
- COMMITTED CAPITAL: EUR 75.8 M.
- INVESTMENT CAPACITY: EUR 150 M.

ONE Azora Exan Multifamily Fund I, L.P. is a Delaware limited partnership jointly sponsored by Azora Exan, LLC and One Real Estate Investment Holdings, Ltd, which have come together to form ONE Azora Exan GP, LLC, the general partner of the fund.

In 2022 and 2023 the fund raised USD 75.9 million of total capital commitments, with a particular focus on value-add market rent Class B and Class C garden-style multifamily properties, primarily located in supply-constrained locations in the Sun Belt of the United States.

As part of its investment plan, the fund will invest in improving the assets through the renovation of the units' interiors and of the communities' common areas, as well as through professionalisation of the day-to-day property management operations with the aim of providing higher-quality housing and services to its residents.

Since its inception, the fund has acquired four multifamily assets in the United States:

- The Fredd Apartment Townhomes, a 278-unit multifamily community located in San Antonio, Texas.
- The Enclave at 38 Twenty Two, a 299-unit multifamily community located in Greensboro, North Carolina.
- The Cobb Apartment Townhomes, a 232-unit multifamily community located in Austell, Georgia.
- The Sapphire Apartments, a 210-unit multifamily community located in Decatur, Georgia.

Multistrategy

- YEAR OF INCEPTION: 2022
- M²: 102,000
- COMMITTED CAPITAL: EUR 270 M
- INVESTMENT CAPACITY: EUR 540 M
- ASSETS: 5
 - OFFICE BUILDING: 1
 - LAND UNDER MANAGEMENT: 1
 - HOTEL: 1
 - LEISURE CENTRE: 1
 - EDGE DATA CENTRE: 1



In 2022 and the first half of 2023, Azora Group created a new investment vehicle based on a multi-strategy approach. Through this instrument the Group aims to implement a value-add real estate strategy, focusing on acquiring high-quality assets with a strong opportunity-driven mindset, as well as targeting emerging asset classes.

As of the publication date of this report, this vehicle has the following five assets in the portfolio, with a total of around 102,000 m² and an expected GAV upon completion of the BP of EUR 600 M:

- **Office building:** with a leasable area of 16,000 m². It is currently being refurbished with the aim of obtaining Leadership in Energy and Environmental Design (LEED) Platinum certification by mid-2025.
- **Land under management:** with a buildable area of 33,000 m² in Alcobendas, Madrid. This land will help to increase the availability of residential land in Madrid.
- **Hotel to be refurbished into a Student Hub:** located in Chamartin, Madrid, it will include a Purpose Built Student Accommodation (PBSA) and a hostel, helping to absorb the increasing demand of students and youth professionals in the area.
- **Leisure centre:** with an occupation of 95%, located in Collado Villalba, Madrid, with the aim of carrying out some asset management initiatives to reposition the asset.
- **Edge data centre:** located in Tres Cantos, Madrid, close to the area of influence with the highest demand for data centres in the Spanish capital.

Azora European Climate Solutions Fund



- YEAR OF INCEPTION: 2023
- PORTFOLIO COMPANIES: 2
- TARGET SIZE OF COMMITTED CAPITAL: EUR 200 M

Azora European Climate Solutions Fund aims to make growth and buyout investments by taking equity stakes in European SMEs which offer decarbonisation solutions, have proven business models and need capital to grow.

The fund's investment strategy focuses on urban and energy solutions, having completed two investments in 2023:

- **The acquisition of a stake in Abatable:** a London-based climate finance company that provides carbon asset procurement advisory services, transaction tools, as well as market intelligence solutions for the voluntary carbon markets.
- **The acquisition of a stake in mylight150:** a French cleantech company based in Lyon, a pioneer in energy transition and specialised in the design and distribution of smart energy management systems and solar self-consumption solutions (the ability to monetise and optimise surplus production of solar energy).

The consulting firm CBRE advises the fund on the identification of investment opportunities, as well as the growth and development of post-closing companies. The fund is classified as an Article 9 product under the European Union's Sustainable Finance Disclosure Regulation (SFDR), which aims to strengthen the protection of end investors and improve the information they receive on non-financial matters.

Other investments in offices and retail



- OFFICE BUILDINGS: 2
- RETAIL BUILDINGS: 2
- BUS STATIONS: 2
- M²: 38,653
- COMMITTED CAPITAL: EUR 76 M
- INVESTMENT CAPACITY: EUR 140 M

Azora Group has made investments in offices totalling more than EUR 46 M and plans to continue investing in the creation of new offices or the repositioning of existing assets. This aligns with new market requirements, including sustainability certifications and compliance with new ESG reporting and assessment standards in asset acquisition.

Within the Commercial Real Estate vertical, the Group owns two office buildings and two retail buildings in Madrid. One of the office buildings, with a total area of 18,953 m², is operational and has a tenant, while the other, with a total area of 4,327 m², was sold and delivered in August 2023. The retail assets, on the other hand, are leased and have a total leasable area of 9,392 m².

The portfolio also includes two concessionary companies, granted by the city councils of Bilbao and San Sebastian, responsible for managing the bus stations in these cities. The management teams of these companies are implementing Policies and Procedures aimed at increasing sustainability and reducing the environmental footprint of the stations, while also promoting the use of public transport.

Main milestones - 2023



Incorporation and registration of Azora European Climate Solutions Fund

The first investment vehicle classified as Article 9 of the SFDR, managed by the Group, will invest in European companies that contribute to the decarbonisation of the economy.



Decarbonisation of the seven hotels in the portfolio acquired from MedPlaya

As part of Azora European Hotel & Leisure, the Group invested EUR 2.5 M in energy improvement measures to reduce annual energy consumption by 25% (4,300 MWh/year) compared to 2022, which equates to a reduction of 1,100 tCO₂ per year.



Listing of Milepro on BME Growth



Azora Group celebrates its 20th anniversary and launches a new corporate website



Adriano Care completes its investment plan

With a portfolio of 22 assets and 2,985 vacancies, it is consolidated among the leaders in the Senior Living sector. It also has activated a multi-year sustainability and social responsibility plan in collaboration with the operators. This plan focuses primarily on energy improvements and decarbonisation of its portfolio with the ultimate goal of contributing quality assets to society.



Refinancing of Nestar Residencial

With a loan of EUR 636 M, which will be used primarily for investment in CAPEX and the repositioning of existing assets to improve their quality. Combined with the acquisition of new BTRs, this will raise the portfolio to the highest standards of sustainability and energy efficiency.

4. Our commitment to sustainability

GRI Disclosure 3-1, 3-2

Our commitment to sustainability

Azora Group integrates sustainability into its day-to-day management and operations, recognising it as a crucial factor to properly carry out its activities. This is reflected in many of its actions, such as the reviewing of its Sustainability Policy in 2023.

As a result, the Group updated its materiality analysis to identify the most significant sustainability-related topics for the Group and its stakeholders. To achieve this, the Company followed the process outlined below.

ANALYSIS AND IDENTIFICATION OF RELEVANT ASPECTS

Firstly, Azora Group analysed the following sources of information:

- **Internal sources:** interviews with various areas within the Group, analysis of their reports and reporting documents and other relevant aspects, such as risk maps and analysis.
- **External sources:** benchmarking of companies in the same sector, analysis of news and topics they address, tenant satisfaction surveys conducted by Azora Group, as well as analysis of other initiatives, indices or reporting standards regarding sustainability of interest for the Company, such as Global Real Estate Sustainability Benchmark (GRESB) or Task Force on Climate-Related Financial Disclosures (TCFD).

Based on this analysis, the Company identified the most recurring issues or those prioritised by companies or reporting standards. As a result, the Group obtained a list of material aspects according to its sector of activity, trends and stakeholders' expectations.

The results of this analysis are presented in a double-axis matrix.

MATERIALITY MATRIX

Azora Group's materiality matrix includes the 15 most relevant issues for the Company. The horizontal axis corresponds to the relevance of each issue for the Group and the vertical axis indicates the relevance of the issues for stakeholders. The most significant issues, deemed material by the Company, are located in the top right quadrant of the matrix. The topics are categorised into four areas: environmental, social, governance, and economic:



Environmental issues

- Energy efficiency and climate change.
- Efficient resource management and environmental protection.



Social issues

- Social issues
- Diversity, equality and inclusion.
- User satisfaction and well-being.
- Impact on local communities and affordable housing.
- Attracting and retaining talent.
- Respect for human rights.
- Safety and health of employees.



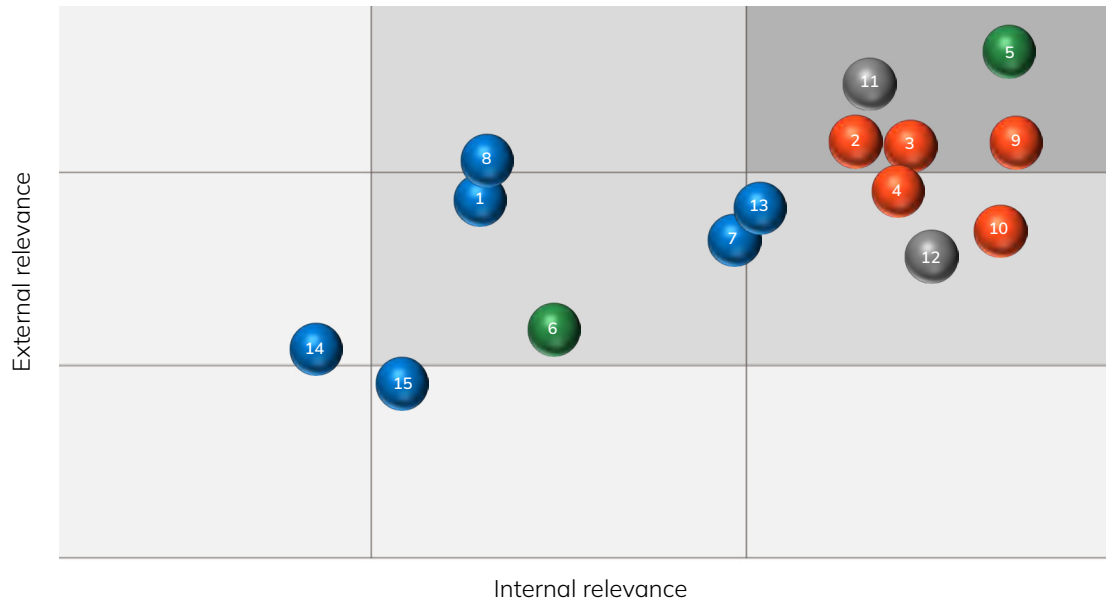
Governance issues

- Responsible governance.
- Relation and transparency (reporting) with our stakeholders.
- Adaptation to new trends and ESG legislation.
- Ethics, compliance and cybersecurity.
- Identification and management of risks and opportunities.



Economic issues

- Sustainable investment strategy.
- Creation of value for investors.



D.	Nº	Aspects
S	1	Diversity, equality and inclusion
G	2	Responsible governance
G	3	Relation and transparency (reporting) with our stakeholders
G	4	Adaptation to new trends and ESG legislation
A	5	Energy efficiency and climate change
A	6	Efficient resource management and environmental protection
S	7	User satisfaction and well-being
S	8	Impact on the local community and affordable housing
G	9	Ethics, compliance and cybersecurity
G	10	Identification and management of risks and opportunities
E	11	Sustainable investment strategy
E	12	Creation of value for the investor
S	13	Attracting and retaining talent
S	14	Respect for human rights
S	15	Safety and health of employees

DIMENSIONS

- Environmental
- Social
- Governance
- Economic

LEVEL OF RELEVANCE

- Key issues
- Relevant aspects
- Other relevant aspects

5. Promoting responsible governance

Governance issues Responsible governance, Relation and transparency (reporting) with our stakeholders, Adaptation to new trends and ESG legislation, Ethics, compliance and cybersecurity, Identification and management of risks and opportunities.

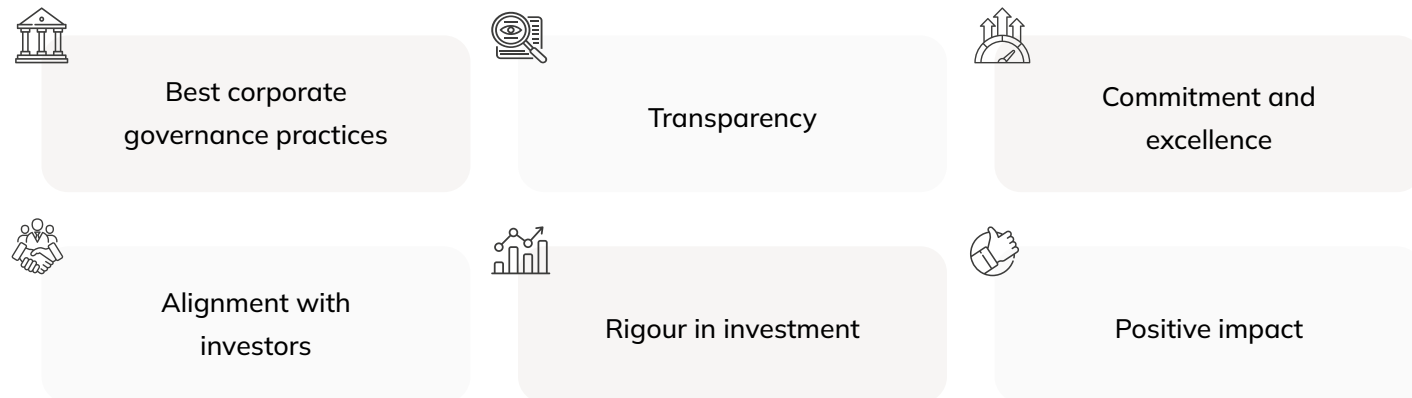
Economic issues Sustainable investment strategy

Social issues Diversity, equality and inclusion

GRI Disclosure 2-9, 2-11, 2-12, 2-13, 2-16, 2-19, 2-23, 2-25, 2-26, 2-27, 2-28, 2-29, 3-3, 205-3, 405-1, 406-1, 418-1

Promoting responsible governance

The **Corporate Governance System** of Azora Group oversees and ensures responsible governance among its members, as well as the proper functioning of the relationships established between them. The system is based on the Company's responsible governance values:



Through this governance model, Azora Group establishes a set of regulations, corporate policies, codes and internal procedures that regulate the management, performance and operation of its governing bodies, while ensuring a high level of transparency and corporate responsibility. This framework facilitates an efficient decision-making process that enables prompt and effective action, enhancing the Group's capacity to detect new opportunities, identify and manage risks, and respond to critical situations.

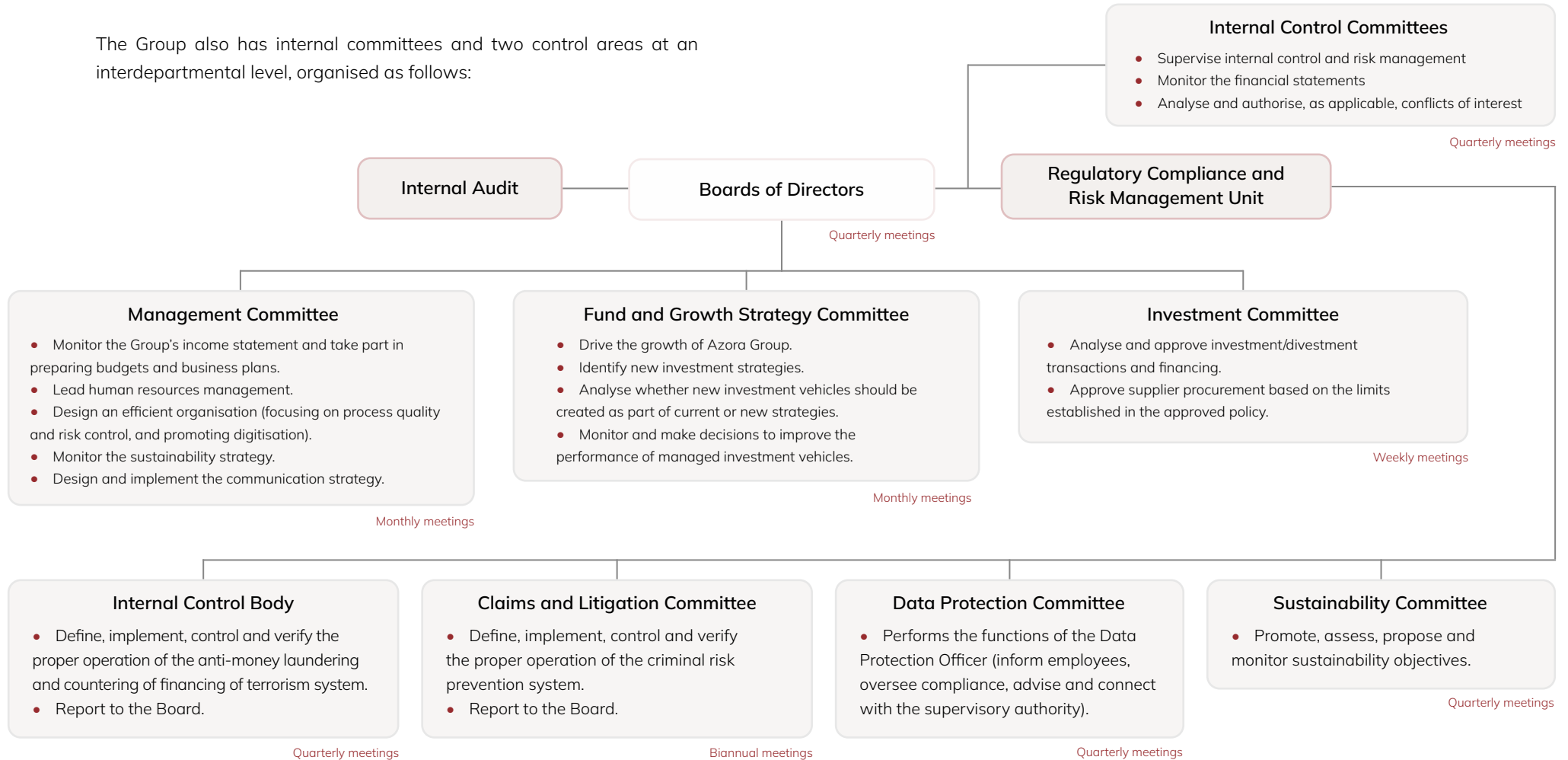
This corporate governance system is led by the six members who constitute Azora Capital's Board, two of whom are independent directors who joined the Board in the first quarter of 2022. Subsidiaries have their own managing bodies, and directors and managers may serve in more than one, allowing Azora Group to maintain a holistic view and coordinate efforts among its companies. At an interdepartmental level, the Group has internal committees for corporate decision-making and control.

Board composition¹

<p>AZORA CAPITAL</p> <p>17% 30-50 years 17% % women 83% > 50 years 33% % independent</p>	<ul style="list-style-type: none"> Mrs. María Concepción Osácar Garaicoechea Mr. Fernando Gumuzio Iñíguez de Onzoño Mr. Elías Emtanios Esber Kassis Mr. José Vicini Mr. Juan Colombás Calafat Mr. Antonio Pedro DeCarvalho Viana Baptista
<p>AZORA GESTIÓN</p> <p>25% 30-50 years 50% % women 75% > 50 years 50% % independent</p>	<ul style="list-style-type: none"> Mrs. María Concepción Osácar Garaicoechea Mr. Ismael Picón García de Leániz Mr. Juan Ramón Güell Cancela Mrs. María del Mar González Díez
<p>AZZAM VIVIENDA</p> <p>25% 30-50 years 75% % women 75% > 50 years</p>	<ul style="list-style-type: none"> Mr. Francisco Javier Rodríguez Heredia Mrs. Mónica Yolanda Garay Irizar Mrs. María Concepción Osácar Garaicoechea Mrs. María del Mar González Díez
<p>AZORA EXAN</p> <p>17% 30-50 years 33% % women 83% > 50 years</p>	<ul style="list-style-type: none"> Mrs. Cristina García-Peri Álvarez Mrs. María Concepción Osácar Mr. Fernando Gumuzio Iñíguez de Onzoño Mr. Fernando Pérez-Hickman Mr. Juan José Zaragoza Mr. Ignacio Gil-Casares

Governance structure

The Group also has internal committees and two control areas at an interdepartmental level, organised as follows:





Governance regarding sustainability

SUSTAINABILITY COMMITTEE

The **Sustainability Committee** is responsible for defining the strategy regarding sustainability-related issues. This includes establishing sustainability strategic objectives, overseeing their level of supervision and monitoring risk maps, as well as working with the different business areas to define specific targets, strategies, and action plans for each investment activity or vehicle under management.

This Committee also monitors compliance with the objectives and action plans, ensures that ESG matters are accurately reported by the business areas, and coordinates ESG initiatives to guarantee consistency in their implementation.

The business areas, together with their investment and management teams, are responsible for integrating ESG principles and commitments into decision-making, and for gathering the information to accurately report these matters and implement the defined action plans.

In turn, the **Azora Internal Control Committee** approves the corporate action plans and those at the business area level, along with the ESG policies and objectives, including the Group's **Sustainability Policy**, which was reviewed, updated and re-approved by the Board, on the recommendation of the Internal Control Committee, in 2023.



ESG EXECUTIVE PLAN

The **ESG Executive Plan** for 2021-2023 consisted of a series of actions designed to promote excellence in corporate governance and in relationship with the Group investors, as well as in climate resilience and sustainable use of resources, recognition of human capital, and greater transparency and traceability of information. As part of the plan the Group carried out ESG actions both at the Group level and specifically for certain verticals, including the following initiatives:



Update, approve and publish the new Sustainability Policy



Approve the 2021-2023 ESG Executive Plan



Update the materiality analysis



Establish the Sustainability Committee



Define and implement the ESG due diligence process in asset acquisition



Define ESG indicators (KPIs)



Monitor consumption (calculate carbon footprint).



Present the first Sustainability Report



Submit performance to sustainability indexes: GRESB and EcoVadis



Continue the housing refurbishment and energy efficiency project



Assess climate change risks and opportunities in residential buildings



Expand Building Research Establishment Environmental Assessment Method (BREEAM) certification to hotels



Adhere to the United Nations Principles for Responsible Investment (UNPRI).



Comply with new ESG regulations



Publish the first statement of non-financial information



Azora Group is convinced that an integral part of its fiduciary responsibility lies in the responsible management of capital. Thus, the Company manages its investments with integrity, incorporating social responsibility into its economic and financial objectives.

This approach is consistent with long-term sustainable and ethical investment and asset management, and entails operating under a robust governance scheme, with ESG principles and practices integrated into the decision-making process.

In October 2022, the Group adhered to the UNPRI. These principles are included in its **Sustainability Policy** and shape its investment strategy. In addition, the Sustainability Policy is also aligned with the Sustainable Development Goals (SDGs), which the Company employs as a reference framework to measure its contribution towards a more sustainable society.

SDGS: A TOOL TO MEASURE AZORA GROUP'S CONTRIBUTION TO THE 2030 GOALS





Board remuneration model

Board members are remunerated in accordance with the Group's Articles of Association and based on the specific principles of the Group's **Remuneration Policy**, updated in 2022:

Specific principles of the Group's Remuneration Policy

- **Effective dedication of the director**
- **Responsibility assumed**
- **Performance of their duties**

In the case of independent directors, their remuneration does not include a variable component, in order to ensure their independence.

As a result of these principles, the shareholders at the General Meeting establish the maximum annual amount of the directors' remuneration. Once the proposal is made, it is the responsibility of the Board to distribute this amount among the directors.

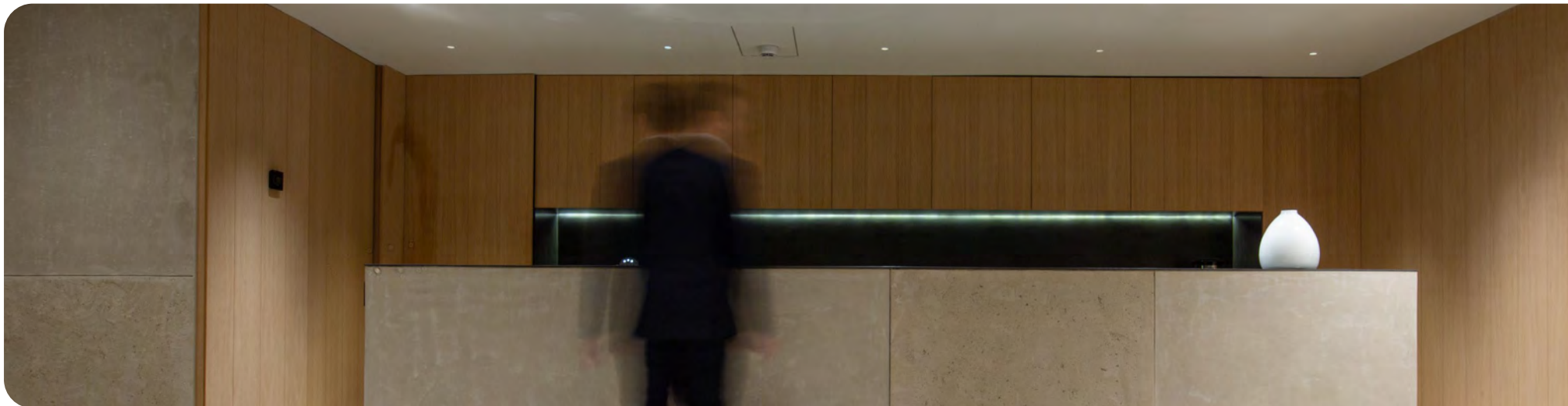
To do this, the Board takes into account the positions held by each director on the Board, whether or not they belong to the internal committees and the roles they occupy therein, as well as their overall dedication to management tasks or to the service to the Group, along with any other objective circumstances it may deem relevant.

Ethics and compliance

Azora Group's business model, the actions of its members, and their relationships with stakeholders are based on two pillars: **ethics and regulatory compliance**.

Since its inception, the Group has prioritised the implementation of measures aimed at improving internal control and regulatory compliance, to ensure the integrity of its professionals while adhering to applicable regulations and internal procedures.

The Risk Compliance and Management Unit of the Company has developed a responsible management framework comprising all corporate codes, policies, tools, and procedures that guide all professionals acting on behalf of the Group. As a result, Azora Group has not received any fines or sanctions related to environmental, social, or governance matters since its establishment.



ETHICS AND INTEGRITY: AZORA GROUP POLICIES AND PROCEDURES

Code of Ethics

The **Code of Ethics** outlines the fundamental rules of conduct for individuals acting on behalf of the Company. It encompasses mandates regarding regulatory compliance, collaboration and communication with third parties, equal opportunities, social and environmental responsibility, professional integrity and ethics, conflicts of interest, control and prevention of corruption, asset protection, the use and security of information, and personal data protection.

Whistleblower Channel

This channel serves as a tool for reporting any breaches of the Code of Ethics and the harassment protocols. Managed confidentially by the Regulatory Compliance and Risk Management Unit, it ensures the protection of whistleblowers and safeguards against retaliation. In 2023, the **Whistleblower Channel** received one complain, which was handled following the internal procedure approved by the Board.

Policies and Procedures

The Group's Policies and Procedures reflect its guiding principles on matters such as risk management, communication with stakeholders, responsible management of its activities, and compliance, among others.

Respect for Human Rights

Azora Group ensures respect for fundamental human rights through its Code of Conduct, rejecting any practices that violate individual or group dignity, and is committed to implementing the Universal Declaration of Human Rights. The Company promotes respect for freedom of association, the right to collective bargaining, the elimination of workplace discrimination, the eradication of all forms of forced or compulsory labour, and the effective abolition of child labour. The Group is also intolerant of any conduct involving harassment, discrimination, abuse, intimidation, or that could entail any form of aggression, including verbal aggression. Furthermore, individuals within the Company are expected to interact with each other and with third parties with honesty and respect.

Risk Management System

This tool is used to assess and manage the Group's risks, including financial and tax, strategic, operational, and compliance risks.

Fight against corruption and bribery

Azora Group has various tools to ensure transparency and compliance with professional standards, such as:

- Criminal Risk Prevention Manual.
- Procedure for Accepting and Offering Gifts.
- Manual for the Prevention of Money Laundering and Terrorist Financing.
- Operational Unit for the Prevention of Money Laundering.
- Training sessions on Anti-Corruption.
- Channels and committees to consult aspects related to compliance and prevention of criminal risks, including consultation of internal policies and professional standards of the Group and any other matter that may constitute allegedly illicit or criminal acts.

Criminal Risk Prevention System

The Group's instrument for preventing offences. It is reviewed regularly to ensure that the Company is adequately protected against any crimes that may be committed by its internal or external collaborators.

Azora Group's risk management

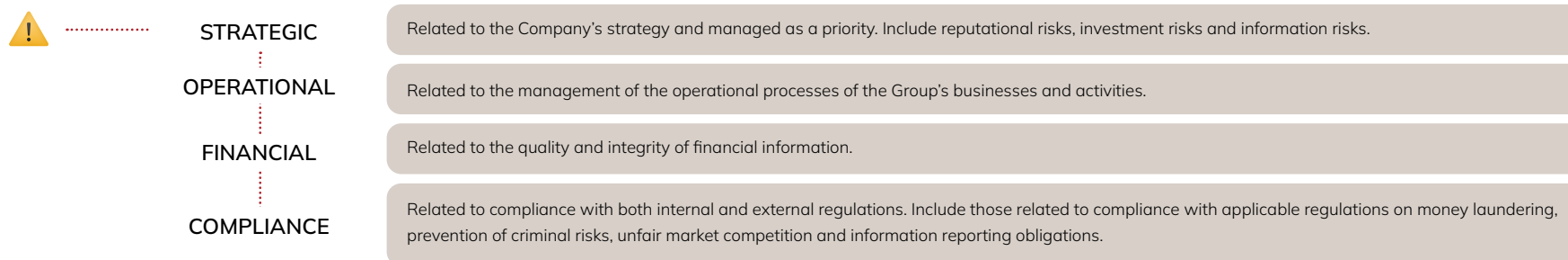
The **Risk Management Policy** aims to establish a Risk Management System (RMS) by defining the criteria for identifying, analysing, evaluating, and communicating the risks associated with the Group's strategy and operations. It also outlines the guidelines for establishing risk tolerance levels within the Company and maintaining them.

The RMS is aligned with the COSO II - Committee of Sponsoring Organisations methodological standard of the Treadway Commission, which enables the identification, evaluation, prioritisation, and response to the risks associated with the main objectives, projects, and operations of Azora Group, thereby improving its capacity to manage scenarios of uncertainty.

The main phases of this system are:

- The definition and formalisation of Policies and Procedures that include the basic criteria for the analysis of critical activities and processes of the Group.
- The development of a risk map through the identification and evaluation of inherent and/or residual risks.
- The identification of key control indicators associated with critical risks.

Taking into account the Group's activities and its various verticals, Azora categorises risks into four compartments.



The RMS of Azora Group is formalised and monitored through a **Risk Management Tool**, which allows for the visualisation of the most relevant risks associated with the Group's activities, as well as their valuation and positioning within the tolerance levels established by the Board.

As a result of the growing impact of climate change on the future performance and development of companies, in 2023, Azora Group continued to incorporate risks arising from climate change into its risk map. The Group assesses the impact of climate change in terms of:

- **Physical risks:** the effects of climate change on or harm caused to assets, infrastructure, or asset locations. Physical risks are categorised into acute physical risks and chronic physical risks.
- **Transition risks:** regulatory changes that compel the Group to adapt to new requirements and trends. Transition risks are categorised into political and legal, technological, market, and reputational risks.

To analyse these physical and transition climate risks, Azora Group monitors the areas that may be most affected, assessing key indicators for the performance of its investment vehicles, including the number of dry days, levels of rainfall, and other factors, while analysing climate scenarios (RCP 4.5 and RCP 8.5) in line with the recommendations established by the Task Force on Climate-Related Financial Disclosures (TCFD).

In addition, Azora Group is working to establish a sustainability risk map that encompasses risks related to climate change in accordance with TCFD recommendations.



Azora Group's commitment to responsible investment and management

Azora Group is a responsible independent asset manager that integrates ESG factors into its decision-making and day-to-day operations.

This integration of ESG factors generates clear benefits in asset investment and management, as it enables the Company to more effectively define the risk map for investments and their corresponding mitigating measures. It also facilitates the identification of opportunities to enhance the assets, thereby positively impacting value generation and returns for our shareholders and investors, while adopting a more socially responsible approach.

In October 2022, Azora Group adhered to the UNPRI, included in its **Sustainability Policy** and used to determine its investment strategy. In accordance with these principles, the Group undertakes the following measures to enhance sustainable long-term investment:

INTEGRATION OF ESG ASPECTS IN ALL PROCESSES

- Manage investments with integrity, taking into account ESG criteria in analytical processes, due diligence, valuations, modelling, and decision-making in investments, asset management, and the Group's operational management.
- Use and assess ESG criteria to continuously improve the asset portfolio from the perspectives of risk and value generation.
- Monitor ESG commitments and implement a system of objectives that provides methodology, traceability, and standardisation of information regarding ESG.

SOLID GOVERNANCE AND ETHICS IN ALL ACTIVITIES

- Conduct the investment, divestment, and asset management processes responsibly and ethically, in accordance with the Code of Ethics.
- Collaborate with the sector, as well as with employees, partners, operators, and investors, to enhance the application of ESG criteria and improve effectiveness in their implementation as a group.
- Ensure respect for and support the protection of human rights in the asset investment and management processes. Establish investor relations based on consistency, transparency, equal treatment, and compliance with legislation.

CARE FOR EMPLOYEES AND COMMUNITIES

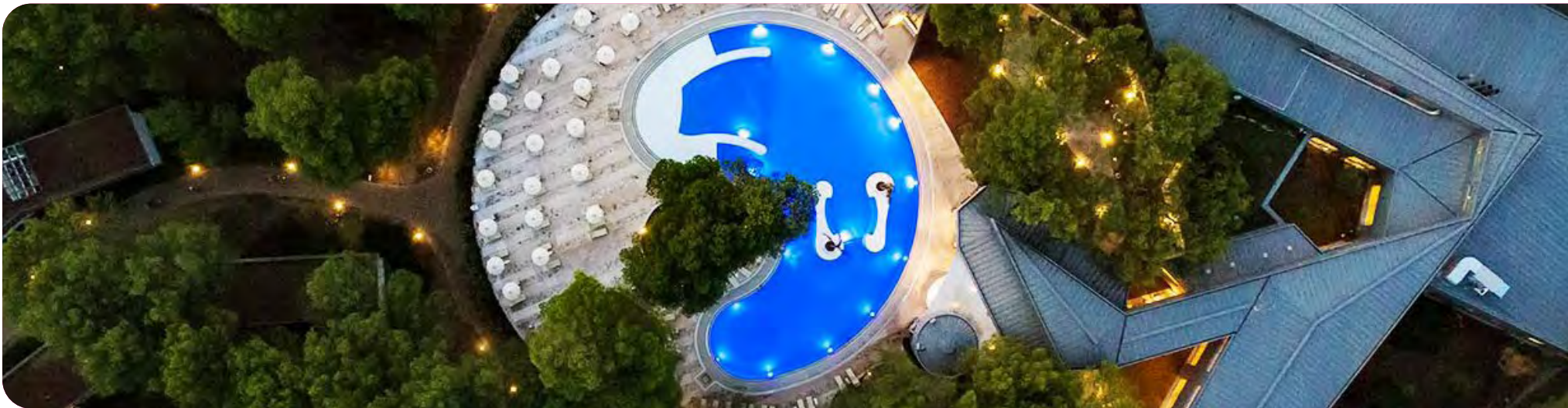
- Foster a culture centred on attracting and retaining suitable employees for Azora Group.
- Promote equal opportunities, professional development, diversity, integration, and fair treatment for all employees.
- Ensure health and safety conditions for employees, while establishing appropriate targets and measures.
- Encourage positive impacts on the communities in which the Group operates.

**EFFICIENT USE OF
RESOURCES**

- Incorporate an analysis and control of risks arising from climate change into the asset investment assessment, ensuring that assets are adapted to climate change and resilient against catastrophes and natural disasters.
- Adopt environmentally friendly practices by analysing and minimising Azora Group's impact on the environment, while making investments that consider the biodiversity of the surrounding area.
- Establish energy efficiency measures within assets and promote the use of renewable energy sources, with the aim of reducing energy consumption and associated greenhouse gas emissions.
- Collaborate with suppliers to facilitate the sustainable acquisition and supply of resources for the Group. Enhance the efficient use of resources by contributing to the reduction of water consumption and materials used, whilst promoting the effective management of waste generated.

**CLEAR AND
TRANSPARENT
REPORTING**

- Establish a standardised, comparable, and reliable reporting system for the ESG aspects of Azora Group.
- Report data, targets, and progress in the implementation of ESG principles in a transparent and regular manner.



Azora Group's asset management and investment process

In line with its **Sustainability Policy**, Azora Group agrees to use resources efficiently, taking sustainability into consideration throughout the life cycle of its assets, from acquisition to divestment, and extending its sustainability commitment to its entire value chain.

The Group ensures that sustainability is incorporated into its investment, management, and development cycle through the following actions:

Investment



In the investment phase, the Company conducts sustainability due diligence, analysing the key legislative, technical, and environmental parameters pertinent to the investment, considering the size, nature, and scale of its activities, as well as the types of investment vehicles it manages.

This process enables the Group to identify the most relevant potential environmental risks and opportunities, assessing issues such as:

- Hydrology of the location.
- Presence of protected areas.
- Exposure to climate risks, such as flooding or rising temperatures.
- Risk of soil and water pollution.
- Resource efficiency.
- Noise and light pollution.

This analysis is carried out by in-house experts in collaboration with external consultants and is based on the location and characteristics of the asset.

Management and development



In the asset management and development phase, Azora Group ensures that its management practices are sustainability-focused and regularly monitors the ESG performance of most assets. Therefore, the Group seeks to actively manage its investment portfolio by carrying out the following actions for the majority of its assets:

- Monitor energy and water consumption as well as waste management.
- Implement efficiency measures in equipment and systems, in order to reduce environmental impacts.
- Submit assets for certification so that they include the sustainability criteria required by market benchmark standards, such as BREEAM or LEED.
- Support the generation of energy from renewable sources, both on-site or through agreements with electricity suppliers.

Among the objectives set by the Group to improve the performance of its assets under direct management is the Group's commitment to reach net zero by 2050. Therefore, the Group is in the process of implementing an action plan to minimise greenhouse gas emissions and offset residual emissions through carbon offset projects.

Regarding the Company's value chain, suppliers and contractors are encouraged to develop and adopt best environmental practices, ensuring that they comply with all legal requirements from the moment they are hired.

Although the Group strives to reduce the environmental impact caused by its assets and promote best practices in the sector, its scope for action may be limited depending on the type of vehicle under its management. For this reason, the Company has greater decision-making capacity when implementing environmental improvement measures in directly managed assets.

To ensure the correct implementation of these measures, the Group centralises its environmental strategy in a Sustainability Committee, which reports to the Board of Azora Capital through the Internal Control Committee, and relies on the Compliance, Risk Management, and Sustainability Unit to implement the approved ESG Plan.

For more information, see chapter 8. [Driving sustainability by managing our assets.](#)

SPECIFIC CASES



Living vertical, Multifamily: Azzam Vivienda, as asset manager of Nestar Residencial properties, has control of the common areas in most assets. However tenants, as users of the housing units, have control over their private area. The Group aims to actively manage its asset portfolio by:

- Monitoring the energy and water consumption of its buildings both for common and private areas.
- Tracking waste management.
- Implementing measures to reduce environmental impact.
- Installing and improving the efficiency of equipment and systems.
- Promoting the generation of energy from renewable sources on-site or through agreements with various electricity suppliers.



Hospitality & Leisure vertical: the level of operational control is determined by the relationship with different operators. The Group focuses on:

- Monitoring energy and water consumption.
- Tracking waste management.
- Coordinating with operators to incorporate efficiency measures into equipment and devices.
- Transferring the importance of sustainability to end users.

Stakeholder relations

Stakeholders	Matter of interest
INVESTORS	Financial results. ESG performance. Creating value in society.
EMPLOYEES	Work-life balance. Occupational health and safety. Professional development.
SUPPLIERS	Terms and conditions for purchases, contracts and payments. Compliance with the Code of Ethics.
REGULATORY BODIES	Compliance with reporting and operating obligations of the various companies.
TENANTS AND USERS	ESG performance. Compliance with reporting and operating obligations of the various companies. Tenant satisfaction survey.
LOCAL COMMUNITIES	Low-income housing supply. Benefits extended due to facility improvements. Protection of the environment (ecosystem and infrastructure).
PUBLIC AUTHORITIES	Low-income housing supply. Collaboration for the development of renewable energy facilities. Structuring programmes related to senior living.
OPERATORS	Day-to-day operation of assets. ESG performance. Collaboration with the BREEAM and LEED certification process. Authorisations for new service or supplier contracts. Concerns regarding asset performance.

Since its inception, the Group has maintained strong and transparent relationships with its stakeholders. These relationships are built on mutual trust and consistent, open communication, ensuring multiple channels of communication remain available, such as telephone, email, and face-to-face or virtual meetings.

Based on its relationships with stakeholders, Azora Group determines the material aspects of its business, covering both economic and financial matters, as well as sustainability concerns.



6. Ensuring well-being, growth and respect among our employees

Governance issues Relation and transparency (reporting) with our stakeholders
Social issues Diversity, equality and inclusion, User satisfaction and well-being, Attracting and retaining talent, Respect for human rights, Safety and health of employees.
GRI Disclosure 2-7, 2-30, 3-3, 401-2, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10, 404-1, 404-2, 405-1



Ensuring well-being, growth and respect among our employees



MILESTONES 2023

- Publication of the Group's second ESG Newsletter.
- New employee training on sustainability.
- Approval of the Group's harassment protocols.
- Creation of work-life balance and selection policies at Azzam Vivienda.



FUTURE CHALLENGES

- Approval of an equality plan for Azora Capital.
- Specific leadership training.

The main asset of Azora Group is its human capital. A highly qualified and experienced team that excels in its ability to identify opportunities, its transformation capacity and its diligence.

As a general rule, the investment vehicles managed by the Group do not employ a significant number of staff, so the Company provides the necessary human resources to carry out their activities through management agreements.

However, in the Senior Living and Hospitality & Leisure verticals, the companies that own the assets do have employees, generally managed by top-level operators. These operators are responsible for executing the corresponding operational activities, which in most cases drive local employment.

EMPLOYMENT

As of 31 December 2023, Azora Group had a total of 279 employees, compared to 275 in 2022.

Employees by Gender, Age, Professional Category and Country (Year-end)

Azzam Vivienda

	Men				Women				Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Clerical staff	3	8	3	14	5	36	11	52	66
Sales staff	-	8	2	10	1	3	11	15	25
Management	-	3	2	5	-	1	-	1	6
Technical staff	1	13	9	23	2	17	9	28	51
Total	4	32	16	52	8	57	31	96	148

All of Azzam Vivienda's employees are located in Spain.





**Azora Capital, Azora Gestión,
Azora Urban and Haven**

	Men				Women				Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Clerical staff	-	-	-	0	-	6	2	8	8
Analyst/Associate	12	5	-	17	7	4	-	11	28
Dir. / Associate Dir.	-	13	4	17	-	7	1	8	25
Management Team	-	3	6	9	-	-	2	2	11
Responsible	-	4	2	6	-	2	-	2	8
Technical Staff	4	8	-	12	-	11	3	14	26
Senior Advisor	-	-	1	1	-	-	-	0	1
Total	16	33	13	62	7	30	8	45	107

All Azora Capital and Azora Gestión employees are located in Spain.

**Azora Exan Management,
Azora Exan Capital and Exan Capital**

	Men				Women				Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Clerical staff	-	-	-	0	-	1	1	2	2
Analyst/Associate	2	1	-	3	-	-	-	0	3
Dir. / Associate Dir.	-	2	-	2	1	1	1	3	5
Management Team	-	-	2	2	-	-	-	0	2
Manager	-	1	-	1	-	2	-	2	3
Technical staff	-	3	2	5	1	3	-	4	9
Total	2	7	4	13	2	7	2	11	24

Of Azora Exan's total of 24 employees at year-end, five employees were located in Spain and the rest in the United States.



Employees and Distribution of Types of Employment Contracts (Year-end)

Azzam Vivienda

	Men				Women				Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Permanent	4	31	16	51	7	57	31	95	146
Temporary	-	1	-	1	1	-	-	1	2
Total	4	32	16	52	8	57	31	96	148

Azora Capital, Azora Gestión, Azora Urban, Haven and Azora Exan Management, Azora Exan Capital and Exan Capital all employees at year-end have a permanent contract.

Dismissals by Gender, Age and Professional Category

Azzam Vivienda

	Men				Women				Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Clerical staff	-	1	-	1	1	-	1	2	3
Sales staff	-	-	-	0	-	-	-	0	0
Management	-	-	-	0	-	-	-	0	0
Technical staff	-	-	-	0	-	-	-	0	0
Total	0	1	0	1	1	0	1	2	3

Azora Exan Management, Azora Exan Capital and Exan Capital there were no dismissals during 2023.

Azora Capital, Azora Gestión, Azora Urban y Haven

	Men				Women				Total
	<30	30-50	>50	Total	<30	30-50	>50	Total	
Clerical staff	-	-	-	0	-	-	-	0	0
Analyst/Associate	-	-	-	0	-	-	-	0	0
Dir. / Associate Dir.	-	-	-	0	-	1	-	1	1
Management Team	-	-	-	0	-	-	-	0	0
Responsible	-	-	-	0	-	-	-	0	0
Technical Staff	-	-	-	0	-	-	1	1	1
Senior Advisor	-	-	-	0	-	-	-	0	0
Total	0	0	0	0	0	1	1	2	2

With regard to remuneration of the average job positions at the Company, Azora Group complies with the legal requirements applicable to the different sector areas in which it operates. The Company has a **Remuneration Policy** based on the following principles:

- Value creation
- Proportionality
- Linking remuneration to results
- Transparency
- Equality

The official minimum wage in Spain is EUR 15,120 per year, which includes 13th or 14th month payments, for employees working full time. In the United States it amounts to USD 22,880 per year. The lowest gross salaries paid by the Group correspond to two employees located in Spain and the United States, with their salaries being 16% and 27% higher than the minimum wage in each respective country.



AVERAGE REMUNERATION FOR DIRECTORS AND THE MANAGEMENT COMMITTEE

The average remuneration of the Management Committee of Azzam Vivienda aligns with the average remuneration for the professional category of Management.

In turn, the average remuneration of the Management Committee of Azora Capital and Azora Gestión corresponds to the average remuneration for the professional category of Team Management.

Finally, the average remuneration of the Management Committee of Exan Capital also corresponds to that of the professional category of Team Management. The remuneration of the Board, which consists of six members, totals EUR 1,710 thousand.*

Including variable remuneration, attendance fees, termination benefits, payments to long-term savings schemes and any other payments broken down by gender.

EMPLOYEES WITH DISABILITIES

Azora Group promotes equal opportunities, professional development, non-discrimination, diversity, integration, and fair treatment for all its employees. The Company views diversity in its workforce as a source of value creation and enrichment of the work environment, believing that the integration of professionals with diverse abilities contributes to a universal, accessible, and equitable working environment.

The Group has implemented universal accessibility measures in its offices for individuals with reduced mobility, including adapted entrances, access points, and bathrooms.

At the end of 2023, Azora Group had a total of four employees with disabilities.



* Board remuneration is not broken down by gender, since there is only one female Board member, which would imply disclosing her remuneration

EMPLOYEES COVERED BY THE COLLECTIVE AGREEMENT

All employees located in Spain are covered by collective agreements that include provisions and measures to ensure health and safety in the workplace, in accordance with the law.

ORGANISATION OF WORKING TIME

Azora Group employees work 40 hours per week, from Monday to Friday, with flexibility regarding start and end times. The Company has implemented tools to manage matters related to holidays, leave, absences, medical leave, remote work, and flexible working hours, including a time registration tool at Azzam Vivienda.

Although the Group does not have specific disconnection measures in place, it encourages its staff to perform their work during designated work hours, respecting rest periods, holidays, leave, and other absences. At Azzam Vivienda, mechanisms are in place for employees to request, on an extraordinary basis, extended working hours to cover peak workloads or to offset personal absences.

Finally, Azora Group adheres to legal measures that facilitate work-life balance for its employees by ensuring access to maternity and paternity leave without adversely affecting their opportunities for employment, working conditions, or access to positions of special responsibility.



Diversity and equal opportunities

Diversity is a fundamental pillar of the Group, as it not only creates value, but also enriches the work environment.

The Company evaluates diversity from different perspectives without distinction or discrimination of gender, nationality or social class, promoting equal opportunities and committing to the inclusion of people with disabilities.

EQUALITY INSTRUMENTS

2021

- the Group conducted an analysis to determine the baseline regarding diversity and equality to establish actionable plans.

2022

- Azzam Vivienda launched various Equality Surveys to gather employees' opinions on issues related to equal opportunities, workplace harassment, and gender perspectives, among other topics. This effort aimed to consolidate the Equality Plan and ensure that the internal perception of dissemination and training, resulting from the publication of the plan, could be measured and assessed. During the training sessions, the satisfaction of employees in this area was evaluated, as well as their knowledge both before and after the training courses.
- Azzam Vivienda approved its Equality Plan and established an Equality Committee, which develops new measures for equality and diversity, and manages, prepares, implements and monitors action plans.

2023 AND BEYOND

- Although the other Group companies do not have specific Equality Plans, Azora Group is working on the implementation of a unilateral Equality Plan set to take effect in 2024. The plan aims to guarantee equal treatment and opportunities for women and men within the Group, as well as to eliminate discriminatory situations based on gender.
- Additionally, the Group has established specific action plans aimed at addressing the needs identified in surveys.

ANTI-HARASSMENT TOOLS

Regarding harassment, Azora Group has drawn up Protocols for Workplace Harassment, Sexual Harassment, Sexual Violence and Sexual Violence and has set up Internal Harassment Committees that have been duly trained in the matter by an external specialist. For its part, Azzam Vivienda has drawn up a specific Protocol that includes actions to prevent, avoid or eliminate any type of harassment at work, for reasons of gender, sexual orientation or morality.



Training and development

Employee training is a key factor in the Company’s future and development. For this reason, during 2023, the Group has been working on a new Training Plan, expected to come into effect in 2024. This plan includes a greater planning of contents, which will facilitate the onboarding of new recruits by providing them with homogeneous training.

This plan includes more comprehensive content planning, which will facilitate the onboarding of new recruits by providing them with homogenous training.

The focus of Azora Group’s training is to unlock the maximum potential of each employee, pursuing a personalised development strategy that addresses the individual needs of each person.

However, the Group also offers mandatory training courses on relevant topics. In 2023, Azora Group conducted training and awareness-raising communications for all employees on:

- Sustainability.
- Data protection.
- Cybersecurity.
- Prevention of criminal and labour risks.
- Prevention of money laundering and terrorist financing.

In addition, the Group provided short-term training sessions such as workshops, seminars, or conferences, alongside long-term training opportunities like specialisation courses or master’s programmes. These training initiatives focused on technical financial, legal, real estate, or sector-specific matters, as well as the development of competencies such as leadership.

Azzam Vivienda

	Hours of Training
Clerical staff	954
Sales staff	308
Management	88
Technical staff	1,047
Total	2,397

The total number of training hours of Azzam Vivienda in 2023 was 2,397 hours, distributed as follows among the different professional categories

Azora Capital and Azora Gestión

	Hours of Training
Clerical staff	215
Analyst/Associate	485
Dir. / Associate Dir.	825
Manager	255
Management Team	66
Senior Advisor	3
Technical staff	705
Total	2,554

In 2023, the total training hours implemented across Azora Capital, Azora Gestión, Azora Urban, and Haven amounted to 2,554 hours, distributed as follows among the different professional categories

For Azora Exan Management, Azora Exan Capital and Exan Capital, there were no training during 2023

Attracting and retaining talent

Azora Group attracts talent by reaching agreements with various universities to promote employment among graduates. Some of these universities include ICADE, CUNEF, Universidad Carlos III, IE, Universidad Politécnica de Madrid and Spain Business School. In addition, the Group promotes and ensures talent retention, not only by offering competitive remuneration but also by fostering an inclusive environment where individuals can grow both personally and professionally.

The Group aims to create motivating and challenging work environments that help employees develop their skills and gain experience while ensuring commitment and alignment with its principles. Azora Group also strengthens staff retention by maintaining regular communication between management teams and employees, as well as promoting equity, transparency and a clear link between remuneration and results, a safe and healthy working environment, and a training plan aligned to corporate culture and employees.

In this regard, a priority for the Group is to maintain stable and quality jobs, taking into account the applicable collective bargaining agreements of each Azora Group company, and providing its employees with the following benefits:

- Childcare tickets, included in the Flexible Remuneration Plan.
- Medical insurance for spouses and children, as part of the Flexible Remuneration Plan.
- Supplement for maternity and paternity leave.
- In cases of temporary disability, supplements up to 100% of the salary, when the benefit is less than the employee's monthly pay.
- Leave on 24th and 31st December.
- Flexibility in work hours.
- Intensive workdays during the summer.



- 35 hours of paid leave per year for personal or family medical visits under social security and private medical care.
- Personal days off.
- Intensive workdays during the summer, the Christmas period and on the eve of public holidays, depending on the work schedule.
- Offsetting overtime, as a result of workload and for personal reasons, with free time.
- 10 hours of paid leave per year for personal matters.
- Flexible workday arrangements to accommodate the care of children under eight years old.
- Six days of remote work per month.

Communication with employees

The Group's relationship with its employees reflects the horizontal nature of its organisational structure. In addition to its usual channels for connecting with stakeholders, such as email, Azora Group communicates internally through regular newsletters on specific matters and through an annual meeting attended by all employees.

Regarding sustainability, the Group sent its second Sustainability Newsletter to its workforce in 2023, which reported on the sustainability actions carried out by Azora Group during the year.

Moreover, since 2020 Azora Group has developed new channels to keep employees connected, such as Microsoft Teams. This tool helps the Group to hold meetings with the management team and external collaborators, as well as to address various business matters and topics of direct interest to employees. For example, emotional and physical well-being communications, training promotions or internal job opportunities.

During 2023, as in 2022, face-to-face forums were promoted, creating 'Team Toks' events, offering talks by top-level external guests.

Finally, once a year the Company launches an **Employee Evaluation Process** to help them improve their performance, with the conclusions of this evaluation being communicated directly by their manager, along with details of both fixed and variable remuneration for the year, in compliance with the current **Remuneration Policy**. In 2023, the Group digitised the process through an internally developed tool, which automates and complements it by including the possibility for each employee to voluntarily self-evaluate, receive feedback from third parties, and assess objectives and competencies.



Employee health, safety and well-being

Azora Group continues to improve its practices to ensure a safe and healthy working environment.

The Company works on this matter by ensuring that the **Occupational Risk Prevention Policy** and **Occupational Health and Safety Plan**, along with their corresponding manuals, are correctly applied at the offices. These documents include the main risks regarding occupational health and safety matters and the preventive measures implemented to mitigate these risks.

Azora Group provides training for certain employees in matters related to fire prevention and extinction, conducting evacuations and implementing emergency plans at its offices. These employees also receive specific training by Quirón Prevención in work-related emergencies so that they can obtain the knowledge necessary to handle any emergency situation. The Group also provides annual training in this area through Quirón Salud for all new employees.

In the area of occupational health, Azora Group issues reports on the comfort of its offices on a regular basis and assesses the air quality to which its employees are exposed, ensuring that the filters present in the offices are properly maintained and replaced when appropriate. As with the case of air quality, Azora Group ensures that workspaces are properly lit and monitors the building's hygiene through certificates and periodic reviews.

In addition, Azzam Vivienda has a Safety Committee in charge of verifying and assessing, on a bimonthly basis, the actions carried out to:

- Improve health conditions at the offices.
- Maximise the level of employee health and safety protection.
- Eliminate any identified occupational risks.
- Encourage staff training in this area.
- Enable voluntary medical exams to be carried out for all new employees, followed by an annual check-up.

In 2023, Azora Group recorded one work-related accident involving a woman from Azzam Vivienda. Therefore, this company's frequency rate is 3.84 and the severity rate is 0.05, while the frequency and severity rates for the other Group companies are 0. In 2023, no occupational diseases were reported within the Group.

7. Building trust for our investors

Economic issues Sustainable investment strategy, Creation of value for investors.
Environmental issues Energy efficiency and climate change
GRI Disclosure 3-3

Building trust for our investors



MILESTONES 2023

- Improvement in Global Real Estate Sustainability Benchmark (GRESB) scores for Nestar Residencial and Hospitality & Leisure.
- Improvement in EcoVadis rating scores in sustainability performance for Azzam Vivienda.
- Publication of the first consolidated statement of non-financial information.
- Launch of the Azora European Climate Solutions Fund based on the criteria of Article 9 of the EU Sustainable Finance Disclosure Regulation (SFDR).



G R E S B
GRESB score
in 2023:

Nestar: **78**

AEH&L, F.C.R.: **81**



71

EcoVadis score
for Azzam
Vivienda



FUTURE CHALLENGES

- Continue to make steady improvement on GRESB and EcoVadis scores.
- Publish the first Transparency Report in accordance with the United Nations Principles for Responsible Investment (UNPRI).
- Promote green financing.



Building trust for our investors

The relationship and ongoing dialogue with investors is a critical factor in understanding their concerns and demands. It also allows the Group to become a key partner in achieving their ESG objectives. This is why Azora Group establishes various mechanisms to promote smooth, direct and transparent communication with its investors. The Corporate Development Area manages this communication, taking into account the interests of the existing and potential investors.

In light of investor and regulatory requirements, each vehicle managed by the Group issues the reports necessary for transparency.

In recent years, there has been a growing interest from investors in investing in assets that meet minimum standards in terms of ESG aspects. In view of this situation, Azora Group has increased its efforts to integrate ESG criteria throughout the asset management cycle of investment, management and development. It has also focused on increasing its requirements in all ESG areas, giving priority to those most relevant to investors, such as:



G R E S B

The participation of the various Azora Group verticals in certain sustainability indices

Nestar Residencial and Azora European Hotel & Lodging participate in the GRESB index, which compares environmental, social and governance performance among companies and allows the Group to identify opportunities for improvement.

In 2023 Nestar Residencial participated in the GRESB index for the fifth consecutive year, obtaining a score of 78 out of 100, which is the same points as previous year, while positioning itself above its competitors and the European average of the index.

On the other hand, Azora European Hotel & Lodging consolidated its position, obtaining a score of 81 points out of 100, an increase of 3 points compared to the previous year. This score is above the average of its small group of peers, and above the European average of the index.



Azzam Vivienda participates in the EcoVadis environmental and social performance assessment. In 2023 it obtained a score of 71 points out of 100, an increase in 11 points compared to the previous year. Thanks to this improvement the company received the EcoVadis Silver medal in recognition of its sustainability efforts and achievements.

The management of climate risks and the assessment of their financial impact on company performance

Investors increasingly demand information on company management and their future plans. For this reason, Azora Group started working with the recognised international framework of the Task Force on Climate-Related Financial Disclosures (TCFD), identifying its level of alignment with the recommendations established by the TCFD in its four blocks: governance, strategy, risk management, and metrics and targets.

The importance of investing in assets with sustainability certifications

The Group invests in assets with certifications such as Building Research Establishment Environmental Assessment Method (BREEAM) or Leadership in Energy and Environmental Design (LEED) and, in some cases, ESG-based audits, mainly in the Hospitality & Leisure vertical. In 2022, all new asset developments had sustainability certificates.

For more information, see section [Environmental Certificates](#).



8. Driving sustainability by managing our assets

Environmental issues Energy efficiency and climate change, Efficient resource management and environmental protection
Economic issues Sustainable investment strategy, Creation of value for investors
GRI Disclosure 3-3, 201-2, 302-1, 302-4, 303-1, 303-5, 305-1, 305-2, 306-2

Driving sustainability by managing our assets



MILESTONES 2023

- Increase in the scope of monitoring energy, water and waste consumption, including new investment vehicles.
- Increase in the number of Building Research Establishment Environmental Assessment Method (BREEAM) in-use certifications at all verticals.
- Inclusion of BREEAM or LEED certification for construction in all new developments.



FUTURE CHALLENGES

- Continue to increase in the number of BREEAM in-use certifications at all verticals.
- Establish a roadmap for the decarbonisation of assets for all verticals for 2023, in line with the Carbon Risk Real Estate Monitor (CRREM).
- Determine KPIs for all verticals.
- Define the sustainability risk map, including climate change risks and opportunities.

Azora Group strives to reduce the environmental impact caused by its assets on the areas in which it operates by promoting the implementation of best practices in asset management.

However, it is worth noting that its margin for action may be limited depending on the type of vehicle under management, with greater decision-making capacity to implement environmental improvement measures on directly and actively managed assets, such as Nestar Residencial.

Since 2020, the Company has used an external supplier, Deepki, to ensure that environmental improvement measures are correctly implemented. Through this platform, the Group has automated the collection of consumption data for its own offices and the assets of Colón Viviendas, Nestar Residencial, and the Hospitality & Leisure vertical. As a result, the Group continuously monitored water and energy consumption, analysing any changes in consumption compared to previous years for each asset and complying with its environmental commitments.

Azora Group's energy consumption and climate change mitigation

The Group aims to promote and implement measures to reduce its environmental impact, mainly by minimising energy consumption and installing renewable energy sources in its main portfolios. In recent years, Azora Group has implemented a series of sustainability and decarbonisation measures, including the following:

- Analysis of the Group's portfolio to identify points for improvement and prepare an action plan to reach net zero in the long term, as established in the Sustainability Policy.
- Creation of a position aimed at managing climate-related risks and opportunities, including the implementation of the objectives set by the Group.
- Development of technical assessments and certifications regarding sustainability.
- Installation of energy-efficient equipment and lighting, as well as systems that promote thermal insulation.
- Cooperation with tenants and operators to encourage efficient use of energy equipment in order to reduce the environmental footprint of the assets.

The examples below highlight the Group's initiatives to enhance its environmental performance:

- Nestar Residencial: the Group is making improvements related to energy efficiency that focus on retrofitting the properties, implementing measures such as replacing natural gas boilers with hybrid or electric aérothermal systems or replacing appliances with those that have lower emissions in some assets.
- Azora European Hotel & Lodging: the Group is committed to obtaining BREEAM in-use certification for all its hotels by 2025. Measures are being taken to install photovoltaic panels and, if surplus energy is generated, to feed the excess into the national power grid.
- Portfolio from Med Playa: in 2022, the Group initiated an action plan to reduce greenhouse gas emissions and improve energy efficiency in the seven assets of the portfolio acquired from Med Playa, which will be completed in the second half of 2023. These energy improvement measures are expected to lead to a 25% reduction in the annual energy consumption of all hotels: 4,300 MWh/year, which means a reduction in 1,100 tCO₂ per year. Azora Group plans to extend similar decarbonisation and energy efficiency projects to the rest of its hotel portfolio.

BEYOND MITIGATION: ADAPTING ASSETS TO CLIMATE CHANGE

In addition to actions aimed at reducing its carbon footprint, Azora Group is adapting its assets to the potential impacts of climate change.

Firstly, taking into account investors' increasing concerns on the management of climate risks and the assessment of their financial impact on company performance, the Group has started working on the recognised international framework of the Task Force on Climate-Related Financial Disclosures (TCFD).

*For more information, see chapter 7. **Building trust for our investors.***

Likewise, in 2023 Azora Group has demonstrated its commitment to being a strategic partner for other sectors in climate change mitigation through the Energy, Sustainable Infrastructure & Climate Solutions vertical. For this purpose, in 2022 Azora Group designed its European private equity strategy for companies related to sustainability. The new vehicle was registered in CNMV in 2023 and is managed by Azora Gestión. The strategy has an investment target of EUR 250 M and will invest in companies that actively contribute to the decarbonisation of the economy, focusing especially on the decarbonisation of real estate assets.

A responsible use of resources

In parallel with the measures to reduce energy consumption implemented in the different verticals and vehicles under management, Azora Group also promotes a responsible and efficient use of resources in its offices, launching the following initiatives:

- Use of 100% recycled paper when printing, which represents a significant savings in energy, water and forestry resources, and therefore, an important reduction of CO₂ emissions.
- Adopting a paperless system: use of digital business cards and recommending responsible printing in emails.
- Use of blinds on windows to avoid air-conditioning overuse.
- Centralised programming of air-conditioning systems, allowing the temperature to be adjusted based on the real use of each area.
- Centralised on/off control in common areas.
- Movement sensors in hallways and access areas, such as garages, storerooms or stairways.
- Use of notebooks, monitors and printers with the Energy Star logo, meaning they can switch to a low-energy state after a period of inactivity.
- Installation of energy-saving light bulbs.
- Cooperation with tenants and operators to encourage efficient use of energy equipment in order to reduce the environmental footprint of the assets.

Energy consumption

- Most of the Group's energy consumption comes from electricity, reaching 367 MWh in 2023 (compared to 296 MWh in 2022) due to the fact that the number of assets has increased during the last exercise.
- In 2023, Scope 2 greenhouse gas (GHG) emissions corresponding to the energy consumption of the Group's hotels amounted to 134 tCO₂eq, while Scope 1 greenhouse gas (GHG) emissions corresponding to gas consumption were 1.4 tCO₂eq.
- The Group's offices did not record any fossil fuel consumption in 2023, nor in 2022. Energy consumption in offices corresponds to electricity for lighting, computer equipment and air-conditioning units. Therefore, the offices only generate Scope 2 greenhouse gas emissions, based on the GHG Protocol reporting criteria. In 2023, GHG emissions from office energy consumption were 44 tCO₂eq, compared to 60 tCO₂eq in 2022, representing a decrease of 36.36% compared to the GHG emissions generated in the previous year.
- The energy consumption corresponding to the four assets owned by Colón Viviendas is 100% from electrical sources, reaching a figure of 163 MWh in 2023, compared to 152 MWh in 2022. In 2023, greenhouse gas (GHG) emissions corresponding to energy consumption in the four assets were 20 tCO₂eq, compared to 24 tCO₂eq in 2022.
- Finally, during the year 2023, the asset 'Dylan', a hotel owned by the company NYC Value Added I, had an energy consumption of 644 MWh, and a gas consumption of 7 MWh.

The Group collects energy consumption data from Nestar Residencial and Azora European Hotel & Lodging at the request of our investors. Additionally, the Company gathers energy consumption data from Azora Group's offices, Colón Viviendas, and the Dylan Hotel, as these belong to the Group's own portfolio and are therefore required to comply with Spain's Law 11/2018, as well as the Global Reporting Initiative (GRI) requirements. The Group is currently working to incorporate consumption monitoring across all our assets.



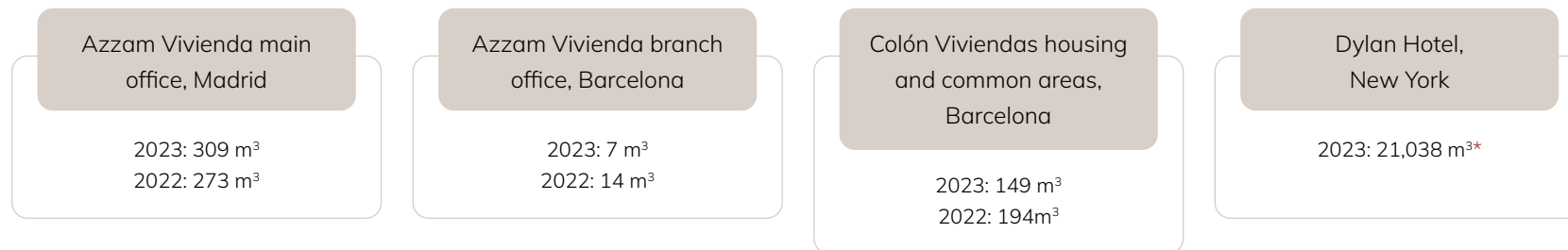
Water consumption

Most of the Group's water consumption is used to meet the needs of its employees, tenants or users, as well as for cleaning and maintenance of the common areas of the assets.

Over the last few years, in order to promote a responsible and efficient use of this resource, Azora Group has carried out a series of water saving measures, such as:

- The selection of low water consumption equipment in faucets, sanitary devices and household appliances.
- The installation of more sustainable irrigation systems, such as drip irrigation.
- The selection of native and drought tolerant flora.

The Company presents the following water consumption corresponding to the following assets:



* There is no comparative data for the Dylan Hotel for 2022, as the information could not be obtained for this asset due to its recent incorporation into Azora's portfolio.

* The Group collects water consumption data from Nestar Residencial and Azora European Hotel & Lodging at the request of our investors. Additionally, the Company gathers water consumption data from Azora Group's offices, Colón Viviendas, and the Dylan Hotel, as these belong to the Group's own portfolio and are therefore required to comply with Spain's Law 11/2018, as well as the Global Reporting Initiative (GRI) requirements. The Group is currently working to incorporate consumption monitoring across all our assets.

Transition towards a circular economy

Azora Group promotes the circular economy through all its verticals, establishing a model that ensures long-term sustainable growth and reduces the Group's negative impact on the environment. The main measures taken by the Group include those aimed at reducing waste generation and optimising the consumption of natural resources.

It should be noted that, except for the Energy, Sustainable Infrastructure & Climate Solutions vertical, the technical departments responsible for managing waste from demolitions and asset developments take into consideration the possibility of reusing or recycling leftover materials for waste recovery, thus reducing the purchase costs of raw materials. For example:

- 100% of the concrete used in renovations or new developments is recycled.
- Discarded soil may be reused depending on its characteristics and condition: the soil is transported to areas under development to be recycled in new constructions. However, if the soil cannot be reused, it is transported to landfill areas.

Lastly, Azora Group also promotes measures for the efficient use of resources in its offices, such as:

- Use of recycled ink and/or toner cartridges.
- Placement of containers and paper bins to encourage recycling.
- Recycling of computer equipment, electrical and electronic items, alkaline batteries, toner and ink waste.



Protection of biodiversity

Most of the Group's assets are located on urban land, so their impact on biodiversity is not material to its activity.

However, and given that the Group promotes the protection of biodiversity and evaluates the impact of its operations on the ecosystems where it operates, biodiversity becomes relevant for the Energy, Sustainable Infrastructure & Climate Solutions vertical, since the implementation of wind farms and photovoltaic installations may have a negative impact on the surrounding flora and fauna.

For this reason, Azora Group integrates and assesses the ecosystem where renewable energy production plants are located, committing to preserve biodiversity. Based on this commitment, the Group prevents significant impacts and, if identified, establishes programmes to restore and compensate impacted areas.

In the case of the installation and development of wind farms, Azora Group must comply with a series of rules and regulations that ensure the protection of the ecosystem and its species, including measures to reduce the impact of these developments on the environment.



Environmental certifications

Azora Group adheres to international reference standards regarding sustainability, regularly obtaining energy and sustainability certificates that demonstrate its commitment, such as:

- **ENERGY PERFORMANCE CERTIFICATES (EPCS):** in line with European legislation on energy labels for properties, EPCs were introduced in Spain to reflect the energy efficiency of a building. The EPCs take into consideration insulation, ventilation, GHG emissions and any other energy management-related factors.
- **SUSTAINABILITY CERTIFICATES:** as a result of growing demand from investors to measure asset sustainability, certain international institutions have developed standards to measure asset sustainability performance, most notably the following:



Leadership in Energy and Environmental Design (LEED)

This certification is characterised by assessing sustainability and calculating the building's impact on five areas: sustainable site development, water savings and efficiency, energy efficiency and renewable energy, preservation of materials and natural resources, and indoor environmental quality.



Building Research Establishment Environmental Assessment Method (BREEAM)

It evaluates the processes that influence the sustainability strategy throughout the asset's life cycle using a holistic methodology, looking for synergies between a series of criteria grouped into different categories, and integrating environmental, economic and social aspects.

These certifications help monitor the asset performance regarding ESG and establish action plans that promote sustainable development and active property management. Currently, these certificates are particularly relevant for the Group's offices and new developments.



Offices leased by Azora capital: as of 31 December 2023 the offices leased by Azora Capital to carry on its activities had achieved LEED Gold certification valid until October 2026, as a result of the investment made in 2020 to implement measures aimed at energy efficiency, water consumption reduction, responsible waste management, and environmental quality with air filtering and purification equipment.



Offices leased by Azzam Vivienda: as of 31 December 2023, the offices leased by Azzam Vivienda to carry out its activities had BREEAM Very Good certification valid until March 2024.



Hospitality & Leisure vertical: almost 30% of the portfolio in the vertical has BREEAM Very Good certification. Furthermore, Azora European Hotel & Lodging aims to ensure that all the hotels acquired have this certification. Additionally, 77% of the hotels have energy certifications, with 62% achieving at least an EPC rating of E. Azora European Hotel & Lodging plans to certify all of its portfolio investments in the coming years.



Nestar Residencial: the entire portfolio has energy certifications and 11% of the assets have at least an EPC rating of C. Since Nestar Residencial aims to have at least an EPC rating of C for all properties in the long term, the current status of the assets is being analysed, and a decarbonisation plan is being prepared to help meet that target. The possibility of achieving BREEAM certifications on existing assets is also being analysed.

Since the end of 2021, Azora Group has been working to establish a roadmap for the decarbonisation of the assets across all its verticals. As part of this strategy, all new developments must have BREEAM or LEED sustainability certifications, regardless of their vertical.

Attracting green financing

Since 2021, Azora Group has made progress in attracting financing to acquire and renovate its assets, collaborating with financial institutions that share the same values regarding sustainability.

The progress made includes the following:

- **Agreement between Azora Capital and BBVA:** to finance one of the logistics buildings acquired, in which a potential decrease in the interest rate of the loan was linked to obtaining a BREEAM Good rating, or higher, for the building.
- **Collaboration agreement between Azora European Hotel & Lodging and La Caixa:** to finance the Vilalara Hotel, which includes obligations relating to compliance with the Ecuador Principles in asset acquisition and management and obtaining a second-party opinion (SPO) to ensure compliance with the Green Loan Principles published by the Loan Market Association.



9. Promoting user satisfaction

Governance issues Relation and transparency (reporting) with our stakeholders
Social issues User satisfaction and well-being, Impact on local communities and affordable housing
GRI Disclosure 3-3

Promoting user satisfaction



MILESTONES 2023

- Increase in coverage for monitoring the energy consumption of tenants.
- Renovation of hotel assets to adapt them to customer demands and generate greater returns.
- Definition and implementation of action plans to improve tenant satisfaction.



FUTURE CHALLENGES

- Define KPIs focused on users.
- Conduct surveys to assess operator satisfaction.
- Implement the Guest Loyalty Plan.





Azora Group strives to retain highly satisfied tenants and users in all its verticals. For doing so, it has implemented initiatives aimed at capitalising on society's trends and demands, such as:

- The development of easily accessible communication channels.
- The promotion of close contact with staff.
- The creation of new digital information platforms to ensure tenants and users are aware of the services available.

All these initiatives enable the Group to understand the expectations of its users and tenants, increasing their loyalty and trust in the assets and services offered.

Azora Group's relationship with its end users varies depending on the type of vehicle managed.

- **In the case of Nestar Residencial**, Azzam Vivienda directly manages the relationship with the tenants. In 2022 it carried out an external audit project regarding customer experience to identify strengths and weaknesses, actively work on the proposed points for improvement, and to maintain a closer and more transparent relationship with tenants.
- **In other verticals, such as Senior Living and Hospitality & Leisure**, the asset operators are responsible for the relationship with end users, residents and guests. Therefore, Azora Group has established regular meetings with operators on matters related to asset operations. It should be noted that Azora Group has an assessment process for potential operators, aimed at ensuring that they align with the Group's principles, demonstrating a clear commitment to ESG criteria, promoting responsible management, minimising resource consumption, and implementing proper waste management. Azora Group therefore collaborates with operators of renowned prestige and proven experience in asset management.

Azzam Vivienda has set up an email communication channel (abogados@ocu.es) to receive complaints and claims from its consumers when they come from the consumer offices of the authorities. They can also submit their complaints by sending notice through the electronic administration system.

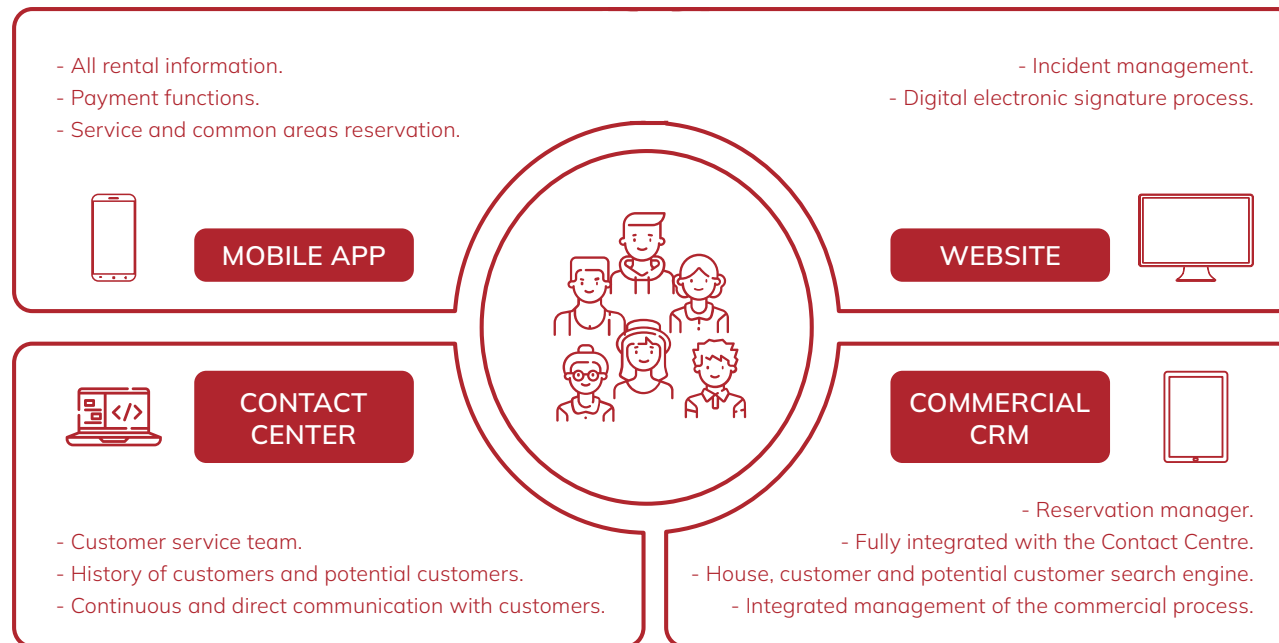
For the rest of Azora Group, complaints or claims can be reported through the whistleblower channel or directly by phone.

Relationship of Nestar Residencial with its tenants

Nestar Residencial offers personalised and innovative solutions tailored to the needs and demands of its tenants.

Consequently, Azora Gestión promotes a close relationship with its tenants, ensuring access to customer service, where human, material, technical, and organisational resources are available to address their requests and concerns. This approach aligns with Azora Gestión's procedures, which outline the actions taken concerning customer service across the various involved departments.

In addition to the email communication channel mentioned in the previous section, Nestar Residencial provides a website and a tenant portal, including an app. These channels guarantee that any process or incident that may arise related to housing is effectively managed, and that any concerns and issues that may affect tenants can be resolved through personalised and readily available customer service.



Azora Gestión encourages its tenants to become part of the communities to which they belong. As a result, Nestar Residencial is actively involved in some of the initiatives promoted by the tenants of its assets, generating a sense of community and encouraging their loyalty.

Relationship of Azora European Hotel & Lodging with its users

In 2023, a new operator with an excellent track record in the sector was added to manage the assets of the Hospitality & Leisure vertical, which already included MedPlaya, Palladium, Latroupe, NH, Blue&Green and Bluserena.

In all hotel assets, operators monitor user experience by conducting satisfaction surveys on a regular basis. These surveys address issues such as customer communication with the hotel, services offered, overall customer satisfaction and possible suggestions for improvement.

Azora European Hotel & Lodging also uses existing digital platforms for hotel booking, such as TripAdvisor or Booking, to gather opinions and suggestions from users, and to monitor guest ratings. Based on the opinions and evaluations received by users, Azora Group establishes action plans, together with the operators, to improve user experience.

Taking into account user trends and demands received in 2023, Azora European Hotel & Lodging has identified the need to develop more dynamic experiences for users as a potential improvement in this area. These experiences may include outdoor activities, promoting healthy user habits or developing new leisure activities.



Relationship of Adriano Care with its residents

The Senior Living vertical aims to create a high-quality real estate portfolio of senior living facilities to invest in the improvement and transformation of the industry, so as to provide a better quality of service to the elderly. The Group will locate assets in strategic areas with projected ageing populations and repositioned to meet the highest quality standards and latest service trends.

Azora Group will also establish action plans to promote the health and well-being of residents through aspects such as accessibility, which must be integrated into the design of the spaces, visual and thermal comfort in the various private rooms and common areas, and the control of adequate air and drinking water quality. To achieve this, operators must focus on the continuous improvement of health, personal and social care, creating a 'home' concept based on six pillars:

A HOME FOR ADRIANO CARE RESIDENTS



10. Positive impact on society

Economic issues Creation of value for investors, **Social issues** Impact on local communities and affordable housing, Respect for human rights
Governance issues Relation and transparency (reporting) with our stakeholders
GRI Disclosure 3-3, 203-1, 203-2, 207-1, 413-1

Positive impact on society



MILESTONES 2023

- Approval of the Code of Conduct for Azzam Vivienda suppliers.
- Creation of new scholarships for students from Honduras.
- Contribution to the share capital of Techo Hogar SOCIMI, S.A.
- Agreements with various NGOs to assign housing units intended for people in vulnerable situations.



FUTURE CHALLENGES

- Define metrics for supplier monitoring and control.
- Inclusion of ESG clauses in the Azora Capital and Azora Gestión supplier approval process.
- Define a supplier risk programme for Azzam Vivienda.



Azora Group carries out specific actions in the various communities in which it operates with the aim of mobilising its resources in order to enhance its relationship with local communities. These actions include:

- **Support for local initiatives:** for example, by allocating spaces to the community or providing training courses.
- **Employment promotion:** by collaborating with local suppliers and hiring employees from the area, given the strong operational component of the assets in which Azora Group invests.

Azora Group also contributes to the sustainable development of the communities and territories in which it conducts its activities by promoting the responsible use of natural resources and sustainable environmental practices, particularly those related to energy efficiency, pollution and responsible consumption of water and materials.



Affordable housing and support for groups at risk of poverty or social exclusion

Much of Nestar Residencial portfolio corresponds to government-subsidised housing, aimed at making housing available to all citizens.



To increase the sense of community of the assets, Nestar Residencial promoted the identification and recognition of a **Community Manager** figure for residential assets in 2023, a figure that is already present in the Sanchinarro Building. As such, the Community Manager should encourage greater communication with authorities and with owners and tenants of nearby assets, organising activities with local communities. Over the coming years, Azora Gestión will work to develop more initiatives that directly involve the society and consolidate a partnership with public entities in its environment.

BRISA

Likewise, through the Brisa Project, Azora Group has been involved in reducing the structural deficit of rental housing for average income individuals in the Spanish residential market since 2021. The project will improve housing availability and ensure optimum living conditions for all users at an affordable price.

For more information see section [Brisa](#).



Local community development and impact of assets on their environment

The integration of assets into the communities in which they are located is a fundamental pillar for the Group. In general, all the Group's verticals, particularly Multifamily, Hospitality & Leisure and Senior Living, contribute significantly to local communities through various levers of value creation:

- **Tax contributions:** by regularly paying permits, licences, and other taxes, which require ongoing compliance from its assets, Azora Group provides direct financial benefits to local communities. The Group's assets also stimulate economic and commercial activity in the area by attracting investment and potential customers.

- **Care services:** the Senior Living sector holds intrinsic value for society, as it enables Azora Group to provide care services for the elderly, promoting and ensuring their physical and emotional well-being through personalised services in premium environments. With over 2,800 places available across various communities, this segment plays a vital role in supporting the elderly. In addition to directly managing the residences, Azora Group coordinates a wide range of efforts and collaborates with leading operators to ensure that every elderly individual enjoys a high quality of life, thanks to the trust and responsibility entrusted to them.

- **Socioeconomic impact:** the Hospitality & Leisure sector is associated with a significant positive socioeconomic impact, stemming from the promotion of high-quality tourism.

- **Employment opportunities:** Azora Group contributes to local employment, both directly and indirectly:
 - The Living sector promotes the inclusion of socially vulnerable groups in the workforce by employing professionals from specialised employment agencies as part of the buildings' maintenance teams.
 - The Senior Living vertical employs professionals through public employment agencies, thereby promoting local job opportunities in the area.

Azora Group collaborations

At a social level, Azora Group's commitment to corporate social responsibility prompts it to participate in initiatives that favour the well-being of the communities and contribute to international solidarity initiatives.



Association, Collaboration and Effort (ACOES): ACOES is a non-profit organisation that carries out humanitarian aid projects for children and the general population of Honduras. Azora Group participates in programmes to grant scholarships to young people in the country, so that they may learn the Group's basic business concepts. The project assigns them tutors who encourage their progress and accompany them throughout their training and remain at their disposal. This initiative constitutes a long-term training commitment for young people in Honduras, which will be repeated on an annual basis.



Techo Hogar SOCIMI, S.A.: Azora Group made its first contribution to the share capital of Techo Hogar, a company created to invest in housing to seek sustainable solutions for people suffering from homelessness and residential exclusion. Azora Group, as a strategic partner, provides advice on the real estate market and supports the management of this investment vehicle.

On the other hand, the Company contributes directly to the generation of local employment for its own personnel and for the operators of its assets, and indirectly, through the hiring of employees in the supply chain for the operation of the assets, especially in the hotel industry.

From an operational point of view, the repositioning and renovations carried out by the Group in its assets have value for the communities in which they are located, since they represent an improvement in the local environment.

Relationship with suppliers

Azora Group does not limit its commitment to responsible management to its own activities and operations, but rather involves its suppliers in the entire process, all of which is included in its **Policy for Contracting Suppliers of Goods and Services**, updated in October 2023.

The Group collaborates with local communities to promote the contracting of local suppliers in the acquisition of goods and services, generating a greater link with the communities and contributing to local development. In this sense, for the management, maintenance and renovation processes of the homes, we collaborate with local suppliers to obtain the materials and products necessary to develop their projects.

Similarly, through the Energy, Sustainable Infrastructure & Climate Solutions vertical, the Company also collaborates with local companies to prepare environmental reports used to study the local ecosystem before developing renewable projects, and with public administrations to process the necessary permits and establish improvements.

As a particular case, in 2023 Azzam Vivienda added ESG clauses to its Supplier Approval Procedure, requesting a series of requirements, particularly environmental. Some of the most relevant issues required from suppliers and included in these clauses are:

- **The alignment with the regulation** on sustainable resource management.
- **The alignment with the best practices** of the sector in terms of sustainability: for example, Leadership in Energy and Environmental Design (LEED) and Building Research Establishment Environmental Assessment Method (BREEAM) certifications.
- The minimisation of waste generated and its correct treatment.
- **The compliance with the values and fundamental principles** of the Group in terms of human rights and the promotion of the welfare of its employees.

Tax information

Azora Group is aware of the importance of compliance with tax obligations by all taxpayers, in accordance with current regulations, and places special emphasis on promoting responsible taxation, combating tax fraud and the informal economy, and developing transparency, integrity, and anti-corruption programmes.

Thus, Azora Group has defined basic tax performance criteria relating to risk control and the reliability of financial information, organisational structure, external advisory services, and certain unique transactions, such as corporate structure and special purpose entities; territories classified as tax havens; transfer pricing in related party transactions; compliance with legal requirements of certain special tax regimes, and so on.



Appendix 1. GRI content index

Statement of use Azora Group has reported the information cited in this GRI content index for the period 1 January to 31 December 2023 with reference to the GRI Standards. **GRI 1 used GRI 1 Foundation 2021**

Appendix 1. GRI content index

Statement of use Azora Group has reported the information cited in this GRI content index for the period 1 January to 31 December 2023 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

The GRI content included throughout the report, along with the sections and pages where it appears, is detailed below:

GRI STANDARD	DISCLOSURE	LOCATION	2030 AGENDA		PGNU
			SDG	TARGETS	
General Disclosures					
GRI 2: General Disclosures 2021	1. The organization and its reporting practices				
	2-1 Organizational details	5, 10			
	2-2 Entities included in the organization's sustainability reporting	10			
	2-3 Reporting period, frequency and contact point	5			
	2-4 Restatements of information	N/A			
	2-5 External assurance	N/A			10
	2. Activities and workers				
	2-6 Activities, value chain and other business relationships	5, 10			
	2-7 Employees	5, 48	8 - 10	8.5 - 10.3	
	2-8 Workers who are not employees	5	8	8.5	
	3. Governance				
2-9 Governance structure and composition	29	5 - 16	5.5 - 16.7	1, 6, 7, 10	
2-11 Chair of the highest governance body	29	16	16.6		



GRI STANDARD	DISCLOSURE	LOCATION	2030 AGENDA		PGNU	
			SDG	TARGETS		
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	29	16	16.7	1, 7, 10	
	2-13 Delegation of responsibility for managing impacts	29			1, 7, 10	
	2-16 Communication of critical concerns	29				
	2-19 Remuneration policies	29			1, 7, 10	
	4. Strategy, policies and practices					
	2-22 Statement on sustainable development strategy	3				
	2-23 Policy commitments	10, 29	16	16.3	1, 2, 3, 4, 5, 6, 7, 8, 10	
	2-25 Processes to remediate negative impacts	29			1, 7, 10	
	2-26 Mechanisms for seeking advice and raising concerns	29	16	16.3	1, 3, 7, 10	
	2-27 Compliance with laws and regulations	29				
	2-28 Membership associations	29				
	5. Stakeholder engagement					
	2-29 Approach to stakeholder engagement	29				
	2-30 Collective bargaining agreements	48	8	8.8	3	
Material Topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	26, 66			1, 2, 3, 4, 5, 6, 7, 8, 10	
	3-2 List of material topics	26			1, 2	
Creation of value for investors						
GRI 3: Material Topics 2021	3-3 Management of material topics	62, 84			1, 2, 7, 8, 9, 10	
GRI 207: Tax 2019	207-1 Approach to tax	84	1 - 10 - 17	1.1 - 1.3 - 10.4 - 17.1 - 17.3		
Sustainable investment strategy						
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 62, 66			1, 2, 7, 8, 9, 10	

GRI STANDARD	DISCLOSURE	LOCATION	2030 AGENDA		PGNU
			SDG	TARGETS	
Identification and management of risks and opportunities					
GRI 3: Material Topics 2021	3-3 Management of material topics	29			1, 2, 7, 8, 9, 10
Adaptation to new trends and ESG legislation					
GRI 3: Material Topics 2021	3-3 Management of material topics	29			1, 2, 7, 8, 9, 10
Ethics, compliance and cybersecurity					
GRI 3: Material Topics 2021	3-3 Management of material topics	29			1, 2, 7, 8, 9, 10
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	29	16	16.5	10
GRI 418: Customer Privacy 2016	418-1 Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy	29	16	16.3 - 16.10	
Relation and transparency (reporting) with our stakeholders					
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 48, 78, 84			1, 2, 7, 8, 9, 10
Responsible governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	29			1, 2, 7, 8, 9, 10
Energy efficiency and climate change					
GRI 3: Material Topics 2021	3-3 Management of material topics	66			1, 2, 7, 8, 9, 10
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	66	13	13.1	7, 8, 9
GRI 302: Energy 2016	302-1 Energy consumption within the organization	66	7 - 8 - 12 - 13	7.2 - 7.3 - 8.4 - 12.2 - 13.1	7, 8, 9
	302-4 Reduction of energy consumption	66	7 - 8 - 12 - 13	7.3 - 8.4 - 12.2 - 13.1	
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	66	3 - 12 - 13 - 14 - 15	3.9 - 12.4 - 13.1 - 14.3 - 15.2	7, 8
	305-3 Other indirect (Scope 3) GHG emissions	66	3 - 12 - 13 - 14 - 15	3.9 - 12.4 - 13.1 - 14.3 - 15.2	7, 8
Efficient resource management and environmental protection					
GRI 3: Material Topics 2021	3-3 Management of material topics	66			1, 2, 7, 8, 9, 10
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	66	6 - 12	6.3 - 6.4 - 12.4	7, 8, 9
	303-5 Water consumption	66	6	6.4	
GRI 306: Waste 2020	306-2 Management of significant wasterelated impacts	66	3 - 6 - 8 - 11 - 12	3.9 - 6.3 - 8.4 - 11.6 - 12.4 - 12.5	



GRI STANDARD	DISCLOSURE	LOCATION	2030 AGENDA		PGNU
			SDG	TARGETS	
User satisfaction and well-being					
GRI 3: Material Topics 2021	3-3 Management of material topics	48, 78			1, 2, 7, 8, 9, 10
Safety and health of employees.					
GRI 3: Material Topics 2021	3-3 Management of material topics	48			1, 2, 3, 4, 5, 6, 7, 8, 9, 10
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	48	8	8.8	
	403-3 Occupational health services	48	8	8.8	
	403-4 Worker participation, consultation, and communication on occupational health and safety	48	8 - 16	8.8 - 16.7	
	403-5 Worker training on occupational health and safety	48	8	8.8	
	403-6 Promotion of worker health	48	3	3.2 - 3.5 - 3.7 - 3.8	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	48	8	8.8	
	403-9 Work-related injuries	48	3 - 8 - 16	3.6 - 3.9 - 8.8 - 16.1	3, 4, 5, 6
	403-10 Work-related ill health	48	3 - 8 - 16	3.3 - 3.4 - 3.9 - 8.8 - 16.1	
Attracting and retaining talent					
GRI 3: Material Topics 2021	3-3 Management of material topics	48			1, 2, 7, 8, 9, 10
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	48	3 - 5 - 8	3.2 - 5.4 - 8.5	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	48	4 - 8 - 10	4.3 - 4.4 - 4.5 - 5.1 - 8.2 - 8.5 - 10.3	
	404-2 Programs for upgrading employee skills and transition assistance programs	48	8	8.2 - 8.5	
Diversity, equality and inclusion.					
GRI 3: Material Topics 2021	3-3 Management of material topics	29, 48			1, 2, 7, 8, 9, 10
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	29, 48	5 - 8	5.1 - 5.5 - 8.5	1, 6
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	29	5 - 8	5.1 - 8.8	



GRI STANDARD	DISCLOSURE	LOCATION	2030 AGENDA		PGNU
			SDG	TARGETS	
Respect for human rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	48, 84			1, 2, 3, 4, 5, 6, 7, 8, 9, 10
Impact on local communities and affordable housing					
GRI 3: Material Topics 2021	3-3 Management of material topics	78, 84			1, 2, 7, 8, 9, 10
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	84	5 - 9 - 11	5.4 - 9.1 - 9.4 - 11.2	
	203-2 Significant indirect economic impacts	84	1 - 3 - 8	1.2 - 1.4 - 3.8 - 8.2 - 8.3 - 8.5	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	84			