

THE ART OF PRIME PARISIAN PROPERTY

Sustainability Report
SFL 2024



SFL
SOCIÉTÉ FONCIÈRE LYONNAISE

2024 *SUSTAINABILITY* REPORT

SFL
2024 Sustainability Report

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The Sustainability Report is an extract from the 2024 Universal Registration Document, which can be found at www.fonciere-lyonnaise.com



2024 Sustainability Report

SFL’s sustainability strategy

Introduction

Since it was founded 145 years ago, SFL has demonstrated its expertise as a property owner and developer, contributing to the construction of exceptional properties and the upkeep and transformation of the surrounding city. By combining a long-term vision with agile responsiveness, it has managed both times of growth and times of crisis with the same spirit of resilience, thanks in particular to its innovation capabilities.

At a time when a number of social and urban trends are gaining momentum, for the past several years we have sought to extend the scope of our actions, by setting an ambitious sustainability strategy, guided by a renewed commitment to high-quality, results-driven performance. Faithful to our traditional core competencies and seasoned experience, we are fully committed to our role as an engaged artisan of the Paris cityscape and the well-being of its residents.

Prime assets with optimum accessibility and high occupation density

SFL’s clear positioning in the prime Parisian office property market and its organisation by core competency provide a robust and resilient foundation for the Group’s value creation strategy.

At 31 December 2024, the portfolio comprised 17 assets, with a physical occupancy ratio of 99.8%⁽¹⁾.

All of our buildings are located less than a six-minute walk away from a train or metro station, in the thriving business districts of Paris and Neuilly-sur-Seine.

Our portfolio assets are all characterised by very high occupation density, with heavy office-user footfall and long opening hours, as well as extensive equipment and amenities, including IT and audiovisual facilities (such as at the TV5 Monde head office building on avenue Wagram).

This combination of high occupation density and low-carbon commuting positions these assets as the sector’s most effective in helping to mitigate the city’s climate impact and supporting its ability to adapt to the effects of climate change.

A strategy built on four pillars and clear objectives

For more than ten years, SFL’s sustainability strategy has been a central factor in all of its priorities. With a long-term vision until 2050 and clear objectives, particularly for the 2030 time horizon, this ambitious, assertive strategy addresses the environmental, social and governance (ESG) issues that are material for its stakeholders and critical for its financial resilience.

We are implementing this strategy by fostering stakeholder buy-in among our tenants and office users, host communities (municipal and national authorities, local residents), employees, business partners (prime contractors, construction companies, utilities and amenities operators) and our shareholders.

Throughout, our goal is to nurture the desire to work together around ESG issues built on four pillars, by pursuing a responsible vision of the future in developing and managing our office buildings:

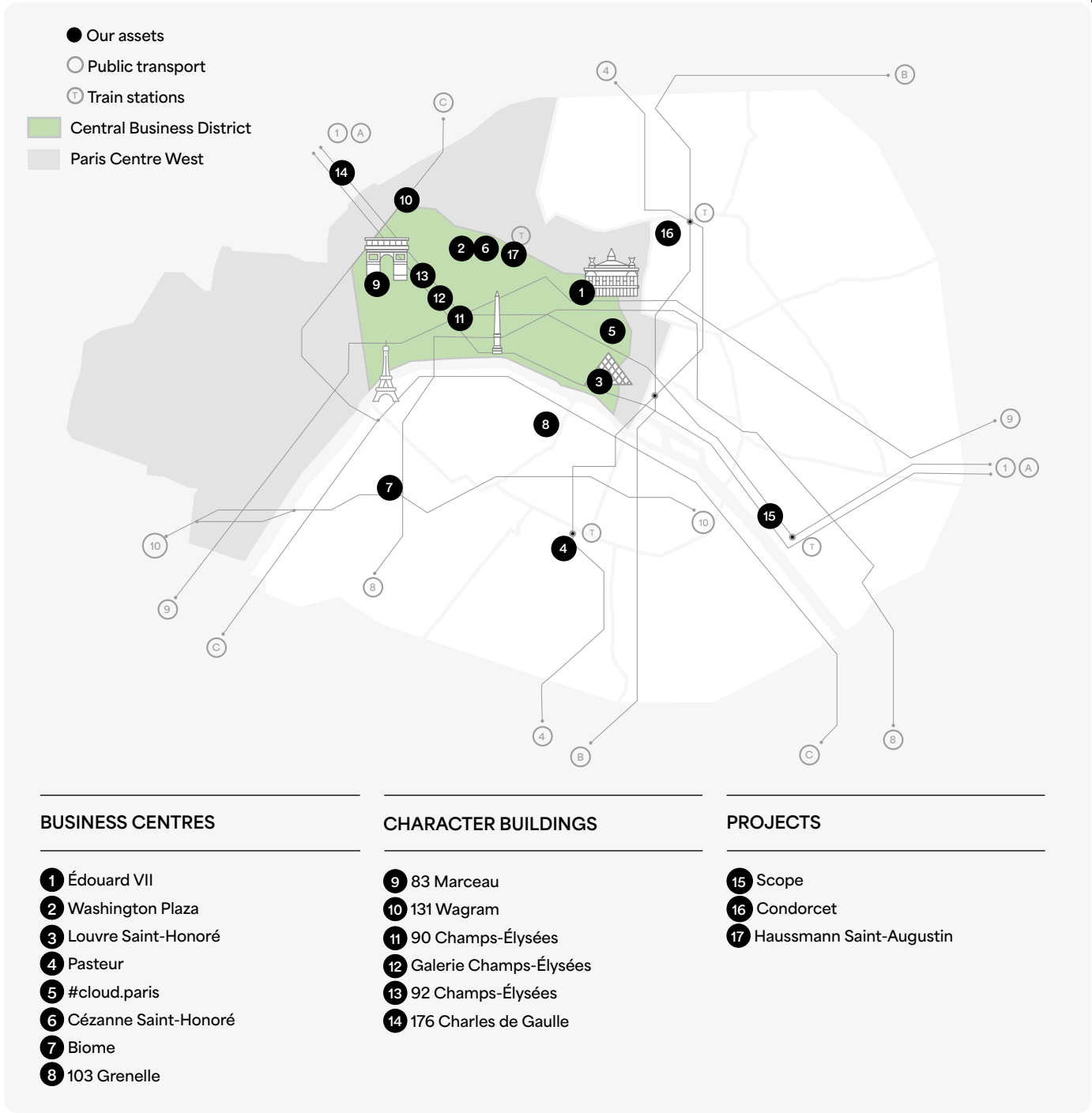
- ◆ Climate strategy
- ◆ Urban footprint
- ◆ Service excellence for users
- ◆ Employee and partner engagement

Voluntary disclosures based on ESRS and CSRD requirements

This Sustainability Report is structured in accordance with the European Sustainability Reporting Standards (ESRS) as defined in European Directive (EU) 2022/2464, known as the CSRD (Corporate Sustainability Reporting Directive).

SFL has elected to apply the new standards gradually, although they are not applicable to the Company until the year ending 31 December 2025 (subject to changes in the European regulatory framework).

This early application demonstrates our commitment to disclosing ESG information in a transparent way and to contributing to the development of best practices within our sector. It also reflects our long-standing pioneering role in sustainability matters.



A strategy built on four pillars

See pages 44 to 47 for further details.

(1) Excluding unusable surface areas and properties undergoing renovation and modernisation.

CLIMATE STRATEGY

The development and use of property assets are a significant source of greenhouse gas emissions. It is the Group's responsibility to provide resilient properties demonstrating excellent technical fundamentals, while promoting an ambitious climate strategy and the judicious use of resources.

Operating environment

- ◆ Increasingly urgent goal of limiting the rise in global warming to 1.5°C.
- ◆ Far-reaching environmental regulations impacting our buildings.
- ◆ Major environmental impact from overuse of natural resources.
- ◆ Very tight energy and materials markets in France and the rest of Europe.
- ◆ Increasing number of exceptional climate events, such as rising temperature anomalies.

SFL response

OPERATIONAL SUFFICIENCY

- ◆ Improving energy efficiency.
- ◆ Transitioning to lower carbon energy sources.
- ◆ Extensively analysing each asset's usage profile.
- ◆ Sharing sufficiency commitments with partner building managers and office users.

EMBODIED CARBON EMISSIONS REDUCTION

- ◆ Ecodesign, repurposing and judicious use of resources during the works phase.

- ◆ Recovering, reusing and recycling waste from redevelopment projects and building operations.
- ◆ Increasing rainwater harvesting and controlling water use.

BUILDING RESILIENCE

- ◆ Investing in projects that are adaptable, flexible and upgradeable in response to tenant needs and demands.
- ◆ Thoroughly understanding the climate, environmental and health risks that could impact the portfolio.
- ◆ Deploying an accurate tracking system and the necessary prevention and adaptive response measures.

SIGNIFICANT EVENTS OF THE YEAR

- ◆ Development of a methodology for factoring in embodied carbon emissions and integrating the circular economy into projects of all sizes.
- ◆ Sustainable purchasing charter and CSR consultations with suppliers.

MAIN IMPACTS IN 2024

24.3 ktCO₂e

released across the value chain (Scopes 1, 2 and 3), down **17%** since 2021

58,422 MWh

of energy used in assets in use, down **29%** since 2018

96% of waste from operations recovered – up sharply year on year

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS⁽¹⁾



⁽¹⁾ The contribution of SFL's ESG process to achieving the Sustainable Development Goals for 2030 adopted by the United Nations in 2015 was examined. SFL considers that its initiatives are having an impact on ten of these goals.

URBAN FOOTPRINT

We want to do our part in building the new geography of work and enhancing the beauty of the city. The Group gets local stakeholders involved in the design and execution of its urban development projects and focuses its capital programs on buildings that are located in vibrant communities, respect local biodiversity and blend harmoniously into the urban landscape.

Operating environment

- ◆ Restrictive urban, heritage and architectural parameters specific to Paris: the new bioclimatic local urban planning regulation.
- ◆ Need for mixed-use capabilities in each neighbourhood.
- ◆ Land take is rising sharply in France and biodiversity is in steep decline.
- ◆ Need to invent a virtuous city that meets the business needs of companies while safeguarding the environment.
- ◆ Emergence of new forms of urban mobility.

SFL response

ARCHITECTURE AND DESIGN

- ◆ Preserving existing structures to minimise demolition and new construction.
- ◆ Architecturally bold but heritage-friendly designs.
- ◆ Urban consolidation and mixed use.
- ◆ Addressing stakeholder expectations.

NATURE AND LANDSCAPING

- ◆ Granular biodiversity audits of each asset to gain knowledge of its living environment and identify pathways to improvement.
- ◆ A commitment to opening access to wild and local species.
- ◆ Preparing the adaptation to climate change.

- ◆ Opening green spaces to stakeholders and raising awareness of biodiversity issues.

MOBILITY

- ◆ Strategically investing in assets with top-quality transit access.
- ◆ Providing offices that are exceptionally well served by public transport.
- ◆ Listening to user needs for new forms of urban mobility.
- ◆ Rapidly deploying infrastructure to enable the use of these forms of mobility.

SIGNIFICANT EVENTS OF THE YEAR

- ◆ Bioclimatic redevelopment of the Scope building.
- ◆ Biodiversity roadmap integrated into each asset's business plan.
- ◆ Creation of three bike parking areas at the cutting edge of design and amenities.

MAIN IMPACTS IN 2024

Over 50%

of surface area redeveloped or renovated in the past ten years

NET-ZERO

land take in past ten years

91%

of asset occupants commute by public transport or low-carbon mobility means

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS



SERVICE EXCELLENCE FOR USERS

The world of work is radically changing. SFL wants its users to look forward to coming to the office and working together by offering comfortable, flexible spaces, serviced by prime amenities and meeting the highest standards of quality and performance.

Operating environment

- ◆ The new geography of work, with widespread work-from-home and a strong employee desire for more self-management.
- ◆ Socialising with co-workers is the main reason people come to the office.
- ◆ Office buildings have to be adaptable to a variety of ever-changing uses.
- ◆ Rising expectations of potential tenants regarding the environmental performance of their leased premises.
- ◆ Extensive interaction with tenants, particularly concerning the critical issue of energy sufficiency.

SFL response

CONVENIENCE AND AMENITIES

- ◆ Undertaking to design buildings that flow seamlessly between tenant and common areas, resulting in a sense of community.
- ◆ Instilling maximum flexibility and operational efficiency in the tenant areas.
- ◆ Offering an increasingly wide range of amenities based on a detailed analysis of each building.

CERTIFICATIONS AND LABELS

- ◆ Undertaking a certification campaign for all assets in use.
- ◆ Early adoption of BREEAM In-Use certification.

- ◆ Choosing project-phase certifications and labels aligned as closely as possible with specific building features, to support its market positioning.

TENANT RELATIONS AND SATISFACTION

- ◆ Focusing on understanding tenant expectations and factoring them into project programmes.
- ◆ Fostering close tenant relationships in SFL properties through a variety of dialogue methods and channels.
- ◆ Regularly measuring tenant satisfaction, with over 91% of tenants satisfied or very satisfied in the last satisfaction survey conducted in 2023.

SIGNIFICANT EVENTS OF THE YEAR

- ◆ 11th year of the Paris Workplace survey to help craft the office of the future: the 2024 survey focused on the importance of office design aesthetics.
- ◆ Café Joyeux opens in the Cézanne Saint-Honoré building, with a strong social impact to foster inclusion in the workplace.

MAIN IMPACTS IN 2024

More than
390,000 SQ.M.
of gross leasing area

MAIN IMPACTS IN 2024

215 tenants

100%

of in-use surface area rated at least Very Good

Up to

30,000

users can be accommodated every day

22,800

office users surveyed in 11 years of Paris Workplace surveys

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS



EMPLOYEE AND PARTNER ENGAGEMENT

Our commitment to working together reflects our taste for transformation and thinking outside the box. Our team, which is entirely in-house, comprises talented people who know how to address these demanding issues. The Group can also count on its partners, with whom it nurtures robust, enduring and trusting relationships.

Operating environment

- ◆ Fostering employee commitment and engagement, improving social cohesion and workplace atmosphere, recognition and appreciation.
- ◆ Developing employability and skills, maintaining employer appeal to attract and retain talent.
- ◆ Raising employee awareness of sustainability issues and the Group's CSR policy commitments.
- ◆ Developing ties with partners who are geographically close and sensitive to the same CSR issues.

SFL response

SKILLS DEVELOPMENT AND WORKPLACE EQUALITY

- ◆ An individualised approach to career development.
- ◆ Competitive, incentivising compensation aligned with workplace equality principles.
- ◆ Skills development and training objectives defined annually.

HEALTH, SAFETY AND QUALITY OF WORKLIFE

- ◆ Regularly measuring the workplace atmosphere through the annual quality of working conditions (QWL) survey.
- ◆ Assertively pursuing policies to protect employee health and safety.

ETHICS IN THE VALUE CHAIN

- ◆ Identifying the most at-risk suppliers and deploying metrics to track their compliance.
- ◆ Sourcing extensively from local service providers and suppliers.
- ◆ Leading a continuous improvement process, particularly with maintenance providers operating the assets and contractors managing project worksites.

SIGNIFICANT EVENTS OF THE YEAR

- ◆ Adoption of an Anti-Bribery and Corruption Charter and roll-out of GDPR-compliant systems and processes.
- ◆ Creation of a training programme for the real estate sector in collaboration with the OID: Label'ID.

MAIN IMPACTS IN 2024

68

employees at year-end 2024

50%

of Board of Directors members and 50% of Management Committee members are women (at 31 January 2025)

660

tier 1 suppliers

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS



Targets for 2030

Pillar	Issue	Primary 2030 target	2024 performance
Climate strategy	Operational sufficiency	42% reduction in tCO ₂ e in 2030 vs. 2021 across Scopes 1, 2 and 3 GHG emissions	17% reduction since 2021
	Embodied carbon & circular economy	Zero final waste	96% of building in use waste and 74% of redevelopment project waste recycled or recovered
	Building resilience	100% of assets subject to vulnerability assessments and having the necessary prevention and compliance measures in place	Updated vulnerability studies of every asset
Urban footprint	Architecture & design	All redeveloped buildings subject to historical heritage impact assessments	100%
	Nature & landscaping	Net-zero land take	Zero land take
	Mobility	100% of office assets located less than a ten-minute walk from a metro station	100%
Service excellence for users	Convenience & amenities	100% of business centres served by prime amenities	100%
	Certifications & labels	100% of projects and office assets in use certified	100%
	Tenant relations & satisfaction	> 85% of tenants satisfied	91%
Employee & partner engagement	Employer appeal, skills development & diversity	> 2.5% of payroll invested in training	3.1%
	Health, safety & quality of worklife	100% of employees surveyed on the quality of worklife every year	100%
	Ethics in the value chain	100% of employees, contractors and suppliers covered by an Ethics and Anti-Corruption Code of Conduct	100%

ESG ratings and green financing

SFL ensures that its actions comply with the highest standards, and that its sustainability performance can be assessed in a transparent way.

The recent distinctions it has received, such as from the GRESB and EPRA, testify to its commitment to communicating transparently to the financial community and other external stakeholders.



GRESB

In 2024, the Global Real Estate Sustainability Benchmark (GRESB) awarded SFL the Green Star designation for the eleventh year in a row, with the following scores:

- ◆ **Standing Investments benchmark:** 92/100 – a score of ≥ 90 for the 7th year running;
- ◆ **Development benchmark:** 97/100 – a score of ≥ 95 for the 4th year running;
- ◆ **Public Disclosure:** 100/100.

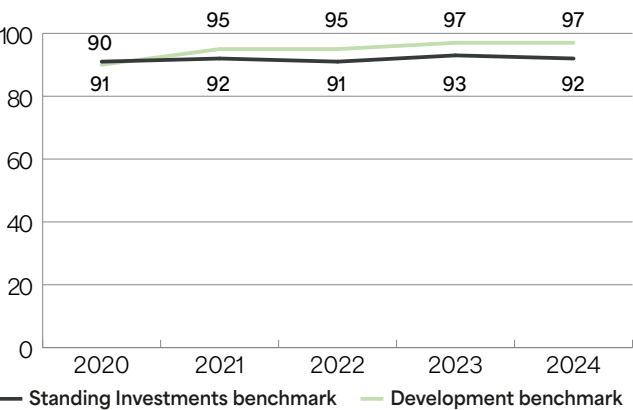


EPRA

SFL complies with the recommendations issued by the European Public Real Estate Association (EPRA) for its CSR reporting. Two Gold Awards, in Sustainability and Finance Best Practices Recommendations, were once again received in 2024.

Tables containing EPRA metrics are presented in the appendices to this Report (pages 104 to 110).

SFL’s GRESB scores out of 100



Sustainable finance

SFL is clearly and resolutely committed to financing that specifically focuses on ESG criteria. SFL worked with its shareholder, Inmobiliaria Colonial, to draw up a new Green Financing Framework, which enables the Company to issue green financing instruments and includes tangible commitments regarding alignment with the EU Taxonomy. At 31 December 2024, all of SFL’s bond debt and 84% of its confirmed bank lines were aligned with strict environmental performance criteria.

European sustainability reporting standards (ESRS)

1. General disclosures (ESRS 2)

1.1. Basis for preparation

1.1.1. General basis for preparation of sustainability statements (BP-1)

SFL has prepared this Sustainability Report on a consolidated basis. The scope of consolidation for sustainability reporting includes all assets owned by SFL and all of its employees (“workforce”) on the payroll at 31 December 2024. Consequently, the scope of consolidation for the Sustainability Report is the same as for the financial statements.

SFL uses an internal methodology for consolidating and processing sustainability data. This methodology standardises the data collection process, identifies contributors, and defines verification methods. It is based on the general principles described below and, in addition to the framework set by the ESRS, draws on standards such as those recommended by EPRA, and the GHG Protocol for carbon footprint calculations.

More detailed and specific rules may also be applied for particular sustainability matters and/or metrics. Where applicable, these specific rules are set out in this Report in the section on Disclosure Requirement BP-2, or directly in the sections concerned.

Value chain in the Sustainability Report

For SFL, the value chain corresponds to all of the activities and players, both internal and external, that enable it to implement its business model and create value.

SFL has two main activities:

- ♦ **ownership and operation of property assets:** lettings, rental and property management, technical operation of buildings, and development of services and amenities for occupants and tenant satisfaction;
- ♦ **development of property assets owned:** renovation or redevelopment to increase the value of buildings and constantly offer tenants and occupants spaces that are suited to their needs.

These two activities bring together a large number of internal and external stakeholders. These stakeholders and the ways in which SFL engages with them are described in section 1.3 of this report (SBM-1, SBM-2 and SBM-3).

It should be noted, however, that SFL’s business partners and suppliers described in this Sustainability Report (and the information, targets and metrics derived from them) are, unless otherwise stated, Tier 1 providers and suppliers. Further information about the number and geographic location of Tier 1 contractors and suppliers, as well as the related policies and actions put in place, is provided in section 4.1 of this report.

Methodology for calculating environmental and societal metrics

Scopes of reporting

At 31 December 2024, SFL’s portfolio comprised 17 buildings, representing a total gross leasing area of 392,344 sq.m.

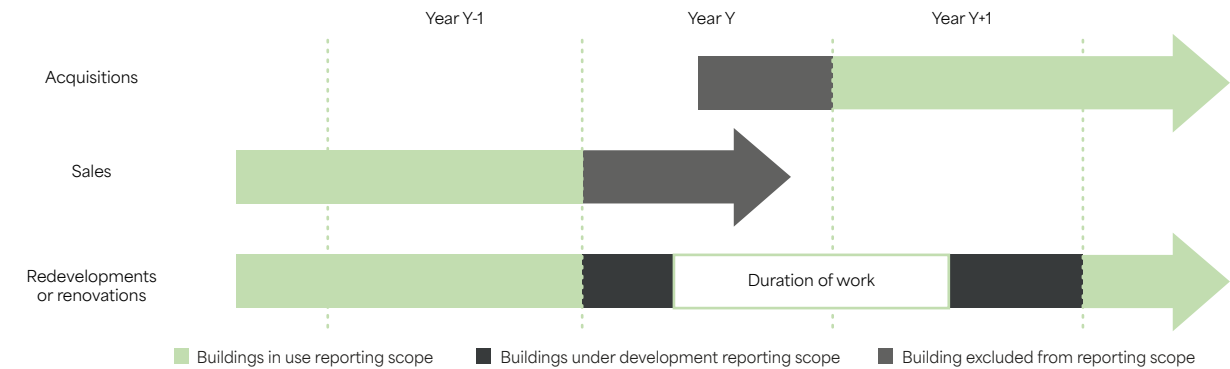
Based on the life cycle stages of SFL’s buildings and its above-described two activities, there are two main reporting scopes for environmental and societal metrics:

- ♦ **assets in use;**
- ♦ **assets under development:** new projects, redevelopment projects and major renovations.

Changes in scope of reporting

These two scopes may change from one year to the next depending on the following events:

- ♦ **acquisitions:** newly acquired properties are included in the scope after one full year in use;
- ♦ **disposals:** buildings sold during the year are removed from that year’s scope of reporting;
- ♦ **new development projects, redevelopment projects or major renovations:** major renovations correspond to renovations involving more than 50% of a property’s surface area or involving the relocation of more than 50% of its tenants in terms of surface area. Major projects are included in the scope of reporting once they have been delivered, are at least 60% let and have been in use for at least one full year.



These events account for the differences between the like-for-like and absolute scopes of reporting as defined by the European Public Real Estate Association (EPRA), which are presented in section 5.2 of this Sustainability Report:

- ♦ **the absolute scope** includes all the assets held in each of the reported years;
- ♦ **the like-for-like scope** includes only those assets held over the entire period under review. i.e., a comparable asset base.

Reporting period

Data for all the environmental and societal metrics is reported for the calendar year. However, for environmental metrics related to buildings in use (energy, water, waste, refrigerant leaks), due to the time constraints related to publishing this Sustainability Report, SFL had to estimate data for the last quarter of the reporting year (2024) based on information from the last quarter of the previous year (2023).

SFL uses two base years to track the performance of its environmental and societal metrics: 2018 and 2021.

2018 is used as the base year for the target related to reducing Scopes 1 & 2 greenhouse gas (GHG) emissions as certified by the Science Based Targets initiative (SBTi) and for putting into perspective changes in energy consumption and in Scopes 1 & 2 GHG emissions over a period of several years.

The 2021 base year is used for the target related to reducing GHG emissions across the entire value chain (Scopes 1, 2 & 3).

Standardised measurements

Two types of standardised measurements were used for the preparation of this report:

- ♦ **measurement by surface area:** the surface areas used to calculate usage intensities (including energy, carbon and water) correspond to the gross leasing areas, expressed in square metres (sq.m.), as reported in the Universal Registration Document;
- ♦ **measurement by net revenue:** the revenue used corresponds to rental income as described on page 7 (section 2.1.1.1) of the Universal Registration Document.

Methodology for calculating social metrics

Social metrics (within the meaning of ESRS S1) and their related targets cover 100% of the workforce, which is based entirely in Paris.

Details of the methods used to calculate the social metrics are disclosed when necessary following the description of the metrics in section 3.1 of this Report related to ESRS S1. Further details may also be found in the comments column in the EPRA performance measures table in section 5.2.

1.1.2. Disclosures in relation to specific circumstances and explanation of the methodologies applied by type of data (BP-2)

2024 reporting scopes used for the main environmental and societal metrics

No assets were acquired or sold in 2024.

Fourteen assets representing 314,246 sq.m. of gross leasing area were included in the scope of assets in use in 2024.

Three assets, representing 78,099 sq.m. of gross leasing area, were included in the scope of assets under redevelopment, with the corresponding works still in progress at 31 December 2024. The Scope building, formerly known as Rives de Seine (in the 12th *arrondissement* of Paris), has been undergoing redevelopment since early 2023. The Louvre Saint-Honoré and Haussman Saint-Augustin buildings (in the 1st and 8th *arrondissements* of Paris respectively) were undergoing major renovation at end-2024.

The table below shows the inclusion of each asset in the various scopes and explains why when they are not.

Asset	Energy and carbon	Water	Waste	In-use certifications	Gross leasing area in sq.m.
Washington Plaza	●	●	●	●	46,740
Édouard VII	●	●	●	●	49,592 ⁽¹⁾
103 Grenelle	●	●	●	●	17,202
#cloud.paris	●	●	●	●	31,677
Biome	●	●	●	●	24,635
Galerie Champs-Élysées	●	●	●	●	6,418
90 Champs-Élysées	●	●	●	●	8,844
Cézanne Saint-Honoré	●	●	●	●	27,401
83 Marceau	●	●	●	●	9,734
131 Wagram	●	●	●	●	8,952
176 Charles de Gaulle	●	●	●	●	6,870
92 Champs-Élysées	●	●	Waste collected by the City of Paris, with no data on amounts or disposal methods.		7,199
Pasteur	●	●	●	●	39,590
Condorcet	●	●	●	●	24,883
Scope	Undergoing redevelopment since January 2023				22,670
Louvre Saint-Honoré	Undergoing major renovation in 2024				41,995
Haussmann Saint-Augustin	Undergoing major renovation in 2024				13,434

(1) Excluding 4,509 sq.m. of residential surface area not managed by SFL.

Energy

Energy data is collected from the Deepki platform, which:

- ◆ consolidates data from energy supplier invoices or client platforms;
- ◆ completes any missing data;
- ◆ extrapolates tenant energy consumption when SFL has not been mandated by the tenant to collect actual data: the estimates are performed by extrapolating known tenant energy intensities for the year to the building’s other occupants.

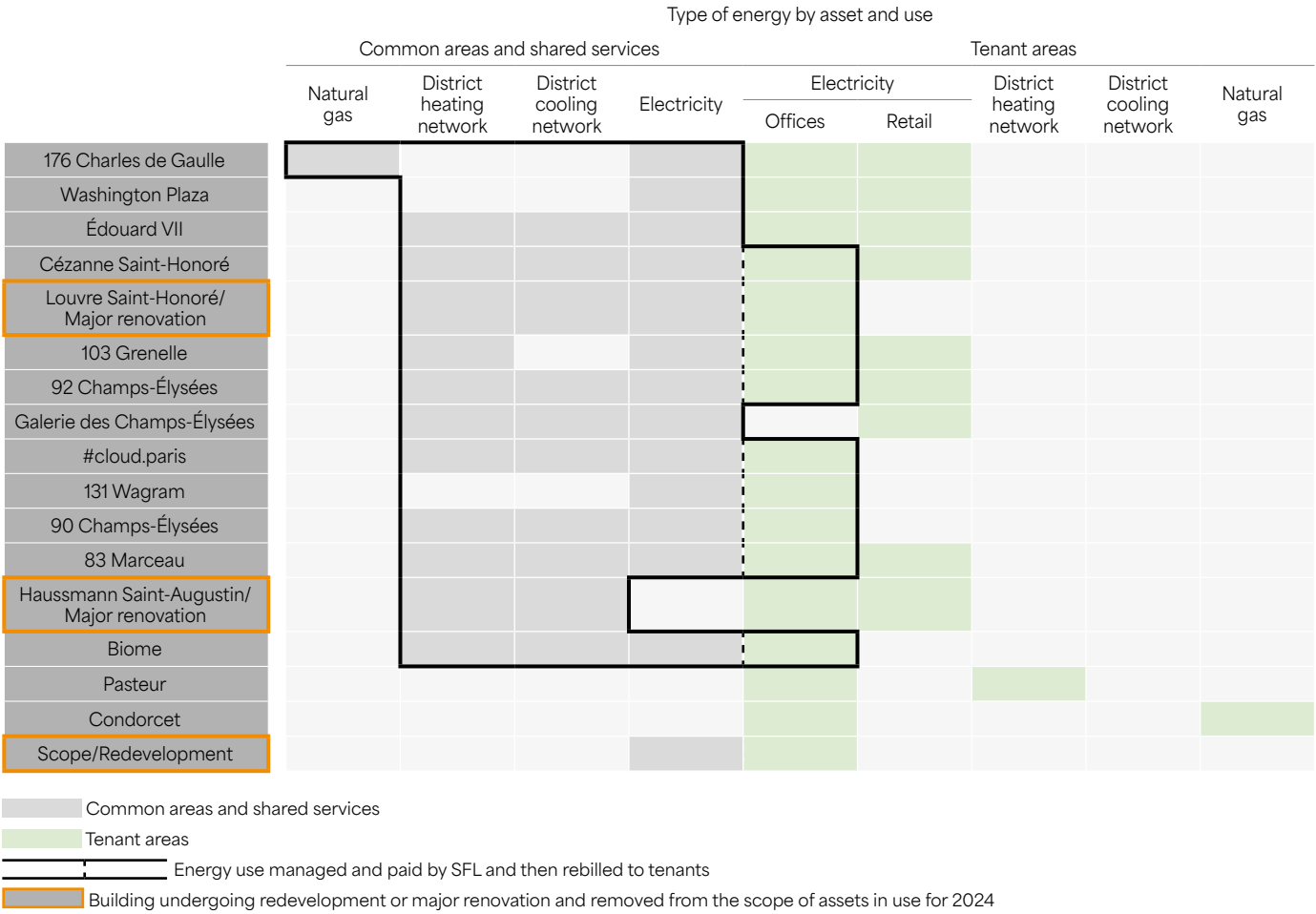
Energy data is expressed in units of final energy.

SFL differentiates between (i) energy used in common areas and shared services, which are managed and metered by SFL, and (ii) energy used in tenant areas, for which SFL works with tenants to collect and discuss usage data.

At 31 December 2024, only 7% of energy consumption (common and tenant areas combined) was estimated.

Checks are carried out by type of energy if there is a significant difference from one period to the next. Additional information can then be requested from the on-site multi-technical managers.

Energy use by energy type and per asset in 2024



Greenhouse gas (GHG) emissions

GHG emissions are calculated using the GHG Protocol methodology.

Scopes 1 & 2 emissions are calculated based on energy use and refrigerant leak data from the managed assets.

Scope 2 emissions are calculated and reported using the two methods recommended in the GHG Protocol (the location-based and market-based methods). This facilitates the understanding of the impact of SFL’s choices on the energy market.

Scope 3 emissions are calculated for the categories relevant to SFL’s activities, which were as follows in 2024:

Scope 3 category	Applicability in 2024	Methodology or justification for exclusion	Source data	Potential data uncertainties
1. Purchased goods and services	Yes	Spend-based method: emissions are estimated on the basis of OpEx categories multiplied by emission factors for each type of service. Fees and taxes are excluded.	OpEx and corporate expenses.	Mainly related to the use of ADEME average emission factors by type of purchase.
2. Capital goods	Yes	Methods based on type of renovation and redevelopment project: emissions are estimated on the basis of life cycle analyses, the main materials used and/or the main renovation works packages for each project.	Type of project and associated CapEx.	Mainly related to the use of average emission factors by type of material or main works packages.
3. Upstream emissions of purchased energy and emissions related to energy transmission and distribution losses	Yes	Emissions related to the production of energy purchased and consumed by SFL that are not included in Scope 1 or Scope 2, estimated based on ADEME emission factors.	Energy consumption managed and paid for by SFL by type of energy.	Mainly related to the use of ADEME emissions factors.
4. Upstream transportation and distribution	No	Emissions related to this category are already included in categories 1 & 2.	N/A	N/A
5. Waste generated in operations	Yes	Emissions are estimated based on the quantities of waste by type and the associated waste treatment methods for assets in use and the main assets under redevelopment. Where data on waste is not available, emissions are estimated by extrapolation.	Types of waste, quantities and associated waste treatment methods.	Mainly related to the use of ADEME average emission factors by type of waste and treatment method.
6. Business travel	Yes	Distance-based method: emissions related to rail and air transport. Spend-based method: hotel nights and taxi fares for SFL employees on business trips.	Travel agency data.	Mainly related to the use of emission factors for modes of transport and fuel-efficiency ratios.
7. Employee commuting	Yes	Distance-based methodology: emissions related to the different modes of transport used by SFL employees for their daily commute and the distance travelled by these modes of transport.	Annual survey of SFL employees.	Mainly related to the use of emission factors for the various modes of transport.
8. Upstream leased assets	No	SFL owns all of the buildings in which the Group operates.	N/A	N/A
9. Downstream transportation and distribution	No	Not applicable to the property assets held by SFL.	N/A	N/A
10. Processing of sold products	No	Not applicable to the property assets held by SFL.	N/A	N/A
11. Use of sold products	No	SFL did not sell any newly developed property assets in 2024.	N/A	N/A
12. End-of-life of sold products	No	SFL did not sell any newly developed property assets in 2024.	N/A	N/A
13. Downstream leased assets	Yes	Emissions related to tenants’ energy consumption in SFL properties. Based on energy consumption by type of associated emission factors.	Tenants’ energy consumption by type of energy.	Mainly related to the use of ADEME emission factors for each type of energy and estimates applied where data on tenants’ energy consumption is missing.
14. Franchises	No	SFL does not operate any franchises.	N/A	N/A
15. Investments	No	SFL does not make any investments in addition to its investments in property assets (already reported in categories 1 and 2).	N/A	N/A

Data from SFL activities is converted into greenhouse gas emissions using emissions factors primarily from suppliers and the ADEME carbon database and global warming potentials from IPCC reports. These sources are consulted regularly and emissions factors are updated in the event of any changes.

Greenhouse gas emissions metrics are expressed in tCO₂e or in kgCO₂e/sq.m.

In reducing its greenhouse gas emissions, SFL is pursuing two targets:

- ◆ an operating target, to reduce Scope 1, market-based Scope 2 and Scope 3 emissions by 42% by 2030 compared with 2021;
- ◆ an SBTi-certified target, expressed in tCO₂e, to reduce Scopes 1 & 2 emissions by 50% between 2018 and 2030. A specific scope may apply for this target depending on acquisitions and disposals, in line with the recommendations of the GHG Protocol⁽¹⁾.

Water

Water use data is collected from the Deepki platform, which consolidates data from property manager invoices or client platforms.

In the event of significant discrepancies from one period to another, or when invoices are issued too infrequently, a consistency check is carried out by comparing invoice data with statements issued by the supplier based on meter readings, which are made available in tenants’ SFL online account areas. This data from meter readings can then be substituted for invoice data if necessary.

Data related to water consumption is expressed in cubic metres and includes municipal water supplies used in the common areas, by the shared services and in the tenant areas. This data also includes quantities of rainwater measured for buildings equipped with water recovery systems.

Waste

From assets in-use

The 14 buildings managed by SFL as at end-2024 handle their waste in one of two ways:

- ◆ In 13 buildings, representing 98% of managed surface area, waste is either partly or fully managed by private operators. In 2024, the private operators for 11 of these 13 buildings were able to provide SFL with exhaustive data. The other two buildings were removed from the reporting scope, giving a coverage rate of 83%.
- ◆ In one building, representing 2% of managed surface area, waste is managed directly and entirely by the City of Paris, which does not report any information to SFL concerning amounts and treatment methods.

29 types of waste were collected in 2024 across all of the buildings managed by SFL.

In the 11 buildings where the waste is managed by private operators, for which SFL has all the data, two types of data are tracked:

- ◆ amounts, based on weighed tonnages reported by the service providers;
- ◆ treatment methods, which are also reported by the service providers using the EU statistical nomenclature.

SFL has set a target for the percentage of building waste recovered and reused. Waste is considered to be recovered if the treatment methods correspond to codes R1 to R13 in the European nomenclature.

From redevelopment projects

SFL closely tracks waste management for both redevelopment projects and major renovations (three buildings as of end-2024), for the clearance/demolition and construction phases.

Data on waste tonnages and treatment methods is reported, compiled and communicated to SFL by each project’s environmental manager.

Certifications

The percentage of certified assets in use in the portfolio is calculated based on BREEAM In-Use and HQE certifications. The denominator is the aggregate usable surface area of certifiable buildings, i.e., excluding buildings that are vacant or being redeveloped or renovated and therefore not eligible for certification. The numerator is the aggregate usable surface area of the certified buildings.

The score used for the percentage of certified assets metrics is the highest score for Part 1 or, if applicable, for Part 2.

When BREEAM In-Use recertification is in progress or being prepared, or when SFL is waiting for the certifying body to issue the final results, the asset is still considered certified and the previous certificate score is used pending the new score.

When a building reopens after a period of redevelopment or major works that prevented it from being certified, it only becomes certifiable after 80% of its space has been occupied and the work completed for one year.

Time horizons

The time horizons used to analyse impacts, risks and opportunities are those defined in ESRS 1. However, longer time horizons were used for some metrics related to ESRS E1 (climate change), in particular for the analysis of the resilience of buildings to the effects of climate change (including horizons up to 2030, 2050 and 2070)⁽²⁾.

(1) In accordance with the GHG Protocol and SBTi guidelines, the scope of reporting for data related to the SBTi-certified greenhouse gas reduction target differs slightly from the two above-mentioned scopes. The target runs from 2018 to 2030. Assets divested in a given year over this period are also removed from all prior-year scopes of reporting. Conversely, assets acquired over the period must be added back to the scope from the beginning and, to the extent possible, their emissions in the years prior to acquisition will be reported. These two cases could therefore lead to the recalculation of baseline and other prior-year emissions. Properties undergoing redevelopment will be factored in upon delivery, but will not impact prior-year emissions. This methodology will maintain a consistent target in absolute value over a long period, which is the only way to support an ambitious emissions reduction commitment.

(2) Further details are provided in section 2.1.1 related to Disclosure Requirement SBM-3.

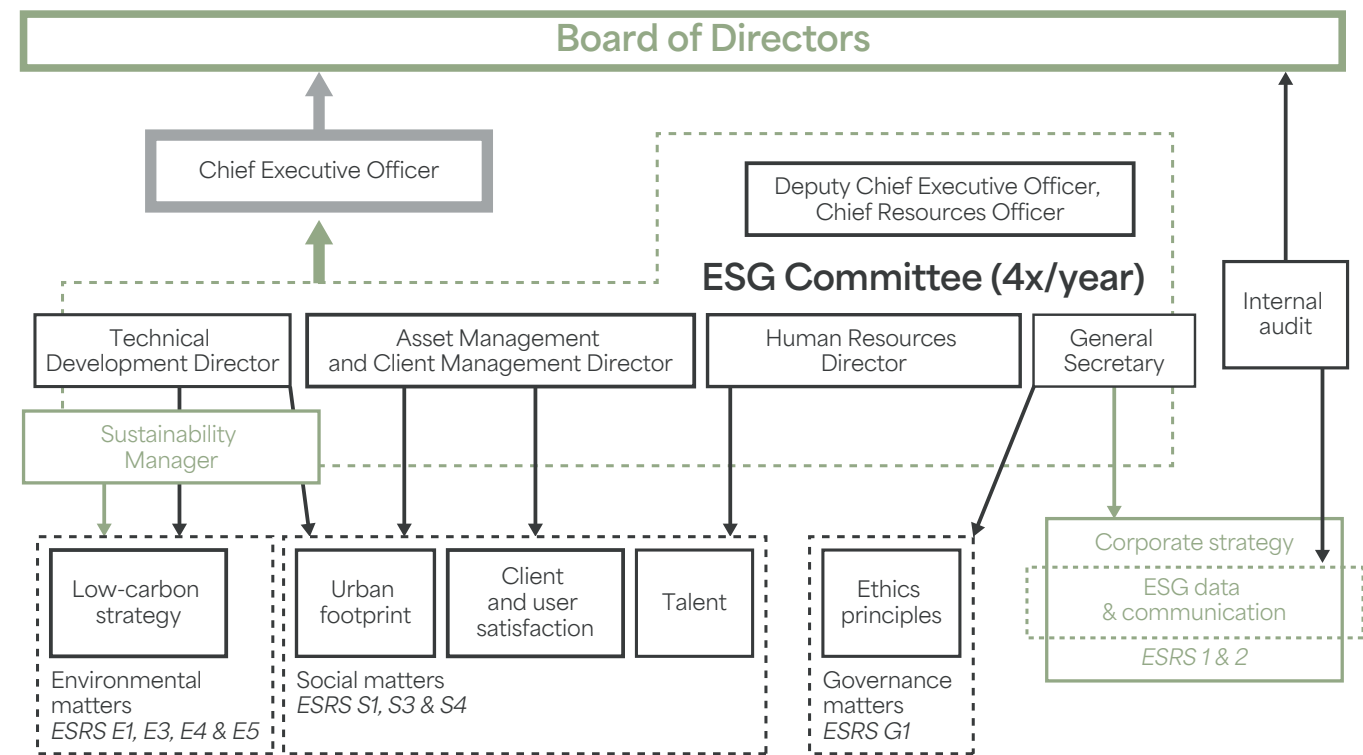
1.2. Governance

1.2.1. Role of the administrative, management and supervisory bodies, and information provided to and sustainability matters addressed by those bodies (GOV-1 & GOV-2)

At SFL, all of the capabilities involved in creating value at each stage in a property asset's life cycle are fully integrated, from investment and redevelopment to leasing and rental management, renovation, financing, and, if the opportunity is right, disposal.

Combined with a relatively small workforce (68 employees at year-end 2024), integration means that SFL can be particularly agile, especially in responding to ESG challenges.

To further embed ESG strategy execution into everyday operations, a number of dedicated departments and a dedicated committee have been set up, which together form the following ESG governance structure.



The **ESG Committee** comprises the Management Committee and the Chief Sustainability Officer. The ESG Committee meets at least four times a year and reports to the Chief Executive Officer, with its main role being to assess SFL's operating conditions and the most critical ESG challenges facing the Group.

SFL's governance structure is detailed in Appendix 14.4 to the Universal Registration Document and on pages 6 and 7 of the Integrated Report.

The information provided includes a description of the Company's two main decision-making bodies, the **Board of Directors** and the **Management Committee**, as well as their membership and roles and responsibilities. The consideration of material ESG/sustainability impacts, risks and opportunities and the policies, actions and targets put in place to address them are an integral part of the responsibilities of these two bodies.

Together with Senior Management, it sets SFL's main strategic goals and analyses its performance compared with SFL's key metrics and targets. In this capacity, each year it validates data relating to GHG emissions, tracks SFL's compliance with its banking covenants, and monitors the Group's implementation of the EU Taxonomy Regulation and the CSRD.

It also validates the targets and action plans put forward by the Management Committee members who sit on the ESG Committee: the Technical and Development Director for environmental issues, the Asset Management Director and Human Resources Director for social issues, and the General Secretary for issues of governance, strategy and ESG/sustainability reporting.

These topics are integrated into SFL's business through various focus groups, asset management committees and ESG workshops, which discuss and work on operating procedures, issues of interest and outcomes and then relay them to stakeholders (tenants, contractors, suppliers, investors, etc.).

The **Chief Sustainability Officer** coordinates all environmental matters addressed by these various taskforces and acts as a liaison with the ESG Committee.

The **General Secretary** is responsible for coordinating the overall approach at corporate level and for sustainability reporting and external communication.

The **internal auditor** monitors the process of preparing non-financial information and reviews the effectiveness of the Company's internal control systems related to sustainability matters. The internal auditor reports to the Audit Committee on the assignments carried out in this respect.

Lastly, the **Chief Executive Officer** reports to the Board of Directors concerning ESG strategy, the main ESG issues and the outcomes of the initiatives undertaken, in particular during the presentation of the annual and half-yearly financial statements. A particularly strong bond has been created with the main shareholder, who is represented on the Board. The Chief Executive Officer, the Deputy Managing Director, and the members of the Management Committee concerned also actively participate in the ESG Committees set up at the level of Inmobiliaria Colonial.

1.2.2. Integration of sustainability-related performance in incentive schemes (GOV-3)

Stakeholders' interests in taking action on sustainability matters are increased by incorporating ESG criteria into incentive mechanisms, in particular through the performance appraisals and remuneration packages of the Group's employees and corporate officers.

In 2024, the remuneration policies applicable to the Managing Director and the Deputy Managing Director⁽¹⁾ included a non-financial criterion that represented a third of their qualitative bonus (i.e., up to 10% of the total bonus depending on the level of achievement).

This criterion was primarily based on objectives concerning SFL's GRESB rating, its compliance with its carbon reduction pathway, certification of the properties in its portfolio and the implementation of sustainability reporting. A breakdown of the variable remuneration of the corporate officers is provided in the corporate governance report.

Incentive mechanisms have also been introduced for SFL employees, including:

- ◆ **Annual employee appraisals:** A change in the nature of personal objectives that determine an employee's bonus (identification of ESG objectives during annual performance reviews).
- ◆ **Employee discretionary profit-sharing:** inclusion of a carbon performance criterion in the new discretionary profit-sharing contract, with reductions in greenhouse gas emissions in line with the 1.5°C target validated by the Science Based Targets initiative accounting for 15% of the total profit-share.
- ◆ **Performance share plan:** Inclusion, subject to conditions, of an environmental performance target (reduction in Scope 1 & 2 GHG emissions) when setting the number of free shares to be allocated under Plan 7.

1.2.3. Risk management, internal controls and due diligence with regard to sustainability (GOV-4 & GOV-5)

Environmental, social and governance risks are included in SFL's risk mapping and are updated annually and approved by the Audit Committee. Each risk included in the risk map is associated with a preventive measure designed to mitigate the potential negative impacts identified.

The annual internal audit programmes frequently include assignments related to ESG. For example:

- ◆ in 2024, a review of the methods used to factor in ESG criteria when selecting suppliers (CapEx) was carried out by the internal audit team and shared with the Audit Committee;
- ◆ a review of the controls put in place by the Company for the preparation of its sustainability reporting has been incorporated into the 2025 internal audit programme.

The departments involved in sustainability reporting contribute to the processes to ensure that the data disclosed is reliable by verifying that it is consistent, exhaustive and traceable.

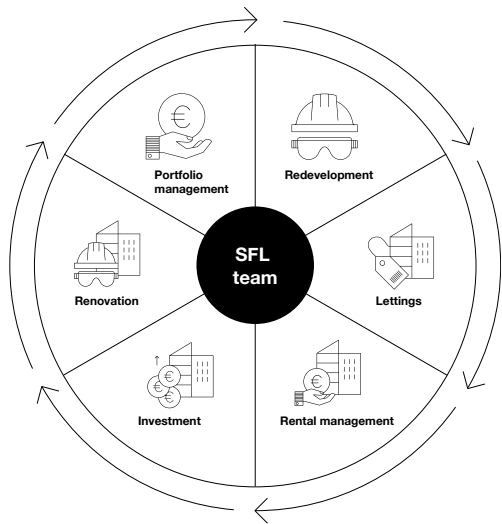
The Company is currently working on setting up reporting guidelines and a specific risk matrix for preparing sustainability information. This matrix will include the controls identified as relevant for preventing the corresponding risks. SFL recruited a team member in 2025 to strengthen the internal control system for its sustainability reporting.

(1) Governance that was in place prior to the departure of the Managing Director and the appointment of the Deputy Managing Director as Chief Executive Officer on 21 December 2024.

1.3. Strategy

1.3.1. Strategy, business model and value chain (SBM-1)

SFL seeks to design prime and sustainable properties to offer tenants a unique office experience. It is present at all stages of the value chain, throughout the life cycles of its buildings.



SFL’s value creation model is detailed on pages 14 and 15 of the Group’s Integrated Report. It sets out the Group’s vision, values, strategy, businesses and added value.

1.3.2. Interests and views of stakeholders, and material impacts, risks and opportunities and their interaction with SFL’s strategy and business model (SBM-2 & SBM-3)

Dialogue and engagement with our stakeholders lie at the heart of our strategy. Taking into account their interests and views and engaging in dialogue with them enables us to enhance both our strategy and business model.

The table below summarises the main categories of SFL’s internal and external stakeholders, their main expectations, and the types of interaction with them.

Key stakeholders		Stakeholders’ main expectations	Dialogue methods	Cross-reference
Own workforce	Employees	Employer appeal Training and skills development Equal treatment and opportunities for all Health, safety and quality of worklife	Quality of worklife and working conditions survey Employee representative bodies Internal meetings	Section 3.1
	Employee representatives			
Consumers and end-users	Prospects	Relationships fostered at every step in the tenant journey Comfort and layout of premises Development of new amenities and services Certifications and labels	Tenant committees Satisfaction surveys Paris Workplace survey On-site presence	Section 3.3
	Tenants Tenants’ employees and office users			
Business partners	Building managers	Quality of partner relations Fair business practices Payment times Shared ESG commitments	Responsible purchasing charter Supplier questionnaire Presence on work-sites and in properties in use	Section 4.1
	Multi-technical service providers Prime contractors Construction contractors			
Financial partners	Shareholders	Sustainable business model Resilient assets Transparent communications	Financial, non-financial and corporate communications Annual General Meeting Investor meetings	Introduction and sections 1.2 to 1.4
	Investors Banks			
Public authorities	City of Paris	Urban footprint Mixed and higher-density use Architectural design quality Bioclimatic design	Meetings prior to scheduling works Individual meetings Participation in local initiatives	Section 3.2
	Paris district (<i>arrondissement</i>) authorities			
Local communities	Residents	Buildings that embrace the city Mixed use properties Minimal neighbourhood disturbance	Residents’ meetings prior to scheduling works Meetings and specific communications during the works phase	Section 3.2
	Local retailers Non-profit organisations			

1.4. Impact, risk and opportunity management

1.4.1. Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)

In order to harmonise its practices with those of its main shareholder, Inmobiliaria Colonial, SFL took part in the preparation of the double materiality assessment carried out at Group level. The resulting double materiality matrix was adopted by SFL. The activities, value chain and investment objectives are aligned between the French and Spanish teams (acquisition and management of prime buildings in the tertiary sector), guaranteeing consistency between the two companies’ material sustainability matters. The only difference is the location of the assets – Paris for SFL and Barcelona and Madrid for Colonial – which does not create any particular differences in the materiality of the sustainability topics and sub-topics that were analysed.

An initial double materiality assessment was carried out in 2023, which was updated towards the end of 2024 to ensure compliance with the latest guidelines and recommendations⁽¹⁾. The update completed the mapping of Colonial’s value chain, covering upstream and downstream activities and internal operations, and adjusted the classification of impacts according to their time horizons, their position in the value chain and the stakeholders affected.

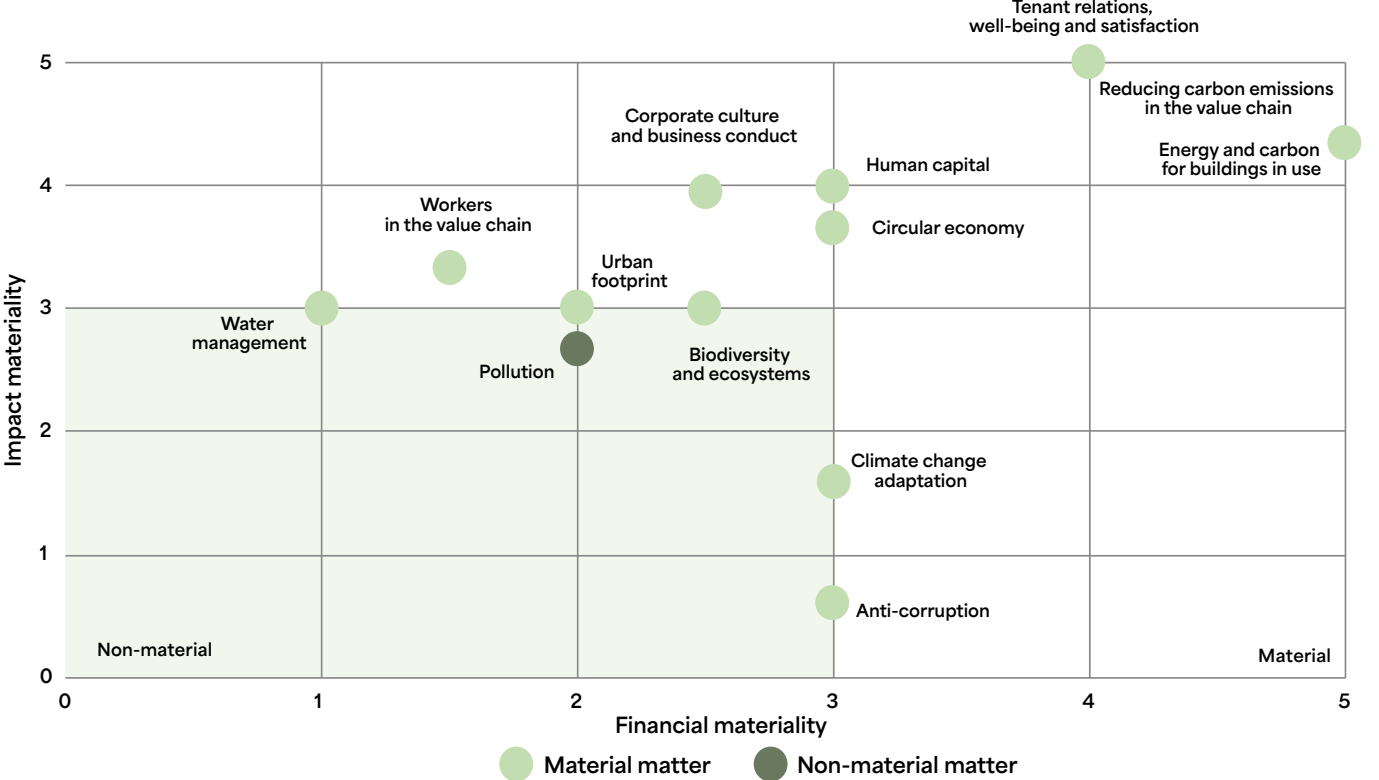
The assessment methodology used evaluated the relative materiality of each sustainability topic and sub-topic identified, in terms of impact (actual or potential significant effects on people or the environment in the short, medium or long term, caused directly by the Company’s activities or related to its value chain) and from a financial point of view (effect on future cash flows).

The assessment of the materiality of sustainability topics and sub-topics was based on discussions with the stakeholders (mainly internal) identified as being those best placed to provide a clear view of the Company’s imperatives and understand stakeholders’ expectations.

Each topic and sub-topic was assessed according to its time horizon, where it is positioned in the value chain, the stakeholders involved, its scale (extent of the impact on people and/or the environment), its scope, its irremediable character and its probability of occurrence.

Based on this assessment, the most material sustainability topics in terms of impact and financial materiality were identified for the Group’s activities.

Double materiality assessment



(1) EFRAG implementation guidance.

1.4.2. Disclosure requirements in ESRS covered by the Sustainability Report (IRO-2)

The table below cross-references the material sustainability topics covered in this Sustainability Report and the ESRSs. It also specifies the disclosure requirements covered.

Material sustainability topic	ESRS	Disclosure requirements covered	Chapter of the Sustainability Report
Energy and carbon for buildings in use	E1 Climate change	E1-1 to E1-6	2.1
Reducing carbon emissions in the value chain			
Climate change adaptation			
Water management	E3 Water and marine resources	E3-1 to E3-4	2.2
Biodiversity and ecosystems	E4 Biodiversity and ecosystems	E4-1 to E4-5	2.3
Circular economy	E5 Resource use and circular economy	E5-1 to E5-5	2.4
Human capital	S1 Own workforce	S1-1 to S1-17	3.1
Urban footprint	S3 Affected communities	S3-1 to S3-5	3.2
Tenant relations, well-being and satisfaction	S4 Consumers and end-users	S4-1 to S4-5	3.3
Corporate culture and business conduct	G1 Business conduct	G1-1 to G1-6	4.1
Anti-corruption			

For 2024 – the year of SFL’s first-time, voluntary application of the CSRD framework – the Group has decided not to report on the topic of “Workers in the value chain” (ESRS S2). It will provide disclosures on this topic as from next year.

2. Environmental information

2.1. Climate change (ESRS E1)

Increasing greenhouse gas emissions are profoundly transforming the Earth’s climate. The latest reports from the Intergovernmental Panel on Climate Change (IPCC) show more than ever that global warming must be limited to 1.5°C above pre-industrial levels.

This symbolic threshold was crossed in 2024, with average global warming for the year reaching 1.54°C⁽¹⁾.

Even if the temperature data for the past year and previous years turns out to represent peaks, the data for the last few decades shows a steady trend of rising temperatures, which makes it all the more urgent to adopt a clear strategy to reduce greenhouse gas emissions and adapt to the impacts of climate change.

The construction sector plays a key role in this dynamic. It is responsible for around a quarter of the world’s greenhouse gas emissions and represents a major challenge in the fight against climate change, both globally and in France. Baseline scenarios, such as France’s national low-carbon strategy (for which a public consultation was launched in late 2024 for its third update), and the European Union’s “Fit For 55” package, as well as the new industry targets issued by the Science Based Targets initiative (SBTi), call for the real estate sector to be almost entirely carbon-free by 2050.

In seamless alignment with this fast changing operating environment, SFL’s climate strategy is based on:

- ♦ **identifying and assessing climate change risks** to its business and **understanding the impacts** by measuring the carbon footprint as broadly and as granularly as possible (see the SBM-3 and E1-6 disclosures for further details);
- ♦ **deploying a transition plan** with precise, ambitious and achievable reduction targets and an understanding of what is required in order to adapt to the effects of climate change (see the E1-1 to E1-4 disclosures for further details).

2.1.1. Material climate-change impacts, risks and opportunities and their interaction with SFL’s strategy and business model (SBM-3)

The risks related to climate change are increasingly being factored into our business model. Our approach is aligned with the TCFD⁽²⁾ and ISSB⁽³⁾ S2 recommendations and therefore comprises a dedicated governance structure, a detailed analysis of physical and transition risks, a climate action strategy, and dedicated metrics and targets. It is also an integral part of the general assessment of risk factors in the Universal Registration Document⁽⁴⁾.

SFL has assessed the climate-related risks that could have a material impact on its business activities. Conducted jointly with our main shareholder, the assessment is one aspect of the general risk mapping exercise.

(1) Average global temperature rise as stated in the provisional report issued by the World Meteorological Organisation on 11 November 2024.
(2) Task Force on Climate-Related Financial Disclosures.
(3) International Sustainability Standards Board.
(4) See pages 17 to 32 of the Universal Registration Document.

Assessment of the main risks related to climate change

Transition risks

The use of baseline scenarios⁽¹⁾ revealed three main material risks to the Group’s business activities, which are summarised below.

Type of risk	Description of the risk	Time horizon	Potential impact before initiatives	SFL’s response
Regulatory	Increasingly strict environmental legislation, particularly energy efficiency standards and the adaptation of buildings to the effects of climate change.	Short term	Risk of asset obsolescence and increased CapEx and OpEx to maintain the technical performance of buildings.	A decarbonisation plan focused on operating energy sufficiency and ambitious, targeted investments in assets. SBTi certification for greenhouse gas emissions targets consistent with the 1.5°C pathway.
	An increasingly polarised office market due to growing tenant demand for more sustainable spaces, with proven environmental performance and well served by public transport.	Short and medium term	Buildings unable to document their environmental qualities may lose value and become less leasable.	Certification for all assets-in-use and redevelopment projects. Exceptional access to public transport. Development of low-carbon mobility-friendly infrastructure.
Reputational	Growing investor demand for ESG performance.	Medium and long term	Curtailed market access and higher borrowing costs for companies unable to demonstrate their performance.	84% of confirmed bank lines already subject to ESG performance criteria. Voluntary participation in various ESG benchmarks (scores of 92 and 97/100 and 5-star rating for the two GRESB benchmarks). Proactive disclosures in compliance with European Taxonomy and CSRD reporting.

Physical risks

As a leading property company with a long-term vision, SFL uses its sustainable capital expenditure strategy to reinforce the resilience of its assets to ensure their durability.

The quality of our buildings stems from their prime locations, combined with their ability to adapt to the changing needs of businesses and to evolving regulatory and environmental standards, and their capacity to cope with the effects of climate change.

Ensuring assets’ resilience to the impacts of climate change is based on an in-depth assessment of the physical risks that could affect them, and the deployment of rigorous tracking systems and appropriate prevention and remedial measures.

Adapting SFL buildings to the effects of climate change is a concern that has been studied since 2018, when the resilience of its assets to physical hazards was initially assessed according to ADEME recommendations. The findings enabled SFL to analyse possible vulnerabilities in the asset portfolio, proactively plan for the potential impacts on operations and, in this way, guarantee the quality of the tenant experience. As part of this process, SFL’s buildings were reviewed to determine their resilience to the main risks, by identifying the possible impacts on each building’s superstructure and shell, plumbing, electricals, HVAC, landscaping and exterior fixtures.

They were deemed to be transitional risks specific to the building industry’s regulatory environment, to tenant demands for greener buildings and to the increasing prevalence of sustainable finance.

SFL’s solutions to mitigate its risk exposure are summarised in the following table and discussed in more detail below.

As climate science knowledge has improved, recent years have seen an increase in the number of climate forecasting models, scenarios and tools.

As a member of the Green Building Observatory (OID)⁽²⁾, since 2023 SFL has used the Resilience for Real Estate (R4RE) platform for carrying out its resilience assessment. This tool – which was specifically developed for these assessments – enables SFL to identify buildings that are exposed to significant risks over the more or less long term and therefore to put in place adaptation measures over an appropriate time horizon. Risk exposure was assessed according to three climate scenarios (RCP2.6, RCP4.5 and RCP8.5⁽³⁾) and three time horizons (2030, 2050 and 2070).

The most recent assessment shows that physical risks do not currently represent impacts that could be material for SFL’s business. The risks associated with flooding are systematically taken into account in redevelopment and renovation projects, and do not change significantly with the application of different scenarios and time horizons. In addition, the exposure of SFL’s business to risks associated with rising temperatures and increasing heat waves is low.

(1) The IPCC’s SSP 1-1.9 and SSP 5-8.5 scenarios, and the scenarios in the Carbon Risk Real Estate Monitor (CRREM) tool and on the Resilience for Real Estate (R4RE) platform.
(2) *Observatoire de l’Immobilier Durable*.
(3) Scenarios drawn up by the Intergovernmental Panel on Climate Change (IPCC); “RCP” – “Representative Concentration Pathways”.

As climate forecasting models are still developing and being fine-tuned, this assessment will be regularly updated to factor in the latest scientific advances.

To strengthen its engagement in managing climate risks, SFL has become a member of the R4RE platform’s strategy committee, which focuses on making the platform more robust and improving its alignment with reporting requirements.

Understanding SFL’s impacts on climate change

The first step in the emissions reduction strategy is to measure the carbon impact of SFL’s entire value chain, thereby identifying

the main sources of GHG emissions and helping the Group to assess their material impacts.

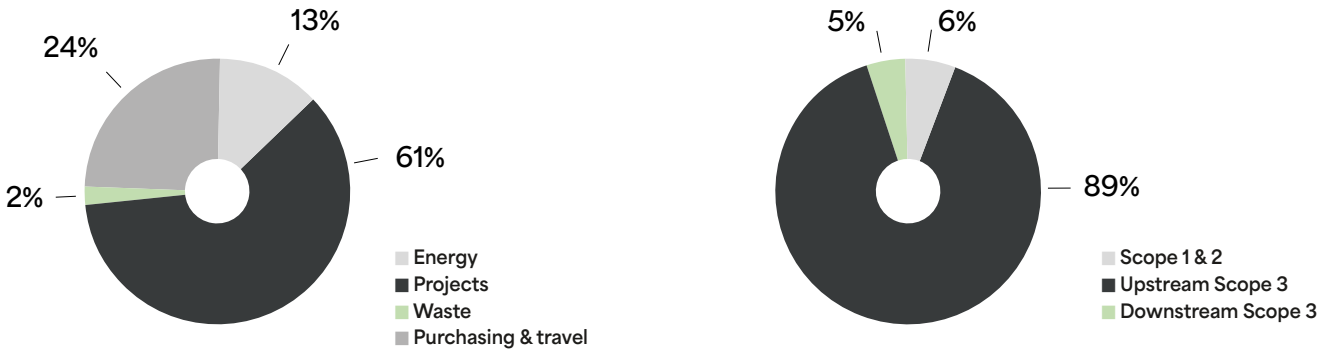
This process is designed to be as exhaustive and accurate as possible, to clearly reveal the impact of SFL’s operations in terms of the three GHG Protocol emission scopes and define the most appropriate responses.

In 2023, SFL fine-tuned its measurement methodology in collaboration with the Carbone 4 consultancy, which is a recognised specialist in this area.

SFL’s broader carbon footprint in ktCO₂e (Scopes 1, 2⁽¹⁾ and 3 as defined in the GHG Protocol)

Scope	Type of emissions	2021	2022	2023	2024
Scopes 1, 2 & downstream Scope 3	Energy	4.4	4.9	4.2	3.1
	Projects	20.1	14.9	11.5	14.7
Upstream Scope 3	Waste	0.4	0.7	0.6	0.5
	Procurement and travel	4.3	4.9	4.9	6.0
Total		29.2	24.6	21.2	24.3

Greenhouse gas emissions in tCO₂e in 2024, by source and GHG Protocol Scope



SFL’s overall carbon footprint stems primarily from four sources of emissions:

- ♦ **energy use** in both common areas (Scopes 1 & 2) and tenant areas (downstream Scope 3), which represented 13% of total emissions in 2024;
- ♦ **asset redevelopment and renovation projects**, which accounted for 61% of total emissions in 2024, representing a year-on-year increase due to the higher number of projects under way than in 2023 when the number was relatively low;
- ♦ **management of waste generated by operations**, which accounted for 2% of total emissions;
- ♦ **procurement**, mainly of services for assets in use and SFL’s corporate operations and, to a lesser extent, **employee travel**, which together totalled 24% of emissions for the year.

Measuring the footprint enables us to set clear priorities in our commitment to reducing GHG emissions and establish a transition plan and policies adapted to the sustainability matters relevant to the Group.

2.1.2. Transition plan for climate change mitigation (E1-1)

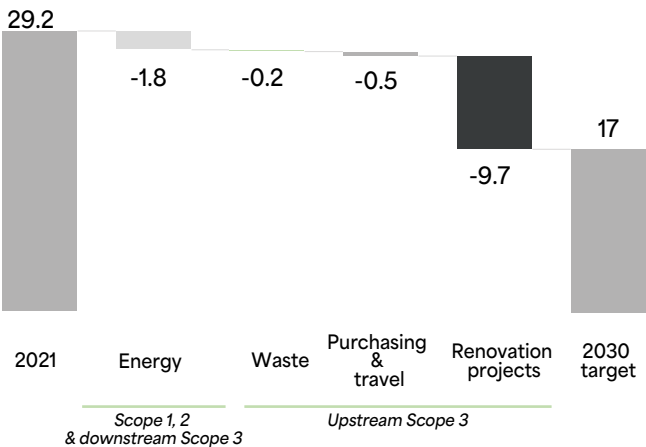
Our transition plan for responding to the climate emergency and achieving a low-carbon future is focused on sharply reducing our GHG emissions across the entire value chain.

It aims to reduce Scopes 1, 2 and 3 GHG emissions by 42% by 2030 compared with 2021. By year-end 2024, initiatives already under way had driven a 17% reduction.

The 42% reduction target was approved by SFL’s Senior Management team in December 2023, and is in line with the GHG emissions reduction target set by the Company’s main shareholder in early 2024.

The target is also aligned with the objective of keeping global warming to below 1.5°C above pre-industrial levels, as set in the Paris Agreement adopted at COP 15. The annual reduction set for the SFL target (as a % of total emissions) is actually slightly higher than the target required by the Science-Based Targets initiative (SBTi) in its Absolute Contraction Approach.

Carbon reduction pathway to 2030 and contribution of the main decarbonisation levers (in ktCO₂e)



Main decarbonisation levers

To meet the 42% reduction target, a number of decarbonisation levers have been identified and quantified for 2030. They involve a variety of initiatives aligned by emissions source and Scope.

Scopes 1, 2 and downstream Scope 3

Energy efficiency and low-carbon refrigerants in buildings in use: initiatives in this area are geared to managing energy efficiency and monitoring energy consumption in buildings in use, transitioning to less carbon-intensive energy sources and refrigerants, and improving energy efficiency through dialogue with the tenants and users of SFL’s offices.

Upstream Scope 3

Energy efficiency in works projects by reducing embodied carbon emissions and developing circular economy practices: more rational use of resources, ongoing interaction with architects and partner companies during the works phase and with business partners to decarbonise purchases and adopt more virtuous construction methods.

Investments to support the implementation of the transition plan

Nearly €6 million of CapEx was invested in 2024 for initiatives to reduce Scopes 1, 2 and upstream Scope 3 emissions from buildings in use (emissions from energy use in common and tenant areas of buildings). More than €20 million in CapEx is planned over the next five years for similar measures. These investments are aimed in particular at improving heating, ventilation and air conditioning (HVAC) systems, lighting, centralised building management systems and the production of renewable energy.

As SFL develops property assets to subsequently manage and operate them, investments supporting the implementation of the transition plan are also included in its redevelopment projects. SFL estimates that around a third of its project budgets will have an impact on the GHG emissions of the buildings concerned once they are in use.

Locked-in GHG emissions

SFL’s overall carbon footprint contains several sources of potential locked-in GHG emissions. They break down as follows by GHG Protocol Scope:

Scope 1: emissions related to leaks from equipment containing refrigerants could represent locked-in emissions at end-2030 depending on whether it is possible to replace the equipment and on the available technologies.

Scope 2: GHG emissions related to the energy mix of district heating and cooling networks can be difficult to control. SFL firmly believes in the virtues of these networks, and a large number of its buildings are connected up to them. However, the carbon content of a kWh from the Paris district heating system was still fairly high at end-2024 (compared with other energy sources).

Upstream Scope 3: embodied carbon emissions in the materials used in redevelopment projects could also represent locked-in emissions with regard to SFL’s emissions reduction target.

However, the above-mentioned sources of emissions are included in SFL’s overall GHG emissions reduction target (42% absolute reduction between 2021 and 2030), and it will endeavour to minimise their impact in its pathway to 2030. Embodied carbon emissions are also included in specific reduction targets (< 500 kgCO₂e/sq.m. in the construction phase and < 700 kgCO₂e/sq.m. over the full life of the building for all redevelopment and renovation projects by 2030).

SFL is only marginally exposed to coal-, oil- and gas-related activities. Fossil fuels only accounted for 1.7% of the Group’s direct energy use in 2024 (natural gas only). In 2024, we decided to completely eliminate the direct use of fossil fuels by removing the last two boilers running on natural gas by winter 2025/2026.

(1) Market-based Scope 2.

However, fossil fuels are indirectly present in the energy giving rise to Scope 2 emissions due to the production mix for the Group’s energy supplies. They represent a low proportion of the mix for the Group’s electricity supplier (5.6% of the total) but a greater proportion for the Paris district heating network (49.3%).

They apply to all 17 of the Group’s properties, without any exclusions, and the Technical and Development Department is responsible for ensuring they are effectively implemented.

Policy	Sustainability topic	Main commitments and impacts, risks and opportunities addressed by the policy
Environmental policy	Climate change	Understanding the impacts of climate change Putting in place a GHG emissions reduction plan Putting in place climate resilience plans for the portfolio
	Energy consumption	Use of renewable energy Investments to improve energy efficiency
Climate change policy	Climate change mitigation	Preventing risks related to climate hazards (particularly flooding) Limiting ecosystem alteration
	Climate change adaptation	Broadest possible calculation of carbon footprint Reducing embodied carbon emissions in materials Reducing emissions related to energy consumption in the Group’s properties Promoting sustainable mobility
Renewable energy and energy efficiency policy	Improving energy efficiency	Strategies to reduce energy demand in the Group’s properties Optimising and improving the seasonal energy performance of the Group’s properties
	Renewable energy	Increasing on-site renewable energy production Renewable energy purchases
	Innovation and digitalisation	Pursuing the automation of control and technical management of the Group’s properties

2.1.4. Actions and resources related to climate change policies (E1-3)

Actions related to climate change mitigation

SFL’s actions and resources related to climate change mitigation are based mainly on three main pillars:

- ◆ improving the energy efficiency of assets in use;
- ◆ transitioning to low-carbon energy;
- ◆ reducing embodied carbon emissions in the value chain.

Improving the energy efficiency of assets in use

Residential and commercial buildings are by far the largest energy users in France, accounting for 46% of the total energy consumed⁽¹⁾. As a result, improving energy efficiency and sufficiency is certainly SFL’s biggest challenge.

The importance of this challenge was further confirmed by the French government decree mandating actions to improve the energy performance of commercial buildings (the “tertiary decree”), which stipulates that energy use must be reduced by 40% by 2030, 50% by 2040 and 60% by 2050.

2.1.3. Policies related to climate change mitigation and adaptation (E1-2)

The policies adopted by SFL to contribute to climate change mitigation and adaptation are grouped together in the three documents listed in the table below. These policies were updated and re-endorsed at the end of 2024.

Meeting these ambitious national objectives will require targeted investments and continuous improvement in building management systems. It will also involve (i) addressing emerging tenant needs (digital technologies, amenities, food services, etc.), which could impact building energy use intensity, and (ii) encouraging energy sufficiency by fostering lessor/tenant dialogue and emulation, especially in France under the impetus of the tertiary decree. After ten years of major capital investments in its buildings, SFL is also endeavouring to foster a holistic ecosystem of processes and partners to improve its energy efficiency.

◆ Asset-specific energy and carbon pathways and their supporting capital expenditure plans

In particular, SFL has joined with recognised, complementary partners to build its new strategic plan, which should drive a 40% reduction in its energy use by the end of 2030 compared with the 2017 baseline. After an initial programme aimed at increasing the amount of collected data by installing more sub-metering systems, a comprehensive technical master plan was developed for the entire asset portfolio. This plan, which is broken down into energy and carbon pathways until 2030 for each asset, is designed to enable SFL’s portfolio to follow the improvement trajectories defined in France’s commercial real estate energy savings decree and the Carbon Risk Real Estate Monitor (CRREM)

tool, and therefore to be aligned with national and European decarbonisation objectives. The master plan comprises conducting energy studies to identify any necessary adjustments to usage or maintenance and setting up CapEx programmes for each asset.

◆ Involving technical maintenance contractors through energy, carbon and water performance contracts

Multi-technical maintenance contractors and building managers are key partners in fulfilling the environmental commitments related to SFL’s assets. Partnerships with these entities can take the form of energy, carbon and water performance contracts, such as those in place at end-2024 for five properties in the portfolio, for which the multi-technical contract incorporates energy-efficiency improvement targets in terms of MWh, with the achievement level of the targets affecting the contract’s financial conditions.

These performance contracts are real levers for encouraging the maintenance contractors to fully embrace the Group’s commitments and to put forward proposals on how to reduce energy use. Based on the promising results achieved at the first five sites where these contracts have been used, we intend to roll them out to other sites going forward.

◆ Tenant dialogue and emulation to manage energy use in tenant areas

SFL has also undertaken a broad-based dialogue and emulation process with its tenants to gain insight into energy use in its buildings and then to reduce overall consumption by integrating the energy used in the tenant areas, with energy sharing agreements, discussions on energy use profiles during tenant committee meetings, etc.

SFL measures and tracks the vast majority of its tenants’ energy use, with only 7% of consumption having to be estimated in 2024⁽¹⁾.

Particular efforts were launched in the winter of 2022/2023, when the French government encouraged everyone to save on energy in response to tighter energy markets and the reduction in the country’s nuclear power generation capacity. It is estimated that the initiatives undertaken helped to reduce energy use by 10% over the period, with peaks of 15 to 18% depending on the asset.

Transitioning to lower carbon energy sources

Another way to reduce energy consumption and shrink the carbon footprint is to optimise the energy mix with less carbon-intensive energy sources. SFL is striving to improve this energy mix, led by the following initiatives:

◆ Elimination of fossil fuel-powered equipment across the portfolio:

- the last gas-fired boiler in the common areas of an SFL building will be replaced with a heat pump in winter 2025/2026;
- the last gas-fired boiler in the tenant areas of an SFL building will be replaced during the renovation of the Condorcet property, which is due to start in 2025.

◆ Opting for energies with the lowest emission factors:

- gradually connecting more eligible assets in use or being redeveloped (Scope in particular) to the district cooling network, which has a low emissions factor;
- using heat pumps at certain sites, with significant reductions in energy consumption since they have been installed.

Reducing embodied carbon emissions in redevelopment and renovation projects

At SFL, reducing the carbon footprint involves more than just managing energy consumption during a building’s in-use phase. It also means looking at every phase in a building’s life cycle, particularly how it was built, redeveloped or refurbished and how greenhouse gas emissions may have been embodied in it along the way.

These building life cycle stages have a critical impact in the greenhouse gas emissions reduction strategy, as project-related emissions accounted for 61% of SFL’s overall carbon footprint in 2024.

SFL is demonstrating its commitment to reducing embodied carbon volumes and supporting circular economy practices by developing and managing its assets in ways that limit carbon intensity, waste production and the use of natural resources in its programmes, procurement and construction methods. SFL takes particular care to preserve the existing structure of buildings wherever possible in order to keep demolition to a minimum, and encourages the reuse and upcycling of materials either on site or by offering them on specific reuse platforms⁽²⁾.

◆ Performing extensive life cycle assessments on projects to measure the intensity of embodied carbon emissions

To establish a robust framework for this process and track the initiatives more accurately, life cycle assessments are now being performed for all major projects.

The following outcomes demonstrate the impact of embodied carbon emissions in the different types of project, assessed using the same method. These assessments identify the carbon intensity of each type of construction project and the materials used at each phase in the building life cycle. They enable options to be compared and validated, while helping to instil a culture of carbon-intensity awareness across the organisation.

(1) 2021 figures, from the French Ministry of Ecological Transition: <https://www.statistiques.developpement-durable.gouv.fr/edition-numerique/chiffres-cles-energie-2022/8-consommation-finale-denergiepar-secteur-et>

(1) Excluding the last quarter of 2024, for which the data was based on the last quarter of 2023.
(2) See also the ESRS E5 disclosures in section 2.4.

	Type of project	Special features	Project start and end dates	GHG emissions from construction works ⁽¹⁾ in kgCO ₂ e/sq.m.
#cloud.paris	Major renovation		2013 to 2015	858
83 Marceau	Major renovation		2019 to 2021	881
Biome	Major renovation		2020 to 2022	704
Cézanne Saint-Honoré	Major renovation	No changes to the façade	2021 to 2022	460
Louvre Saint-Honoré	Major renovation	Bare shells, water and energy on standby	2020 to 2023	461
Galerie des Champs-Élysées	Façade renovation only	Bare shells, water and energy on standby	2022 to 2023	102
Scope	Redevelopment	High-rise building	2024 to 2026	770
Hausmann Saint-Augustin	Major renovation	No changes to the façade	2024 to 2025	345
Louvre Saint-Honoré	Major renovation	Limited impact on the façade	2024 to 2027	578

(1) Based on the “Construction Products and Equipment” category of the BBCA low-carbon building label.

• Validating our initiatives with BBCA low-carbon building certification for major renovations

BBCA low-carbon building certification is also sought for major renovation projects. Already in 2018, the Biome project was one of the first in Paris to be certified to BBCA Rénovation standards as a low-carbon refurbishment, thanks in particular to the use of low-carbon concrete in 3,555 sq.m. of floor space. The Scope project (works currently in progress) and the Condorcet project (works due to start in 2025) are also aiming for this certification.

• Internal methodology for all other renovation projects

SFL’s knowledge of the carbon impact of its renovation projects was enhanced in 2024 thanks to the development of a specific methodology for all works carried out on occupied buildings. The aim of this methodology is to more effectively calculate embodied carbon emissions and encourage the reuse of materials. Specific training has been launched for site managers to explain the main analyses carried out per project and the carbon reduction measures put in place. A system is currently being developed that will enable the teams to further hone the carbon impact measurement.

Actions related to climate change adaptation

The past few years have been the hottest on record in France. 2022 broke every record in France, with very intense and persistent summer heatwaves in the Paris region, and 2023 was the second hottest year on record for France. 2024 stood out worldwide, with average global warming exceeding 1.5°C, although there were fewer extreme temperature events in France during the year.

Measures put in place to mitigate the impact of heatwaves

In each asset, these heatwaves were technically managed in close collaboration with the building managers and tenants. This demonstrated the correct sizing and efficient operation of the utilities, particularly the HVAC systems, since no malfunctions were reported. Tenants and users were reminded of the proper precautions and practices ahead of the heatwaves, and there was no negative feedback in recent summers.

Redevelopment projects can also include a bioclimatic design process, focused in particular on improving thermal comfort in both summer and winter. By subtly reorienting the windows, the planned treatment of the Scope redevelopment project’s southern exposed façade will capture more of the winter solar gains and delay the summertime solar gains until late in the day. The new façade is expected to reduce heating needs by more than 35% and cooling needs in the summer by more than 13%.

For the Condorcet project, an experiment was carried out to install passive cooling systems (solar protection, natural ventilation, air fans, etc.) in one of the buildings. The initial results were in the process of being analysed at end-2024 and the experiment will be continued during heatwave conditions in the summer of 2025 to check whether such systems are sufficient.

Measures put in place to limit the risk of flooding

Measures to attenuate the impact of flood risks are also being deployed in the assets, particularly during redevelopment projects. The riverfront Scope project, for example, will offer an opportunity to implement adaptive response measures, such as relocating electrical equipment to the upper floors and protectively encasing the heating and cooling utilities remaining on the lower floors.

2.1.5. Targets related to climate change mitigation and adaptation (E1-4)

Target related to climate change mitigation

SFL has set itself the target of reducing its GHG emissions by 42% by 2030 versus 2021. This ambitious absolute emissions reduction target covers all significant GHG emissions under Scopes 1, 2 and 3 of the GHG Protocol.

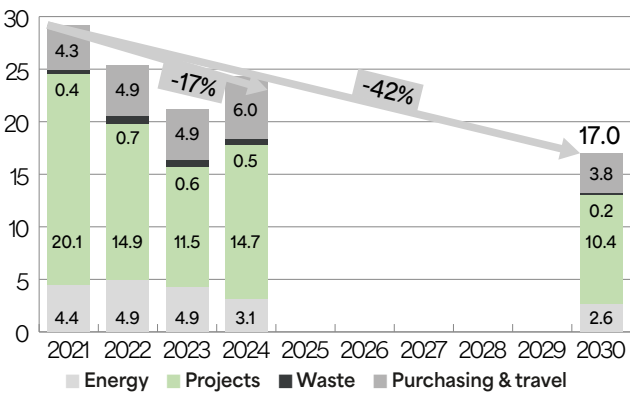
This target is in line with the Paris Agreement’s aim of limiting global warming to 1.5°C above pre-industrial levels. The annual reduction set for the SFL target (as a % of total emissions) is slightly higher than the target required by the Science-Based Targets initiative (SBTi) in its Absolute Contraction Approach.

SFL’s previous target for Scopes 1 & 2 emissions was certified by the SBTi as aligned with the 1.5°C pathway. It will apply for its new

target to be certified in 2025 now that the SBTi target-setting criteria for the buildings sector have been finalised⁽¹⁾.

The Group’s future emissions have been modelled on the basis of a constant property portfolio with a continued high occupancy rate and the integration of renovation and redevelopment projects envisaged up until 2030. They also take into account the impact of (i) energy-efficiency measures on Scopes 1, 2 and downstream Scope 3 emissions, and (ii) measures to reduce embodied carbon on upstream Scope 3 emissions.

Target - 42% reduction in Scopes 1, 2 & 3 emissions by 2030 vs. 2021 (in absolute ktCO₂e terms)
Presentation by main GHG emission categories

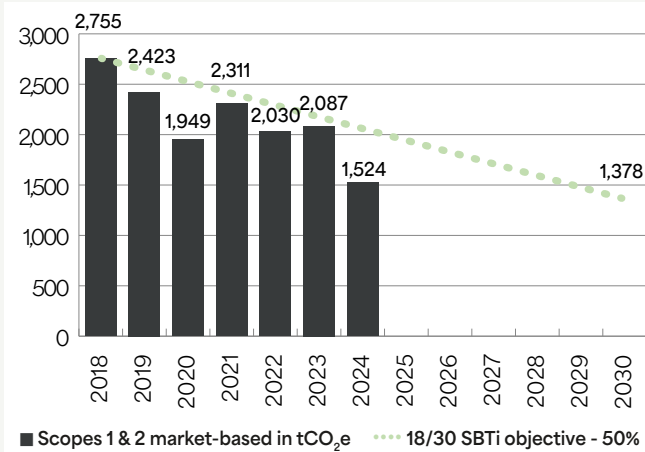


Emissions reduction target and quantitative contribution of the main decarbonisation levers (in ktCO₂e)

	Scope	2021	2024	2030 target	Δ 21/30	Contribution of decarbonisation levers by 2030	Main levers
Total GHG emissions (in ktCO ₂ e)	All	29.2	24.3	17	-42%	-12.2	
Energy use in common and tenant areas	Scope 1 Scope 2 Scope 3 downstream	4.4	3.1	2.6	-41%	-1.8	Elimination of fossil fuels and replacing refrigerants
Waste	Scope 3 upstream	0.4	0.5	0.2	-50%	-0.2	Deploying more waste sorting solutions and working on waste treatment methods
Renovation and redevelopment projects	Scope 3 upstream	20.1	14.7	10.4	-48%	-9.7	Reducing embodied carbon emissions and supporting circular economy practices
Procurement and travel	Scope 3 upstream	4.3	6.0	3.8	-12%	-0.5	Interaction with contractors and suppliers

Science Based Targets initiative (SBTi): validation of the Scopes 1 and 2 emissions reduction pathway

In August 2021, SBTi certified SFL’s carbon pathway as compatible with a 1.5°C target. The pathway is based on a targeted 50% reduction in market-based Scopes 1 and 2 emissions, expressed in tCO₂e, between 2018 and 2030, as defined in SBTi’s streamlined route for small and medium-sized businesses. These emissions decreased by 45% between 2018 and 2024, i.e., by more than 1,230 tCO₂e in absolute terms - in line with the target.



(1) Buildings sector target-setting criteria published by the SBTi in August 2024.

Target related to climate change adaptation

SFL has set itself a target of having all of its assets assessed for vulnerability to the effects of climate change in order to implement the necessary prevention and adaptation measures.

The latest campaign to measure the resilience of our assets to the physical risks of climate change was carried out at the end of 2023⁽¹⁾ and the requisite adaptation and prevention measures are gradually being implemented, particularly during redevelopment works. For example, the Biotope Area Factor at the Scope and Condorcet sites will be multiplied by 2.7 and 3 respectively once the projects have been completed, helping to combat the heat island effect.

2.1.6. Energy consumption and mix (E1-5)

85% low-carbon energy

The majority of the energy purchased by SFL, which includes electricity, heating and cooling from district networks, and natural gas, derives from low-carbon sources, with 85% corresponding to renewable energy and nuclear power.

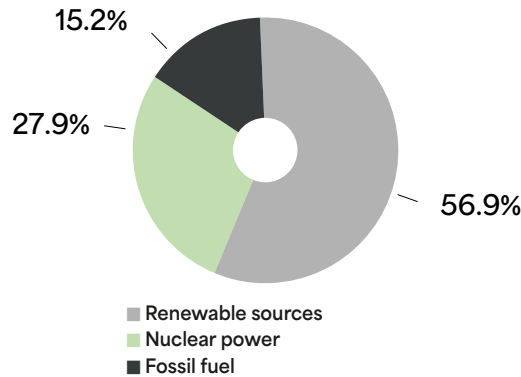
The electricity SFL uses, which accounted for 51% of its total energy consumption in 2024, is low-carbon as it comes from nuclear power plants – which have long represented a significant proportion of the national energy mix in France – as well as renewable energy.

SFL’s energy use is characterised by its low direct consumption of fossil fuel-based energy (1.7%, solely through a natural gas-fired boiler in the common areas of a building, which is scheduled to be replaced in 2025).

Indirect consumption of fossil fuel-based energy accounts for 13.5% of the total, mainly due to the energy mix of the Paris district heating network, 49% of which is powered by natural gas.

In total, 57% of the energy used by SFL in 2024 was produced from renewable sources, 28% corresponded to nuclear power and 15% came from fossil fuels.

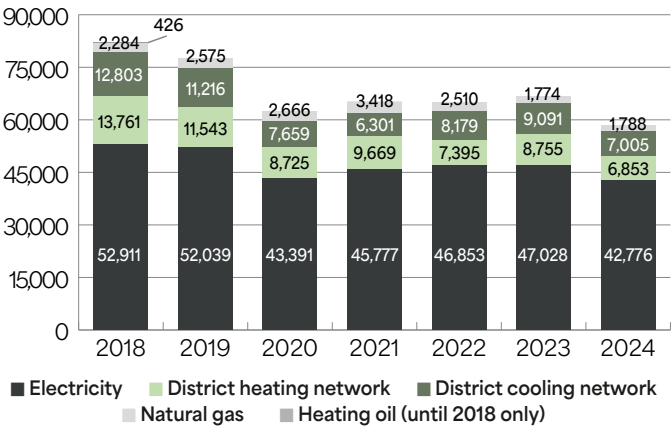
Sources of SFL purchased energy



Energy consumption and mix (common areas and shared services only)		2023	2024
Fossil fuel	Fuel consumption from coal and coal products	0	0
	Fuel consumption from crude oil and petroleum products	0	0
	Fuel consumption from natural gas	645	446
	Fuel consumption from other fossil sources	0	0
	Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	4,692	3,643
	Total fossil energy consumption	5,337	4,089
Nuclear energy	%	16%	15%
	Consumption from nuclear sources	4,229	7,512
	%	13%	28%
Renewable energy	Fuel consumption from renewable sources, including biomass	0	0
	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	23,539	15,320
	Consumption of self-generated non-fuel renewable energy	0	0
	Total renewable energy consumption	23,539	15,320
	%	71%	57%
Total	Total energy consumption (in MWh)	33,105	26,921

29% reduction in energy consumption since 2018

Energy consumption by type, in MWh



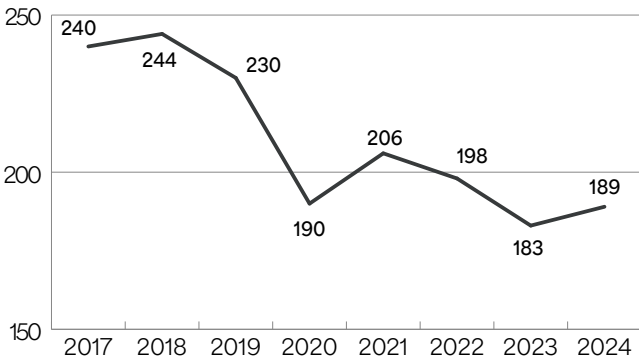
In 2024, the total final energy consumption of the assets owned and managed by SFL was 58,422 MWh, breaking down as 26,921 MWh (i.e., 46%) corresponding to energy purchased by SFL and consumed in common areas and shared facilities, and 31,501 MWh (i.e., 54%) consumed in tenant areas.

Energy intensity per net revenue	2023	2024	Δ 23/24 in %
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€)	0.00028	0.00023	-17.4%

In absolute terms, total energy consumption from all sources fell by 29% between 2018 and 2024.

One of the key metrics tracked by SFL is the reduction of energy intensity in kWh/sq.m., in full compliance with France’s commercial real estate energy savings decree. This reduction amounted to 21% between 2017 and 2024.

Energy intensity in kWh/sq.m. – absolute



(1) See the disclosures related to SBM-3 of ESRS E1 for further details.

2.1.7. Gross Scopes 1, 2, 3 and total GHG emissions (E1-6)

	Retrospective					Milestones and target years	
	2021	2023	2024	Δ 23/24 in %	Δ 21/24 in %	2030	Annual % target/ Base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	185	121	205	+70%	11%	100	-5%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0%	0%	0%	-	-	-	-
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	2,432	1,777	1,502	-15%	-38%	1,100	-6%
Gross market-based Scope 2 GHG emissions	2,169	1966	1319	-33%	-39%	900	-7%
Significant Scope 3 GHG emissions							
Total gross indirect (Scope 3) GHG emissions	26,842	19,125	22,750	19%	-15%	16,013	-4%
1. Purchased goods and services	4,292	4,937	5,925	20%	38%	3,777	-1%
2. Capital goods	20,062	11,461	14,702	28%	-27%	10,432	-5%
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)	721	578	483	-16%	-33%	500	-3%
4. Upstream transportation and distribution	-	-	-	-	-	-	-
5. Waste generated in operations	376	605	511	-16%	36%	188	-6%
6. Business travel	7	12	20	67%	186%	6	-1%
7. Employee commuting	11	16	16	0%	45%	10	-1%
8. Upstream leased assets	-	-	-	-	-	-	-
9. Downstream transportation	-	-	-	-	-	-	-
10. Processing of sold products	-	-	-	-	-	-	-
11. Use of sold products	-	-	-	-	-	-	-
12. End-of-life treatment of sold products	-	-	-	-	-	-	-
13. Downstream leased assets	1,373	1,516	1,093	-28%	-20%	1,100	-2%
14. Franchises	-	-	-	-	-	-	-
15. Investments	-	-	-	-	-	-	-
Total GHG emissions							
Total GHG emissions (location-based)	29,459	21,023	24,457	16%	-17%	17,213	-5%
Total GHG emissions (market-based)	29,196	21,212	24,274	14%	-17%	17,013	-5%

Total GHG emissions have fallen by 17% across all Scopes and categories since 2021.

They started to rise again, however, between 2023 and 2024, mainly due to a higher number of renovation and redevelopment projects carried out in 2024 (with the corresponding emissions accounted for under category 2 of GHG Protocol Scope 3).

Among the other emissions sources, there was a significant drop in emissions related to energy consumption (Scopes 1, 2 and 3, categories 3 and 13).

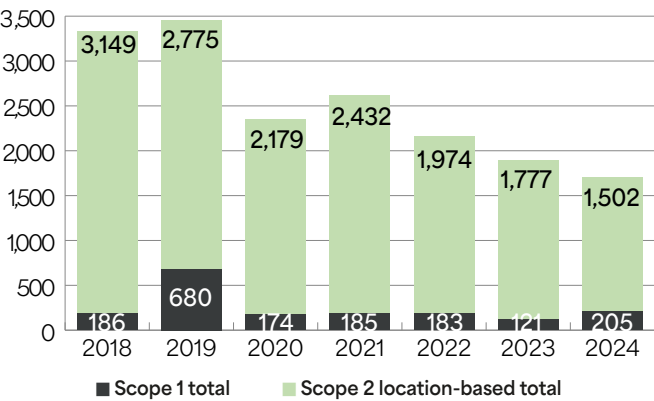
For Scopes 1 & 2 emissions in particular, 1,707 tCO₂e were emitted in 2024 from SFL-managed assets due to energy consumption and refrigerant leaks in common areas, of which:

- ♦ 205 tCO₂e in direct Scope 1 emissions;
- ♦ 1,502 tCO₂e in indirect location-based Scope 2 emissions.

In absolute terms, Scope 1 & 2 emissions have fallen sharply since 2018, with a 49% reduction, corresponding to 1,628 tCO₂e.

The 10% decrease between 2023 and 2024 mainly stems from a significant reduction in energy consumption, especially from the district heating network which has a higher emissions factor than other energy sources.

Reduction in location-based Scopes 1 and 2 GHG emissions



GHG intensity per net revenue (in MWh/€)	2023	2024	Δ 23/24 in %
Total GHG emissions (location-based) per net revenue (in tCO ₂ e/€)	0.0000897	0.0000983	9.6%
Total GHG emissions (market-based) per net revenue (in tCO ₂ e/€)	0.0000905	0.0000976	7.8%

2.2. Water and marine resources (ESRS E3)

SFL’s activities, which involve the use and redevelopment of real estate assets in Paris and Neuilly-sur-Seine, have an impact on the availability of water resources in the immediate vicinity of its sites. However, they do not have any direct or indirect material impacts on marine resources.

Assets moderately exposed to water stress, but recent droughts call for vigilance regarding the availability of resources

To date, studies indicate that the areas where SFL assets are located, i.e., in Paris and its inner suburbs, downstream from the confluence of the Seine and Marne rivers, are only moderately affected by water stress risk⁽¹⁾.

However, the summer droughts in 2022 and 2023 have prompted us to heighten our vigilance. In particular, climate models predict that while total annual precipitation should change little between now and the end of the century, there will likely be wide seasonal variations, with an increase in winter and a decrease in summer.

2.2.1. Policies related to water and marine resources (E3-1)

The Group’s commitments related to water are described in its general environmental policy.

They are aimed at reducing water consumption by encouraging responsible water management and by taking action to reduce water consumption in its buildings, in line with the United Nations’ Sustainable Development Goal 6 on ensuring sustainable management of water resources.

The environmental policy applies to all the Group’s assets and is overseen by the Technical and Development Department.

2.2.2. Actions and resources related to water and marine resources (E3-2)

Actions to reduce water consumption are based on the following three priorities:

- ♦ installing water-saving systems;
- ♦ raising tenants’ awareness of water consumption;
- ♦ developing the use of rainwater harvesting systems.

Installing water-saving systems

We systematically look into the possibility of installing water-saving systems during our redevelopment and renovation projects, and devices such as aerators are installed when we carry out equipment upgrade programmes.

Raising tenants’ awareness of water consumption

Water consumption is one of the topics discussed with tenants at tenant committee meetings. During these meetings, SFL shares information about buildings’ water efficiency as well as any leaks that have been recorded, and reminds tenants about best practices to relay among their office users.

Developing the use of rainwater harvesting systems

SFL is committed to installing rainwater harvesting systems at its sites whenever this solution is technically feasible, ecologically beneficial and cost effective. Currently, eight of our assets have these systems in place, with the recovered rainwater used for watering landscaped areas.

In 2024, 1,036 cu.m. of water were recovered through the use of such systems.

Studies are systematically carried out as part of redevelopment projects, and all of the major projects recently completed or under way, including Biome, 83 Marceau, Louvre Saint-Honoré, Scope and Condorcet, plan to integrate systems for harvesting rainwater.

Rainwater harvesting systems in use in the Group’s properties

Property	Capacity in cubic metres
Washington Plaza	18
92 CE	6
#cloud.paris	28
103 Grenelle	11
Biome	20
83 Marceau	23
Louvre Saint-Honoré	5

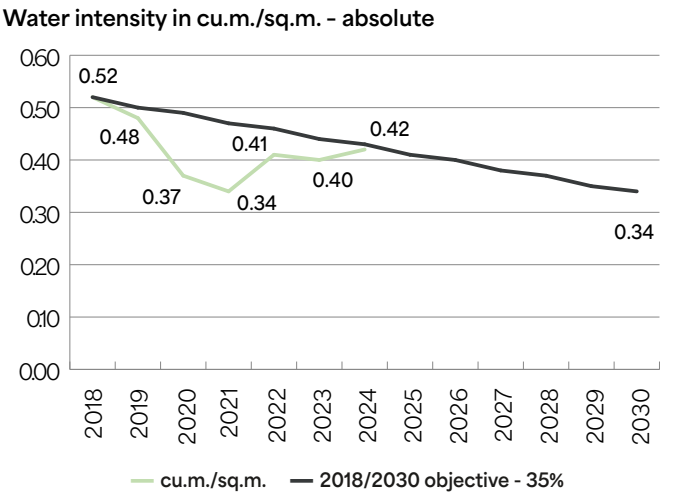
2.2.3. Targets related to water and marine resources (E3-3)

SFL has set itself two targets in terms of water resources:

- ♦ **installation of rainwater harvesting systems as part of all redevelopment projects:** at end-2024, these systems were planned for all projects where work was under way or in the design phase;
- ♦ **a 35% reduction in water intensity in cu.m./sq.m. for assets in use by 2030 versus 2018:** in absolute terms, water intensity in cu.m./sq.m. fell by 20% between 2018 and 2024.

(1) Low-Medium Risk (10-20%) or Medium-High Risk (20%-40%) according to the latest Aqueduct Water Risk Atlas published by the World Resources Institute.

This result reflects the initiatives already taken, as well as the impact of the reduced occupation density during the Covid crisis in 2020 and 2021. This explains why intensity has risen slightly since 2022, as users returned to the office and lifted occupancy rates to historic highs.



2.2.4. Water consumption (E3-4)

	2023	2024	Δ 23/24 in %
Total water consumption in cu.m.	145,409	129,292	-11.1%
Total water consumption in cu.m. in areas at water risk	0	0	-
Total quantity of water recycled and reused in cu.m. (included in total consumption)	1,978	1,036	-47.6%

The buildings owned and managed by SFL used more than 129,000 cu.m. of water in 2024, or an average of 0.42 cu.m. per sq.m.

In absolute terms, water use declined by 11% from 2023 to 2024.

This decrease reflects the gradual roll-out of water-saving systems in renovated properties, tenant awareness-raising initiatives and changes in water consumption levels between the start and end of works for certain assets in the portfolio.

Water intensity	2023	2024	Δ 23/24 in %
Total consumption in cu.m. per million euros of revenue (cu.m./€ million)	620	520	-16.2%

2.3. Biodiversity and ecosystems (ESRS E4)

Biodiversity has been suffering unprecedented erosion in recent decades, to the extent that many scientists believe that we are heading towards the sixth mass extinction of species on the planet. The last major extinction took place over several hundred thousand years, but the current crisis is moving at a much faster pace and could be directly caused by human activities.

The IPBES⁽¹⁾ global assessment of biodiversity and ecosystem services identified five main types of anthropogenic pressure as the leading causes of biodiversity degradation:

- ◆ the destruction and urbanisation of natural environments;
- ◆ the overexploitation of natural resources and illegal trafficking;
- ◆ global climate change;
- ◆ ocean, freshwater, soil and air pollution;
- ◆ the introduction of invasive alien species.

2.3.1 Material impacts, risks and opportunities and their interaction with SFL’s strategy and business model (SBM-3)

On a national level, every year in France, 20,000 to 30,000 hectares of land are taken by urbanisation, at a rate that is increasing three to four times faster than the population⁽²⁾. This land take is spurring a loss of biodiversity and an increase in the number of heat islands in the country.

Properties located in dense urban areas

The 17 SFL properties are located in Paris or the inner suburbs, in a dense, built-up and often restrictive environment and on plots that have often already undergone several phases of urbanisation and development. At first glance, their nature-related issues may seem minor, far removed from the world’s biodiversity hotspots and the iconic species that live there.

However, urban environments are often teeming with a rich variety of life. Paris, for example, is home to almost 2,800 wild species. They include both animals, such as dragonflies, ladybirds, crayfish, eels, pikes, frogs, newts, peregrine falcons, tawny owls, foxes, weasels, red squirrels, hedgehogs and 11 types of bats, and plants, including orchids, ferns and mosses, as well as cultivated plants and trees⁽¹⁾.

Some of these species can prove highly adaptable. In the same way, natural spaces in towns and cities can provide vitally important services in diminishing heat islands, preventing extreme rainfall or, more prosaically, offering residents places of recreation and leisure.

Strong stakeholder expectations for more greenery

The presence of green spaces and natural environments ranks among the leading desires of SFL office users. It also responds to the pressing demands of Paris municipal authorities, which have made landscaping and vegetation a major vector in preparing the city for the effects of climate change.

For example, Paris’s new bioclimatic local urban planning regulation (PLU), adopted in late November 2024, calls for:

- ◆ increasing the amount of open ground and the number of breathing and cooling spaces;
- ◆ encouraging landscaping, greenery and the presence of plants, animals and open spaces, preserving nature in the heart of the city and protecting trees.

2.3.2. Transition plan and consideration of biodiversity and ecosystems in SFL’s strategy and business model (E4-1)

Performing granular audits of each building to gain knowledge of its living environment and identify pathways to improvement

To get a better grasp of its impacts on the living environment and its possible pathways to improvement, as well as to meet the expectations of tenants and public authorities, SFL commissioned a specialist firm to audit living environments in its buildings and identify potential areas for action. These biodiversity audits were performed in the second half of 2023 on all the properties in use⁽²⁾.

They measured 31 metrics covering six priority assessment areas:

- ◆ the ability to support biodiversity;
- ◆ climate resilience;
- ◆ water management;
- ◆ ties to nature;
- ◆ management of green spaces;
- ◆ short cycle plants.

These audits identified possible initiatives in each area for each building, differentiating between the ones that would deliver major benefits and others that would require extensive time and resources to implement.

The audits were followed by biodiversity workshops, organised with the same specialist firm for asset managers, building managers, site managers and works managers. These interactive and collaborative sessions enabled the participants to sketch out the main avenues for action to improve how biodiversity issues are taken into account for assets in use.

To highlight each building’s potential for improving the quality of its biodiversity, the auditors measured two metrics in particular:

- ◆ The **Biotope Area Factor** (BAF), mandated by France’s ALUR housing and urban development act, which is used to calculate the percentage of the surface area of a plot of land that has biodiversity value. The BAF is aimed at maintaining a certain proportion of unsealed, undeveloped land as well as preserving ecosystem services.
- ◆ SFL’s proprietary **plot quality** metric, which incorporates the notions of (i) continuity of ecosystems (green corridors for vegetation and brown corridors for soil), (ii) the presence of sanctuary space, and (iii) the building’s resilience to the impacts of climate change.

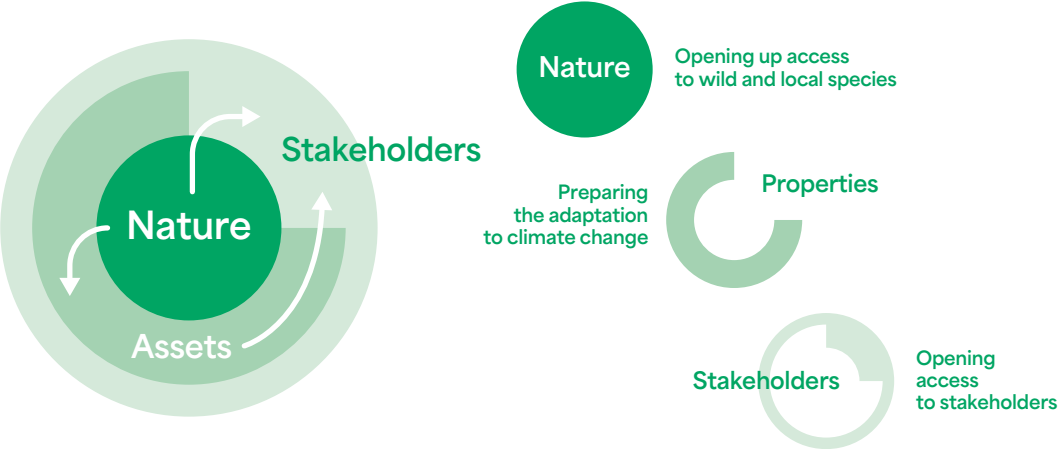
Transitioning to a new nature and landscaping strategy

Through its tracked metrics and pathways to improvement for each building, the nature and landscaping strategy points to **three objectives for SFL** in restoring biodiversity in urban areas and reversing the pressures on the living environment:

- ◆ open and widen access to wild and local species;
- ◆ prepare property assets for the challenges of adapting to climate change; and
- ◆ give SFL stakeholders, office users and sometimes local residents opportunities to reconnect with nature in healthy, quiet, contemplative spaces.

(1) The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.
(2) <https://www.ecologie.gouv.fr/artificialisation-des-sols>

(1) Source: <https://www.paris.fr/pages/biodiversite-66>
(2) 15 of the 17 assets in the portfolio at end-2023.



2.3.3. Policies related to biodiversity and ecosystems (E4-2)

The policies adopted by SFL to contribute to the preservation of biodiversity and ecosystems are grouped together in the two documents listed in the table below. These policies were updated and re-endorsed at the end of 2024.

They apply to all of the Group’s 17 properties, and the Technical and Development Department is responsible for ensuring they are effectively implemented.

Policy	Sustainability topic	Main commitments and impacts, risks and opportunities addressed by the policy
Environmental policy	Promoting biodiversity	Protecting and promoting local species Developing plant species that can provide food and shelter for animal species Developing green roofs
	Management plan	Biodiversity audits Biodiversity management plans
Biodiversity policy	Certifications and labels	Seeking certifications and labels for major projects
	Measures	Description of measures that can be adopted for the Group’s assets

2.3.4. Actions and resources related to biodiversity and ecosystems (E4-3)

Opening up access to wild and local species

Combating biodiversity erosion in our real estate assets involves limiting land take and identifying, protecting and nurturing their existing plant, animal and insect species.

Limiting land take

The fight against land take is one of the major thrusts of the French government’s Biodiversity Plan, which hopes to reach net-zero land take by 2030. SFL supports this plan and has embraced the same target. Its primary response has been to increase occupation density in its assets, which reduces land take by concentrating new uses and amenities in previously built-up spaces.

Inventorying, safeguarding and nurturing local on-site species

SFL is also committed to safeguarding and nurturing local species on its sites.

This starts with carrying out an inventory of local species, particularly those of specific interest or requiring special protection.

Based on the biodiversity assessment carried out for the Scope building, whose redevelopment works began in 2024, no pro-

tected species are present at the site. One species whose habitat is protected in Paris – the wall lizard – has been recorded in the vicinity of the site, but it is not particularly endangered according to the IUCN. The teams in charge of landscaping the site may have to incorporate specific features to accommodate this species.

Another key measure we take to protect local species is to remodel façades in ways that limit bird collisions. Audits of the existing portfolio have identified the most accident-prone façades.

Lastly, we must pursue our pesticide-free policies, eliminating the use of plant protection products, and ringfence certain non-publicly accessible green spaces as sanctuaries.

Preparing the adaptation to climate change

SFL’s nature and landscaping strategy is also designed to prepare and plan, to the extent possible, for the adaptation to climate change.

Rainwater management and low-maintenance vegetation

The recent droughts in the Seine drainage basin, particularly in the summer of 2023, have shown that water availability can be impacted by the effects of climate change.

On-site water management is therefore a key concern, involving various courses of action to manage rainwater, respond to droughts or heavy rainfall and lower water use in outside spaces:

- ◆ increasing runoff and retained rainwater directly on-site using various infiltration systems that can be installed during redevelopment projects;
- ◆ harvesting rainwater for watering green spaces, with facilities installed on every site redeveloped in recent years;
- ◆ installing water-saving drip irrigation or sprinkler systems⁽¹⁾.

Mitigating the heat island effect

Because SFL’s assets are located in dense, highly built-up urban environments, they need to be protected from the impact of heat islands created by the higher air and surface temperatures in city centres compared to rural areas, particularly at night.

Each site’s urban overheating ratio was determined based on the types of surface found on the plot.

Three main initiatives have been undertaken:

- ◆ increasing the number of green roofs, facades and/or terraces, such as for the Cézanne Saint-Honoré and Biome buildings, where new green roofs have been created, and at 176 Charles de Gaulle, whose terrace has been redeveloped and planted with greenery;
- ◆ regreening and increasing the proportion of open ground space wherever the Parisian subsoil makes it possible, such as in the Biome and Condorcet projects;
- ◆ prioritising deciduous trees, which provide more shade in summer, and species that are more resilient to increasingly higher temperatures.

Opening access to stakeholders

Lastly, SFL’s nature and landscaping strategy would not be complete without the involvement of its stakeholders, especially its users.

SFL believes that landscaping and greenery help to enhance user well-being by offering access both to quiet, healthy, planted, contemplative outdoor spaces and to the views that can be enjoyed from their desks.

The recent conversion of the common areas of the building at 176 Charles de Gaulle was an opportunity to open up to tenants a terrace that was previously used for technical equipment, and to convert it into a landscaped area.

Raising awareness of biodiversity issues

Green spaces can also be used directly to increase occupant sensitivity to biodiversity preservation issues.

At Biome, part of the accessible rooftop has been converted to use as an urban vegetable garden, where planting, harvesting and awareness-raising workshops and events are organised for users by the “Ciel Mon Radis” association.

The BiodiverCity label, which we seek for our redevelopment projects, is another way we use to communicate about our biodiversity actions to our stakeholders.

This label was awarded for Biome and Cézanne Saint-Honoré and we are actively working towards it for the Scope, Condorcet and 90 Champs-Élysées projects.

2.3.5. Targets related to biodiversity and ecosystems (E4-4)

Combating land take is a priority for SFL, and we aim for net-zero land take in our activities.

We have not sealed any additional soil space for the redevelopment projects we have delivered over the past ten years.

On the contrary, for the Scope project, located on the banks of the Seine and due for completion in 2026, the selected landscape options are creating new contiguous green spaces and a generous tree layer that are expected to increase the site’s greenery coefficient to 42% from 14% and the Biotope Area Factor to 36% from 11%. The rooftops will be landscaped and a garden will be created on the same level as the avenue, replacing the former three-storey built-up land.

For the Condorcet project, part of the land will be regreened and the remarkable existing plant species will be preserved.

2.3.6. Impact metrics related to biodiversity and ecosystems change (E4-5)

At end-2024, SFL’s sites incorporated a total of just over 9,600 sq.m. of green space, representing 9.5% of the Group’s total land footprint. This percentage should be read within the specific context of the city of Paris, where gardens and parks account for just 7% of the total surface area (excluding the Bois de Boulogne and the Bois de Vincennes at the extreme western and eastern ends).

SFL strives to increase the proportion of greenery when it carries out redevelopment projects that affect the structure and land of its properties.

(1) For further details, see the section on ESRS E3 on pages 71 and 72.

Biodiversity metrics for completed or planned projects that affect the structure and land of properties

Metric		Biome	Scope	Condorcet
Date of works handover		2022	2026	2027
Net-zero land take		√	√	√
Biotope Area Factor	Before	N/A	11%	4%
	After	31%	36%	15%
	Multiplication factor	-	x 2.7	x 3
Distance to nearest Natura 2000 area		> 25 km	> 20 km	> 20 km
Distance to nearest natural area of ecological, faunal and floristic interest (ZNIEFF) ⁽¹⁾		2.5 km	2.5 km	> 5 km

(1) Type 1 & 2 natural areas of ecological, faunal and floristic interest.

2.4. Resource use and circular economy (ESRS E5)

Assessing the environmental issues related to SFL’s operations also involves looking at every phase in a building’s life cycle, particularly how it was built, redeveloped or renovated and how resources may have been used during those phases.

2.4.1. Policies related to resource use and circular economy (E5-1)

SFL is demonstrating its commitment to supporting circular economy practices by developing and managing its assets in ways that limit carbon intensity, waste production and the use of natural resources in procurement and construction methods.

This is reflected in the Group’s environmental policy, which sets out the following priorities that are in line with United Nations Sustainable Development Goal no. 12 on sustainable consumption and production:

- ◆ integrate a circular economy model into the Group’s activities to reduce the use of raw materials, as well as waste and emissions;
- ◆ promote the efficient use of resources and the reduction of waste;
- ◆ outsource waste management to specialist companies that process and recycle the materials generated;
- ◆ reduce negative environmental impacts and potential sources of pollution right from the design phase;
- ◆ reuse products and materials as much as possible.

This policy applies to all of the Group’s 17 properties, and the Technical and Development Department is responsible for ensuring it is effectively implemented.

2.4.2. Actions and resources related to resource use and circular economy (E5-2)

The actions and resources related to the policies described above are based on the following three topics that help to reduce our footprint:

- ◆ paying attention to existing structures to limit demolition;
- ◆ judiciously using resources during the works phase, through the promotion of eco-design, reuse and recycling of materials;
- ◆ deploying more waste sorting solutions and focusing on recovering, reusing and recycling waste during redevelopment projects and the use of buildings.

Paying attention to existing structures to limit demolition

It is reflected in the Group’s approach to redevelopment projects, which are shaped by in-depth historical heritage impact assessments and close attention to the original building architecture⁽¹⁾.

This attention also helps to limit the amount of demolition and therefore the use of natural resources when new structures are built. By nature, redeveloping or renovating an existing building is much more carbon efficient than putting up a new building, since most of the structure, and sometimes even the roof, windows and doors, are retained. Moreover, unlike new construction, redevelopment projects do not seal any additional soil space.

Eco-design, reuse and recycling of materials

In these operations, SFL seeks to mitigate the impact of redevelopment work on the buildings it owns and renovates by implementing clearly defined policies to reduce the worksites’ environmental footprints, and by demanding and monitoring contractor compliance. These policies systematically cover three main solutions:

- ◆ reusing materials from the existing building on-site;
- ◆ reusing salvaged materials on-site or selling them for reuse via online marketplaces when they cannot be used on-site;
- ◆ using bio-sourced materials or less carbon-intensive alternatives.

Clearly defined worksite guidelines were drawn up for all of our recent projects, with a strong focus on reusing materials from demolition and dismantling works or from other sites.

For example, at Biome, which was delivered in 2022, more than 400 sq.m. of the site’s façade stone was crushed and reused for terrazzo tiling.

At Cézanne Saint-Honoré, over 60% of the false floor structures were reused.

During the renovation of the Louvre Saint-Honoré intercompany staff restaurant, almost four tonnes of fixtures were donated to a company that refurbishes and repurposes kitchen furniture and equipment.

For the Scope project, the site clean-up was an opportunity to salvage a large number of materials that will be able to be reused on site or for other projects, including acoustic structures, raised floor systems, cable trays, marble slabs and sanitary facilities.

SFL also strives to promote circular economy practices in other projects, such as refurbishment of floor plates. The materials recovered from three projects in 2024 will avoid 220 tCO₂e. A presentation was given to on-site operations managers during the year to promote these practices and look at ways of extending them to other projects. For the project to renovate the floor plates of the 103 Grenelle building, doors, sanitary facilities, LED lights and raised false floor systems were offered for reuse off-site.

Improvement of waste treatment

Waste is tracked in the 11 buildings owned and managed by SFL. For the other three of its buildings in use, there are two different waste handling situations. For one of the buildings, waste collection is carried out directly by the City of Paris, with SFL having no access to data either about the quantity of waste collected or whether it is treated. For the other two, the waste collection service providers were unable to provide information about the waste treatment methods used. In a commitment to further improving its control over this issue, SFL is gradually attempting to take back these waste management tasks for outsourcing to private contractors capable of pursuing the identified avenues to improvement. For the last three years, five assets have been transferred from municipal management to SFL via a private waste management contractor.

In the case of redevelopment projects, SFL is seeking to improve tracking by broadening the metrics to smaller projects, in line with what was done in the large projects ongoing in 2024.

• Deploying more waste sorting solutions

To manage building waste more effectively, a wider selection of sorting solutions has been deployed for tenants. As of year-end 2024, 29 different types of waste were collected at SFL properties, including cardboard, paper, plastics, wood, glass, metals and waste electrical and electronic equipment.

• Using the most effective treatment methods

Effective management also includes ensuring that the waste collected by service providers is treated in the most appropriate way possible, depending on locally available recycling or reuse solutions.

2.4.3. Targets related to resource use and circular economy (E5-3)

SFL is committed to continuing to work with waste collection service providers to improve their feedback on treatment methods and to ensure that no waste is landfilled.

SFL has set itself the target of achieving “zero final waste” by 2030. This consists of recovering and reusing (for energy and/or materials) all the waste generated during the use of a building or during the works phase.

In the assets in use, 96% of waste was recovered and reused in 2024, primarily through recycling or burning as fuel. The sharp 59% rise in the recovery and reuse rate compared with 2023 is due to more precise monitoring of waste collection service providers, particularly regarding the treatment processes proposed for non-hazardous industrial waste. In 2024, 74% of the waste from the three main renovation and redevelopment projects was recovered and reused.

2.4.4. Resource inflows (E5-4)

SFL did not deliver any major redevelopment or renovation projects in 2024. A number of major projects were in the works phase during the year, and SFL plans to provide an overview of the resource inflows that were required for those projects once the works are completed.

2.4.5. Resource outflows (E5-5)

The French construction industry generated around 212 million tonnes of waste in 2020 (down 11.4% since 2018), representing 68% of all waste produced in France⁽¹⁾.

The 11 assets in use whose waste management is handled by SFL produced 915 tonnes. During the year, SFL produced 634 tonnes of waste on its three main construction worksites.

(1) See the ESRS S3 disclosures on pages 90 to 94 for further information.

(1) *Bilan 2020 de la production de déchets en France*, November 2022, Ministry of Ecological Transition and Territorial Cohesion data-lab.

		Waste from assets in use				Waste from redevelopment and major renovation projects			
		Hazardous waste		Non-hazardous waste		Hazardous waste		Non-hazardous waste	
Waste treatment methods	Unit	2023	2024	2023	2024	2023	2024	2023	2024
Preparation for reuse	tonnes	0	0	0	0	0	0	0	0
	%	0%	0%	0%	0%	0%	0%	0%	0%
Recycling	tonnes	0.3	0.2	104.2	189.9	0	0	0	0
	%	26.7%	45.1%	9.5%	20.8%	0%	0%	0%	0%
Other recovery operations	tonnes	0.6	0.2	166.9	174.6	12.4	4.6	1,862.4	431.1
	%	51.3%	38.5%	15.2%	19.1%	75%	75%	87.9%	68.6%
Incineration with energy recovery	tonnes	0.2	0.1	373.4	511.2	4.1	1.5	149	33.2
	%	22%	16.4%	34.1%	55.9%	25%	25%	7%	5.3%
Incineration without energy recovery	tonnes	0	0	0	0	0	0	0	0
	%	0%	0%	0%	0%	0%	0%	0%	0%
Landfill	tonnes	0	0	244.8	7.4	0	0	0	0
	%	0%	0%	22.4%	0.80%	0%	0%	0%	0%
Other disposal operations	tonnes	0	0	205.5	31.6	0	0	106.9	163.8
	%	0%	0%	18.8%	3.5%	0%	0%	5%	26.1%
Total amount of waste	tonnes	1.1	0.5	1,094.8	914.6	16.6	6.1	2,118.3	628.1

		Waste from assets in use		Waste from redevelopment and major renovation projects	
Waste treatment methods		2023	2024	2023	2024
Inert waste/concrete		0	0	536.3	126.6
NHIW		761.7	589.3	982	464.5
Plaster		0	0	484.2	3.8
Paper		6.7	16.2	0	0
Cardboard		209.7	194	14	0
Plastics		3.5	4.7	0	0
Metals		0.5	1	37.3	21.7
Glass		19.4	20.3	0	0
Organic waste		80.3	74.1	0	0
Wood		4.7	6.5	64.6	11.5
WEEE		0.3	0.1	0	0
Batteries & ink cartridges		0.8	0.5	0	0
Bulbs and fluorescent tubes		0	0	0	0
Aluminium cans and capsules		0.1	0.4	0	0
Beverage waste		0.5	0.6	0	0
Bulky waste		0.1	0	0	0
Final waste		7.4	7.4	16.6	6.1
Total waste		1095.9	915.1	2134.9	634.3

2.5. Other environmental issues

2.5.1 Certification and labels

Earning building certification and labels, in both the renovation and in-use phases, has become indispensable in the property market. To proactively address this imperative, since 2012, SFL has ambitiously sought best-in-class environmental certification for all of its assets in use and for each redevelopment project, through globally recognised certificates considered of high standing among investors and tenants.

A critical prerequisite for top-tier tenants

SFL’s tenant portfolio includes world-class companies who insist that their head offices demonstrate superior environmental and social responsibility performance, in line with their own commitments.

For them, environmental certification, and especially a low-carbon label, is now a critical prerequisite, which is almost systematically requested during the prospecting or lease negotiation phases.

A quantitative criterion built into the latest bank loans

Certification is therefore an effective, third-party-validated way for SFL to guarantee the quality of its buildings for stakeholders, investors, funders, public authorities and users. The percentage of property assets certified and the levels of certification awarded now form part of the ESG criteria included in the Group’s Green Financing Framework.

These requests from stakeholders are motivating SFL to pursue its campaign to seek the highest possible levels of certification for its assets.

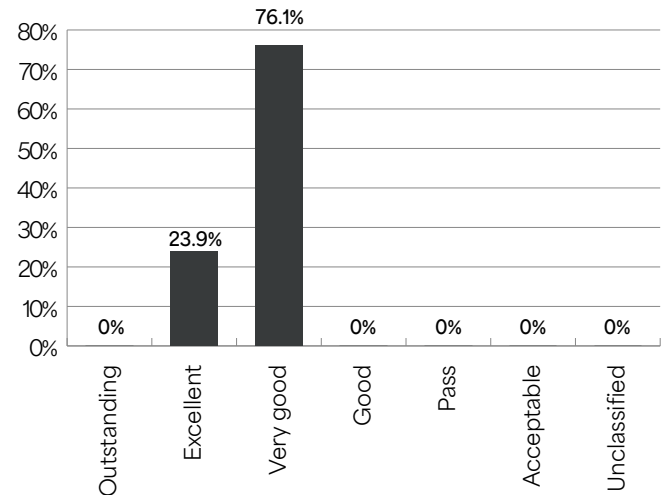
All properties in use certified

All the certifiable⁽¹⁾ revenue-generating properties in the portfolio, i.e., 14 assets representing almost 310,000 sq.m. of leasing area at end-2024, have been certified to BREEAM In-Use or HQE Exploitation standards.

BREEAM In-Use certification has been widely deployed since 2012, making SFL the benchmark among European property companies in pioneering early adoption of this standard for assets in use. Our objective is for each successive audit to result in a rating upgrade. All new BREEAM In-Use certifications are carried out based on the V6 version, with increasingly strict assessment criteria.

At end-2024, 100% of the portfolio’s surface area had earned at least a Very Good rating under either BREEAM In-Use or HQE Exploitation standards, with 24% rated Excellent.

BREEAM In-Use and HQE Exploitation certifications by rating as a % of surface area



Systematically earning certification and labelling for redevelopments

All the major redevelopment projects have earned certification.

Certifications and labels are chosen to meet specific building characteristics as closely as possible. In this way, they support the building’s market positioning, while challenging its management teams and demonstrating its most innovative features.

Scope and Condorcet are perfect examples of this approach as we are seeking multiple certifications and labels for these projects, including:

- ◆ the **BiodiverCity** label to highlight the significant efforts made to green the sites;
- ◆ the **BBCA Rénovation** low-carbon building label, reflecting the ambitious vision that is guiding our teams in reducing greenhouse gas emissions;
- ◆ the **CircoLab** label, which recognises reuse and circular economy practices;
- ◆ **ActiveScore** certification, which demonstrates the promotion of active modes of transport.

2.5.2. Accessibility and low-carbon mobility

The way people get around in Paris is constantly evolving, and this dynamic is set to accelerate. Three main trends have emerged in recent years:

- ◆ **Decline in car use:** since the 1990s, car use has fallen sharply in cities, a phenomenon that has gone hand in hand with a reduction in households’ car ownership rates as an increasing number of people are giving up their private vehicles. This decline is particularly marked in Paris, where car traffic has almost halved in 10 years⁽²⁾.
- ◆ **Development of new forms of mobility:** at the same time, new forms of mobility are emerging, particularly cycling, which has grown rapidly. The trend for cycling is becoming increasingly visible in the city, with the development of dedicated facilities and infrastructure. The use of bike lanes and facilities rose again between 2022 and 2023, increasing by 13% over the period⁽³⁾.
- ◆ **More public transport:** lastly, public transport services are continuing to develop at a brisk pace, with a large number of metro and tramway projects under way as part of the Greater Paris project. Nearly 70 new metro stations and 200 kilometres of new lines are expected to be delivered over the next few years under this major transport programme.

Location - a key criterion when considering a job offer

These transport developments highlight the importance of daily commutes and the location of people’s workplaces. Employees feel that the most important criterion for their well-being is where their office is located and therefore how long their commute takes.

(1) “Certifiable” buildings are buildings in use for at least one full year after delivery, including those whose renewal applications are being reviewed by the BRE. The category excludes major redevelopments and renovations and buildings where tenant works are in progress.
(2) 2023 report on modes of transport in Paris: <https://www.paris.fr/pages/le-bilan-des-deplacements-a-paris-en-2023-27604>
(3) 2023 report on modes of transport in Paris:<https://www.paris.fr/pages/le-bilan-des-deplacements-a-paris-en-2023-27604>

Workplace location has now become as much a decisive factor when considering a job offer as salary.

This means that high value-added companies, for which attracting and retaining talent are key to their performance, need to offer their employees workspaces located in the best districts of the capital. These places must be easily accessible on foot, by soft mobility or by a wide range of public transport, and they must offer a diverse range of quality amenities and services.

A portfolio concentrated in the most popular neighbourhoods

SFL’s investment strategy has always been aligned with the needs and expectations of its tenant companies, which has led it to steadily concentrate its portfolio in the most sought-after neighbourhoods.

SFL’s assets are ideally located in Paris’s central business district (CBD), close to the city’s main train stations and transport hubs, as is the case, for example, for #cloud.paris, Haussmann Saint-Augustin and Scope. A compelling illustration of this location strategy is the acquisition in 2022 of the Pasteur building, sitting directly on top of the Montparnasse train station. SFL now has properties located in the immediate vicinity of every Paris train station.

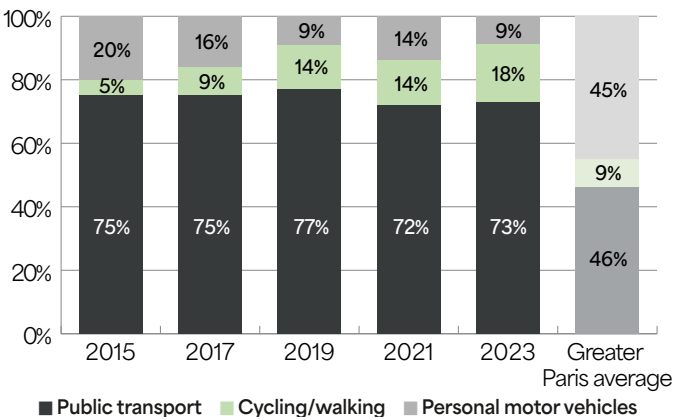
They are also located in mixed-use neighbourhoods in the full throes of redevelopment, such as the 9th *arrondissement* (Condorcet), the 7th (103 Grenelle) and the 15th (Biome). These neighbourhoods stand out for their wide range of different uses and amenities, with shops, cultural venues, housing and offices, and are extremely accessible thanks to very good public transport facilities (metro, RER and bus).

100% of assets located less than a six-minute walk from a metro station

All of SFL’s assets are easily accessible by public and alternative transport, and in particular all are located less than six minutes from a metro station.

This outstanding proximity is directly reflected in the ways in which office users commute to and from work.

How SFL office users commute to and from work⁽¹⁾



In late 2023, for example, the latest satisfaction survey showed that 73% of them commute by metro, tram, train or RER, and 9% drive in by car, motorcycle or scooter, or take a taxi. Lastly, 18% of users cycle or walk to work, a percentage that has risen sharply since 2015.

For our tenants, choosing an SFL building helps to decarbonise their business activities.

Responding to new forms of urban mobility

For several years now, new forms of urban mobility have been developing, which are gradually changing the way office users commute and get around the city. SFL pays particular attention to these emerging forms of mobility and remains attentive to what tenants have to say about these issues.

More bike parking facilities

One of the main measures that SFL is taking is to provide better facilities for cyclists.

For example, several hundred bike parking spaces have been installed at Washington Plaza, along with a range of facilities to encourage their use (changing rooms, repair stations, etc.). Similar infrastructure has also been installed at 103 Grenelle and Cézanne Saint-Honoré. At end-2024, 13 of the Group’s properties were equipped with more than 1,600 bike parking spaces.

A bike parking area with more than 300 spaces and changing rooms are also planned for the Scope building, which is currently in the works phase.

Facilitating the electric vehicle transition

Other initiatives under way are helping to facilitate the use of electric mobility modes. Every new redevelopment project supports these modes with new recharging infrastructure, a strategy that is also being gradually extended to assets in use.

Ten assets have already installed electric vehicle charging infrastructure, representing nearly 140 stations, and plans are under way to equip other buildings in the future.

ActiveScore certification to validate the actions put in place

SFL seeks to transparently report on the actions it is taking to promote sustainable mobility. As at end-2024, three assets in use (Washington Plaza, Édouard VII and 103 Grenelle) had been awarded ActiveScore certification, which is based on an assessment of the availability and quality of facilities and services that encourage active mobility. This certification is also being sought for the Haussmann Saint-Augustin, Scope and Condorcet projects.

3. Labour and employment information

3.1. Own workforce (ESRS S1)

3.1.1. Material impacts, risks and opportunities related to SFL’s own workforce and interaction with its strategy and business model (SBM-3)

The value chain covering a property asset’s life cycle comprises six links: investment, redevelopment, leasing, rental management, renovation and, where applicable, sale. SFL has fully integrated, in-house capabilities across the value chain, giving it a significant competitive advantage in a commercial property market where such an approach is far from systematic. Having all the necessary expertise and capabilities in-house not only makes SFL more agile and responsive, it also gives it a 360° and immediate view of each project.

The nature of SFL’s business requires close collaboration with all of its stakeholders. This is because property development and management need to be closely coordinated collaboratively with a wide variety of stakeholders, including local residents, public authorities, prime contractors, architects, multi-technical contractors and shareholders. The key aspects of SFL’s main social and HR management issues are described below.

Talent and skills management

In specialised sectors, such as commercial property, and within markets as specific as prime Parisian asset management, attracting and retaining qualified talent is a real challenge for SFL, particularly in view of the opportunities offered by larger companies. The increasing digitalisation of asset management, for leasing, technical and financial aspects, combined with continual changes in environmental, fiscal and legal standards, requires an appropriate training and skills development plan for our people to constantly enhance their expertise and performance.

Quality of worklife and working conditions

In the same way as its tenants, SFL’s employees express expectations not only in terms of the flexibility and comfort of their workspaces, but also with regard to working conditions, work organisation methods (remote/on-site), relations with their line managers, the quality of internal communications and work/life balance.

Diversity management

Ensuring gender balance and combating all forms of discrimination is also a key priority for SFL, as is the need to manage inter-generational relations among employees whose expectations and working styles vary depending on their seniority in the job or company.

Management of labour relations and social dialogue

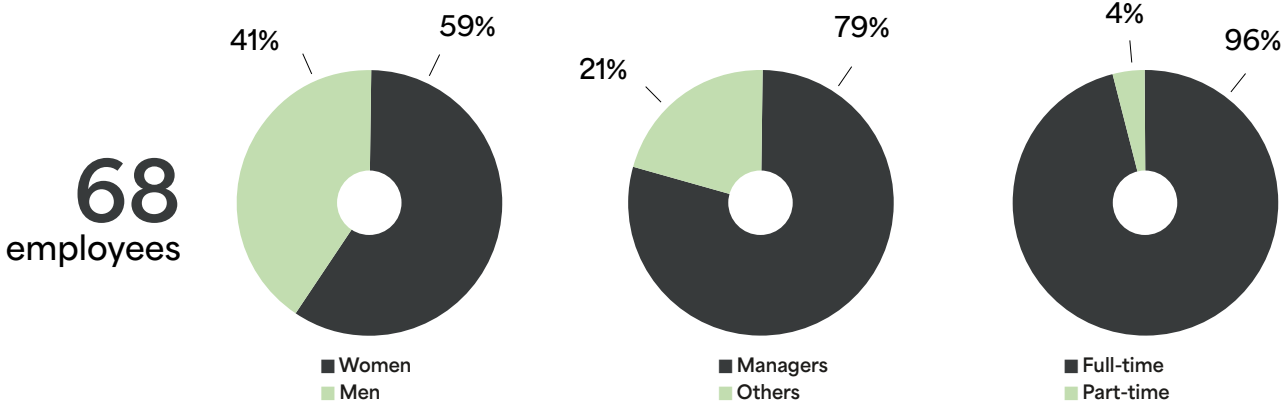
Above and beyond strictly complying with the applicable regulatory requirements, SFL places importance on regularly engaging with employee representatives and maintaining a constructive dialogue with them, particularly during periods of strategic change (e.g., during the roll-out of new management systems or work processes).

The environmental transition and corporate social responsibility (CSR)

SFL has to integrate sustainability objectives into all of the activities in its value chain, which means training employees in these new requirements and raising their awareness about the Group’s social and environmental objectives.

SFL therefore constantly strives to deepen employee and partner engagement across the value chain, which helps foster a desire to work together. The SFL Group had 68 employees at 31 December 2024. Women make up the majority of the workforce, at 59% of the total, and 79% of employees are classified as managers. All employees are based at SFL’s head office in Paris.

Structure of the workforce at 31 December 2024



(1) Averages in the Greater Paris region, from a 2021 INSEE study based on a 2017 survey <https://www.insee.fr/fr/statistiques/5425974#tableau-figure2>

3.1.2. Policies related to own workforce (S1-1)

SFL is committed to providing an inclusive and respectful work environment for all of its employees that complies with its fundamental values and legal obligations.

Human resources management policies (recruitment, training, promotion, remuneration, etc.) strictly respect the principles of equal treatment, equal opportunities and diversity, as well as fighting all forms of harassment and/or discrimination.

In connection with its Ethics Code of Conduct and internal whistleblowing procedure, SFL is extremely vigilant about ensuring that the fundamental rights of individuals are respected and that actions are taken immediately to put an end to any situation that may infringe on those rights.

Specific programmes are put in place to encourage employees’ professional and personal development, including in particular

the negotiation of specific agreements (the right to switch off from work-related communications, remote working, extra days off and paid leave for employees who are carers), as well as training/awareness-raising initiatives and performance appraisals.

Regarding workplace health and safety, procedures and processes are carried out every year to prevent accidents and promote employee well-being. Examples include a quality of worklife (QWL) programme (survey and action plan in coordination with a joint steering committee), training (on fire safety, electrical wiring standards, workplace health and safety, etc.), and updates to the internal regulations and the Occupational Risk Assessment Document (*Document unique d’évaluation des risques professionnels*). Lastly, SFL keeps up a steady stream of dialogue with employee representatives to ensure open and transparent communication and contribute to the improvement of working conditions in compliance with ILO conventions and national and international standards.

Sustainability topic	Sub-topic	Policy	Brief description of the policy (including the main objectives and the IROs addressed by the policy)
General policies		Collective agreement	General provisions that formally document the rights and obligations of the Company and each employee
		Sector HR report	Workforce, contracts, training, remuneration S1-1, S1-2 and S1-3
		Collective bargaining and social dialogue	Company-level agreements Meetings and SEC consultations S1-15
Employer appeal, skills development & workplace equality	Remuneration	Remuneration surveys Collective bargaining salary scale	Average salaries in the sector Minimum wages in the sector S1-3
	Training and skills development	Career development reviews and annual appraisals Skills development plan	Collective and individual needs for training and skills development Training action plan and related budget S1-9 and S1-10
	Equal treatment and opportunities for all	Gender equality	Recruitment, training and remuneration S1-12, S1-13 and S-14
Health, safety and quality of worklife	Health and safety	Internal regulations and the Occupational Risk Assessment Document	Health and safety measures S1-7
	Quality of worklife and working conditions	QWL programme	Joint steering committee Employee survey Action plan S1-16 and S1-17
Ethics and human rights		Ethics Code of Conduct	Values, prohibited behaviour and expected behaviour S1-13
		Whistleblowing system	Reporting illegal, non-compliant or inappropriate situations S1-13

These policies, which apply to all SFL employees, do not explicitly address human trafficking, forced or compulsory labour or child labour, as these practices are, in all circumstances, expressly prohibited by the legislation to which SFL is subject.

3.1.3. Processes for engaging with own workers and workers’ representatives about impacts (S1-2)

As part of its QWL programme, SFL has set up a joint steering committee responsible for putting forward proposals about quality of life at work and monitoring the related actions taken. This committee, which is made up of representatives of Senior Management, members of the Social and Economic Committee (SEC) and operations managers, met four times in 2024, including to determine the terms and conditions of the employee QWL survey.

The response rate to this survey – which was conducted in October 2024 among all of the Group’s employees – was 71% and it gave each employee the opportunity to express their level of satisfaction about a range of QWL issues, such as working conditions, employee-employer relations, resources and skills, values and engagement.

SFL also promotes social dialogue, in particular through meetings held with employee representatives. Senior Management and the SEC met 11 times in 2024 for information, consultation and collective bargaining purposes. These meetings gave employee representatives the opportunity to express their views on SFL’s business situation, financial position, strategic goals and HR policy, as well as on the planned merger and changes to the employee savings/retirement scheme.

None of SFL’s employees are currently considered to be particularly vulnerable or marginalised. If such a situation were to arise, SFL would immediately take steps to put an end to it.

No specific measures were put in place in 2024 to promote equal opportunities or combat discrimination and harassment, apart from the events in which SFL participated during the European Disability Employment Week (EDW) described in section 3.1.13 of this report.

SFL did not identify any form of gender discrimination in terms of pay, access to employment, training or promotion in 2024.

In December 2023, SFL’s Senior Management and the trade unions signed an agreement on gender equality, reaffirming the importance of the principle of non-discrimination on the grounds of gender and confirming their commitment to equal treatment and opportunities for all.

This agreement was entered into for a three-year period from 1 January 2024 to 31 December 2026, and includes metrics and targets related to recruitment, training and remuneration, as described in section 3.1.5 of this report.

3.1.4. Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)

As well as the legal systems available for employees to alert Senior Management and/or raise their concerns – such as through employee representatives (SEC meetings, whistleblowing rights, etc.) – a range of processes are in place to pre-empt, identify and prevent any infringement of employees’ rights and freedoms, and more generally to provide employees with channels for reporting suggestions or comments, including:

- ◆ an Ethics Code of Conduct,
- ◆ an IT and digital charter,
- ◆ an agreement on the right to disconnect,
- ◆ the QWL survey.

These processes apply to all SFL employees.

A whistleblowing mechanism open to all

SFL also introduced a whistleblowing mechanism that employees, non-employee workers, suppliers, sub-contractors and other company co-contractors can use⁽¹⁾.

Dedicated training for all employees

The roll-out of the Ethics Code of Conduct and the whistleblowing mechanism in 2023 provided an opportunity to remind employees to the issues of compliance and proper conduct. Two dedicated training sessions, led by a lawyer specialised in compliance issues, were held in October 2023, and refresher training may be subsequently organised if necessary.

3.1.5. Taking action on material impacts on own workforce (S1-4)

Employer appeal, skills development & workplace equality

Developing employee skills, attracting and retaining talent and promoting gender equality in the workplace are real challenges for SFL, given the size and structure of its workforce (fewer than 100 employees, mainly managers) and internal organisation based on integrated teams interacting with each other and active across the value creation chain.

(1) Further information about the whistleblowing mechanism is provided in section 4.1.1 of this report.

Remuneration and benefits

To encourage the professional advancement and engagement of SFL employees, policies are in place to offer fair, attractive and incentive-based remuneration, whose competitiveness is tracked through an industry review in which the Company participates every two years.

With reference to disclosure requirement S1-10 in the ESRS S1 standard, note that all SFL employees receive an adequate wage in accordance with applicable indices, particularly the sector minimum wage specified in amendment 103 of 13 March 2024 to the National Collective Agreement for the Property Industry.

This remuneration policy is presented in the Personal Remuneration and Benefit Review prepared for each employee. These annually issued reviews meet several objectives: to inform employees as clearly as possible about the Company’s various remuneration systems and also to present the value of their total package (salary, bonus, other remuneration and benefits).

Direct remuneration

Each employee is paid a salary and a variable performance-based bonus. In 2024, the target bonus represented on average 17% of the employee’s base salary (excluding Management Committee members).

For employees on payroll at 31 December 2024, total remuneration for the year (salary and bonus) averaged €75,384, again excluding Management Committee members.

Indirect remuneration

Employees have a stake in SFL’s performance through statutory and discretionary profit-sharing schemes. The accrued entitlement of employees through these schemes in 2024 represented a total of €3,449,644. For the statutory profit-sharing scheme, the majority (over 90%) of the amount available for distribution in 2024 was from the balance of the special statutory profit-sharing reserve set aside for 2021.

In order to optimise its employees’ general and pension savings, SFL offers a range of high-performing plans (PEE employee savings and PERECO pension savings plans), providing a wide choice of investment funds that can be either managed or unmanaged. With a view to encouraging employees to save for retirement, their personal investments in the PERECO pension plan are matched by a company contribution, whose maximum amount was raised from €5,310 to €5,700 in 2024.

In this context, SFL’s financial support for employees seeking to save for their retirement amounted to €288,900 in 2024, with 59 employees receiving an average matching contribution of €4,897.

In 2024, free shares were again granted to officers and employees, this time to 58 people (of whom 56 employees) representing 82% of the workforce on the payroll at the year-end.

Remuneration policies also cover a number of extra benefits, including a time savings account that converts unused leave entitlement into investments in the PERECO plan, service vouchers fully financed by the Company and the Social and Economic Committee, and subsidised food services (meal vouchers and/or subsidised meals at intercompany staff restaurants).

In 2023, SFL demonstrated its commitment to addressing the environmental issues inherent in its business by deploying a variety of measures to upgrade its direct and indirect remuneration system:

- ◆ introduction of a sustainable mobility package for employees to encourage them to use environmentally-friendly means of transport;
- ◆ a change in the nature of personal objectives that determine an employee’s bonus (identification of ESG objectives during annual performance reviews);
- ◆ 15% of the discretionary profit-sharing bonus is now determined based on an environmental criterion, supported by a greenhouse gas emissions reduction target, in addition to the financial criterion;
- ◆ inclusion, subject to conditions, of an environmental performance objective (decarbonisation) for setting the number of free shares allocated under Plan 7.

SFL continued all of these measures in 2024 as part of its CSR policy and in line with its sustainability commitments.

In addition, at the end of 2024, SFL launched a review to adapt its employee savings plan (PEE) and pension savings plan (PER) in line with the provisions introduced by France’s National Interprofessional Agreement (ANI) Act and the Green Industry Act aimed at promoting employee savings that are more accessible, simplified and aligned with environmental sustainability challenges.

This review led to the signature of an agreement with the employee representatives which will enable SFL to:

- ◆ offer, within the PEE and PER plans, an additional investment fund that is certified as meeting criteria related to financing the energy and environmental transition or socially responsible investment;
- ◆ formally document the possibility of unlocking PEE plans ahead of their maturity date for a number of specific reasons: if the plan’s holder is a carer, for financing an energy retrofit of a main residence, or for acquiring a “clean” vehicle (i.e., which uses electricity, hydrogen or a combination of the two as its sole source of energy);
- ◆ include a small proportion of investments in non-listed assets in the managed assets under the PER plan.

Training and skills development

Every year, SFL defines objectives for its employee training programmes, in a constant commitment to:

- ◆ create and nurture conditions in which every employee has access to training and skills development;
- ◆ prepare for emerging technical, legal, environmental and other changes in the industry, in order to improve the professionalism of its employees and enable them to do their jobs effectively in the best possible conditions.

As part of the employee skills development commitment, performance reviews are conducted with each employee every year to assess their achievements and abilities and to identify their training needs. In addition, every two years, a career development review helps employees map out a more personal growth path, with milestones and outcomes assessed every six years.

In 2024, the procedures for conducting these online reviews and training were overhauled to make them more flexible and agile, increase employee engagement, and enhance the user experience with a view to more closely reflecting SFL’s HR strategy and driving team development.

In 2024, for example, training sessions primarily focused on asset management, law, office technology and improving language skills in English.

Also during the year, SFL offered dedicated training sessions designed to:

- ◆ strengthen the managerial skills and culture of its leaders (3.5-day training programme devoted to the leadership and credibility of managers, their ability to adapt, communicate and mobilise their teams, and the prevention of psychosocial risks);
- ◆ raise awareness among its teams about the environmental challenges facing its business through the Sustainable Real Estate Climate Fresk workshop;
- ◆ prepare for the integration of the requirements of the CSRD into non-financial information, via workshops run by CBRE for employees involved in the sustainability reporting process.

In coordination with Colonial, SFL also took part in the EPRA/INSEAD Executive Programme in 2024, opening up this training to two employees who were able to attend a three-day course on the latest trends affecting the listed real-estate sector, such as topical investment, e-commerce and logistics, digitalisation and data analysis.

Lastly, as a member of the strategic committee of the *Observatoire de l’Immobilier Durable* (OID), in 2024 SFL contributed to designing the Label’ID sustainable real estate e-learning programme, which will be rolled out for all SFL employees in 2025. The aim of this programme – which provides successful candidates with a professional accreditation – is to accelerate the inclusion of ESG issues in all property-related professions. The idea is to help real-estate professionals navigate the transformational changes in their sector and to promote training in sustainable real estate. It offers a common framework of knowledge on the major ESG issues facing the real estate sector, and trainees take an evaluation test at the end, with successful candidates obtaining the Label’ID accreditation validating the skills they have acquired.

In the same aim of constantly building skills and training, as part of the “Everyone’s a Trainer” internal training programme launched in 2023, three training sessions were organised in 2024, designed and run by SFL employees (on planning permissions, construction insurance, SAP tools and the energy-saving plan).

Equal treatment and opportunities for all

Treating everyone equally and offering equal opportunities is of material importance to the Group, both for employee development and business growth.

The Group has therefore reaffirmed both its pledge to reject any and all forms of discrimination and its commitment to fostering gender equality and equal opportunity in the workplace.

Since 2017, SFL has undertaken a number of initiatives to:

- ◆ fulfil the undertakings in the gender equality in the workplace agreement (described in more detail below);
- ◆ secure support for the disabled, which includes the grant made to the LADAPT non-profit organisation, the agreement with the ARPEJEH (which supports students with disabilities in their studies), and the practice of buying goods and services from companies specialised in employing people with disabilities.

In December 2023, a new three-year gender equality in the workplace agreement was negotiated and signed, comprising a number of measures backed by improvement targets and metrics in the following three areas:

- ◆ hiring and job opportunities;
- ◆ promotion opportunities thanks to ongoing skills development;
- ◆ actual remuneration packages.

Process	Objectives	2024 outcomes
Hiring and job opportunities:	• Endeavour to obtain, as far as possible, an equal number of male and female candidates. • Drive greater gender balance in the job classification grid.	• At year-end 2024, 52% of SFL managers were women. • 4 of the 8 people hired during the year were women.
Promotion opportunities thanks to ongoing skills development:	• Ensure that men and women have equal access to training opportunities. • Define with each employee returning from maternity, adoption or parental leave training courses to ease their transition back into the workforce. • Identify and address any family-related issues employees may face while in training.	• In 2024, women who participated in at least one training session or event during the year accounted for 58% of trainees and spent an average 28 hours in training (35 hours for men). • Out of the average number of employees in 2024, 88% of men and 84% of women attended training sessions during the year.
Gender-neutral remuneration:	• Guarantee that women and men who are hired for equivalent jobs are offered the same initial pay and that they continue to receive equal pay throughout their careers with the Group. • Eliminate any distortions in remuneration resulting from parental-related leave.	• As part of the statutory annual pay round in 2024, the parties noted that there was no form of gender discrimination and reaffirmed the need to apply the principle of equal pay when individual salary increases are awarded.

The Company’s gender equality index published in February 2024 for the 2023 calendar year resulted in an overall score of 89/100 points, with SFL achieving the highest score for three of the four metrics making up the index (gender gap for individual salary increases, percentage of employees receiving salary increases on return from maternity leave, and number of women among the 10 highest earners).

Health, safety and quality of worklife

As key factors in making SFL a great place to work, health, safety and well-being represent major issues not only for employees, but also for the entire corporate community. With this in mind, these criteria have been fully integrated into the Group’s human resources policies, independently of any legal obligations. In addition, the workplace atmosphere is regularly measured with a quality of worklife and working conditions survey, in line with SFL’s goal of complying with the obligation to regularly assess workplace risks, while laying the foundation for the continuous improvement in the working environment.

Health and safety

To protect their health, all SFL employees are covered by a company-funded supplementary insurance scheme offering health, disability and death benefits.

Similarly, all employees are eligible for SFL’s safety training programme, either on a voluntary basis (workplace first responder and fire prevention training) or as part of their job responsibilities (electrical contracting accreditation).

The Group’s employee health and safety policies were actively pursued during the year, with:

- ◆ the organisation of a new series of fire prevention training sessions in coordination with APAVE, a risk management consultancy;
- ◆ the renewal of authorisations for qualified employees to work on electrical installations and equipment;
- ◆ the update to the Occupational Risk Assessment Document in consultation with employee representatives.

Quality of worklife

In line with the measures taken in previous years in relation to quality of worklife and working conditions (QWL), a new QWL survey was launched towards the end of 2024.

The aim of this survey is to get employees involved in a collective change dynamic to enhance the quality of worklife and working conditions.

In 2024, the survey took the form of an online questionnaire sent to all SFL employees on key QWL topics, namely:

- ◆ working conditions,
- ◆ employer-employee relations,
- ◆ impact of work on health,
- ◆ resources and skills,
- ◆ attitudes to change,
- ◆ values,
- ◆ engagement.

By analysing the responses – a process which was under way at the date of this document – the Company will be able to identify any problems in the workplace and the appropriate protective factors, and to recommend action plans to foster employee engagement and well-being.

SFL also has a remote working agreement in place – signed in February 2023 and not amended in 2024 – which meets the dual objective of driving performance and enhancing quality of worklife by encouraging a more fulfilling work-life balance, while preserving the work organisation structure and sense of corporate community.

3.1.6. Targets related to own workforce (S1-5)

SFL has set itself three operational targets in its relations with its employees.

Sustainability topic	Primary 2030 objective	2024 performance
Employer appeal, skills development & workplace equality	> 2.5% of payroll invested in training	3.1% of total payroll excluding special bonuses (2.6% including special bonuses)
Health, safety and quality of worklife	100% of employees surveyed on the quality of worklife every year	100%
Ethics	100% of employees and contractors covered by an Ethics Code of Conduct	100%

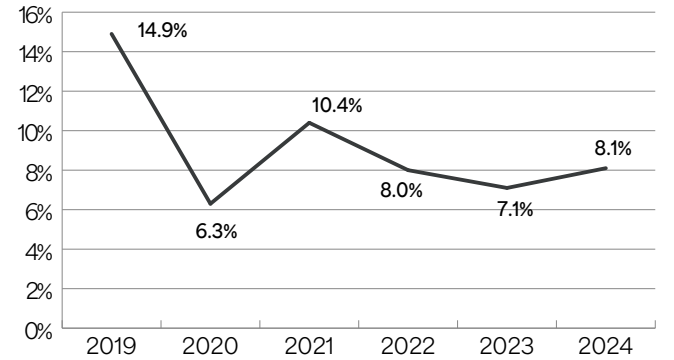
3.1.7. Characteristics of SFL’s employees (S1-6)

Metric	2023	2024
Total number of employees	77	68
Breakdown of total number of employees by gender	Number of men	30
	Number of women	47
Total number of permanent employees	70	64
Breakdown of total number of permanent employees by gender	Number of men	28
	Number of women	42
Total number of temporary employees	7	4
Breakdown of total number of temporary employees by gender	Number of men	2
	Number of women	5
Number of non-guaranteed hours employees	0	0
Breakdown of total number of non-guaranteed hours employees by gender	Number of men	N/A
	Number of women	N/A
Total number of employees who left the Company	13	15
Reason for departure	Resignations	1
	Dismissals	0
	Terminations by mutual agreement	3
	Expiry of fixed-term contracts	6
	Termination of probationary period	1
	Death	0
	Retirement	2
		3
Employee turnover rate (%)	7.1%	8.1%

In 2024, SFL hired eight new employees, including four work-study trainees. Fifteen people left during the year, including seven whose fixed-term contracts ended and three who retired. Given these movements, the SFL workforce remained stable, much like average seniority, which stood at 10 years at 31 December 2024 versus 9.5 years a year earlier.

Based on the average number of employees under permanent contracts at 1 January 2024 (68) and the number of employees under permanent contracts who were hired or who left during the period, the turnover rate was 8.1%, versus 7.1% in 2023⁽¹⁾.

Employee turnover, in %



(1) Turnover calculation formula: (Number of separations during the period + number of new hires during the period)/2/number of employees on payroll at 1 January).

3.1.8. Characteristics of non-employee workers in SFL’s own workforce (S1-7)

The number of non-employee workers in the SFL workforce, as defined in the CSRD reporting standards, is not very material in relation to the number of employees under contract, and did not change significantly during the reporting period.

SFL has an average of four non-employee workers on a permanent basis, who work in the head office reception area and in IT support activities.

3.1.10. Diversity metrics (S1-9)

Metric	Unit	2023		2024	
		Men	Women	Men	Women
Percentage of men and women on the Board of Directors	Number	3	3	3	3
	%	50%	50%	50%	50%
Percentage of men and women on the Management Committee	Number	5	3	4	2
	%	63%	38%	67%	33%
Percentage of men and women managers, excluding the Management Committee	Number	23	29	22	26
	%	44%	56%	46%	54%
Breakdown of employees by age group	< 30 years	12%		12%	
	30-50 years	49%		54%	
	> 50 years	39%		34%	

3.1.11. Adequate wages (S1-10)

With reference to disclosure requirement S1-10 in the ESRS S1 standard, note that 100% of SFL employees receive an adequate wage in accordance with applicable indices, particularly the sector minimum wage specified in amendment 103 of 13 March 2024 to the National Collective Agreement for the Property Industry.

3.1.12. Social protection (S1-11)

All SFL employees (100% of the workforce) are covered by an unemployment insurance scheme and are therefore eligible to receive benefits (“ARE benefits”) in the event of involuntary unemployment (provided they meet the conditions required by the scheme).

Similarly, all SFL employees (100% of the workforce) are covered by a supplementary personal risk protection scheme set up by SFL, which provides for the reimbursement of healthcare costs and the payment of an indemnity in the event of incapacity, disability or death.

3.1.13. People with disabilities (S1-12)

People with disabilities represented 1.5% of SFL’s workforce at 31 December 2024.

3.1.9. Collective bargaining coverage and social dialogue (S1-8)

In addition to company agreements, all of SFL’s employees (100% of the workforce) are covered by the National Collective Bargaining Agreement for the Property Industry.

Similarly, all SFL employees (100% of the workforce) are represented by the Social and Economic Committee.

As part of its policy of supporting employment opportunities for people with disabilities, in 2024 SFL once again helped to finance the operating budget of LADAPT, a non-profit organisation working in this area, through an annual grant and the allocation of a portion of its apprenticeship tax due for the year.

In 2024, SFL also renewed its membership of the ARPEJEH association, which promotes the training, qualification and employment of people with disabilities by supporting students aged between 15 and 30 in their studies and career development. To help finance these programmes, SFL allocated a portion of its apprenticeship tax due for the year to ARPEJEH.

Lastly, as part of the European Disability Employment Week, SFL organised various initiatives to raise awareness of disability issues, including:

- ◆ taking part in DuoDay – a nationwide event in France – by enabling a person with a disability to job shadow a volunteer employee for a day so they can get an insight into the Company and jobs in real estate;
- ◆ rolling out the Gamino digital platform designed to raise awareness among all employees about disability-related issues;
- ◆ participating in the organisation and financing of conferences on disability for the occupants of the building that houses SFL’s head office.

3.1.14. Training and skills development metrics (S1-13)

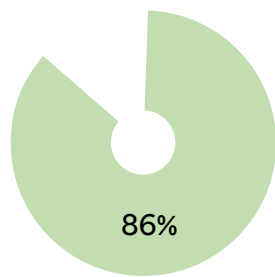
Metric	Unit	2023		2024	
		Men	Women	Men	Women
Percentage of employees who participated in regular performance and career development reviews, broken down by gender	%	96%	98%	100%	100%
Average number of training hours per employee and by gender	Number	34	40	35	28

To encourage employees to develop their existing skills and acquire new ones, SFL has set a target of dedicating 2.5% of payroll to training and skills development.

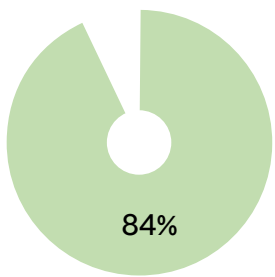
payroll, or 2.6% excluding special bonuses.

A total of 1,919 hours of training were offered to 62 employees, representing an average of 31 hours per trainee.

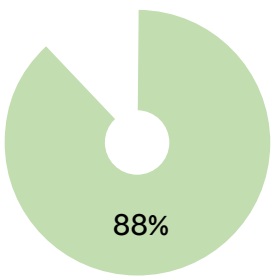
In 2024, the total training expenditure represented 3.1% of total



of employees received training



of women received training



of men received training

3.1.15. Health and safety metrics (S1-14)

Metric		Unit	2023	2024
Percentage of SFL employees covered by the health and safety management system		%	100%	100%
Number of fatalities as a result of work-related injuries and work-related ill health	SFL employees	Number	0	0
	Workers in the value chain at SFL sites	Number	0	0
Number of recordable work-related accidents	SFL employees	Number	0	3
		Accident frequency rate ⁽¹⁾	0	9.91
Number of recordable cases of work-related ill health	SFL employees	Number	0	0
		Accident severity rate ⁽²⁾	0	0.01

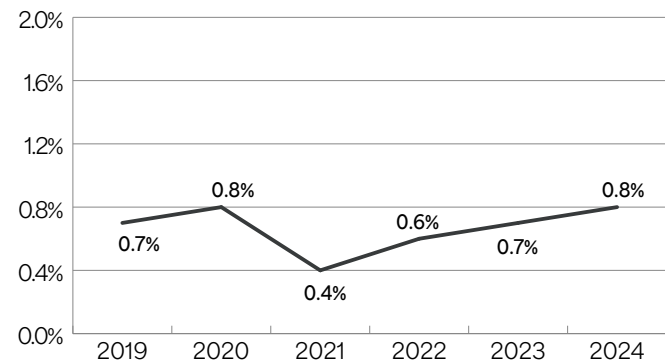
(1) Accident frequency rate = No. of accidents with initial benefit payment reported per one million hours worked.
(2) Accident severity rate = No. of days lost due to temporary disability per 1,000 hours worked.

There were no major workplace accidents, occupational illnesses or fatalities in 2024.

For the purposes of this report, SFL has chosen to measure employee well-being and engagement primarily by tracking the short-term absenteeism rate, which is based on the number of days lost to unauthorised absences of up to four days. In 2024, the rate stood at 0.8%, versus 0.7% in 2023.

There were two commuting accidents during the year, one of which resulted in eight days’ sick leave, and three work-related accidents, one of which resulted in one day’s sick leave.

Short-term absenteeism rate, in %



3.1.16. Work-life balance metrics (S1-15)

All employees are eligible for family leave as stipulated in the collective agreement or internal agreements in force at SFL. Family leave includes:

- ♦ maternity or paternity leave;
- ♦ parental leave;
- ♦ carer’s leave.

With regard to the last category, in July 2021, company management and the union delegation signed an agreement to offer carer’s leave and the possibility of donating days off to enable employees to take paid leave to care for a disabled or dependent loved one.

3.1.17. Remuneration metrics (pay gap and total remuneration) (S1-16)

Metric		Unit	2023	2024
Gender pay gap	Total workforce	%	32%	22%
	Management Committee	%	10%	-50%
	Managers (excluding Management Committee members)	%	17%	10%
	Other categories	%	14%	15%

The gender pay gap relating to the Management Committee based on its membership at 31 December 2024 – which was significantly in favour of women – was due to the appointment of a woman as Chief Executive Officer.

The level of remuneration of the Chief Executive Officer (and previously in her capacity as Deputy Managing Director) compared with the average and median remuneration of employees other than corporate officers is detailed on pages 141 to 154 of the Universal Registration Document in accordance with the disclosure requirements of Article L.22-10-9 I, 6° and 7° of the French Commercial Code.

The various actions that SFL takes to promote equal treatment and opportunities within the organisation and the impacts of these actions are described in section 3.1.5 of this report.

3.1.18. Incidents, complaints and severe human rights impacts (S1-17)

SFL was not involved in any alleged or identified cases of human rights violations in 2024 (such as harassment, discrimination or inciting hatred), either on an individual or collective basis (SEC alert system, internal whistleblowing procedure, etc.).

Although it has only a small workforce, SFL is nevertheless subject to a strict regulatory framework regarding the protection of human rights.

General information about ethics is provided in the business conduct section of this report (section 4.1).

3.2. Affected communities (ESRS S3)

3.2.1. Material impacts, risks and opportunities related to affected communities and their interaction with SFL’s strategy and business model (SBM-3)

Revitalising and reinventing the city is a core driver of the strategy to increase the value of the Group portfolio.

To create value in its properties, SFL must address the expectations of its stakeholders, the public authorities and local residents, and take into account how these expectations fit into the city landscape, particularly in Paris and its inner suburbs where all of its assets are located.

Effectively managing the urban footprint of office buildings and their impacts on communities means converting them responsibly and preparing them for the future while preserving their history and heritage value and ensuring that they are harmoniously integrated into the cityscape.

Each building revitalisation represents an opportunity to create positive externalities for the surrounding neighbourhood. SFL’s assets therefore have significant impacts on communities, including:

- ♦ **strong urban and architectural impacts on local neighbourhoods and/or the city:** due to the scale of the projects and their location, working in close collaboration with the public authorities;
- ♦ **impacts on the immediate vicinity:** for local residents and shopkeepers, both during the works phase and while the assets are in use, due to the flow of people who work in the building.

In 2024, the operating environment for SFL’s portfolio was shaped by a number of key factors:

- ♦ **the new bioclimatic local urban planning regulation (PLU),** adopted at the end of November by the Paris City Council, which emphasises the need for building projects to retain existing structures and to integrate nature, energy efficiency and mixed-use programmes;
- ♦ **the increasing polarisation of the office property market in the Greater Paris region,** with demand concentrated on the central districts of Paris;

- ♦ **the emergence of new forms of urban mobility** and the increasing use of bicycles, electric vehicles and other less carbon-intensive modes of transport.

Over the last ten years, more than 50% of our portfolio has been redeveloped and/or renovated, and several iconic projects have recently been launched or completed. This testifies to our determination to offer spaces that are constantly adapted to changes in society.

Every year, SFL applies for and obtains around a dozen building and other permits. In 2024, through 230 projects of various sizes, it renovated 20,000 sq.m. and redeveloped approximately 60,000 sq.m.

3.2.2. Policies related to affected communities (S3-1)

SFL’s Parisian projects are unique and are tailored to the specific characteristics of each building, block and neighbourhood. This project-centric approach is underpinned by several fundamental principles, influenced by the Paris cityscape.

Reclaiming the history and heritage of buildings

The heritage and urban transformation guidelines in Paris’ new bioclimatic local urban planning regulation emphasise the need (i) to capitalise on existing structures, underscoring the urban and architectural qualities of current buildings, and (ii) to conduct sustainable, energy efficient transformations by improving quality of use and helping to preserve and strengthen biodiversity.

Every one of SFL’s renovation and redevelopment projects is designed to embrace the building’s history and original architecture, while encouraging the use of new architectural forms and incorporating contemporary design codes.

Preserving as much of the existing structure as possible

When defining redevelopment programmes, our in-house teams work closely with architects and stakeholders, applying a sustainability-focused approach to keep as much of the existing structure as possible, in line with the environmental imperative of avoiding demolition and new construction when converting buildings.

Retaining suitable structural works avoids the environmental impact of the demolition and new construction works that until recently were a prevalent practice in Parisian real estate projects. By revealing the existing structure’s underlying qualities and ensuring that it can accommodate new uses, SFL is able to minimise the environmental impact of its works while maximising the flexibility of the buildings that it converts for diverse types of use.

Mixed use and spatial density

SFL has always promoted mixed-use within its property complexes: offices, shops, and sometimes housing coexist in the majority of its buildings, and the Édouard VII complex, for example, even includes a concert hall, a theatre and a hotel. This mixed-use approach, which is a key focus of our future projects, has to meet the specific needs of the local neighbourhood while respecting the objectives of preserving existing building structures and ensuring effective people flow.

SFL is also committed to contributing to urban renewal by making a concerted, enlightened effort to increase the density of spaces. This involves promoting new uses for existing spaces, such as the basements or roofs of its buildings, thanks to:

- ♦ the ability to bring natural light into previously artificially lit areas;
- ♦ the current boom in new forms of soft mobility and therefore a reduction in the number of parking spaces needed;
- ♦ the creation of high-quality outdoor spaces whenever possible, such as by repurposing rooftops, integrating garden areas, scaling back rooftop utility installations, incorporating open-ground areas at street level, and introducing accessible terraces on the upper floors.

Above all, increasing spatial density requires raising the occupation density of buildings. SFL’s properties, which combine an exceptionally high physical occupancy rate with numerous and diverse tenants and amenities, contribute to achieving this objective.

SFL also took part in the creation of a system for measuring buildings’ occupation density called IntensiScore⁽¹⁾. This system was devised in partnership with the authorities in Paris’s 12th *arrondissement*, along with other public and private players in the real estate sector, and it includes guidance on how to increase buildings’ occupation density.

Worksite guidelines to limit disturbances during the works phase

Worksite guidelines are put in place for each redevelopment project to limit the amount of disturbance that could be caused to local residents during the works phase.

These guidelines include rules on the following:

- ♦ **waste management:** objectives, signage and transport of waste;
- ♦ **management of disturbances caused by worksites:** relating to noise, visual and odour pollution, transport and storage of materials and relations with local residents;
- ♦ **environmental protection:** protection of the natural environment, preservation of the ecological value of the site and selection of sustainable materials;
- ♦ **health and safety:** specific requirements and procedures that the works contractors must comply with;
- ♦ **contribution to regional development:** by promoting employment and social inclusion.

(1) <https://intensiscore.m2intenses.com/>

The guidelines related to reducing disturbances are incorporated into the communication and neighbourhood relations plans that are systematically put in place for each of SFL’s major redevelopment projects.

3.2.3. Processes for engaging with affected communities about impacts (S3-2)

Engagement and discussion are central aspects of our strategy. SFL supports a project governance system that involves all of its stakeholders, ranging from elected officials and local authorities during the project design phase through to local residents during the works phase.

These multifarious interactions enable SFL’s projects to evolve naturally in increasingly harmonious alignment with their environment and the cityscape.

Consultations with public authorities

For the Scope project, an architectural design competition based on mutually agreed specifications was organised with the City of Paris, the 12th *arrondissement* authorities, the Urban Planning Department and the Pavillon de l’Arsenal association. These stakeholders chose the winning team together, ensuring that its design offered the best response to the expressed needs.

For the Condorcet project, the works programme was shared with the 9th *arrondissement* local authorities and the City of Paris in order to integrate social and student housing into the project.

Discussions with local residents

Local residents and businesses (notably retailers) were engaged far upstream, even before the administrative permits were obtained, to get them involved in the project, address their expectations and respond to their needs as effectively as possible. Neighbourhood meetings are regularly held as projects advance to help nurture close ties with all the stakeholders.

For the Scope project, which is scheduled for delivery in 2026, four such meetings were held in 2024, and the project for a service pavilion on the site was modified in line with residents’ opinions.

For the Condorcet project, several meetings with local residents were held in 2023, and in 2024 discussions took place directly with some of the site’s neighbours who wanted to find out more about the project.

Dedicated information and communication tools are put in place to enable local residents to track the progress of our projects. These tools can take the form of a website, a physical space on site presenting the project, and/or regular communications such as newsletters.

3.2.4. Taking action on material impacts on affected communities (S3-4)

With nearly 145 years of history and a unique link with Paris, SFL plays a key role in setting the standard of excellence in preserving and showcasing the city’s architectural heritage. It constantly reaffirms its quality criteria through its most iconic projects.

SFL takes action in relation to material impacts on affected communities in the following three ways, as illustrated in the Scope and Louvre Saint-Honoré projects in 2024:

Revealing a building’s heritage value to better integrate assets

This is why before any redevelopment project gets under way, an in-depth heritage impact assessment is conducted in partnership with the GRAHAL consultancy to reveal the building’s architectural history, determine its heritage or monumental importance and offer a clearer picture of the asset to the project owner and prime contractor.

To properly design an ambitious yet heritage-sensitive project, SFL’s development teams, along with project architects and design engineers, work in collaboration with a variety of public stakeholders (Architectes des Bâtiments de France, municipal building permit and landscaping departments, *arrondissement* elected officials, residents’ associations, etc.) to design projects that incorporate the specific features of each location.

Working with the leading names in architecture and design

SFL is also sensitive to the urban planning and architectural issues arising from Paris’ status as a world-class city, which is why it partners with some of the biggest names in architecture and design, including Ateliers Jean Nouvel, Dominique Perrault, Franklin Azzi, LAN, Patrick Jouin and Sanjit Manku, Ana Moussinet, Studio Razavi and others. The aim of these partnerships is to promote innovative, high-quality projects, taking care to adapt the design aesthetics to each building’s space, use and size.

The quality of these collaborations is clearly illustrated in the three major redevelopment projects which are currently under way or for which a permit has been filed:

◆ The reinvention of the **Louvre Saint-Honoré** building, an iconic Paris property which has successively been home to the Grand Hôtel du Louvre, built for the Paris Exposition Universelle in 1855, then the Grands Magasins du Louvre department store and the Louvre des Antiquaires mall. It will soon emerge in a new incarnation with the letting of 15,000 sq.m. (of which 7,000 sq.m. of exhibition space) to the Cartier Foundation for Contemporary Art. Designed by Ateliers Jean Nouvel, the project is rejuvenating the entire lower part of the building and the 70s-era concrete pillars with a new cut-stone façade that reinterprets the façades of an iconic Parisian building with clear, pure lines, enhanced by a contemporary canopy opening onto large, full-length bay windows. The outstanding Cartier Foundation project is also upgrading the building’s office space, by refurbishing all the lobbies, delivering a new shared lounge area with a cafeteria and meeting rooms, opening a new company restaurant and revamping the other common areas.

◆ The **Scope** redevelopment project is being taken to the next level by the future Rives de Seine project, which is being reinvented by the LAN agency for delivery in 2026. The building’s façades, particularly the unobstructed main façade facing south-west, were selected in strict compliance with bioclimatic principles, which resulted in a highly innovative contemporary appearance. The tower’s thoroughly reworked lower levels will allow for the creation and reopening to the public of landscaped gardens overlooking Paris. In consultation with the City of Paris and the relevant *arrondissement* authorities, SFL chose to open an additional gateway to the neighbourhood by creating a new public access building in the gardens, offering amenities for both office tenants and Paris residents.

◆ The project to redevelop the **Condorcet** building, the former home to Paris’s natural gas trading rooms and the current head office of GRDF: this building, which dates from the late 19th century and covers almost 25,000 sq.m, contains numerous remarkable architectural features typical of the neoclassical period, such as sculpted columns, painted ceilings, marble and wood panelling. The project, entrusted to architect Franklin Azzi, involves completely refurbishing the historic building and extending and raising it from one to three storeys. In addition to offices, it will offer housing, shops, a student residence and a sports facility. The project also provides an opportu-

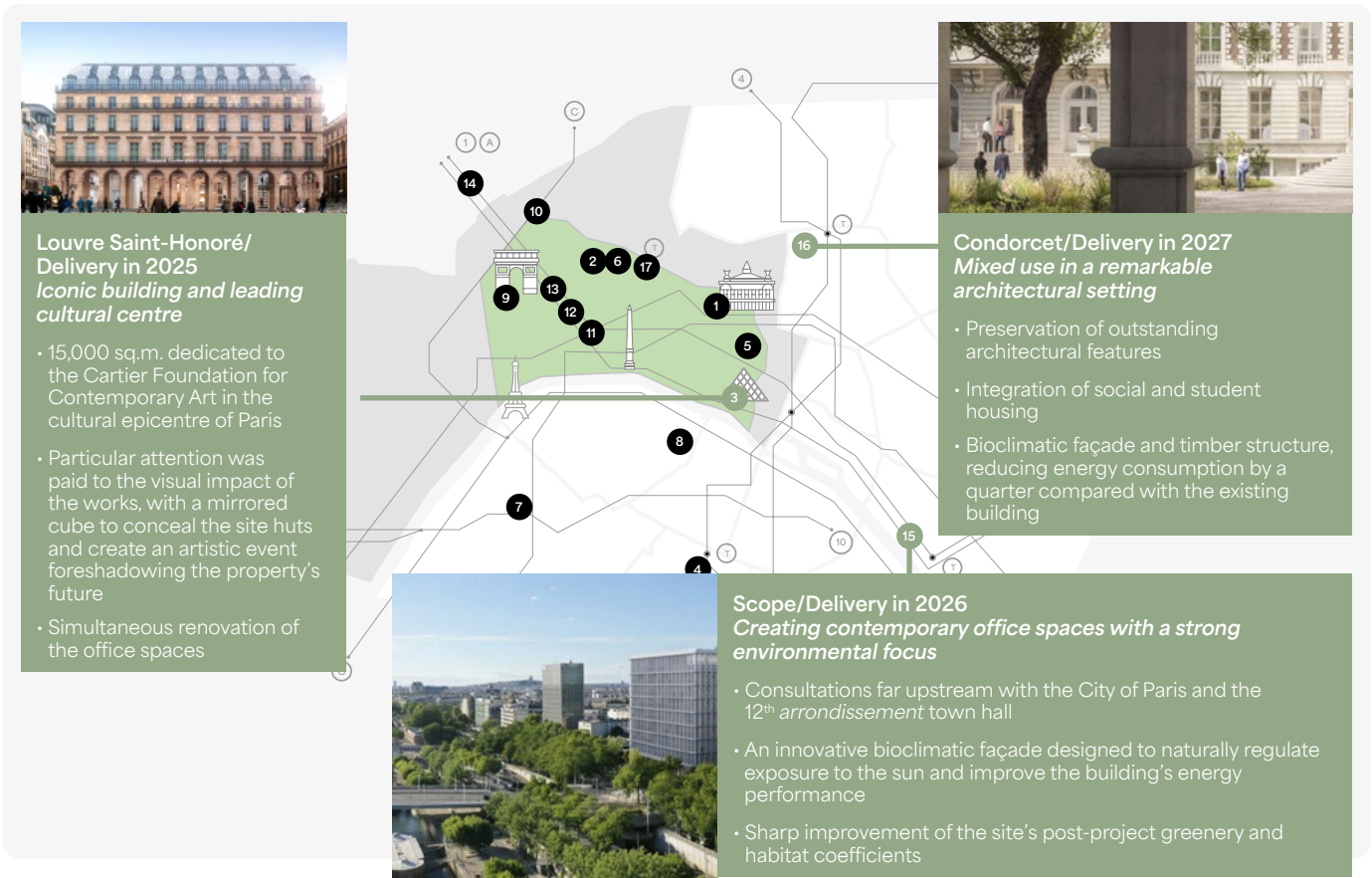
nity to green the rooftops and redevelop the parking areas. As well as complying with Paris’s new bioclimatic urban planning regulation, the project is also driven by high environmental ambitions: a four-fold reduction in energy use, BBCA renovation certification, a wooden structure and a bioclimatic façade made of hemp concrete.

Limiting the impact of works

On the Louvre Saint-Honoré site, in an iconic Paris neighbourhood adjacent to such renowned institutions as the Louvre Museum, the Palais Royal gardens and the Comédie Française, SFL took particular care to reduce the visual impact on the neighbourhood by installing moveable perimeter fences that can be rearranged for each phase and bold cladding to hide the site huts that take up part of the Place du Palais-Royal. After being clad in austere, trompe-l’œil panelling in the first months of construction, the huts were covered by a bold mirrored cube, designed by Ateliers Jean Nouvel, to create an artistic event foreshadowing the future Foundation. The Paris-Centre authorities are a key partner in this commitment to dampen works impacts.

All of our redevelopment projects are equipped with noise measurement systems during the works phase in order to monitor noise pollution levels and limit disturbance to local residents.

Three redevelopment projects emblematic of SFL’s urban planning expertise



3.2.5. Targets related to affected communities (S3-5)

SFL has set itself the target of preserving the heritage value of buildings by commissioning heritage impact assessments before any redevelopment projects are carried out.

These assessments have been performed on all of its projects since this target was first set in 2021.

3.3. Consumers and end-users (ESRS S4)

3.3.1. Material impacts, risks and opportunities related to consumers and end-users and their interaction with SFL’s strategy and business model (SBM-3)

Tenant relationships are always a top priority for SFL, and a central focus of its organisation. With 215 tenants and the capacity to accommodate up to 30,000 people simultaneously at its 17 sites, SFL believes it is essential to know and understand current and future needs. This approach is a major advantage for managing our buildings in use and designing new renovation and redevelop-

ment projects. The organisation of in-house teams and contractors is helping the Group to optimise its tenant intelligence and align its offering more closely with expectations, thereby validating its strategic focus on properties with a high utility value.

Understanding the social role of workspaces

The successive lockdowns in 2020 and 2021, the possibilities offered by remote working technologies, the polarisation of the Greater Paris office market and the recent hiring difficulties in certain industries are some of the factors that have spurred and are still spurring debate about the role of workspaces. Given the importance of these discussions, in 2014, we launched the Paris Workplace survey to gauge employee perceptions of their offices.

These surveys reveal important information that is helping to shape how the Group looks at employee expectations.

11 years	21,800	109
of Paris Workplace surveys	employees surveyed	experts interviewed

The top 10 findings of the Paris Workplace survey

1

Social relationships

A clear link between well-being at work and the number of daily social interactions

2

Working from home

Employees are seeking to find a balance between office and home working, working from home 1.5 days a week on average

3

Mobility

Commuting times have a massive impact on business performance

4

Neighbourhood

A strong link between satisfaction with offices and where they are located

5

Environment

Offices should be a showcase for a company’s environmental commitments

6

Food services

A strong cultural attachment to mealtimes, the preferred area of social interaction

7

Central location

Central Paris neighbourhoods are still gaining in popularity

8

Green spaces

Greater Paris employees appreciate a natural environment in their offices

9

Flexibility

Greater Paris employees prefer flexible offices, particularly in terms of opening hours

10

The importance of the office

Twice as many employees consider the workplace to be an important factor when applying for a job

In the case of working practices, it is clear that events in recent years have brought to the surface some deep-rooted employee demands, for empowerment and self-management first of all, but also for trust. There is also a real desire to get together with colleagues in spaces that are increasingly appropriate and responsible.

After noticing that people brought their working habits home, we are now observing a movement in the opposite direction, as employees bring their personal beliefs and commitments (particularly societal and environmental convictions) back to the office. There is also a trend of companies wanting their employees to return to the office, for a variety of reasons such as inte-

gration, experience and training. After peaking at 3.5 days a week during the Covid pandemic, working from home has now levelled off at 1.5 days a week in the Greater Paris region.

The 11th edition of the Paris Workplace survey shed more light on this new balance and the factors that can encourage employees to return to the office. To motivate their employees to want to work in the office, companies need to provide them with well-designed, attractive spaces that they can identify with and be proud of. The importance of aesthetics applies across the board, covering workstations, common areas and the surrounding neighbourhood. Office design also needs to take into account the concepts of comfort and well-being.

The office is no longer just a place to work, but also a core component in the employer brand

In this way, the office plays a major role, in that it is no longer just a place to work but rather a place with a much broader meaning.

The office has become a key factor in attracting and retaining staff – a finding that has been increasingly confirmed in the Paris Workplace survey over the years. In the 2024 survey, 57% of employees said that the office was an important factor in their decision to join their current company, a percentage that has almost doubled in the space of seven years.

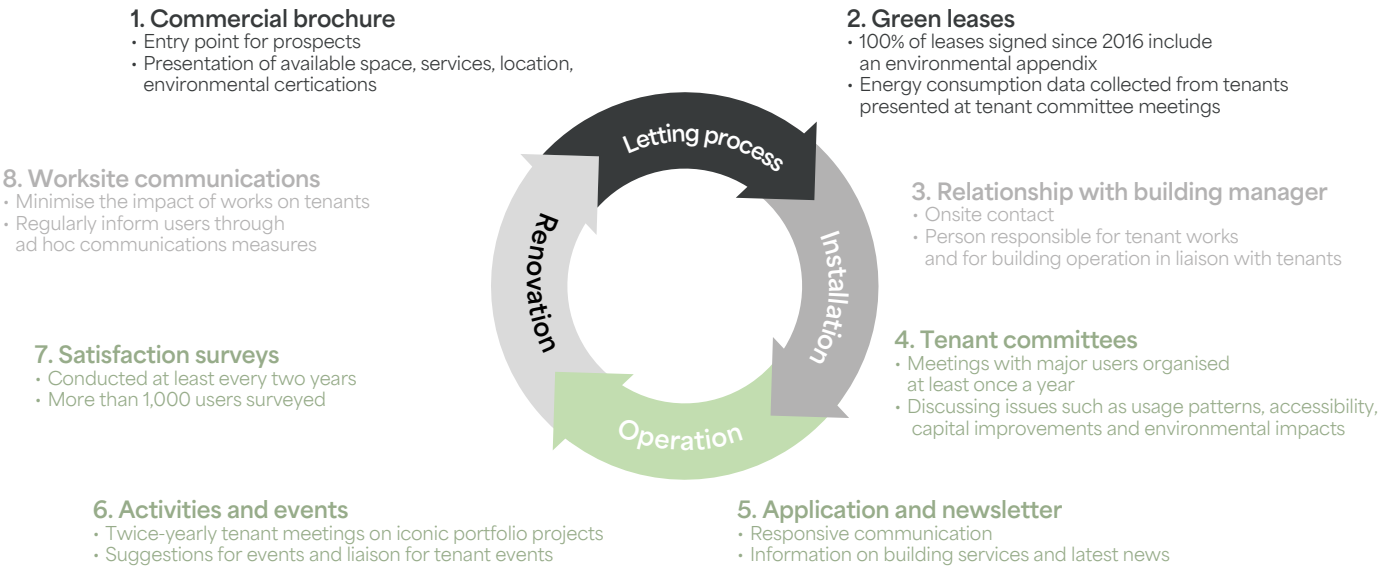
The objective therefore is to define the right way to use the space in an office, depending on the tenants’ needs, the specific features of the building and the immediate vicinity. In addition to designing flexible floor plates compatible with a vast array of organisational layouts, we take care to create highly user-friendly common areas that foster collaborative working in our multi-tenant buildings

In addressing the trends and data found in these surveys and studies, SFL is endeavouring to make people and their satisfaction the true focus of its investments, in addition to constantly improving building performance, amenities and features.

3.3.2. Policies related to consumers and end-users (S4-1)

SFL’s policies related to its customers (tenants) and the relationships it forges with them are mainly structured by commercial leases, which are governed by the French Commercial Code.

A number of channels are available for tenants to raise any concerns they may have, as detailed below.



Dialogue with tenants takes place at the various stages of the customer journey, as described in the section on disclosure requirements S4-2 and S4-3⁽¹⁾.

Interactions with the end-users of our offices (tenants’ employees) take place solely through our relationships with our tenants.

3.3.3. Dialogue processes with consumers and end-users and channels for them to raise their concerns (S4-2 & S4-3)

With a portfolio that is highly consistent in terms of quality and location, it is essential for SFL to gain a thorough understanding of the expectations of its tenants, and through them of the end-users of its offices, namely its tenants’ employees (between 100 and 200 employees per tenant on average). This enables all of our teams to provide solutions that are closely tailored to our tenants’ and end-users’ needs.

Dialogue at every step in the tenant journey

Dialogue is an integral part of SFL’s corporate DNA. It plays a critical role in the Group’s ability to satisfy tenants, meet their expectations and capture their feedback and perceptions of SFL properties, amenities and services.

The Marketing Department and the Asset Management Department are responsible for dialogue with tenants. Using the full range of solutions in place, they foster close relationships with tenants at every step in their journey, from first contact and the start of lease negotiations to their move-in works, and then throughout their lease and during renovation projects.

(1) Section 3.3.3 of the Sustainability Report.

Satisfaction of tenants and end-users – the cornerstone of everything we do

Every two years, SFL carries out a survey of its tenants and their employees to measure their satisfaction and expectations in terms of work styles, amenities and environmental performance. It also enables us to assess the effectiveness of the dialogue established with our tenants.

In all, 1,340 people responded to the latest satisfaction survey conducted at end-2023.

A review of the typical profiles of assets, tenants and their employees using our offices proves that our products are closely aligned with tenant expectations.

Key figures	17 assets	215 tenants	Up to 30,000 users a day
Typical profile	Iconic, diverse architecture in the most iconic neighbourhoods of Paris	Head office showcase Diversified industries	Manager, average age 40, lives in Paris proper 3.7 days in the office vs. an average of 3.5 days for the Greater Paris region
Average surface area	24,000 sq.m.	Contiguous 1,000 to 3,000 sq.m. floor plates	An average 10 to 12 sq.m. of leasing area per person
Quality of the premises	Over 70% of premises redeveloped or renovated in the past 10 years	75% of floor space receives direct sunlight and 20% to 25% of average floor space is dedicated to meeting rooms	The office is a decisive factor in choosing to join a company
Services and well-being	Mixed-use neighbourhoods with all the modern amenities	Need to retain employees and support a return to the office	Average well-being score of 7.6/10 (vs. 7.1/10 average for the Greater Paris region)
Accessibility	A maximum of six minutes from a metro station	Location is a decisive factor in choosing where to lease	27 minutes on average to reach the office, 16 minutes less than the daily average for the Greater Paris region. 73% of commutes by public transport and 18% by soft mobility
Satisfaction index	Physical occupancy rate: 99.8% at 31 December 2024 ⁽¹⁾	Tenant turnover < 10%/year	91% of users satisfied with their premises at end-2023

(1) Excluding surface areas that cannot be used and those undergoing redevelopment.

3.3.4. Taking action on material impacts on customers and end-users (S4-4)

The actions SFL takes in relation to material impacts on its tenants are focused on four main objectives:

- ◆ providing maximum flexibility and operational efficiency in the tenant areas of its buildings, so they can occupy their spaces as they wish;
- ◆ developing new amenities and services to enhance the well-being of tenants and their employees;
- ◆ making joint commitments on key societal and environmental issues;
- ◆ applying a strict environmental, health and safety risk management policy

High level of operational efficiency and maximum flexibility for tenants and end-users

SFL takes special care with the amenities and layout of its assets. Evolving tenant expectations are accurately integrated into each renovation programme, thanks to the project scheduling process.

Resource-sufficient projects

SFL addresses the container, so that companies can eloquently express the content. This organisational efficiency, which can be likened to a building’s frame, is a primary objective in every major redevelopment project. Once it is in place, subsequent renovation projects can be completed using fewer resources, thereby improving the capital project’s sustainability.

Most of the Group’s buildings offer modern floor plates of 1,000 sq.m. to 3,000 sq.m. that are highly conducive to organisational efficiency. Ideal depths range from 13 to 18 metres with double exposure, so as to maximise the amount of fixed office space receiving direct sunlight. On the future renovated floor plates in the Scope building, for example, direct sunlight will reach more than 95% of the surface area.

Technical features supporting a myriad of layout options

SFL designs its utility installations so that office occupants can position their meeting rooms anywhere on the floor plate, including in areas exposed to direct sunlight. On average, 10-20% of office floor plates is dedicated to meeting areas.

HVAC and lighting installations are sized to offer an occupancy ratio of 10 to 12 sq.m. of gross leasing area per person. The majority of SFL buildings have raised access floors and a clear ceiling height of 2.70 metres. Air flows are carefully adjusted to provide maximum capacity, often exceeding regulatory requirements. Indoor ventilation is facilitated by systematically incorporating windows in every office, enabling occupants to adjust their comfort levels and ensure healthy air circulation.

Our tenants appreciate this freedom of layout, as it means they can personalise their spaces to suit their needs, whether they prefer classic or more original designs. Thanks to the size and variety of their floor plates, SFL’s properties support all types of work-styles, from the most collaborative to those requiring more concentration. In addition to facilitating office floor plan layouts, this flexibility also extends to new usage pattens and what employees are looking for in common areas.

A buffer against the risk of obsolescence and a way to retain tenants over time

SFL buildings offer maximum flexibility and highly efficient operations, which provide an effective buffer against the risk of obsolescence.

The quality of the spaces and the investments committed to redevelop them mean that future tenants can reduce both post-move punch list works and the use of resources. For example, two companies were able to lease 4,700 sq.m. of office space in the #cloud.paris building on a turnkey basis, with no additional works required, and move in the day after the previous tenants vacated.

These superior quality spaces also help retain tenants by encouraging them to renew their leases without any extra works or to look for equivalent space in the same building or in another SFL property. In 2024, 45% of total leased surface area was let to companies that were already SFL tenants.

Occupant well-being and new amenities

SFL’s approach to amenities and services is informed by a granular analysis of each building, according to its size, location and tenant base. This enables us to create compelling new uses for common areas that make life easier for employees and nurture closer relationships. Amenity installations and upgrades are scheduled based on a thorough knowledge of the buildings and how they are used by tenants. When the decision is made to

invest in a new building amenity, the space, its design and the operator who will optimise its use are all carefully selected.

SFL’s tenants want to focus on their core business and delegate support resources as much as possible. Our buildings meet these needs perfectly and provide tenants with a clear advantage by offering the possibility of pooling a number of services and amenities.

Blurring boundaries between common and tenant areas

Work time is no longer restricted to a single, finite, compartmentalised space, but now extends to a diverse range of places, indoors and out, where people can seek out spaces where they can work alone or enjoy meet-up time with colleagues. SFL undertakes to design buildings that flow seamlessly between tenant and common areas, resulting in a sense of community. At multi-tenant sites, this means we can offer complementary environments that meet our users’ expectations.

An array of amenities aligned with user needs

Users are looking for amenities that deliver the right benefits for everyone. The range of amenities we provide is being expanded, based on increasingly popular core services. For example, the following new amenities have been or are being installed in SFL’s buildings:

- ◆ **Food services**, which are still the number one expectation in user surveys.
- ◆ **Café club areas**, which are beautifully and functionally designed by interior architects to offer a variety of spaces for convivial interaction.
- ◆ **Fitness, wellness and relaxation rooms**, comprising either multi-purpose health and fitness rooms or, when possible, fully equipped gyms managed by a dedicated service provider.
- ◆ **Meeting rooms and conference rooms**: large, shared meeting rooms and conference rooms, freeing up tenant areas and providing a stronger showcase for their events, speeches and discussions.
- ◆ **Spaces dedicated to new forms of mobility**: parking areas for bicycles and electric vehicle charging stations, in response to the development of new forms of urban mobility.
- ◆ **Building news, events and facilitation**, delivered by community managers or via dedicated digital tools.
- ◆ **A building-specific mobile app**, enabling users to identify all the services and amenities available on site.

Prime amenities by business centre as of end-2024

Amenities	Biome	Cézanne Saint-Honoré	#cloud. paris	Édouard VII	Louvre Saint-Honoré	Washington Plaza	103 Grenelle
Bike parking					Planned for 2025		
Electric vehicle charging stations							
Restaurant							
Café club space							
Gym		Planned for 2025					
Wellness area (hairstresser, beautician, osteopathy, etc.)							
Relaxation room							
Auditorium							
Shared meeting rooms							
Building mobile phone app		Planned for 2025	Planned for 2025				
Community manager and/or concierge services							
Recording studio						Planned for 2025	
Urban agriculture							

Shared commitments with our tenants

The alignment between tenant expectations and SFL-designed products, along with the constant attention paid to our assets every day, enables us to forge special relationships and undertake shared, powerful commitments together.

These commitments can take several forms, such as specific commercial arrangements, or joint actions or events related to societal or environmental issues.

Examples of commitments shared with tenants can be seen in the initiatives pursued throughout 2024.

Special lease arrangements for companies with a strong social, cultural or environmental impact

- ◆ Inclusion: in early 2024, Café Joyeux set up an outlet in a 220 sq.m. retail space in the Cézanne Saint-Honoré building, with more than a dozen disabled employees on permanent contracts. Conferences for tenants on the inclusion of disabled people in the workplace were also held in this space.
- ◆ Soft mobility: a bicycle sales outlet at the Washington Plaza building.
- ◆ Culture: SFL is home to three leading cultural institutions: the Olympia concert hall (6,000 sq.m), the Édouard VII theatre (2,050 sq.m) and the Cartier Foundation for Contemporary Art, which is currently under construction and will open in late 2025 on a site covering more than 20,000 sq.m.

Energy sufficiency

Three levers for action are being activated to get tenants directly involved in meeting the challenges of energy sufficiency:

- ◆ a detailed audit of how SFL’s buildings are used;
- ◆ direct communication with tenants to encourage them to discuss their own energy use and possible pathways of reduction;
- ◆ direct communication with end-users via information boards reminding them of the proper way to use the premises.

Workshops and events focused on environmental and societal issues

- ◆ Urban agriculture workshops and events in the Biome rooftop vegetable garden.
- ◆ Numerous events at Washington Plaza:
 - events to mark the European Disabled Employment Week, in collaboration with several tenants and in partnership with Gamino, Café Joyeux, MMSport and a number of celebrities;
 - a circular economy collage event in the Washington Plaza building, attended by around thirty occupants;
 - events marking International Women’s Rights Day, in collaboration with our tenant TP ICAP.
- ◆ A conference at the Édouard VII building, with Olympic and Paralympic medallists coming to talk about their careers, competitions and post-victory plans.

A clear focus on healthy buildings

Taken as a whole, our assets in use can be used by some 30,000 people, i.e., the equivalent of a medium-sized French town. With this in mind, SFL has adopted strict environmental, health and safety risk management policies to drive continuous improvement in the quality of the buildings in its portfolio by mitigating the risks to the health and safety of their occupants.

The health, safety and environmental risk management policy is based on the following steps:

- ◆ identifying the risks and issues to address;
- ◆ recording inventory for all the utility installations;
- ◆ defining measurable targets;
- ◆ preparing a methodology to track and meet these targets;
- ◆ recording the results.

All the assets are carefully monitored for health and environmental risks. Health and safety risk management guidelines have been put in place to enable detailed monitoring and continuous improvement of results. As part of this process, periodically

- and at least once a year - a technical review is conducted of the actions undertaken or planned in each asset, with the results reported to Senior Management.

SFL has launched several action plans to make its buildings healthier and reduce the risks of pollution, in particular by:

- ◆ eliminating asbestos-containing materials and products as soon as possible;
- ◆ testing for lead exposure before redevelopment works begin;
- ◆ seeking to replace open cooling towers in order to prevent the risk of legionnaires’ disease;
- ◆ analysing hot water samples every six months for legionnaires’ disease.

A single audit bureau for regulatory inspections and reviews

As part of its culture of excellence in managing risks, SFL has chosen to form an effective partnership with a single audit bureau, which performs the full range of audits and reviews for all SFL-managed assets. Since the framework agreement for these audits and reviews was set up, there has been a significant reduction in the number of observations.

Over the past several years, SFL has also launched tracking and management systems for every SFL-managed property in order to ensure compliance with regulatory obligations and develop accurate metrics.

A dedicated online risk management platform

An online risk management platform, called MEX, has been set up to centralise all of the audit bureau’s observations by issue and by degree of criticality, along with any remedial actions taken. This platform enables permanent risk-management monitoring, with all of SFL’s directly managed assets tracked on the platform.

No provisions for environmental or climate change risks were recorded during the year.

3.3.5. Targets related to consumers and end-users (S4-5)

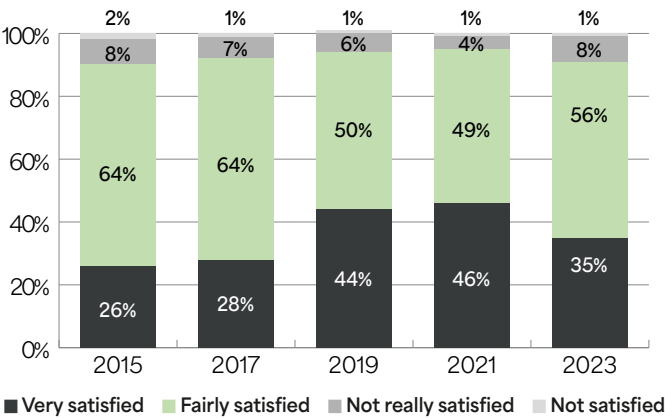
SFL has set itself three operational targets to structure its approach to its tenants and users of its offices:

- ◆ 100% of business centres served by prime amenities;
- ◆ 100% of projects and office assets in use certified;
- ◆ >85% of tenants satisfied.

These three target had been met at end-2024⁽¹⁾.

In the most recent tenant satisfaction survey, carried out in late 2023, over 91% of the respondents said they were satisfied with their premises.

Tenant satisfaction



4. Governance information

4.1. Business conduct (ESRS G1)

As the leading world-class property company invested exclusively in the Paris prime segment, SFL stands out from the rest of the real estate sector. We see SFL as a showcase for our tenants and their values, and so we feel that we have an over-riding responsibility to manage our business ethically. SFL is striving to instil a genuine culture of integrity and compliance throughout the organisation by getting all its teams and partners involved in its practices.

This ethical culture is rooted in clearly defined principles, embraced by employees and partners across the value chain, and mechanisms to confidentially report any possible violations or infringements.

The culture also fosters collaboration and the use of mutually beneficial practices with industry partners in managing buildings or redevelopment projects.

4.1.1. Corporate culture and business conduct policies (G1-1)

An Ethics Code of Conduct and an Anti Bribery and Corruption Charter setting out the principles governing business conduct

The Ethics Code of Conduct, which was completely revamped in 2023, describes the values and principles that govern the conduct of the Company’s business and the commitments that it expects its managers, employees and partners to uphold. It also aims to help users identify high-risk situations and respond to such situations individually and collectively.

In particular, it specifies the behaviours to be demonstrated or banned in SFL’s day-to-day activities, as well as our core values of innovation, performance, respect and social responsibility.

(1) See section 3.3.4 for further information on the target related to business centres served by prime amenities and section 2.5.1 for further information on the target for certified projects and office assets in use.

An Anti-Bribery and Corruption Charter was also adopted in early 2024, aimed at preventing any behaviour that could breach the law or the Company’s principles.

The Ethics Code of Conduct, the Anti-Bribery and Corruption Charter and SFL’s internal procedures apply to all of its employees as well as to the members of the Board of Directors.

They are given to each employee on arrival and are available to all employees on the intranet and to external stakeholders via the Group’s website⁽¹⁾.

Upholding national reference frameworks

SFL applies the recommendations of the AFEP-MEDEF Corporate Governance Code and respects its “comply or explain” requirements.

References to the AFEP-MEDEF Code, as well as to the recommendations of the Code that have been implemented by SFL and any cases where it has not applied the Code, are provided in the Board of Directors’ Corporate Governance Report in the Universal Registration Document.

A whistleblowing mechanism open to all

SFL also introduced a whistleblowing mechanism that employees, non-employee workers, suppliers, sub-contractors and other company co-contractors can use to notify SFL’s two ethics officers of any illegal or inappropriate situation or any possible violation of the Ethics Code of Conduct. Action will then be taken to resolve the infringement and, if necessary, sanction the offender. Breaches of ethical principles and non-compliance with the Code must be reported in the same way as any violation of applicable laws and regulations.

The role and identity of the ethics officers are detailed in the Whistleblowing Procedure, which is available on the SFL website.

This procedure also describes how a report can be submitted, how it will be handled and the protection provided to whistleblowers against reprisals. This protection is in line with the requirements of Article 10-1 of France’s “Sapin II” anti-corruption law. In particular, it provides that whistleblowers are exempt from civil and criminal liability, subject to certain conditions being met.

The procedure also describes how whistleblowers are guaranteed confidentiality, as are the persons named in whistleblowing reports.

Dedicated training for all employees

The roll-out of the Ethics Code of Conduct and the whistleblowing mechanism provided an opportunity to resensitise employees to the issues of compliance and proper conduct.

Two dedicated training sessions, led by a lawyer specialising in compliance issues, were organised in October 2023. In view of the small size of SFL’s workforce and the sector it operates in, it was agreed that these training sessions would apply to all employees and it did not seem necessary to single out the functions considered to be most at risk.

These issues are also discussed by the Human Resources Department when new people join the Company.

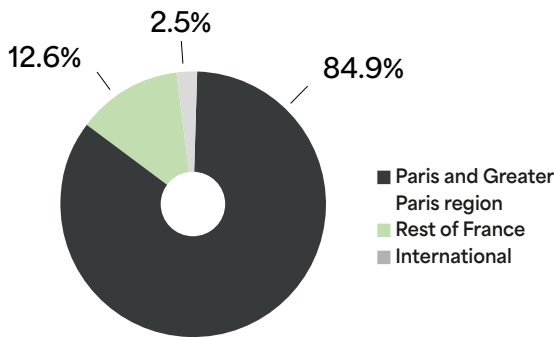
4.1.2. Management of relationships with suppliers (G1-2)

The Group pays particular attention to applying sustainable and responsible procurement processes and to maintaining sustainable and responsible relations with service and goods suppliers.

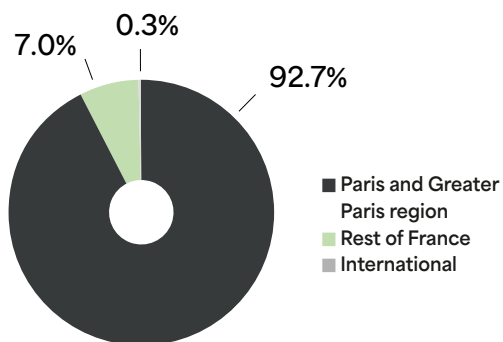
In 2024, SFL purchased goods and services from more than 660 different vendors for its corporate activities, building operations and redevelopment projects, for a total of nearly €125 million.

Special attention is also paid to a supplier’s country of origin. In 2024, for example, 85% of first-tier suppliers accounting for 93% of the procurement spend were based in Paris or the Greater Paris region, within around 100 kilometres of the city centre.

Suppliers by location, in %



Procurement spend by location, in %



These two factors – limiting the sub-contracting pyramid and sourcing locally – should help to ensure that the delivered service quality meets SFL standards.

Selection and tracking performance across the value chain

SFL ensures that ESG issues are integrated into the processes for selecting and monitoring contractors and suppliers.

In addition, an in-depth review of the Responsible Procurement Charter is currently under way.

Standard service procurement contracts include a variety of environmental and labour clauses.

SFL also believes it is important to monitor the companies that work on its projects and assets. To avoid inappropriate use of sub-contractors, the sub-contracting pyramid is limited to a maximum of two tiers.

SFL also endeavours to monitor whether ESG issues have been effectively integrated into its value chain. To that end, a questionnaire was sent out to its largest suppliers, representing 80% of expenditure in 2023. The information gathered through this questionnaire should enable SFL to more accurately identify and measure the actions of its suppliers and contractors, and to target their ESG maturity and areas for improvement.

Comprising some sixty points, the questionnaire will also be used on a more targeted basis going forward to make it easier to decide between different companies during invitations to tender and selection processes.

Fighting clandestine and undeclared labour

Other than in exceptional cases, every supplier, irrespective of the type of goods or services provided, is subject to a number of obligations under applicable labour legislation, particularly as regards clandestine labour and the employment of foreign workers. Failure of any supplier to comply with these legal or regulatory obligations could expose SFL to the risk of legal and/or financial sanctions, a situation that has led to a review of the Group’s practices in this area.

Measures are also in place to ensure that employees as well as suppliers uphold the Fundamental Conventions of the International Labour Organization (ILO) in the areas of:

- ◆ freedom of association and collective bargaining;
- ◆ eliminating discrimination in respect of employment and occupation;
- ◆ eliminating forced and compulsory labour;
- ◆ effectively abolishing child labour;
- ◆ fighting clandestine and undeclared labour.

French legislation prohibits clandestine labour and the employment of undocumented foreign workers. To avoid any risk of non-compliance and meet our obligations concerning supplier employee documentation, SFL has outsourced compliance reporting to a collaborative, web-based platform on which suppliers file the necessary documentation.

The dedicated platform lets suppliers submit, simply and free of charge, all their employee and tax-related documentation as well as any required certificates and statements concerning their technical capabilities and financial condition. It manages all the administrative documents, verifies that they are complete, and if necessary sends reminders to the suppliers concerned. This platform⁽¹⁾ enables SFL to check compliance at any time, both of existing suppliers and potential new suppliers if they are included in the database. Control systems are also in place to ensure that the submitted documents are updated every six months.

Taking social and environmental commitments into account in relations with suppliers for assets in use

SFL also aims to include contractors and suppliers in processes and initiatives to drive continuous improvement in both the management of buildings in use and in redevelopment projects. It includes measuring the total cost of purchases and managing environmental and societal impacts across the value chain.

As key partners in fulfilling the environmental commitments in SFL assets, multi-technical maintenance contractors and building managers have fully embraced the Group’s CSR policies and ensure that their sub-contractors participate in this process. In practice, maintenance providers submit technical recommendations that encourage responsible behaviour, notably in the following areas:

- ◆ optimising energy and water use;
- ◆ using eco-friendly cleaning products;
- ◆ reducing packaging and waste;
- ◆ enhancing the occupant experience;
- ◆ increasing the scores for BREEAM In-Use or HQE certifications.

In particular, these recommendations can be incorporated into energy performance contracts (EPCs), such as the multi-technical service contract set up in late 2024 for five of the Group’s assets and which includes energy efficiency improvement targets in terms of MWh and euros.

These EPCs are real levers for getting maintenance contractors on board and encouraging them to be proactive in reducing consumption. As the first five sites to use them have reported encouraging results, we plan to set them up for other sites.

(1) <https://www.fonciere-lyonnaise.com/wp-content/uploads/2023/11/charte-ethique-sfl-en.pdf> and <https://www.fonciere-lyonnaise.com/wp-content/uploads/2024/10/charte-anti-corruption-va.pdf>

(1) [e-attestations.com](https://www.fonciere-lyonnaise.com/wp-content/uploads/2024/10/charte-anti-corruption-va.pdf)

Social commitments with suppliers on renovation and redevelopment projects

For new projects, clauses to encourage local hiring are included in the contracts signed with site contractors. For example, in 2024 the Scope project comprised 1,300 hours of work carried out by people on professional inclusion programmes.

On every project, enhanced communication channels are deployed to ensure that the works are carried out smoothly and safely for everyone. Health and safety procedures include:

- ◆ environmental training and information;
- ◆ the use of badges to identify employees;
- ◆ risk prevention measures;
- ◆ on-site presence of first-aiders and first-aid equipment;
- ◆ an incident archiving system.

Contractors are also issued dedicated handbooks containing:

- ◆ information on staggered breaks;
- ◆ restrictions concerning the use of radios;
- ◆ practical information about site organisation (sanitary facilities, access, opening hours, etc.);
- ◆ instructions for personal protection equipment in compliance with the applicable regulations.

4.1.3. Prevention and detection of corruption and bribery (G1-3)

SFL has adopted an Anti-Bribery and Corruption Charter and has set up internal mechanisms, such as a whistleblowing system, to enable employees and external stakeholders to anonymously report any potential cases.

These systems and processes, together with the related training, are described above in section 4.1.1.

4.1.4. Incidents of corruption or bribery (G1-4)

No cases of bribery came to light in 2024 and the Group was not subject to any corruption-related disciplinary measures. There were no whistleblower reports during the year and, more generally, SFL did not have to respond to any incidents involving ethical issues in 2024.

4.1.5. Political influence and lobbying activities (G1-5)

SFL does not contribute to political financing and did not make any such contributions, in cash or in kind, in 2024.

Neither the Group nor any representative of the Group is registered in the EU Transparency Register or in an equivalent transparency register in France.

4.1.6. Payment practices (G1-6)

SFL's supplier payment practices are described on page 9 of the 2024 Universal Registration Document.

5. Appendices

5.1. Initiatives supported by SFL

GRESB

The Global Real Estate Sustainability Benchmark (GRESB) is the leading source of assessment benchmarks for the environmental, social and governance performance of real estate companies.

SFL has participated in GRESB assessments since the organisation was founded 11 years ago and has been awarded the Green Star designation every year.

EPRA

The European Public Real Estate Association (EPRA) is the voice of nearly 200 publicly traded real estate companies in Europe. It seeks to harmonise the financial and non-financial communications of its members, in line with its Best Practice Recommendations and Sustainability Best Practice Recommendations⁽¹⁾.

In 2023, SFL once again received two EPRA Gold Awards for optimal compliance with disclosure best practices.

Science Based Targets initiative

The Science Based Targets initiative (SBTi) seeks to encourage companies to help limit the increase in global warming by setting greenhouse gas emissions reduction objectives based on the latest scientific findings.

Launched in June 2015, the initiative is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

SFL has been pursuing an SBTi-certified 1.5°C greenhouse gas emissions reduction objective since August 2021.

OID

The *Observatoire de l'Immobilier Durable* (OID) is an independent forum where stakeholders in the French commercial real estate industry can discuss sustainable development and innovation issues. Created in 2012, it is committed to supporting the environmental and social performance of French property companies and to sharing all the practices that help move it forward.

It comprises around 60 members and partners, including leaders across the French commercial real estate value chain.

SFL is a member of the Strategic Committee for the development of OID climate change adaptation tools.

In connection with its membership of this Committee, in 2024 SFL participated in developing the Label'ID training programme, with the aim of accelerating the integration of ESG issues into all real estate professions.

C3D

The Sustainability and CSR Officers play a key role in the transformation of the Group's organisations and ultimately the Company as a whole.

To accelerate, facilitate and promote this transformation in the public sphere, the C3D association brings together 200 of France's leading sustainability and CSR officers of private and public-sector companies and non-profit organisations into a single network.

BBCA Association

Created in 2015, the Association for the Development of Low-Carbon Buildings (BBCA) brings together the leading players in the construction process, including property developers, investors, local authorities, urban planners, renowned architects, design offices and builders.

It is dedicated to deepening the Group's knowledge of low-carbon buildings, promoting best practices with the BBCA label and encouraging low-carbon construction.

“Booster du réemploi” alliance

A4MT designs and implements a variety of engagement programmes for its clients, in particular to encourage the reuse of materials from construction worksites. SFL has joined the “Booster” community, affirming its commitment to recovering and reusing materials.

AMO

SFL is a member of AMO, an association that promotes effective, inspired cooperation between project owners and prime contractors, as well as between all the other stakeholders in the construction process.

Fondation Palladio: building the City of Tomorrow

Fondation Palladio was set up in 2008 under the aegis of the Fondation de France to address a major challenge of the 21st century, that of developing urban areas and building communities. For the tenth year in a row, SFL was a sponsoring partner of Fondation Palladio in 2024.

By comparing the perspectives of business and political decision-makers, managers and experts, students and professionals, academics and people working in the field, each of the Foundation's initiatives helps to nurture a process of challenging preconceived ideas, embracing new ones and learning from one another. SFL supports the Foundation's commitment to creating the conditions that will further improve every property and urban development stakeholder's ability to respond to the major economic, environmental, human and societal challenges facing our world today and far into the future.

Pavillon de l'Arsenal, the Paris architecture and urban planning centre

SFL regularly supports Pavillon de l'Arsenal, the architecture and urban planning information, documentation and exhibition centre for the Paris metropolitan area.

Pavillon de l'Arsenal is a non-profit organisation set up to promote information and knowledge among specialists and the general public about the capital and the surrounding area's architectural heritage and urban landscape and to help promote the city's architectural landmarks.

Its objectives are seamlessly aligned with SFL's history, which has been deeply rooted in the development of the Parisian urban landscape since the end of the 19th century. SFL also organises occasional employee-only tours of the Pavillon de l'Arsenal.

City of Paris - *Nuit Blanche*

SFL supports the City of Paris' *Nuit Blanche* all-night performance festival, organised for the 22nd time in 2024, which offers the public free access to an array of artistic events in the capital, for one night only.

In this way, SFL contributes to promoting Paris' cultural outreach, sometimes by organising events at its own properties, while supporting the creative arts and making them accessible to everyone.

ADAPT: helping people with disabilities to take up their rightful place in society and find work

The Group has been supporting ADAPT for many years as part of its policy of promoting employment opportunities for people with disabilities.

For example, it has contributed to the European Disability Employment Week organised by ADAPT since 1997, which took place from 18 to 24 November 2024. This annual event aims to raise awareness among recruiters and facilitate access to jobs for people with disabilities.

The FEI (French federation of real estate companies)

The FEI brings together real estate players who build or renovate, let and market a wide range of properties, including offices, retail premises, hotels, logistics warehouses, housing and managed residences in France and abroad.

The ORIE (Greater Paris region commercial property observatory)

SFL supports the ORIE, which has set itself the goal of improving shared knowledge of the market and serving as a key forum for dialogue between public authorities and commercial property professionals.

The IEIF (French institute for land and real estate investment)

SFL is a member of the IEIF, which is a leading research organisation for the real estate economy and a think tank for finance and real estate professionals.

(1) <https://www.epra.com/sustainability/sustainability-reporting/sbpr-awards>

5.2. EPRA Sustainability Performance Measures

5.2.1. EPRA environmental Sustainability Performance Measures

EPRA Sustainability Performance Measures (Environment)					Buildings in use				
Issue	EPRA code	Units of measure	Category	Performance measure	Absolute (Abs)		Like-for-like (LfL)		
					2023	2024	2023	2024	% change
Energy	Elec-Abs, Elec-LfL	MWh	Electricity	Landlord-obtained electricity consumption	15,871	13,635	13,842	13,635	-1%
				Tenant-obtained electricity consumption	31,157	29,141	27,888	29,141	4%
				Total electricity consumption	47,028	42,776	41,730	42,776	3%
				Proportion of landlord-obtained electricity consumption from renewable sources	65%	39%			
				Amount of landlord-obtained electricity consumption from renewable sources	10,391	5,357			
		%	Proportion of electricity consumption in common areas by energy source	Renewable	65%	39%			
				Nuclear	27%	55%			
				Fossil sources	8%	6%			
		MWh	Amount of electricity consumption in common areas by energy source	Renewable	10,391	5,357			
				Nuclear	4,229	7,512			
				Fossil sources	1,251	766			
	DH&C-Abs, DH&C-LfL	MWh	District heating and cooling systems	Landlord-obtained district heating & cooling consumption	16,589	12,840	13,789	12,840	-7%
				Tenant-obtained district heating & cooling consumption	1,257	1,018	1,257	1,018	-19%
				Total district heating & cooling consumption	17,846	13,858	15,046	13,858	-8%
				Proportion of landlord-obtained district heating & cooling consumption generated from renewable sources	54%	51%			
				Amount of landlord-obtained district heating & cooling consumption generated from renewable sources	8,975	6,510			
		%	Proportion of district heating & cooling consumption by energy source	Renewable	79%	78%			
				Nuclear	0%	0%			
				Fossil sources	21%	22%			
		MWh	Amount of district heating & cooling consumption by energy source	Renewable	13,147	9,963			
				Nuclear	0	0			
				Fossil sources	3,442	2,877			
	Fuels-Abs, Fuels-LfL	MWh	Fuel	Landlord-obtained fuel consumption	645	446	645	446	-31%
				Tenant-obtained fuel consumption	1,129	1,341	1,129	1,341	19%
				Total fuel consumption	1,774	1,788	1,774	1,788	1%
				Proportion of landlord-obtained fuel consumption from renewable sources	0%	0%			
		%	Proportion of fuel consumption by energy source	Natural gas	100%	100%			
				Coal	0%	0%			
				Oil	0%	0%			
		MWh	Amount of fuel consumption by energy source	Natural gas	645	446			
				Coal	0	0			
				Oil	0	0			
	Number of assets			Coverage for energy Performance Measures	16 out of 16	14 out of 14	14 out of 14		
	Proportion of floor area (% of sq.m.)				100%	100%	100%		
	%			Proportion of energy consumption estimated	2%	7%			
	Energy-Int	kWh/sq.m/year	Building energy intensity	Energy consumption of common and tenant areas	183	189			
		kWh/revenue (€)/year			0.284	0.235			

EPRA Sustainability Performance Measures (Environment)					Buildings in use				
Issue	EPRA code	Units of measure	Category	Performance measure	Absolute (Abs)		Like-for-like (LfL)		
					2023	2024	2023	2024	% change
Green house gas emissions	GHG-Dir-Abs	tCO ₂ e	Direct emissions (Scope 1)	Total Scope 1	121	205			
	Natural gas			117	81				
	Refrigerant leaks			4	124				
	GHG-Indir-Abs		Indirect emissions (Scope 2)	Total market-based Scope 2	1,966	1,319			
				Total location-based Scope 2	1,777	1,502			
				Scope 2 - Electricity (market based)	725	354			
				Scope 2 - Electricity (location-based)	536	537			
				Scope 2 - District heating and cooling systems	1,241	965			
				GHG-Indir-Abs	Indirect emissions (Scope 3)	Total market-based Scope 3 (GHG Protocol cat. 13 only)			
	Total location-based Scope 3 (GHG Protocol cat. 13 only)		1,455			1,551			
	Total			Scope 1 + Scope 2 (market-based)	2,087	1,524			
				Scope 1 + Scope 2 (location-based)	1,898	1,707			
				Scope 1 + Scope 2 + Scope 3 (market-based)	5,376	2,617			
				Scope 1 + Scope 2 + Scope 3 (location-based)	3,353	3,258			
	GHG-Int	kgCO ₂ e/sq.m./year	Carbon intensity	Scopes 1 & 2 emissions (market-based)	5.7	4.9			
		kgCO ₂ e/revenue (€)/year			0.0089	0.0061			
		kgCO ₂ e/sq.m./year		Scopes 1 & 2 emissions (location-based)	5.2	5.5			
		kgCO ₂ e/revenue (€)/year			0.0081	0.0069			
	Number of assets			Coverage for GHG emissions Performance Measures	16 out of 16	14 out of 14	14 out of 14		
	Proportion of floor area (% of sq.m.)				100%	100%	100%		
Water	Water-Abs Water-LfL	cu.m./year	Water consumption	Landlord-obtained water consumption	116,999	100,351	102,480	100,351	-2%
				Tenant-obtained water consumption	26,432	28,941	26,432	28,941	9%
				Total water consumption	145,409	129,292	128,912	129,292	0%
			Total water consumption by source	Surface water	0	0			
				Ground water	0	0			
				Collected rain water	1,978	1,036			
				Recycled greywater	0	0			
				Municipal water supplies or other public or private utilities	143,431	128,256			
				Water-Int	cu.m./sq.m./year cu.m./revenue (€)/year	Building water intensity			
	0.00062	0.00052							
	Number of assets			Coverage for water Performance Measures	16 out of 16	14 out of 14	14 out of 14		
	Proportion of floor area (% of sq.m.)				100%	100%	100%		
	%			Proportion of water consumption estimated	0%	0%	0%		

EPRA Sustainability Performance Measures (Environment)					Buildings in use								
Issue	EPRA code	Units of measure	Category	Performance measure	Absolute (Abs)		Like-for-like (LfL)						
					2023	2024	2023	2024	% change				
Waste	Waste-Abs, Waste-LfL	Tonnes	Total weight of waste generated by operations	Hazardous waste	1.1	0.7	1.1	0.7	-39%				
				Non-hazardous waste	1094.8	914.4	1012.3	914.4	-10%				
			Total weight of waste by disposal and diversion route (hazardous waste)	Reuse	0.0	0.0	0.0	0.0	-				
				Recycling	1.0	0.6	1.0	0.6	-39%				
				Composting	0.0	0.0	0.0	0.0	-				
				Recovery	0.0	0.0	0.0	0.0	-				
				Incineration with energy recovery	0.1	0.1	0.1	0.1	-42%				
				Incineration without energy recovery	0.0	0.0	0.0	0.0	-				
				Landfill with energy recovery	0.0	0.0	0.0	0.0	-				
				Landfill without energy recovery	0.0	0.0	0.0	0.0	-				
				Other	0.0	0.0	0.0	0.0	-				
			Total weight of waste by disposal and diversion route (non-hazardous waste)	Reuse	0.0	0.0	0.0	0.0	-				
				Recycling	271.0	364.2	271.0	364.2	34%				
				Composting	0.0	0.0	0.0	0.0	-				
				Recovery	0.0	0.0	0.0	0.0	-				
				Incineration with energy recovery	373.5	511.2	343.1	511.2	49%				
				Incineration without energy recovery	0.0	0.0	0.0	0.0	-				
				Landfill with energy recovery	0.0	0.0	0.0	0.0	-				
				Landfill without energy recovery	244.8	7.4	244.8	7.4	-97%				
				Other	205.5	31.6	205.5	31.6	-85%				
			Total weight of waste by type	Paper	6.7	16.2							
				Metals	0.5	1.0							
				Glass	19.4	20.3							
				Plastics	3.5	4.7							
				Non-hazardous industrial waste	761.7	589.3							
				Organic waste	80.3	74.1							
				Other	223.7	209.6							
		%		Proportion of waste by category	Hazardous waste	0.10%				0.07%	0.11%	0.07%	
					Non-hazardous waste	99.90%				99.93%	99.89%	99.93%	
			Proportion of waste by disposal and diversion route (hazardous waste)	Reuse	0%	0%	0%	0%					
				Recycling	88%	89%	88%	89%					
				Composting	0%	0%	0%	0%					
				Recovery	0%	0%	0%	0%					
				Incineration with energy recovery	12%	11%	12%	11%					
				Incineration without energy recovery	0%	0%	0%	0%					
				Landfill with energy recovery	0%	0%	0%	0%					
				Landfill without energy recovery	0%	0%	0%	0%					
				Other	0%	0%	0%	0%					
			Proportion of waste by disposal and diversion route (non-hazardous waste)	Reuse	0%	0%	0%	0%					
				Recycling	25%	40%	27%	40%					
				Composting	0%	0%	0%	0%					
				Recovery	0%	0%	0%	0%					
				Incineration with energy recovery	34%	56%	34%	56%					
				Incineration without energy recovery	0%	0%	0%	0%					
				Landfill with energy recovery	0%	0%	0%	0%					
				Landfill without energy recovery	22%	1%	24%	1%					
				Other	19%	3%	20%	3%					
Proportion of waste by type	Paper		0.6%	1.8%									
	Metals		0.0%	0.1%									
	Glass		1.8%	2.2%									
	Plastics		0.3%	0.5%									
	Non-hazardous industrial waste		69.5%	64.4%									
	Organic waste		7.3%	8.1%									
	Other		20.4%	22.9%									
	Number of assets							Coverage for waste Performance Measures	12 out of 15	11 out of 14	11 out of 14		
Proportion of floor area (% of sq.m.)					81%	83%	83%						
%				Proportion of waste estimated		0%	0%						
Sustainably certified assets	Cert-Tot	%	Proportion of assets in use with BREEAM In-Use certification by floor area (% of sq.m.)	Total	87%	87%							
				Outstanding	0%	0%							
				Excellent	14%	11%							
				Very Good	69%	76%							
				Good/Pass	4%	0%							
			Proportion of assets in use with HQE certification by floor area (% of sq.m.)	Total	13%	13%							
				Outstanding	0%	0%							
				Excellent	13%	13%							
				Very Good	0%	0%							
				Good/Pass	0%	0%							

Methodological note (in addition to the methodological information presented in section 1.1 of the Sustainability Report)

- ◆ Scope of reporting: the data entered in the above table is based on the principle of operational control. Energy use data only concerns energy use in common areas and by shared heating and air-conditioning systems managed by SFL. Greenhouse gas emissions are calculated based on this consumption and water use data includes data reported to SFL concerning its directly managed water facilities.
- ◆ Segmental analysis: SFL’s buildings in use consist of office buildings located exclusively in Paris and the Paris region. The segmental analysis proposed by EPRA is therefore not relevant to SFL.
- ◆ Normalisation: the square metres used to calculate intensities by surface area correspond to the buildings’ gross leasing area because, for the properties included in the reporting scope, SFL provides heating and air-conditioning for the entire building.
- ◆ Estimates: the percentage of data estimated is specified in the table for the energy, water and waste Performance Measures.
- ◆ Coverage: for each EPRA Performance Measure, the coverage is stated in terms of number of assets and as a percentage of the gross leasing area.
- ◆ Verification: the reported data verified by an independent third party with a moderate level of assurance is specified in section 5.3 of the Sustainability Report.
- ◆ Head office: the information about offices occupied by SFL is reported in a separate table, as recommended by EPRA, and presented below.
- ◆ Narrative on performance: period-on-period changes are reported for each metric in sections 2.5. and 5.2 of the Sustainability Report.

EPRA environmental Sustainability Performance Measures – Head office occupied by SFL

EPRA Sustainability Performance Measures (Environment)					SFL head office		
Issue	EPRA code	Units of measure	Performance measure		Absolute and like-for-like (Abs & LfL)		
					2023	2024	Change in %
Energy	Elec-Abs & Elec-LfL	MWh	Electricity consumption	Total electricity consumption	114.8	125.1	9%
		%	Proportion of electricity consumption in common areas by energy source	Renewable	65%	39%	-40%
				Nuclear	27%	55%	107%
				Fossil sources	8%	6%	-29%
		MWh	Amount of electricity consumption in common areas by energy source	Renewable	75.2	49.1	-35%
				Nuclear	30.6	68.9	125%
			Fossil sources	9.0	7.0	-22%	
	DH&C-Abs, DH&C-LfL	MWh	District heating and cooling systems	District heating & cooling consumption	0.0	0.0	-
	Fuels-Abs, Fuels-LfL	MWh	Fuel	Fuel consumption	0.0	0.0	-
	Number of assets			Coverage for energy Performance Measures	1 out of 1	1 out of 1	-
Proportion of floor area (% of sq.m.)				100%	100%	0%	
%			Proportion of energy consumption estimated	0%	0%	-	
Energy-Int	kWh/sq.m./year	Building energy intensity	Energy consumption in common and tenant areas	53.6	58.4	9%	
Greenhouse gas emissions	GHG-Dir-Abs	tCO ₂ e	Direct emissions (Scope 1)	Total Scope 1	0	0	-
				Natural gas	0	0	-
				Refrigerant leaks	0	0	-
	GHG-Indir-Abs		Indirect emissions (Scope 2)	Total market-based Scope 2	5.2	3.2	-38%
				Total location-based Scope 2	3.9	4.9	27%
				Scope 2 - Electricity (market based)	5.2	3.2	-38%
				Scope 2 - Electricity (location-based)	3.9	4.9	27%
				Scope 2 - District heating & cooling systems	0	0	-
	GHG-Indir-Abs		Indirect emissions (Scope 3)	Total market-based Scope 3 (GHG Protocol cat. 13 only)	N/A	N/A	-
		Total location-based Scope 3 (GHG Protocol cat. 13 only)		N/A	N/A	-	
	Total	Scope 1 + Scope 2 (market-based)		5.2	3.2	-38%	
		Scope 1 + Scope 2 (location-based)		3.9	4.9	27%	
	GHG-Int	kgCO ₂ e/sq.m./year	Carbon intensity	Scopes 1 & 2 emissions (market-based)	2.5	1.5	-38%
		kgCO ₂ /sq.m./year		Scopes 1 & 2 emissions (location-based)	1.8	2.3	27%
Number of assets			Coverage for GHG emissions Performance Measures	1 out of 1	1 out of 1	-	
Proportion of floor area (% of sq.m.)				100%	100%	0%	
Water	Water-Abs Water-LfL	cu.m./year	Water consumption	Total water consumption	522	723	39%
			Total water consumption by source	Surface water	0	0	-
		Ground water		0	0	-	
		Collected rainwater		0	0	-	
		Recycled greywater		0	0	-	
		Municipal water supplies or other public or private utilities		522	723	39%	
	Water-Int	cu.m./sq.m./year	Building water intensity	Water consumption in common and tenant areas	0.24	0.34	39%
	Number of assets			Coverage for water Performance Measures	1 out of 1	1 out of 1	-
	Proportion of floor area (% of sq.m.)				100%	100%	0%
	%			Proportion of water consumption estimated	0%	0%	-

EPRA Sustainability Performance Measures (Environment)					SFL head office			
Issue	EPRA code	Units of measure	Performance measure		Absolute and like-for-like (Abs & LfL)			
					2023	2024	Change in %	
Waste	Waste-Abs, Waste-LfL	Tonnes	Total weight of waste generated from operations	Hazardous waste	0	0	-	
				Non-hazardous waste	4.46	4.27	-4%	
			Total weight of waste by treatment method (non-hazardous waste)	Reuse	0	0	-	
				Recycling	2.12	3.71	75%	
				Composting	0	0	-	
				Recovery	0	0	-	
				Incineration with energy recovery	0	0	-	
				Incineration without energy recovery	0	0	-	
				Landfill with energy recovery	2.34	0.56	-76%	
				Landfill without energy recovery	0	0	-	
		Other		0	0	-		
		Total weight of waste by type		Paper & cardboard	1.06	0.95	-10%	
			Metals	0.01	0.01	0%		
			Glass	0.13	0.13	0%		
			Plastics	0.04	0.05	25%		
			Non-hazardous industrial waste	3.22	3.13	-3%		
			Organic waste	0	0	-		
			Other	0	0	-		
			%	Proportion of waste by category	Hazardous waste	0%	0%	
					Non-hazardous waste	100%	100%	
				Proportion of waste by disposal and diversion route (non-hazardous waste)	Reuse	0%	0%	
		Recycling			48%	87%		
		Composting			0%	0%		
		Recovery			0%	0%		
		Incineration with energy recovery			0%	0%		
		Incineration without energy recovery			0%	0%		
		Landfill with energy recovery			52%	13%		
Landfill without energy recovery	0%	0%						
Proportion of waste by type	Other	0%	0%					
	Paper	24%	22%					
	Metals	0%	0%					
	Glass	3%	3%					
	Plastics	1%	1%					
	Non-hazardous industrial waste	72%	73%					
	Organic waste	0%	0%					
	Other	0%	0%					
Number of assets			Coverage for waste Performance Measure	1 out of 1	1 out of 1	-		
Proportion of floor area (% of sq.m.)				100%	100%	0%		
%			Proportion of waste estimated	0%	0%	-		
Sustainably certified assets	Cert-Tot	%	Percentage of assets in use with BREEAM In-Use certification by floor area (% of sq.m.)	Total	100%	100%	0%	
				Outstanding	0%	0%	-	
				Excellent	0%	0%	-	
				Very Good	100%	100%	0%	
				Good/Pass	0%	0%	-	
			Percentage of assets in use with HQE certification by floor area (% of sq.m.)	Total	0%	0%	-	
				Outstanding	0%	0%	-	
				Excellent	0%	0%	-	
				Very Good	0%	0%	-	
				Good/Pass	0%	0%	-	

Methodological note (in addition to the methodological information presented in section 1.1. of the Sustainability Report)

- ◆ Coverage: SFL’s head office occupies an office floor in the Washington Plaza building. The above Performance Measures cover all occupied floor areas.
- ◆ The absolute and like-for-like scopes of reporting are identical and therefore undifferentiated, since they apply to the same head office.

5.2.2. EPRA Social and Governance Performance Measures

EPRA Sustainability Performance Measures (Social)					Performance			
Issue	EPRA code	Unit of measure	Performance Measure	Category	2023		2024	
					Men	Women	Men	Women
Diversity	Diversity-Emp	%	Breakdown by gender	All employees	39%	61%	41%	59%
			Breakdown by gender by level	Board of Directors	50%	50%	50%	50%
				Management Committee	63%	37%	67%	33%
				Managers (excluding Management Committee members)	45%	55%	46%	54%
				Other employees	17%	83%	14%	86%
				Over 50 years old		12%		12%
	Diversity-Pay	Ratio	Gender pay gap by level	30 to 50 years old		49%		54%
				Under 50 years old		39%		34%
				All employees		32%		22%
				Management Committee		10%		-50%
			Managers (excluding Management Committee members)		17%		10%	
			Other employees		14%		15%	
Attracting and retaining talent	Emp-Training	Number of hours	Average number of training hours	All employees	34	40	35	27
		% of employees	% of employees trained	All employees	93%	93%	88%	84%
			% of payroll allocated to training	All employees		3.40%		3.10%
	Emp-Dev	% of employees	% of employees who had a performance review	All employees		97%		100%
	Emp-Turnover	Number of employees	All employees					
			Total number of hires	All employees		14		15
			Total number of departures			13		8
			Turnover rate			7.10%		8.10%
Health and safety	H&S-Emp	Per 100,000 hours worked	Accident frequency rate	All employees		0		9.9
			Accident severity rate	All employees		0		0.01
		%	Absentee rate	All employees		0.70%		0.80%
		Number	Number of work-related accidents	All employees		0		3
			Fatal accidents	All employees		0		0
	H&S-Asset	%	Percentage of assets covered by health and safety risk management system	All assets		100%		100%
	H&S-Comp	Total number	Number of health and safety-related incidents of non-compliance	All assets		0		0
	Communities	Comty-Eng	% of assets	Community engagement initiatives	All assets	Given that SFL assets are concentrated exclusively in Paris and the inner suburbs, community engagement initiatives are undertaken directly at Group level, as described in section 5.1.		
Governance	Gov-Board	Description	Composition of the Board of Directors	See section 3.1 of the Board of Directors' corporate governance report (page 124)				
	Gov-Selec	Description	Nomination and selection process for the Board of Directors	See section 3.1 of the Board of Directors' corporate governance report (page 124)				
	Gov-COI	Description	Procedure for managing potential conflicts of interest	See section 3.9.3 of the Board of Directors' corporate governance report (pages 131 and 132)				

5.3. Data verification

Report by one of the Statutory Auditors on selected non-financial information disclosed in the Management Report.

Limited assurance report by one of the Statutory Auditors on the verification of selected environmental information

Year ended 31 December 2024

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Executive Management,

In our capacity as Statutory Auditors of Société Foncière Lyonnaise ("the Company") and in response to your request, we conducted a review for the purpose of expressing limited assurance in relation to the environmental information selected by the Company, prepared in accordance with the Company's procedures (the "Guidelines") and presented in the Sustainability Report for the year ended 31 December 2024 (the "Information").

The Information selected by the Company is as follows:

Quantitative information

- ◆ Number of assets in use that have been certified and percentage of the portfolio, by surface area, with a Very Good or higher rating;
- ◆ Waste generated in tonnes (paper, cardboard and non-hazardous industrial waste);
- ◆ Total municipal water use in cu.m. and water use intensity in cu.m/sq.m. at constant scope of reporting – absolute values (common and tenant areas combined);
- ◆ Energy use by type of energy and energy use intensity – absolute values (not climate adjusted);
- ◆ 2024 market-based Scope 1 and 2 greenhouse gas (GHG) emissions – absolute values (not climate adjusted);
- ◆ Planted and landscaped surface (horizontal or vertical) in sq.m. and % of the portfolio's total footprint.

Quantitative information

- ◆ Scope 1 and 2 carbon trajectory certified by the Science Based Targets initiative (SBTi).

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and the audit evidence we obtained, we did not identify any material anomaly likely to call into question the fact that the Information is presented fairly, in accordance with the Reporting Guidelines.

Preparation of the Information

The lack of any generally accepted and commonly used reference frameworks or established practices available to assess and measure the Information means that a variety of different, but equally acceptable, measurement techniques may be used, which may affect comparability between entities and over time.

As a result, the Information should be read and understood with

reference to the Reporting Guidelines, whose material aspects are presented in the Report and available upon request from the Company's head office.

Limitations inherent in the preparation of the Information

The Information may be subject to inherent uncertainty because of incomplete scientific and economic knowledge and due to the quality of the external data used. Some Information is sensitive to the choice of metrics, assumptions or estimates used for its preparation.

Responsibility of the Company

The Company is responsible for:

- ◆ selecting or establishing suitable criteria and procedures for preparing the Guidelines;
- ◆ preparing the Information in accordance with the Guidelines;
- ◆ implementing the internal control procedures it deems necessary for the disclosure of Information free of material misstatement, whether due to fraud or error.

Responsibility of the Statutory Auditor

The findings set out in this report relate solely to the Information.

On the basis of our work, our responsibility is to:

- ◆ express a limited assurance conclusion that the Information has been prepared in accordance with the Guidelines and is free from material misstatement, whether due to fraud or error;
- ◆ form an independent conclusion based on the evidence we have obtained; and
- ◆ share our conclusion with the Company's management.

Moreover, given that our responsibility is also to express an independent conclusion on the information, as prepared by the Company, we are not authorized to participate in any way in its preparation, as this could compromise our independence.

Regulatory provisions and applicable professional standards

Our work described below was performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) and with ISAE 3000 Revised "Assurance Engagements other than Audits and Reviews of Historical Financial Information" of the IAASB (International Auditing and Assurance Standards Board).

Independence and quality control

Our independence is defined by Article L. 822-11 of the French Commercial Code and the French Code of Ethics (*Code de Déontologie*) for Statutory Auditors. In addition, we implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and

regulatory requirements, ethical standards and the professional guidance issued by the French Institute of Statutory Auditors concerning this engagement.

Nature and scope of our work

We planned and performed our work with a view to expressing a limited assurance conclusion in relation to the Information.

The nature, timing and extent of the procedures performed on this information are based on our professional judgement, including the assessment of the risks of material misstatement, whether due to fraud or error.

To this end:

- ◆ assessed the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability;
- ◆ verified the implementation of a data collection, compilation, processing and control process to ensure that the Information was complete and prepared on a consistent basis;

- ◆ conducted interviews with the relevant departments at the Company’s head office to analyse the implementation and application of the Guidelines;
- ◆ implemented analytical procedures to verify the calculations made and the proper consolidation of the data collected and the consistency of any changes in those data;
- ◆ conducted substantive tests, using sampling methods on a set of representative entities⁽¹⁾ that we selected, to verify the proper application of definitions and procedures and reconcile the data with the supporting documents.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The procedures performed in a limited assurance engagement are less extensive than those required in a reasonable assurance engagement performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, 27 February 2025
French original signed by one of the Statutory Auditors
Deloitte & Associés

Sylvain Durafour
Partner, Audit

Catherine Saire
Partner, Sustainable Services



French *société anonyme* with share capital of €85,901,600
Registered office: 42 rue Washington, 75008 Paris, France
Phone: + 33 (0) 1 42 97 27 00
www.fonciere-lyonnaise.com
Paris Trade and Companies Registry: 552 040 982

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Photos: Olivier Frajman.

(1) Selected units: the #cloud.paris and Édouard VII buildings.

2024 Sustainability Report

SFL
42 rue Washington
75008 Paris

www.fonciere-lyonnaise.com