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HORIZON 2030: FREY COMMITS TO INVESTING €35M IN THE FRENCH TIMBER INDUSTRY AND AIMS FOR CARBON NEUTRALITY

Since its creation, FREY has established itself as **one of the most innovative players in real estate**. As a pioneer of environmental retail parks in 2008 with its Greencenter® concept, the group has since followed a responsible path with sustainable development as a key marker of its projects, both in development and asset management.

Now FREY is stepping up this commitment. Through an inclusive approach, under the joint impetus of its employees and by involving all its stakeholders (brands, companies, local authorities and the general public), the group is affirming its CSR strategy:

- **by helping to boost the French timber industry through the acquisition and exploitation of sustainably managed forests in France;**
- **by reinforcing the low-carbon nature of its model, from construction to asset management;**
- **by being the first French real estate company to publish its Carbon-weighted Net Profit Group Share⁽¹⁾, to quantify the financial impact of its carbon footprint on its profitability.**

In time, this innovative climate contribution strategy should enable FREY to achieve greenhouse gas neutrality by 2030.

FREY COMMITS TO THE FRENCH TIMBER INDUSTRY

Forestry is a leading suppliers of biosourced materials. **To support its low-carbon strategy and renew its construction model, FREY has therefore decided to acquire and operate sustainably managed forests in France. The principle of a €35 million budget has been approved by the Group's Board of Directors to support its strategic plan "Horizon 2030".**

Frey launched its **own forestry group, FoREY®** and on 4 June became the latest owner and operator of an initial 104-hectare forest located in Côte d'Or, in Messigny and Vantoux. Further acquisitions are planned in the coming months.

In time, FREY hopes to **secure its timber** supply, to feed its pipeline of projects, and **to contribute to boost the French timber industry** by providing it with a certified quality raw material.

⁽¹⁾ Net income attributable to the owners of the company minus FREY Group's carbon charge.

REINFORCEMENT OF THE GROUP'S LOW-CARBON MODEL/ REDUCING the Group's carbon footprint

While timber, via the acquisition and exploitation of forests, constitutes the key pillar of Frey' climate contribution and of this ambitious and proactive zero-carbon approach, , the low-carbon nature of FREY's entire business model lies at the heart of its environmental strategy.

After having determined its carbon footprint⁽¹⁾ for 2019 (275,887 T eq/C02 – carbon footprint established by EcoAct⁽²⁾), the Group has taken decisions that impact all its business lines:

- as a developer: by tackling the construction model through the use of mostly bio-sourced materials, **including construction timber**, challenging solutions and optimizing volumes under construction;
- as a lessor: by optimising its tenants' best practices, particularly with regard to energy consumption (for example, by **setting up green leases** requiring the sole use of LED lighting and the purchase of renewable energy sources);
- as a real estate company: by giving serious thought to the renovation of its assets, a key issue in combating climate change, and by tackling the main source of CO₂ emissions weighing on its carbon footprint: customers' car trips to come to its sites **(in particular by accelerating the equipping of its car parks with quick charge stations to accompany the shift towards hybrid and electric cars).**

FREY: 1st FRENCH REAL ESTATE COMPANY TO PUBLISH A CARBON-WEIGHTED NET PROFIT GROUP SHARE

For the first time, on the occasion of its 2019 annual results, on 9 March 2020, FREY published its carbon-weighted Net Profit Group Share. **Frey is therefore the first French real estate company to quantify the financial impact of its carbon footprint on its profitability** and to publish this audited extra-financial indicator. The Group's 2019 Carbon-weighted Net Profit Group Share is €42.8 million (i.e. a 2019 Net Profit Group Share of €49.7 million minus a carbon charge of €6.9 million⁽³⁾). This carbon charge is set to become **an annual CSR benchmark indicator** for the Group, in order to measure the results obtained.

For FREY, the goal is clear: to reduce this impact to zero € and achieve carbon neutrality by 2030.

This unprecedented and voluntary initiative is a strong signal and a concrete motivation for employees and external stakeholders to support the Frey's low-carbon strategy and make it operational. To steer it, **FREY has appointed a Strategic Committee** composed of Board members - Nathalie Robin (BNP Paribas Cardif), François Lemarchand (founder of Nature & Découvertes) and Antoine Frey - and representatives of the French timber industry - Michel Veillon (Chief Executive Officer of Ossabois) and Ghislain de La Selle (forestry expert).

⁽¹⁾ Scopes 1, 2 and 3.

⁽²⁾ FREY 2019 carbon footprint modelled by EcoAct and audited by Grant Thornton France in its capacity as a CSR auditor.

⁽³⁾ i.e. the carbon charge corresponding to the Group's total annual emissions multiplied by a carbon price of €25 per tonne (at market value).

*"We are pleased to announce today the acquisition of our first forest and we are proud to state the "raison d'être" of our Group, the one that motivates all our employees on a daily basis: **the creation of positive interactions between human beings in a low-carbon city**,"* said Antoine Frey, Chairman and Chief Executive Officer.

About FREY

A planner, developer, investor and manager, FREY is a real estate company specialising in major urban renewal operations as well as the development and operation of open-air shopping centres. Its Shopping Promenade®, an open-air shopping centre, offers a complete range of shopping and leisure activities to create an "enhanced experience" for the whole family. Thanks to its unique expertise, Frey has become a recognised French leader in this resilient asset class, with a deep market (creation, extension, renovation) and in perfect harmony with the expectations of consumers, brands and local authorities. Another structuring pillar of FREY's know-how is the large mixed urban projects, which it develops with the support of its dedicated subsidiary CITIZERS.

Frey is listed on compartment B of Euronext Paris. ISIN: FR0010588079 - Mnemo: FREY.

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