

Sustainability Report 2022

ctp

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1. This is CTP

CTP N.V. (“CTP”, “the Company”, “the Group”) is the largest listed owner, developer and manager of industrial and logistics (“I&L”) properties in Europe and the long-term leader in the business-smart markets of Central and Eastern Europe (“CEE”). Established in 1998 in the Czech Republic, CTP has achieved 25 consecutive years of solid growth and profitability. CTP owns and operates the CTPark Network—a portfolio of A-class I&L properties which at end-2022 totalled 10.5 million sqm of gross leasable area (“GLA”) at over 200 locations in ten European countries, from the North Sea to the Black Sea.



Sustainability and community have always been part of CTP's core values and company culture. We have a long history of making positive impacts on our community, developing sustainable buildings, and conducting our business in an ethical and accountable manner. As CTP grows as a company, we continue to deepen our ESG goals and increase disclosure—which is why I am excited to present CTP's inaugural ESG Report.

ESG comes naturally to CTP, as we have always been committed to long-term, sustainable development. CTP was the first developer in CEE to receive a BREEAM Outstanding building certification, and we have long been recognised in our markets as leaders in the development of energy efficient property solutions. At CTP, we do not view ESG as something that hinders business, but rather as an integral part of our overall strategy to grow long-term shareholder value over time while benefitting all other stakeholders.

As the long-term owner-operator of our portfolio of business parks, we have also, from the beginning, made significant investments to improve the quality of life and infrastructure of the communities where we operate, as we strive to be good neighbours and good corporate citizens in our markets. This has always been part of CTP's business strategy and is now codified and amplified in our ESG strategy going forward.

CTP has grown consistently over the course of its 25-year history. Today we employ nearly 700 property professionals in the ten countries where we operate—with approximately a 50:50 male/female ratio below the Board level, which we have maintained for many years. During 2022 we continued to increase the number of women in leadership positions, with the goal to have 30% representation in senior management.

Moving ESG forward

We made significant progress during 2022 codifying our ESG goals and training staff to continually improve on our vision, while at the same time deepening our reporting, which you will find in the following pages.

During the year we developed our four-pillar ESG strategy and have defined clear and actionable KPI's for each pillar to chart results. We also established our ESG Committee at the Board level, to increase Board oversight of our ESG strategy and goals to ensure that targets are met and that the strategy is revised each year for maximum impact.

In 2022 we improved our ESG rating with Sustainalytics, receiving a low-risk ranking, and for the first time participated in Standard & Poor's Global Corporate Sustainability Assessment, where we were ranked as having no material impacts relating to ESG. We expect to continue to improve our ESG rankings as we institutionalise ESG principles throughout our organisation. Toward this end, in 2022 we took the necessary steps to participate this year in the GRESB Real Estate Assessment—the global standard for ESG benchmarking and reporting for companies investing directly in real estate.

Sustainability as a driver of new business

The demand for sustainable property solutions continues to grow across our markets, which creates new opportunities and drives business growth.

A significant development in this area in 2022 was the launch of our new energy business, where we see opportunities to achieve both our financial and ESG goals. Having installed our first rooftop solar plants in the early 2010s, at end-2022 we had 38KWp of installed capacity and are on track to add an additional 100 MWp during 2023.

Developing solar power at scale is a win-win solution: we generate a new, profitable revenue stream for CTP, and at the same time provide reliable and renewable energy supplies to our tenants, which reduces their overall costs of occupancy, bolsters their ESG credentials, and helps the planet by reducing harmful emissions. All new CTP properties are built solar-ready—part of our strategy to meet the demand for sustainable property solutions across our markets.

Another sustainability-led driver of business growth is the shift toward the nearshoring and friend-shoring of supply chains. The inherent instability of just-in-time global supply lines has become apparent in recent years, leading to a re-think and strong focus on sustainable solutions. Companies making strategic decisions to invest in new production lines are increasingly choosing to locate them close to their final customers. This not only drives new business to our markets—it is also better for the environment and helps to push our ESG goals forward.

Community building

Building strong local communities has always been integral to CTP's strategy. As the long-term owner and operator of its industrial and logistics parks, CTP has always taken a long-term approach to business, which includes good corporate citizenship and making positive contributions to the communities where our parks are located. We have a long-standing history of community engagement, including support for education and disadvantaged youth.

As part of our strategy, CTP has always worked closely with local communities to improve infrastructure and quality of life. A prime example is the success of our multi-use community Clubhaus concept, which launched in 2020 at CTPark Bor in the Czech Republic. The second Clubhaus location launched in 2022 at CTPark Bucharest West in Romania with a BREEAM Outstanding certificate. We also launched our third Clubhaus location in 2022—at CTPark Budapest West in Hungary—and plan to roll out the concept to new locations in Bulgaria, Slovakia, Poland and at other parks in the Czech Republic in the coming years.

As an indication of our commitment to social cohesion, in 2022, in response to the war in Ukraine, CTP donated €10 million to the UN Refugee Agency (UNHCR) to help provide humanitarian relief to those in need. We also provided warehouse space in our markets bordering Ukraine for relief supplies, as well as accommodation for refugees in our residential properties in the Czech Republic.

In conclusion

I am proud of what we have accomplished as a company and the strides we have taken to formalise our commitments to the principles of ESG. Having successfully navigated the dynamic changes that our markets have experienced since our start in 1998, we are well-placed to benefit in the new ESG-driven environment, as its principles align with our long-term strategy and goals.

We look to 2023 to continually improve on our ESG activities and reporting—not because it is required—but because it is core to our mission of being a long-term partner to our stakeholders and making a positive impact on communities through our sustainable CTPark concept.

Remon L. Vos
EXECUTIVE DIRECTOR & CEO

Letter from the Chairwoman of the Sustainability Committee



Dear Shareholders,

Our world is rapidly changing—driven by trends in how we live, work and play and threatening developments such as climate change. A company like CTP has the opportunity to positively influence this change through its presence in ten countries and its economic strength. The year 2022, with its macroeconomic headwinds, demonstrated the resiliency of CTP's business model and was a solid continuation of consistent and sustainable growth for the Group.

From the perspective of a company, sustainability begins with the awareness that all decisions have an influence on the environment, on employees, society and nature. This leads to the second step of being willing to minimise negative consequences for the outside world and maximise positive effects. In line with CTP's long-term business principles and strategy going forward, sustainability and the principles of ESG are integral to operations at all levels. CTP strives to be climate positive and is committed to reducing carbon emissions, increasing the production of renewable energy, and aligning operations with all relevant frameworks and regulations.

CTP's sustainability efforts were recognised by Sustainalytics, with an ESG Rating of 10.2 and assessed as Low Risk; by Standard & Poor's, with a Global Sustainability Assessment and ESG Evaluation Score of 67; as well as by the Company's inclusion in the AEX ESG index, Which includes the 25 companies within the AEX and AMX indices demonstrating best Environmental, Social and Governance practices.

Corporate sustainability

In 2022, CTP took several steps to formalise and institutionalise its ESG strategy across the Group to demonstrate its strong corporate sustainability. CTP developed a four-pillar approach to systemise topics that the Company considers material. These pillars capture focus areas and represent interlinked groups of activities. The CTP community feels and experiences that sustainability is incorporated in all processes, from formalising these activities to strengthening innovation efforts, which are coordinated by the Head of ESG. CTP focuses on construction and operations to minimise its carbon footprint. The Industrial & Logistics sector is also transitioning from being a pure cost-centre to a driver of companies' performance. CTP's dedicated client-centric approach supports clients' sustainability demands, with engagement on green lease clauses and CTP's Supplier Code of Conduct, which sets out the shared values of integrity, compliance and sustainability. To continuously improve the governance of ESG topics, including climate-related risks and opportunities within the Group and to enhance the Board's oversight, in 2022 CTP established the ESG Committee.

Sustainable real estate

The demand for sustainable property solutions continues to grow across all sectors and markets, as most tenants demand that new facilities are built future-proof in terms of energy efficiency and are in line with circular economy principles of waste management, recycling and resource usage. This creates new opportunities and drives business growth by implementing sustainable real estate solutions like the launch of CTP's energy business. CTP developed its first installed rooftop solar plants from the early 2010s into a new business to provide reliable and renewable energy supplies to its tenants, which reduces their overall costs of occupancy, bolsters their ESG credentials, and helps the planet by reducing harmful emissions.

Sustainability needs transparency not only on new buildings. In 2022, CTP conducted a physical climate risk assessment on its standing portfolio to verify acute and chronic physical climate risks and does not foresee any analysed climate risk that can significantly affect its financial performance in the near future. CTP also conducted a double materiality assessment to evaluate the impact of the Company on ESG matters and the potential financial impact of ESG matters on Company performance. The results highlighted energy efficiency, carbon emissions and climate neutrality followed by sustainable design, supply-chain management, certification, climate adaptation, health and safety, employees, diversity, equity, ethical business conduct, Board oversight and human rights, which are all integrated in CTP's four-pillar approach to ESG goals.

But it's not only about the planet, it's also about people and society. Embedding parks into communities and improving quality of life have always been part of CTP's strategy as long-term owners and operators. CTP's activities in this are diverse and include support for education and disadvantaged youth; the development of sports and transportation infrastructure at park locations that are available to the public; and our multi-purpose Clubhaus concept, which creates community focal points at select park locations, with restaurants and cafes, spaces for public events and even medical facilities at some locations. The quality of transportation options and accessibility beyond solely private cars are also important, and CTP works actively with local and regional governmental agencies to create bus lines with access to its parks. Green spaces and natural solutions are also an essential topic in our park concept. Biodiversity is not the first thing that comes to mind with regards to industrial parks, but CTP's biodiversity projects are as local as possible, as the Company believes that needs are best understood at the park level.

Sustainability reporting

Setting and measuring ESG goals play an important role demonstrating integrity. In 2022 CTP presented not only its first Sustainability Report but also its first EU Taxonomy report, which shows how CTP's sustainability ambitions are aligned with EU Taxonomy requirements. Generally accepted standards of the Global Reporting Initiative (GRI), EPRA sustainability Best Practices Recommendations, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) are integrated.

CTP enhances its product offering by having ESG as an integral part of its parkmarker concept. CTP's entrepreneurial, dynamic and agile culture combined with professional excellence helps to adopt new rules and create innovative solutions in a sustainably driven environment.

On behalf of the Sustainability Committee, I would like to thank you, our valued shareholders, customers and partners, for your trust and support. Our thanks also go to all employees and the management across the countries for their commitment and significant efforts.

On behalf of the Sustainability Committee,

Susanne Eickermann-Riepe
NON-EXECUTIVE DIRECTOR

1.3

Highlights 2022

CORPORATE
RESPONSIBILITY

ESG strategy launch

In 2022, CTP took several steps to formalise and institutionalise its ESG strategy across the Group. CTP developed a four-pillar approach to systemise topics that the Company considers material. The “pillars” are: striving to be climate positive; embedding parks in communities; stimulating social impact & well-being; and conducting business with integrity. These pillars capture focus areas and represent interlinked groups of activities. As CTP grows and evolves, so too does its ESG strategy. The Company ensures that it regularly updates its ESG strategy to focus on the most material topics and have the greatest possible impact. During the second half of 2022, as part of refining the Company’s ESG strategy, CTP conducted its first “Double Materiality Assessment”. Double materiality assessments evaluate the impact of the Company on ESG matters and the potential financial impact of ESG matters on Company performance. The outcome of the assessment has been used to adjust strategy and define relevant KPIs.



ESG Committee
established

To improve the governance of ESG topics, including climate-related risks and opportunities within the Group and to enhance the Board’s oversight, in 2022 CTP established the ESG Committee. The ESG Committee consists of non-Executive Directors and guests, including the Executive Directors and the Group Head of ESG. Committee meetings are held on a regular basis to ensure that ESG is an integral part of CTP’s strategy and that ESG and climate-related targets are followed up.

SUSTAINABLE
REAL ESTATE

Physical climate risk

In 2022 CTP conducted a physical climate risk assessment to verify acute and chronic physical climate risks. The tool makes use of nine different climate scenarios, from REMIND (1.5 °C) to the IPCC (5 °C), looking towards the year 2100 and analysing climate risks considered potentially material for the Company, which include coastal flooding, extreme heat, extreme cold, fluvial flooding, tropical cyclones, water stress and wildfires. Based on the outcome of the analysis, material climate risks have been identified. Given the geographical distribution of its properties, the collective adaptation measures being implemented in the respective countries and the buildings’ robust design and construction, CTP does not foresee any analysed climate risk that can significantly affect its financial performance in the near future.

Photovoltaics

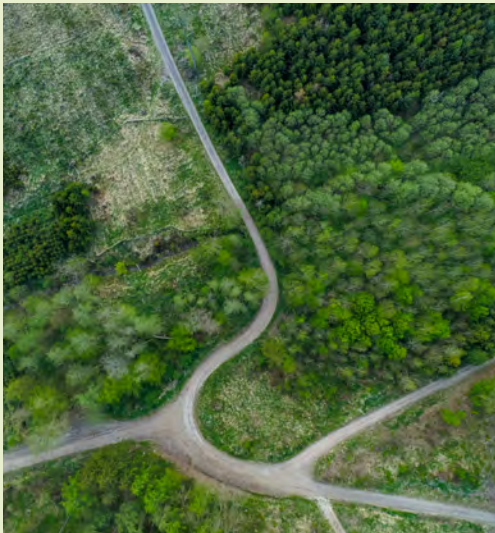
During 2022, CTP increased its installed photovoltaic (“PV”) capacity from 6MWp to 38MWp and established a dedicated energy function at the Group and country levels. The target for 2023 is to have at least an additional 100MWp installed.



SUSTAINABILITY
REPORTING

EU Taxonomy
assessment

CTP's 2022 Annual Report presented the Company's first EU Taxonomy alignment. EU Taxonomy, among other disclosures, led to the development of internal Company processes and policies for ESG data collection and management during 2022. Disclosure on EU Taxonomy and the introduction of its technical criteria into operations is another step to make CTP's operations more sustainable. CTP's sustainability ambitions are aligned with EU Taxonomy requirements.



INNOVATION

Clubhaus

To support the Company's efforts to embed its parks into the communities where it operates, CTP has introduced the Clubhaus mixed-use development concept to select park locations. As part of its park strategy, CTP develops common spaces that serve the employees of tenants and local communities. CTP's Clubhaus offers space for meetings, educational activities, social gatherings, medical services, a cafeteria, convenience store and canteen as well as outdoor facilities and can be used free of charge by the park community. The Clubhaus at CTPark Bucharest West, which opened in 2022, achieved BREEAM Outstanding certification.



Advanced renewable
energy management system
introduced in Amsterdam

In 2022 CTP introduced an advanced renewable energy production and management system at CTPark Amsterdam City, a multi-story and multi-tenant 120,000 sqm development in the Western Docklands district of Amsterdam. It is equipped with solar panels, wind turbines, EV charging points, and a dedicated energy management system.



This is the first stand-alone Sustainability Report in CTP's history. The intent of developing this Report, separate from the Company's Annual Report, is to present in detail CTP's approach towards ESG. It consists of ambitions and targets, achievements, and reporting of FY-2022 data in line with financial reporting.

This Report is published in June 2023 and information and data related to sustainability and ESG will be published annually.

CTP's Sustainability Report is structured in alignment with the Global Reporting Initiative (GRI) standards, EPRA sustainability Best Practices Recommendations, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Indexes for each framework can be found at the end of this Report.

The writing process was led by the Group Head of ESG with support from the ESG country teams. CTP's Board of Directors, both Executive and Non-Executive, are actively engaged in the environmental, social, and governance topics of the Company, though in relation to this Report, their role is limited to overseeing and approving the reported information, which includes material topics. Data presented in this Report is collected and managed based on internal policies. Environmental data went through limited assurance provided by Arcadis. Assurance letters can be provided upon request.

For further information, contact CTP's ESG team: esg@ctp.eu.

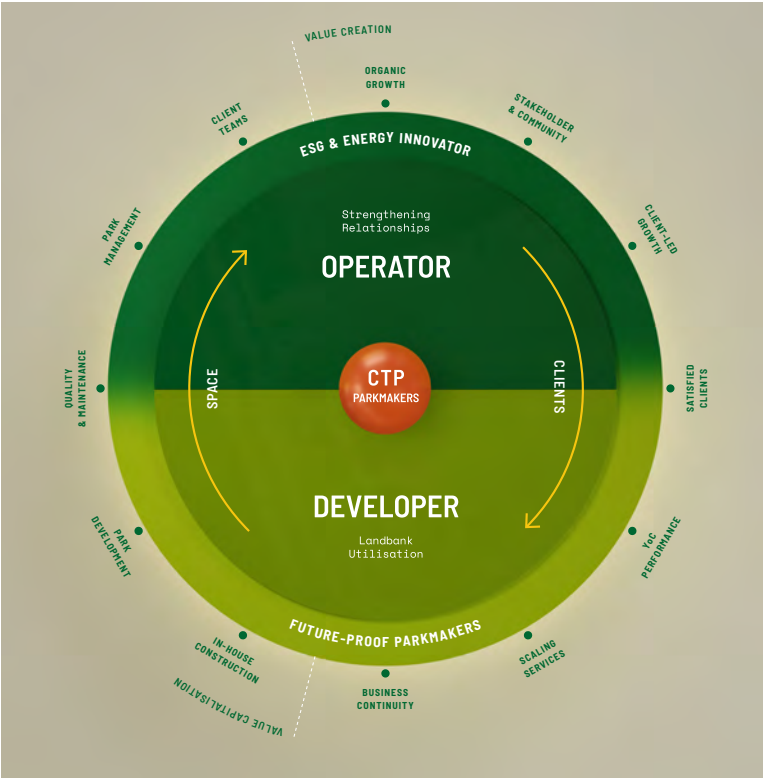
1.5 Company Profile

1.5.1 BUSINESS MODEL

2-6

In line with its strategy, CTP targets to own and operate a pan-European network of business parks with total gross leasable area (“GLA”) of 20 million sqm—nearly doubling its current portfolio of 10.5 million sqm. CTP achieves its goals via its Parkmaker “wheel of growth” business model, which consists of two interconnected core business units—“the operator” and “the developer”—integrated with the Company’s new energy business, which generates renewable energy for its CTParks and clients.

The business units each have their own roles and objectives, leveraging the Group’s capital sources and unique in-house capabilities while positively impacting each other: the operator, by owning and operating a property portfolio to enhance its value, generate cash flow, and maintain client relations; the developer, by generating industry leading Yield on Cost (YoC); and the energy business, by monetising solar and potentially wind turbine capacity. This expansion into renewable energy is an integral part of CTP’s Parkmaker business model and contributes to the Company’s income and ESG objectives, while also providing green energy and energy security to its clients, supporting their ESG goals in the process.



CTP’s industrial and logistics portfolio—the CTPark Network—is the cornerstone of a resilient European supply chain. The CTPark Network is the largest integrated network of premium business parks in continental Europe, with over 200 locations, stretching from the North Sea to the Black Sea. The Company has grouped its areas of operation into three market categories, as described below.

● Core Markets

CTP’s Core Markets are the Czech Republic, Romania, Hungary, and Slovakia. CTP is the market leader in these countries, and the majority of its portfolio is located in its Core Markets, including the Company’s largest parks—CTPark Bucharest West and CTPark Bucharest East in Romania, and CTPark Brno and CTPark Bor in the Czech Republic.

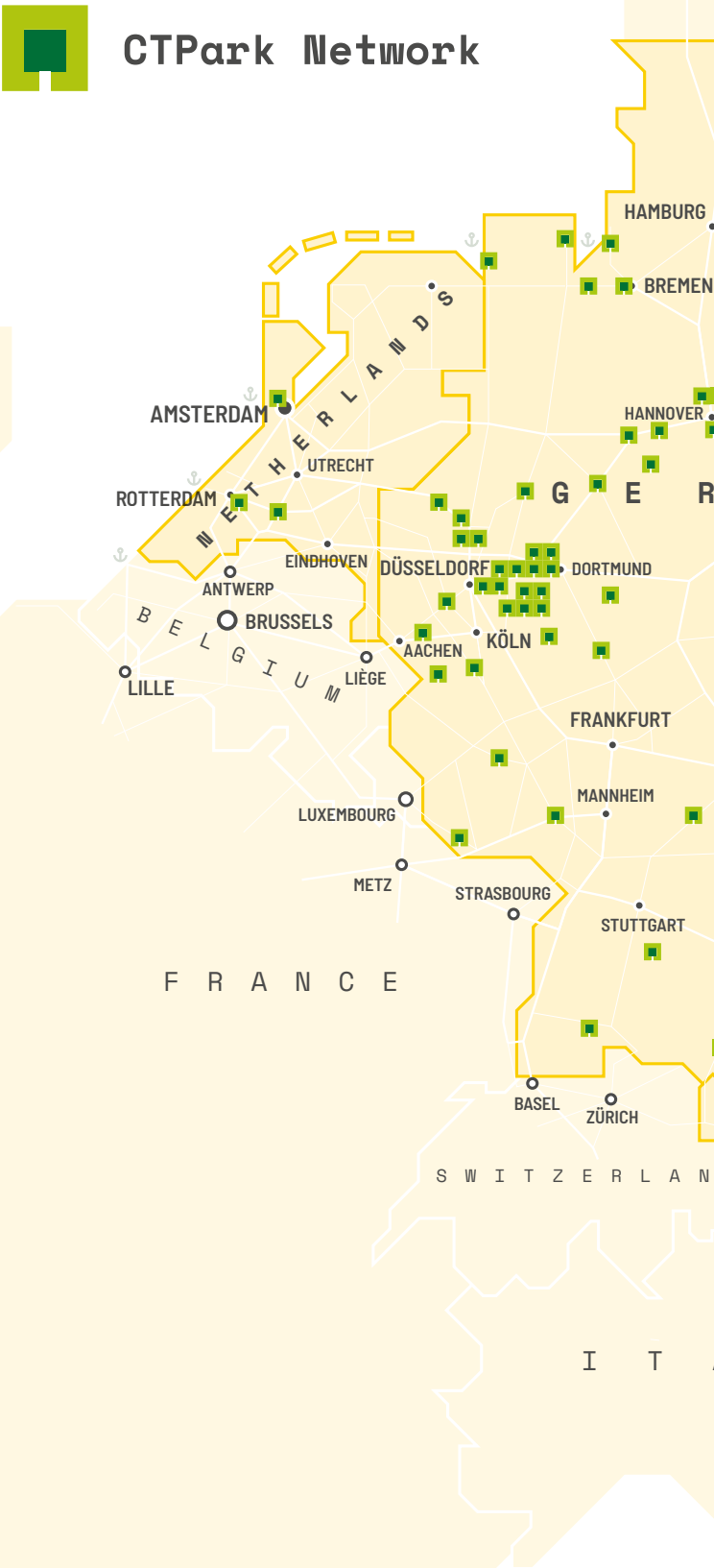
● Growth Markets

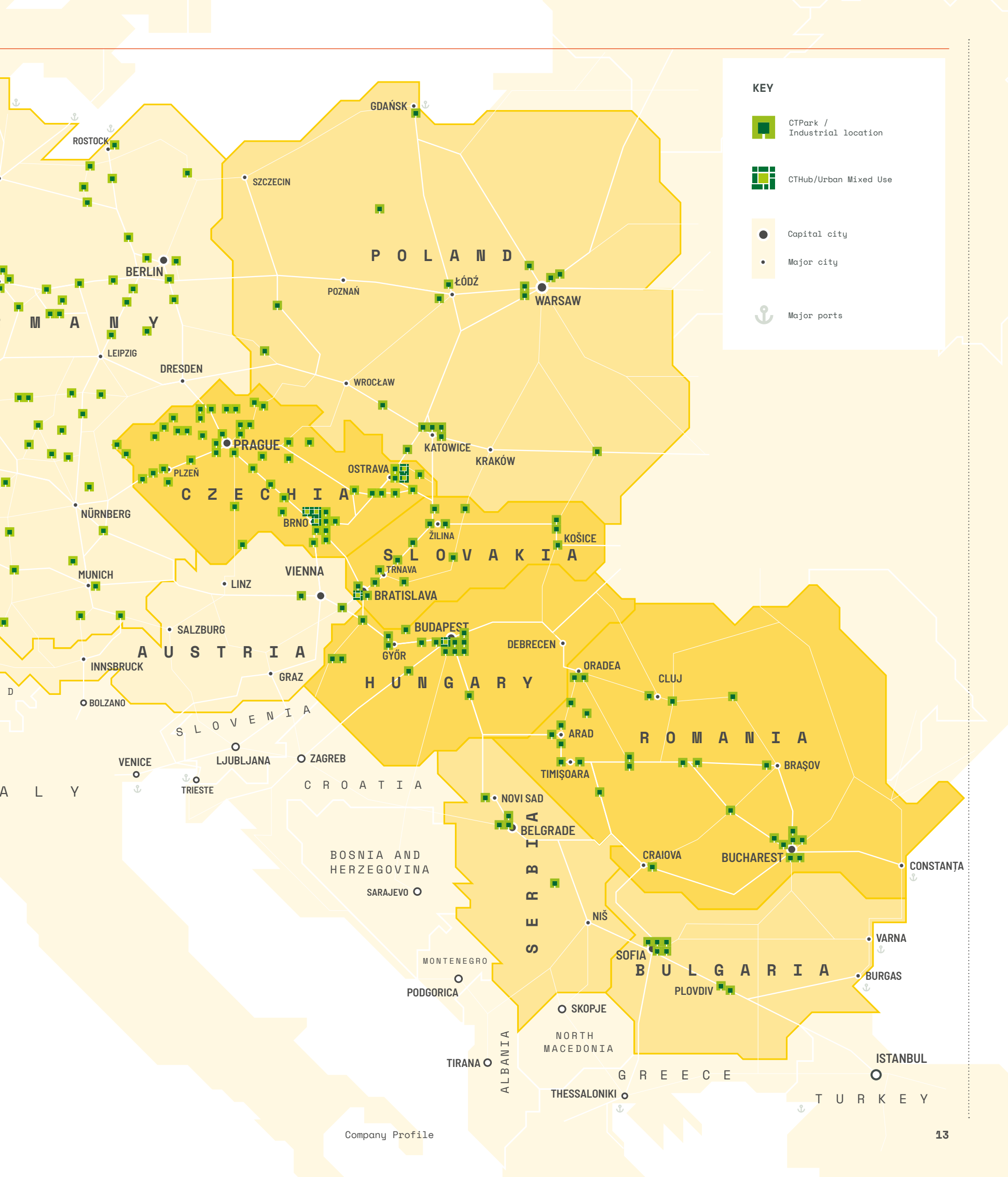
In recent years, CTP has diversified its portfolio and successfully executed its tenant-led expansion into the three new key Growth Markets of Serbia, Bulgaria, and Poland, where the Company plans to become a prominent player in the medium term.

● Western European Markets

CTP’s access to international capital markets has facilitated its market entry in Austria and the Netherlands, as well its strategic acquisition to enter Germany. These Western European Markets enable the Company to service its tenants from the North Sea to the Black Sea, along all main European transit routes, and to grow with them.

CTPark Network





KEY



CTPark /
Industrial location



CTHub/Urban Mixed Use



Capital city

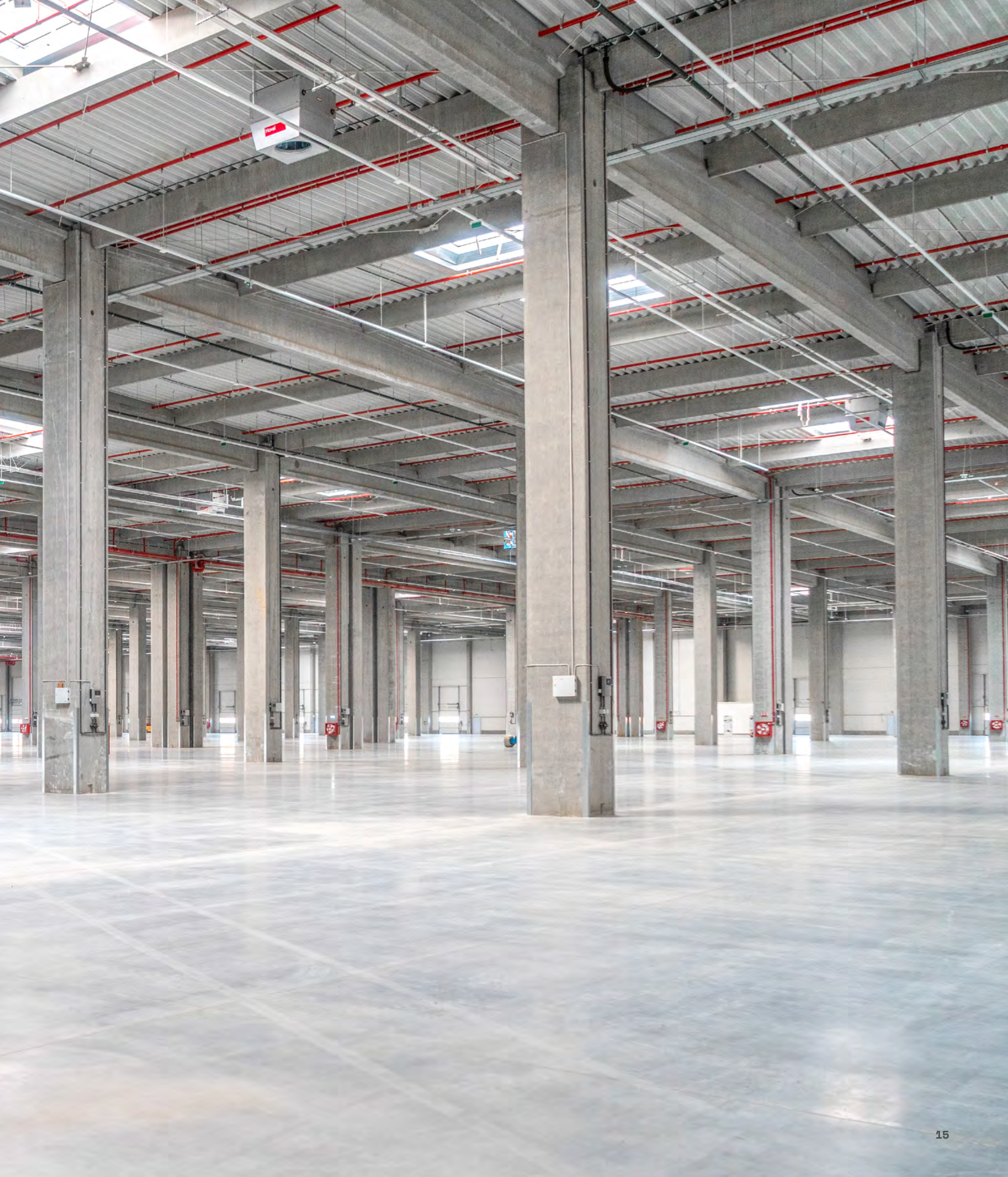


Major city



Major ports





Upstream

CTP is cognisant of the influence it has on the value chain in which it operates. Because of the size of its existing portfolio and scope of on-going construction activities, the Company currently works with between 650 and 700 suppliers, providers, and contractors within the areas in which it operates. CTP seeks to create long-term relationships with these companies and strives to positively influence its suppliers, providers, and contractors towards more sustainable operations. This helps to expand the ESG movement within the Group's sector and limits the risks of depending on only a few main strategic suppliers and the potential for negative impacts within the value chain.

In 2022, CTP sourced approximately 30% of its commodities at the trans-national level, whereas for contractors, this is the case for around 5% of total contracting in 2022.

Building materials and products commonly used in all CTP projects are purchased in bulk and covered by framework agreements with major suppliers. The Company has also introduced a standardised set of requirements for orders above an established financial threshold—this covers all major orders. The Company applies its standard Terms and Conditions for all other orders. As a rule, the concept of “local, when possible, international where needed” applies to the Group's strategy.

Currently CTP's value chain is defined based on national borders. During 2023, the Company plans to redefine its approach to “local providers/suppliers.” As CTP operates across ten countries and frequently in border areas, it is sometimes more feasible for the Company to look for contractors or suppliers on the other side of the border from its development projects. CTP recognises that, due to the size of its operations, it has the obligation to distinguish between where it hires contractors and where it sources materials. By the end of 2023, these definitions and concepts will have been developed.

A similar change planned for 2023 is that the LCA (Life Cycle Assessment) and TCO (Total Cost of Ownership) will be leading in the Group's value chain. This means that long-term impact will gain even more importance over short-term value, reflecting the Group's commitment to reducing its lifetime carbon footprint.

CTP selects suppliers and providers with care and ensures that they all comply with Group policies, including the Supplier Code of Conduct, which is included in all contracts. CTP's Supplier Code of Conduct also contains the process according to which suppliers, and therefore prospective suppliers, are reviewed. No screenings that took place in 2022, of current and potential new suppliers, showed any issues that needed to be addressed nor any significant negative impact, either on the environment or on social criteria.

Downstream

CTP offers high-quality, sustainable buildings to accommodate different types of operations, from logistics to light manufacturing. CTP creates space that is used by large multinational companies as well as mid- and small-sized local businesses. CTP has an impact on the operational performance of buildings to a limited extent. Efficient design and the selection of the appropriate building materials, equipment and solutions ensure a sustainable environment for tenant operations. Proper design and development are tools that tenants can use to conduct their operations in an efficient and sustainable way. CTP cooperates with tenants based on green lease clauses in lease agreements to ensure common efforts to reduce the consumption of utilities as well as ensure the long-term use of buildings.

CTP's property management teams handle the maintenance and optimisation of building systems to ensure that they work optimally. Additionally, CTP's community managers organise social activities for tenant employees, which encourages tenants to operate sustainably.

1.5.4 STAKEHOLDER ENGAGEMENT

2-29

CTP takes an active approach towards stakeholder engagement. During an internal workshop, a list of relevant stakeholders was created. Real estate management and development activities involve stable groups of stakeholders, which, due to their different natures, are managed in different ways. CTP seeks the most efficient and convenient methods to engage stakeholders in a meaningful way. It is important for CTP to make sure that all stakeholders are managed properly. This is part of the Company's long-term business approach and commitment to corporate responsibility. Stakeholders and the applicable methods of engagement are presented below.

Stakeholder group	Group interest and purpose of engagement	Method of engagement	Frequency of engagement
SHAREHOLDERS, BONDHOLDERS	Interest in current performance and outlook. Inform.	Reporting meetings/webinars, reports	Quarterly/annually
BANKS, OTHER FINANCING INSTITUTIONS	Interest in risk related to CTP's operations and performance. Inform.	Meetings, reporting	On demand
RATING AGENCIES	Interest in performance metrics. Inform.	Reports, web page disclosure, direct meetings, conferences	Regular disclosure, on-demand meetings
TENANTS	Leasing space, reliability of lesser. Inform, offer, manage cooperation.	Direct meetings	Continuous, depending on needs
SUPPLIERS AND VENDORS	Stable cooperation. Manage cooperation.	Contractual agreements, in-person meetings	Continuous, depending on needs
LOCAL AUTHORITIES	Sustainable development and economic growth of governed areas. Manage cooperation.	In-person meetings	Continuous, depending on needs
LOCAL COMMUNITIES	Development plans, impact on quality of living, potential new workplaces. Inform, engage.	In-person meetings	Continuous, depending on needs
CONSTRUCTION SITE NEIGHBOURS	Interest in potential impacts, inconvenience related to construction site. Inform, address concerns.	information boards at sites, in-person	Depending on needs,
EMPLOYEES	Fair workplace practices, learning and development, performance. Manage cooperation. Inform.	In-person group meetings, country team meetings, one-to-one meetings	Continuous, depending on needs
NGOs, INDUSTRY BODIES	Best practice sharing, support cause. Inform.	Membership, financial support, in-kind support, meetings, participation in events	Continuous, depending on needs

1.5.5 SUSTAINABLE FINANCING

CTP developed its first Green Bond Framework in 2020. The framework expresses CTP’s environmental ambitions and determines the eligibility criteria for the use of proceeds linking it with environmentally sustainable properties. To date, CTP has issued green bonds totaling €4.25 billion. Green bonds are issued based on CTP’s Green Bond Framework. CTP’s Green Bond Framework is not related to the EU Taxonomy. Use of proceeds is reported annually in CTP’s Green Bond Report.

Fig. 1 Green asset pool / Net proceeds by country (in %)

Source: Green Bond Report 2022

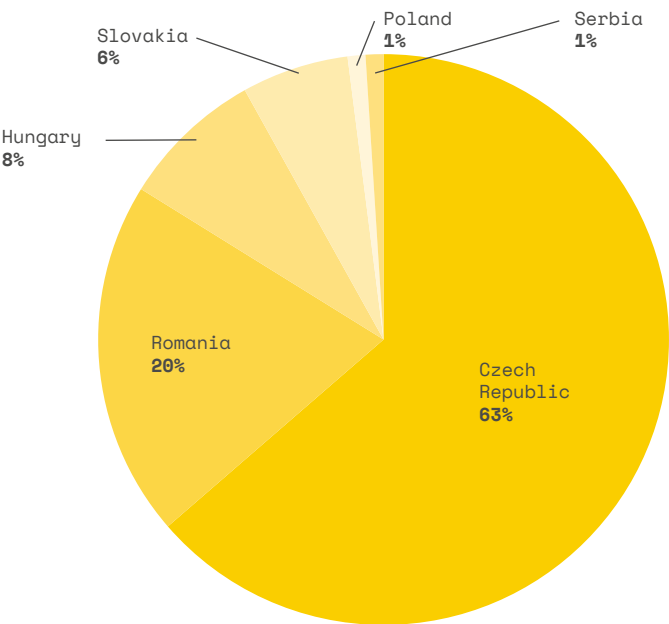
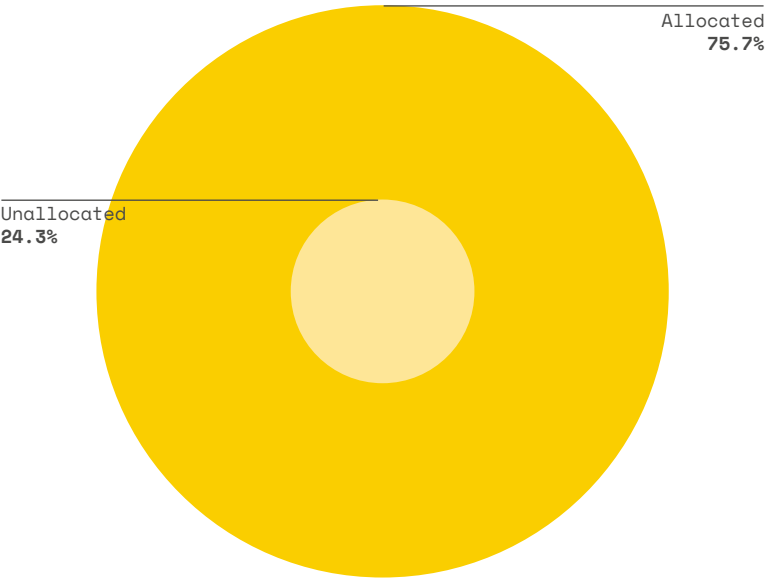


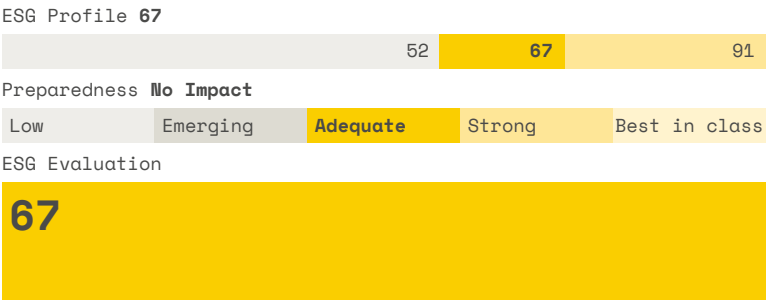
Fig. 2 Allocation of net proceeds from green bonds (in %)

Source: Green Bond Report 2022



1.5.6 CTP’S ESG RATINGS

Standard & Poor’s Global Corporate Sustainability Assessment

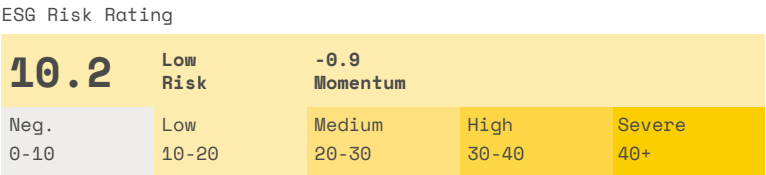


A higher score indicates better sustainability.
Figures subject to rounding.

The S&P Global Corporate Sustainability Assessment (“CSA”) and ESG Evaluation are annual assessments of the sustainability practices of over 10,000 companies from around the world. The CSA focuses on sustainability criteria that are both industry-specific and financially material. CTP participated in S&P’s CSA assessment for the first time in 2022 and obtained an evaluation result of 67, with no material impacts.

Sustainalytics

In January 2023, CTP received an ESG Risk Rating of 10.2 and was assessed by Morningstar Sustainalytics to be at Low Risk of experiencing material financial impacts from ESG factors. In no event shall these results be construed as investment advice or expert opinion as defined by the applicable legislation.¹



Note: Updated Jan 17, 2023.

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GRESB

CTP continuously seeks to improve its ESG credentials. As such, in 2022 the Company did an internal trial run for the GRESB Assessment and is committed to participate and publish the results in 2023. Following the trial run, multiple actions have been taken to systemise CTP’s approach to ESG. The GRESB Real Estate Assessment is a global standard for ESG benchmarking and reporting for companies that invest directly in real estate.

1.5.7 MEMBERSHIP ASSOCIATIONS ²⁻²⁸

CTP is a member of multiple industry organisations. CTP’s engagement is focused on the development of industry, the promotion of sustainable activities, and the development of education and diversity. CTP’s engagements include but are not limited to:

- EPRA**
Promotes transparency among listed real estate companies.
- Czech, Slovak Green Building Councils**
Promotes sustainable design and construction.
- Change for Better**
Promotes sustainable economic activity.
- Czech Association of Developers**
Promotes open dialogue and responsible role of developers in modern society.
- APITSIAR (Association of Industrial, Technological, Scientific Parks and Business Incubators from Romania)**
Promotes sustainable development of industrial, technological and scientific parks and business incubators.
- Romanian Diversity Chamber**
Promotes diversity in business.

Moreover, CTP locally is part of multiple chambers of commerce and various associations for foreign investment. Five CTP employees are members of RICS (Royal Institute of Chartered Surveyors).

During Q3 and Q4 2022, CTP conducted a double materiality assessment. The goal of this process was to evaluate the impact of the Company on ESG matters and the potential financial impact of ESG matters on Company performance. The process was led by Dutch-based global consultancy Arcadis.

Understanding the context in which CTP operates is a key starting point for the double materiality assessment. Therefore, desktop research was done to create a long list of sustainability topics potentially material to CTP. In this desktop research, the following aspects were considered:

- CTP's current ESG priorities;
- Topics that are typically relevant given the industry in which the Company operates and the countries in which it has operations, with the following sources:
 - sustainability disclosures of peer companies;
 - external databases that provide information that is relevant in terms of understanding industry-specific outward and inward impacts, such as the SASB materiality finder and GRESB methodology.

During workshops, the long list was presented and validated by CTP. During the same workshops, the list was narrowed down to topics that are the most relevant to CTP and its operations. Based on the final list, Arcadis designed a survey as well as an interview script to enable engagement with stakeholders and request their input.

During the above-mentioned workshops, potential stakeholder groups in the context of the double materiality assessment were mapped and prioritised. As a result of these workshops, the following stakeholder groups were selected for further engagement:

- Executive leadership;
- Key employees;
- Key decision makers among large tenants.

Arcadis conducted a series of interviews and surveys with these stakeholders during 2022, which were used to gather input on impact significance and to validate the list of potential topics identified through earlier desktop reviews.

Figure 3 shows the impact CTP has on the different topics, as well as the impact these topics have on the Company, as double materiality requires.

In 2020, CTP formalised its ESG strategy based conceptually on four pillars, where the Company’s different ESG goals, targets, and measures are defined and constantly redefined. The topics that were found to be material to CTP during the 2022 double materiality assessment have been aligned with these existing pillars. This has led to the expansion of one pillar and the narrowing down of others. In 2022, the pillar “Embedding Parks in Communities” contained no material topics. The Company sees a difference between the topics that are financially material to its business and topics that it greatly cares about, of which serving the community is an example, and this can be found in the above-mentioned pillar.

The division of the material topics is as follows, as presented to the Board of Directors and the ESG Committee:

- 1. Energy, carbon emissions, and climate neutrality**

A description of CTP’s actions can be found in “Striving to be Climate Positive”
- 2. Sustainable design, supply-chain management, certification, and climate adaptation**

A description of CTP’s actions can be found in “Striving to be Climate Positive”
- 3. Health and safety, Employees, and Diversity, Equity, and Inclusion**

A description of CTP’s actions can be found in “Stimulating Social Impact & Well-being”
- 4. Ethical business conduct, Board oversight and human rights**

A description of CTP’s actions can be found in “Conducting Business with Integrity”

Fig. 3 Materiality matrix

The results of CTP’s first double materiality assessment can be seen below, rated on a scale from 1 to 5.

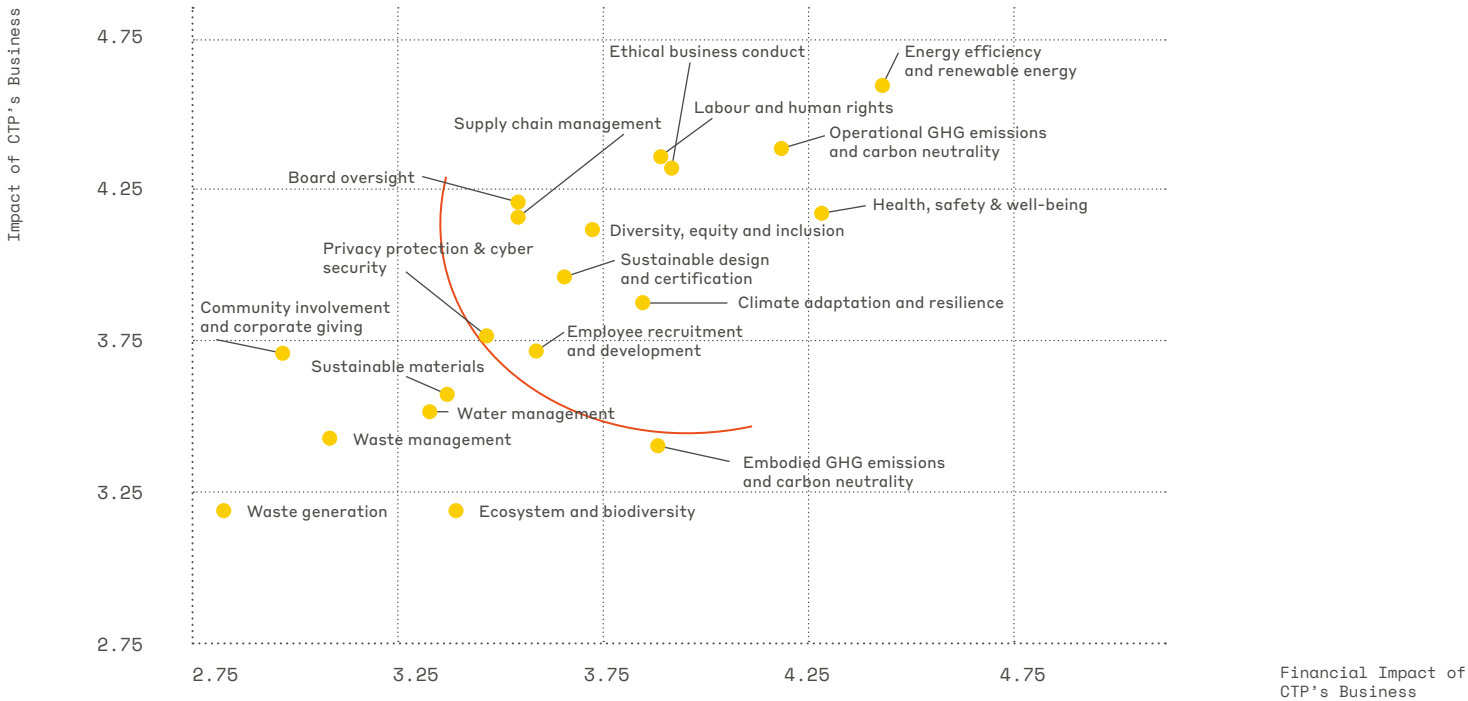
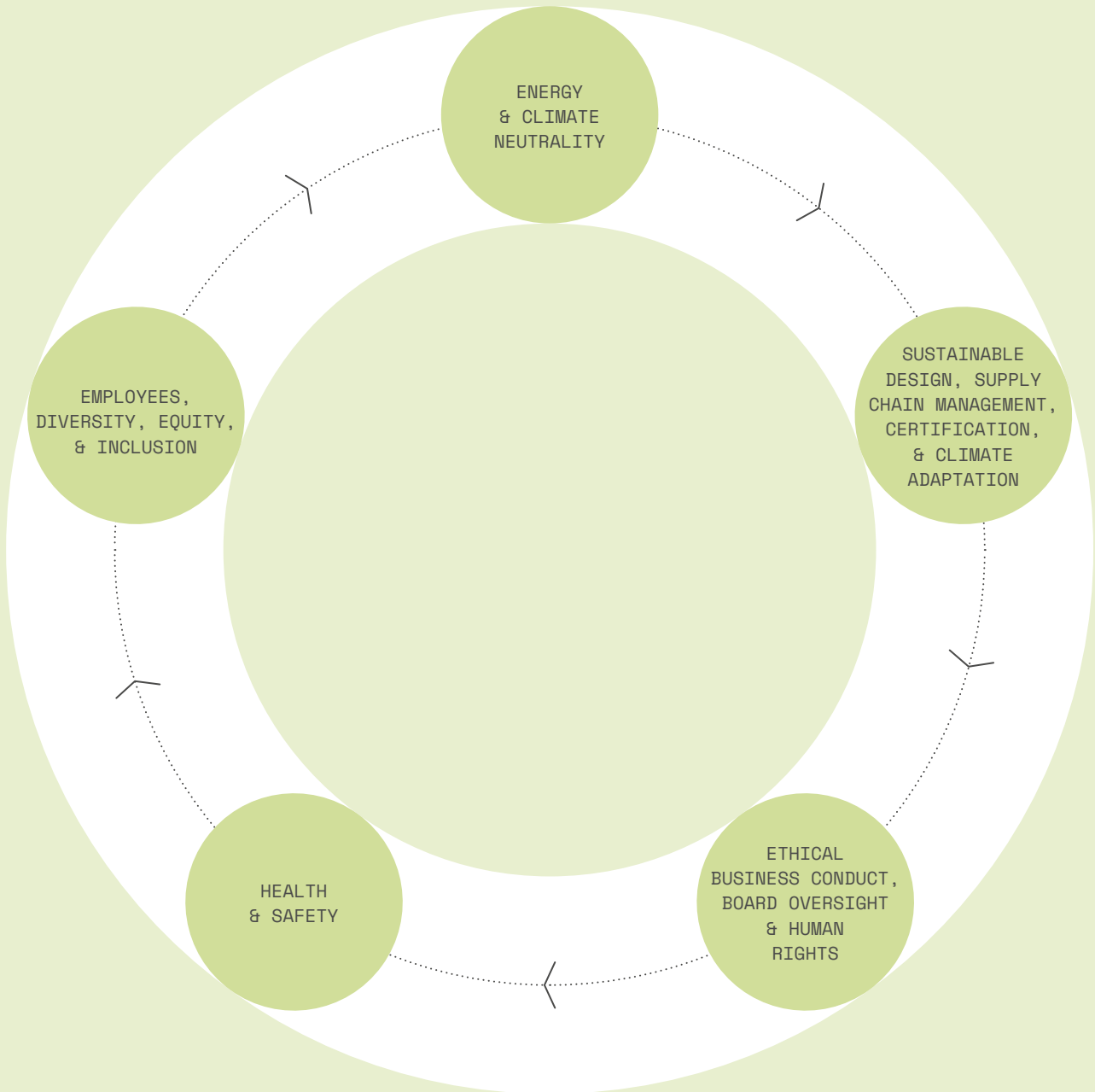




Fig. 4 Areas of Impact

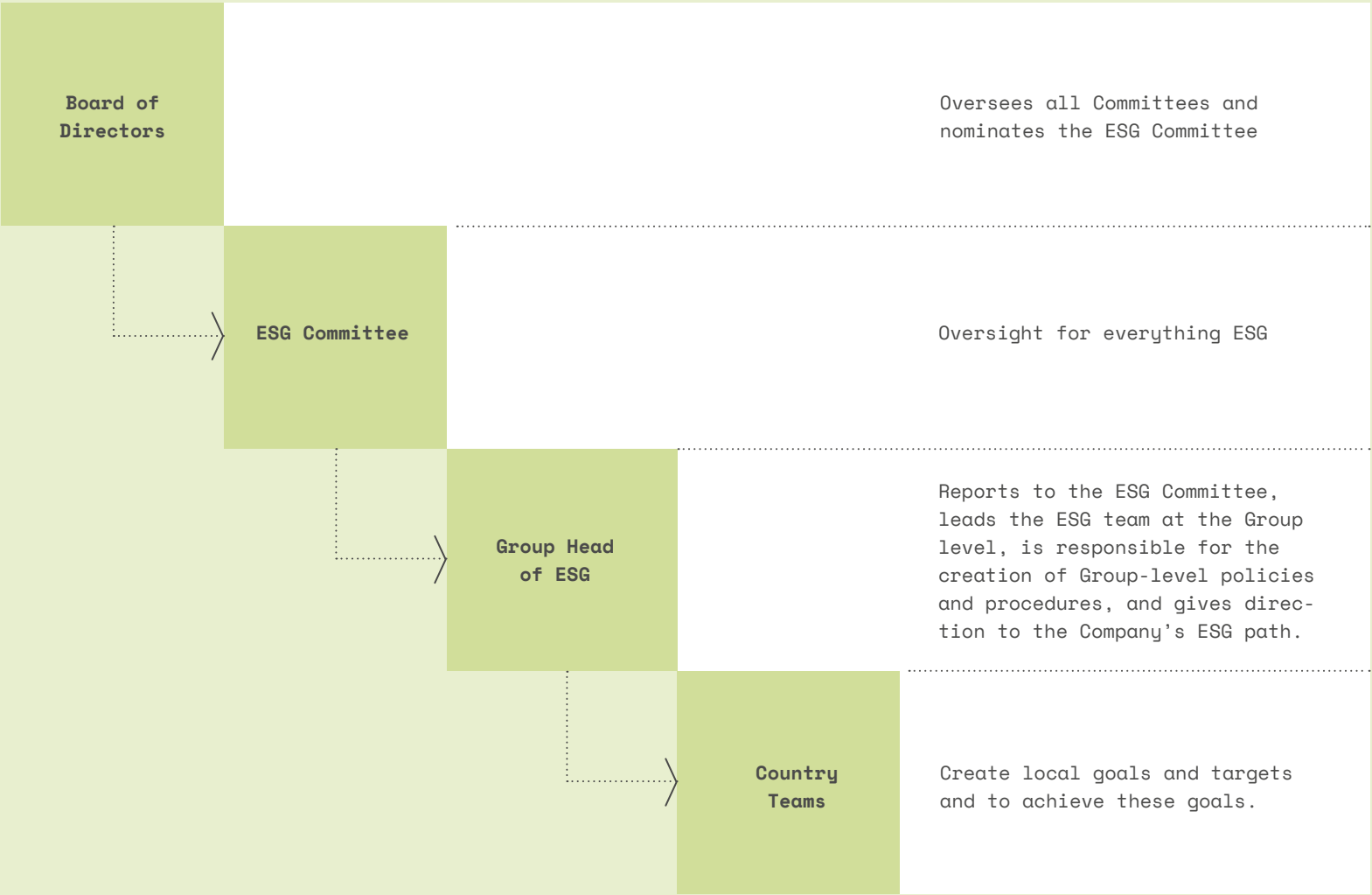


ESG is vertically integrated in CTP's reported information, material topics and strategic decisions, which are overseen by the Board of Directors. In November 2022, CTP established its ESG Committee. The CFO supervises the work of the Group Head of ESG, who leads operational work. The ESG team works together with all CTP teams to ensure the implementation of the Company's ESG ambitions and provides active support and regular follow-up.

The Board has overall responsibility for overseeing that risks, including climate-related risks and opportunities, are effectively and consistently managed throughout the Group. The Board delegates the execution of the risk management process to the Chief Executive Officer. On the operational level, the management team defines implementation strategies and priorities with respect to Group-wide environmental targets. The respective country manager, supported by the Group Head of ESG, is responsible for ensuring that Company targets are met on both existing assets and new developments.

The Group Head of ESG has Group-wide responsibility related to sustainability in the Company's building practices on a day-to-day basis and works with a network of representatives across the business with the sustainable certification teams, which support CTP's sustainability objectives by sharing best practices and providing legislative and technical guidance for their respective areas of the business.

Fig. 5 ESG Accountability Structure



2. ESG Strategy

Because ESG is such a broad term, to efficiently act in line with its principles, a systematic approach is required. CTP has developed a four-pillar approach to systemise those ESG topics that are material to the Company.

CTP APPROACH:

- 1 Striving to Be Climate Positive
2. Embedding Parks in Communities
3. Stimulating Social Impact & Well-being
4. Conducting Business with Integrity







2.1 Striving to Be Climate Positive



CTP’s ambition is to become climate positive covering all its activities, from corporate operations to development and asset management activities. This means that CTP, through the actions and decisions it takes, seeks to have a positive effect on the environment, which includes the climate.

CTP’s targets for Striving to be Climate Positive

Category	Targets	Baseline
	YE 2026	YE 2022
Share of renewable electric energy of CTP's and tenants' electric energy mix	80%	24%
Share of GLA covered by leases containing a green lease clause	50%	19%
MWp of installed PV capacity	400	38
Share of parks with biodiversity efforts introduced /installed	80%	Starting point
Average embodied carbon footprint reduction (kgCO _{2e} /m ²)*	10%	Starting point
Average operational carbon footprint reduction (kgCO _{2e} /m ²)*	20%	33.12
Water intensity (use, utilisation) reduced (m ³ /m ²)	15%	0.17 (based on availability for 7,279,377 m ²)
Taxonomy alignment of construction and ownership of properties (lowest of all KPIs)	60%	4.8%
Selective waste collection development activities (share of projects)	80%	Starting point
Share of car fleet EV	25%	Starting point

* Subject to adjustment to be in line with the Science Based Target Initiative.

In its 2022 double materiality assessment, CTP verified that the impacts it has on climate-related issues are considered material. This includes topics such as energy efficiency, renewable energy, operational and embedded greenhouse gas (GHG) emissions, and climate adaptation and resilience. This relates to the sector—real estate—in which the Group operates. According to the European Union the built-up environment is responsible for about 35% of total GHG emissions.² “Striving to be Climate Positive” is set up to tackle these longer-term negative impacts.

Over the last two years, CTP has worked hard to set up ESG accounting. The Company’s approach is to cover three areas in a way that makes it manageable:

1. corporate operations;
2. the Company’s parks and landlord-controlled consumption;
3. tenant-controlled consumption within the portfolio.

CTP is entirely responsible and accountable for its corporate operations, as the Company has control over the choices made in these operations. This also applies to the parks that the Company operates, beyond tenant premises at its parks. CTP takes responsibility for the operation and management of the common infrastructure at its parks.

The third aspect, tenant consumption within the portfolio, is managed by the Company’s tenants.

2.1.1 ENERGY AND EMISSIONS 3-3

Goals

In 2023, CTP plans to start the process of bringing its goals in line with the Science Based Targets initiative (“SBTi”) through certification under this methodology. It is considered to use FY2022 as the base-line year. CTP is committed to carbon neutrality in line with the Paris Agreement and believes that using the SBTi methodology will improve the specificity of meeting this target.

Similarly, CTP is investigating the alignment of each of its assets with the CRREM (Carbon Risk Real Estate Monitor) Pathway. This will enable the Company to address and mitigate climate-related transition risks, as the CRREM Pathway provides a roadmap to manage and improve the portfolio in time.

Quantitative data, which can be found in Section 3.1.1, is collected bi-annually and compared to data of the previous year.

The real estate sector is responsible for around 40% of energy use in the European Union.³ CTP recognises its role and places a premium on the increased energy and water efficiency of its assets, both during development and operation.

Over the last years, CTP has increased the quantity of renewable energy consumption as a percentage of total consumption at the corporate level, park level, and for the portfolio. Among other initiatives, over the last years the Company has been installing LED lighting throughout the existing portfolio and has introduced control systems for lighting. Work is underway on a remote metering system for energy consumption.

Energy

Energy efficiency and consumption are important aspects of CTP’ buildings’ operations. This is shown in the 2022 double materiality assessment, which indicates energy efficiency and renewable energy as material topics. It is therefore a high priority for the Company to decrease energy consumption through increased efficiency. Over the last years, CTP has implemented several measures to increase efficiency, such as the introduction of LED lighting and energy management systems in its buildings. This will be further developed to cover a greater share of the portfolio and to introduce other solutions, such as more efficient heating and cooling systems.

CTP demonstrates the energy efficiency of its buildings through the Energy Performance Certificates (EPC) that each building has obtained, as required under European legislation. More than 65% of CTP’s buildings have an EPC of C or higher. This number would be higher, as approximately 15% of EPCs do not have classifications (Germany, Poland).

Approximately 20% of buildings do not currently have a certificate. This includes buildings that are currently under construction or that have recently been finished and buildings that are planned to be redeveloped or go through major refurbishment. CTP is developing a strategy of portfolio improvement that includes increasing energy efficiency and the utilisation of renewable energy sources.

Renewable energy, in particular solar energy, is a key part of CTP’s strategy to reduce the emissions of greenhouse gases. Over the last years, the Company has been working to promote renewable energy in two ways.

The most important is that all assets are built solar-ready. Since 2012, the roofs of CTP’s buildings have sufficient load-bearing capacity for the installation of solar panels. CTP installed its first photovoltaic (“PV”) systems in the Czech Republic. In 2022, PV systems were added in Slovakia, Hungary, Romania, and the Netherlands. CTP plans to install rooftop PV systems in all of its countries of operations. In 2022, CTP increased its installed PV capacity from 6MWp to 38MWp. By the end of 2023, the target is to install an additional 100MWp of capacity, and by the end of 2026 this should be increased to 400MWp. To be able to achieve these objectives, CTP is creating a dedicated team of energy managers at the Group and country levels. As a result of its own solar installations, in 2022 CTP produced 5,228.8MWh of energy and generated more than €4 million in solar-related income.

The second of the two paths is to increase the volume of renewable energy purchasing. CTP ensures that consumed energy is coming from renewable energy sources by purchasing renewable energy when its own-produced renewable energy is unavailable. CTP has control over a large portion of its energy contracts, even at the asset level, and the Company will increase the percentage of renewables used in its energy mix.

More detailed information can be found in Section 3.1.1 of this Report.

² Energy performance of buildings directive (europa.eu)

³ Energy performance of buildings directive (europa.eu)

Emissions

CTP is a large player in Europe’s industrial and logistics real estate sector and acknowledges that it has a significant carbon footprint to contend with, especially under Scope 3. The double materiality assessment carried out in 2022 demonstrates the need for action in this area, which is underway.

Buildings operated by CTP also have emissions in Scope 1 and 2 through fugitive emissions and landlord-controlled energy uses. These are the areas where CTP has operational control and is able to reduce emissions to progress towards climate neutrality.

In 2021 and 2022, CTP took the initiative to create initial insight into the extent of its emissions in all three Scopes, and in 2023 it will look at more concrete actions it can take to limit and reduce this impact. Goals have been set, and during the first half of 2023, CTP will translate these into concrete actions to be taken within the portfolio and its corporate operations.

Although not material, CTP has great responsibility for the embodied carbon in its portfolio, considering the extent of its development activities and planned future developments. CTP also plans to develop targeted actions during 2023 to reduce its embodied emissions by tackling these issues in the supply chain.

In 2022, CTP introduced an advanced renewable energy and production and management system at CTPark Amsterdam City, a multi-story and multi-tenant 120,000 sqm development in the Western Docklands district of Amsterdam. The park is equipped with approximately 6MWp of solar energy generating capacity and ten wind turbines to supply renewable energy to meet tenant needs as well as to serve over 200 EV charging points for cars, vans and trucks. A dedicated energy management system optimises energy production, storage and consumption. This is an important step for CTP to gain practical experience for the development of self-sufficient buildings and parks in the future.

More detailed information can be found in Section 3.1.1 of this Report.

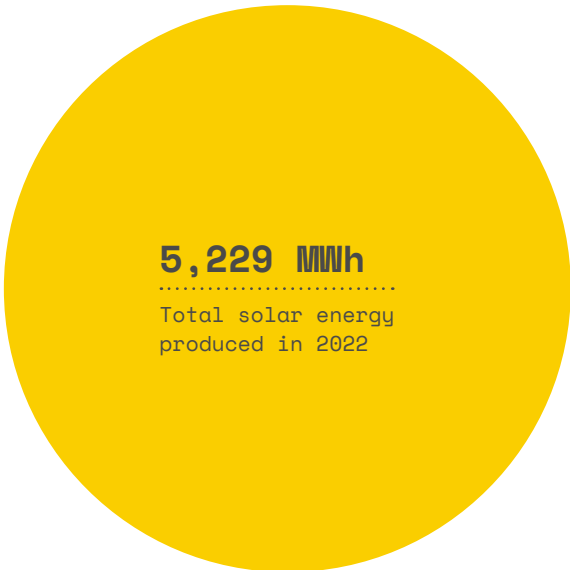


Fig. 6 Solar capacity (MWp)

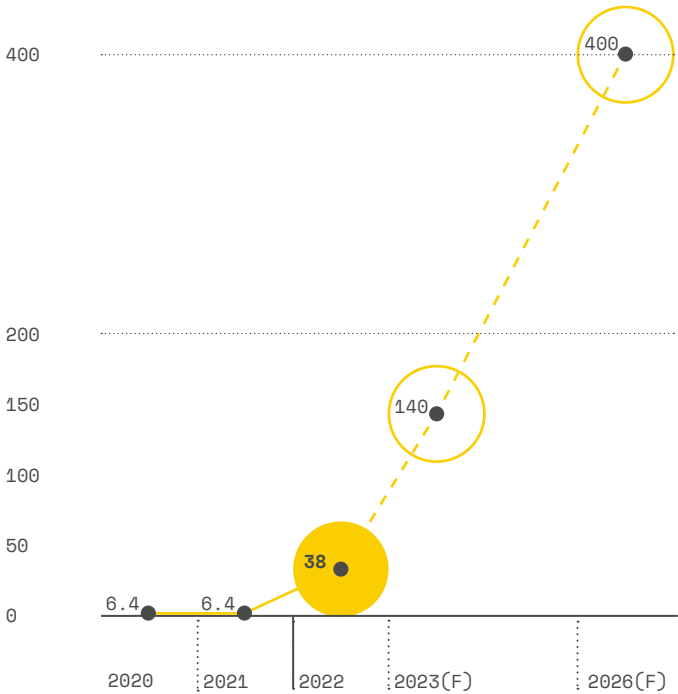


Fig. 7 Carbon emissions in Scopes

Scope 1	Fuels	Car fuel, aeroplane fuel, natural gas used in corporate offices and landlord-operated areas within the portfolio.
	Fugitive emissions	Emissions related to leakage of refrigerants in CTP's portfolio.
Scope 2	Electricity and district heating used by CTP in offices, parks, and landlord-controlled parts of portfolio buildings.	
Scope 3	Category 6 (Business travel)	
	Category 13 (Downstream Leased Assets – tenant energy use)	

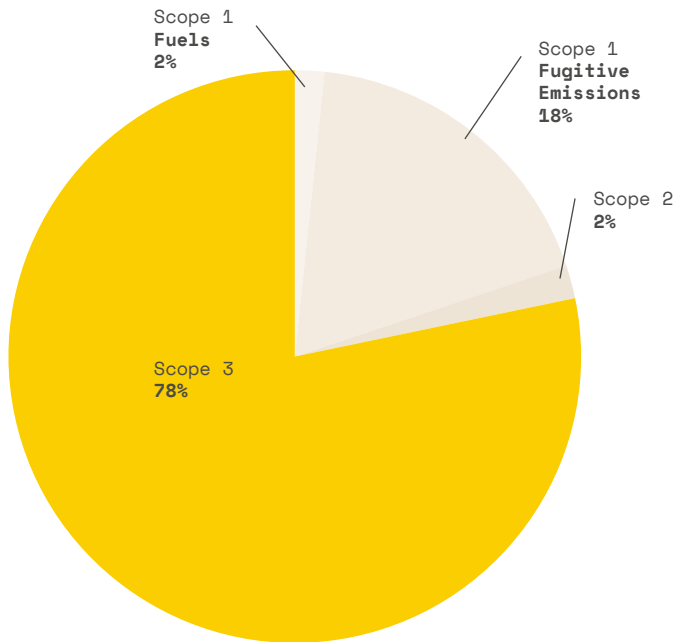
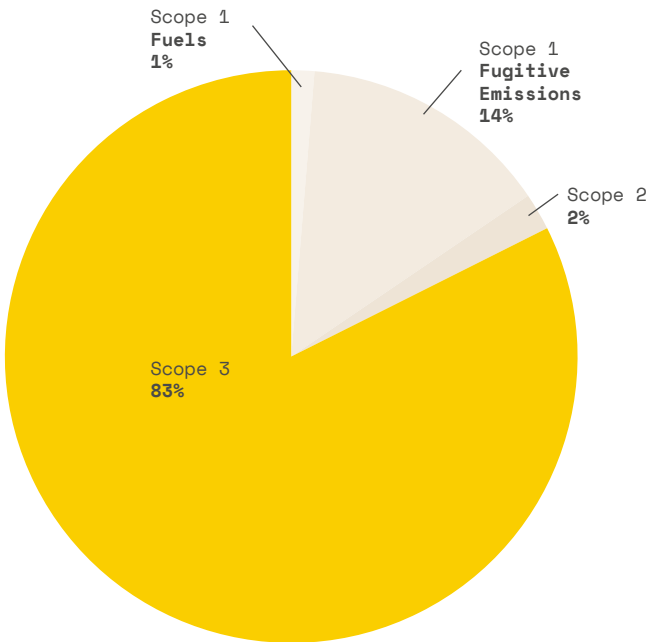


Fig. 8 Location-based GHG emissions (in tCO₂e)

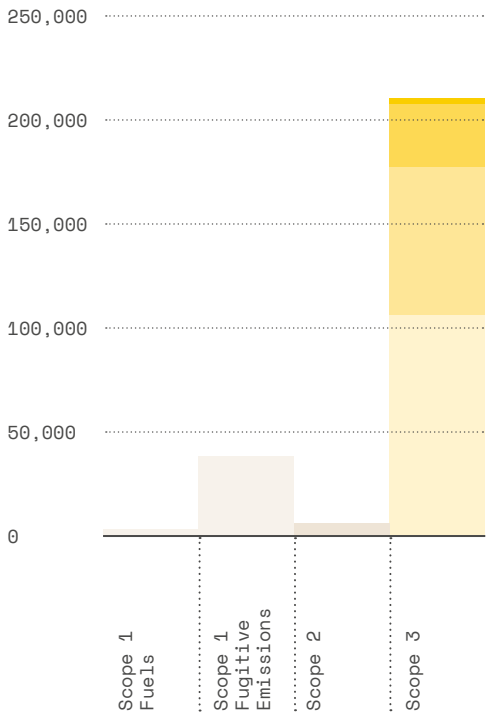
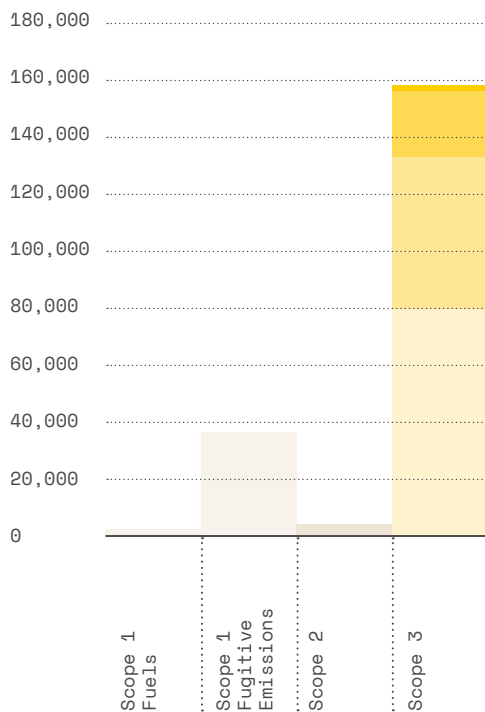


Fig. 9 Market-based GHG emissions (in tCO₂e)



CTP's assets are land intensive, and just a small share consume significant amounts of water, mostly due to the amount of water consumed by tenants. As such, CTP views water from two perspectives.

The first is related to the reduction of the use of drinking water. This applies to the Group's corporate activities and its parks, including individual assets. Naturally, the Company has limited influence on water consumption beyond the equipment that it, as the builder and property maintainer, installs at its assets. CTP always selects the most water-efficient designs to enable less drinking water consumption during the lifetime of the asset. For its new construction activities, this also includes alignment with the EU Taxonomy requirements related to water.

The second perspective is related to supporting the natural water cycle. A built-up area is by its nature non-permeable, which means CTP must mitigate the impact its activities have on the water cycle. CTP sees various ways of doing so, which in turn can also assist in climate-related risks to water. In several of its projects, mainly in Romania, the Company has started installing grey water reuse systems. CTP plans to roll out more of these systems over the coming years, though it has yet to formulate official targets for this programme.

The natural water cycle requires keeping in mind climate-related risks that affect water, including water stress. CTP has reviewed the portion of the portfolio built in areas with high water stress and has concluded that this risk is limited in the scope of its entire portfolio, with around 20% of buildings located in areas with at least high risk, based on the Aqueduct Water Risk Atlas.⁴

Keeping this in mind, CTP also looks at the installation of systems that retain and use rainwater on site. The Company sees different possibilities for using this rainwater, including for restrooms as well as for potential irrigation options for green areas. This is in an effort to both reduce water stress and combat potential droughts in the areas where the systems are installed.

More detailed information can be found in Section 3.1.2 of this Report.

⁴ Aqueduct Water Risk Atlas, World Resources Institute (wri.org)



Proper waste management is an important topic. Based on 2020 Eurostat data, in the EU approximately 40% of waste is recycled while around 30% is landfilled.

CTP in its business activities approaches the topic of waste management in three dimensions.

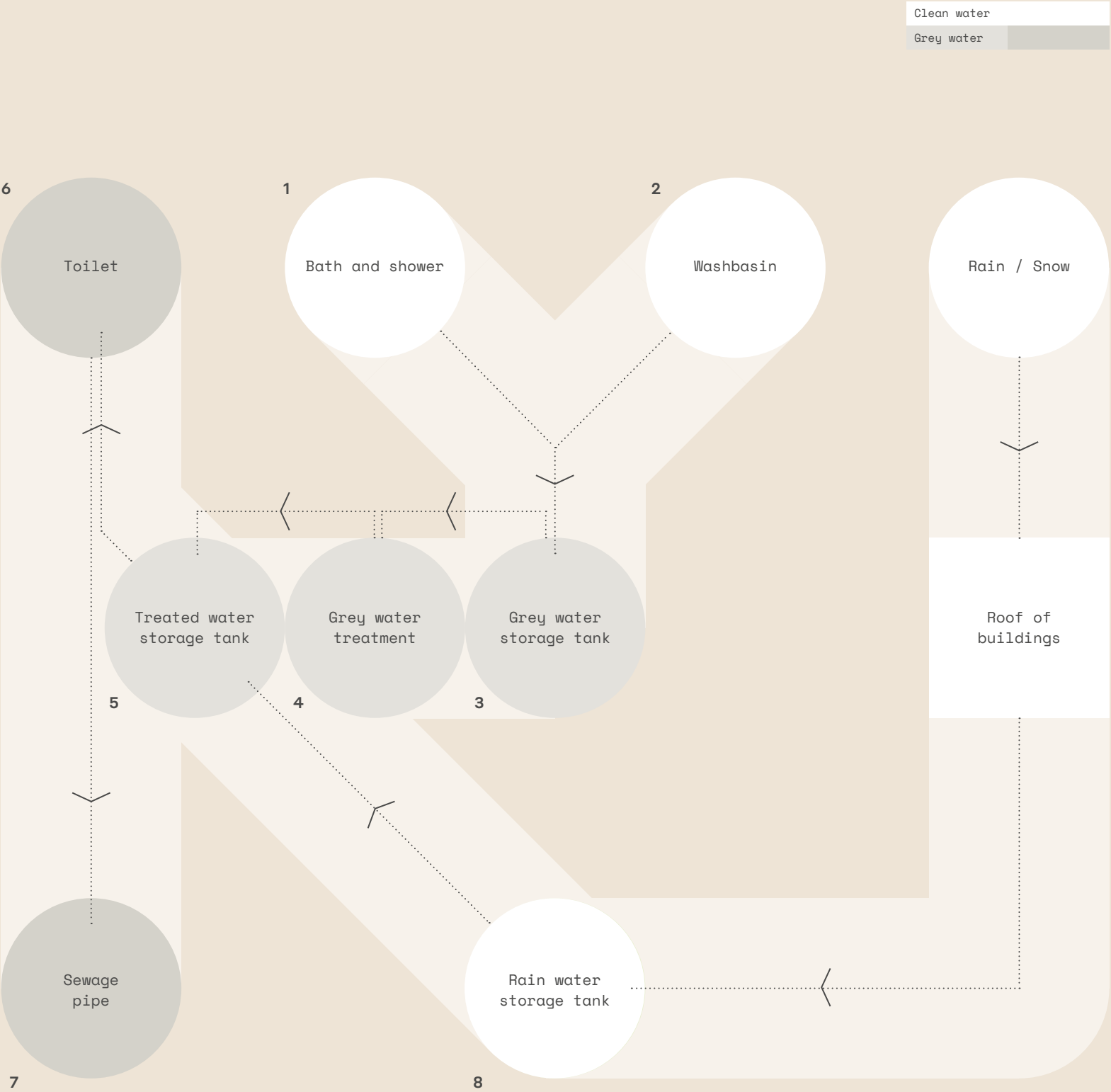
Corporate operations generate a small amount of municipal waste. To make sure waste that is leaving CTP's offices can be recycled, the Company uses selective waste collection systems in line with local waste management systems. In addition, the Company's internal policy is to use as many materials as possible that can be recycled.

At the Company's assets, it is usually the tenants who are responsible for and control their own waste management. CTP designs its parks in such a way that tenants have sufficient space to introduce a system that allows selective waste collection.

The last dimension covers construction activities. At the construction stage CTP has introduced BREEAM New Construction requirements for all developments. At the same time, the Company is taking steps to align its construction activities with EU Taxonomy criteria on pollution prevention and the circular economy.



Fig. 10 How the grey water system works



Climate change is one of the reasons that CTP continues to work hard to improve its systems, policies, and reporting in the realm of ESG. Beyond that, CTP's build-to-own business model requires a long-term approach to properties, and climate change is undoubtedly related to this long-term approach. Buildings designed and developed today must meet not only today's requirements but the requirements of the future as well. Building requirements are therefore regularly updated with climate and ESG in mind and to ensure that they reflect the most up-to-date climate knowledge. To improve environmental and energy management, CTP has introduced ISO 14001 and 50001 standards in the Czech Republic, Romania, and Slovakia.

As a key part of its efforts, and as part of overall risk management, in 2022 CTP conducted its first physical climate risk assessment to evaluate the exposure of its properties to acute and chronic climate-related risks using a third-party climate modelling tool. In this assessment the Company used different Representative Concentration Pathway ("RPC") models made available by the Intergovernmental Panel on Climate Change ("IPCC") looking at items such as but not limited to coastal flooding, extreme heat, and water stress. The assessment shows that even under RCP 8.5, the most severe climate scenario, the (financial) risks identified to CTP are relatively limited and will be explained later in this section. The outcome of this assessment was used to analyse the climate vulnerability of Group properties and to assess physical and non-physical adaptation solutions in line with EU Taxonomy requirements.

The climate-related risks identified as potentially the most impactful to CTP are coastal flooding and sea-level rise. These risks are short-, mid-, and long-term, as even the least-severe models show sea-level increases to such an extent that, in particular, the Company's Dutch portfolio could be below sea level. This is also the case for a limited number of assets at the German Wadden Sea coast. In the event of a broken dike or an extreme storm, there could be an impact on the Company's assets. However, due to the policies and measures put into place, mainly by the Dutch government, CTP believes that this risk is not so much climate related as it is related to the willingness and capabilities of the Dutch and German governments to maintain and improve the infrastructure created to keep the foundations dry. Moreover, most of CTP's Dutch assets are far enough inland that multiple failures must occur for them to be affected.

Water stress—or water scarcity—is of concern in parts of Germany, Romania, and Bulgaria. Already areas of these countries have high water stress, and this is expected to increase over time as the weather is projected to become more extreme and less reliable. CTP does not consider this to be a direct risk to its operations.

An important impact will be the increasing strictness of building requirements. Based on European legislation, member states are putting requirements in place related to NZEB (nearly zero-emission buildings), and it is likely that water-related requirements will become more stringent as well. For CTP, this is not an issue. Though the initial investment is higher, through the lens of Life Cycle Costing, CTP believes that these requirements are also beneficial for its tenants and that they will have reduced energy and water consumption due to these investments. To ensure that its buildings are fit for purpose and meet the requirement of its clients for the long term, CTP has integrated adaptation and mitigation into its standard design, at both the building and park level. With the potential for a changing climate across Europe, the Company ensures that aspects such as energy efficiency, water management, and flexibility are incorporated in its design briefs. The long-term investment horizon justifies the costs related to these aspects.

Transition risks of the standing assets are analysed using the CRREM tool. The outcome of this assessment will be integrated into refurbishment strategies. This mitigates climate-related transition risks and is also a key part of the Company's climate targets.

For new construction, CTP see less transition risk, as the Company constructs in line with the most stringent regulations, which in most European countries is NZEB. The rooftops of all new buildings are designed and built solar-ready, which greatly enhances the energy efficiency of these assets.

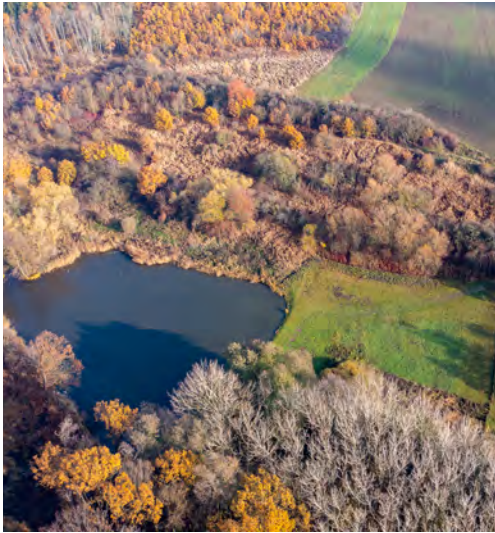
2.1.5 ENVIRONMENTAL VALUE CHAIN

In the 2022 double materiality assessment, CTP confirmed that supply-chain management is a material topic. The Company looks to develop this topic over the course of 2023.

The main area of focus is materials used for construction. As new construction is a large part of CTP's business, one might assume that this leads to large amounts of wasted materials that are not used with full efficiency. However, at CTP, this is not the case. Because of its in-house construction teams and the scale of its business, CTP can order materials made to fit, greatly reducing material waste and further boosting the Company's market-leading Yield on Cost of over 10% for new buildings.

Furthermore, the large scale of CTP's operations enables the Company to use its influence in the market to promote high environmental standards for the materials that it uses. The Company's annual needs can be significant enough for suppliers to switch to supplying more environmentally friendly materials or more efficient equipment. CTP also requires Environmental Product Declarations for some of the materials and products that it uses, and all suppliers must adhere to the Company's Supplier Code of Conduct.

In 2023, CTP begin to develop the expansion of its Scope 3 climate targets to include upstream and downstream categories related to new construction.



2.2

Embedding Parks
in Communities

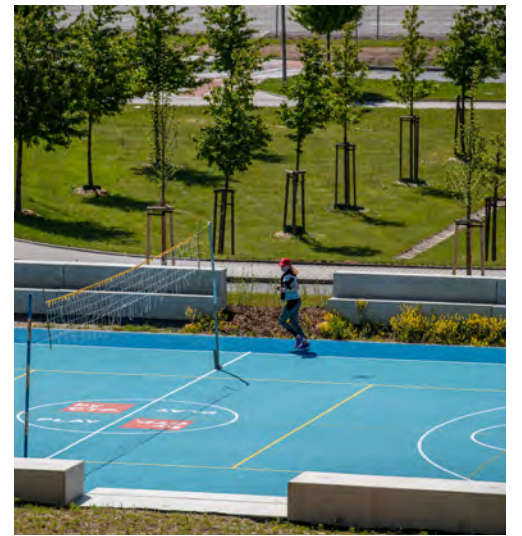


CTP develops parks and builds them to own and operate. This means that CTP is in communities for the long term, not just during the construction of its parks. Good cooperation with municipalities and local communities ensures possibilities to grow for CTP and its tenants. CTP’s local presence is not solely the provision of space for workplace creation. The Company conducts multiple activities related to infrastructure development as well as community support.

CTP’s targets for Embedding Parks in Communities

Category	Targets	Baseline
	YE 2026	YE 2022
Community-engaging activities	20 annually	Starting point
Top 50 CTParks verified whether feasible for access by public transport	100%	Starting point
City locations are connected via bike lanes	80%	Starting point
Parks offering charging facilities	100%	Starting point

Despite the results of the 2022 double materiality analysis, where no material topics that would fall under this pillar were identified, interaction with the communities in which the Company operates matters. Having a positive impact—be it through charities, collaboration with locals, or creating community spaces at its parks—is something that CTP has done since its inception and plans to continue. CTP is convinced that caring will have a greater impact than solely looking at the topics that have been identified as material.



2.2.1

PROVIDING COMMUNITY SPACE

413-1

The most significant way to embed parks in communities is by creating space for the community and the activities that they wish to organise. This can be achieved in different ways; one example is the construction of football pitches at CTP’s parks.

One of CTP’s main efforts in this area is its community Clubhaus concept, which functions as the focal point of a CTPark, fostering deeper community relations. These are onsite multi-purpose buildings that offer space for restaurants, cafés, meeting rooms, and in some cases even medical offices, where the Company’s tenants and their employees can benefit from medical services. They sometimes also include outdoor sports areas and minimarkets. At CTPark Bor in the Czech Republic, CTP developed a stand-alone service centre, and later renamed it “Clubhaus” in 2020. Since launch, CTP has refined the Clubhaus concept further at CTPark Bucharest West in Romania and CTPark Budapest West in Hungary and is currently developing another location at CTPark Warsaw West in Poland, with more planned at various parks around the CTPark Network based on client interest or park size.

In 2022, the Clubhaus at CTPark Bucharest West received a BREEAM Outstanding rating.

2.2.2

ACCESSIBILITY AND CLEAN MOBILITY

203-1

CTP chooses its development locations in such a way that they have a positive impact on reducing transportation and indirectly reducing emissions related to this transportation. This is inherently part of CTP’s main asset class—logistical hubs—which relates to longer-distance transportation. There are also the people who work at CTP’s parks. They require quality transportation options and accessibility beyond solely private cars. CTP works actively with local and regional governmental agencies to create bus lines with access to its parks where feasible. The most advanced example of this is in Brno, where CTP operates its own bus lines to enable employees to access its parks without having to use private cars.

CTP has also started installing electric vehicle (EV) chargers at different parks. By 2026, all the Company’s parks should have access to EV charging facilities, with 178 chargers installed at 47 buildings in 2022. As a company with strong Dutch roots, CTP values the bicycle as a mode of transport and invests in two areas to promote bicycling to work: parking facilities for bikes, and the infrastructure to ride them. Currently, 35% of the Company’s assets have bike parking facilities, and the number of equipped buildings is increasing. By 2026, CTP has the goal to have 80% of its city locations connected via bike lanes. The Company also installs bike lanes at its parks, to ensure that its tenants’ employees who choose to go to work using this mode of transport can arrive safely.

2.2.3

GREEN SPACES

When one thinks of industrial parks, biodiversity is not usually the first thing that comes to mind. CTP takes a positive approach and believes that green spaces and natural solutions are a good mix with its parks. The focus of CTP’s biodiversity projects is as local as possible, as the Company believes that needs are best understood at the park level. For example, in the Czech Republic, the focus is on greenery, insect hotels, apiaries, and retention reservoirs.

Another important investment, which CTP made in 2019, are the CTP Forests in Zlín and Mladá Boleslav in the Czech Republic, where the Company purchased a total of around 560 hectares of partially degraded forests. Over the last years, CTP has been working to restore these forests and to expand biodiversity. Part of the restoration work of these forests is through the planting of different kinds of saplings native to the region, and not only a single species.



domeq 2 and 3, Ponávka



CTPark Bor, 400-bed hostel.

AFFORDABLE HOUSING

At Ponávka, CTP's mixed-use development in Brno, the Company has developed three residential "domeq" buildings with a total of 311 rooms for students and young professionals. During 2022, CTP provided rooms to Ukrainian refugees at the domeq residences. At CTPark Bor, CTP has developed affordable housing totalling 800 beds for seasonal workers and is currently working on a similar project near CTPark Bucharest West.

CLUBHAUS CONCEPT

CTP developed the Clubhaus concept at its first park, CTPark Humpolec, in 1999, as part of the Company's HQ at the time, setting the groundwork for later rollout. In 2018, CTP built its first stand-alone service centre—renamed Clubhaus in 2020—at CTPark Bor to provide a central community hub for this large park. Clubhaus at CTPark Bor includes meeting spaces, a healthy restaurant, a cafe, a doctor's office and shared offices. It is nicely landscaped and also serves as the centre of the surrounding exercise area and sports fields. CTP holds community events and meets both clients and the surrounding community for discussions and training sessions.

The Clubhaus at CTPark Bucharest West was certified BREEAM Outstanding in 2022, and a third Clubhaus was opened at CTPark Budapest West in mid-2022.



CTPark Bor



CTPark Budapest West

CTPark Bucharest West





Bike paths on a safe loop surrounding a roundabout, CTPark Ostrava.

BIKE INFRASTRUCTURE

CTP develops parks so that they are accessible and safe for bikers and pedestrians, developing bike paths off the main roads to provide employees and surrounding communities both safe passage to work and an exercise track. In addition, CTP installs bike racks and electric charging stations for bikes (and cars) to support clean transportation options for workers.



CTPark Bucharest West



Charging stations, CTPark Ostrava.



Bike racks with safety locks.



GREEN ENVIRONMENTS

All CTParks are designed with relaxing landscaping to create a pleasant work environment, improving both health and efficiency. Outside our parks, CTP owns 570 hectares of forest in the Czech Republic, where its employees planted a variety of 130,000 trees in 2022, improving the biodiversity of the area in addition to cleaning out garbage in both CTP's forest and areas surrounding our parks. CTP maintains the health of its green areas by ensuring a wide array of biodiversity, including insect hotels and beehives at its parks.



2.3

Stimulating Social
Impact & Well-being



CTP’s impact goes far beyond the parks and buildings that it creates. Both within the Company and in the communities where it operates, CTP is in constant contact with people and places a value on supporting their well-being. CTP actively helps people in the wider community in many different ways, including helping young people in their education, providing shelter and other types of assistance to Ukrainian refugees, and providing financial aid for palliative care.

CTP’s targets for Stimulating Social Impact & Well-being

Category	Targets
Framework for employee satisfaction monitoring in place	In place
Framework for clients satisfaction monitoring in place	In place



Student tours at CTPark Bucharest West.



SUPPORTING REFUGEES FROM UKRAINE

In 2022 CTP supported the UNHCR with a €10 million donation to respond to the humanitarian emergency in Ukraine and neighbouring countries. In addition, CTP provided space in Hungary and Romania to support logistics for humanitarian aid and offered accommodation in the Czech Republic.



COMMUNITY COLLABORATION

To encourage young entrepreneurs and educate them about various professions, CTP collaborates with local schools and universities and hosts field trips for students to our tenants facilities.

Tree planting at a public space with the local administration of Hradec Králové in the Czech Republic.



2.3.1

DYNAMIC EMPLOYER

3-3

CTP offers an energetic environment with an agile “hands-on” and “can-do” culture. The Company regularly organises Group-wide events. For example, in 2022 CTP hosted the Doksy Race in the Czech Republic, in which 40 CTP colleagues participated. The Company offers sports club membership cards to its staff to participate in sports. It also organises internal annual events such as the CTGala, which takes place at the end of each year.

CTP also offers private medical care to its employees in some countries.

Recruitment

401-1

CTP dedicates time and financial resources to attract, train, and develop talented employees in the markets where it operates. CTP managers are actively engaged in the hiring process, even when external recruitment agencies are involved to support the process.

Over the last years, CTP has experienced significant growth in the number of assets it operates and in revenue. The number of its employees has also increased rapidly, from 379 FTE (full-time equivalent) employees in 2020 to 553 FTEs in 2021 and 667 FTEs at year-end 2022. In 2022 CTP hired 249 new colleagues. The Company hired 32 FTEs through contractors. CTP is currently working hard on the creation of many different HR-related services. CTPs turnover rate in 2022 was 18%.

More detailed information can be found in Section 3.2.1 of this Report.

2.3.2

DEVELOPING ITS PEOPLE

3-3, 404-1, 404-2

One of CTP’s priorities is to make sure that all employees can always perform at their best. The best way to do so is to offer continuous feedback, where performance is a part of regular conversations. Long-term performance evaluations are conducted quarterly or annually, and KPIs are reviewed together with managers during feedback sessions.

CTP also actively encourages its employees to continuously develop themselves and to undergo training that assists them in the performance of their duties. With this encouragement, the Company expects colleagues to actively look for and engage in training opportunities that, once assessed as beneficial, they can participate in.

Such encouragement has led its employees to receive a total of 2,287 hours of training, which leads to the following averages:

AVERAGE HOURS OF TRAINING RECEIVED

	Male	Female
Management	4	7
Staff	3	3

2.3.3

KEEPING PEOPLE SAFE AND HEALTHY

3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10

The health and safety of its people matters to CTP, especially as the Company operates at a high pace and always needs its people at their best. Needs are addressed locally, and the focus is placed on general health and physical well-being. Therefore, the Company supports, depending on location, sports clubs’ membership cards, private medical services, sports classes, group participation events and Company gatherings.

Safety at the workplace is secured through risk identification and the training of CTP staff through online courses. CTP follows all local, national, and international law and regulations and works hard and continuously with service providers to ensure that it knows where risks are and to mitigate them in time.

In 2022, CTP had no fatalities within its operations. Two cases of work-related injuries were recorded, and one case of recordable work-related ill health.

While through its building requirements and codes CTP looks to have a positive impact on the health and safety of those working in its buildings, the Company also realises its influence is limited beyond this scope. Therefore, the health and safety of people working at its buildings on a daily basis are first and foremost the responsibility of the tenants.

Fig. 11 Average FTEs*

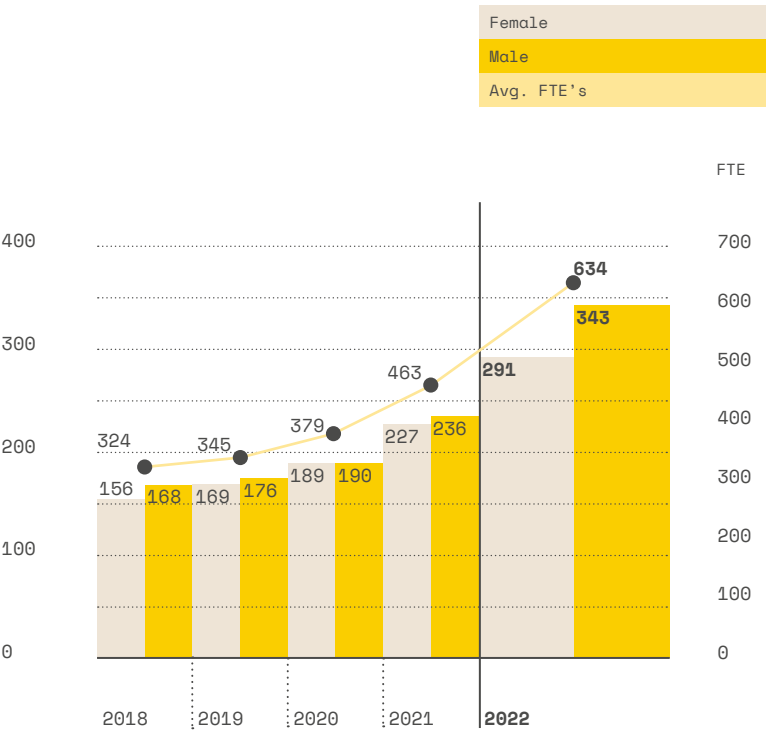


Fig. 12 Average FTEs by country*

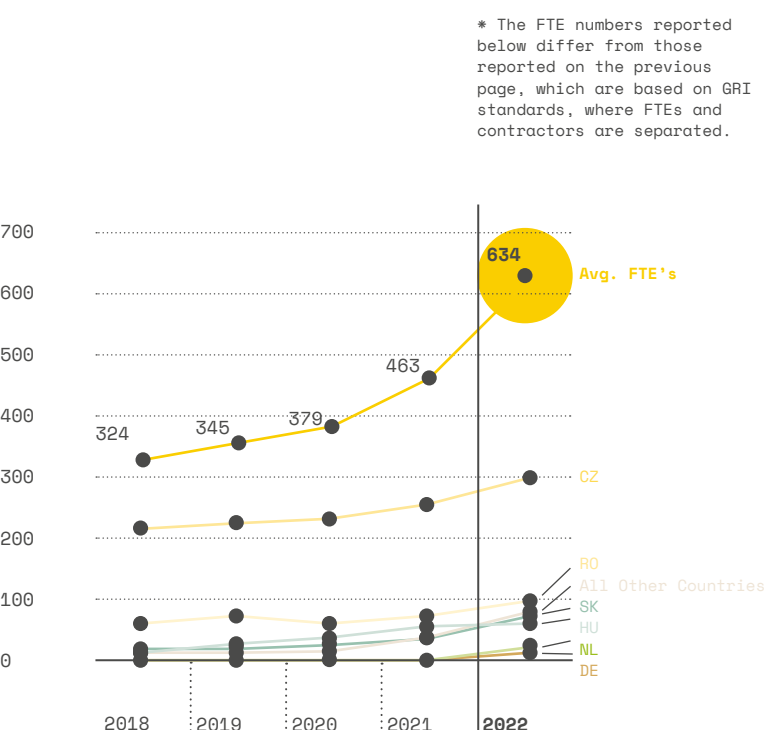
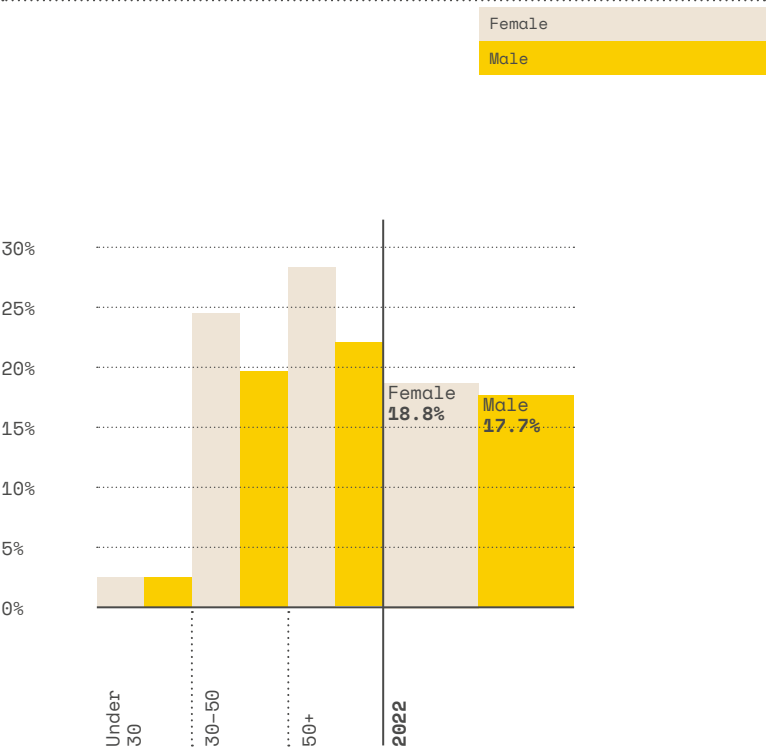


Fig. 13 Turnover rate headcount (in %)



2.3.4CTP AS A CORPORATE CITIZEN415-1

CTP has a long-standing tradition of caring for communities and world issues. The Company supports the UN Sustainable Development Goals. CTP promotes socially responsible behaviour throughout the countries in which it operates, where it supports a wide range of community-based organisations mainly focused on children’s and adolescents’ development (e.g., training for professional skills, study grants and equipment support), social well-being and local infrastructure development. The majority of such support is for long-term initiatives.

CTP aims to be a good neighbour in each location where it conducts its business.

All activities must follow CTP’s Code of Conduct and Group Anti-Bribery and Corruption Policy. As it matters greatly to the Company, CTP staff are prohibited from making any political contributions on behalf of a CTP Group entity.

As part of its on-going corporate citizen programme, at the beginning of 2022, CTP offered housing to refugees from the war in Ukraine. In line with its principles and commitments, the Company supported refugees by providing significant financial support to the UN Refugee Agency (UNHCR). CTP also provided vacant warehouse space for emergency supplies and residential and hotel accommodation within its portfolio and is prepared to do more as the situation develops.

Beyond these examples, CTP assists with both financial and in-kind support, through sponsorships or the use of Company accommodations.

2.3.5THE SOCIAL VALUE CHAIN

CTP has well-covered environmental requirements in its value chain. The first steps to cover social aspects in the value chain have also been taken. Governance and due diligence functions are already established within the Company. With the growth of the importance of this topic, CTP will continue developing a framework to manage the social aspect in the value chain. Considering the size of the supply chain in CTP’s operations and the size of the Company, CTP can and will use the influence it has to promote high-quality business standards, which in turn can potentially move suppliers and providers to switch to higher standards within their own value chains. In other words, CTP looks to be a force for good.



ESG Academy: an experiential learning program focussing on ESG topics in Slovakia.

Sport day: biannual event involving clients and their employees at CTPark Bor, Czech Republic.



Interactive educational games at Clubhaus, CTPark Bucharest West, Romania.





Cleaning garbage at and around CTPark Brno.

COMMUNITY EVENTS

During 2022, CTP organised or sponsored more than 60 events focusing on deepening community relationships, educating, promoting a healthy lifestyle or improving the local environment.



Annual CTP Doksy race, half-ironman competition, Czech Republic.

CPR lessons, Clubhaus, CTPark Bucharest West.



Forest planting and learning at CTP Forest in Zlín, Czech Republic.

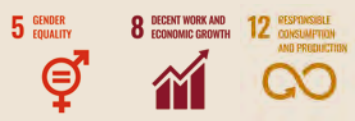
'Let's Do It' forest cleaning, 2.5 tonnes removed, Romania.





2.4

Conducting Business
with Integrity



It is part of CTP’s ethos to be a long-term partner to its clients and other stakeholders. Treating clients and suppliers ethically is a key component that underpins a strong, trusting relationship.

CTP’s targets for Conducting Business with Integrity

Category	Targets	Baseline
	YE 2026	
Employees trained in Code of Conduct, anti-harassment policy each year	Recurring annually	100%
Gender split no larger than 45-55%	Recurring annually	On target

CTP strives to conduct business with integrity. The Company values and consistently works on building an ethical work environment. The tone for this is set at the top of the Company actively spreading the culture in which speaking up is promoted. This is partially done through the training of management on these topics. Also, top management gives its full support to the Group AML compliance officer through co-operation across the Group.

CTP demonstrates its commitment to ethical business through its various policies related to the topic, such as, but not limited to its:

- Code of Conduct;
- Anti-Bribery and Corruption Policy;
- Insider Trading Policy;
- Donations, Community Investment and Sponsorship Policy.

Further policies can be found on CTP's corporate website [ctp.eu].

There is also continuous communication with the Board regarding issues that might come up, and where needed the Chairwoman of the Board is informed directly on critical issues.

To ensure that everyone is aware of the policies and procedures in place, CTP's employees receive an annual hour-long training on all topics related to compliance.

Due diligence
and compliance

2-27, 205-1, 205-3, 206-1,
408-1, 409-1, 412-1, 414-1

With a large organisation and an expanded value chain, managing risks becomes a challenge. Due diligence, both within the organisation and through its value chain, is of great importance to CTP.

To this extent, in 2022, CTP assessed 217 real estate counterparties, which reflects 100% of transactions; 682 suppliers, including potential new suppliers; and 100% of the entities within the Group on topics such as risks to human rights, ethical behaviour, etc. Across these assessments, no issues were discovered, neither within nor outside CTP.

CTP is currently involved in one court case, where to date no actions have been taken against the Company. The opposing party has appealed, and the case is pending.

Employee categories

CTP has identified gender equality as a key value within the organisation. Over the last years, the Company has been able to maintain a gender ratio close to 50:50 within the organisation below the Board level. At the Board level, two out of the six Board members are women.

With these numbers, CTP exceeds the objectives set within the organisation. Below the Board level, CTP aims to have each gender represent at least 45% of the total number of employees, either at least 45% women or at least 45% men. At the Board level, at least 30% of members shall represent each gender.

More detailed information can be found in Section 3.2.1 of this Report.

Compensation

2-21, 405-2

CTP strives to provide correct and just compensation. For jobs at the lower end of the pay scale, the Company uses fixed salary structures that ensure that people are paid fairly and equally.

Position	Times the median compensation	Times the average compensation
Remon Vos, CEO ⁵	17.2	7.5
Richard Wilkinson, CFO	37.3	16.4

CTP pays competitive salaries to attract strong candidates at all job levels. The Company never discriminates based on gender, and men and women are paid a comparable salary for similar positions, based on their experience and performance. However, in its markets there tend to be more qualified male than female candidates for certain senior management positions, such as construction management, where performance-related bonuses are often part of remuneration packages. Likewise, in CTP's markets, lower paid administrative positions tend to be filled by women more often than by men. For these reasons, when comparing averages of all female employees vs. all male employees, ignoring seniority, a gender pay gap exists, with female employees earning on average 68% of what male employees earn. CTP strives to ameliorate this situation by training and promoting women within the organisation to higher paid senior positions and by supporting educational initiatives that provide technical training to women and girls.

⁵ The CEO does not receive compensation beyond his annual salary.

CTP prefers the personal approach. The Company advises its staff to go through supervisors, Human Resources, and the Group AML compliance officer before taking more anonymous options. The process is set up in CTP's Anti-Discrimination and Harassment Policy and the Group Grievance Investigation Procedure.

Beyond that, the Company has established the following mechanisms:

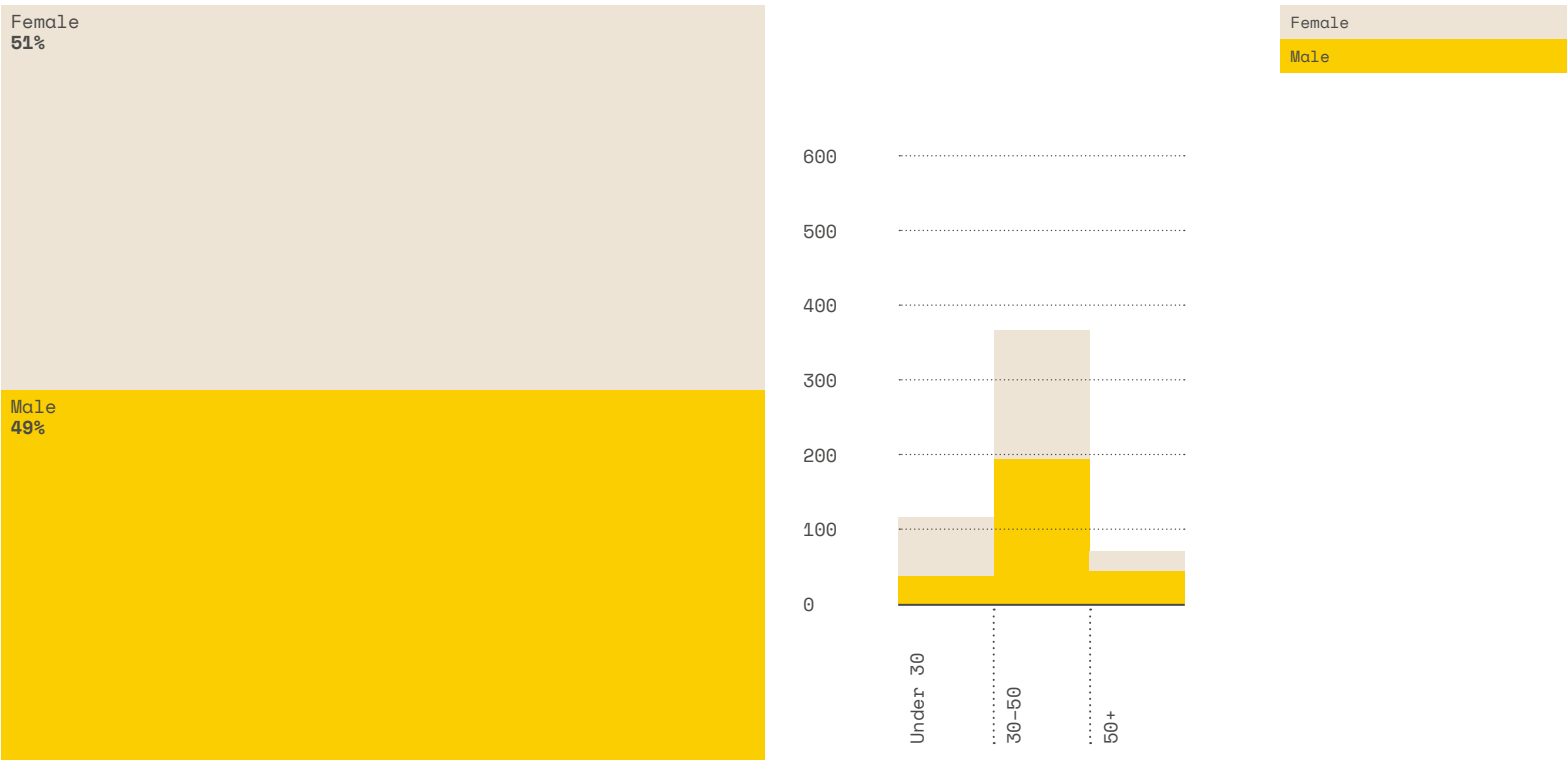
- by E-mail: compliance@ctp.eu;
- by phone: +420 607 287 287;
- an anonymous intranet grievance channel;
- the external independent platform FaceUp.

Beyond these grievance channels, CTP has a whistleblower policy in place. As for its grievance channels, the Company encourages employees to contact managers first. However, if for any reason this is not appropriate, the employee should raise their concern by using the whistleblowing channel. This channel can be anonymous if desired and offers all protection needed to the whistleblower.

Fig. 14

Avg. number of employees / headcount
(in %)

GRI 2-7



2.4.4 CERTIFICATIONS AND EU TAXONOMY ALIGNMENT

Certifications

CTP has high ambitions for green building certification. It enables the Company to operate the best quality industrial and logistics warehouses in Europe. As a result, CTP certifies all new buildings to the BREEAM “Very Good” standard or better, incorporating industry-leading technological and environmental specifications to ensure that they minimise their impact on the environment.

CTP is proud of its seven buildings that to date have received an “Outstanding” BREEAM rating—four under the New Construction category and four under the In Use category—with the Clubhaus at CTPark Bucharest West obtaining an “Outstanding” rating for both categories in 2022.

Figure 15 below shows the BREEAM certifications that CTP currently has. The portion of the portfolio that is not covered by BREEAM certification will be redeveloped in the coming years and therefore is not feasible to be certified.

EU Taxonomy

EU Taxonomy is intended to reorient capital flows towards a more sustainable economy. Article 8(2) of the Taxonomy Regulation requires non-financial undertakings to disclose information on the proportion of the turnover, capital expenditure and operating expenditure of their activities related to assets or processes associated with environmentally sustainable economic activities. CTP discloses its eligibility and alignment in line with requirements.

Category	Turnover	CapEx	OpEx
Taxonomy eligible activities	100%	96.8%	81.4%
Taxonomy eligible and aligned activities	46.4%	4.8%	13.7%

CTP conducted an analysis of its eligibility and alignment with the EU Taxonomy for the first time in 2022.

CTP’s core business operations are focused on the construction of buildings and the management of existing properties. Core operations are focused on economic activities that are considered eligible (Activities 7.1, 7.2, 7.6 and 7.7). These high-level eligibility results are for all KPIs (turnover: 100%, CapEx 96.8%, 81.4%). High values of eligibility are typical for real estate management and development companies.

Fig. 15 Total certifications by scheme (in %)

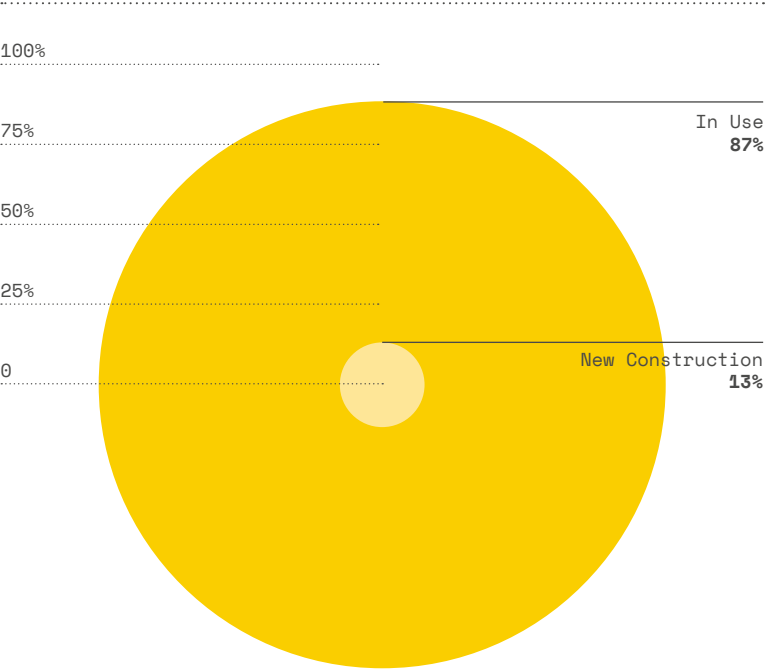
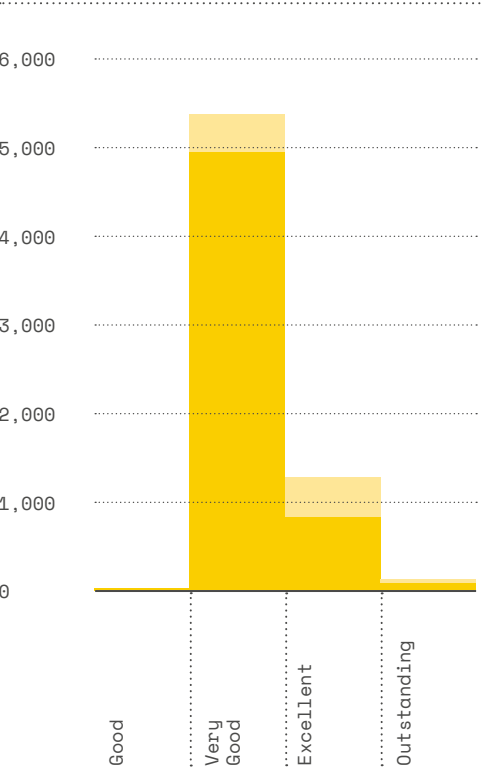


Fig. 16 Sqm certified (in thousand sqm)



Alignment with EU Taxonomy means meeting multiple requirements that apply to Company governance, processes, specific project requirements and detailed reporting.

CTP adapted the requirements stated in the Minimum Social Safeguard requirements, adjusting its policies and processes. Meeting these requirements is a prerequisite to consider any activity aligned. In 2022, CTP analysed economic activities against respective technical screening criteria. In terms of Substantial Contribution criteria, climate adaptation has been chosen for all activities. Alignment levels of 46.4% for Turnover, 4.8% for CapEx and 13.7% for OpEx have been achieved.

CTP's turnover comes mostly from managed properties. The share of properties that can ensure aligned turnover is a result of the quality of managed properties and the age and share of acquired buildings vs. self-developed. CTP-developed buildings are high quality and ensure high energy efficiency. To increase the share of aligned properties, among others, the further development of energy performance certificates and further renovation activities are required.

CTP's CapEx is mostly spent on the construction of new buildings and the acquisition of existing properties. To increase the share of aligned CapEx, detailed requirements for the construction of new buildings (Activity 7.1) require some adjustments to CTP's building and construction process specification. As CTP already certifies buildings in the BREEAM scheme, required adjustments are small. For building acquisitions, technical due diligence will be developed to cover Taxonomy aspects to make sure conscious decisions in this field are made.

Aligned OpEx relates to aligned properties under management. These aligned properties however have a relatively low share of operation and maintenance cost, and therefore the reported aligned OpEx deviates from the aligned Turnover.

CTP issued green bonds that are not directly related to the EU Taxonomy. Presented KPIs are not adjusted.

Adjusted KPIs based on the assumption that a share of CTP's assets are financed with proceeds from green bonds can be found below. The adjustment has been calculated based on the assumption that the fair value of the portfolio equals €10,124,185, of which €3,961,350 is financed by green bonds. Non-adjusted KPIs have been multiplied by the share of the portfolio that is not financed by green bonds (60.9%). Adjusted KPIs are 28.3% for Turnover and 3.0% for CapEx.

The calculation methodology for the adjustment of KPIs can be found in CTP's 2022 Annual Report⁶ in Section 4.6, and detailed results can be found the same document in Appendix 7.4.

Environmental Management System

Sustainable management of the Group's portfolio is essential to ensure the best possible impact on the environment. In the Czech Republic, Romania and Slovakia, CTP has introduced ISO 140001 and ISO 50001 standards to improve environmental and energy management.

⁶ <https://www.ctp.eu/files/2023/03/CTP-FY-2022-Annual-Report.pdf>

2.4.5 GREEN LEASES

A large share of the impact of CTP's activities takes place at the operational stage. To ensure that it joins efforts with its tenants, in 2022 CTP began introducing green lease clauses to all lease agreements. Green lease clauses cover different ESG areas, including reporting and reduction of utilities consumption, sharing initiatives, and promoting renewable energy. At the end of 2022, green leases covered 19% of CTP's owned gross leasable area.

2.4.6 TAXES

207-1, 207-2, 207-3

CTP places high importance on being compliant with tax regulations at all levels of government, and not only in the wording of these regulations, but with the spirit of these regulations as well. Due to the way CTP is structured, the Company does not qualify for Real Estate Investment Trust (REIT) regimes.

CTP has a publicly available Tax Policy, which was recently updated and can be found on the Company's [website](https://www.ctp.eu/files/2022/11/CTP-Tax-policy.pdf) or download directly at <https://www.ctp.eu/files/2022/11/CTP-Tax-policy.pdf>.

BREEAM CASE STUDIES

CTPark Bucharest West

Nine buildings certified Very Good (average score: 58%).

Two buildings certified Excellent (average score: 71%).

Certified Gross Lettable Area: 660,951 sqm (excl. Clubhaus).

Clubhaus achieved BREEAM Outstanding (New Construction) certification in late August 2022.

20% of energy used at the Clubhaus covered by rooftop solar system.

Clubhaus hosted 20 community events in its first 18 months.

ISO 50001 and ISO 14 001 certified.





CTPark Prague West (Building CHR2)

One building certified as Outstanding
(score: 90.6%).

One building currently under
certification, aiming for Outstanding.

Certified Gross Lettable Area: 5,626 sqm.

2nd-highest BREEAM score for
an industrial building in CZ.

Integrated BMS monitors and controls
water and heating gas systems and
subsystems to prevent leakage and waste.

Equipped with waterless urinals, and
toilets and washbasins all equipped
with flow control systems to lower
consumption.



CTPark Prague East Building NU3

BREEAM Certification: Outstanding
(average score: 89.6%), certified
Gross Lettable Area: 72,417 sqm.

Integrated BMS monitors and controls
water and heating gas systems and
subsystems to prevent leakage and waste.

Equipped with waterless urinals, and
toilets and washbasins all equipped
with flow control systems to lower
consumption.

BMS monitors and measures consumption of
the building for heating, cooling, DHW
heating, interior lighting, ventilation,
exterior lighting, decorative lighting
and displays, small appliances pumps and
fans.

All subleased premises have separate
metering of energy consumption.



3. Sustainability in Numbers



4. Number the trees on the following list:
1. _____
2. _____
3. _____
4. _____
5. _____

or daily list.

3.1

Environmental Indicators

In order to truly assess the impact of CTP’s operations on the environment, it is crucial to a develop a detailed measurement system that thoroughly captures the Company’s energy use and its impact. To this end, CTP developed a system to collect energy-related data based on supplier invoicing and meter readings. The ESG team compiled and consolidated the data at the annual and Group levels.

3.1.1

ENERGY & EMISSIONS

302-1, 302-2, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5

CTP reports on the following greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), per-fluorochemicals (PFCs), sulphur hexafluoride (SF₆), nitrogen trifluoride (NF₃), and refrigerant losses as part of the IPCC Reports for the three Scopes included in the GHG Protocol. CTP has calculated its emissions based on the different fuel, electricity, district heating, and refrigerant losses incurred during the reporting period. For the calculations, emissions from the power generation mix of the corresponding country, sourced from carbonfootprint.com and the latest available information available are applied, including from the UK’s Department for Environment, Food and Rural Affairs (DEFRA) and various national reports for district heating sources. All emissions are given in Metric Tonnes CO₂ Equivalents.

CTP acknowledges limitations in its ability to obtain data. A large portion of its portfolio is operated by tenants, and the company has not been able to obtain consumption data from all of them. The data coverage is as follows:

- Corporate offices: 95% of data, based on FTEs
- Company cars: 100% of data
- Company airplanes: 100% of data
- Park data: 100% of data
- Portfolio buildings: 75% of the gross floor area

CARBON FOOTPRINT

Carbon Footprint (Greenhouse Gas Emissions)	Units	Emissions
Scope 1	tCO ₂ e	39,883.21
Scope 2 Location-based	tCO ₂ e	5,637.69
Scope 2 Market-based	tCO ₂ e	5,815.25
Scope 3 Location-based	tCO ₂ e	211,935.71
Scope 3 Market-based	tCO ₂ e	157,168.22

ENERGY AND EMISSIONS WITHIN THE ORGANISATION
(CORPORATE OPERATIONS)

Category	Units	2022	2021 ⁷
Scope 1			
Corporate natural gas	tCO ₂ e	91	50
	MWh	498	270
Car fuel (diesel and petrol)	tCO ₂ e	908	2,295 ⁸
	L	348,971	92,890
Jet fuel	tCO ₂ e	2,345	
	L	921,517	664,770
Scope 2			
Electricity and district heating	tCO ₂ e	289	11
	MWh	711	289
Of which renewable	MWh	21	248

ENERGY AND EMISSIONS WITHIN THE ORGANISATION
(CTPARKS AND CTP-OPERATED AREAS IN THE PORTFOLIO)

Category	Units	2022
Scope 1		
Parks natural gas	tCO ₂ e	187
	MWh	1,023
Natural gas in CTP-controlled areas of buildings	tCO ₂ e	170
	MWh	928
Refrigerants	tCO ₂ e	36,182
	kg	345,581
Scope 2		
Parks electricity and district heating	tCO ₂ e	1,763
	MWh	4,733
Of which renewable	MWh	550
Electricity and district heating in CTP-controlled areas of buildings	tCO ₂ e	3,586
	MWh	9,677
Of which purchased renewable	MWh	165

⁷ In 2021, data was collected for the four Core Market countries: the Czech Republic, Romania, Slovakia, and Hungary.

⁸ In 2021, the CO₂e emissions for car and jet fuel were calculated together.

ENERGY AND EMISSIONS OUTSIDE THE ORGANISATION

Category	Units	2022
Scope 3		
Category 6: Business travel	tCO ₂ e	76.21
Hotel stays	Nights	1,624.00
Travel	Km	220,935.00
Category 13: Downstream Leased Assets	tCO ₂ e	211,935.71
	MWh	615,302.00
Of which purchased renewables	MWh	91,298.53
Of which CTP Solar	MWh	3,106.26

CTP SOLAR ENERGY PRODUCTION

Category	Units	2022	2021
Installed capacity	MWp	38.0	6.4
Solar energy produced	MWh	5,229	5,592
Of which exported to the grid	MWh	2,015	Data not collected
Of which used by CTP or tenants	MWh	3,106	Data not collected

INTENSITIES

For corporate operations CTP has decided to use FTE (full-time equivalent) as the denominator. The data includes all energy types used at the offices in use by the Company. CTP believes that, based on FTEs, 95% of its corporate consumption is included.

For energy consumption in the portfolio, CTP chose to make use of square metres. There are two calculations: the first one does not include refrigerant losses; the second figure includes these. CTP believes that, based on square metre surface area, 74.56% of its surface area is included.

Category	Units	2022
Corporate operations	kWh/FTE	1,899 ⁹
	CO ₂ e/FTE	6,076 ¹⁰
Portfolio energy	kWh/m ²	82
	CO ₂ e/m ²	28
Portfolio energy and refrigerant losses	CO ₂ e/m ²	33

⁹ This figure includes energy consumption at CTP's offices divided by 598 average FTEs.

¹⁰ This figure includes GHG emissions from corporate offices, corporate vehicles, and corporate jets divided by 598 average FTEs.

3.1.2

WATER AND EFFLUENTS

303-3

Water-related data was collected through an internally created system based on supplier invoicing and meter readings. The ESG team compiled and consolidated the data at the annual and Group levels. All water withdrawn is freshwater.

All data has been collected by CTP through supplier invoicing and/or meter readings and is given in cubic metres. Data coverage is as follows:

- Corporate offices: 85% of data, based on FTEs
- Parks: 100% data
- Portfolio: 71% of the gross floor area

WATER WITHDRAWAL CORPORATE OPERATIONS

Water withdrawal	All areas	Areas with water stress
Third-party (Municipal water)	2,100	Unknown
Unknown	2,723	Unknown
Totals	4,823	Unknown

WATER WITHDRAWAL CTPARKS

Water withdrawal	All areas	Areas with water stress
Third-party (Municipal water)	8,652	0
Groundwater	6,576	6,576
Unknown	18,282	0
Totals	33,510	6,576

WATER WITHDRAWAL IN PORTFOLIO

Water withdrawal	All areas	Areas with water stress
Third-party (Municipal water)	929,612	112,324
Groundwater	191,037	92,905
Unknown	55,431	3,385
Totals	1,185,082	208,523

3.1.3

WASTE

306-3, 306-4, 306-5

WASTE GENERATED AND DISPOSAL ROUTE IN CORPORATE OPERATIONS (METRIC TONS)

	Landfill	Incineration	Reuse	Waste to Energy	Recycling	Other/ unknown
Totals	77.09	1.75	0.00	2.80	10.69	0.00

WASTE GENERATED AND DISPOSAL ROUTE IN THE PORTFOLIO (METRIC TONS)

	Landfill	Incineration	Reuse	Waste to Energy	Recycling	Other/ unknown
Totals	5,964.94	207.80	1,173.82	1,840.90	3,900.02	2,665.27

3.2

Social
Indicators

CTP recognises that its employees are its strongest asset, as they represent the Company at all stages of the client journey. CTP thus places a premium on hiring people whose outlook aligns with the Group’s corporate culture and values.

3.2.1

EMPLOYMENT NUMBERS,
TURNOVER, NEW HIRES,
ETC.

2-7, 401-1,
405-1

Employment numbers

The employment-related data shared in the tables below have been calculated based on FTEs and are the numbers as at the end of the reporting period, i.e., 31 December 2022.

EMPLOYMENT NUMBERS BY COUNTRIES

Country	Employees		Permanent		Temporary		Full-time		Part-time	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Austria	7	1	7	1	-	-	7	-	-	1
Under 30 years old	3	1	3	1	-	-	3	-	-	1
30-50 years old	3	-	3	-	-	-	3	-	-	-
Over 50 years old	1	-	1	-	-	-	1	-	-	-
Bulgaria	10	6	10	6	-	-	10	6	-	-
Under 30	-	1	-	1	-	-	-	1	-	-
30-50	7	5	7	5	-	-	7	5	-	-
Over 50	3	-	3	-	-	-	3	-	-	-
Czech Republic	151	154	144	132	7	20	149	140	2	14
Under 30	12	43	8	27	4	16	11	42	1	1
30-50	115	90	114	90	1	-	114	80	1	10
Over 50	24	20	22	16	2	4	24	18	-	2
Germany	14	8	14	8	-	-	14	5	-	2
Under 30	-	-	-	-	-	-	-	-	-	-
30-50	11	5	11	5	-	-	11	2	-	2
Over 50	3	3	3	3	-	-	3	3	-	-
Hungary	41	28	24	19	17	9	41	26	-	2
Under 30	4	4	2	2	2	2	4	4	-	-
30-50	31	23	19	16	12	7	31	21	-	2
Over 50	6	1	3	1	3	-	6	1	-	-
The Netherlands (including N.V.)	7	4	7	4	-	-	7	3	-	1
Under 30	-	1	-	2	-	-	-	1	-	-
30-50	6	1	6	1	-	-	6	1	-	-
Over 50	1	1	1	1	-	-	1	-	-	1
Poland	24	31	24	31	-	-	24	31	-	-
Under 30	2	9	2	9	-	-	2	9	-	-
30-50	22	21	22	21	-	-	22	21	-	-
Over 50	-	1	-	1	-	-	-	1	-	-
Romania	53	50	34	32	19	18	53	50	-	-
Under 30	9	12	5	5	4	7	9	12	-	-
30-50	40	35	26	24	14	11	40	35	-	-
Over 50	4	3	3	3	1	-	4	3	-	-
Serbia	14	9	9	6	5	3	14	9	-	-
Under 30	1	-	1	-	-	-	1	-	-	-
30-50	12	9	8	6	4	3	12	9	-	-
Over 50	1	-	-	-	1	-	1	-	-	-
Slovakia	40	18	32	12	8	6	40	17	-	1
Under 30	7	5	4	3	3	2	7	4	-	1
30-50	22	11	18	6	4	5	22	10	-	1
Over 50	11	3	10	3	1	-	11	3	-	-
Total	361	306	305	250	56	56	359	287	2	18
Under 30	38	76	25	50	13	27	37	74	1	2
30-50	269	199	234	173	35	26	268	184	1	14
Over 50	54	32	46	28	8	4	54	29	-	3

NEW HIRES AND NEW HIRE RATE

Gender	2022				2021	
	Absolute numbers		Rate		Absolute numbers	Rate
	External new hires	Internal new hires	External new hires	Internal new hires		
Male	135.52	28.00	42.45	0.09	Categorised data was not collected in 2021	Categorised data was not collected in 2021
Female	113.28	20.00	40.07	0.07		
Age						
<30	51.56	3.00	52.94	0.03		
30-50	174.43	33.00	42.08	0.08		
50>	22.82	12.00	25.32	0.13		
Total	248.80	48.00	41.33	0.08	222	

External hire rate formula: External hires/Average FTE*100

Internal Hire Rate formula: Internal hires/Average FTE

TURNOVER RATE

Gender	2022			2021		
	Absolute numbers		Rate	Absolute numbers	Rate	
	Dismissals	Voluntary leaves		Dismissals	Voluntary leaves	
Male	8.19	30.50	12.12%	Categorised data was not collected in 2021	Categorised data was not collected in 2021	Categorised data was not collected in 2021
Female	39.29	30.95	24.85%			
Age						
<30	0.00	20.80	21.36%			
30-50	27.02	38.14	15.72%			
50>	20.46	2.51	25.50%			
Total	47.48	61.46	18.10%	23	82	19%

The turnover rate in this table differs from the rate reported in the Annual Report. This is due to a difference in the calculation method. In this Report, CTP uses the average number of employees calculated as (1 January+31 December)/2.

3.2.2 DIVERSITY & EQUAL OPPORTUNITY

405-1

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Category	Under 30	30-50	Over 50	%
Board of Directors				
Female	0	0	2	33
Male	0	1	3	67





4. Notes

RESTATEMENT OF INFORMATION 2-4

In CTP’s 2021 Annual Report, ESG-related data was shared in Appendix D, based on EPRA Sustainability Performance Measures. An error was discovered in the data in the “Environment” table. GHG-Dir-Abs should only cover Scope 1 emissions. In the report, the quantity of 2,345 Mt CO₂e that was mentioned includes Scope 2 – corporate operations.

A second error was discovered in the “Social” table. The Lost Day Rate of 2.6% does not represent the Lost Day Rate, it represents the Absentee Rate for 2021.

5. Framework Alignment

GRI Content Index

CTP N.V. has reported in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2022.

GRI INDEX

GRI Standard	Location	Comments / Other references
GENERAL DISCLOSURES		
1. The organisation and its reporting practices		
2-1 Organisational details	Pages 12 & 75, Annual Report: 3.4 Group-Level insights	
2-2 Entities included in the organisation's sustainability reporting	Annual Report: Chapter 7 Appendix (group chart)	
2-3 Reporting period, frequency, and contact point	Page 75	
2-4 Restatement of information	Page 68	
2-5 External assurance	Page 10	
2. Activities and workers		
2-6 Activities, value chain, and other business relationships	Page 11, 16, Annual Report: 1.1 Business description; model and strategy	
2-7 Employees	Pages 52, 53, 63	
3. Governance		
2-9 Governance structure and composition	Annual Report: 5.1.1 CTP's governance structure/ 5.1.3 Appointment and composition of the Board	
2-10 Nomination and selection of the highest governance body	Annual Report: 5.1.3 Appointment and composition of the Board	
2-11 Chair of the highest governance body	Annual Report: 5.1.3 Appointment and composition of the Board	
2-12 Role of the highest governance body in overseeing the management of impacts	Page 24	
2-13 Delegation of responsibility for managing impacts	Page 24	
2-14 Role of the highest governance body in sustainability reporting	Page 24	
2-15 Conflicts of interest	Annual Report: 5.1.3 Appointment and composition of the Board	
2-16 Communication of critical concerns	Page 52	
2-17 Collective knowledge of the highest governance body	Annual Report: 5.1.3 Director's Competency Table	
2-18 Evaluation of the performance of the highest governance body	Annual Report 5.1.8 Board meetings	
2-19 Remuneration policies	5.1.6 CTP N.V. 2022 Remuneration Report	
2-20 Process to determine remuneration	5.1.6 CTP N.V. 2022 Remuneration Report	
2-21 Annual total compensation ratio	Page 52	
4. Strategy, policies, and practices		
2-22 Statement on sustainable development strategy	Page 4	
2-23 Policy commitments		CTP's governance policies can be found on its website, ctp.eu .
2-24 Embedding policy commitments	Page 52	
2-25 Processes to remediate negative impacts	Page 53	
2-26 Mechanisms for seeking advice and raising concerns	Page 53	
2-27 Compliance with laws and regulations	Page 52	
2-28 Membership associations	Page 19	
5. Stakeholder engagement		
2-29 Approach to stakeholder engagement	Page 17	
2-30 Collective bargaining agreements		CTP has no employees covered by collective bargaining agreements.

GRI Standard	Location	Comments/Other references
MATERIAL TOPICS		
3-1 Process to determine material topics	Page 20, 21	
3-2 List of material topics	Page 20	
GRI MATERIAL TOPIC STANDARDS		
201: Economic performance 2016		
201-1 Direct economic value generated and distributed	Annual Report: 3.2 Operational Performance	
201-2 Financial implication and other risks and opportunities due to climate change	Page 36	
202: Market presence 2016		
202-2 Proportion of senior management hired from local community		Data not available.
203: Indirect economic impact 2016		
203-1 Infrastructure investments and services supported	Page 40	
203-2 Significant indirect economic impacts		Data not available.
204: Procurement practices - 2016		
204-1 Proportion of spending on local providers	Page 16	
205: Anti-corruption - 2016		
205-1 Operations assessed for risks related to corruption	Page 52	
205-2 Communication and training about anticorruption policies and procedures	Page 52	
205-3 Confirmed incidents of corruption and actions taken	Page 52	
206: Anti-competitive behaviour - 2016		
206-1 Legal actions for anticompetitive behaviour, anti-trust, and monopoly practices	Page 52	
207: Tax - 2019		
207-1 Approach to tax	Page 55	
207-2 Tax governance, control, and risk management	Page 55	
207-3 Stakeholder engagement and management of concerns related to tax	Page 55	
207-4 Country-by-country reporting		CTP has not met the threshold for CbC reporting.
301: Materials - 2016		
301-1 Materials used by weight or volume		Data not available.
301-2 Recycled input materials used		Data not available.
301-3 Reclaimed products and their packaging materials		Data not available.
302: Energy - 2016		
3-3 Management of material topics	Page 31	
302-1 Energy consumption within the organisation	Page 61	
302-2 Energy consumption outside of the organisation	Page 61	
302-3 Energy intensity	Page 61	
303: Water and effluents - 2018		
303-1 Interactions with water as a shared resource	Page 34	
303-2 Management of water discharge-related impact	Page 34	
303-3 Water withdrawal	Page 62	
GRI 305: Emissions – 2016		
3-3 Management of material topics	Page 31	
305-1 Direct (Scope 1) GHG emissions	Page 61	
305-2 Energy indirect (Scope 2) GHG emissions	Page 61	
305-3 Other indirect (Scope 3) GHG emissions	Page 61	
305-4 GHG emissions intensity	Page 61	
306: Waste - 2020		
306-1 Waste generation and significant waste-related impacts	Page 34	
306-2 Management of significant waste-related impacts	Page 34	
306-3 Waste generated	Page 62	
306-4 Waste diverted from disposal	Page 62	
306-5 Waste directed to disposal	Page 62	
308: Supplier environmental assessment – 2016		

GRI Standard	Location	Comments/Other references
308-1 New suppliers/providers that were screened using environmental criteria	Page 16	
308-2 Negative environmental impacts in the supply chain and actions taken	Page 16	
401: Employment - 2016		
3-3 Management of Material Topics	Page 46	
401-1 New employee hires and employee turnover	Pages 46, 63	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		Full-time and part-time employees receive the same benefits.
403: Occupational health and safety - 2018		
3-3 Management of material topics	Page 46	
403-1 Occupational health and safety system	Page 46	
403-2 Hazard Identification, risk assessment, and incident investigation	Page 46	
403-3 Occupational health services	Page 46	
403-4 Worker participation, consultation, and communication on occupational health and safety	Page 46	
403-5 Worker training on occupational health and safety	Page 46	
403-6 Promotion of worker health	Page 46	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 46	
403-8 Worker covered by an occupational health and safety management system	Page 46	
403-9 Work-related injuries	Page 46	
403-10 Work-related ill health	Page 46	
404: Training and education - 2016		
404-1 Average hours of training per year per employee	Page 46	
404-2 Programs for upgrading employee skills and transition assistance programs	Page 46	
404-3 Percentage of employees receiving regular performance and career development reviews		Data not available.
405: Diversity and equal opportunity 2016		
405-1 Diversity of governance bodies and employees	Pages 52, 63, 65	
405-2 Ratio of basic salary and remuneration of women to men	Page 52	CTP was not able to collect data by employee category or significant location of operation, i.e., the national level as defined by national borders.
406: Non-discrimination – 2016		
406-1 Incidents of discrimination and corrective actions taken		No incidents were reported.
412: Human rights assessment - 2016		
412-1 Operations that have been subject to human rights reviews or impact assessments	Page 52	
412-2 Employee training on human rights policies or procedures	Page 52	
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Page 16	
413: Local communities - 2016		
413-1 Operations with local community engagement, impact assessments, and development programs	Page 40	
414: Supplier social assessment - 2016		
414-1 New suppliers that were screened using social criteria	Page 52	
415: Public policy - 2016		
415-1 Political contributions		CTP's Code of Conduct does not permit political contributions to be made.
418: Customer privacy - 2016		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of data		CTP did not identify any issues, also during cybersecurity tests, nor was such a breach announced to the Company.

EPRA

EPRA Performance measure	Definition	Page
EPRA Sustainability Performance Measures - Environment		
Elec-Abs	Total amount of electricity consumed. This includes electricity from renewable and non-renewable sources, whether imported or generated on site.	Page 61
DH&C-Abs	Total amount of indirect energy consumed from district heating or cooling systems. In this instance, 'indirect' means energy generated off-site and typically bought from an external energy supplier.	Page 61
Fuels-Abs	Total amount of fuel used from direct (renewable and non-renewable) sources ('direct' meaning that the fuel is combusted on-site).	Page 61
Energy-Int	Consumption of direct and indirect energy normalised by an appropriate denominator.	Page 61
GHG-Dir-Abs (Scope 1)	Total amount of direct greenhouse gas emissions generated ('direct' meaning that GHG emissions are generated on site through combustion of the energy source/ fuel). This calculation includes use of natural gas in offices, car fuel, as well as jet fuel.	Page 61
GHG-Indir-Abs (Scope 2)	Total amount of indirect greenhouse gas emissions generated ('indirect' meaning that GHG emissions are generated off-site during combustion of the energy source).	Page 61
GHG-Int	Emissions of direct and indirect GHGs normalised by an appropriate denominator	Page 61
Water-Abs	Total amount of water consumed within the corporate offices over the full reporting year.	Page 62
Waste-Abs	The total amount of waste produced and disposed of.	Page 62
Cert-Tot	Total number of assets that have formally obtained sustainability certification, rating, or labelling at the end of the reporting year.	Pages 30, 54
EPRA Sustainability Performance Measures - Social		
Diversity-Emp	The percentage of male and female employees in the organisation's governance bodies and other significant employee categories.	Page 64
Diversity-Pay	Ratio of the basic salary and/or remuneration of women to men.	Page 52
Emp-Training	The average number of hours employees have undertaken.	Page 46
Emp-Turnover	The total number and rate of new employee hires and employee turnover.	Page 65
EPRA Sustainability Performance Measures - Governance		
Gov-Board	The composition of the highest governance body.	Annual Report: 5.1.1 CTP's governance structure/5.1.3 Appointment and composition of the Board
Gov-Select	The nomination and selection process for the highest governance body and its members, and the criteria used to guide the nomination and selection process.	Annual Report: 5.1.3 Appointment and composition of the Board
Gov-Col	The processes for the highest governance body to ensure conflicts of interest are avoided and managed.	Annual Report: 5.1.3 Appointment and composition of the Board

TCFD INDEX

Theme		Recommendations	Page
Governance			
Disclose the organisation's governance around climate-related risks and opportunities.	A.	Describe the Board's oversight of climate related risks and opportunities	Page 24-25
	B.	Describe management's role in assessing and managing climate- related risks and opportunities.	Page 24-25
Strategy			
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	A.	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long-term.	Page 36
	B.	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Page 36
	C.	Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2° C or lower scenario.	Page 36
Risk management			
Disclose how the organisation identifies, assesses, and manages climate-related risks.	A.	Describe the organisation's process for identifying and assessing climate-related risks	Page 36
	B.	Describe the organisation's process for managing climate-related risks.	Page 36
	C.	Describe how processes for identifying, assessing, and managing climate- related risks are integrated into the organisation's overall risk management.	Page 36
Metrics and targets			
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	A.	Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process	Page 30
	B.	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Page 61
	C.	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Pages 30, 31

Glossary

Legal Notice

2-1, 2-3

BREEAM
Building Research Environmental Assessment Method

CRREM Pathway
Climate Risk Real Estate Monitor

Science Based Targets initiative
The Science Based Targets initiative (SBTi) drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets. The SBTi is a partnership between the CDP (formerly the Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

EU Taxonomy
The EU Taxonomy is a classification system establishing a list of environmentally sustainable economic activities.

EPRA Sustainability Best Practices Recommendations Guidelines
EPRA sBPR Guidelines provide a consistent way of measuring sustainability performance in the same way that BPR for financial reporting have made the financial statements of listed real estate companies in Europe clearer and more comparable.

Global Reporting Initiative (GRI)
Provides guidance on how to communicate impacts on issues such as climate change, human rights, and corruption. It is the most widely adopted standard on ESG reporting and helps CTP to provide its stakeholders with a sustainability report that communicates relevant topics to them.

ESG
Environmental, Social, and Corporate Governance; an evaluation of an organisation's collective conscientiousness for social and environmental factors.

Green Bond Framework
The Group's framework developed according to the Green Bond Principles 2018, administrated by the International Capital Market Association.

Local & Significant locations of operation
The national level as defined by national borders

CTP N.V. is a publicly owned company registered at the following address:

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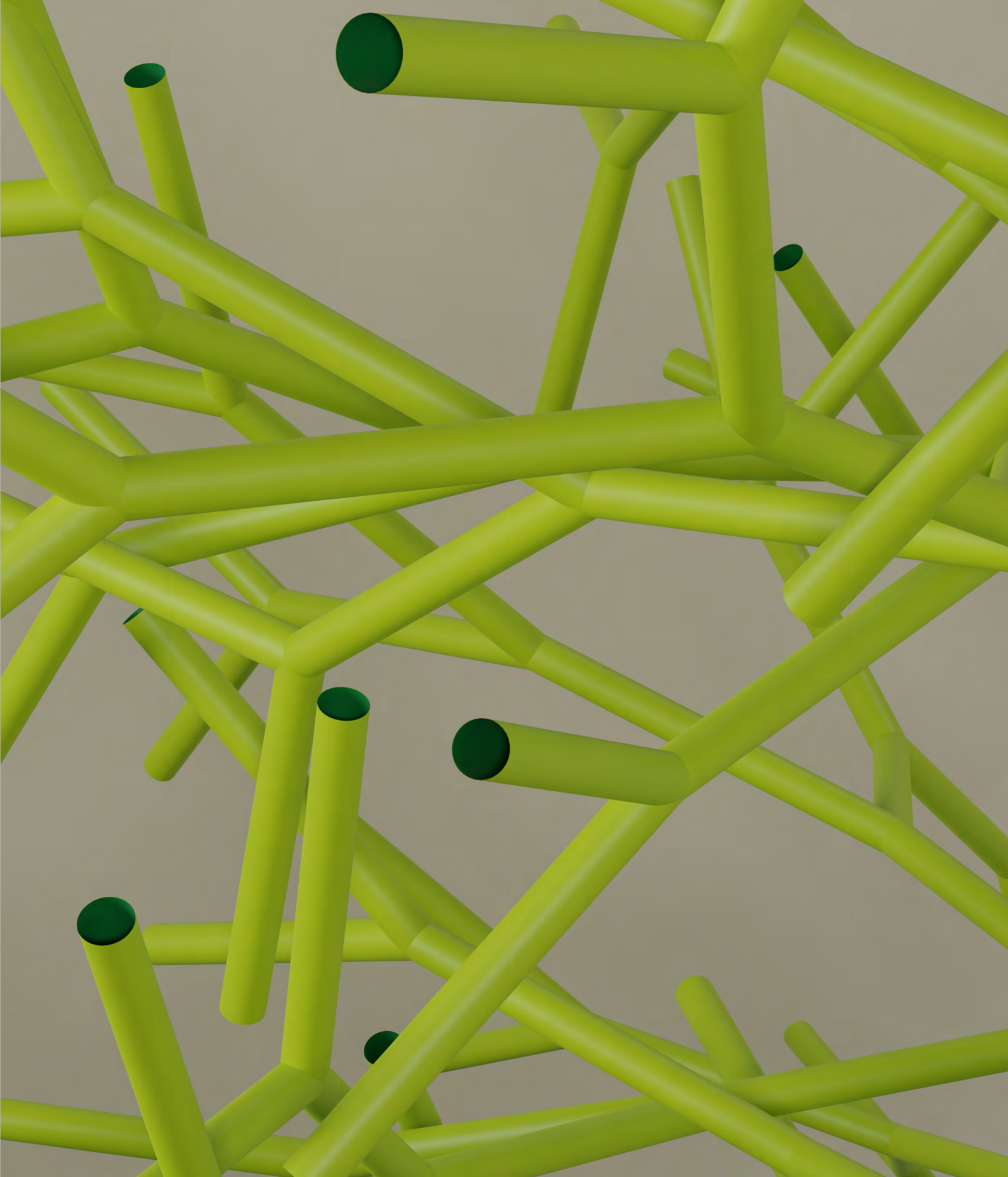


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