

CARMILA



# EPRA Sustainability Performance Measures REPORT



# SOMMAIRE

Code	Performance Measure	Unit(s) of measure	GRI Standard and CRES D indicator code	Page
<b>ENVIRONMENTAL SUSTAINABILITY PERFORMANCE MEASURES</b>				
Elec-Abs	Total electricity consumption	annual kWh	302-1	4
Elec-Lfl	Like-for-like total electricity consumption	annual kWh	302-1	4
DH&C – Abs	Total district heating & cooling consumption	annual kWh	302-1	5
DH&C – Lfl	Like-for-like total district heating & cooling consumption	annual kWh	302-1	5
Fuels-Abs	Total fuel consumption	annual kWh	302-1	4
Fuels-Lfl	Like-for-like total fuel consumption	annual kWh	302-1	5
Energy-Int	Building energy intensity	kWh/appropriate denominator	CRE1	5
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	annual metric tonnes CO <sub>2</sub> e	305-1	6
GHG-Ind-Abs	Total indirect greenhouse gas (GHG) emissions	annual metric tonnes CO <sub>2</sub> e	305-2	6
GHG-Int	Greenhouse gas (GHG) emissions intensity from building energy consumption	tonnes CO <sub>2</sub> e/appropriate denominator	CRE3	7
Water-Abs	Total water consumption	annual cubic metres (m <sup>3</sup> )	303-1	8
Water-Lfl	Like-for-like total water consumption	annual cubic metres (m <sup>3</sup> )	303-1	8
Water-Int	Building water intensity	m <sup>3</sup> / appropriate denominator	CRE2	8
Waste-Abs	Total weight of waste by disposal route	annual metric tonnes and proportion by disposal route	306-2	9
Waste-Lfl	Like-for-like total weight of waste by disposal route	annual metric tonnes and proportion by disposal route	306-2	9
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<b>SOCIAL PERFORMANCE MEASURES</b>				
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Part 1

EPRA Sustainability  
Performance Measures  
- Environment

Carmila reports its environmental data over a rolling reporting period from October 1 of year N-1 to September 30 of year N. The energy consumption presented in this section is that of the common parts of Carmila's assets. Indeed, the group has chosen to carry out reporting based on its operational control.

Assets for which Carmila does not have the management mandate have therefore been excluded from the reporting scope. Moreover, in accordance with the recommendations of the CNCC (French National Chamber of Shopping Centres), assets acquired during the reporting period or under renovation during the reporting period have been excluded from the scope of reporting.

The coverage rates of each indicator is calculated on the basis of the assets value.

In order to be aligned with market practices, the reporting year has been changed. In 2017, the reporting period ran from 1 January to 31 December 2017. In 2018, the reporting period was 1/10/N-1 to 30/09/N for standard electricity and gas reporting.

### Elec-Abs Total electricity consumption

Coverage rate is 82% of the total value in 2018 (€)

Coverage rate was 72% of the total value in 2017 (€)

	2018				2017			
	Scope	Surface (m <sup>2</sup> )	Consumption (kWh) <sup>1</sup>	Intensity (kWh/m <sup>2</sup> )	Scope	Surface (m <sup>2</sup> )	Consumption (kWh) <sup>1</sup>	Intensity (kWh/m <sup>2</sup> )
France	79/113	213,412	47,377,213	222	61/113	179,581	44,370,581	247
Spain	16/68	46,957	18,854,346	402	12/69	33,370	14,104,350	423
Italy	4/8	17,083	7,172,319	420	4/7	17,083	7,193,797	421
Total	99/189	277,452	73,403,878	265	77/189	230,034	65,668,728	285
Corporate <sup>2</sup>	1/1	900	78,884	88	1/1	900	84,286	94

<sup>(1)</sup>Where actual consumption is not known, consumption is estimated for the missing month(s) based on the actual data for the other months of the reporting year.

<sup>(2)</sup> Carmila does not own its premises.

### Elec-LfL Like-for-like total electricity consumption

	Scope	Consumption (kWh) - 2018	Consumption (kWh) - 2017	Variation
France	59/112	40,802,059	43,906,118	-7%
Spain	12/68	14,089,177	14,080,969	0%
Italy	4/7	7,172,319	7,193,797	0%
Total	98/187	62,063,555	65,180,884	-5%
Corporate <sup>1</sup>	1/1	79	84	-6%

<sup>(1)</sup> Carmila does not own its premises.

### Fuels-Abs Total fuel consumption

Coverage rate is 76% of the total value in 2018 (€)

Coverage rate was 85% of the total value in 2017 (€)

	2018				2017			
	Scope	Surface (m <sup>2</sup> )	Consumption (kWh)	Intensity (kWh/m <sup>2</sup> )	Scope	Surface (m <sup>2</sup> )	Consumption (kWh)	Intensity (kWh/m <sup>2</sup> )
France	25/26	62,043	18,502,294	298	25/26	62,043	14,049,245	226
Spain	4/9	19,775	4,423,255	224	5/9	20,490	2,769,203	135
Italy	4/5	17,083	547,201	32	4/5	17,083	472,527	28
Total <sup>1</sup>	33/40	98,901	23,472,750	237	34/40	99,616	17,290,975	174
Corporate <sup>2</sup>	Carmila's premises do not use fuel							

<sup>(1)</sup> The scope has been reduced to take into account only assets that use fuel.

<sup>(2)</sup> Carmila does not own its premises.

The only fuel taken into account in these consumptions is gas. Any fuel consumption used to supply emergency generators has been excluded from this report. Moreover, no Carmila assets use fuels from renewable sources.

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## Fuels-LfL Like-for-like total fuel consumption

	Scope	Surface (m <sup>2</sup> )	Consumption (kWh) - 2018	Consumption (kWh) - 2017	Variation
France	25/26	62,043	18,502,294	14,049,245	32%
Spain	4/9	19,775	4,423,255	2,749,859	61%
Italy	4/5	17,083	547,201	472,527	16%
Total	33/40	98,901	23,472,750	17,271,631	36%
Corporate <sup>1</sup>	Carmila's premises do not use fuel				

<sup>(1)</sup> Carmila does not own its premises.

## DH&C-Abs Total district heating & cooling consumption

## DH&C-LfL Like-for-like total district heating & cooling consumption

No Carmila assets use district heating or district cooling.

## Energy-Int Building energy intensity

Coverage rate is 82% of the total value in 2018 (€)

Coverage rate was 72% of the total value in 2017 (€)

	2018					2017				
	kWh/m <sup>2</sup>	kWh/visitor	Surface (m <sup>2</sup> )	Visitors (million)	Scope	kWh/m <sup>2</sup>	kWh/visitor	Surface (m <sup>2</sup> )	Visitors (million)	Scope
France	309	0.3	213,412	217.69	79/113	246	0.25	179,581	176.19	61/113
Spain	496		46,957		16/68	505		33,370		12/69
Italy	452	0.53	17,083	14.54	4/8	421	0.48	17,083	15.12	4/7
Corporate <sup>1</sup>	88		900		1/1	94		900		1/1

<sup>(1)</sup> Carmila does not own its premises.

In order to monitor its energy consumption, Carmila is rolling out a centralised technical management system (CTM):

- Carmila is gradually installing submeters to provide accurate analysis of consumption associated with lighting, heating and air-conditioning. A remote reading of the general meter and the submeters, in real time, is available on a dedicated web portal. This enables head office and local staff to be responsive to consumption, taking corrective measures and carrying out repairs as needed. To date 61 sites have been fitted in this way;

- Moreover, an energy expert analyses the electricity and gas consumption of each site on a monthly basis, particularly in terms of local meteorological impacts. The findings are shared with each shopping centre so as to constantly improve the management of energy consumption. In parallel, the electricity supplier sends Carmila warnings of overconsumption.

In 2018, Carmila was accordingly able to focus its efforts on analysing and managing its energy data. By way of an example, the introduction of a CTM has enabled a reduction of at least 10% in the electricity consumption of shopping centres.

In 2018, all managers of operational real estate sites in France were familiarised with policies, instructions and best practice in terms of managing consumption, such as regulating temperatures. Operational teams on the ground are also raising awareness among partner retailers by offering advice and sharing best practice to complement the environmental appendix attached to the commercial lease.

The greenhouse gas emissions presented in this section are those related to the energy consumption of the common parts of Carmila's assets presented in the previous section.

### GHG-Dir-Abs Total direct greenhouse gas (GHG) emissions

	2018			2017		
	Scope	Surface (m <sup>2</sup> )	Direct greenhouse gas (kgCO <sub>2</sub> e)	Scope	Surface (m <sup>2</sup> )	Direct greenhouse gas (kgCO <sub>2</sub> e)
France	25/26	62,043	3,792,970	25/26	62,043	2,880,095
Spain	4/9	19,775	906,767	5/9	20,490	567,687
Italy	4/5	17,083	112,176	4/5	17,083	96,868
Total <sup>1</sup>	33/40	98,901	4,811,914	33/40	99,616	3,544,650
Corporate <sup>2</sup>	1/1	900	386,403	1/1	900	

<sup>(1)</sup> The scope has been reduced to take into account only assets that use fuel.

<sup>(2)</sup> Carmila does not own its premises.

The conversion factors used to calculate the Scope 1 are from the French Environment and Energy Management Agency and are as follow:

- France: France - Natural gas - 2015 - average mix - consumption: 0.205 kgCO<sub>2</sub>e/kWh HCV
- Spain and Italy: Europe - Natural gas - 2013 - Average European mix: 0.214 kCO<sub>2</sub>eq/kWh HCV
- Corporate: Gasoline - Lead-free premium fuel (95, 95-E10, 98) - 2.8 kgCO<sub>2</sub>e/l  
Road diesel fuel - 3.16 kgCO<sub>2</sub>e/l  
LPG for road vehicles - 1.86 kgCO<sub>2</sub>e/l

These emission factors are available at <http://www.basecarbone.fr/>.

The volume of fuel consumed by the Carmila group's company cars was estimated using the following average prices:

- Gasoline - Lead-free premium fuel (95, 95-E10, 98) - 1.48€/l
- Road diesel fuel - 1.39€/l
- LPG for road vehicles - 0.81€/l

### GHG-Indir-Abs Total indirect greenhouse gas (GHG) emissions

	2018			2017		
	Scope	Surface (m <sup>2</sup> )	Direct greenhouse gas (kgCO <sub>2</sub> e)	Scope	Surface (m <sup>2</sup> )	Direct greenhouse gas (kgCO <sub>2</sub> e)
France	79/113	213,412	2,705,239	61/113	179,581	2,533,560
Spain	16/68	46,957	7,654,864	12/69	33,370	5,726,366
Italy	4/8	17,083	1,534,876	4/7	17,083	1,539,473
Total <sup>1</sup>	99/189	277,472	11,894,980	77/189	230,034	9,799,399
Corporate <sup>2</sup>	1/1	900	4,504	1/1	900	4,8130

<sup>(1)</sup> Spain and Italy were not in 2017 reporting scope.

<sup>(2)</sup> Carmila does not own its premises.

The conversion factors used to calculate the Scope 2 are from the French Environment and Energy Management Agency and are as follow:

- France, Corporate: Electricity - 2018 - average mix - consumption: 0.0571 kgCO<sub>2</sub>e/kWh
- Spain: Electricity - average mix - consumption: 0.406 kgCO<sub>2</sub>e/kWh
- Italy: Electricity - average mix - consumption: 0.214 kgCO<sub>2</sub>e/kWh

These emission factors are available at <http://www.basecarbone.fr/>.

Tenant consumption has not been taken into account in this calculation. Indeed, Carmila does not supply energy to its tenants, so their consumption should be included in Carmila's scope 3.

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## GHG-Int Greenhouse gas (GHG) emissions intensity from building energy consumption

	2018					2017				
	kgCO <sub>2</sub> e/ m <sup>2</sup>	kgCO <sub>2</sub> e/ visitor	Surface (m <sup>2</sup> )	Visitors (million)	Scope	kgCO <sub>2</sub> e/ m <sup>2</sup>	kgCO <sub>2</sub> e/ visitor	Surface (m <sup>2</sup> )	Visitors (million)	Scope
France	30	0.03	213,412	217.69	79/113	30	0.03	179,581	176.19	61/113
Spain	182		46,957		16/68	189		33,370		12/69
Italy	96	0.11	17,083	14.54	4/8	96	0.11	17,083	15.12	4/7
Corporate <sup>1,2</sup>	434		900		1/1	5		900		1/1

<sup>(1)</sup> Carmila does not own its premises.

<sup>(2)</sup> In 2017, fuels consumed by company cars was not reported.

The major carbon impact of shopping centre activity is from customer travel rather than energy consumption. Shopping mall construction plans include measures to encourage customers and employees to use sustainable modes of transport by putting in place:

- effective communication about getting to our shopping centres;
- where possible, additional stops agreed with bus companies;
- car-sharing areas with 510 spaces reserved for car-sharing;
- charging stations for electric vehicles, with 192 spaces;
- Electric bicycle charging stations at Évreux and Rambouillet;
- cycle paths and cycle shelters connected to nearby public roads and pavements. Carmila currently has 1,057 bike

To date, 1,759 spaces for sustainable means of transport including car-sharing spaces, bike spaces and spaces for electric cars have been rolled out across all of our sites.

In 2018, some centres also held events to promote public transport:

- In Anglet, the BAB 2 shopping centre held a campaign to promote the "tram'bus" with the local public transport network in the Pays Basque urban area. Over 1,000 customers visited the space loaned by Carmila to get information on the local urban network. A competition brought the awareness-raising campaign to social media. 5,000 bus tickets were offered to customers.
- The shopping centres of Mondeville and Hérouville-Saint-Clair provided the local transport company in Caen with an area in which to showcase its transport services, particularly electric bicycle hire.

## Cert-Tot Type and number of sustainably certified assets

This indicator is reported by percentage of the Carmila portfolio's total surface and level of certification attained.

	Assets certified Breeam - Design stage - Very good	Assets certified Breeam - Design stage - Good	Assets certified Breeam - Final stage - Good	Surfaces certified on design stage or final stage	Breeam - In-Use - Excellent	Breeam - In-Use - Very good	Breeam - In-Use - Pass	Surfaces certified on use stage
France	11	2		13%	3	2		16%
Spain			1	Unavailable data			1	2%
Italy								
Total	11	2	1	Unavailable data	3	2	1	11%
Corporate	The building partly rented by Carmila is HPE BBC level and Lead CS platinum level.							

The preservation and protection of the environment is a key strand of Carmila's strategy, which takes into account the environment and sustainable development in the Group's activities.

Thus, Carmila is seeking to incorporate the best environmental practices at each stage of a building's life. In both design and operations, Carmila uses a sustainable construction approach, drawing on internationally-recognised environmental certification. For example, during the construction phase, commitments fall within the scope of the Green Construction Site Charter. During operations, Carmila supports its retail brands by raising awareness of environmental impacts and providing them with information guides and techniques to reduce these.

Carmila has set the following targets:

- 50% of its portfolio, in value, will have at least a BREEAM, HQE or other environmental certification by the end of 2019, and 75% by the end of 2021;
- 100% of extension projects must have BREEAM New Construction certification.

Detailed information on Carmila's certification process is provided in Carmila's registration document, available at [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).

The water consumption presented in this section is that of the common parts of Carmila's assets. Indeed, the group has chosen to carry out reporting based on its operational control. Assets for which Carmila does not have the management mandate have therefore been excluded from the reporting scope.

Moreover, in accordance with the recommendations of the CNCC (French National Chamber of Shopping Centres), assets acquired during the reporting period or under renovation during the reporting period have been excluded from the scope of reporting.

The coverage rates of each indicator are shown at the bottom of each table (rates are calculated on the basis of the assets value).

The reporting period for water consumption is from 1 January 2018 to 31 December 2018 for Spain, France and Italy.

### Water-Abs Total water consumption

Coverage rate is 86% of the total value in 2018 (€)

Coverage rate was 79% of the total value in 2017 (€)

	2018				2017			
	Scope	Surface (m <sup>2</sup> )	Consumption (m <sup>3</sup> )	Intensity (m <sup>3</sup> /m <sup>2</sup> )	Scope	Surface (m <sup>2</sup> )	Consumption (m <sup>3</sup> )	Intensity (m <sup>3</sup> /m <sup>2</sup> )
France	103/115	231,776	199,303	0.9	95/114	197,887	152,592	0.8
Spain	21/68	64,032	115,582	1.8	15/69	41,864	86,503	2.1
Italy	5/8	17,804	56,087	3.2	5/7	17,804	55,886	3.1
Total	129/191	313,612	370,972	1.2	115/190	257,555	294,981	1.1
Corporate <sup>1</sup>	1/1	900	16,797	18.7	1/1	900	11,904	13.2

<sup>(1)</sup> Carmila does not own its premises.

### Water-LfL Like-for-like total water consumption

	Scope	Consumption (m <sup>3</sup> ) - 2018	Consumption (m <sup>3</sup> ) - 2017	Variation
France	93/114	137,732	152,592	-10%
Spain	15/67	79,319	86,503	-8%
Italy	5/7	56,087	55,886	0%
Total	113/188	273,138	294,981	-7%
Corporate <sup>1</sup>	1/1	16,797	11,904	41%

<sup>(1)</sup> Carmila does not own its premises.

### Water-Int Building water intensity

	2018					2017				
	m <sup>3</sup> /m <sup>2</sup>	liter/visitor	Surface (m <sup>2</sup> )	Visitors (million)	Scope	m <sup>3</sup> /m <sup>2</sup>	liter/visitor	Surface (m <sup>2</sup> )	Visitors (million)	Scope
France	0.9	0.78	231,776	256.60	103/115	0.8	0.65	197,887	234.57	95/114
Spain	1.8		64,032		21/68	2.1		41,864		15/69
Italy	3.2	3.08	17,804	18.23	5/8	3.1	2.94	17,804	19.01	5/7
Total	1.2		313,612		129/191	1.1		257,555	8	115/190
Corporate <sup>1</sup>	18.7		900		1/1	13.2		900		1/1

<sup>(1)</sup> Carmila does not own its premises.

Carmila's property assets are not located in water stress areas and do not have high water consumption rates. Nonetheless, a process to manage consumption on the sites starts at the design phase and continues right up until the operational phase.

During the design phase, several rainwater management schemes are implemented depending on the project and its characteristics (region, soil type, water level, etc.):

- water retention structures restricting the flow of run-off on site;
- in car-parks, landscaped swales promote the absorption of water to limit its speed and pre-filter pollutants;
- specific treatment facilities are installed (oil separators, oil removers, etc.).

Additionally, from the design phase, measures are put in place to limit future water consumption:

- installation of rainwater recovery tanks, to clean public areas of the mall, supply public toilet facilities and water green spaces;
- installation of water-saving equipment in toilets, such as flow limiters, dual flush mechanisms, etc.



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Carmila's main demands on water consumption are the mall toilets and cleaning. Although water consumption is not a major issue for the Company, Carmila is striving to monitor and limit its consumption through a range of initiatives:

By way of an example, in France:

- water consumption is monitored in real time on a dedicated web portal. Real-time remote metering enables head office and local staff to be responsive to consumption, taking corrective measures and carrying out repairs as needed;
- comparative consumption analysis for the same types of store draws the attention of retailers to the need to manage their water consumption;
- an external contractor is responsible for quickly identifying and reporting water leaks;
- as renovations are carried out, mall toilet facilities are fitted with water-saving equipment: flow limiters, dual flushes, etc.;
- finally, cleaning contractors have been chosen by Carmila on the basis of their environmental and social commitment.

The green spaces adjoining the shopping centres are all owned by third parties and managed by Carrefour Property Gestion. However, Carmila strongly encourages the owners and manager to ban automatic watering and select plant species that are suited to the region and do not consume a lot of water.

In 2018, all managers of French sites were trained in monitoring and managing water consumption, in particular in using the web portal, knowledge of policies, instructions and best practices.

The reporting scope includes the sites owned by Carmila in France, Spain and Italy. Assets under construction but still in operation have been maintained in the scope. Assets that Carmila does not manage have been excluded from the scope. In 2018, the reporting period ran from 1/10/N-1 to 30/09/N.

## Waste-Abs Total weight of waste by disposal route

Coverage rate is 63% of the total value in 2018 (€)  
Coverage rate was 39% of the total value in 2017 (€)

	2018					2017				
	Scope	Total waste (t)	Recycling (t)	Landfill (t)	Incineration (t)	Scope	Total waste (t)	Recycling (t)	Landfill (t)	Incineration (t)
France	58/115	10,381	1,652	6,344	2,385	44/115	6,546	919	4,095	1,532
Spain <sup>1</sup>	11/69	2,652	701	1,410	541	0/69				
Italy <sup>2</sup>	0/8					0/8				
Total	69/192	13,033	2,353	7,754	2,926	44/192	6,546	919	4,095	1,532
Corporate <sup>3</sup>	1/1	70	10	0	60	1/1	59	9	0	50

<sup>(1)</sup> Spain was not in 2017 reporting scope.

<sup>(2)</sup> Italy is not included in the reporting scope in 2018. It was also not part of it in 2017.

<sup>(3)</sup> Carmila does not own its premises.

All the waste generated within Carmila's assets is non-hazardous.

The total quantities of waste from Carmila's assets are reported via waste tracking slips and are therefore accurate. However, Carmila does not have access to information that specifies the final destination of all waste generated within these assets. Estimates were calculated for 41% of the 2018 French perimeter, for the 2017 French perimeter and for the 2018 Spanish perimeter on the basis of data for 59% of the 2018 French perimeter for which Carmila has access to this information. The following factors were used:

- Boxes: 95% Recycling and 5% Incineration
- Ordinary Industrial Waste: 73% Landfill and 27% Incineration

For its own offices (Corporate scope), Carmila has access only to the total waste production data of the building of which it rents part. A surface distribution was therefore carried out in order to estimate the tonnages of waste produced by Carmila within its premises.

## Waste-LfL Like-for-like total weight of waste by disposal route

	Scope	Total waste (t) - 2018	Total waste (t) - 2017	Variation
France	43/115	7,438	6,546	14%
Spain <sup>1</sup>	0/69	0	0	-
Italy <sup>1</sup>	0/8	0	0	-
Total	44/192	7,438	6,546	14%
Corporate <sup>2</sup>	1/1	70	59	19%

<sup>(1)</sup> Spain and Italy were not in 2017 reporting scope.

<sup>(2)</sup> Carmila does not own its premises.

During the operation of shopping centres, the main producers of waste are the retailers. This waste is mainly due to product packaging and logistical arrangements. The main types of waste are boxes, plastic and wet food waste. Depending on the size and type of the shopping centres, waste collection is managed directly by Carmila, handled by the Hypermarket or managed by the local authority.

In France, working with Carrefour Property Gestion, Carmila renewed its waste collection contract and put out a national call to tender in order to set up secure master agreements that meet the Company's requirements in terms of optimising collection and reporting. These new master agreements include:

- environmental reporting on tonnage collected;
- a poster campaign, communication and, as needed, training aimed at retailers;
- a three-year waste characterisation in order to optimise reduction, sorting and recycling.

Best practice is included in the appendices to commercial leases to raise awareness of this practice among tenants. The topic is also included in the welcome guide given to retailers at mall extension openings.

Building on the programme rolled out in 2017, Carmila, in 2018 fine-tuned its knowledge of the disposal of waste from its shopping centres, put in place targeted action plans and strengthened clauses on waste in the various specifications.

In light of the environmental reporting results from the previous year, Carmila rolled out targeted initiatives in its shopping centres to improve the sorting system, improve communication on best practices and, where necessary, improve the monitoring of services. For example, the waste management system underwent a full upgrade in the Cap Saran shopping centre and the waste recovery rate was improved.

Carmila extended remote monitoring of the waste compactor, trialled at the Torcy BAY 2 shopping centre in 2017, to thirteen other sites. With this system, the lorry responsible for collecting waste only makes the journey when the compactor is full, thus significantly reducing the number of journeys made by the waste collection company, and, therefore, the impact on the climate of collecting and treating waste.

A number of specifications relating to waste were reviewed by manager in charge in 2018. These specifications will be operational from 2019. Waste collection contracts accordingly now include remote monitoring of the waste compactor, the carbon impact of transportation and the introduction of a stream for collecting and recovering biowaste. The green space management contract includes green waste management. The cleaning contract refers to sorting waste and systematically using two different bags, etc.

Part 2

EPRA Sustainability  
Performance Measures  
- Social

Carmila represents a range of talents and skills suited to Carmila's portfolio and strategic ambitions. After initial growth in its headcount and business over a number of years, 2018 saw a levelling off of Carmila's headcount.

For the indicators in this second part, the scope of reporting covers all staff under contract with one of the Carmila Group companies. The reporting period used is the period from 1 January to 31 December 2018.

The scope covered covers the entire Carmila Group composed of Carmila France, Carmila Spain and Carmila Italy.

### Diversity-Emp Employee gender diversity

Headcount by status and gender			France	Spain	Italy	Total	Share
2018	Directors	Men	12	3	0	15	71%
		Women	3	2	1	6	29%
	Managers	Men	51	21	3	75	50%
		Women	59	15	1	75	50%
	Employees	Men	5	0	6	11	29%
		Women	22	2	3	27	71%
2017	Directors	Men	10	3	0	13	62%
		Women	5	2	1	8	38%
	Managers	Men	47	18	3	68	49%
		Women	55	16	1	72	51%
	Employees	Men	9	0	6	15	44%
		Women	14	2	3	19	56%

		2018	2017	Variation
Directors	Men	71%	62%	+9 pts
	Women	29%	38%	-9 pts
Managers	Men	50%	49%	+3 pts
	Women	50%	51%	-3 pts
Employees	Men	29%	44%	-18 pts
	Women	71%	56%	+18 pts

### Diversity-Pay Gender pay ratio

Average annual remuneration by status and gender		France	Spain	Italy
2018	Directors	Disclosing this information would be tantamount to revealing confidential information about a very limited number of people.		
	Women	Disclosing this information would be tantamount to revealing confidential information about a very limited number of people.		
	Men	Disclosing this information would be tantamount to revealing confidential information about a very limited number of people.		
	Managers	56,076	39,418	47,150
	Men	60,908	45,900	47,120
	Women	51,746	33,700	46,390
2017	Directors	Disclosing this information would be tantamount to revealing confidential information about a very limited number of people.		
	Men	Disclosing this information would be tantamount to revealing confidential information about a very limited number of people.		
	Women	Disclosing this information would be tantamount to revealing confidential information about a very limited number of people.		
	Managers	54,673	40,833	42,129
	Men	59,185	45,963	48,125
	Women	50,595	34,916	36,259

Managers salary gap <sup>1</sup>	2018	2017	Variation
France	-15%	-15%	-
Spain	-27%	-24%	- 3 pts
Italy	-2%	-26%	+ 24 pts

<sup>(1)</sup> (Women average salary - Men average salary) / Men average salary

# SOCIAL

In order to attract the best talent on the market, Carmila has adopted an attractive and competitive compensation policy in the commercial real estate market and encourages the best performances through variable pay.

In all three countries, the compensation package comprises a fixed salary, annual variable compensation for managers and directors and, in the case of France, profit-sharing agreements and incentive plans.

In 2016, the agreement on gender equality in the workplace and quality of workplace life has the following principles: a hiring policy free of discrimination; professional equality between women and men; equal opportunities in terms of accessing occupational training in particular; support for the employment of disabled workers.

## Emp-Training Training and development

Average number of training hours per employee	France	Spain	Italy	Total
2018	15.6	42.0	10.2	21.4%
2017	7.9	39.1	4.1	14.1%

To help employees adapt to a constantly changing environment and new working methods, Carmila is rolling out training plans in each country focussed on the business challenges, work issues and regulatory restrictions. The aim of these courses is to increase professionalism, contribute to individual personal development, establish a united mind set and to promote mobility for all. Training plans pave the way to the company's future and help to make the strategy a success.

Training needs are identified jointly by employees and their managers, particularly based on the wishes and points for improvement raised at the annual appraisal. Requests are assessed based on safety requirements and legislation, the training history of the employee and their seniority.

For this, the catalogue on offer in France is broken into three major strands: job-specific and regulatory, personal development and languages training. Although most of these courses are classroom-based, some are available to employees at any time via the e-learning platform "cap formation". In 2018 training was mainly on: business issues, regulatory restrictions, health and safety, CSR and digital technology.

In Italy, in 2018, Carmila carried out a full review of its training plan so that each employee attended at least one training course. In 2018 all directors received one accredited training course in managing emergency situations in the event of a fire. Based on the wishes and needs identified at their appraisal, all employees received training to improve their skills or their personal development: digital innovation. personal development. effective communication. "buvina with the eyes" for centre

## Emp-Dev Employee performance appraisals

Percentage of employees who had an annual interview	France	Spain	Italy	Total
2018	87%	93%	100%	89%
2017	63%	92%	100%	72%

Carmila wishes to support its employees in anticipating changes in the skills needed in their areas, to develop their skills and thus enable them to progress in their career.

For this, and in order to capitalise on the Company's recruitment, training and integration efforts, a major career management system was developed when the Company was established. Transparent and personalised, its aim was to respond to the expectations of employees and particularly the younger generations, for whom dynamic career management is very important.

In France, 38 employees had a mid-term review in addition to their annual appraisal. This review is an opportunity to take stock of objectives at the mid-term point as well as expectations in terms of career development, to adapt the training plan and assess the workload and work-life balance. Employees' expectations and requests are systematically shared with human resources management. Vacancies are automatically circulated in-house before being advertised externally, notably via the digital platform, Envie de Bouger ("Want to Move").

Career committee meetings are held annually, at which managers discuss issues and share information about each employee's skills transversally.

In order to support employee development, comprehensive tools are on offer such as evaluations carried out by an external firm on the basis of a specific management skills framework and tailored support in the form of coaching. One person benefited from Management evaluation and two managers benefited from personal coaching in 2018.

# SOCIAL

In addition, Carmila's experienced managers benefit from specific programmes designed and delivered by Carrefour University. These are intended to help improve their performance and prepare them to become future company leaders. Delivered both in France and overseas, these programmes also focus on developing skills for working internationally. Seven employees took part in this in 2018.

## Emp-Turnover Employee turnover and retention

Number of departures on permanent contracts per reason		France	Spain	Italy	Total
2018	Termination	2	0	0	2
	Resignation & contractual termination	10	1	2	13
	Departure during the trial period	0	2	0	2
	Transfer within the group	1	0	0	1
	Turnover rate <sup>1</sup>	15%	9%	10%	13%
2017	Termination	1	1	0	2
	Resignation & contractual termination	8	3	0	11
	Departure during the trial period	2	0	0	2
	Transfer within the group	1	0	0	1
	Turnover rate <sup>1</sup>	19%	16%	0 %	22%

<sup>(1)</sup> The calculation is the sum of the number of departures in year N and the number of arrivals in year N on the strength at 31 December N-1.

Hires		France	Spain	Italy	Total
2018	Permanent contract	22	4	1	27
	Fixed-term contract (including work-study contract)	18	0	0	18
2017	Permanent contract	27	8	12	47
	Fixed-term contract (including work-study contract)	20	0	1	21

Under Carmila's dynamic recruitment policy, the induction process must pay particular attention to new recruits in order for them to take ownership of the culture, values and organisational structure of the company.

A manager kit promoting best management practices is given to team leaders when welcoming new hires.

Each new employee meets a member of the Human Resources Department individually at a new hires and induction interview.

In 2018, Carmila organised an integration day. Personalised integration pathways for specific business lines are organised for new employees, including in particular immersion in our shopping centres.

In order to welcome and integrate new employees, Carmila announces their arrival to all staff and, as of 2018, supplies their respective managers with "the perfect Manager Kit" containing reminders of the key stages and factors in the integration

# SOCIAL

Carmila takes care to protect the health and safety of its employees. Indeed, protecting people and property is one of the principles of Carmila's Code of Ethics. In particular, Carmila is keen to promote well-being at work and stress management, the prevention of musculo-skeletal disorders (MSDs) and to prevent occupational stress and raise awareness of road safety risks.

## H&S-Emp Employee health and safety

	Number of days of absence	Number of theoretical worked days	Absenteeism rate
2018	1,365	215	6.35
2017	760	214	3.55

Carmila pays close attention to the health of its employees and, in particular, is keen to promote well-being at work and the prevention of psychosocial risks.

A number of programmes to promote well-being at work and prevent psychosocial risks have been implemented. On the intranet, a comprehensive "My day in the office" package raises awareness among employees of work-life balance, best practice for working in open-space offices and the right to disconnect.

Initiatives have also been taken in other countries. In France, for example, an open-access digital platform offers training modules on well-being, particularly on the topics of nutrition and time management. Also in France, in 2018 employees were offered additional health insurance to improve their level of cover. In addition, employees of the head office in France have access to free sports classes.

Moreover, employees from the three countries have access to an anonymous and confidential listening and counselling service. The service is available via a helpline and online, 24 hours a day, seven days a week.

		France	Spain	Italy	Total
2018	Workplace accident with lost-time days	1	0	0	1
	Lost-time days due to workplace accident	6	0	0	6
	Occupational disease	0	0	0	0
	Fatal accidents	0			
	Worked hours <sup>1</sup>	231,952			
	Frequency rate <sup>2</sup>	4.31			
	Severity rate <sup>3</sup>	0.03			
2017	Workplace accident with lost-time days	0	0	0	0
	Lost-time days due to workplace accident	0	0	0	0
	Occupational disease	0	0	0	0
	Fatal accidents	0			
	Worked hours <sup>1</sup>	213,640			
	Frequency rate <sup>2</sup>	0.00			
	Severity rate <sup>3</sup>	0.00			

<sup>(1)</sup> The worked hours were estimated by multiplying the workforce by 218 days and 7 hours (all employees have contracts with a fixed period).

<sup>(2)</sup> Frequency rate =  $(\sum \text{Workplace accident with lost-time days} / \sum \text{Worked hours}) \times 1\,000\,000$

<sup>(3)</sup> Severity rate =  $(\sum \text{Lost-time days due to workplace accident} / \sum \text{Worked hours}) \times 1\,000$

Roads are the main safety risk for Carmila. The company rolled out a number of measures aimed at those of its employees working in the field and regularly using their vehicle: training on preventing road risk and safety at work. Moreover, a leaflet to raise awareness of best practice and rules on road safety has been circulated.

## H&S-Asset Asset health and safety assessments

Percentage of audited site (in value) <sup>1</sup>	France	Spain <sup>2</sup>	Italy <sup>2</sup>
2018	14%		
2017	21%		

<sup>(1)</sup> These percentages are calculated in relation to the total value of Carmila's portfolio and not the value of the country's portfolio.

<sup>(2)</sup> Spain and Italy are not included in the reporting scope in 2018. They were also not part of it in 2017.

## H&S-Comp Asset health and safety compliance

Five audits were carried out in 2018, the sites concerned are the asset of Calais Coquelles / Cité Europe, Evreux, Chambourcy, Montesson and Anglet / BAB 2. All the assets get a score larger than 80%.

## Comty-Eng Community engagement, impact assessments and development programmes

Percentage of assets that have implemented actions in favour of the local community, impact assessments or development programmes.	France	Spain	Italy
2018	62%		100%
2017	62%		100%

Carmila organizes many events to inject a new dynamism into the economic and social life of catchment areas by building a local presence. Here is a presentation of some of these actions. Further information is detailed in the registration document of Carmila, available on [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).

Carmila hosts and organises job dating

The shopping centres in Anglet and Angoulins-sur-Mer provided their regional consortium of employers (Groupement d'employeurs pour insertion et la qualification (GEIQ)) with a free space in which to meet job-seekers. In total, 150 interviews were conducted over two days.

Angoulins-sur-Mer also played host to the Chamber of Commerce and Industry of La Rochelle and was thus able to present its apprenticeship schemes to 65 clients.

In Athis-Mons, Vannes and Sartrouville, the shopping centres organised employment events in partnership with Pôle Emploi, town halls and local employment agencies. Hundreds of candidates attended.

In Cesson-Sévigné, the shopping centre loaned a space to a local employability service (Maison de l'Emploi) in Vitré free of charge, for an employment forum in partnership with Pôle Emploi. In total over 190 CVs were submitted and over 200 interviews were held.

In partnership with the local agency of Saint Germain-en-Laye and the association Dynam Jeune, in April the shopping centre in Chambourcy organised a day of introductions between shopping centre customers and retail brands offering traineeships and work-study contracts: 35 contacts were made on this one day alone.

In Saran, the shopping centre hosted three "employment Thursday" job-dating events run by Pôle Emploi to introduce retail brands to job-seekers. The centre advertised the event and vacancies in the local press and using the shopping centre's digital communication tools.

In total, shopping centres in the Carmila Group ran 61 events to provide an economic and social boost to their local areas in 2018.

National charity campaigns in France

On the French mainland, all of Carmila's shopping centres supported two charity campaigns by French charity Secours Populaire.

For the "Holiday" campaign, Carmila employees came up with a viral campaign involving customers and employees. For each holiday shot posted on a shopping centre Facebook page, Carmila committed to donating to the charity.

Thousands of photos were shared and as such Carmila donated €10,000 to the charity. Employees took part in the day for children who do not have the opportunity to go on holiday, les oubliés des vacances, on 22 August 2018, offering logistical and organisational assistance by donating their skills.



## Part 3

# EPRA Sustainability Performance Measures - Governance

## Gov-Board Composition of the highest governance body

On 3 April 2019, the Board of Directors co-opted Mr Jérôme Nanty as director to replace Mr Francis Mauger, who resigned and at the same meeting was co-opted to the position of Company non-voting Board member to replace Mr Frédéric Bôl, who resigned. These two co-options will be submitted for approval to the General Meeting held on 16 May 2019 to approve the financial statements for the year ending 31 December 2018.

The table below shows the composition of the Company's Board of Directors as of 3 April 2019.

Name and function	Gender	Nationality	Age	Independent member	Date of first appointment	Start date of current term of office	End date of term of office*	Length of service on the Board	Presences in committees
Ehrmann Jacques Chairman and CFO	M	France	58 years	No	20/05/2015	12/06/2017	31/12/2020	43 months	SIC
Vallée Laurent Director	M	France	47 years	No	04/09/2017	04/09/2017	31/12/2019	16 months	SIC CAC
Cheval Marie Director	F	France	44 years	No	03/10/2017	03/10/2017	31/12/2019	15 months	SIC
Farjon Séverine Director	F	France	43 years	Yes	20/05/2015	12/06/2017	31/12/2018	43 months	CNC (Chairman)
Noël du Payrat Claire Director	F	France	50 years	No	24/10/2018	24/10/2018	31/12/2018	2 months	AC
Garrido Maria Director	F	Spain	45 years	Yes	16/05/2018	16/05/2018	31/12/2021	7 months	AC
Lecomte Olivier Director	M	France	53 years	Yes	12/06/2017	12/06/2017	31/12/2019	18 months	AC (Chairman) CNC
Luccioni Laurent Director	M	France	47 years	Yes	12/06/2017	12/06/2017	31/12/2019	18 months	N/A
Nanty Jérôme Director	M	France	57 years	No	03/04/2019	03/04/2019	31/12/2018	-	CNC
Moussalem Nadra Director	M	France	42 years	Yes <sup>(1)</sup>	12/06/2017	12/06/2017	31/12/2019	18 months	SIC
AXA REIM France (rep. By Amal Del Monaco) Director	F	Spain	45 years	Yes	12/06/2017	12/06/2017	31/12/2020	18 months	CNC
Cardif Assurance Vie (rep. By Nathalie) Director	F	France	56 years	Yes	12/06/2017	12/06/2017	31/12/2020	18 months	SIC (Chairman)
Prédica (rep. By Emmanuel Chabas) Director	M	France	42 years	Yes	12/06/2017	12/06/2017	31/12/2020	18 months	SIC
Sogecap (rep. By Yann Briand) Director	M	France	43 years	Yes	12/06/2017	12/06/2017	31/12/2020	18 months	AC
Arias Pedro Antonio	M	France	48 years		12/06/2017		31/12/2020	18 months	
Fléchet Laurent	M	France	53 years		12/06/2017		31/12/2020	18 months	
Mauger Francis	M	France	68 years		03/04/2019		31/12/2018	78 months <sup>(2)</sup>	Permanent guest at the SIC

AC = Audit Committee. CNC = Compensation and Nominating Committee. SIC = Strategic and Investment Committee.

<sup>(1)</sup> During its annual review of the Directors independency status, the Board of Directors noted that Mr. Nadra Moussalem complied with the independent criteria required.

<sup>(2)</sup> Mr Francis Mauger used to be Director of the Company since 18 June 2012 and was appointed as non-voting director during the Board of Directors of 3 April 2019, replacing Mr Frédéric Bôl who resigned.

\* AGM called to approve the financial statements for the year ended

# GOVERNANCE

The main terms of office and positions held by the aforesaid directors, during the last five years, are detailed in the registration document of Carmila, available on [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).

Main areas of expertise and experience of board's members are detailed in the registration document of Carmila (part 6.1.2.1) available on [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).

## Gov-Select Nominating and selecting the highest governance body

### General

The operating rules of the corporate governance bodies are governed by the relevant legal provisions, the Company's Bylaws and the Internal Regulations established by the Board of Directors.

The Board of Directors had to contain at least three and at most eighteen members, in accordance with the Bylaws in force at that time.

In particular, the Internal Regulations specify the procedures for meetings of the Board of Directors, the powers of the Board of Directors supplemental to the legal and statutory provisions applicable to the Company and, additionally, cover the creation, roles and prerogatives of the various Committees of the Board of Directors.

In addition, at its meeting of 12 June 2017, the Board of Directors decided that the Company would refer to the AFEP-MEDEF Code of Corporate Governance. This AFEP-MEDEF Code may be consulted at the Company's registered office and on the MEDEF and AFEP websites at [www.medef.com](http://www.medef.com) and [www.afep.com](http://www.afep.com), respectively. The Company's practices are compliant with all applicable recommendations set out in the AFEP-MEDEF Code.

The duration of a director's term of office is four years, however, it should be noted that in order that the Board of Directors may be renewed each year by rotation, in accordance with the recommendations of the AFEP-MEDEF Code, the General meeting may designate one or several directors for a different duration not exceeding four years.

Consequently, the Board of Directors will be renewed each year by periodic rotation, starting from the Annual General meeting called to approve the financial statements for the year ended 31 December 2017, taking into account the end date of the term of office of each director sitting on the Board of Directors.

### Diversity

The Board of Directors has ensured that members selected for appointment as directors have a suitable balance in terms of diversity of skills and professional experience and in terms of gender and age representation, in line with the proportions specified by the applicable legal requirements.

Since 2018 Carmila has been a signatory of the Diversity Charter in France, which renews Carmila's moral commitment to combating all forms of discrimination and implementing a diversity policy. The Board of Directors' diversity policy for 2018 was aimed at maintaining a composition that reflected the diversity of Company stakeholders: partner networks, shareholders. Upholding diversity is embedded in the Company's ethics principles. Through the profile of each director, it also seeks to ensure a good balance and fair distribution of experiences, qualifications, cultures, ages, nationalities and seniority, in line with the Company's needs. This policy also promotes an inclusive working environment that respects ethnic diversity and gender equality, as detailed in the Company's professional code of conduct. It also includes a requirement for gender balance on the Board and its Committees.

### Expertise

The diversity policy also takes into account the varied and complementary skills of directors. Some have strategic skills and other financial skills or more specific skills (expertise in the real estate sector, marketing, asset management, legal, management experience). The range and complementary nature of experiences and expertise of members of the Board allows a fast and in-depth understanding of the issues around the Company's development as well as high-quality decision making.

### Independence

According to the AFEP-MEDEF Code, a director is independent when he or she has no relationship of any kind whatsoever with the Company, its group or its management that could compromise his/her exercise of independent judgement. Thus, the term "independent director" is understood to mean not only someone who is a non-executive director, namely someone who does not hold any management role in the Company or its group, but also someone who has no particular links of interest with the Company or its group (a significant shareholder, employee, etc.). Details concerning the situation of each of the Company's directors in terms of the independence criteria of the AFEP-MEDEF Code, are displayed in the registration document of Carmila, available on [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).

Under the Company's Internal Regulations, acceptance of a position as director involves an undertaking to comply with the ethics rules set out in the AFEP-MEDEF Code and, specifically, not to take on more than four (4) other positions as director in listed companies, including foreign ones, outside the Group. Each director must (i) prior to his appointment, provide the Chairman of the Board with a complete and detailed list of Director positions as director and executive or other posts held with any business entity, (ii) immediately inform the Chairman of the Board of any modification to the aforesaid list that may take place during his term of office.

# GOVERNANCE

## Gov-Col Process for managing conflicts of interest

Under the Internal Regulations, directors are obliged to inform the Board of Directors as soon as they become aware of any conflict of interest situation with the Company or its subsidiaries, and must abstain from voting on any corresponding deliberations.

### Audit committee

The role of the Audit Committee is to advise and assist the Board of Directors with respect to those matters falling within its competence pursuant to the Internal Regulations of the Board of Directors. It assists the Board of Directors in its review of the accuracy and fairness of the Company's individual and consolidated financial statements and ensures the quality of internal controls and of the information given to shareholders and to the financial markets.

When reviewing the financial statements, the Audit Committee also examines significant transactions which could present a potential conflict of interest.

### Lead director

The Board of Directors amended the main provisions of the Internal Regulations at its meeting of 12 June 2017. In particular, the following change has been made :

The Board of Directors may appoint a Lead Director from among the independent directors to assist the Chairman in his/ her duties regarding the proper functioning of the Company's supervisory bodies. In this respect, he/she will examine, in particular, conflicts or potential conflicts of interest that may be related to the directors or the Chairman of the Board and relevant to the Company's interests.

Olivier Lecomte was appointed Lead Director by the Board of Directors on 12 June 2017.

In respect of the financial year 2018, the Lead Director has implemented measures intended to identify and analyse situations posing a potential conflict of interest. The Lead Director has also taken steps to assist the Chairman in ensuring the proper functioning of the Company's supervisory bodies, particularly in the definition of the 2019 timetable for Board and Committee meetings, the organisation of the transmission in due time to Board and Committee members of the information necessary for their discussions, and in the digitalisation of Board and Committee documentation.

### Related party disclosure

To the Company's knowledge, and except for those relationships described in Section 5.1.5.3 "Principal agreements with Carrefour group entities" in its Registration document, at the date of this Registration Document, there is no potential conflict of interest between the duties of the Company, the members of the Board of Directors and the Company's Executive Management and their private interests.

### Cross-board membership and cross-shareholding with suppliers and other stakeholders

The main terms of office and positions held by the aforesaid directors, during the last five years, are detailed in the registration document of Carmila (part 6.1.2.1) available on [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).

# Appendix

## Third party assurance

Given the French regulatory context and the characteristics of Carmila, it is not required to have the non-financial data it publish audited by an independent third party. However, since 2017 and on a voluntary approach, Carmila has asked KPMG to verify some of the CSR data presented in its registration document.

The assurance statement of this independent third party is available on pages 125-126 of Carmila's registration document, available on [https://www.carmila.com/en/finance/#document\\_reference](https://www.carmila.com/en/finance/#document_reference).