

January 2022

CPIPG GHG Recalculation Policy

CPI Property Group uses 2019 as the base year for the carbon footprint. The group will adjust the base year Greenhouse Gas (GHG) emissions inventory and/or one or more of the GHG emissions reduction targets to account for significant changes, described below, in the event of any changes that drive an increase/decrease in GLA of greater than 5%. The Group may also choose to recalculate its baseline and/or one or more of our GHG emissions reduction targets for changes less than 5%, especially when structural changes occur. The 5% variation is considered as a materiality threshold for GHG emissions by the GHG protocol¹ as well as by the Science Based Target initiative² (SBTi) criteria.

CPI Property Group is committed to ensuring that any future targets remain in line with a well-below 2°C trajectory and will obtain SBTi validation of any new targets set.

For the avoidance of doubt, CPI Property Group will not recalculate the target in response to any organic growth or decline, defined as per the GHG Protocol as “increases or decreases in production output, changes in product mix, and closures and openings of operating units that are owned or controlled by the company.”

Structural changes

Structural changes that significantly impact our base year GHG emissions and may trigger the adjustment of the baseline include acquisitions, divestitures or mergers. When significant structural changes occur in the middle of a year, the current and baseline year will be recalculated for the entire year.

Methodology changes

Methodology changes include updated emission factors, improved data access or updated calculation methods or protocols. This includes any updated emissions scenarios. CPI Property Group currently uses the GHG Protocol, EPRA Guidelines, ISO14064-1: 2018 for the monitoring and reporting of CO₂ emissions.

¹ The Greenhouse Gas Protocol - <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

² SBTi Criteria and Recommendations - <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

Other changes

In addition to structural and methodology changes, the Group could potentially recalculate the emissions and re-set targets for the following:

- Discovery of a significant error, or a number of cumulative errors.
- Significant change in our organisational or operations boundaries may likewise result in the adjustment of the baseline

Timeline/Process

In line with SBTi guidance, CPI Property Group will review targets annually. Baseline and/or GHG emissions reduction target(s) adjustments will occur at the end of each fiscal year if the Group identifies any changes described above that have occurred in the reporting period which may require the Group to recalculate the base year.

We publicly restate the baseline when the Group reports the latest carbon footprint for the previous financial year, and any baseline/GHG emissions reduction target(s) will be directly reported to the SBTi.

The CPIPG GHG Recalculation Policy was approved by CSR Committee on 6th January 2022.

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