



**Net Zero and Climate Change
Policy**
Castellana Properties

Introduction

Castellana Properties SOCIMI S.A. (hereinafter referred to as Castellana properties, the group, or the company) is a listed investment company, based in Spain, focused in the acquisition, management and rehabilitation of real estate assets. The company also holds interests in other entities.

For Castellana Properties climate change is one of the most significant risks of the 21st century and therefore understands its own responsibility due to the nature of its activities, as well as the influence that its energy consumption contributes to the mitigation of climate change. For those reasons, through its Net Zero and climate change policies (hereinafter referred to as policy) shows its compromise with energetic efficiency and reaffirms its position of continuing its activities in a way it contributes to the reduction of greenhouse gas (GHG) emissions.

This way, it generates value by offering a unique service to its clients and in the long run to all its groups of interest, ensuring that its operations have a positive climate impact and achieve continuous energy savings, while maintaining an ethical behavior based on integrity and transparency.

Castellana Properties' Net Zero and climate change policies are aligned with the United Nations Social Development goal number 7 "affordable and clean energy" and number 13 "Climate action", aiming to be one of the pillars of the company's environmental management strategy

Scope and Area of Application

The current policy applies to all the assets owned by Castellana properties and to all the operations it carries out in Spain, concerning to all its employees and those who perform activities for the company, as well as its operators and clients.

Furthermore, it will do periodic checks in order to reassure its effectiveness and relevance.

Objective

The principal goal of this policy is to set the base to fulfill Castellana Properties' ESG strategy regarding Net Zero and Climate Change.

Principles of Action

Castellana Properties adopts the following principles of action in its efforts to reduce energy consumption, improve energy performance, and reduce greenhouse gas emissions, to serve as a guide in the development of its activities:

- Optimize energy management across all activities carried out in managed assets by implementing a standardized Energy Management System.
- Ensure compliance with current legal requirements related to energy use, consumption, and efficiency, as well as with future changes in the regulatory framework.
- Align operations with the Climate Change Adaptation objective defined in the Sustainable Finance Taxonomy.
- Identify climate-related risks, both physical and transitional, to develop an adaptation plan.
- Establish a systematic process to assess the material financial impact of climate-related risks—physical and transitional—on the company's business and/or financial planning, using recognized methodologies such as TCFD.
- Focus energy performance on savings through the design of facilities, equipment, processes, and opportunities to optimize consumption, improve energy efficiency, and ensure continuous improvement, while minimizing the impact of operations.
- Adopt energy-efficient products and services to enhance performance and reduce environmental impact.
- Promote the reduction of fossil fuel consumption and the progressive use of renewable energy as a key element in reducing GHG emissions.
- Encourage the responsible use of resources and ensure the availability of information to achieve established objectives, communicating these internally and externally to employees and suppliers.
- Quantify greenhouse gas emissions across the organization's entire value chain and assets, with the aim of aligning the corporate Carbon Footprint with the Paris Agreement and achieving Net Zero by 2050. This includes setting short-, medium-, and long-term decarbonization targets using recognized methodologies such as CRREM and SBTi.
- Foster collaboration with stakeholders to achieve the goal of reducing GHG emissions.
- Promote awareness and proper adherence to the principles of this Policy among employees, suppliers, operators, and clients.

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