



ESG 2025 FOR 2023-24

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THE HEART OF IT

MESSAGE FROM THE FOUNDER AND CEO

During a period of unprecedented crises posing personal, security, national and business challenges, while our security forces are continuing to take action to restore calm, our resilience is largely measured by our ability to ensure the continuity of business activities while contending with organizational changes in a complex reality of war and uncertainty – we have an even greater responsibility to drive our economy, strengthen our economic and national resilience and maximize value for all of our stakeholders.

In an era of tectonic changes in the way companies are evaluated, corporate responsibility has become an integral part of our stakeholders' expectations. In a rapidly changing business world, our stakeholders – investors, tenants, employees and the communities in which we operate – want to see not only financial results, but also genuine environmental and social responsibility. G City was one of Israel's pioneers in non-financial reporting, and we are proud to present in this, our seventh report, our further development in the field of corporate responsibility.

This report is not merely a summary of our activities; it also reflects the Company's commitment to constant improvement and open and transparent dialogues with our stakeholders. We operate out of our belief that the combination of business excellence and environmental and social responsibility is the key to resilience and long-term value creation. As part of our process of updating our strategy in 2024, we transformed our ESG activities from a vision into an organized work plan, which is integrated into all spheres of the Company's activities to firmly enhance our responsible corporate citizenship.

Sincerely yours,

Chaim Katzman

Founder and CEO



G CITY

G City (formerly Gazit Globe) is a global real estate company engaging directly and through its private and public investee companies (hereinafter jointly: "the Group") in the management, improvement, development and acquisition of mixed-use income-generating real estate, including commercial, residential and office buildings, in Israel, northern and central Europe, North America and Brazil, and focusing on densely populated urban areas in major cities.



Powerful and leading **international company**



77 Income-generating properties (correct to 31.12.2024)



~ 1.8 million square meters of leasable spaces valued at about **ILS 32 billion** (correct to 31.12.2024)



95.7% occupancy



~ 90% of the properties are located in high-demand areas in central Israel and in major cities abroad



Working from the Heart

The Company's centers serve as major economic hubs in the environments in which they operate and as vibrant cultural and community clusters. Our more than 30 years of amassed experience, our experienced professional team that has worked together for many years and our extensive and stable industry connections enable us to optimize property management under the umbrella of the Company's reputation and our global presence – and to provide unique experiences in our various centers.

G CITY'S VISION AND VALUES

To develop and hold real estate in super-urban prime areas in major cities as a leading company in the design of innovative, high-quality and sustainable urban environments, focusing on the quality of life of the communities in which it operates.



Professionalism

Work ethics and uncompromising performance capabilities



Transparency

Open dialogues and striving for cordial communications



Integrity

Reliability and maintaining long-term relationships



Stability

Leadership based on responsible growth and resilience



Innovation

Outside-of-the-box thinking and early identification of trends

GLOBAL PRESENCE

G City's global operating model is to operate through industry-leading subsidiaries



* The number of properties refers to Income-generating properties



G CITY IN NUMBERS

Global
Presence



11 COUNTRIES



Gender Equality



50%
women
in the
Company



60%
women in senior
management
echelons



25%
women on
our board
of directors



Safeguards
in the Digital
Domain

0

CYBERATTACKS
AND DATA LOSS

Market Cap

ILS **2.4**
BILLION



Responsible
Procurement



589
25%

ISRAELI SUPPLIERS

of the Company's principal
suppliers signed our Code
of Ethics in 2023

Proper Ethical
Corporate Citizenship
PUBLISHING ESG REPORTS
SINCE 2011



PLATINUM PLUS
RATING FROM MA'ALA
IN 2024

Effective Leadership

100%

PARTICIPATION IN BOARD
COMMITTEE MEETINGS

98%

PARTICIPATION IN BOARD
MEETINGS

Ethics

83%

COMPLETED OUR CODE OF
ETHICS COURSEWARE

0

COMPLAINTS OF ETHICS
VIOLATIONS IN 2024

Employee Retention and Development



88%
employee
satisfaction

1,619

hours of training and
development in 2024



Environmental
Management

We comply with
international
standards; green
building standards



Donations
of
ILS **8.2**
MILLION

during the
report period



Traditional Values



WORK ETHIC, PROFESSIONALISM
AND UNCOMPROMISING
PERFORMANCE



Learn more about [significant milestones](#) in the Company's development.

ESG AT G CITY






NEW ERA OF CORPORATE RESPONSIBILITY

G City has been active in ESG efforts for over a decade and is considered a pioneer in reporting its activities in Israel. As a leading company in the Israeli economy in general and in the real estate sector in particular, we believe that we have the ability and responsibility to set an example and drive change, while constantly striving for continuous improvement. At G City, responsible practices are an integral part of our routine activities: we appointed a corporate responsibility officer and coordinator, formed a corporate responsibility committee, delineated clear spheres of responsibility, devised ongoing update mechanisms, and we continue to review and improve their implementation processes in synergy with the Company's growth strategy and business objectives.

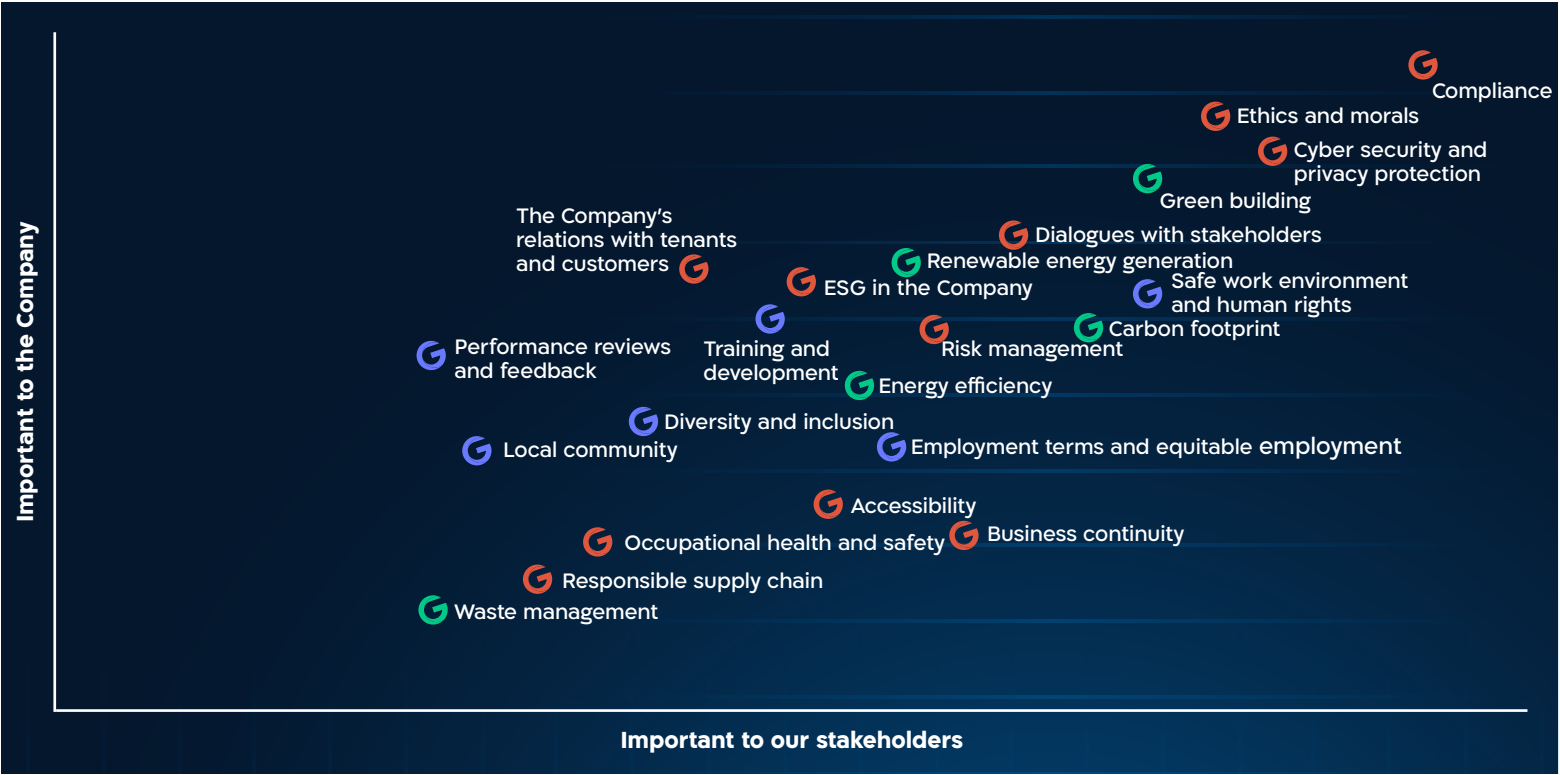
In 2024, we developed comprehensive cross-organizational infrastructure that includes regulated work routines, customized management and reporting systems, internal oversight mechanisms and structured work interfaces with all relevant parties.

The transition to an orderly organizational structure for ESG management and reporting positions G City at the vanguard of the Israeli and international industry. It enables us to prepare in advance for expected changes in the field, to comply with the evolving disclosure requirements and to meet our stakeholders' increasing expectations.

THE MATERIAL TOPICS

-  Corporate governance
-  Social
-  Environmental

As part of the process in 2024, we reviewed and revalidated the topics that are material to the Company and to its stakeholders in order to ensure that the Company continues to effectively respond to the changing needs and expectations.



ESG POLICY

The Company's ESG activities are based on a fundamental, uniform principle of adherence to moral, ethical and proper corporate citizenship in all of our centers and in all countries.

This policy incorporates the Company's approach towards corporate responsibility and the key principles aligning with its values and vision, and defines the rules of conduct that guide our activities when adopting and implementing responsible and beneficial ESG practices. We have grown over the years since the Company's founding and throughout its various evolutions, including structural and strategic changes, on the foundations of morals, ethics and

integrity. For us, ESG is a methodology for monitoring how we manage risks and opportunities for growth. Similar to the Company's proactive business strategy, we strive to assimilate and implement the Company's ESG strategy in an intelligent, orderly and gradual manner in order to ensure the Company's resilience and financial stability and maintain the Company's reputation and positioning vis-à-vis its stakeholders.

ESG MANAGEMENT AND REPORTING

We designed a dedicated management structure and orderly internal and external control and reporting mechanisms in order to ensure the effective implementation of our ESG approach and its integration into the Company's routine operations.



Channels for reporting to our stakeholders

We identified disparities relative to the benchmark and accepted practices in the field, prioritized them and formulated a company-wide work plan to focus our activities in the required areas, to strive for improvement and to maximize value to all stakeholders. We will continue to review

and implement actions to ensure that ESG practices are integrated throughout our value chain, in our decision-making processes and in our routine operations. We will strive for continuous improvement and will report our progress to our stakeholders as part of our approach towards accountability.

DIALOGUES WITH OUR STAKEHOLDERS

Responsible continuous dialogues with shareholders, investors and debenture-holders

G City is committed to transparency and open dialogues with all of its stakeholders, including shareholders and investors, customers and tenants, the Company's employees, local and regulatory authorities, industrial organizations, the Company's suppliers and the local community. The Company advocates open communication channels, regularly collects feedback and uses insights to constantly improve. Through clear messaging, an orderly and synchronized array of formal and other communication channels as needed, we achieve high standards of dialogues with stakeholders and welcome their input, which is essential for cultivating long-term relationships and for our continued prosperity. We will continue to expand the modes of communication with them as needed and act transparently and fairly. Active dialogues with stakeholders enable us to adapt the Company's strategy and activities to the real needs on the ground and to create relations based on mutual trust and shared responsibilities for a sustainable future.

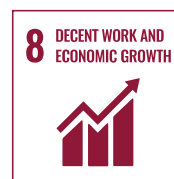


G City and its subsidiaries achieve top rankings in various fields, and are members of leading real estate organizations.

IMPACT | THE UN'S SDGs

In an era when a change in approach is essential, we are committed to promoting solutions to global challenges and preparing for a sustainable future. The Company's ability to create a positive impact is at the heart of our business activities, through efficient property management and operation, complying with green building standards, adopting cutting-edge technologies to make reliable renewable energy accessible, implementing structural changes and innovative work methods for the development of smart and resilient urban infrastructures, and wise management of natural resources. Concurrently, we strive to maintain the well-being of our tenants and visitors to our centers, by customizing the character and location of each center to the unique character of the target audience and its lifestyle.

We mapped the UN's Sustainable Development Goals (SDGs) that are most relevant to our operations:



The Company will continue to take action to advance the SDGs relevant to its operations, to the extent possible, based on the belief that real estate companies operating in urban environments wield enormous power and bear considerable responsibility – to design safe, accessible, innovative and sustainable spaces, and to support the advancement of global objectives.

CORPORATE GOVERNANCE

THE COMPANY'S RELATIONS WITH ITS SUBSIDIARIES

The Company operates through a cluster of private and public companies. We manage our relations with our subsidiaries based on the principles of independent management, on strict adherence to proper corporate governance aligned with the Company's spirit and on compliance with the locality's rules and the relevant regulations, while maintaining transparency and supervision and ongoing structured flows of information, including, inter alia, current reports on financial results, material transactions, executive remuneration, internal audit proceedings, legal proceedings, cyber risks and information systems.









The Company has imposed rules on all companies in the Group, including with regard to compliance with provisions of law, internal enforcement, control and reporting. The Company operates orderly mechanisms to oversee the subsidiaries' business conduct according to their nature and classification (as a private or public company), inter alia, through periodic reports, ongoing dialogues with key management members and internal audits as needed.






G CITY'S BOARD OF DIRECTORS

G City's board of directors is comprised of an experienced, independent, multidisciplinary team combining diverse expertise in the fields of real estate, finance, law, financing, capital markets, risk management and corporate governance. The members of our board of directors have decades of experience in key roles in leading corporations. The multidisciplinary composition of our board facilitates critical, challenging, professional analyses of major strategic issues, while ensuring balance between a long-term strategic vision and an understanding of the Company's daily challenges, which reflects the Company's global nature and its commitment to operating in conformity with high standards of responsible corporate governance.

Board members

-  **Ehud Arnon**
Chairman of the Board
-  **Chaim Katzman**
CEO and director
-  **Limor Shofman Gutman**
Outside director
-  **Modi Kenigsberg**
Outside director
-  **Prof. Shmuel Hauser**
Outside director
-  **Roni Bar-On**
Director
-  **Noga Knaz**
Director
-  **Prof. Aviad Armoni**
Independent director

8 directors

-  **25%** women
-  **50%** independent directors
-  **100%** possessing accounting and financial expertise

26 Board meetings in 2024

- 98% participation** in board meetings
- 100% participation** in board committee meetings



Separation exists between the identity and role of the Chairman of the Board and the CEO of the Company

Annual training in good corporate governance and compliance in various fields

Board performance:

Committee and spheres of responsibility	No. of meetings in 2024
Audit, financial statements and remuneration // According to the statutory provisions applying to the Company, the audit committee also serves as the financial statements review committee and as the organ responsible for internal enforcement in the Company and for approving officers' wages and remuneration in the Company.	14
Nominations // voluntary committee responsible for the composition and roles of the board of directors and of board committees	2
Corporate responsibility // voluntary committee that discusses topics pertaining to corporate responsibility, ethics, social involvement and donations	1
Cyber // discusses topics pertaining to data security and privacy protection	2
Investments // voluntary committee formed in conformity with the Company's investment policy that has been delegated authority to approve the Company's investments up to the maximum volume prescribed in the Company's investment policy.	1

G CITY'S MANAGEMENT

G City's management devotes its extraordinary combination of global experience, innovative thinking and initiative to lead complex strategic processes. The uniqueness of our management is manifest in its ability to analyze the market pragmatically, to identify trends in time and to implement bold courses of action to streamline and fine-tune our business focus. The Company's management takes a proactive approach in order to optimally respond to changing conditions and needs, while striving for growth and maximizing value.



Chaim Katzman

Founder, Vice Chairman of the Board, and CEO



Keren Kalifa

Deputy CEO and COO



Gil Kotler

CFO



Revital Kahlon

VP, Legal Counsel and Corporate Secretary



Shiri Barkay

VP, Economics and Capital Markets

Under the leadership of the Company's management, G City completed a significant process to fine-tune its strategic focus over the last two years, during which the Company divested properties not aligning with its core strategy, reduced its exposure and geographic spread and deepened its focus on prime urban locations in major cities and strategic localities. The purpose of this course of action is to strengthen the Company's financial robustness,

improve cash flows and adapt its property portfolio to the Company's vision for future growth.

G City's management prioritizes full transparency vis-à-vis the capital market, maintains ongoing dialogues with

investors and integrates ESG considerations as an integral part of strategic planning – all of which contribute to positioning the Company as an industry leader renowned for responsible and ethical management.



40%
women in our
management



11.5 years
average seniority
in the Company



Determination to complete our strategic plan to focus on core properties offering considerable potential for value appreciation and reducing leverage

COMPLIANCE

A fundamental principle at G City is full compliance with all laws and regulations applying to the Company's operations. As a public company operating in a variety of markets and countries, the Company views strict compliance not only as a statutory obligation, but also as a fundamental business principle for maintaining stakeholder trust – without taking any shortcuts. The Company operates subject to a wide spectrum of laws, such as securities law,

antitrust law, labor law, laws regulating safety, taxation, environmental protection, privacy protection and data security, etc. The Company also implements internal control and enforcement programs to ensure that the Company continuously operates according to high standards of compliance with the laws and regulations applying to its operations. The Company diligently complies with the tax laws in all countries in which it operates, including proper reporting and payments, while maintaining transparent and reliable relations with all relevant authorities, including tax authorities.

In order to ensure that our culture of compliance is effectively inculcated, the Company implemented a set of practical tools and control and enforcement mechanisms enabling us to identify, prevent and handle violations, to inculcate a culture of personal responsibility and to ensure that the Company is prepared to contend with compliance risks in a proactive, professional manner.

0 claims against the Company or against any of its officers of non-compliance during the years of this report.

INTERNAL SECURITIES LAW ENFORCEMENT PROGRAM

G City is a public company traded on the Tel Aviv Stock Exchange. Among the set of tools that the Company uses to inculcate a culture of compliance and ensure proper management is the Company's internal enforcement program, which is an integral part of the Company's procedures. This program imposes strict compulsory standards on the Company and on all of its employees and officers. Its purposes are to ensure full compliance with the securities laws, including reporting to the public, to inculcate an organizational culture of transparency and fairness and to prevent regulatory risks.

The program covers various topics, including the board of directors' work procedures, the mechanism regulating the flow of material information in the Group, mechanisms for identifying and approving transactions with interested parties while maintaining controlled separation and managing effective controls, procedures regulating the Company's relations with its subsidiaries, communications with analysts and public relations firms, and buybacks of securities. The internal enforcement program applies to the Company, its employees, managers and service-providers, and each procedure specifies the corporate body tasked with implementing and enforcing the procedure in the Company as the case may be.



TASE | GCT

81% on average have completed training in the internal enforcement program during the report period

~ 69% have completed the courseware in 2024 on preventing bribery and corruption

0 incidents of violations filed against the Company or against any of its officers during the report period

EXECUTIVE REMUNERATION

The Company's remuneration policy reflects the board of directors' standpoint on remuneration and defines principles, rules and key considerations during decision-making processes regarding remuneration of the Company's officers. As a rule, the various remuneration components are designed to incentivize and retain high-caliber officers in the Company, to facilitate the recruitment of new officers who can contribute to the Company's continued growth and to achieving its business objectives. The remuneration policy also serves to instill the Company's core values of excellence and fairness, to maintain the high standards of corporate governance that guide the Company, and to maintain the correlation between the Company's performance and the salaries and remuneration granted to officers.



THE CODE OF ETHICS

G City demands conduct according to principles of ethics, business integrity and incorruptibility during all activities in the Group. The Company is committed to diligently maintaining proper management, ethics, integrity and fairness – a commitment that is reflected in all spheres of the Company's operations. The Company defined its ethical values and moral standards in its Code of Ethics, which clearly specifies the rules of conduct expected of the Company's employees, managers and business partners, including in the subsidiaries. G City's Code of Ethics emphasizes the importance of compliance with laws, regulations and the Company's procedures – to maintain effective, optimal, long-term fiduciary relations with all stakeholders and to protect the Company's reputation.

Our Code of Ethics prescribes binding principles, including fairness and respectability in trading, the safeguarding of confidential information, the prohibition of use of insider information, proper use and protection of the Company's properties, the prevention of conflicts of interest and even avoiding situations that might give rise to a concern or appearances of a conflict of interests, and the prevention of bribery and corruption, including rules regarding accepting gifts or business incentives or exploiting opportunities for personal gain.

G City's Code of Ethics serves as a guide for decision-making in complex situations and establishes a dedicated mechanism enabling any employee to report – openly or anonymously – any concern about any violation of law or regulation, the Company's internal policies, procedures or the Code of Ethics. Any whistleblower reports received are handled discreetly and professionally by our internal enforcement officer, who fully protects whistleblowers in good faith.

[The Code of Ethics](#) is displayed on the Company's website and also applies to the privately-owned subsidiaries



Every new employee is asked to read and sign the Code

83% of the Company's employees completed the courseware on the Code of Ethics in 2024

About **79%** of the Company's relevant employees completed the courseware on the **prohibition of the use of insider information**

53% completed the courseware on **anti-competitive behavior**

DATA SECURITY AND PRIVACY PROTECTION

For G City, a global company operating in developed markets and in an advanced technological environment, information is one of the Company's most sensitive principal assets. Far beyond the statutory obligation, safeguarding our stakeholders' information is a material business consideration in maintaining the Company's resilience and reputation, and constitutes an essential component of risk management and corporate responsibility. The Company operates in conformity with leading international standards of data security management and privacy protection, and ensures that its activities comply with relevant Israeli and international regulatory requirements. The Company takes a proactive approach towards safeguarding the confidentiality, integrity, availability and reliability of information and information systems, which are essential in order to ensure business continuity. Our Chief Information Security Officer (CISO) possesses the requisite knowledge, training and experience to supervise our data protection and privacy protection efforts, which include, inter alia, the following:

- Strict data security policies, work procedures and control routines
- Controlled management of access authorizations
- Encryption of sensitive information, and backup procedures
- Ongoing risk reviews and risk assessments
- Mandatory training for employees and managers
- Response plans, incident controls and recovery procedures
- Periodic security audits and exercises, including real-time threat monitoring and management.

The Company has a cybersecurity and data security board committee, which is responsible for implementing the policy and controlling actions being taken under its authority, as well as a management forum dedicated to data security. The Company's policies and procedures apply to the Company and its wholly-owned subsidiaries, and supplement other internal procedures and local laws, as applicable.



0 security breaches, data loss or damage during the report period
~ 97% of our employees completed training in 2024

RISK MANAGEMENT

The Company conducts risk reviews based on the Group's operating segment and relevant risk factors. The reviews take into account the Group's structure, processes and controls, and examines various organizational aspects, including statutory issues, finances, general management, safety, personnel, information systems, fraud prevention, etc. The internal auditor's work plan is formulated based on the findings of the risk review, which is submitted for approval by the Company's audit committee. The audit plan also relates to the Company's wholly-owned subsidiaries.



3,685 hours of auditing in 2023;
3,500 hours of auditing in 2024.

BUSINESS CONTINUITY DURING EMERGENCIES

DURING THE SWORDS OF IRON WAR

G City operates in a rapidly changing global environment. In 2023, the Company updated its business continuity plan, which is designed to ensure functional continuity during various emergency scenarios and enable the Company to continue providing services to tenants, to maintain continuous communications with stakeholders, to ensure maximum protection of the Company's properties, the safety of employees and visitors to the properties, and to serve as a basis for incident control and recovery through a set of rehabilitation processes and procedures enabling a swift and effective return to routine activities.

The Company succeeded in maintaining business continuity upon the outbreak of the Swords of Iron War, implemented rapid adjustments to changing needs as they arose and continued operating according to the emergency routine for as long as necessary. The Company is examining the need to update the plan in the future.

OCCUPATIONAL HEALTH AND SAFETY



In 2024, the Company appointed an occupational health and safety officer, defined an organizational structure for its occupational safety system, including safety trustees in properties, and adopted a safety management plan. G City believes that safety is not merely an obligation; it is an integral part of its culture of corporate responsibility and operational excellence. The Company considers the safety of employees, suppliers, tenants and visitors to properties of utmost importance, and believes that its effective safety management plan is a clear statement of its commitment to responsible activities and its genuine concern for its stakeholders. Beyond the human dimension, safety incidents could adversely impact business continuity, and therefore, the Company is prepared to identify and handle risks in real time through proactive management, control and

reporting mechanisms,

The Company's occupational health and safety management plan analyzes various risks and regulates work processes and actions in order to control and mitigate risks and create services and spaces that pose no risk to the safety and health of employees and visitors. The Company provides training to employees according to target audiences and locations, complies with relevant laws and regulations, provides standard personal protective gear as required by law, conducts regular safety inspections, conducts safety drills and maintains incident response and reporting mechanisms.

10 safety training sessions during the report period





Direct reporting mechanisms to the management and to the board's audit committee.



VALUES AND RESPONSIBILITY IN THE SUPPLY CHAIN

We believe that real corporate responsibility begins in the Company but is necessary throughout the supply chain. Based on this approach, the Company takes action to advance a responsible supply chain, which includes selecting suppliers that share similar standards of statutory compliance, ethics, transparency, fairness and social and environmental accountability. The Company encourages local procurement and support for small and medium-sized businesses, and prioritizes Israeli suppliers and small businesses to the extent possible, in order to strengthen businesses in the vicinity of our properties, to be active

partners in local economic growth and to create reciprocal economic, social and environmental value.

-  **40% Israeli suppliers**
-  **68% small and medium-sized businesses**
-  **65% businesses in peripheral regions**
-  **23% social businesses**

High-quality long-term partnerships
about **ILS 40 million** paid to local suppliers in 2024

The Company's engagement procedures include orderly processes to screen potential suppliers, including, inter alia, the existence of business licenses and requisite permits, suitability to perform the required work, financial robustness, reputation, statutory compliance, past experience, proper employment conditions and protection of employees' rights. The Company also examines how the supplier handles various environmental and social aspects, as relevant. The Company's payment policy to suppliers takes into account the nature of the supplier's business, its size and the volume of the engagement with the Company.

WHISTLEBLOWER MECHANISM

G City operates a dedicated internal reporting mechanism enabling all stakeholders to report – openly or anonymously – any concern about violations of law, our Code of Ethics, Company procedures or principles of corporate responsibility. This mechanism constitutes a critical component of corporate responsibility as it enables the Company to handle incidents of improper behavior swiftly and effectively, to enhance employees' sense of personal safety, and to further inculcate an organizational culture of integrity and personal responsibility.

The whistleblower mechanism is described in our Code of Ethics published on the Company's website, which enables anonymous reporting and communications channels with the chairman of the audit committee, the internal auditor or the legal advisor in charge of internal enforcement. Every grievance received through the reporting mechanism is handled professionally and sensitively, while safeguarding the whistleblower's privacy. Investigations are conducted with the goal of ensuring that all parties are treated fairly. Our policy is to constantly strive to detect failures early, to rectify deficiencies and prevent their recurrence.

Grievances to the ethics officer

Grievances to the anonymous whistleblower line

2023 2024

2  0

1  0

THE COMPANY'S RELATIONS WITH TENANTS AND CUSTOMERS

The Company considers its tenants as its partners in success and strives to maintain excellent long-term relations. The Company is diligent about providing a diverse mix of stores that will fulfill the needs of customers and various target audiences according to the character of the property and its vicinity. G City manages its relations with customers and tenants according to the local characteristics, while adhering to G City's core principles and the high standards of its service policy, and maintains a uniform management and service policy in all centers and countries that is also tailored to the unique needs of each center and its tenants and customers.

Urban properties serving daily needs and services:



- **22%** Fashion chains
- **25%** Retailers (excluding fashion)
- **14%** Supermarkets and pharmacies
- **13%** Food and dining
- **11%** Offices, banks, clinics and services
- **9%** Entertainment
- **6%** Other

~ 5.3% increase in total tenant revenues from the Group's operations in 2024

~ 2.3% rise in total volume of visitors to the Group's properties.

Ensuring the health and well-being of all visitors to our properties is a top priority for us. The Company meticulously complies with all statutory and regulatory requirements applicable to its operations and to property maintenance.

RESPONSIBLE ADVERTISING AND MARKETING

The Company is committed to responsible advertising and marketing, and ensures that all advertising and marketing materials are accurate, transparent and straightforward, and use respectful, fair and inclusive language that appeals to a spectrum of audiences. All marketing and advertising materials are rigorously reviewed to ensure that they faithfully reflect the Company's services.

SOCIAL

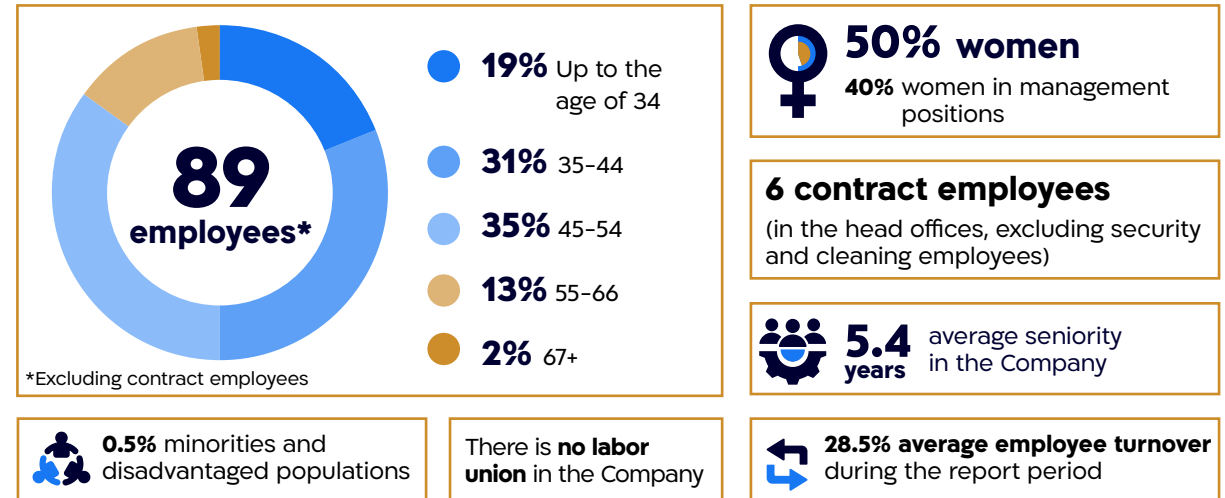


G CITY'S EMPLOYEES ARE ITS BEATING HEART

At G City, we believe that high-caliber human capital is the key growth engine driving a company's success. Our employees are the force driving innovation and excellence, which enables us to continue leading the real estate industry in Israel and abroad. Every business success, innovative project or strategic course of action is achieved primarily thanks to our employees' professionalism, dedication, initiative and creativity, who perform their roles every day with a deep sense of pride and belonging.

G City invests in the personal and professional development of its employees and in providing fair, safe and supportive work environments. We encourage open discourse and active participation in processes of organizational improvement and renewal. We treat our employees as full partners and, together the Company will continue growing, developing and leading the real estate market.

Our employees, with their diverse spheres of expertise, knowledge and experience, are our most important resource and our driving force.



The Company is committed to maintaining inclusive, respectful and supportive work environments encouraging personal, professional and managerial development. One of G City's core principles is to maintain work environments that are physically and emotionally safe, pleasant and rewarding. We strive to ensure that all of our employees – at all ranks and in all countries in which we operate – enjoy working in safe environments where every person is treated with respect and fairness. The Company shows zero tolerance for inappropriate behavior of any kind, including discrimination, bullying or harassment, or for any kind of offensive, humiliating or derogatory remarks.

The Company appointed professional officers who are responsible for implementing the Company's Code of Ethics. We also provide periodic training

to employees and managers, operate open and anonymous reporting mechanisms enabling employees to communicate any concerns or grievances, and instituted procedures for submitting, investigating and handling grievances.

76% of our employees signed our revised Prevention of Sexual Harassment Policy in 2024

The Company has been publishing a gender wage disparities report since 2023, in conformity with the Equal Pay for Male and Female Employees Law. The Company is meticulous about providing equal opportunities to women and men and determines remuneration based solely on relevant considerations, including seniority, experience, professional competence and achievements.

[Learn more](#)



HUMAN RIGHTS, DIGNITY AND PREVENTING DISCRIMINATION

Safeguarding human rights is a fundamental value in G City's organizational culture and is not merely a statutory obligation. The Company is committed to acting in a manner that respects and protects the rights of all stakeholders with whom it comes into contact, in every country and in every property in which it operates, in conformity with laws applying in each country, including the necessary adjustments, out of our commitment to universal values of social justice and human dignity.

G City is diligent about ensuring that it carries out its activities in Israel and abroad according to universal values

of human rights and fair employment. The Company also condemns and rejects any form of forced labor or illegal employment of minors in any region in which it operates, in compliance with the local labor laws.



0 incidents of child labor or illegal forced labor in the Company

The Company's hiring and promotion processes are based solely on professional, business and practical

considerations and ensure proper, fair and equal employment terms, without regard to race, religion, gender, socioeconomic status, political position, ethnicity, sexual orientation, age, or physical or mental disability. New employee hires undergo an orderly onboarding process, in order to familiarize themselves with the Company and staff and to begin performing their roles seamlessly and effectively. In instances of employment severance, the Company strives to maintain proper and respectful severance proceedings.

EMPLOYEE TRAINING, ENRICHMENT AND CAREER DEVELOPMENT

Since G City's most important growth engine is its human capital, we prioritize training and development programs that are tailored to our changing business needs and our employees' personal career development paths. Our investments in employee development enable us to maintain innovative and dynamic work environments that attract quality talent and foster a culture of motivation, upskilling and career development.

The Company offers a wide range of professional workshops, specialized training according to profession and a spectrum of courses, such as in languages, personal development, professional soft skills, management and leadership, employee retention, innovation and technology, ethics, artificial intelligence, etc., thereby maintaining professional excellence and ensuring that we adapt to the changing needs of the market.



A culture of development and excellence

1,619 hours of training in 2024

17.4 hours of training and development on average per employee

We take constant action to improve our employee development plans and provide tools enabling every employee to reach his/her full potential and become an active part of the Company's success.

PERFORMANCE REVIEWS AND FEEDBACK

Performance reviews and feedback are a cornerstone of G City's human resource management and constitute an essential management tool for decision-making on employee promotions and remuneration. These periodic performance reviews enable us to review employees' achievement of predefined targets, to identify unique strengths and competencies as well as areas needing improvement, and to jointly arrive at a personal and professional development plan tailored to the Company's and the employees' needs. These performance review and feedback processes also constitute an opportunity for the Company to recognize employees' achievements, to facilitate open and constructive dialogues between direct supervisors and employees, to convey expectations and provide tools for success going forward in an environment that promotes personal and professional excellence. The Company's orderly annual performance review and feedback process includes pre-review preparatory processes and provides feedback tools to managers and employee to ensure respectful, efficient and effective feedback conversations.



90% of our employees

completed performance review and feedback processes in 2024.

EMPLOYEE WELL-BEING

- ✓ **Support during life events** and holiday gifts
- ✓ **100% of our employees** are entitled to a continuing education fund
- ✓ **Increased minimum wage**
- ✓ **Periodic routine medical examinations** | 55% of eligible employees exercised this benefit in 2024
- ✓ **Support and assistance fund** during crises
- ✓ **Advice on personal finances**
- ✓ **Training and tools for pension planning**
- ✓ **90% of our employees** participated in departmental team-building activities
- ✓ **Subsidized gym** for employees to use near the office
- ✓ **Switch to Cebus cards for all employees** | diverse and healthy meals
- ✓ **Summer camp for employees' children** | 60% of eligible employees exercised this benefit
- ✓ **Option to continue working after reaching retirement age** | 3 of the eligible employees exercised this option in 2024
- ✓ **83% of our employees utilized vacation days in 2023; 97% in 2024.** The Company regularly monitors employees' hours to prevent burnout.



EMPLOYEE SATISFACTION AND RETENTION

Since G City considers employees its most important asset, it is important to us that we understand how they experience their work environment, the management and our organizational culture on an ongoing basis. Employee satisfaction surveys enable us to identify strengths and aspects needing improvement, as well as to examine the quality and effectiveness of the Company's activities in response to their needs.

- ★ **Employment stability** and evaluations of social terms
- ★ **68% of our employees took part in the survey** in 2024
- ★ **Employee satisfaction score of 88%**

- ★ **A sense of pride** and belonging to the Company
- ★ **A culture of teamwork** and a family atmosphere
- ★ **Appreciation for the professionalism of our human capital**
- ★ **Confidence in the Company's strategic direction** and in managers' professional management

We use the results of employee satisfaction surveys as a managerial compass in decision-making processes, and as a basis for formulating an orderly work plan focusing on areas needing improvement. These surveys help us to continuously improve the employee experience.

ACCESSIBILITY

There are more than 1.5 million people with disabilities in Israel, and ensuring that they have equal access to full and independent participation is a moral, social and legal obligation. At G City, we treat accessibility as an integral part of our approach towards corporate responsibility. We are cognizant of the fact that the Company's properties and the services provided in them are public spaces, and that we must ensure that every person – regardless of physical, sensory or cognitive disability – can access them independently, equally and with dignity.

The Company's accessibility officer has completed specialized training and assists the Company in making sure that its physical properties are accessible, including access lanes, disabled parking spaces and accessible signage as required by law. Additionally, the

Company's website and public reports online are fully accessible, so that any stakeholder can receive information and perform actions easily and without obstacles. Effective accessibility promotes social inclusion and strengthens the Company's connections with the communities in which it operates. Therefore, our high-quality real estate is accessible to everyone, without exception. The results of an audit of one of the Company's properties in 2023 found that the Company needed to make accessibility adjustments. The Company completed all required adjustments in conformity with the deficiencies report submitted to it.

Our accessibility arrangements are published on the Company's website. [Learn more](#)

0 complaints about accessibility in 2024

The Company's website complies with the Accessibility Regulations at AA level.



G CITY IN THE COMMUNITY






G City considers its ties to the community as an integral part of its corporate identity and broad approach towards corporate responsibility. As a real estate company operating in the heart of urban communities, the Company recognizes that its properties offer diverse services needed by the local community, and considers itself a partner in developing thriving and sustainable communities around its properties. The Company bases its community outreach on the beliefs that a successful company is one that engages in a true partnership with the community in which it operates, and that strengthening the community actually reflects a direct investment in the business environment and in cultivating relations with customers, tenants and residents alike.

Over the years, G City has established itself as a leader in social responsibility. G City's social activities constitute an integral part of the Company's strategy of continuing to evolve through a deep integration of business growth and positive community impact. G City encourages its employees to volunteer in a variety of social activities in the community, and combines internal welfare programs with values of contributing to the community. The Company places special emphasis on educational, environmental and social projects to reduce disparities, advance equal opportunities and create a better urban environment for everyone. The Company's donations budgets focus on NPOs and social organizations that support the selected focus areas according to the Company's donations policy.

The southern Israel initiative


G City has been supporting the Southern Israel Initiative in the communities of Yeruham and Kiryat Malachi for some 14 years. Through administrations established in collaboration with the local authorities, the Ministry of Education and philanthropic entities, we created a work model to support the municipal education system, while ensuring connections between the various educational levels, maintaining developmental continuity and creating educational opportunities for all children, from preschool to college.

 **ILS 2.1 million per annum in donations to the initiative**

Impact of the programs in 2023	Yeruham	Kiryat Malachi
% eligible for matriculation 	47% in 2015 92.7% in 2023	54% in 2014 87% in 2023
% eligible for advanced mathematics (compared to 2022)	58.5%  ~ 18%	30%  ~ 17%
% of graduates continuing to a pre-military preparatory program and year of volunteer service (compared to 2022)	60% no change	9.75%  ~ 22%
Members of youth movements (compared to 2022)	700 no change	1,951  ~ 25%

Volunteering at G City

761 hours of volunteering in 2023

 **663 hours** of volunteering in 2024 (decrease due to the Swords of Iron War)

92% of the Company's employees took part in volunteering activities in 2024

8.7 hours of volunteering on average per employee in 2023-24



G City Real Estate Research Institute at Reichman University



G City founded the institute with the goal of it becoming the key academic forum in Israel for real estate studies and research. The institute incorporates Reichman University's spirit of academic excellence, innovation and entrepreneurship to advance academic research, to design study programs in the field and to strengthen the ties between academia and the real estate industry. In addition to the curricula, the institute conducts academic research and collaborates with leading academic institutions and organizations in Israel and abroad in the field of real estate.

2 scholarships were awarded in the program's 7th and 8th cycles in 2023-2024

Donation of USD 250,000 in 2023 (joint decision in 2024 to not transfer the annual donation due to balances from previous years)

G City's Donations

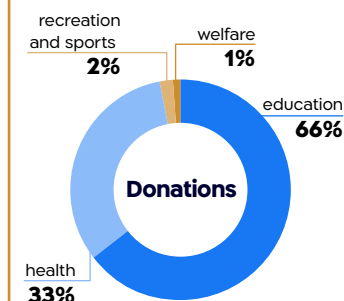
Dedicated donations policy and budget

Total donations in 2023

~ ILS 4 million (excluding the donation to G City Real Estate Research Institute at Reichman University and excluding the Southern Israel Initiative)

Total donations in 2024
~ ILS 3.3 million

(including the Southern Israel Initiative).





G City during the Swords of Iron war

On October 7, 2023, we witnessed a deadly attack on Israel's southern communities that triggered the outbreak of war that has been affecting life in Israel profoundly ever since. We swiftly mobilized to help victims directly or indirectly harmed by the terrorist attacks and to contribute to boosting morale and national resilience in the home front. Among the Company's activities:

Assistance to employees and their families |

Special assistance packages, remote work, additional vacation days and emotional support through professionals.

Hosting families from southern Israel |

in our commercial centers to temporarily house families evacuated from their homes, while attending to their basic needs and providing activities for children.

Financial donations and equipment |

Donations of cash or cash equivalents and essential equipment to NPOs working to help victims, and encouraging our employees to participate in volunteering initiatives.

Donation of about ILS 1 million to the Israeli Business Forum of leading companies dedicated to supporting Israeli businesses and the economy

Waiver of a significant portion of our tenants' rent payments for October 2023



ENVIRONMENTAL



SUSTAINABLE URBANISM

The transition to a low-carbon world poses new challenges for the real estate industry. Amendments to building regulations obligate real estate companies to upgrade and change property management practices, which directly impacts property development and operating costs. Concurrently, as eco-awareness and involvement increases, the market is preferring more cost-effective and environmentally-friendly properties. Climate change is also impacting property values, driving us to challenge existing practices, to implement innovative work methodologies, to develop sustainable solutions and change our approach towards property development and management to ensure that we are ready to contend with future challenges. Among the actions taken by the Company in this regard:



Appointment of an environmental officer



Survey of environmental and climate aspects in 2023



Formulation of a work plan to monitor and control environmental performance, to strive for operational efficiency and reduce our environmental footprint.

ENVIRONMENTAL MANAGEMENT

Real estate is a key component of the urban fabric and has an environmental impact. Therefore real estate companies cannot be satisfied with environmental compliance alone, and must be committed to driving responsible, innovative and beneficial environmental activities.

Energy

2023

64,557,626 kWh

2024

70,706,210 kWh

~9% increase in consumption
(deriving from the expansion of our operations)



Renewable Energy Generation

2023

1,697,174 kWh

2024

2,466,577 kWh

~43% increase in renewable energy generation

Water Consumption

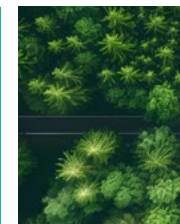
2023

178,514 m³

2024

118,337 m³

↓ by about 34%



Waste Management

Recycling is ecologically important in order to prevent soil pollution and emissions, and economically important in order to reduce costs. Increasing recycling helps to preserve natural resources and improve the quality of life in the environments in which we operate.

2023

5,232 tons of waste
(cardboard waste and municipal waste)

79% transferred to landfill, the balance for recycling

2024

6,605 tons of waste
(cardboard waste and municipal waste)

90% transferred to landfill, the balance for recycling

↑ The increase derives from growth in operations



Carbon Footprint



G City uses the calculation of its carbon footprint as an essential management tool for assessing the

environmental impact of its operations, in order to detect emissions hotspots and achieve effective reduction targets. After completing a comprehensive internal process of monitoring, control and learning, the Company decided to update the base year for measuring emissions and expand the scope of its reporting, so that it will more accurately reflect the current structure of its operations. This process reflects an additional significant stage in our preparations for deepening our environmental activities, and formulating data-based goals for the medium and long term.

2023

20,608 tCO₂e

2024

30,858 tCO₂e

Scope 1 – direct emissions
115 tCO₂e

Scope 2 – indirect emissions
30,743 tCO₂e
(location method)

We calculated our results according to the equity share, as per the GHG Protocol.

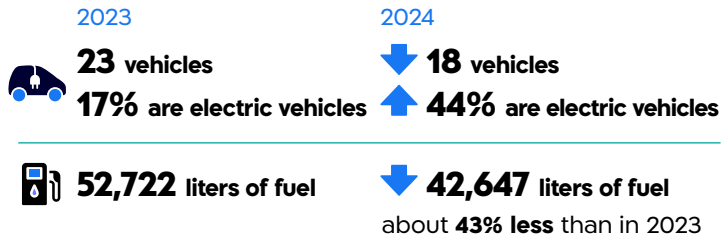
[Learn more](#)



Pilot at Cinema City to reduce waste burial at landfills through the use of the ORCA system (waste digester). Organic waste is sorted at source (and inside restaurants) and conveyed to the ORCA system, thereby reducing the volumes of waste sent to compactors and landfills and reducing garbage truck traffic. This system has the potential to reduce waste being buried at landfills by about 70%.


Our Fleet Of Vehicles


Fuel-burning vehicles cause air pollution, depletion of resources and damage to ecosystems. We are continuing to examine alternatives and solutions to reduce the damage, improve the environment and air quality.



The Future Of Urban Real Estate | Mixed-Use Properties

Mixed-use real estate is a planning, environmental and social approach that strives to create high-quality urban spaces enabling residents to enjoy high standards of living, while protecting the environment, achieving efficient resource consumption and helping communities prosper through smart urban planning for mixed-use properties, including commerce, offices, open spaces and public services, and recreation and leisure activities.

 **Proximity to public transportation and main traffic arteries** | reduces dependence on private vehicles and reduces the carbon footprint

 **Strengthening the local economy by supporting local businesses** and creating neighborhood commercial hubs.

As a company owning and managing properties in urban areas, G City's adoption of the principles of sustainable urbanism is both a business opportunity and a social responsibility. The Company takes action to integrate these principles into its property planning, ongoing management and collaborations with tenants and communities, out of its recognition that high-quality commercial centers are an integral part of smart urban planning that serves the city and the vicinity and builds resilience and a strong urban community.

Environmental Efficiency Plan

In 2024, as part of deepening its environmental efforts, the Company formulated an environmental efficiency plan focusing on three main channels:



Streamlining of routine operations

Striving for continuous improvement in the nature of property management, reducing our consumption of resources, improving operational efficiency and adopting sustainable technologies, solutions and processes in existing and new properties.

Sustainable innovation | The Company believes in introducing innovation and sustainable technologies and takes action to identify suitable solutions. [Learn more.](#)



Focus areas

Areas in which the Company identified potential for it to have a significant impact:

Energy efficiency | Integrating smart control systems to reduce energy consumption during routine operations.

Renewable energy | Solar infrastructure on the roofs of properties, using green energy in public areas, and energy storage.

Waste management | Recycling and innovative solutions to reduce waste and advance a circular economy.



Imparting knowledge and raising awareness

Recognizing that positive environmental impact is achieved through collaborations with tenants and property managers, G City is taking action to implement a broader, more positive environmental culture in properties in collaboration with its tenants.



Our environmental efficiency plan includes mapping of existing actions during our routine operations, identifying deficiencies and opportunities for new actions, thereby enabling the Company to manage the process in a measurable, controlled data-based manner that can be reported transparently to our stakeholders. This plan demonstrates that the Company is acting on its commitment to strive for environmental efficiency.

Biodiversity

Biodiversity plays a crucial role in maintaining the ecological balance and the proper functioning of natural systems. G City deems it important to adopt responsible practices and therefore, is diligent about conducting environmental surveys in conformity with the local authority's directives and the project's requirements, including addressing the impact on biodiversity as required.

- ✓ **0 warnings/fines/claims** relating to environmental matters in 2023-2024
- ✓ **We replaced chillers** at two sites at an investment of about ILS 1.5 million
- ✓ **We plan to conduct energy surveys** at 5 centers in 2025
- ✓ **We installed 8,025 m² of solar panels** for renewable energy generation on the rooftops of properties – **2,807 m² in 2023 and 2024** alone
- ✓ **We added EV charging stations at properties.**
- ✓ **We comply with leading international environmental and social standards** | G City Tower 1 (under construction) and Beit Cal (in planning stages)



G CITY OVERSEAS

G CITY EUROPE

G City Europe is a wholly-owned subsidiary of G City specializing in the development and management of shopping centers and leasable residential properties in major cities in Central Europe.



116 employees



66% women



G City Europe is planning to implement a system for monitoring hours of employee training and development in 2025.



Poland

Five directors possess experience and expertise in real estate and finance, including two directors on behalf of G City – including one of G City's Independent director.

Mr. Eshel Pesti, CEO of G–City Europe since 2023

16% women in the company's management

* Correct to the publication date of this report.



ESG At G City Europe

G City Europe has defined sustainability and environmental goals as part of its overall ESG strategy. As part of its commitment to a long-term sustainability strategy, G City Europe issued green bonds in 2021 totaling EUR 650 million. The funds raised are earmarked for financing green projects and new, existing or renovated properties in the retail and residential sectors that comply with recognized green building standards, such as BREEAM at a rating of "Very Good" or higher. By doing so, G City Europe is demonstrating its commitment to reducing its carbon footprint, its support of the UN's SDGs and the Paris Agreement, and its willingness to attract investors who are committed to responsible capital allocations. [Learn more](#)

[Progress report for 2024 >>](#)

Code Of Ethics

G City Europe operates according to a binding Code of Ethics, which constitutes the foundation for a responsible and fair organizational culture. The Code of Ethics defines the standards and behaviors expected of employees and management, and a commitment to maintain integrity, reliability and personal responsibility. The Code of Ethics reflects G City Europe's core values, guides its conduct towards all stakeholders, serves as a tool for implementing the Company's ethics policy, and provides guidance in instances requiring the exercise of ethical judgment.



All of G City Europe's employees complete annual training in the Code of Ethics



Human Rights

G City Europe is committed to full compliance with the requirements of human rights laws and labor laws and regulations, in conformity with the standards applying to companies of its size. G City Europe complies with all relevant regulations in the countries in which it operates, and maintains fair and respectful employment environments in accordance with the spirit of the law.

Safety

G City Europe implements strict safety procedures and is obligated under the Group's reporting mechanisms, inter alia, to monitor, control and issue regular reports to the Group's designated committee.

- ✓ **Safety officer in every center**
- ✓ **Safety training to employees**
- ✓ **100% of G City Europe's centers comply with the requirements of the relevant local fire and safety regulations**





Data Security and Privacy Protection

G City Europe adheres to strict data security procedures, fully implements the Group's policy and complies with international standards, primarily the European GDPR (General Data Protection Regulation). G City Europe is also meticulous about adapting its data security and privacy protection activities to the local regulations in each country in which it operates.



Responsible Supply Chain

G City Europe's sustainable procurement policy defines binding standards of ethical and responsible conduct by its suppliers. G City Europe expects its suppliers to uphold human rights, to provide fair employment conditions, to prevent discrimination, forced labor and child labor, to ensure safe and healthy environments for employees, to demonstrate environmental responsibility and zero tolerance for corruption and fraud. The policy also applies to subcontractors and other forms of employment. G City Europe reserves its right to audit suppliers' compliance with the provisions of its policy and to terminate its engagement with any supplier that fails to comply. [Learn more](#)

Whistleblower Mechanism

G City Europe implements a dedicated mechanism for exposing corruption and reporting improper conduct, which includes procedures for raising concerns of violations and maintaining the propriety of work processes. This mechanism defines modes of action for handling grievances and ensures appropriate and professional responses to grievances received.



0 grievances about concerns of violations during the report period
All of G City Europe's employees complete compliance training.



Environmental Policy

As a leading real estate company, G City Europe attributes considerable importance to environmental protection and operates in compliance with all local laws, regulations and environmental requirements in the countries in which it operates. G City Europe strives to reduce its environmental impact through responsible planning and construction, efficient resource management and the integration of sustainability principles into its operations. This policy reflects G City Europe's commitment to the environment, the community and future generations.



Green Building

More than 70% of G City Europe's properties are certified according to the BREEAM standard at a rating of "Very Good" or higher, and it is aiming to achieve an upgrade to "Excellent"

[Learn more about BREEAM in G City Europe's properties](#)

Memberships in Associations and Organizations



G City Europe's Goals

To reduce carbon emissions by 40% by 2030
(base year 2019)



CITYCON


AT THE VANGUARD OF ESG

Citycon is a company controlled by G City and is one of the leading companies in northern Europe engaging in urban center development and management. Citycon is deeply committed to sustainability and corporate responsibility.

 **164 employees**

 **48% women**

 **347 hours of training and development** Culture of learning and development

 **Employees are tasked with personal sustainability goals** as part of their annual performance reviews

 **Annual volunteering day for every employee.**



Finland



Sweden



Norway



Denmark



Estonia



Citycon's Code of Ethics

The moral compass for Citycon's activities.

[Learn more](#)



77% of Citycon's employees completed training in the Code in 2024.

Citycon's Management



possesses real estate, financial and environmental expertise, advanced business thinking and outstanding leadership skills. Citycon's board of directors closely supervises the implementation of its ESG strategy and decision-making processes, including obligatory indicators to advance environmental, social and corporate governance responsibilities. The CFO submits quarterly reports on ESG performance directly to the board of directors, and executive remuneration is based on achieving sustainability targets. [Learn more](#)



33% women in Citycon's management

Responsible Supply Chain

Citycon's Code of Ethics also obligates its suppliers to comply with the standards and rules of conduct that it defined for itself. Suppliers and contractors are required to sign the Suppliers' Code of Ethics and comply with standards of fair employment, upholding of employees' rights and compliance with environmental laws. **Citycon conducted a human rights risk assessment survey in 2023 to prevent violations in the supply chain.**

Citycon's Board Of Directors

Citycon's board of directors is comprised of nine directors elected by the annual general meeting. The board of directors' duties are determined pursuant to the Finnish Companies Act, Citycon's Articles of Association, the Finnish Corporate Governance Code and the written board charter contained in Citycon's corporate governance guidelines. The board of directors is responsible for guiding the company's strategic direction and overseeing proper management. [Learn more](#)

Citycon is committed to an ESG policy as part of its sustainability strategy, and focuses on creating sustainable shopping centers. Citycon's goal is to reach carbon neutrality by 2030 by improving energy efficiency, reducing its carbon footprint and using sustainable construction and green buildings. Citycon also strives to be a leading employer by ensuring fair, healthy and safe work environments and is committed to responsible supply chain management, ethical business conduct and full transparency towards stakeholders. Citycon exerts constant efforts to improve tenant satisfaction and works closely with tenants and local communities. Citycon's lease agreements contain a clause requiring compliance with Citycon's Code of Ethics. [Learn more about Citycon's sustainability strategy](#)



Data Security & Privacy Protection

Citycon takes a strict proactive approach towards privacy and data security management and operates in compliance with international data security standards, including the European GDPR, and complies with local regulations in countries where it operates.

Whistleblower Mechanism

Citycon encourages its employees to report any instances of concern about violations of the company's Code of Ethics. Citycon has an anonymous reporting mechanism and is committed to safeguarding confidentiality and to responsible, meticulous handling of grievances, including whistleblower protection. [Learn more](#)



0 reports of concerns of violations during the report period

**Citycon's
ESG Report
For 2024 >>**



Environmental Efficiency

For Citycon, environmental efficiency is an integral part of intelligent and efficient property management. Citycon's combination of advanced building standards, investments in renewable energy, use of smart technologies and collaborations with tenants enables it to not only reduce its carbon footprint, but also to further raise the economic value of its properties, to attract high-quality tenants and to reinforce its positioning as an environmental leader in the real estate sector in northern Europe.

- ✓ **Citycon's energy efficiency initiatives in 2023 resulted in about a 5% reduction in total energy consumption in properties**
- ✓ **54% of Citycon's properties generate solar energy from panels installed on property rooftops**
- ✓ **Citycon joined the SBTi program, an obligatory international framework that defines GHG emissions reduction targets**
- ✓ **Citycon implemented a comprehensive plan to reduce waste and increase recycling rates in properties. In 2024, Citycon achieved a recycling ratio of 68%.**



Citycon's Environmental Targets

- To reduce carbon emissions by 50% by 2030** (base year 2019)
- To increase the recycling ratio to 75%** by the end of 2025
- To achieve 50% energy consumption from renewable sources in properties** by the end of 2025
- To expand its Green Lease Program** so that leases contain clauses regarding environmental reporting and tenant cooperation in resource management
- To achieve 0 waste for burial in landfills** by 2030



Safety

Citycon implements strict safety procedures in its commercial centers that focus on physical safety for all visitors, tenants and employees. All centers undergo annual internal safety inspections.

Safety training was provided to management staffs and tenants in 93% of Citycon's centers

Safe Journey Program



Green Building

Citycon operates in conformity with stringent green building standards, including LEED and BREEAM, and strives to ensure that every new property or property undergoing major renovations will receive high green building certification.

In 2024, 76% of Citycon's properties are BREEAM certified at a rating of "Very Good" or higher.



Target – to achieve certification of all of Citycon's properties by 2026

Memberships in Associations and Organizations



* The information is based on public information from the company.



INSIGHTS FOR THE FUTURE

This report summarizes G City's activities in the field of corporate responsibility over the last two years and presents significant maturation and measures taken to improve the Company's social and environmental impact, out of its continuing commitment to act responsibly, ethically and efficiently, and its recognition that collaborations among all relevant parties are critical to future success and achievement of the desired results.

Challenges remain that require focus and additional work. We are committed to continuing to improve the existing processes, to constantly review stakeholders' changing expectations, to continue implementing appropriate operative measures and to monitor and evaluate the effectiveness of our actions and their impact on the Company's various stakeholders.

G City is committed to continuing to implement these values as part of its business strategy, being cognizant of the fact that sustainability and proper management are not merely an ethical obligation, but also essential growth engines ensuring the Company's resilience and future prosperity.

ABOUT THIS REPORT

This report reviews G City's activities during 2023-2024 primarily in Israel and presents a concise review of the activities of its subsidiaries, Citycon and G City Europe, in the countries in which they operate. This report is intended for informational purposes only and should not be relied upon when considering investment or other business decisions. This report was written in conformity with the accepted international methodology of the Global Reporting Initiative (GRI) and after examining accepted standards in the field, relevant industry standards, including GRESB and EPRA, and leading rating agencies.

This report is based on information extracted from the Company's systems, internal reports, Company documents, procedures and work plans, and included interviews and conversations with relevant internal organizational stakeholders and public information. The information was reviewed by a third-party examiner whenever possible and efforts were exerted to ensure its accuracy and completeness. The data presented in this report have been rounded for reading ease. In the event of a contradiction between the information presented in this report and official financial statements or capital market presentations published by the Company, the information as officially reported in the Company's reports prevails.

Any future commitment or action plan described in this report is based on the Company's current assessments, and actual realization depends on many factors, including market conditions, regulatory developments, technological changes and operational aspects that are not always under the Company's control. Therefore, the future plans or statements appearing in this report should not be construed as a binding undertaking of the Company. The Company is not promising to update this report or the information contained herein.

If you have any questions and/or seek clarifications about this report, please contact:

Revital Kahlon, VP, Legal Council, Company Secretary and Head ESG, at: RKahlon@g-city.com

Mila Akiva, ESG Manager, at: makiva@g-city.com



This report was written with the assistance of MirrorESG, a company specializing in ESG and impact management and reporting.

For additional information, please contact:

Nitsan Litwak and/or Ayala Livni Shoham, MirrorESG

at www.mirrorresg.com



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