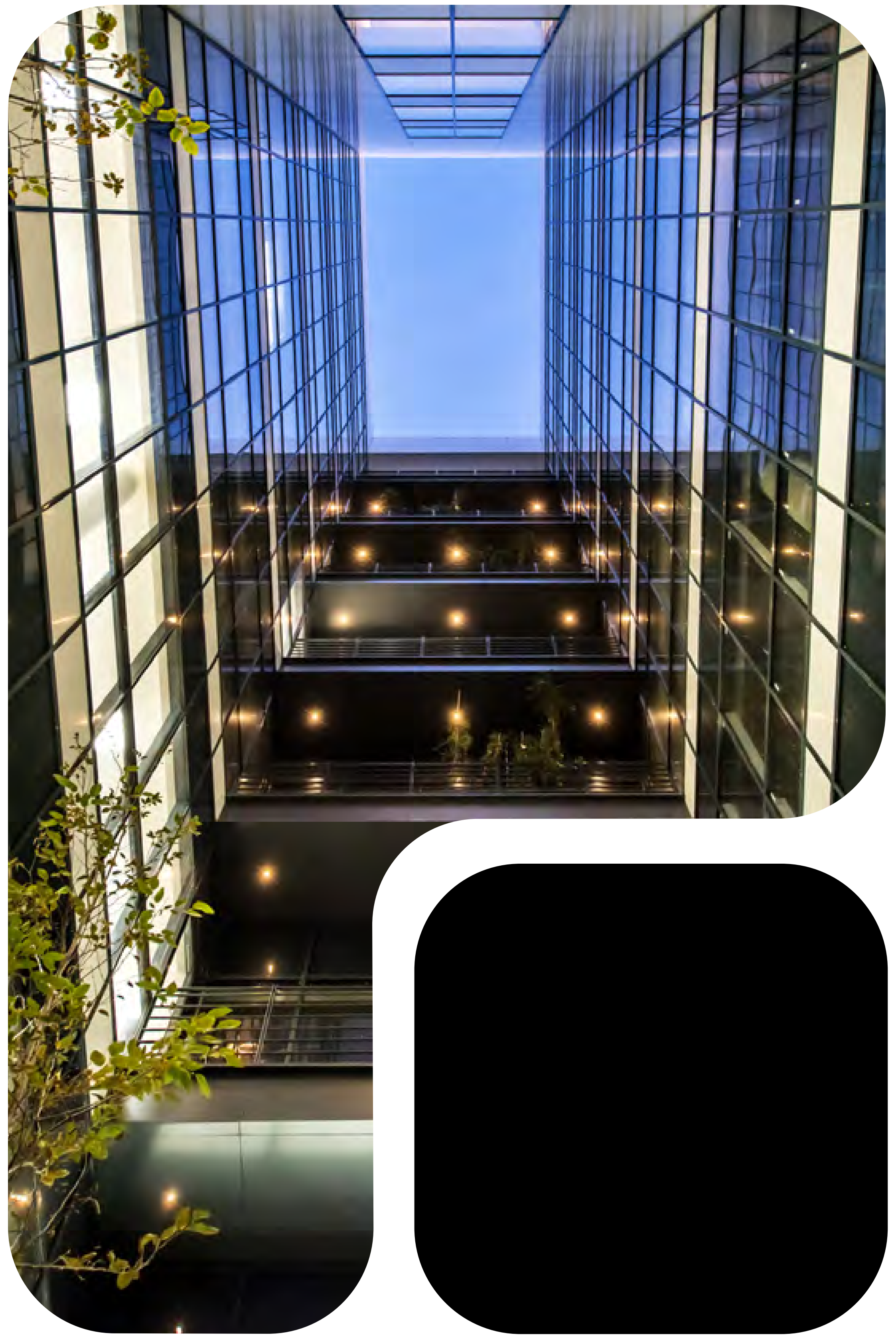
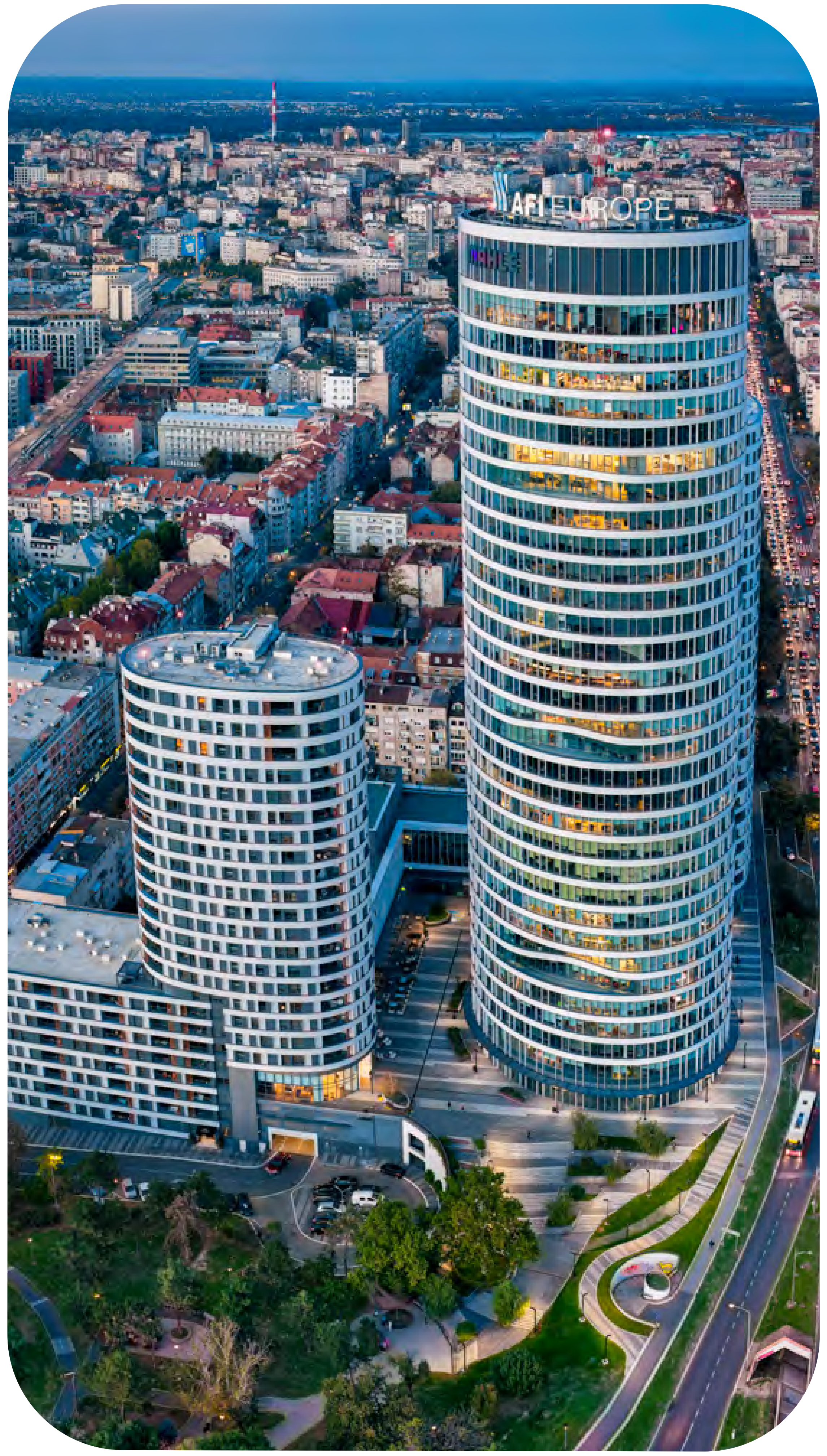
AFI

2025 ESG Report

Sustainability at the core.
Value for the future.





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About this report

Report overview

This ESG Report constitutes AFI Properties Ltd.'s formal ESG disclosure and covers the Company's activities, policies and impacts for the reporting period January 1st to December 31st 2025. The report provides a comprehensive overview of AFI's environmental, social and governance (ESG) performance and reflects the Company's continued commitment to sustainable growth, transparency and responsible business practices.

In line with AFI's strategic approach, the document outlines the Company's ESG framework, governance mechanisms and policy structures. It presents both established and newly introduced metrics and targets designed to guide, assess and improve performance across the portfolio. Each section details the Company's 2025 achievements, key developments, challenges encountered and ongoing strategies to strengthen ESG integration across operations.

Scope of the report

This report encompasses AFI Properties Ltd.'s operations across Israel, Romania, the Czech Republic, Poland, Serbia, Bulgaria and Latvia, unless otherwise specified. This ESG Report has been prepared with reference to globally recognized reporting frameworks, including the Global Reporting Initiative (GRI) Standards and the Corporate Sustainability Reporting Directive (CSRD). These frameworks support AFI's commitment to accountability, comparability and transparent communication with its stakeholders.

Feedback and inquires

AFI values ongoing stakeholder engagement and encourages feedback or questions regarding this report or the Company's broader ESG strategy.

Please direct inquiries to:
Roey Graif, Group Operations Manager
RoeyG@afi.global

About AFI Properties Ltd.

AFI Properties Ltd. ("AFI" or "the Company"), together with its subsidiaries, is a leading real estate owner, developer and operator active in Israel and across Central and Eastern Europe (CEE). The Company's diversified portfolio includes business parks and office complexes, shopping malls and retail centers, residential projects for rent and for sale, and mixed-use developments that combine commercial, residential and community functions.

Founded in 1971, AFI expanded into the European market in 1997 and has since solidified its presence through consistent investment and development activity. The Company's shares have been listed on the Tel Aviv Stock Exchange since 2004.

AFI's major shareholder, Big Shopping Centers Ltd., holds approximately 79.9% of the Company's shares (per 31 December 2025), underscoring a long-standing and strategic partnership supported by a robust ownership structure.

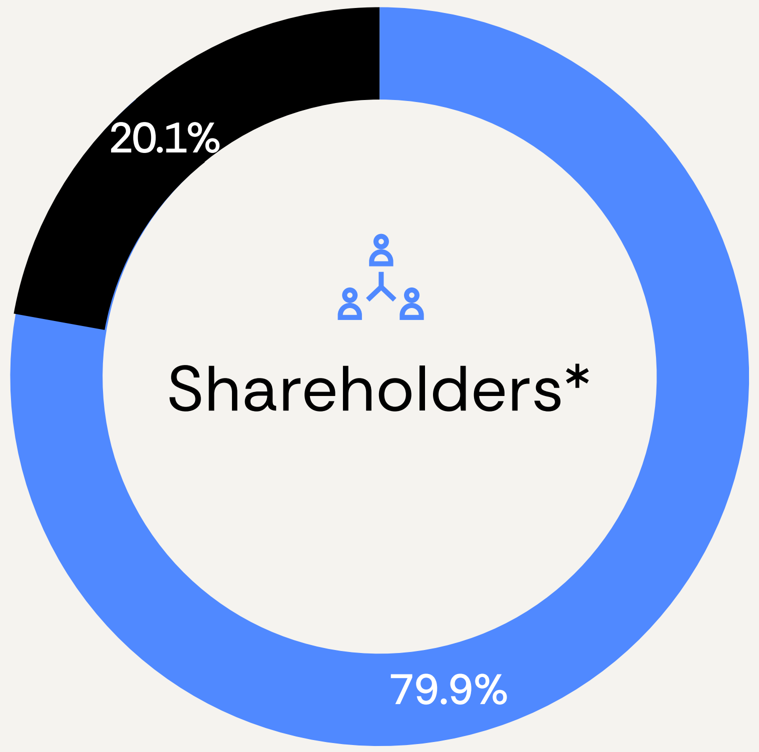
Rating

A1.il	Stable by Midroog (Moody's)
ilA+	Positive by Maalot (SandP)

Public company since

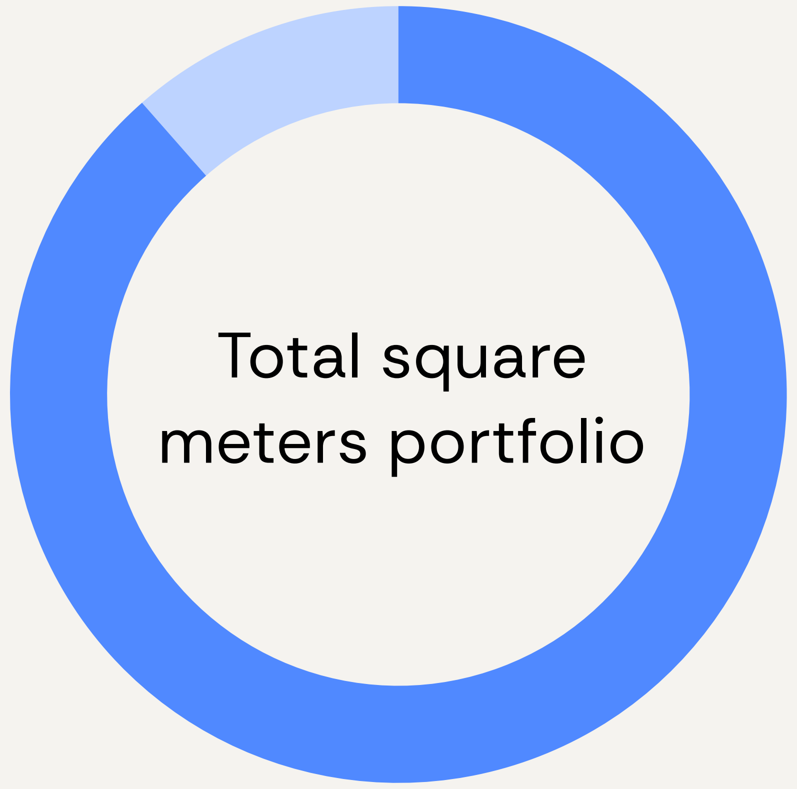
2004

Listed on TA-Real Estate



- Big Shopping Centers Ltd.
- Public and other institutional investors

* Based on TASE data as of 31.12.25



251k sq.m. under construction

1,394k sq.m. income generating properties

7 countries

93% average occupancy rate

€4,675M

Income-producing property value (company share)

€851M Residential for rent

€925M Malls and retail

€2,899M Offices

Message from the CEO

I am pleased to present AFI' ESG Report for 2025, marking a significant chapter in our journey toward embedding sustainability at the core of everything we build and operate.

AFI is focused on creating long-term value through high-quality assets, responsible business practices and strong relationships with our tenants, employees, investors and business partners. Sustainability is an integral part of this approach, supporting the long-term resilience, quality and competitiveness of our portfolio.

During 2025, we continued to advance our ESG priorities across the Group. We increased renewable electricity procurement, reduced like-for-like carbon emissions, expanded green building certifications and completed a comprehensive Double Materiality Assessment, providing a stronger foundation for our ESG strategy and future business decisions.

Our people remain central to AFI's success. Women represent more than 55% of our workforce and hold over one-third of executive leadership positions. These figures reflect our commitment to diversity, equal opportunity and an inclusive working environment. We also continued to strengthen governance, business conduct and cybersecurity awareness across the Group.

Looking ahead, we will continue to improve the quality, efficiency and resilience of our portfolio while maintaining responsible and transparent business practices. We will continue working closely with our employees, tenants and business partners to support the long-term success of the Company and the communities in which we operate.

I would like to thank our employees, tenants and business partners for their continued contribution and cooperation. Together, we will continue to strengthen AFI and create lasting value for all our stakeholders.

Sincerely,

Avi Barzilay
CEO, AFI Properties Ltd.

AFI ESG strategy

Building long-term value with high-performing, diversified income-generating assets

AFI is a leading real estate company with a strong international presence and a legacy of more than 30 years, supported by a diverse and highly professional team. Through strategic acquisitions, sustainable development practices and strong internal management capabilities, the company creates secure, comfortable and efficient spaces that contribute to local ecosystems and generate long-term value for tenants, stakeholders and business partners.

AFI's ESG strategy is built around four pillars, each with defined priorities, focus areas and near-term targets. Together they represent the topics that matter most to AFI and to the people who work with us, live and work in our buildings or invest in our success, and they form the foundation on which we make decisions, allocate resources and report on our progress.

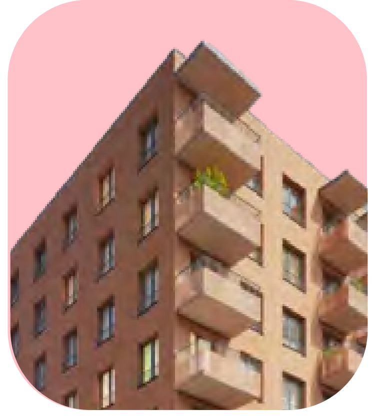
AFI has set targets under each of these four pillars, turning its ambitions into practical decisions, measurable progress and real value for the business. These targets include reducing carbon emissions and energy use, expanding green building certifications, strengthening supplier and construction standards, enhancing tenant engagement, improving health and safety performance, and investing in the skills, ethics and cyber security awareness of AFI's people. A multi-year roadmap has been developed to implement all four pillars across the organisation, supported by clear roles and responsibilities within AFI's ESG governance structure, so that progress can be monitored and reported consistently across every country, asset type and stakeholder group AFI serves.

Operational Excellence

Driving eco-efficiency and resilience through smart, sustainable buildings that meet stakeholder needs and adapt to a changing climate.

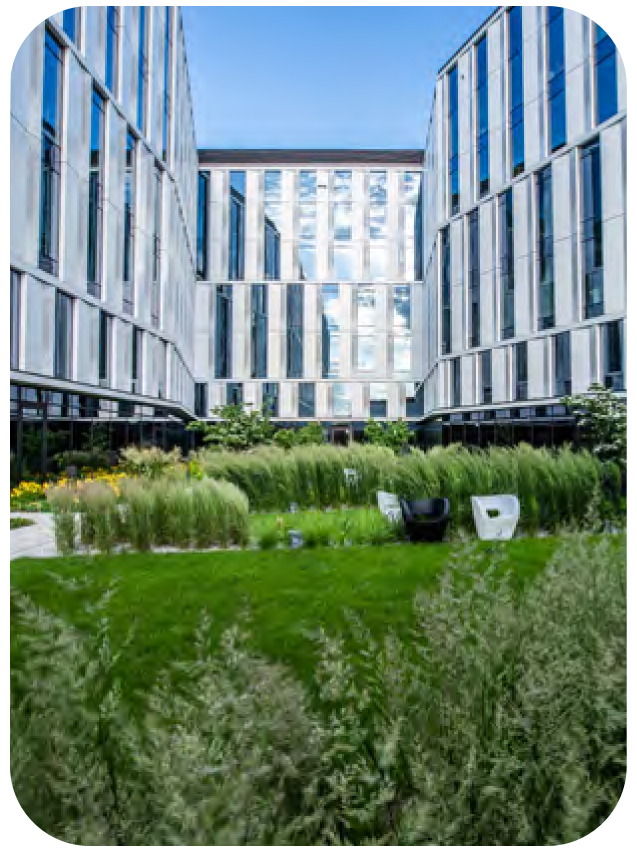
Tenant Connection

Partnering with tenants to create inspiring spaces, understand evolving needs, and deliver better experiences across all property types.



Sustainable Developments

Building responsibly with sustainable materials, resilient design, and a strong commitment to health, safety, and long-term value creation.



Talent and Trust

Fostering integrity, accountability, and growth through ethical conduct, transparent practices, and opportunities that develop our people.

Determining what matters most

How AFI arrived at its ESG strategy

AFI's four ESG pillars did not appear on their own. They are the result of a comprehensive double materiality assessment, carried out with the support of an external consultancy firm and following the methodology set out in the Corporate Sustainability Reporting Directive (CSRD). The assessment included a full evaluation of the ESG topics and processes relevant to AFI in order to determine their significance for the organisation, and it is this work that allowed AFI to develop an ESG strategy grounded in stakeholder expectations and responsive to current and future sustainability requirements.

The process began with extensive desktop research, including a peer review to understand current market expectations and best practice in ESG reporting within the real estate sector. This research also took into account the requests and requirements of investors, shareholders and financial partners, so that every ESG topic relevant to these stakeholders was properly considered from the outset.

AFI then carried out a full value chain assessment to build a comprehensive understanding of its risks and opportunities. This mapping exercise looked at both upstream and downstream activities, giving AFI insight not only into the impacts of its own core operations but also into the areas that may shape long-term stakeholder expectations for the quality and resilience of its real estate portfolio. Human rights risks were also analysed across the different stages of the value chain.

To keep the process independent and objective, AFI engaged an external third party to support stakeholder identification and assessment. Qualitative interviews were held with a broad group of internal and external stakeholders, including people directly affected by AFI's activities and readers of AFI's ESG report. These interviews were followed by a quantitative online survey, in which stakeholders were asked to prioritise ESG topics from their own point of view. Together these two steps gave AFI a comprehensive understanding of what its stakeholders need and expect.


AFI City Zmaj, Belgrade, Serbia

AFI's four ESG pillars are grounded in the topics that matter most to the business and its stakeholders.

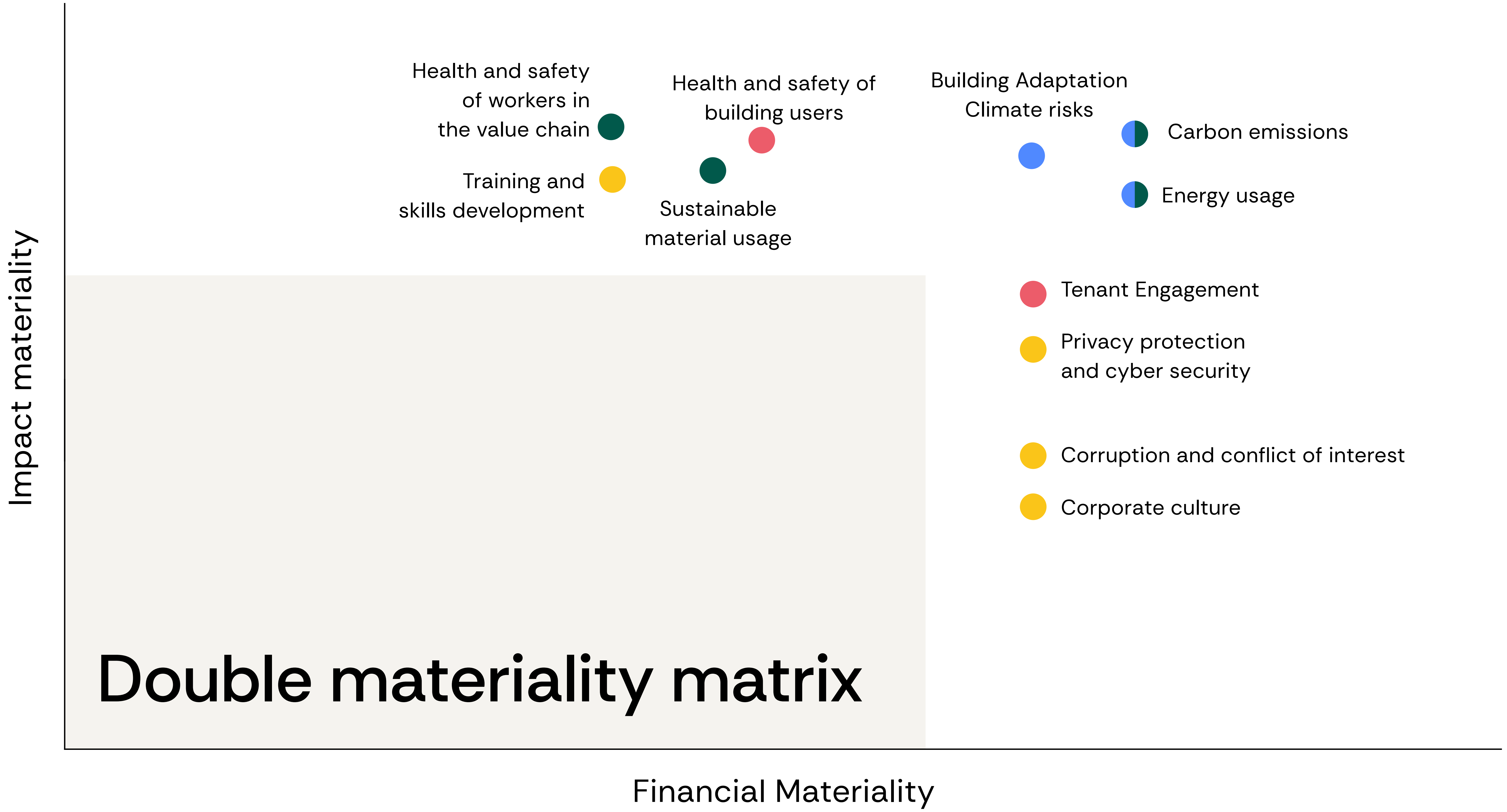
Operational Excellence

Tenant Connection

Sustainable Developments

Talent and Trust

Double materiality matrix



The findings from this work fed into two further assessments. The impact assessment examined how AFI's activities may affect the environment and society from an inside out perspective, considering the scale, scope and likelihood of potential impacts as well as how easily any negative effects could be remedied. The financial assessment took the opposite view, looking from the outside in at how ESG related risks and opportunities, from climate change to regulatory developments, resource efficiency and evolving social expectations, may influence AFI's financial performance over time. The outcomes of both assessments were reviewed by the Board of Management, and stakeholder expectations were incorporated into the final conclusions.

Together this work forms AFI's double materiality matrix and identifies the topics that matter most to AFI and to its stakeholders. It is this matrix, built step by step through research, mapping, dialogue and assessment, that gave shape to the four pillars now at the heart of AFI's ESG strategy: Operational Excellence, Sustainable Developments, Tenant Connection and Talent and Trust. These material topics will continue to guide AFI's strategic decisions, resource allocation and future reporting.

Supporting Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) set a global agenda to address environmental, social and economic challenges.

As a real estate manager, owner and developer, AFI Properties Ltd. plays a key role in advancing these goals through sustainable investments, responsible operations and its workforce. AFI has aligned its ESG strategy with several priority SDGs to help drive meaningful progress across its portfolio and communities.

AFI contributes to sustainable, healthy and accessible urban environments through resilient design, mobility solutions and community-focused development.

- Integrating eco-design features that reduce energy use and emissions
- Conducting climate risk assessments in project planning
- Strengthening resilience plans for higher-risk assets

AFI works to lower its carbon footprint by improving energy performance and increasing the use of renewable energy across its properties.

- Increasing procurement of renewable electricity where available in local markets
- Improving energy performance of assets to align with CRREM pathways
- Developing on-site renewable energy projects where feasible
- Expanding advanced metering and energy monitoring systems

AFI supports efficient resource use and reduced waste in development and operations, advancing circular-economy principles.

- Using certified and low-impact building materials
- Implementing construction and operational waste-reduction programmes
- Supporting circular practices across the value chain

AFI works to reduce its environmental impact by lowering emissions and improving climate resilience across its portfolio.

- Implementing energy-efficiency measures across operations to reduce overall consumption and greenhouse-gas emissions.
- Transitioning toward low-carbon energy sources and technologies to accelerate decarbonization and minimize environmental impact.

Managing ESG across the organization

AFI is committed to embedding its ESG program across all business functions and integrating sustainability into daily decision-making.

ESG is overseen by a dedicated ESG Committee and cross-country working groups that support implementation throughout the organization. This governance framework strengthens long-term resilience, improves operational consistency across countries and helps maintain strong stakeholder relationships based on responsible and transparent business practices.

Since 2023, AFI has taken steps to formalize its ESG governance model, clarifying roles and strengthening accountability. The ESG Committee, composed of the Deputy CEO, the CFO, the VP Legal Counsel and Company Secretary and the Group Operations Manager, guides the development and implementation of the ESG strategy. Its responsibilities include setting priorities, approving policies and budgets, validating performance targets and overseeing emerging ESG risks and opportunities. The Committee also ensures regulatory alignment and monitors internal controls, while the Management Team maintains direct oversight, approves key decisions and reviews regular updates from the working groups.

To accelerate implementation, AFI has established ESG working groups with representatives from each country, including technical and operational specialists. Two groups were launched in 2025, the Environmental working group and the HR working group. They are responsible for collecting and reporting data, sharing best practices, supporting the rollout of policies, developing action plans and training local teams. During 2025, the environmental working group met several times online and gathered in person in Bucharest to share best practices on energy efficiency projects and align on common definitions and methodology. The group also received training on climate change risks and carbon accounting, which led to updated budget plans for properties to be implemented in the coming years.

The Company has also decided that its legal counsels in the countries will be responsible for corporate governance matters within their respective jurisdictions. This structure creates consistency across regions while allowing actions to be adapted to local regulatory and operational contexts.

ESG Committee

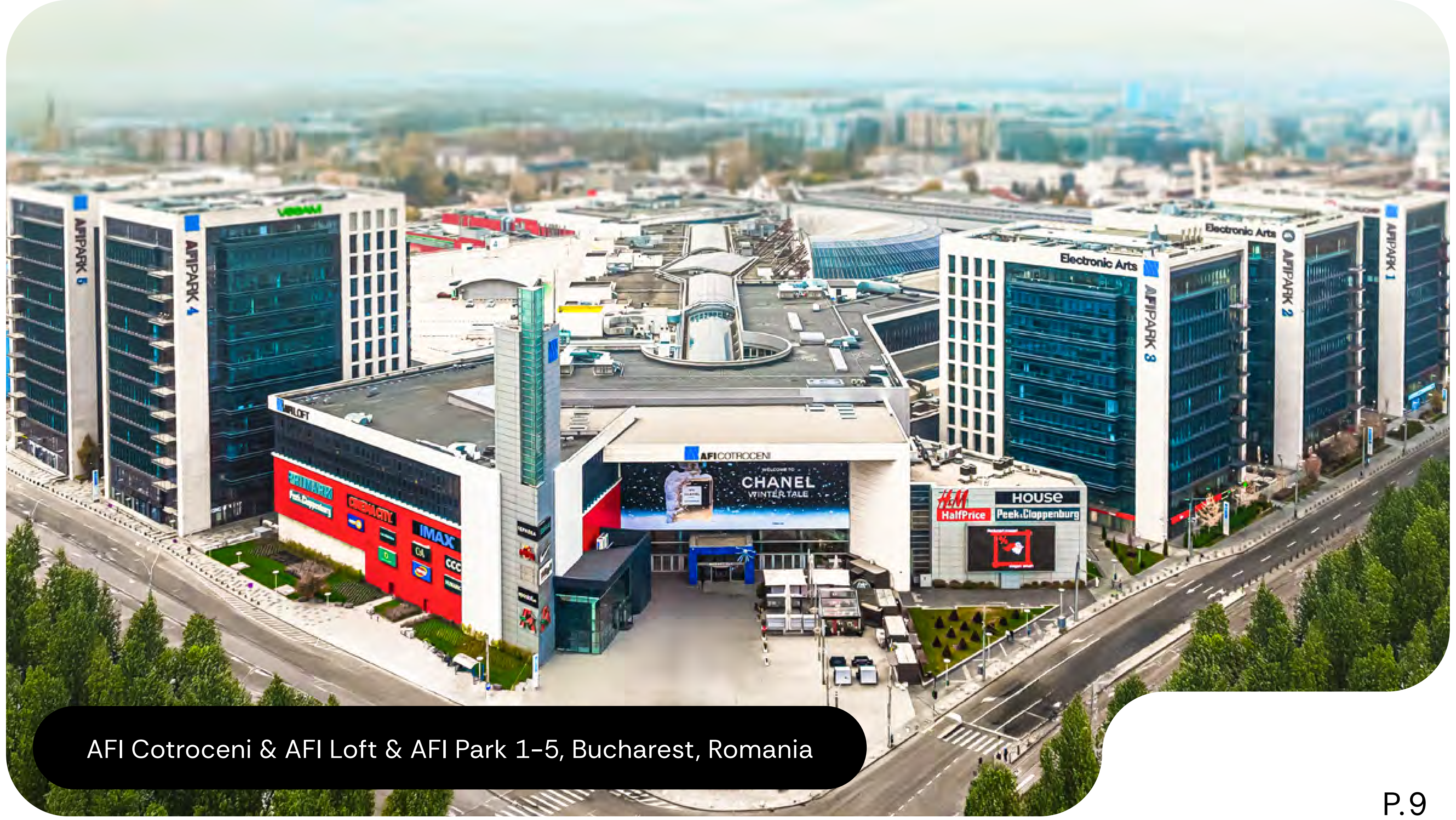
The leadership team, comprising the Deputy CEO, the CFO, the VP Legal Counsel & Company Secretary, and the Group Operations Manager, oversees the development and execution of the ESG strategy.

Environmental working group

Formed by technical specialists from across the operating countries, the group drives the implementation of environmental initiatives and oversees environmental reporting across the portfolio.

HR working group

Composed of employees from multiple regions, the group leads employee-related initiatives and supports harmonized HR reporting, policies and practices across the organization.



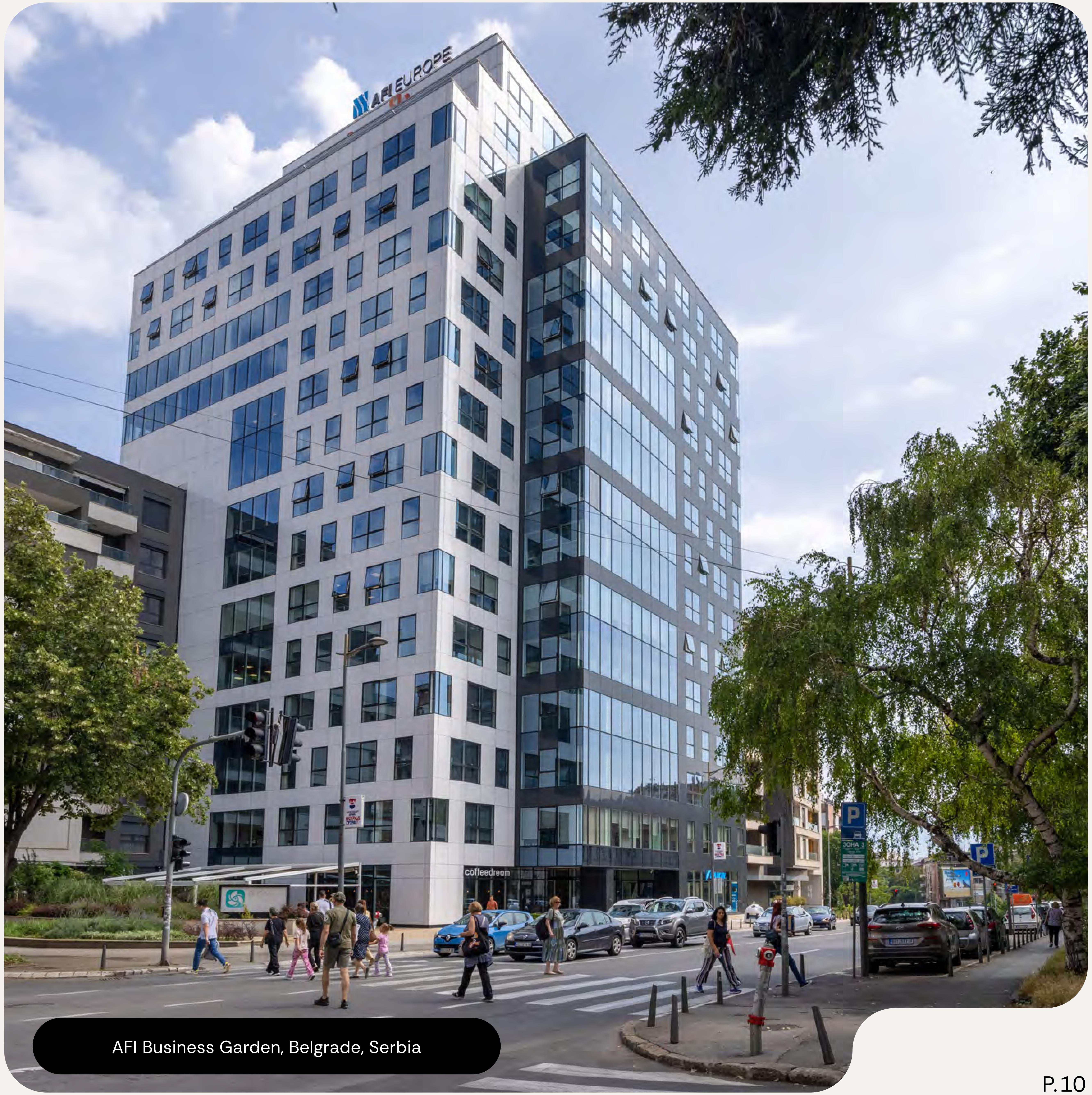
AFI Cotroceni & AFI Loft & AFI Park 1-5, Bucharest, Romania

AFI

Operational Excellence

Driving eco-efficiency and resilience through smart, sustainable buildings that meet stakeholder needs and adapt to a changing climate.

AFI works to reduce its environmental footprint by integrating sustainability into everyday operations. The Company focuses on improving energy efficiency, lowering emissions and strengthening resilience to climate risks. Green building certifications support regulatory compliance and meet expectations from tenants, investors and financial partners. The environmental working group, composed of country specialists and advisors, gathers and reviews data to guide decisions and targets, ensuring that initiatives follow clear business logic and show measurable progress.



AFI Business Garden, Belgrade, Serbia

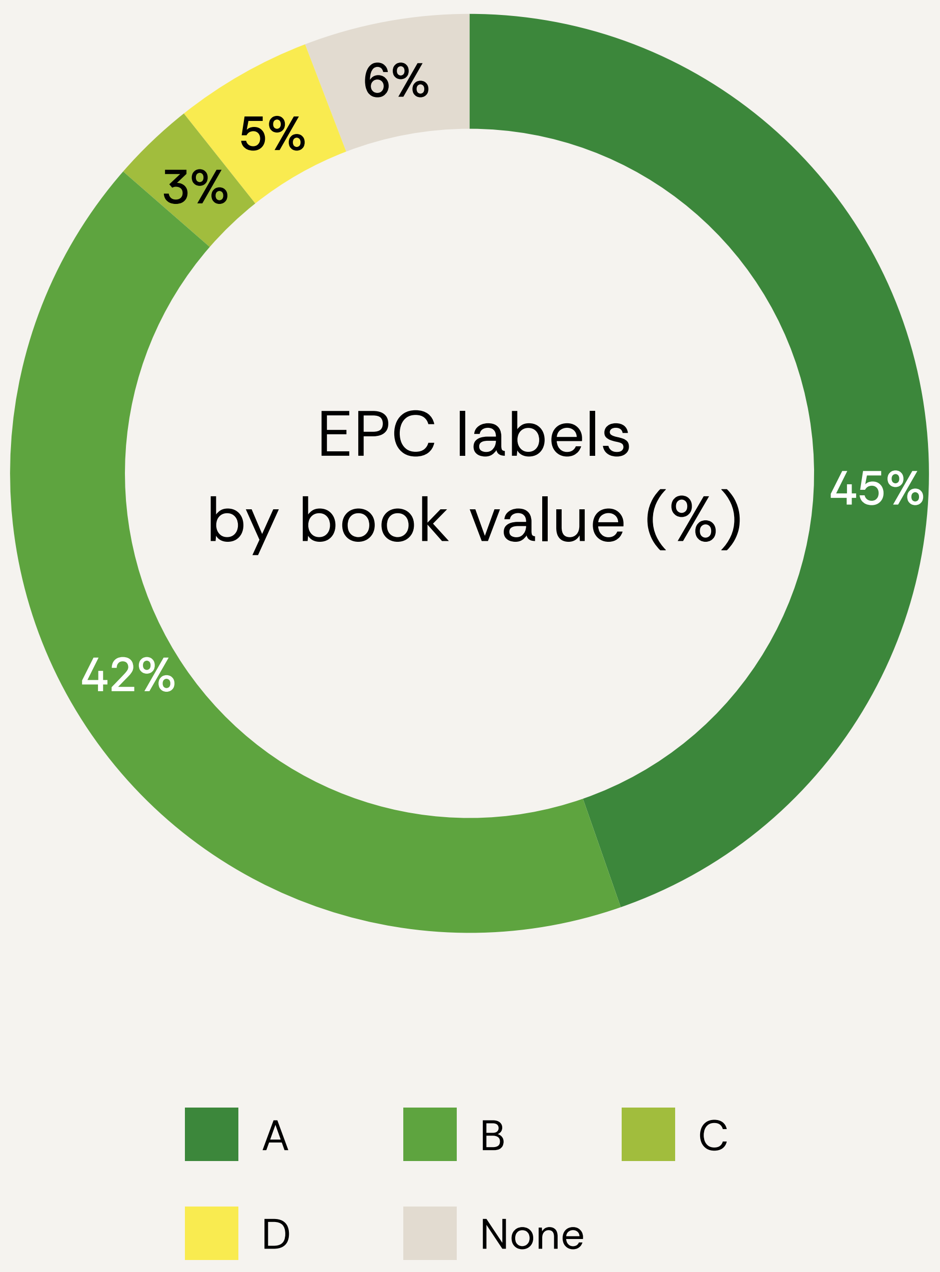
Energy consumption

Energy consumption is a material topic for AFI because it directly influences operational costs and determines the Company's ability to meet investor and tenant expectations for sustainable assets.

Financial partners increasingly require alignment with the EU Taxonomy and the Paris Agreement, meaning AFI's properties must demonstrate lower energy use and strong energy-performance certification. In 2025, 45% of AFI Europe's portfolio, based on book value, held EPC A labels aligned with EU Taxonomy criteria, with a further 42% rated B and 3% rated C.

In 2025, on a like-for-like basis, total energy use decreased by 2.6% compared with 2024. In Poland and Romania, renewable electricity procurement increased significantly as local teams secured new agreements with energy providers. As a result, 54% of total electricity was procured from renewable energy sources in 2025, compared with 9% in 2024.

AFI's total energy consumption in 2025 was 314,564 MWh, with 76.3% from electricity, 14.2% from natural gas and fuels and 9.4% from district heating and cooling systems. During the year, operational assets began introducing dedicated efficiency budgets to meet long-term reduction pathways toward 2050.



LEED Zero Carbon certification in Romania

n Romania, AFI advanced the LEED Zero Carbon certification process for the buildings within its office portfolio and AFI Brașov shopping center, based on a 12-month performance period in accordance with the LEED ZeroCarbon requirements. Throughout this period, the required operational energy data, associated carbon emissions and other applicable performance information were compiled and submitted for GBCI review.

As of the reporting date, AFI Lakeview, AFI Park Floreasca, AFI Park 1-5 and AFI Tech Park 1 had achieved LEED Zero Carbon certification, while the remaining buildings included in the certification process were still under GBCI review. For each certified building, the certification confirms the achievement of a net-zero carbon balance for the applicable performance period. This was supported by documented renewable electricity use, matched with Guarantees of Origin allocated and cancelled to the electricity consumption within each building's certification scope. In accordance with the LEED Zero Carbon requirements, eligible carbon offsets were also retired to address the residual emissions included in the respective certification calculations.

Carbon emissions

AFI's approach to reducing carbon emissions is grounded in a science-based methodology aligned with the Paris Agreement. The Carbon Risk Real Estate Monitor (CRREM) translates the global carbon budget required to limit global warming into decarbonization pathways for the real estate sector at country, property-type and individual asset level.

These pathways express annual carbon intensity limits, measured in kilograms of CO2e per square meter, that a building should not exceed if it is to stay aligned with climate targets and avoid the risk of becoming a stranded asset. AFI is committed to contributing toward this goal and has therefore set carbon and energy reduction targets for its office portfolio, its largest property type, aligned with the 1.5°C CRREM decarbonization pathway.

AFI reports carbon emissions in two ways. Market-based emissions reflect the actual electricity AFI has chosen to buy, including renewable energy contracts. Location-based emissions reflect the average carbon intensity of the electricity grid in each country, regardless of what AFI has purchased.

Comparing the same set of assets in both years, AFI's market-based emissions fell by 34% in 2025. This drop came mainly from buying renewable electricity in Romania and achieving LEED Zero Carbon certification there, both of which lower the emissions counted against AFI's own energy choices.

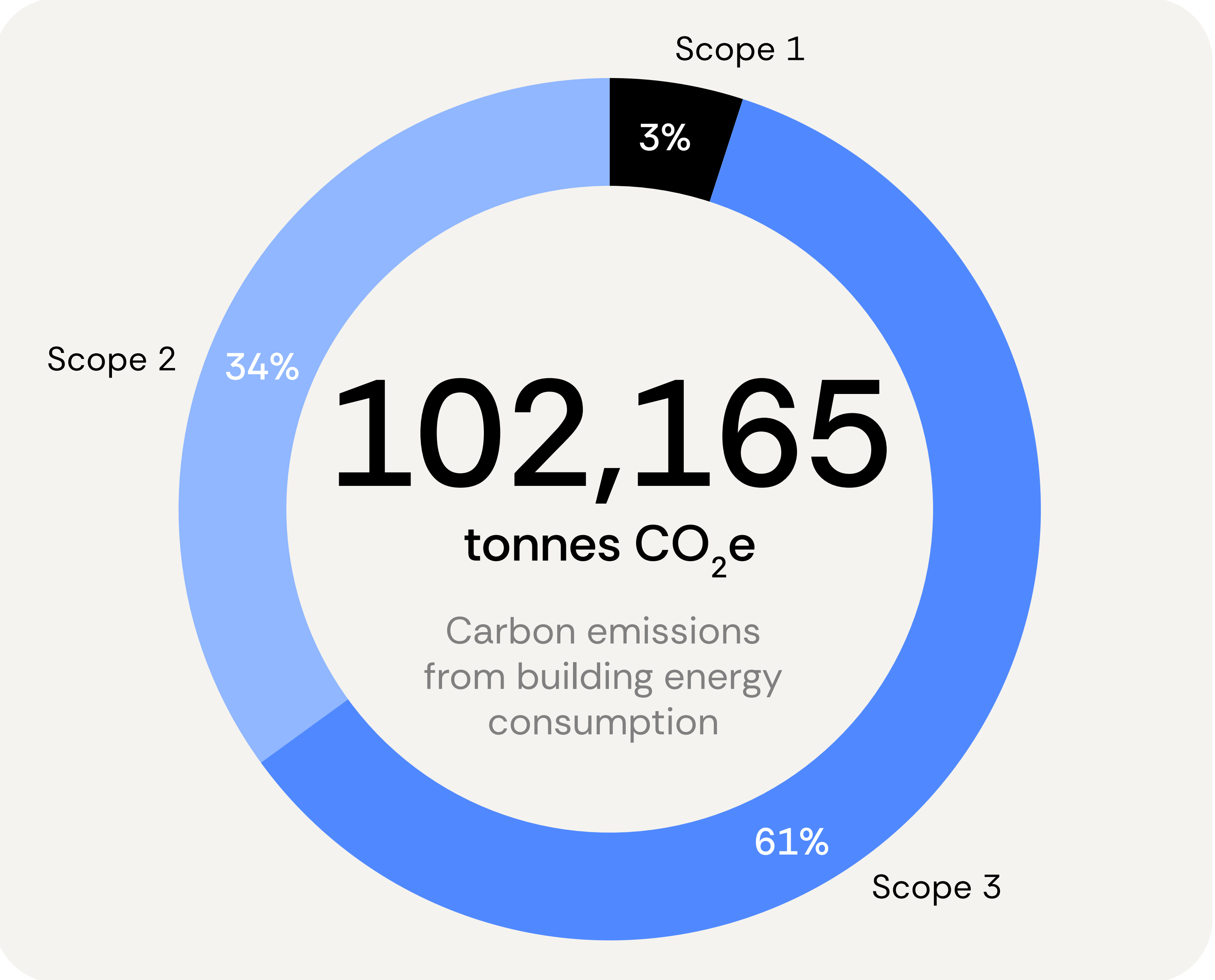
Location-based emissions rose over the same period, but for a different reason: they are measured across AFI's full portfolio, not just the assets held in both years. As new developments completed and came into operation in 2025, the portfolio grew larger, adding more buildings drawing power from the grid.

AFI's total greenhouse gas emissions reached 102,165 tonnes CO2e in 2025. Scope 1 emissions were 3,489 tonnes CO2e, primarily from natural gas and fuel consumption within the real estate portfolio, while emissions from business travel remain minor and will receive lower priority going forward. Scope 2 emissions (location-based) totalled 34,985 tonnes CO2e and reflect purchased electricity and district heating and cooling for landlord-controlled areas.

Scope 3 emissions reached 63,692 tonnes CO2e (location-based). Linked mainly to tenant energy use, they form the largest and most complex portion of AFI's footprint. To address this, AFI will roll out a tenant engagement program focused on raising awareness and helping tenants reduce their consumption, formalize collaboration through Green Lease agreements and continue introducing smart metering to better monitor Scope 3 emissions in the years ahead.

Commitment

Set CRREM-aligned carbon and energy reduction targets by 2026




AFI Victoriei Plaza, Bucharest, Romania

AFI Romania

Bucharest, Romania

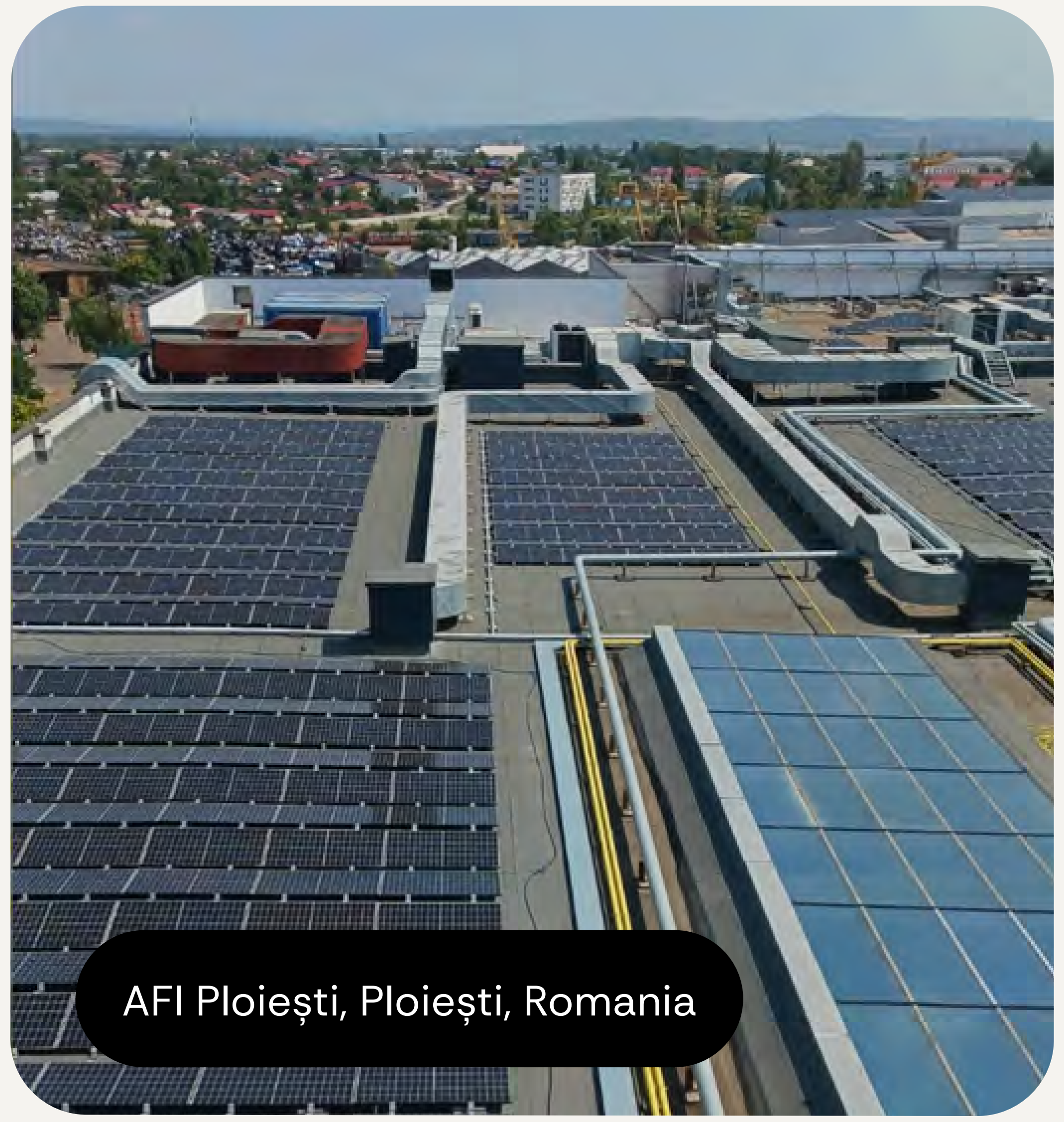
Case Study: On-site Renewable Energy in Romania

AFI expanded on-site renewable energy generation across its Romanian portfolio in 2025. Rooftop solar installations entered operation at several assets, including AFI Cotroceni, AFI Ploiești and AFI Arad, while AFI Loft and AFI Home North became renewable energy producers during 2026. Together, these installations represented an investment of around €1.4 million and generated approximately 1,600 MWh of renewable electricity in 2025, with a first residential installation at AFI Home North also coming online by year end.

Building on this progress, AFI plans further on-site renewable energy projects in 2026, including photovoltaic installations at AFI Park Brașov 2 and AFI City, extending on-site generation across both its office and retail assets.

€1.4M Invested in rooftop solar

1,600 MWh, Renewable electricity generated



Green building certifications

Green building certifications are a core element of AFI's operational excellence approach.

Green building certifications are a core element of AFI's operational excellence approach. They provide a recognized benchmark for energy performance, resource efficiency, indoor environmental quality and overall sustainability, helping to reduce operating costs and environmental impact. Certified buildings also reflect rising expectations from tenants (especially in the office sector) who increasingly require LEED or BREEAM certifications when selecting space. For investors and financial partners, certifications offer assurance that AFI's assets are aligned with regulatory requirements, market standards and broader climate commitments, including the EU Taxonomy and the Paris Agreement.

In 2025, 65% of AFI's total portfolio (by book value) held a recognized green building certification, demonstrating the Company's commitment to maintaining a high-performing, future-ready asset base.

AFI aims to increase the share of certified assets across its portfolio and align these efforts with its decarbonization and operational excellence objectives. This commitment will guide decisions for both existing assets and new developments, including upgrades, refurbishments and acquisitions, ensuring AFI maintains a resilient, efficient portfolio aligned with stakeholder expectations and regulatory requirements.

BREEAM® — 11 assets

2 Good	2 Outstanding
2 Very Good	5 Excellent

LEED CERTIFIED PROJECT — 17 assets

14	LEED Gold
3	LEED Platinum

AFI Office House, Warsaw, Poland

Commitment

Align green building certifications with market expectations by 2027

AFI Office House is the first stage of the Towarowa 22 project — a new mixed-use super-quarter in Warsaw's Wola district that combines offices, public spaces and urban greenery. Drawing inspiration from the historic Dom Słowa Polskiego printing house, the building blends biophilic design with advanced technologies, while two new public parks at the heart of the development will create a vibrant connection between work, leisure and city life.

The property has achieved WiredScore Platinum certification, recognising the highest standards of digital connectivity and technological resilience.

Office House achieved a BREEAM Outstanding rating of 97.9%, the highest score recorded in Warsaw and the second-highest in Poland. The building incorporates smart energy management systems, heat recovery from HVAC installations, renewable electricity, a high-performance triple-layer façade and natural ventilation strategies. More than 60 new trees, extensive greenery, loggias and terraces enhance the workplace environment and support occupant well-being. Together, these features reflect AFI's commitment to creating sustainable, connected and people-focused destinations.

AFI Avenir

Prague, Czech Republic

BREEAM Excellent Certification Across the Complex

AFI Avenir in Prague is a modern office complex that has achieved BREEAM In-Use Excellent certification in February 2025, with an average score of approximately 73% across the complex.

This reflects strong environmental performance and alignment with leading international sustainability standards, covering key areas such as energy, water, materials, health and wellbeing, transport and pollution.

The buildings incorporate a range of energy-efficient design and operational features that support reduced consumption and improved performance. High-quality building envelopes, including double-glazed windows, are complemented by external shading systems that help regulate indoor temperatures and reduce cooling demand. Efficient heating, cooling and ventilation systems contribute to optimized energy use, with total delivered energy maintained at approximately 250 kWh/m² per year. In addition, energy-efficient lighting systems further reduce electricity consumption and support overall operational efficiency.

Environmental considerations are further integrated through resource and site-level measures that enhance the sustainability profile of the complex.

Building A include green roofs, contributing to improved insulation, stormwater management and biodiversity. The certification also reflects strong performance in water efficiency, waste management and occupant wellbeing, supported by healthy indoor environments and good accessibility to public transport. In parallel, the asset has been assessed for climate resilience, with its elevated location reducing exposure to flooding risks and supporting long-term operational stability.

In 2026, targeted investments are planned to further enhance operational efficiency and monitoring capabilities. These include upgrades to building control systems, the installation of CO_2 sensors and additional measurement and regulation systems for pumps and chillers. Advanced metering infrastructure will be expanded through new electricity and heat sub-metering, including tenant-level monitoring via an M-Bus system. In addition, the introduction of free cooling is expected to support reduced energy consumption and improved system performance.

Excellent
BREEAM In-Use rating

250
kWh/m²/year delivered energy consumption

Climate change adaptation

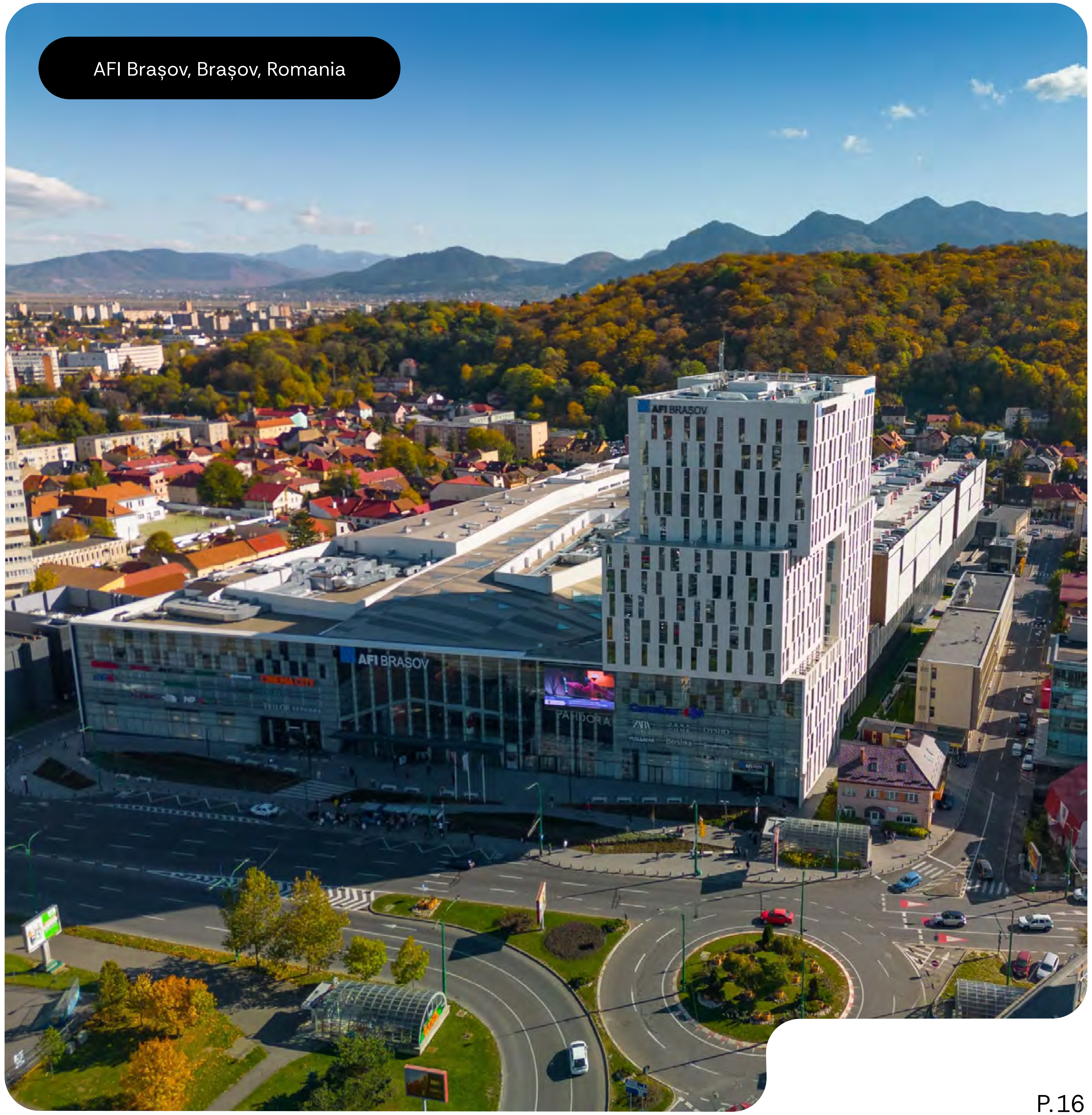
Climate change presents financial and operational risks for AFI and is therefore central to the Company's long-term resilience planning.

Operating across multiple geographies exposes AFI to hazards such as extreme heat, intense rainfall, flooding, storms and rising energy costs linked to the low-carbon transition. These risks can affect asset value, continuity of operations and insurance costs. AFI also recognizes its responsibility to limit environmental impacts by reducing emissions and designing buildings that remain efficient and safe under changing conditions. Strengthening climate resilience supports financial stability, protects tenants and communities and ensures AFI continues to meet regulatory, investor and stakeholder expectations.

The ESG Committee oversees climate strategy, monitors emerging risks and ensures that climate considerations are embedded in decision-making. AFI's approach focuses on strengthening portfolio resilience, reducing emissions and improving energy performance. The Company aims to conduct a group-wide climate-risk assessment to evaluate physical risks such as extreme heat, storms, flooding and water stress, as well as transition risks related to regulations, carbon pricing and evolving market expectations. Key metrics include carbon emissions and carbon intensity, the number of assets with high climate-risk exposure and the share of properties with adaptation plans in place. AFI also intends to set Paris-aligned carbon reduction targets in 2026, supporting long-term climate resilience.

Commitment

Complete climate risk assessment by 2026



Sustainable Developments

Building responsibly with sustainable materials, resilient design, and a strong commitment to health, safety, and long-term value creation.

AFI integrates sustainability into every stage of the development process, from planning and design to construction and handover. This pillar focuses on selecting sustainable materials, reducing embodied carbon, ensuring responsible construction practices and applying internationally recognized green building standards. Through these efforts, AFI aims to future proof its developments, strengthen asset resilience and support the wellbeing of occupants, contractors and communities.

V. Offices, Kraków, Poland

Sustainable material usage for (re)developments

Sustainable development starts with understanding and managing the environmental impact of the materials used to build new assets and redevelop existing ones.

AFI works to reduce embodied carbon by tracking and assessing the materials used across its projects and embedding life cycle thinking into design and procurement. Because every new project joins the Company's long-term standing investment portfolio, aligning development with long-term efficiency targets is essential. All new developments must therefore follow energy and carbon intensity pathways consistent with the CRREM methodology and aligned with the Paris Agreement.

AFI applies circular-economy principles by reducing, reusing and recycling materials wherever possible. Waste-management plans on construction sites enable material separation, recycling and diversion from landfill. Recycled and locally sourced materials are prioritised to lower environmental impact and support local economies. Material selection is informed by life-cycle performance, favouring materials with recycled content or environmental product declarations, so that construction choices help reduce embodied carbon and resource use.

Commitment

Ensure all major developments achieve green building certification

Building Certifications

AFI integrates sustainability into its developments by aligning project design, construction and delivery with leading green building standards such as LEED and BREEAM. These certifications ensure that each project applies energy-efficient design, limits environmental impact and provides healthier spaces for occupants.

AFI works with accredited consultants and sustainability specialists to implement efficient building systems, optimise performance and score highly across certification categories. All new buildings and major refurbishments are designed to meet near Zero Energy Building (nZEB) requirements under EU regulations, reducing operational energy use and carbon emissions from the outset.

AFI Victoriei Plaza, Bucharest, Romania

Weizmann Science Park, Plot 3, Nes Ziona, Israel Planning for LEED Gold in a Knowledge-Intensive Development

Weizmann Science Park Plot 3 is a knowledge-intensive industrial and office building with underground parking, located in Nes Ziona, Israel. The project is being developed as part of AFI's broader Science Park campus and is planned to achieve LEED Gold certification under the LEED v4 Core & Shell scheme, reflecting AFI's commitment to delivering new assets that meet internationally recognised green building standards from the outset.

The project integrates environmental considerations across the full scope of design and construction. An accredited LEED consultant has been appointed to coordinate performance across the core certification categories, including sustainable site planning, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality and innovation in design. Energy modelling and enhanced commissioning form part of the approach, supporting optimised building performance and lower operational energy consumption. The design also addresses responsible material selection and water-saving strategies, contributing to a reduced environmental footprint over the building's lifecycle.

On the certification pathway, the project team is working to secure credits across all main LEED categories, with a particular focus on energy performance, indoor environmental quality and resource efficiency. The planned LEED Gold rating reinforces AFI's strategy of aligning new developments with long-term decarbonisation pathways and ensuring that assets entering the portfolio meet high sustainability standards from day one.

Weizmann Science Park

Plot 3, Nes Ziona, Israel

Sustainable, Well-Connected Living in Bemowo

AFI Home Metro Zachód is a residential development in Warsaw's Bemowo district, part of the wider "Dzielnica Mieszkaniowa Metro Zachód" scheme, developed in partnership with Dom Development. It offers 517 furnished apartments for rent across four buildings, ranging from studios to three-bedroom apartments (not every apartment includes a balcony or terrace). Residents benefit from shared amenities and coworking space in a green, well-connected location close to shops, schools and public transport. A new metro station, located approximately 300 metres from the buildings, is scheduled to open in the coming months, further engancing connectivity. The development is also home to the first AFI Groom Room, an in-house concept offering a professional dog-grooming station where residents can comfortably wash and dry their dogs.

The development achieved a BREEAM Very Good rating, reflecting high standards in energy efficiency, responsible material selection and environmental performance. Almost all construction waste was diverted from landfill. A Life Cycle Assessment (LCA) was carried out for the project, and new landscaping and planting have enhanced the ecological value of the site.

The buildings are also designed for resident wellbeing and comfort in mind. The strong BREEAM rating was supported by measures that improve energy efficiency, reduce the environmental impact of the development and promote the responsible use of resources. The project also incorporates features that support sustainable mobility access to green spaces, occupant wellbeing and a high-quality indoor environment, including good levels of natural daylight and thermal comfort for residents.

AFI Home Metro Zachód

Warsaw, Poland

AFI Brașov

Brașov, Romania

Sustainable Retail Destination Rooted in Urban Regeneration

AFI Brașov is a modern mixed-use development combining retail and office functions, designed as an integrated urban destination with strong connectivity to public transport and surrounding amenities. Developed on a remediated brownfield site, the project contributes to urban regeneration while promoting sustainable mobility through accessible public transport links and infrastructure supporting low-emission vehicles. The scheme incorporates generous open spaces exceeding local requirements and prioritises efficient land use through compact design and underground parking solutions that reduce surface heat impacts.

Certified LEED Gold, the development demonstrates a comprehensive approach to environmental performance across all key categories. The project achieves significant energy efficiency improvements through optimised building systems, commissioning and advanced energy monitoring, delivering substantial reductions in operational energy demand.

Water efficiency is enhanced through high-performance fixtures and rainwater harvesting, enabling full irrigation without potable water use. The development also emphasises responsible material sourcing, including a high share of regional materials and construction waste diversion, alongside measures supporting indoor environmental quality such as increased ventilation rates and low-emitting materials. Together, these features position AFI Brașov as a resilient, resource-efficient asset aligned with AFI's sustainable development standards.

32%	reduction in energy costs compared to baseline performance
36%	reduction in potable water consumption
60%	construction waste diverted from landfill
+50%	locally sourced materials
WELL	WELL Health-Safety certification (office)
LEED	LEED Zero Carbon expected

Setting a shared standard across our value chain

In 2025, AFI introduced a formal Supplier Code of Conduct, extending the standards AFI holds itself to across every supplier, contractor, and partner that builds, maintains, and operates its properties.

The Code will be finalized and rolled out across the portfolio in 2026. AFI's growth depends on a wide network of suppliers, contractors, sub-contractors, and consultants working across multiple countries. Recognizing that responsible business conduct must extend beyond its own operations, AFI started drafting a dedicated Supplier Code of Conduct in 2025, developed in close alignment with AFI's Environmental Policy and existing Code of Conduct, and informed by leading industry practice. In 2026, the Code will be introduced to new vendor and supplier contracts across the portfolio.

The Code sets minimum standards across four areas. It asks suppliers to respect human rights across the value chain, covering labor rights, health and safety, and non-discrimination. It sets expectations for protecting the environment, including legal compliance, responsible materials and waste management, pollution prevention, and support for AFI's green building certification goals. It requires suppliers to act with integrity on bribery and corruption, fair competition, conflicts of interest, and data protection. And it sets out a clear framework for non-compliance and reporting, giving suppliers, their employees, and third parties a channel to raise concerns directly to AFI.

To embed the Code in practice, AFI will incorporate it as a binding part of its supplier contracts, require suppliers to train and inform their own employees on its requirements, and reserve the right to request evidence and carry out audits to verify compliance. Suppliers are also expected to cascade these standards to their own sub-contractors and suppliers, extending responsible practices further down the value chain. The Code reflects internationally recognized standards, including the UN Guiding Principles on Business and Human Rights, the ILO's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises, consistent with the EU Taxonomy's minimum safeguards. The full Code will be published on AFI's website once finalized.

Commitment

Formalize and roll out a Supplier Code of Conduct across the portfolio by 2026

Respecting human rights across our value chain

AFI's Supplier Code of Conduct asks every supplier and contractor to uphold internationally recognized human rights: no child labor, no forced labor or human trafficking, fair wages and working hours, freedom of association, and safe working conditions for everyone who builds and maintains AFI's properties. Suppliers must also give their own workers a confidential channel to raise concerns, free from retaliation.

The Code is grounded in the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises — the same instruments that make up the EU Taxonomy's "minimum safeguards," so the Code also provides evidence of AFI's alignment with that framework.

Airport City Belgrade

Belgrade, Serbia

Health, Safety, and Wellbeing across the Building Lifecycle

Design phase

- External OHS coordinator appointed to project team
- Preventive measures prepared for all contractors
- Safety requirements built into project specifications

Construction phase

- Daily on-site OHS monitoring by external coordinator
- AFI internal OHS and fire protection coordinator
- Regular contractor OHS meetings throughout project
- Construction waste plan approved and monitored

Operational phase

- Preventive maintenance plans for all buildings supporting healthy indoor environments
- OHS training, employee health surveillance, workplace quality monitoring
- Fire protection systems monitored 24/7 by licensed teams
- Waste, air and wastewater continiously monitored

Ensuring safe work practices across the value chain

At Airport City Belgrade, Serbia's first and largest business park spanning over 160,000 square metres across 13 buildings, AFI takes a structured approach to occupational health and environmental safety, fire protection and building user wellbeing that runs from the earliest design decisions through construction and into long-term operations. This lifecycle approach ensures that safety and wellbeing are formaly recognized, with clear responsibilities, external expertise and continuous monitoring at every stage.

During the design phase, an external occupational health and safety (OHS) coordinator joins the project team to prepare preventive measures that all contractors must follow during construction. Once construction begins, this external coordinator monitors compliance daily on behalf of AFI, organising regular OHS meetings with contractors throughout the project. AFI also assigns its own internal OHS and fire protection coordinator to each construction site, working alongside the external specialists and ensuring that preventive measures are implemented consistently. Contractors are required to prepare and obtain approval for construction waste management plans, and higher-risk contractor activities are subject to pre-qualification and on-site monitoring by AFI's OHS experts.

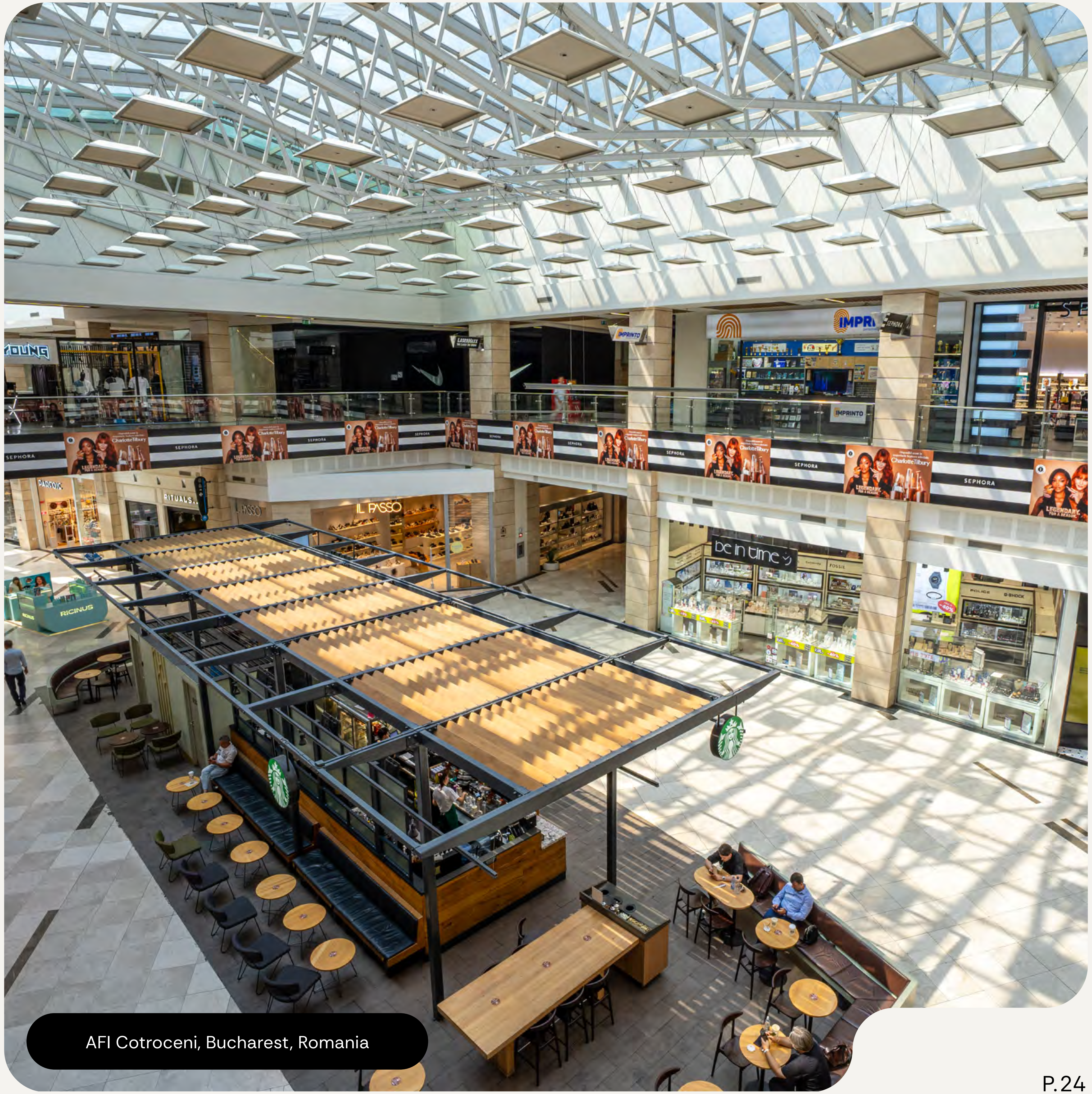
In the operational phase, all buildings are maintained according to a preventive maintenance plan, and an external team covering occupational health and safety, fire protection and environmental protection is engaged for both AFI employees and across all AFI projects.

This team is responsible for employee onboarding, regular OHS training, testing, recordkeeping and periodic workplace environment assessments for AFI employees. Healthy indoor environments are supported through preventive maintenance of building systems, including the regular servicing of HVAC equipment and timely replacement of filtration components. In LEED-certified buildings, additional indoor environmental quality assessments are conducted in accordance with certification requirements. Tenants remain responsible for monitoring workplace conditions within their leased premises in accordance with applicable legislation. Physical and technical security is governed by a property, person and business risk assessment, from which a comprehensive security plan for the entire business park has been developed, including 24-hour surveillance and reception services.

Tenant Connection

Partnering with tenants to create inspiring spaces, understand evolving needs, and deliver better experiences across all property types.

AFI supports more than 3,400 tenants across residential, retail and office assets, building long-term relationships through safe, healthy and engaging environments. We focus on understanding tenant expectations, improving user experience and promoting responsible resource use, while strengthening communication and using feedback tools to guide improvement. Health and safety remain central, supported by the WELL Health-Safety Rating across the portfolio



AFI Cotroceni, Bucharest, Romania

Tenant engagement

Commitment

Track tenant engagement annually

Tenants are among AFI's most important stakeholders, and the strength of its relationships with them shapes the performance and resilience of the portfolio.

Satisfied occupiers stay longer, which supports stable occupancy, durable income and long-term asset value, while close collaboration with tenants is increasingly essential to delivering shared ESG goals such as energy and resource efficiency. For AFI, tenant engagement is therefore both a service commitment and a strategic priority, ensuring that its business strategy reflects operational realities and the real needs of the people who use its buildings.

AFI maintains open communication with tenants through multiple feedback channels, including dedicated email addresses, social media platforms and on-site reporting systems, so that tenants can raise concerns and access information in a timely and transparent way. Feedback data is monitored to identify recurring issues, strengthen service quality and inform continuous improvement, giving AFI a clear view of where its service can be sharpened.

MyAFI at Airport City Belgrade

At Airport City Belgrade, Serbia's largest business park at 140K square metres with more than 150 tenants and up to 10,000 employees, AFI is introducing MyAFI, a new digital platform that brings operations, communication and community engagement into a single experience. Designed to be tenant-centric and scalable across the wider AFI portfolio, the platform replaces the park's existing ticketing system and adds a range of new features for the business community.

On the operational side, MyAFI lets tenants report maintenance issues and track their resolution in real time, register visitors in seconds and coordinate access more easily. Beyond these everyday processes, it gathers building announcements, community news, surveys and exclusive events in one place and gives members access to special offers and discounts at local restaurants, helping tenants stay informed, connect with one another and feel part of a shared community.

The platform is being rolled out in stages, with company administrators onboarded first before access is extended to all employees, supported by dedicated training sessions. By combining communication, operations and engagement in one place, MyAFI is designed to drive efficiency and stronger tenant relations, with its official launch planned for spring 2026.

AFI Club: A Loyalty Ecosystem for Office Tenants

AFI Club is a digital tenant engagement platform designed to strengthen communication between AFI and the employees of its office tenants while enhancing the overall workplace experience across AFI business parks. The platform serves as a central communication channel, enabling faster information sharing, more efficient issue reporting and resolution, and easier access to services and updates relevant to everyday work within the business park. By connecting tenant employees through a single digital community, AFI creates a more responsive and engaging environment while supporting long-term relationships with its tenants.

Beyond communication, the platform provides access to a wide range of benefits and amenities available within the business park. Employees can discover exclusive offers from local retailers, restaurants and service providers, stay informed about promotions, community initiatives and events, and take advantage of amenities that enhance both their professional and everyday experience. By bringing together tenants, their employees, local businesses and AFI services within one digital ecosystem, AFI fosters a vibrant community that supports the sustainability of local businesses, encourages greater use of on-site amenities and creates additional value for everyone working within the park. This integrated approach strengthens tenant engagement, improves user experience and reinforces AFI's position as a provider of destinations that extend well beyond traditional office space.

AFI Tech Park 1 & 2

Bucharest, Romania

Next-Generation Offices Designed for Performance and Wellbeing

AFI Tech Park 1 and 2 represent a new generation of office developments in Bucharest, where contemporary architecture is paired with a clear focus on the health and wellbeing of the people who use the buildings. The campus-style concept places the occupant experience at its center, with landscaped outdoor areas, green terraces and collaborative spaces that give employees room to move, meet and recharge during the working day. Access to greenery and natural surroundings supports mental wellbeing and a stronger connection to nature, while the layout encourages interaction and a sense of community. The central location supports alternative transport options, promoting active and low-carbon commuting that benefits both employee health and the environment.

The buildings are designed and delivered in line with LEED certification principles, combining high-performance facades, energy-efficient HVAC systems and smart metering to optimize comfort alongside operational efficiency. These systems help maintain healthy indoor conditions through good ventilation, stable thermal comfort and abundant natural light. Carefully selected low-emission materials contribute to superior indoor air quality, while water-saving technologies and responsible landscaping reduce resource consumption. Together, these features create resilient, future-ready office spaces that protect occupant health, support productivity and reflect AFI's long-term commitment to sustainability and wellbeing.

Community engagement

As a long-term real estate investor, AFI's activities have a direct influence on the communities in which its assets are located.

While its primary responsibility is to manage and develop high-quality, compliant and economically viable properties, AFI recognises that its decisions also shape the everyday experience of tenants, visitors and local stakeholders. Its approach to community engagement focuses on maintaining constructive relationships, supporting local wellbeing and ensuring that its properties contribute positively to their surroundings.

AFI's property management teams work to keep the areas around its properties clean, safe and functional. By maintaining façades, outdoor spaces, lighting and wayfinding, AFI contributes to the overall quality of the street environment, and in some locations it collaborates with municipalities or local service providers on matters such as mobility access, waste management or urban greening, where these align with its operational priorities.

Tenant mix also shapes community impact. By attracting and retaining businesses that serve local needs, such as essential retail, services and employment-generating tenants, AFI supports economic activity and helps keep urban areas vibrant.

AFI Home Kolbenova, Prague, Czech Republic

AFI Home Kolbenova: Listening to residents and building community

In October 2025, AFI reached out to its resident community at AFI Home Kolbenova 1 and 2 through a tenant survey, asking about shared indoor and outdoor spaces, preferred amenities, use of facilities such as coworking areas and satisfaction with digital services. Residents showed strong interest in community-oriented and outdoor amenities. In response, AFI is extending the children's playground, adding outdoor fitness elements and two ping pong tables, and creating a community garden with raised planting beds, alongside a new AFI Home Club on the ground floor that gives residents a dedicated space to meet and connect. These improvements turn resident feedback into shared spaces that bring the community together.

In AFI Home buildings, there are commercial units on the ground floor whose operators offer services not only to tenants, but to the community in the location. In the case of AFI Home Kolbenova, the local community can use the services of a restaurant, café, bistro, supermarket, hairdresser and cosmetics shop.

AFI Ploiești, Ploiești, Romania

AFI Romania

The Social Incubator Association

In partnership with the Social Incubator Association, AFI Romania continued to support the Plan de Viață (Life Plan) programme throughout 2025, reinforcing its long-term commitment to social impact and community development.

Active since 2020, the programme provides structured, personalised support to young adults transitioning out of the child protection system. In 2025 alone, 28 young people were supported, including 15 newly enrolled participants and 13 continuing from the previous year, with a holistic approach focused on building independence, resilience and long-term stability through tailored individual support plans.

The collaboration combines financial and strategic involvement from AFI Romania, enabling a comprehensive model that addresses both immediate needs and future opportunities. Over the 2020 to 2025 period, more than 70 young people benefited from the programme, supported through psychological and vocational counselling, educational and financial guidance, workshops and job market integration activities. In 2025, all participants reached employment, a significant milestone in their transitionto independent living. With thousands of support sessions delivered and former beneficiaries staying involved as ambassadors, the programme shows lasting positive impact at both individual and community levels.

70+
Beneficiaries supported since 2020

100%
Employment achieved in 2025

28
Young adults supported in 2025

Talent and Trust

Fostering integrity, accountability and growth through ethical conduct, transparent practices and opportunities that support the development of our people

AFI promotes a culture grounded in integrity, accountability and respect. Transparent communication and responsible business conduct form the foundation of long-term trust with employees, partners and stakeholders. At the same time, AFI invests in building the capabilities of its workforce by offering opportunities for continuous learning, skills development and career progression. Strengthening internal expertise across all countries enables teams to respond effectively to tenant needs, support the implementation of the ESG strategy and contribute to sustainable growth across all markets where the company operates.

AFI City Tower, Prague, Czech Republic

Corporate culture

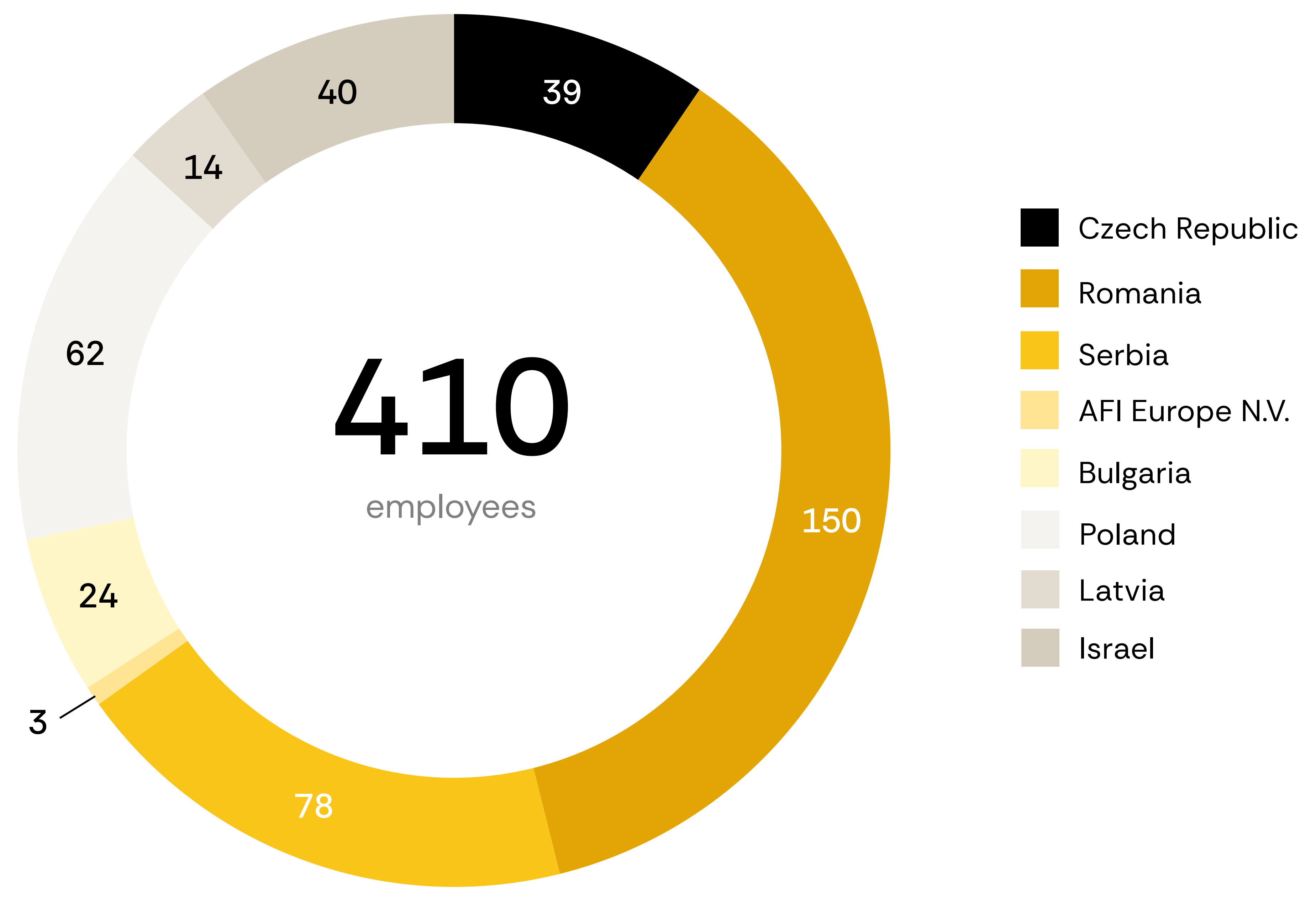
The distribution of the workforce reflects the geographic spread of the real estate portfolio, with the largest teams based in Romania, Poland and Serbia. Operating models differ by country: some teams manage the full property lifecycle in-house while others outsource selected functions. In most countries, however, AFI retains strong internal expertise to support tenants, oversee developments and safeguard the operational and financial performance of its assets.

Over the course of 2025, AFI welcomed 55 new colleagues while 53 left the organisation, the majority on a voluntary basis. Average employee turnover stood at fourteen percent, in line with the prior year.

The Company continues to be recognised for long tenures and deep institutional knowledge. Close to forty percent of employees have been with AFI for more than five years and eighteen percent for over a decade, with many having taken on different roles across departments and countries over that time. This continuity reflects AFI's focus on offering meaningful career development and supporting internal mobility. The large majority of employees work full time on permanent contracts.

AFI operates with a relatively flat organisational structure that supports open communication and agile decision-making. In line with Israeli Companies Law, the governance structure includes several control mechanisms, among them the appointment of independent directors with financial expertise who provide oversight of governance practices. Directors act in the interests of the company and its stakeholders, and their appointments are approved at the general meeting to ensure transparency and independence.

Diversity and inclusion remain core elements of how AFI operates. Women made up more than 55% of the workforce in 2025 and held over a third of executive leadership positions. Recruitment processes are designed to support equitable access to opportunities and strengthen representation at all levels. AFI maintains a zero-tolerance policy towards discrimination and harassment, in accordance with legal requirements and internal standards. A designated officer is responsible for preventing harassment and bullying, while a compliance officer ensures adherence to employment laws and company policies. Employees can raise concerns confidentially through a whistleblower procedure, and all reported cases are reviewed by senior leadership. No incidents of discrimination were recorded in 2025. Pay gap assessments are carried out using international standards and continue to show limited discrepancies across all major employee groups.



AFI's organisation continued to develop in 2025, with 410 employees working across the Group by year end.

Training and skills development of the AFI workforce

AFI invests in the ongoing development of its people, recognising that a skilled and engaged workforce is central to delivering the Company's strategic objectives and maintaining high operational standards. In 2025, employees completed more than 2,800 hours of training, averaging 30 hours per participant.

Topics ranged from professional certifications and technical skills to language courses and specialised seminars. This investment supports individual career progression while reinforcing AFI's broader ambition to build a culture of excellence and continuous learning.

Human capital is a key driver of AFI's long-term success, and the Company is committed to providing an inclusive, fair and respectful working environment. AFI upholds international and local human rights standards and ensures that all employees have equal access to professional advancement. More than sixty-four percent of employees took part in formal performance appraisals during the reporting period, and AFI is working to extend this structured review process to all countries. These dialogues help employees understand their strengths, identify areas for development and explore growth opportunities that align with the Company's evolving needs.

Employee welfare forms an integral part of AFI's people strategy. The Company supports the physical, emotional and social wellbeing of its workforce through initiatives that promote work-life balance, stress reduction and a collaborative workplace culture. Development in areas such as communication, teamwork and resilience complements technical training and strengthens employees' ability to work effectively across teams and countries. Wellness and social activities further reinforce a sense of community and help create a positive environment where employees feel valued and supported in their growth.

Employee wellbeing

in Romania

Starting in January 2026, AFI Romania will launch a dedicated digital wellbeing platform providing employees with personalised support across physical and mental wellbeing. The initiative complements the Group's broader wellbeing strategy by promoting healthier lifestyles both in and outside the workplace.

- Digital wellbeing platform
- Nutrition, sleep and stress management programmes
- Burnout prevention and habit-building support
- Online coaching with certified professionals
- Discounted memberships to sports and wellness centres

Standardising performance

evaluation across the portfolio

AFI is introducing a consistent performance evaluation process across all countries to strengthen transparency, employee development and alignment with local labour legislation.
The annual process combines performance reviews with forward-looking development planning.

- Standardised annual performance evaluations
- Manager assessment and employee self-evaluation
- Common evaluation criteria across the portfolio
- Annual goal setting and professional development plans
- Transparent framework supporting long-term career growth

Commitment

Implement employee development plans for all staff by 2027

Employee highlights 2025

Total employees

55.1% Women

44.9% Men

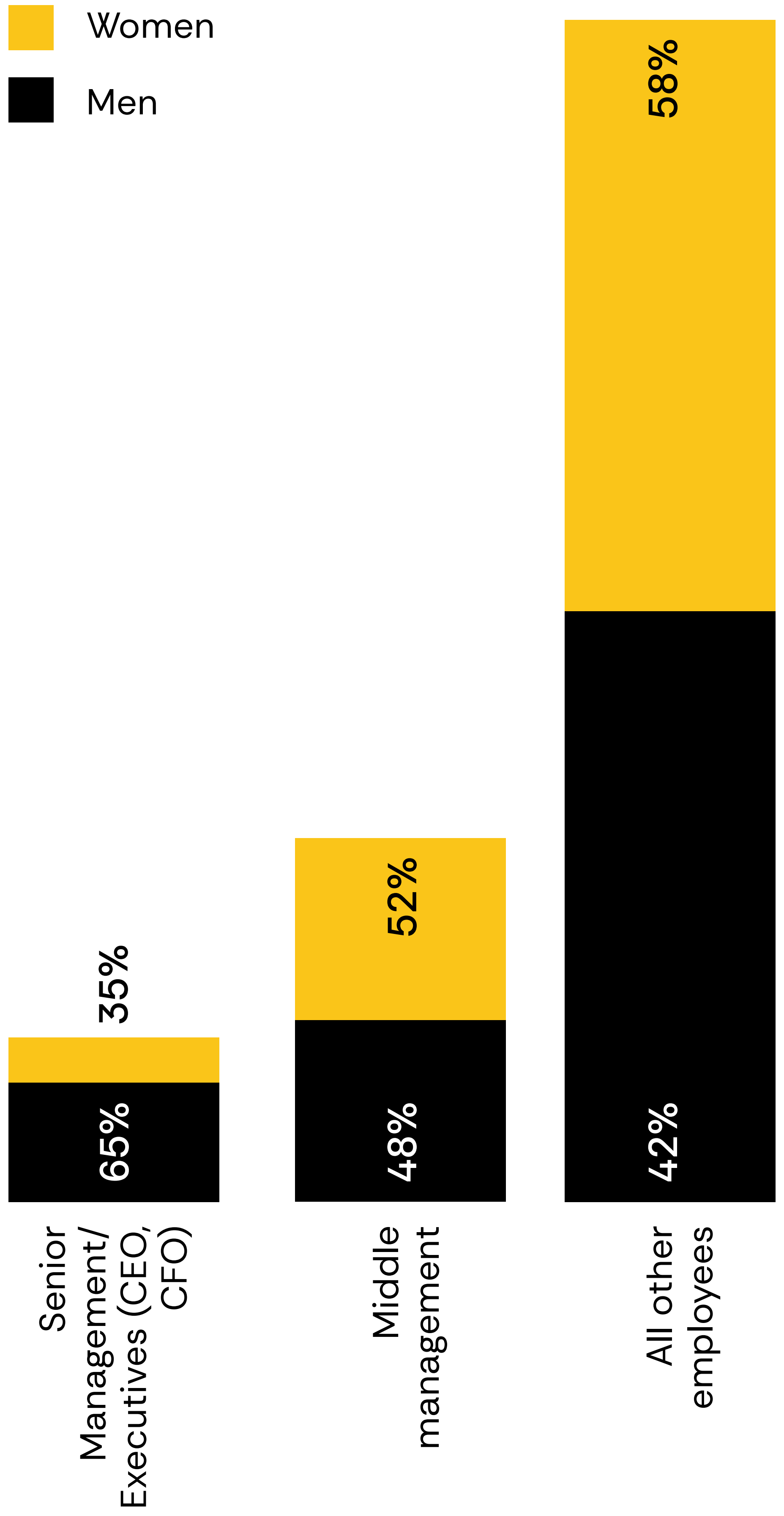
95% Permanent contracts | 5% Temporary contracts

98.2%
Full-time employees

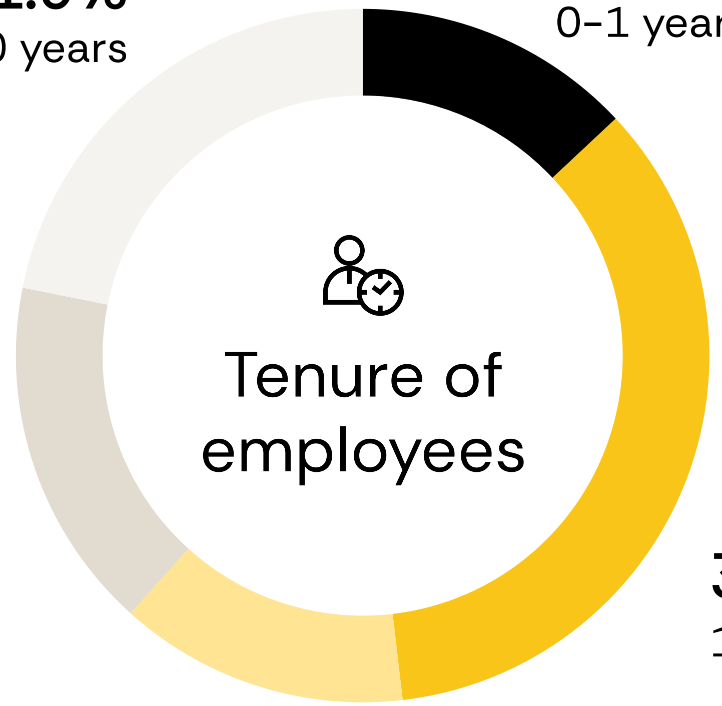
Employee per age categories

10% Under 30 | 66% 30—50 | 24% Over 50

Gender distributions



Tenure of employees



13% 0-1 years

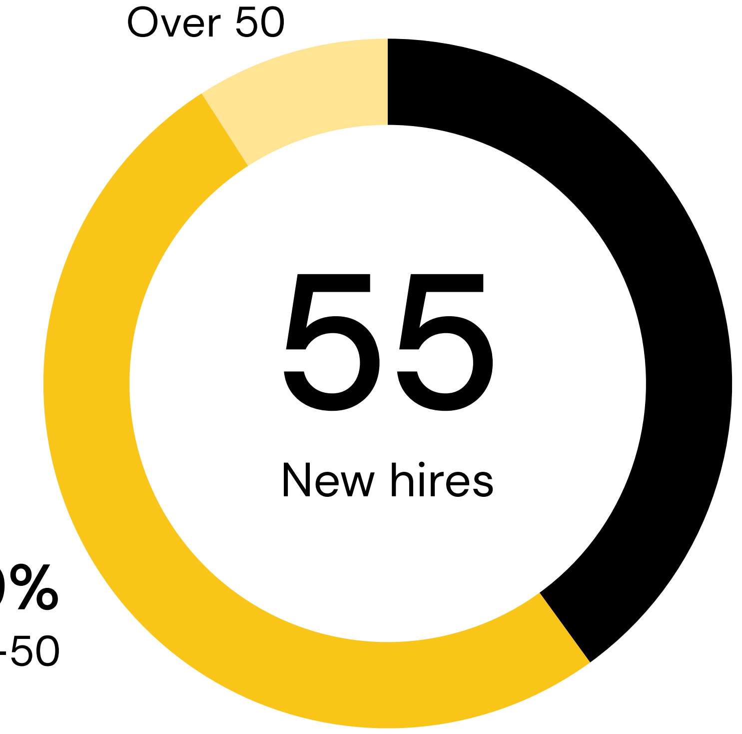
35.1% 1-3 years

13.5% 3-5 years

16.5% 5-10 years

21.9% >10 years

New hires



9.1% Over 50

40% Under 30

50.9% 30—50

35 Women | 20 Men

0
Incidents of discrimination

Employee turnover

13%
Employee turnover rate

53
Departures

11
Employees took parental leave

9 Women

2 Men

Corruption and conflict of interest

AFI's Code of Conduct sets out the Company's expectations for ethical behaviour, business integrity and compliance with applicable laws and regulations.

All employees are expected to act with honesty, fairness and transparency, placing the interests of the Company above personal gain. The Code provides clear guidance on managing conflicts of interest and establishes standards for responsible decision-making, so that daily actions uphold AFI's reputation for reliability and professionalism. In 2025, AFI completed a comprehensive update of the Code to reflect evolving regulatory developments and current best practices in governance. The updated Code is available in local languages across all countries in which AFI operates and has been designed to be more accessible, making it easier for employees to read, understand and apply in practice.

To ensure awareness and understanding, AFI is rolling out a structured training programme on the updated Code in 2026. The training covers the Code itself, privacy requirements and a general overview of what is expected from employees and what employees can expect from the Company in return. All employees will receive the Code annually, and every new employee is required to sign off on it upon joining. Annual training sessions will be conducted going forward to maintain awareness and reinforce ethical standards across the organisation.

AFI encourages employees to report suspected violations or unethical behaviour through confidential channels, without fear of retaliation. A dedicated hotline is in place for employees to flag concerns about misconduct anonymously, and all reported cases are handled in a timely and impartial manner. This open and accountable approach reinforces the culture of integrity that AFI seeks to maintain.

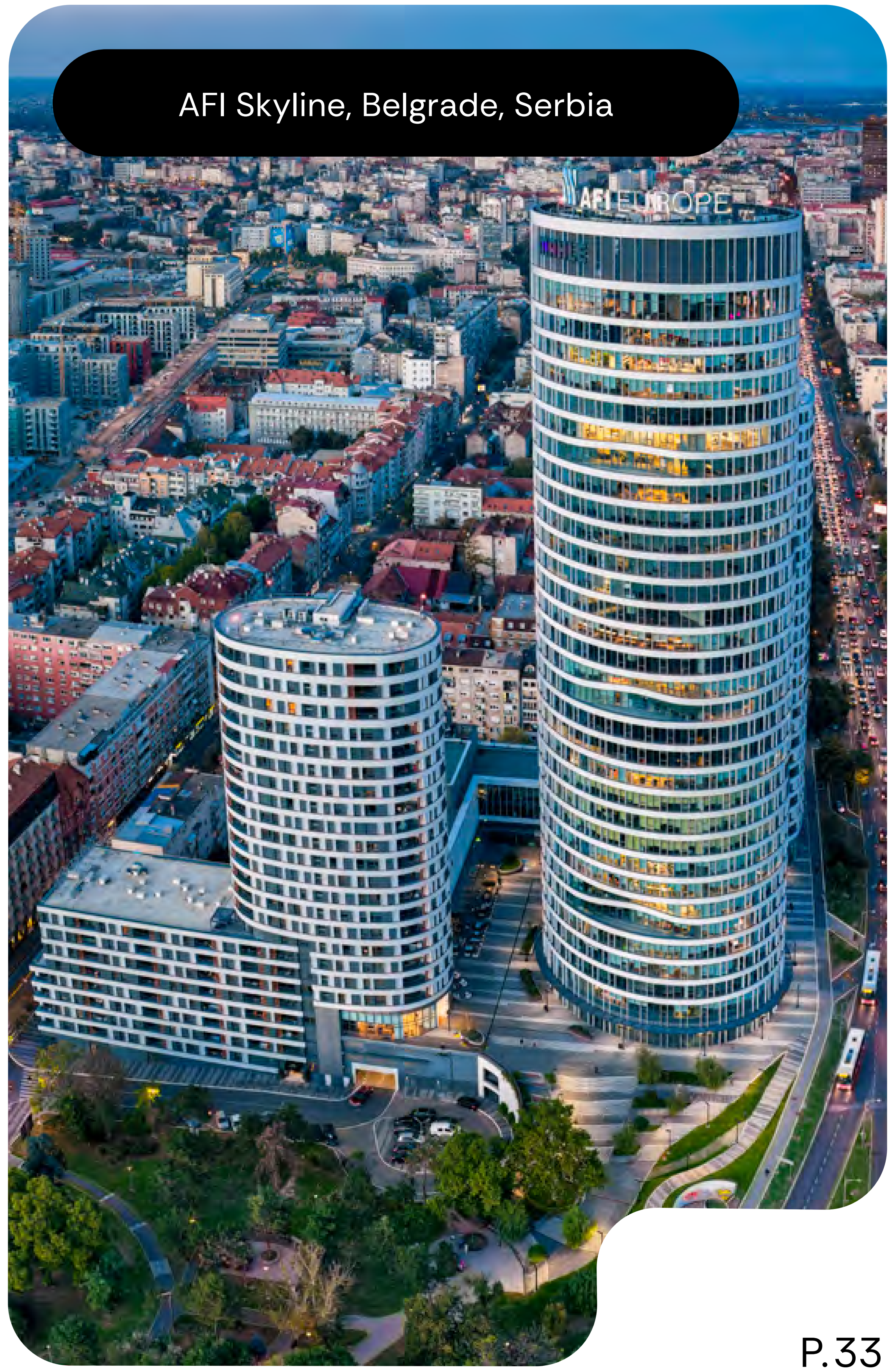
AFI enforces a strict zero-tolerance policy towards corruption, bribery, fraud and related misconduct. This standard applies to all executives, employees, business partners and stakeholders engaged with the Company. AFI's commitment to ethical business conduct supports long-term stability, strengthens relationships with tenants, investors, financial institutions and suppliers, and ensures that business decisions remain transparent and responsible. The Company expects its partners to uphold the same standards and avoids engaging with entities that do not align with its ethical values.

As a publicly listed company, AFI maintains a comprehensive internal compliance programme. The programme provides guidance on compliance with corporate and securities laws, including the prevention of insider trading and the proper management of related-party transactions. It is supervised by the CEO and a designated enforcement officer and is reviewed regularly to keep pace with developments in the legal environment.

Commitment

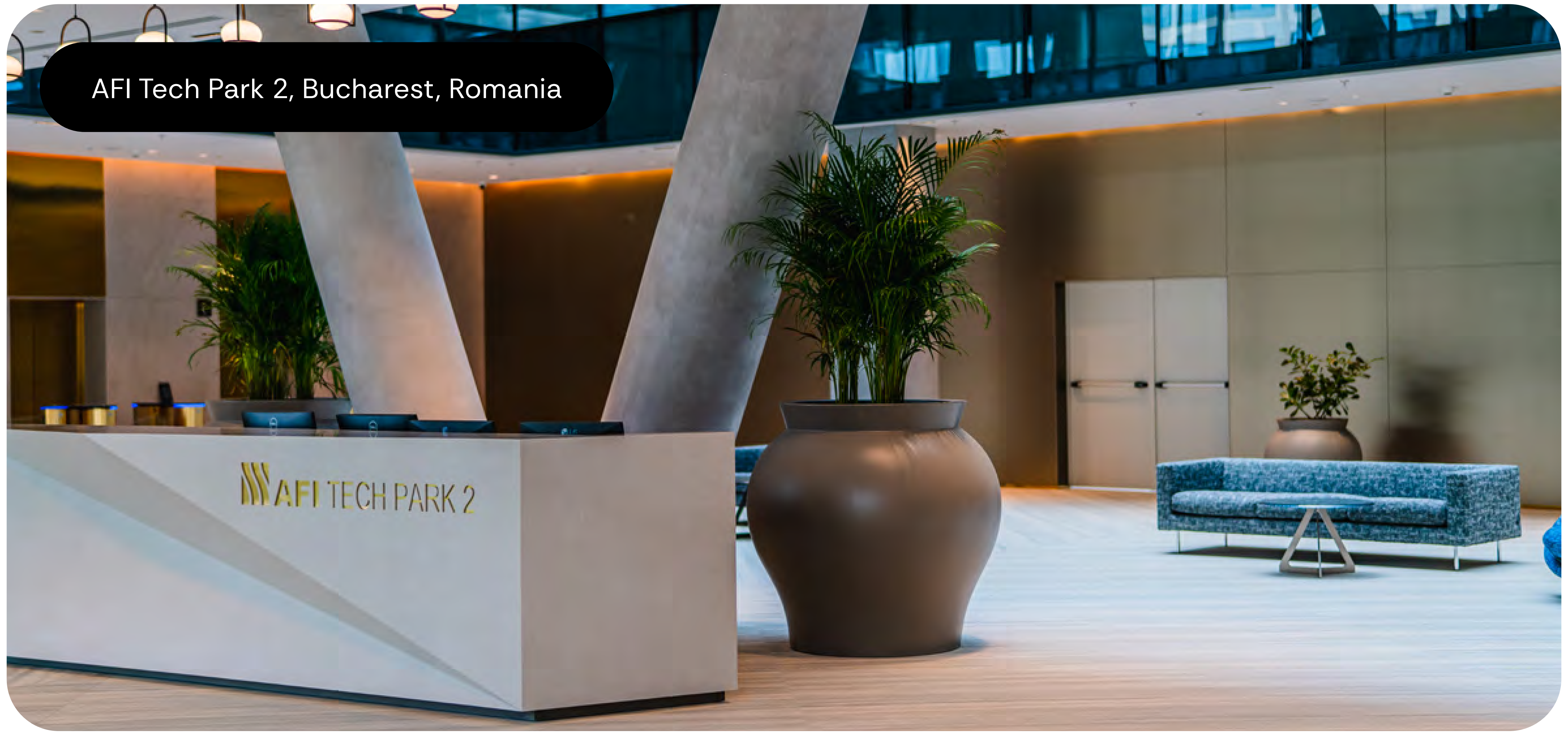
Expand annual ethics training for all employees

AFI Skyline, Belgrade, Serbia



Privacy protection and cybersecurity

AFI is committed to safeguarding the privacy and security of its employees, tenants, customers and business partners. Responsible data management is fundamental to maintaining trust, and the Company treats it as both a legal obligation and a core part of how it operates.



AFI Tech Park 2, Bucharest, Romania

AFI complies with the General Data Protection Regulation (GDPR) and other applicable privacy legislation across all countries of operation, ensuring that personal information is collected, processed and stored lawfully and transparently. Access to sensitive data is limited to authorised personnel, and any misuse or unauthorised disclosure is strictly prohibited. These principles are set out in internal policies that are reviewed on a regular basis to keep pace with evolving regulatory requirements.

The Company's cybersecurity framework is overseen by the Chief Information and Digital Officer and is designed to protect critical systems, support operational continuity and reduce exposure to cyber threats. The framework includes a board-approved incident response plan and a range of technical controls, including data encryption, real-time monitoring, secure access systems and penetration testing. During 2025, AFI commissioned an independent third-party review of the resilience and quality of its internal information systems, the findings of which are being used to strengthen controls and address identified areas for improvement.

Governance remains central to AFI's approach. The Management Team supervises the annual information systems work plan, ensuring that cybersecurity investments are aligned with strategic objectives and risk management priorities.

Regular reporting enables the Board to monitor progress, assess system resilience and verify compliance with leading industry standards.

In 2025, AFI expanded its efforts to build a security-aware culture across the organisation. All employees, close to 400 people, completed cybersecurity training consisting of dedicated training content followed by a knowledge assessment to confirm understanding. Alongside this, the Company carried out a simulated phishing campaign to test and strengthen employee awareness of social engineering threats.

These initiatives complement AFI's ongoing investments in technology and process improvements and reinforce secure behaviour and data protection responsibilities at every level of the organisation. By maintaining high standards and adapting to emerging risks, AFI supports safe, reliable and ethical operations across all countries, protecting stakeholder information and strengthening the Company's long-term resilience.

Commitment

Deliver annual cyber security and privacy protection training for all at-risk employees

Appendix

AFI Home Karlin, Prague

AFI Home North, Bucharest, Romania

Qualifying notes

Scope and reporting boundaries

The environmental performance data presented in this report covers assets owned and operated by AFI during the 2025 calendar year and within AFI's operational control. Data is reported for each environmental indicator where reliable source data was available. As a result, coverage may differ by indicator.

The reporting boundary includes 59 properties. This includes assets that were under development, delivered during the year, or newly introduced to the portfolio during the reporting period, provided they were under AFI ownership.

The following assets were under development or introduced in the portfolio during the reporting years 2024 or 2025:

- ACB Business Avenue Hotel, Belgrade
- ACB Business Avenue Office 1, Belgrade
- ACB Business Avenue Office 3, Belgrade
- AFI Home Czyżewskiego, Kraków
- AFI Home Długa, Wrocław
- AFI Home Kolbenova F+G, Prague
- AFI Home Metro Szwedzka, Warsaw
- AFI Home Metro Zachód / Lazurowa, Warsaw
- AFI Home North A, Bucharest
- AFI Home North C, Bucharest
- AFI Home Nová Elektra, Prague
- AFI Home Skyline, Belgrade
- AFI Loft, Bucharest
- Landmark A, Tel Aviv
- Landmark B, Tel Aviv
- T22 (B), Warsaw
- Weizmann 3, Ness Ziona

The number of assets included in the environmental report may differ from the total number of assets reported in the financial statements. This is because some assets consist of multiple buildings, which are reported separately for environmental performance tracking and benchmarking purposes.

In 2025, AFI continued to strengthen its environmental data collection processes, including through closer engagement with tenants, property managers, and local teams. These efforts improved the completeness and consistency of the reported data and support more meaningful year-on-year analysis.

Data coverage and methodology

Environmental data is collected through a combination of smart meters, utility invoices, and manual meter readings. Approximately 66% of the portfolio is supported by smart meter technology, helping to improve the accuracy and timeliness of energy and resource-use data.

During the 2025 reporting year, AFI improved the granularity of its environmental data by gaining better insight into the split between landlord- and tenant-controlled consumption. This was supported by closer engagement with local teams. The enhanced split supports more accurate allocation of consumption and emissions across landlord- and tenant-controlled areas and provides a stronger basis for future performance analysis.

AFI continues to work with tenants, property managers, and local teams to improve the availability of both landlord- and tenant-controlled consumption data. Where data gaps remain, these are disclosed through the relevant methodological notes and will continue to be addressed in future reporting cycles.

No data estimations have been applied in this reporting year. Reported figures therefore represent recorded consumption only, and any data gaps are excluded rather than estimated.

Like-for-like performance

AFI uses like-for-like analysis to compare year-on-year performance for assets that were fully operational and consistently included in the reporting boundary in both 2024 and 2025. Assets that were newly delivered, under development, acquired, disposed of, materially refurbished, or otherwise not comparable across both years are excluded from like-for-like calculations. 36 of 59 assets were included in the like-for-like comparisons.

This approach provides a clearer view of underlying changes in energy use, carbon emissions, water consumption, and waste generation, separate from changes caused by portfolio growth, asset delivery, or changes in occupancy.

Intensity calculations

AFI calculates carbon and energy intensity indicators to monitor emissions and consumption performance in relation to building size and use. These indicators improve comparability across asset classes and support benchmarking, including through CRREM analysis.

Intensity calculations are reported for assets that were fully operational throughout the full 2025 reporting period. This avoids distortions caused by newly opened, refurbished, under-development, or partially vacant assets.

Location-based carbon intensity is calculated using the sum of scope 1 emissions, scope 2 location-based emissions, and tenant-related scope 3 energy emissions, divided by total building size. Total building size includes common areas, technical areas, and leasable areas.

Energy intensity is calculated using total building energy consumption, including electricity, fuels, district heating, and district cooling, expressed per square meter of total building size. Total building size includes common areas, technical areas, and leasable areas.

Carbon emissions

Carbon emission factors were sourced from the following authorities and data providers:

- UK Government for Company Reporting / DEFRA, for gas emission factors.
- CRREM, for location-based electricity emission factors in European countries.
- Our World in Data, for location-based electricity emission factors in non-European countries.
- Local energy providers, for market-based electricity and district heating emission factors, where available.

Emission factors were reviewed and updated for the 2025 reporting year. Compared with the previous report, new sources were applied for district heating emission factors in Poland, improving the accuracy of reported emissions.

Greenhouse gas emissions are reported in accordance with the GHG Protocol and GRI Standards and are expressed in tonnes of CO_2 equivalent, or tCO_2e. Both market-based and location-based emissions are disclosed.

Scope 1 emissions mainly relate to natural gas consumption across AFI buildings. Diesel use, including for backup generators, represents a minor share of scope 1 emissions but is included in the reported total.

Scope 2 emissions relate to purchased electricity, district heating, and cooling across AFI-owned assets. Emissions are calculated using both location-based and market-based methods. Location-based factors reflect average country-level grid emissions, while market-based factors reflect contractual arrangements where available, including supplier-specific emission intensities and renewable electricity documentation.

AFI procures 100% renewable electricity in Serbia, supported by contractual and supplier documentation. In other countries, renewable electricity is reported where Guarantees of Origin or equivalent contractual instruments were purchased and documented during the reporting year. Where such documentation was not available, electricity consumption is reported using the standard grid mix. As a result, scope 2 emissions may differ between market-based and location-based disclosures.

Scope 3 emissions are reported for tenant-controlled energy consumption where tenants have operational decision-making authority over their leased spaces. These emissions are based on reported electricity, fuel, and district heating consumption where available. The current dataset excludes business travel and other supply chain-related emissions. AFI will continue to assess opportunities to expand scope 3 coverage as reliable data sources and methodologies become available.

Landlord and tenant control

Energy consumption disclosed for landlord-controlled areas includes electricity, fuels, district heating, and cooling used to operate shared services, technical systems, and common areas.

For tenant-controlled areas, energy may be procured directly by tenants or indirectly by AFI on their behalf. However, operational decision-making authority remains with the tenants. This distinction determines how emissions are allocated across scope 1, scope 2, and scope 3 categories, in line with the GHG Protocol.

Energy data

Renewable electricity procurement varies by geography. In Serbia, 100% of purchased electricity is sourced from hydropower, supported by supplier contractual information. In Romania, a majority share of electricity consumption is supported by Guarantees of Origin. In Poland, renewable electricity is reported where supported by supplier documentation or equivalent contractual instruments.

In other regions, renewable electricity is only reported where Guarantees of Origin or equivalent contractual instruments were purchased and documented during the reporting year. Otherwise, electricity consumption is reported as part of the standard grid mix.

AFI continues to monitor opportunities to increase renewable electricity procurement across the portfolio, taking into account market availability, contractual options, and local regulatory conditions.

Water data

From the 2025 reporting year onward, water consumption is split between landlord- and tenant-controlled areas where the underlying data allows this distinction. Water data coverage remains less mature than energy data coverage. During 2025, AFI improved data availability through closer collaboration with property managers, tenants, and local teams. This outreach increased the availability of tenant water data, meaning that part of the reported change in water consumption may reflect improved data coverage rather than a like-for-like change in actual consumption. Further improvements in metering coverage and reporting consistency remain a priority for future reporting cycles.

Waste data

Waste data is reported for properties where information was available and could be verified through waste management providers or property management teams. Reported waste volumes reflect total generated waste streams, including municipal waste, recyclables, and mixed fractions where such information was available.

Key qualifications related to waste data for 2025 are as follows:

- Data coverage is not yet complete across all assets.
- Waste reporting does not yet consistently distinguish between tenant-generated and landlord-generated waste streams.
- Portfolio-level waste-to-energy, recovery, recycling, and landfill diversion performance is not calculated where data availability is inconsistent.
- Carbon emissions associated with waste treatment or disposal are not yet quantified within scope 3.

AFI aims to continue to improve waste tracking systems, strengthen collaboration with waste management providers, and work towards clearer separation of recyclable and non-recyclable waste streams. These improvements are expected to support more detailed waste performance reporting in future years.

Environmental performance 2025

GRI 102 — GHG emissions 2025 (tonnes CO_2e)	Total 2025	Total (LfL)	Bulgaria	Czech Republic	Israel	Poland	Romania	Serbia
Scope 1 GHG emissions (102-5-a; 102-5-c)								
Natural gas consumption	3,459	3,301	18	232	–	21	543	2,487
Diesel consumption	29	18	0	–	9	–	5	3
Total scope 1 GHG emissions	3,489	3,319	18	232	9	21	549	2,490
Scope 2 GHG emissions (102-6-a; 102-6-c)								
District heating and cooling	1,998	1,247	–	68	–	525	122	532
Location- based electricity	32,987	27,737	631	3,725	4,875	1,314	4,682	12,509
Market-based electricity	10,554	9,681	631	2,554	4,875	293	1,328	–
Total scope 2 GHG emissions - location based	34,985	28,984	631	3,793	4,875	1,839	4,804	13,041
Total scope 2 GHG emissions - market based	12,552	10,928	631	2,622	4,875	818	1,450	532
Scope 3 GHG emissions (102- 7-a; 102-7-c)								
Category 13: Downstream leased assets (102-7-b) - location based	63,692	53,238	–	5,138	11,253	5,773	22,336	8,739
Category 13: Downstream leased assets (102-7-b) - market based	32,291	30,471	–	4,076	11,253	2,375	12,767	–
Total scope 1, 2, 3 emissions - location based	**102,165**	**85,541**	**649**	**9,163**	**16,138**	**7,633**	**27,688**	**24,270**
Total scope 1, 2, 3 emissions - market based	**48,332**	**44,719**	**649**	**6,931**	**16,138**	**3,214**	**14,766**	**3,022**

	GRI 103 — Energy consumption (MWh)	Total 2025	Total (LfL)	Bulgaria	Czech Republic	Israel	Poland	Romania	Serbia
Landlord	Natural gas (103-2-a)	18,888	18,064	97	1,268	–	115	3,007	13,576
Landlord	District heating and cooling (103-2-b)	6,493	3,936	–	202	–	1,429	304	2,001
Landlord	**Electricity (103-2-b; 103-2-c)**								
Landlord	Purchased electricity	79,002	67,864	3,237	7,512	12,262	2,225	23,939	18,690
Landlord	% purchased renewable electricity	56%	52%	0%	0%	0%	74%	65%	100%
Landlord	On-site generated renewable electricity	2,849	2,818	1,157	–	–	15	1,646	–
Landlord	Total electricity	81,851	70,682	4,394	7,512	12,262	2,240	25,585	18,690
Landlord	**Total energy**	107,232	92,682	4,492	8,982	12,262	3,784	28,896	34,267
Tenants	Natural gas (103-2-a)	25,923	25,923	–	2,301	–	1,393	22,230	–
Tenants	District heating and cooling (103-2-b)	23,108	16,468	–	7,585	–	4,839	4,044	–
Tenants	**Electricity (103-2-b; 103-2-c)**								
Tenants	Purchased electricity	158,276	139,160	–	6,811	23,993	6,424	88,876	13,056
Tenants	% purchased renewable electricity	54%	49%	0%	0%	0%	88%	56%	100%
Tenants	On-site generated renewable electricity	25	25	–	–	–	–	25	–
Tenants	Total electricity	158,301	139,186	–	6,811	23,993	6,424	88,901	13,056
Tenants	**Total energy**	207,332	181,577	–	16,697	23,993	12,656	115,174	13,056
All	**Total energy**	**314,564**	**274,259**	**4,492**	**25,678**	**36,255**	**16,440**	**144,070**	**47,324**

GRI 303 — 306 Water and waste	Total 2025	Bulgaria	Czech Republic	Israel	Poland	Romania	Serbia
Total waste (tonnes) (GRI 306-3)	9,217	–	427	3,012	256	5,306	216
Water consumption (m3) (GRI 303-3)							
Landlord	588,408	13,661	128,296	40,136	29,001	266,112	111,202
Tenants	348,579	–	–	30,135	106,177	212,267	–
Outdoor areas	54,296	–	–	–	485	20,544	33,267
Rain water / Grey water	360	–	–	–	360	–	–
Total water consumption	**991,643**	**13,661**	**128,296**	**70,271**	**136,023**	**498,923**	**144,469**

2025 Intensity figures	Office	Retail	Residential
Carbon intensity - location based (kg CO_2e/m^2)	77.2	53.7	41.3
Energy intensity (kWh / m^2)	221.4	258.2	92.5

GRI content index

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GRI Standard	Disclosure	Pages
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AFI 2025 ESG Report