
Colonial

Corporate social responsibility policy

Colonial Group



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Introduction

This Policy is cornerstone of the Colonial Group's commitment to its stakeholders and defines the principles of the Group's Corporate Social Responsibility (CSR) strategy and management system.

Objectives of the Policy

The objective of the CSR Policy is set the bases and principles of the Colonial Group's voluntary commitment to its stakeholders.

The Colonial Group is committed to dedicating the necessary resources to developing the most suitable tools to ensure compliance with this Policy by all persons subject to it.

Action lines: Mission, Vision and Values

The aim of this Policy is to help the whole company to develop the Colonial Group's mission and vision through its values and within the framework of the Group's Code of Ethics.

Colonial Group's mission

“To create long-term value for shareholders, investors, employees and all stakeholders by investing in and managing office buildings that allow our clients to reach their full potential.”

Colonial Group's vision

“To be leaders in the European office market, recognised for our experience and professionalism, for our solidity and profitability, while always providing excellent, sustainable property solutions tailored to our clients' needs.”

Colonial Group's values

Excellence

Professionalism

Leadership

Commitment

Rigour

Transparency

Scope of application

All Colonial Group employees must adhere to the CSR Policy, in addition to its managers and those who represent the Group, and all efforts shall be made to guarantee that business partners and collaborators are also compliant, where applicable, to ensure that the aims of this Policy are met.

CSR Strategy and Commitments

The Colonial Group's CSR commitments are grouped into five main action areas that embody the strategic priorities that must be developed and monitored by each Department:

1. Personal development
2. Client satisfaction and loyalty
3. Eco-efficient management
4. Sustainable value creation
5. Ethics and compliance

1. Personal development

The Colonial Group's culture is based on commitment, teamwork and cooperation among the people that make up the Group. To transform this culture into a competitive advantage, the Group seeks to develop talent through the following priorities:

- Create an attractive working environment to ensure the personal and professional development of its employees.
- Provide mechanisms that offer flexible working conditions to create a work/life balance.
- Foster equality and equal opportunities, and promoting employee welfare and health.
- Foster knowledge management by developing and implementing training plans adapted to the needs of the Group's workforce.
- Develop instruments to strengthen the identification, attraction, development and retention of individual talent.
- Improve internal communication by applying new technologies and continually updating the corporate intranet, as well as through employee satisfaction surveys.
- Guarantee a workplace environment that is safe and that fosters employees' health and well-being.

2. Client satisfaction and loyalty

Guaranteeing the satisfaction and loyalty of our clients is key to ensuring the sustainability of the Colonial Group. By maintaining an open dialogue, the Group seeks to take advantage of growth opportunities, satisfying the needs of its clients, and address the following priorities:

- Guarantee the quality and security of the buildings that make up the Colonial Group's portfolio.
- Foster innovation and being at the cutting edge in the range of services available in communal areas.
- Actively promote accessibility in the different buildings that make up the portfolio, thereby ensuring the quality of the service provided.
- Ensure a proactive, transparent two-way communications channel with different clients (single-user and multi-user buildings).
- Encourage the inclusion of the environment and social dimensions in the satisfaction surveys, as well as the design of other surveys on specific elements that may concern clients (e.g. environment, accessibility, services, etc).
- Promote social or volunteer initiatives with clients in order to raise awareness of the Colonial Group's work and boost client satisfaction.

3. Eco-efficient management

The management of our property portfolio should be aligned with our values and commitments to actively contribute to building a more sustainable world. By including eco-efficient processes and initiatives, the Group seeks to reduce its environmental impact in the markets in which it operates, with the following **priorities**:

- Continue making progress in the certification of the buildings in the Colonial Group's portfolio.
- Improve the technical environmental level of the facilities through specific actions required by the existing buildings.
- Promote efficient use of resources, as well as the reduction of waste.
- Encourage sustainable building practices at the new assets acquired by the Group.
- Ensure the availability of information on consumption at the various buildings, as well as the integrity of that information.
- Encourage the development of tools to monitor consumption, making it possible to detect changes therein.
- Develop programmes for the continual improvement of environmental and energy performance.
- Standardise and uniformly implement the sustainable procurement strategy across the various companies in the Group.
- Optimise management processes under an integrated system.

4. Sustainable value creation

The Colonial Group's processes and policies include the integrated management of all financial, social and environmental factors. Therefore, all practices developed by the Group must be a reference in company performance and focused on creating a positive social impact by generating value for stakeholders, through the following **priorities**:

- Promote a corporate social responsibility culture across the organisation.
- Maximise the cash flow generation strategy through proactive management of the asset portfolio.
- Improve the relationship with society by providing value to stakeholders.
- Increase the transparency of information disclosed to stakeholders.
- Promote the integrated management of financial, social and environmental aspects in the organisation's culture and in all processes.
- Continue to make progress in generating and consolidating the Group's non-financial information.
- Actively manage the asset portfolio in order to reposition properties and maximise value creation.
- Integrate and standardise the processes of the various Group companies.

5. Ethics and compliance

The Colonial Group holds a commitment to its investors and different stakeholders to develop its activities in an ethical and transparent manner and in alignment with regulatory requirements. Therefore, through tools such as the Code of Ethics and the compliance area, the Group seeks to make a positive social impact in this area, with the following priorities:

- Continue developing instruments to monitor and follow up on compliance with legal requirements.
- Enhance the visibility and transparency of the practices carried out by the team.
- Continue to follow best corporate governance practices.
- Foster the principles of the Colonial Group Code of Ethics among the various stakeholders.

Monitoring system

Each Colonial Group management area is responsible for setting:

- Activities to develop the defined priorities.
- Quantitative and qualitative objectives for each priority.
- Monitoring indicators for each objective.

The monitoring indicators are prepared every six months by the different management areas and reported to the working group responsible for CSR management at the Colonial Group, and annually to the Audit and Control Committee.

Supervisory mechanisms

As established in Article 32 of the Board of Directors' Regulations, the Audit and Control Committee shall be responsible for supervising compliance with corporate governance regulations, internal codes of conduct and the CSR policy.

For these purposes, the Audit and Control Committee has been expressly assigned the following functions:

- Reviewing the company's CSR policy, ensuring that it is centred on value-creation.
- Monitoring CSR strategy and practices and assessing the degree of compliance thereto.
- Supervising and assessing the relations with the different stakeholders.
- Evaluating all the company's non-financial risks, including operational, technological, legal, social, environmental, political and reputational risk.
- Coordinating the reporting of non-financial information and information on diversity, in accordance with prevailing regulations and international standards.

Information and Communication

The tools available to the Colonial Group to monitor compliance with this Policy include various specific communications channels with stakeholders, in addition to the annual or interim reports published by the Colonial Group on its website, as detailed below:

Stakeholders	Communication channels
Investors	Email, telephone, website (section on “Information for shareholders and investors”), quarterly webcasts and roadshows for institutional investors, and the Investor Day
Shareholders	Email, telephone, website (section on “Information for shareholders and investors”), quarterly webcasts
Clients	Building manager, Colonial Group clients’ portal (Inmobiliaria Colonial intranet and ServicebySFL) and client management contact points (telephone, email and website).
Financers	Points of contact with management (telephone, email and website).
Employees	Intranet, points of contact (telephone, email and web) and horizontal and vertical informal communication channels (face-to-face).
Suppliers	Supplier management platform and points of contact with purchasing officers (telephone, email and website).
Society	General points of contact (telephone, email and website).

In communications with stakeholders the responsible communication principles and practices set down in the Colonial Group’s Code of Ethics shall be adhered to.