

ESG

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Since its foundation in 2014, Lar España has built its name as a SOCIMI switched on to sustainability, intent on **managing and running our portfolio from a responsible business ethics**. These ten years of dedication and drive have been guided by our ESG Masterplan — culminating in the launch of our Sustainability Strategy, now the touchstone for everything we do.



For ten years, we have **stood by our commitment to corporate sustainability** by periodically reflecting on our ESG performance.



The projects on which we are focused today, structured around **three key pillars**, reflect both our ambition and our position of responsibility:

KEY Pillars

G | Transparent and responsible management

- We put a great deal of thought and effort into designing (and updating) policies that reflect the needs and expectations of the market and our own stakeholders, in accordance with best practice.
- Each year, our Integrated Risk Management System (IRMS) gives us confidence that risks are being identified, evaluated and monitored efficiently. Its scope is progressively expanding with each revision of both the system itself and our corporate risk map.
- We provide comprehensive information on our environmental, social and governance performance, following recognised reporting frameworks designed for our sector.
- As we pursue our strategy, we are ably supported by operational committees such as the ESG Committee and the Social Impact Committee, formed of department heads with responsibility for promoting and managing various aspects of sustainability at both corporate and operational levels.
- We seek to consolidate our leadership in corporate sustainability by participating in major international ESG indices (MSCI, S&P, FTSE4GOOD, GRESB, etc.) and contributing to national and global associations (EPRA, Global Compact, the Spanish Association of Sustainability Managers and Forética).

S | A sustainable future for people

- We want to create places that are inclusive and accessible to all, which is why we are pursuing certification under the international standard for universal accessibility, UNE 170001.
- We have developed a set of management systems in conformance with ISO 45001, creating a solid foundation for health, safety and well-being at all of our properties.
- Our work creates jobs and fuels further socioeconomic development for communities.
- We like to make people happy, and so are always working to boost satisfaction among tenants and visitors and give them our very best.
- We are helping usher in a new age of sustainable mobility.
- Social action is in our DNA, and we are proud to partner with NGOs, charitable foundations and local groups.

E | A sustainable future for our planet

- We've created a proprietary platform for gathering and analysing environmental performance data, giving us more powerful insights into the impact that our action plans are making.
- We have concrete plans in place for responsible resource use, including an Energy Efficiency Plan and Waste Management Plan.
- The technical quality of our centres has been recognised by independent evaluation frameworks, such as BREEAM.
- We run our portfolio on a model that conforms to international standards, such as ISO 14001.
- Each year, we verify our carbon footprint calculations with an independent third party and submitted to MITERD. For our efforts, Lar España has been awarded both the "Calculo" and "Reduzco" seals.
- Our Decarbonisation Strategy sets out a series of ambitious goals in line with the global Science-Based Targets Initiative (SBTi), based on the use of sector-specific tools like Carbon Risk Real Estate Monitor (CRREM).



Key priorities for the first half of this year were:

- Completing a **Double Materiality assessment** to identify material topics under the CSRD Directive.
- **Adding new functionalities** to our data collection platform to capture air quality measurements.
- Continuing to operationalise our **energy management system** in compliance with ISO 50001 in all assets under operational control.
- Obtaining **BREEAM In-Use certification for Lagoh**, with a rating of “Outstanding” for both the building and our management model. This makes Lagoh the highest-scoring property in Spain under V6 of the framework.
- Preparing to submit our verified **carbon footprint** calculation to the Ministry for the Ecological Transition and Demographic Challenge (MITERD), retaining our “Calculo” and “Reduzco” seals from 2023.
- Monitoring progress on our **Energy Efficiency Plan** and the objectives set.
- Researching potential routes to **cutting water consumption**, following an analysis of the Company’s water footprint in 2023.
- Participating in the **Carbon Disclosure Project (CDP)**.
- Participating in **GRESB (Global Real Estate Sector Benchmark)**, the leading benchmarking scheme for our sector, for the seventh year.
- Adding **green clauses** to more of our lease agreements, attaining approximately 30% coverage.

Looking ahead to the rest of 2024, we remain focused on pushing for continuous improvements in management and operations. Some of the most exciting **projects and initiatives** on the horizon include:

NEXT STEPS

E | Environment

- Renewing **BREEAM certifications** for our centres.
- Updating our **Energy Efficiency Plan** in light of outcomes from recent audits, including new Energy Saving Measures (MAE) and targets defined in our Decarbonisation Strategy.
- Obtaining ISO 50001 certification for our **Energy Management System (EMS)** at all properties under our management.
- In line with our **Decarbonisation Strategy** and the SBTi framework:
 - Pursuing our Company policy of sourcing electricity from suppliers with a Renewable Energy Guarantee of Origin (REGO).
 - Installing on-site renewable energy systems to achieve a degree of self-sufficiency.
- Replacing equipment nearing the end of its useful life.
- Refining our methods for quantifying our scope 3 emissions, focusing on the most significant categories in view of our business model and the provisions of the GHG Protocol.
- Exploring the possibility of investing in carbon offsetting and sequestration schemes.
- Improving processes for recording waste management data, while analysing our new obligations as a real estate company under Law 7 of 8 April 2022 on the management of waste and contaminated soil to promote a **circular economy**.
- Designing measures to promote **efficient water use**, drawing on conclusions reached in calculating our water footprint.





S | Social

- Taking a decisive stance on corporate sustainability, looking particularly at strengthening **tenant relationships**.
- Obtaining **Universal Accesibility** certification for Gran Vía de Vigo and Ànecblau under UNE-170001, and bringing stoma-friendly bathrooms to more properties in our portfolio.
- Making strides in our rollout of new **sustainable mobility** solutions, especially electric vehicle charging points.
- To continue our **creation of value and positive impact** with our communities, promoting leisure and activities in favour of health and well-being, inclusion with all types of audiences, sport, culture, environmental awareness, and local collaboration for social purposes.

We have a **clear strategy encompassing various aspects of ESG** to continue being leaders in our sector.

G | Governance

- Integrating the Company's climate-related risks (including both physical and transition risks, as per TCFD recommendations) into our **Risk Map**, based on the initial conclusions from our Climate Risk Report.
- Supporting our **ESG and Social Impact Committees** in monitoring issues relating to environmental and social sustainability and coordinating teams involved in operational business management.
- Evaluating our **compliance with the CSRD Directive** and outlining a path to improvement, based on data points established during the planned double materiality assessment.
- Ensuring compliance with **new EPRA sBPR standards⁽¹⁾**, published in April 2024 and based on the general European Sustainability Reporting Standards (ESRS) set out in the CSRD Directive.
- Continuing to make voluntary disclosures under the **European Taxonomy** and identify areas for improvement.
- Establishing an official **supplier** selection process that takes ESG performance on board.
- Formalising our commitment to **Human Rights** in cognizance of sector needs.

(1) For more information, please see the new EPRA documentation for 2024, available [here](#).

3.1 Environmental engagement

Environmental certifications



Our properties are designed and built to an excellent standard of environmental performance, reflected in internationally recognised certifications and standards such as **ISO 14001 on Environmental Management Systems (EMS)**, put in place in the 100% of portfolio under operational control, and the **BREEAM** sustainable construction framework.

We are now working to obtain **ISO 50001** certification (**Energy Management Systems**) for all properties under our management. Megapark has achieved this already, having fully implemented all aspects of this international standard.

A Waste Management System has been in place at Megapark since 2023. Focused on recovery, this system has been audited and certified by TÜV SÜD in line with the its Zero-Waste standards.

At Lar España, we seek to lighten our impact on the planet by practicing a responsible management and operational model. We leverage technology to get optimum results, always keeping our finger on the pulse of new trends and best practices in the sector.

As of 30 June 2024, **97% of our properties** by GAV were certified under ISO 14001.

In April, Lagoh was awarded BREEAM In-Use certification, with a rating of “Outstanding” in both Part 1 (Building) and Part 2 (Management) under the latest version V6 of the assessment framework. This makes Lagoh **the highest-rated property in Spain under BREEAM V6**.

Meanwhile, we are in the process of renewing BREEAM certificates due to expire in 2024.

100% of our property portfolio is BREEAM-certified, with 98% rated “Outstanding”, “Excellent” or “Very Good” in GAV terms.

Current Status			
Shopping Centres	Rating ⁽¹⁾	Certification type	Status
Lagoh ⁽²⁾	P1: Outstanding / P2: Outstanding	In-Use	Certified
Gran Vía de Vigo	P1: Excellent / P2: Excellent	In-Use	Certified
Portal de la Marina	P1: Very Good / P2: Excellent	In-Use	Certified
El Rosal	P1: Excellent / P2: Excellent	In-Use	Certified
Ànecblau	P1: Very Good / P2: Excellent	In-Use	Certified
As Termas	P1: Excellent / P2: Outstanding	In-Use	Certified
Albacenter	P1: Very Good / P2: Excellent	In-Use	Certified
Txingudi	P1: Good / P2: Very Good	In-Use	Certified
Las Huertas	P1: Very Good / P2: Very Good	In-Use	Certified

Current Status			
Retail Parks	Rating ⁽¹⁾	Certification type	Status
Megapark ⁽³⁾	P1: Very Good / P2: Excellent	In-Use	Certified
Parque Abadía	P1: Very Good / P2: Very Good	In-Use	Certified
VidaNova Parc	P1: Very Good / P2: Excellent	In-Use	Certified

(1) P1: corresponds to the first part of the BREEAM certificate related to the design characteristics of the asset.

P2: corresponds to the rating obtained according to the management of the asset.

(2) The asset also has a BREEAM ‘New Construction’ certificate with a ‘Very Good’ rating.

(3) The certifications correspond to areas of the asset over which Lar España has operational control.

Environmental performance⁽¹⁾ (H1 2024)

For an accurate picture of Lar España's environmental performance over the first half of this year, there are two key factors to take into account.

Footfall

The first six months of 2024 saw a total of **33.7 million visits**, which is **+1.5%** higher than last year's figure in like-for-like terms.

Weather conditions

The weather is the primary driver of variations in energy and water consumption.

→ **Winter 2024:** It was an unusually warm winter for all of mainland Spain, especially in the Mediterranean seaboard.

January and February saw average temperatures well above what we would expect for this time of year (+2.4°C and +2.5°C, respectively), resulting in an average temperature anomaly of **+1.9°C** quarterly.

Precipitation patterns were fairly typical, if uneven geographically. While the country received **90%** of predicted rainfall, meteorologists noted a very dry winter all along the Mediterranean coast.

→ **Spring 2024:** Although June is not yet over at the time of writing, it is safe to say that spring 2024 was considerably more stable in terms of temperature than the winter, with a provisional temperature anomaly of **+0.8°C**.

It was a damp or very damp spring in almost every part of Spain (**105%** of predicted rainfall), excessively so in Galicia and the Guadalquivir Valley. In contrast, dry or very dry conditions were recorded in the Region of Valencia.

Energy consumption

Provisional data for H1 2024 indicates that the Company bought in **-4.2%** less energy than in H1 2023. Over the same period, energy consumption for shared spaces and facilities dropped by **-5.0%** in like-for-like terms.

Energy for heating derived from fossil fuels accounted for a little under 7.5% of all energy consumed in common areas by our shopping centres and retail parks, and we hope to bring this down further (to between 6.5% and 7.0%) in the autumn-winter season, which, based on recent trends, is expected to be mild.

Provisional figures suggest that energy intensity fell from 0.35 kWh per visitor in the first six months of 2023 to 0.33 kWh per visitor in the first half of 2024, a **reduction of -5.6%**.

Water consumption

While energy consumption subsided, our water consumption reached 3.01 litres per visitor during this period, marking an increase **+4.8%** in like-for-like terms compared with the same period of 2023.

This is primarily due to leaks in the fire protection systems at certain centres, which have now been located and repaired. With this issue addressed, we expect to see a swift return to normal consumption levels.

Furthermore, the Company has been working on action plans to optimise our use of water, focusing particularly on how we water our green spaces and refrigeration tower efficiency, especially for properties located in high or very high water-stress areas.

(1) The information presented in this section is provisional and based on direct measurements of consumption rates. It has not been reconciled or documented against suppliers' own records, which we are still waiting to receive



Automation and monitoring platform for environmental performance data

Lar España uses a custom-built, fully scalable platform expressly designed for our portfolio and business activities that allows us to automate a huge volume of environmental data, **produce dynamic displays and run up-to-the-minute reports**. The system covers all aspects of environmental performance, including energy consumption, GHG emissions, water consumption, waste management and air quality.

Year after year, we work to refine our approach to recording and monitoring operational data, taking more and more frequent snapshots for analysis and decision-making. This tool has certain unique features that set it apart from other business solutions, making it ideally suited to managing complex commercial buildings:

→ It allows us to break down our total energy and water consumption by individual end use.

- It facilitates submetering (using a network of meters downstream of the main utility meters for the building) so we can compare and validate our readings against those of our suppliers.
- It draws a clear link between consumption patterns and operational indicators such as footfall and surface area.
- It is able to automate a vast range of datasets at all levels and frequencies, while minimising errors and preserving traceability.
- It creates a single repository for information and documentation, making it quicker and easier for our teams to analyse data and produce reports and facilitating processes for certification, audit and review.
- It synthesises data from different business areas, enabling us to model the effectiveness of projects and strategic plans.

Decarbonisation strategy



In December 2023, the Board of Directors approved the latest version of our Decarbonisation Strategy, updated in response to new market trends such as the growing need to align with Science Based Targets Initiative (SBTi) and Carbon Risk Real Estate Monitor (CRREM) methodologies.

The strategy commits us to:

- A short-term target to reduce scope 1 and 2 emissions by **60%** by 2030 compared with the 2019 baseline (calculated using the market-based method).
- Developing an emissions offsetting strategy to help us reach climate neutrality by 2030 (again based on scope 1 and 2 emissions under the market-based method).
- A long-term goal of becoming a Net Zero company by 2050 (scopes 1, 2 and 3).

In addition, it proposes that:

- The Company should research, plan and implement carbon offsetting and sequestration projects to mitigate residual emissions.
- More advanced calculation methods are needed for scope 3 emissions, particularly with respect to tenant resource use, waste processing and transportation, the carbon footprint of outsourced products and services and emissions associated with construction and refurbishment works.

H1 2024 vs H1 2023⁽¹⁾

Scope 1 Emissions

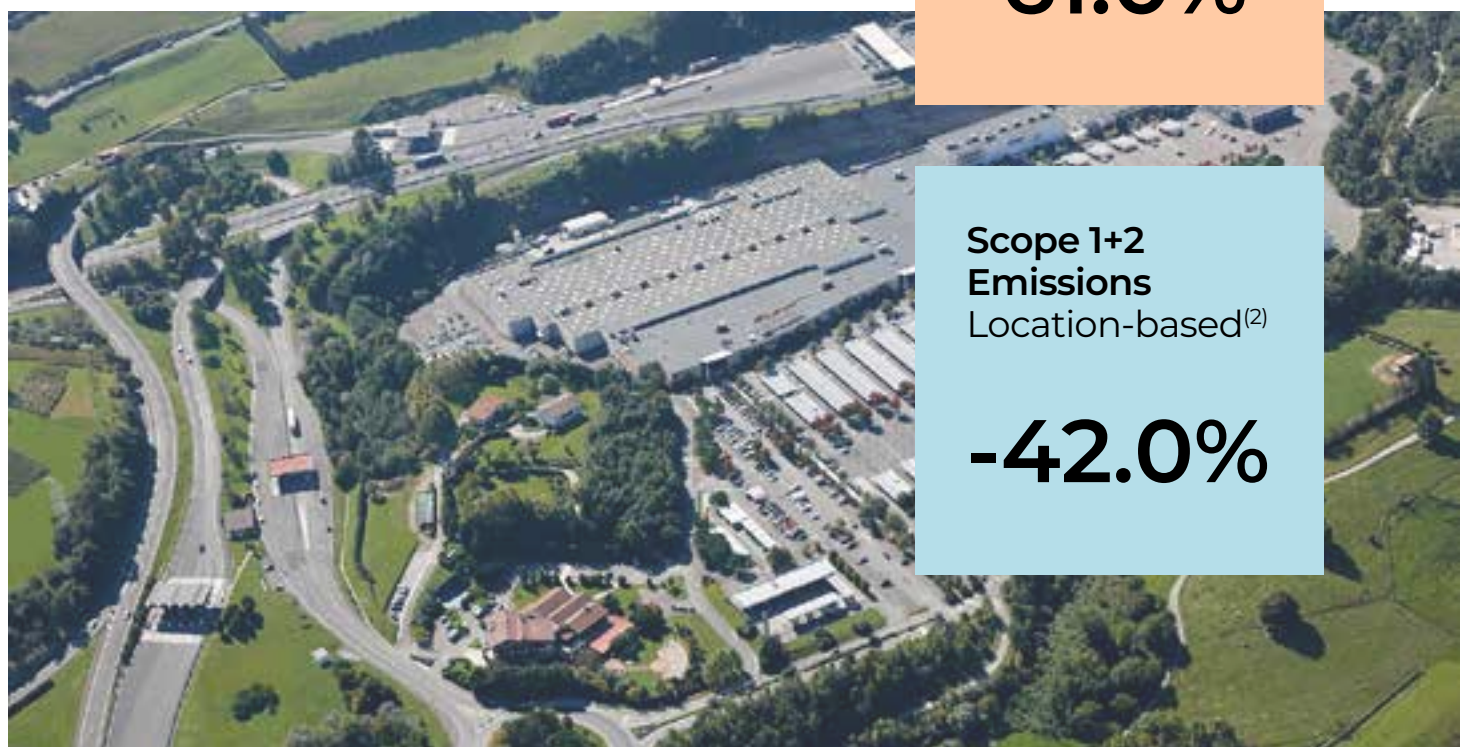
-61.0%

Scope 1+2 Emissions Location-based⁽²⁾

-42.0%

(1) The information presented in this section is provisional and based on direct measurements of consumption rates. It has not been reconciled or documented against suppliers' own records, which we are still waiting to receive.

(2) For the location-based approach, Lar España applies the provisional emission coefficients of the [Red Eléctrica Española \(REE\)](#) for mainland electricity.



Carbon footprint

For five consecutive years, we have registered our Company's **carbon footprint** with the Ministry for the Ecological Transition and the Demographic Challenge (MITECO), achieving both the “Calculo” and “Reduzco” seals. We have also requested an independent third-party review of our compliance with ISO 14064.



At the time of writing, we are still gathering data for our 2023 carbon footprint calculation, following the release of the latest official Ministry calculator in May. As in previous years, all supporting documentation will be verified by an independent body accredited by ENAC.

Lar España holds fast to MITECO “Calculo” and “Reduzco” seals.



Energy efficiency

Our Energy Efficiency Masterplan was approved in 2021, following several years of dedicated work. Over the course of 2022 and 2023, we updated our energy auditing processes for all properties in our portfolio, as a first step towards developing specific action plans based on their individual Energy Saving Measures (ESAs).

At the same time, we pressed ahead with plans to install photovoltaic panels at our properties to generate electricity on-site, now nearing completion.

The masterplan outlines a series of commitments with a view to cutting our total energy use by 5% between 2020 and 2025. As of 2023, the results have exceeded even our most optimistic expectations: energy consumption is down **-17.8%** in like-for-like⁽¹⁾ terms compared with 2019. Given that our largest shopping centre, Lagoh, opened for business in September 2019, to see the difference in absolute terms it is best to take 2020 as the baseline. This tells us that energy consumption has fallen **-11.2%** in the intervening period.

In light of this success, we decided to set new targets based on the potential for further energy savings at each centre or retail park. Another impetus for updating the plan is the need to **bring energy policy in line** with new legal obligations under Spain's national Decarbonisation Strategy.

Our focus can no longer be limited on cutting consumption (and therefore costs). We must set our sights on decoupling our activities from fossil fuels, generating renewable energy in situ and optimising electricity consumption through measures customised to each of our properties.

This is a far more complex process than mere corporate target-setting; it requires a thorough exploration of all potential ramifications for our financial performance, for the climate and for the upside potential of each asset over its useful life.

Furthermore, in the first half of 2024 we installed a new **solar-powered lighting system** in the outdoor parking area at Albacenter.

(1) Excluding the Lagoh shopping centre, which opened in September 2019, and the Rivas Futura and Vistahermosa retail parks following their divestment in July 2023.

We continue to make progress with the implementation of initiatives related to our Energy Efficiency Plan.





Waste management

Since 2021, the Company's waste management plan has given us greater control and oversight of the volume of waste produced by our portfolio. We are particularly proud that:

- In 2022, we designed our own process for sorting and **classifying** waste, adopting the categories and codes of the European Waste Catalogue (EWC).
- This allowed for a more granular approach to **identifying the appropriate processing stream**: reuse, recycling, composting, recovery, etc.
- As a result, **the proportion of waste sent to landfill is being phased down**.
- This process has also led to **more detailed reporting** — we are now able to break down total waste by type and processing stream, as described in our [2023 Annual Report](#) (see page 293).

- Work continues on evaluating **emissions related to waste treatment and transportation**. In the first half of 2024, a new template has been defined and is being integrated into the asset reporting processes to include estimates for Scope 3 emission calculations.

Lar España uses the RECICLOS return and reward system (RRS). We have also introduced a range of other initiatives to help us meet our commitments in this area, including the ecozones at Portal de la Marina, Gran Vía de Vigo and As Termas. Ecozones are advanced recycling points where visitors can dispose of all kinds of waste: used cooking oil, batteries, printer ink and toner cartridges, light bulbs and small reading lamps, clothing, packaging, fluorescent tubes and more. These items are then collected for recycling, empowering the community to take an active role in promoting the circular economy.

Water management

In 2023, we began to study the impacts of our activities on water resources in greater depth. As part of this work, we aim to calculate our **water footprint** following the methodology set out in ISO 14046. By identifying historic consumption patterns, we will be able to develop specific action plans at the property level. We conducted an exhaustive analysis of water consumption for each end use (air conditioning, watering, hygiene, cleaning, etc.) and impact category (acidification, ecotoxicity, eutrophication and reduced catchment flow in the local area).

- We concluded that the water we discharge into the natural environment has **minimal adverse impact** – comparing favourably to residential and, especially, industrial uses.
- **Water pollution is well controlled**, since all wastewater returns to the public water system for purification.
- Where we have the greatest impact is extracting water from river basins, which can exacerbate water stress in the local environment. Ultimately, this may lead to **restrictions on water consumption for air conditioning** (evaporation towers) **and watering**.

Work on action plans to promote more efficient water use continued over the first half of this year. Our goal is to formulate strategies for each individual property, accounting for local hydrological conditions, regional and local regulations and the scope for water saving and reclamation.

Urban biodiversity

None of the properties in our portfolio lies within a protected natural landscape or ecosystem. However, we are **committed to conserving and promoting native species and urban nature** at all of our shopping centres and retail parks.

By the end of 2023, almost 60% of properties in our portfolio had undergone an ecological assessment as part of the BREEAM certification process. Lagoh emerged particularly strongly: 35.9% of the site is made up of landscaped greenspace, where 70% of species are native to the Mediterranean region and none are considered invasive. Among its initiatives for 2024, further work is planned to increase native flora and create favourable habitats for birds and lepidoptera.

Other initiatives to support biodiversity have included:

- Planting of native flora of the genus *Rosmarinus* and *Lavandula* as part of the landscaping of the El Rosal shopping centre. The flowerbed is located to attract Lepidoptera. Continuous monitoring for the presence of invasive vegetation has also been carried out, with no specimens of such species as *Ailanthus altissima* detected. El Rosal is currently working on its Biodiversity Management Plan.
- Replacement of grass in the exterior gardening areas of Portal de la Marina with native plants that have low water demand, such as those of the genera *Rosmarinus*, *Nerium*, and *Agapanthus*. Additionally, the same shopping centre has sponsored a beehive from the sustainable beekeeping project Miel Montgó, located in the natural park that bears its name.
- Placement of bird nests in outdoor areas at Parque Abadía (50 units) and at the As Termas shopping centre (10 units).
- In Ànecblau, in addition to working on their Ecological Report and Biodiversity Management Plan, they plan to replace their vegetation with native and low water demand flora such as *Stipa tenuissima* in their indoor green areas and *Sansevieria laurentii*, *Salvia greggii*, *Gaura lindheimeri*, and *Viburnum lucidum* on the exterior. The elimination of an invasive plant species (*Cortaderia selloana*) will also be carried out.



We uphold our commitment to biodiversity and urban ecosystems in many different ways, **including embracing biophilic architecture at Lagoh, creating an urban allotment at Megapark and installing nesting boxes for birds.**

3.2 Contribution to Society

Client engagement

Tenant relationships

In 2023, we launched a **strategic communications** project to nurture our relationships with tenants and formulate a single overarching strategy aligned with our value proposition.

- As part of the exploratory and goal-setting work for the project, we carried out interviews with all of our tenants to gain a fuller picture of their opinions on various key points.
- We compiled a list of trends and technological developments in the sector to identify potential solutions, ranking them on the basis of our overall strategies and impacts in the short, medium and long term.

In the first half of 2024 we conducted a satisfaction survey with retail managers and tenants at Gran Vía de Vigo, VidaNova Parc and Parque Abadía.

At VidaNova, for example, we asked for feedback on a range of aspects including well-being at work, workspace layout and communication with the management team. Respondents gave a particularly high score to our efforts to promote accessibility and relationships with managers.

At Parque Abadía, in relation to its common areas and facilities, communication with the management as well as with the organization of work has been considered as positive aspects, highlighting the relations with the security and cleaning staff.

Visitor relationships

We offer complaints channels at all of our centres, both physical (e.g., feedback forms available at information points) and digital (email addresses and social media accounts where visitors can post reviews).





Every day across our portfolio,
**we strive to create value
 and make a difference in
 the lives of communities**
 — through the services we
 offer, the jobs we create, our
 contribution to social and
 economic development and
 the opportunities we provide
 for people of all walks of life to
 enjoy spending time together.

In addition, the first half of 2024 saw the **introduction of the following initiatives:**

- Accessibility questionnaires at Gran Vía de Vigo and Parque Abadía.
- Visitor satisfaction surveys at Gran Vía de Vigo and VidaNova Parc, organised by centre management. At VidaNova, for instance, questions focused on the park's overall shopping environment and measures to support well-being. Respondents gave the centre an average score of 4.1 out of 5.

On the other hand, at Parque Abadía, users have positively rated the provision of services in the asset and its comfort and general well-being. Overall satisfaction was 3.95 out of 5.

- Mystery Shopping initiative at properties managed by Gentalia, aimed at gauging visitor satisfaction with the services on offer.

Sustainable mobility

As well as reducing the carbon footprint associated with our use of transport, Lar España aims to promote a range of sustainable mobility solutions. All of our sites are easily accessible on foot and by public transport, and we are proud to offer:

- More than **200 electric vehicle recharging points**, with electricity supplied under a Renewable Energy Guarantee of Origin (REGO).
- **Charging points for electric scooters** at several properties, in response to changing needs in the personal mobility landscape.
- Since 2022, Megapark has had a **Mobility Plan** in place to promote sustainable travel choices, incentivise carsharing, exchange information and support with local authorities and spur action to raise knowledge and awareness among park employees. Among the actions to be carried out this year are:
 - The analysis of the main walking connections between the retail park and the municipality of Barakaldo.
 - Improvement actions in the cycling network.
 - Actions to improve schedules, frequencies and stops in the urban bus transport service.
 - Offer information on access by public transport to the workplace to users, tenant workers and suppliers.



Health and well-being at the Company's properties



ISO 45001 certification

All properties under our management are ISO 45001 certified. This international standard recognises our adoption of an **Occupational Health and Safety Management System (OHSMS)**, designed to keep people safe at work. It corresponds to 97% of our assets, in GAV terms. This certification must be renewed every three years, and is subject to an annual review.

Air quality

We take great care to ensure **optimum indoor air quality** at all of our shopping centres, assisted by specialised continuous monitoring software and a precise, energy-efficient HVAC management model. Air quality sensors generate frequent reports, confirming highly satisfactory levels of thermal comfort, CO₂, suspended particulate matter (PM 2.5) and TVOC.

These indicators have already been integrated into our own operational data automation platform.

We promote
**leisure activities
based on well-being
and inclusion.**

Accessibility

To ensure that all of our visitors **feel welcome and enjoy their time with us**, our portfolio is accredited under UNE-170001 (Universal Accessibility). This means that we have a **Universal Accessibility Management System (UAMS)** in place to ensure that all visitors have equal access to all areas of our centres and are able to make the most of our facilities and services.

Around 70% of the Lar España portfolio is currently certified under the UNE-170001 standard: Lagoh, El Rosal, As Termas, VidaNova Parc, Parque Abadía, Albacenter, Portal de la Marina and Megapark.

One of our goals for 2024 is to apply for certification at two further sites: Ànecblau and Gran Vía de Vigo.

Other initiatives in this area include the neurodiversity audit begun last year at Lagoh and the provision of stoma-friendly toilets at Albacenter, Portal de la Marina, Gran Vía de Vigo and As Termas. We plan to install these at El Rosal Shopping Centre in 2024.

The 100 Best Ideas of 2024: Lar España wins in Sustainability category

Lagoh received a **gong from Actualidad Económica** for its partnership with the Seville Autism Association, which has led to several valuable initiatives including a neurodiversity audit.

This award highlights the importance of this aspect of accessibility, which allows neurodiverse visitors to process, navigate and enjoy the centre environment with greater independence. For everyone's ease and comfort, signage and wayfinding features at Lagoh are designed around icons, symbols, simple text and multisensory resources (audio guides, music, etc.) and adapted lighting.



Social Impact Committee

Over the first six months of the year, our Social Impact Committee has continued to raise its sights in terms of the **benefits we can bring to communities** and our social impact leadership, while also drawing up our strategic action plan for 2024.

In 2024, the Committee addressed a range of topics, including:

- Our **social responsibilities** towards our clients (tenants and users), value chain and local communities.
- **Communication** around our corporate sustainability agenda (internal and external).

Lar España's contribution to the 2030 Agenda

As a member of Global Compact Network Spain since 2020, we have been working to step up our contribution to the 2030 Agenda and the Sustainable Development Goals (SDGs) in this “Decade of Action”.

We unveiled our corporate action plan in 2021, highlighting eight SDGs as especially relevant to our work, with **22 operational and corporate actions** to implement and 13 specific targets. These actions were designed based on external trend analyses and best practices, and tailored to Lar España's needs following discussions with internal teams. Currently, their update is being evaluated to align them with the current environment and available resources for implementation.

Looking back on our progress in 2023 and 2024, the following actions have been key to bringing us closer to our targets:

SDG	Target	Actions taken	Next steps
	6.4 Making more efficient use of hydrological resources (freshwater extraction).	<ul style="list-style-type: none"> → Calculation of our water footprint. → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Responsible water consumption plan.
	7.2 Rolling out renewables. 7.3 Doubling our energy efficiency score.	<ul style="list-style-type: none"> → Achieving the objectives set out in our Corporate Energy Efficiency Plan, cutting energy use across our portfolio. → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Updating energy performance targets → Installing renewable energy systems <i>in situ</i>.
	8.8 Protecting workers' rights and job security. 8.5 Achievements in full employment and decent work. 8.3 Supporting SMEs. 8.4 Ensuring more efficient, responsible production and consumption.	<ul style="list-style-type: none"> → Talent management among our four employees. → ESG training programmes and monitoring at corporate level. → 100% of properties under our operational control are ISO 45001 certified. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Creating a formal ESG assessment procedure for our value chain. → Further initiatives and projects for more direct communication with tenants. → More in-depth analysis of suppliers at corporate and operational levels.
	9.1 Creating sustainable infrastructure. 9.A Supporting sustainable and resilient infrastructure.	<ul style="list-style-type: none"> → Green clauses in new lease agreements. → c. 100% of our portfolio is BREEAM certified and rated "Outstanding", "Excellent" or "Very Good". → 100% of properties under our operational control are ISO 14001 certified. → Climate risk analysis based on TCFD. 	<ul style="list-style-type: none"> → Renewal of BREEAM certifications under the latest version of the framework. → All properties under our operational control are ISO 50001 certified. → Defining standards for major refurbishment projects. → Climate impact monitoring.
	12.1 Sustainable consumption and production framework.	<ul style="list-style-type: none"> → Waste Management Plan: to improve traceability by waste category and management stream. → Initiatives to support the circular economy (RECICLOS and ecozones). → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Ongoing work to refine data collection processes for waste management and calculating scope 3 emissions. → Coming up with new initiatives to promote the circular economy.

	13.1 Strengthening resilience and adaptability.	<ul style="list-style-type: none"> → Producing and updating decarbonisation strategy in line with SBTi and CRREM. → Climate risk analysis based on TCFD. → Emissions monitoring and reductions across portfolio. → Green clauses in new lease agreements. → Updating Best Practice Guide for Commercial Properties. 	<ul style="list-style-type: none"> → Tracking the fulfillment of established corporate objectives. → Climate impact monitoring. → Conducting a study into emissions offsetting projects and drafting a workable strategy. → Progress in methodology for calculating scope 3 emissions, with a particular focus on tenants' activities, waste management and major refurbishment projects.
	16.6 Building efficient and transparent institutions.	<ul style="list-style-type: none"> → We are committed to using every one of our centres to support the community, and welcome opportunities to join forces with local organisations. → Thundering contribution to SDG 10 in 2023 with Dumbo: the Musical, an inclusive event for children. → Green clauses in new lease agreements. 	<ul style="list-style-type: none"> → Continuing to run social initiatives at all of our assets, with new impact targets. → Initiatives and projects for more direct communication with tenants. → Corporate volunteering programme.
	17.3 Releasing additional financial resources.	<ul style="list-style-type: none"> → 100% of corporate debt classed as "green". → Voluntary disclosures under the European Taxonomy. → Institutional partnerships to amplify our social impact. 	<ul style="list-style-type: none"> → Initiatives and projects aimed at tenants. → Creating a formal ESG assessment procedure for our value chain. → Monitoring our alignment with European standards.



Social action

In managing and running our portfolio, we are committed to pursuing a wide range of partnerships with institutions, associations and NGOs.

Over the first half of this year, we've launched **91 social initiatives and communications** at centres under our management, achieving the following outcomes:

- **870 working hours** devoted to social action.
- **More than €126,000** invested in our communities, plus a further €37,660 allocated to donations, subsidies, prizes and sponsorships.

All of our social initiatives are **based on the SDGs, creating value for local communities through social, cultural, sporting and environmental projects.**

Major social initiatives in H1 2024



Blood drives

We gladly threw our weight behind campaigns to sign up new donors and gather pledges, so more lives can be saved by donor blood. Over the first six months of the year, more than 1,000 volunteers came forward across seven of our centres, donating over 390 litres of blood.

Property	Description of the initiative	
→ Lagoh		→ <i>San Valentin solidario</i> at Lagoh.
→ Gran Vía de Vigo		→ <i>Donar es de cine</i> blood drive Gran Vía de Vigo, El Rosal and As Termas.
→ Portal de la Marina		→ <i>La gran donación</i> blood drive at Portal de la Marina.
→ Ànecblau		
→ El Rosal		
→ As Termas		
→ Albacenter		→ Events at Albacenter to mark World Blood Donor Day, with information displays and brochures distributed by volunteers.



Charitable collaborations

Lar España often provides free space for charities to organise collections of donated food and other everyday essentials. We also run our own awards scheme to highlight local projects. In parallel, we aim to take action to make life better for members of vulnerable groups and foster social cohesion in our communities.

Property	Description of the initiative
<ul style="list-style-type: none"> → Lagoh → Gran Vía de Vigo → Portal de la Marina → Ànecblau → El Rosal → Albacenter → Parque Abadía → VidaNova Parc 	   <ul style="list-style-type: none"> → More than 40 organisations set up stall in our centres, occupying space with a commercial value of €5,330.
<ul style="list-style-type: none"> → Lagoh 	<ul style="list-style-type: none"> → Collection of 400 donated toys for Madre Coraje. → Workshops on fashion and personal style for the national Peace School project, aimed at young people at risk of exclusion.
<ul style="list-style-type: none"> → Gran Vía de Vigo 	   <ul style="list-style-type: none"> → <i>Ponte en mi lugar</i> ("In My Place"): accessible toy workshop to introduce visitors to inclusive play. → <i>Gran Vía Suma</i>: initiative to support local organisations, with €2,000 awarded to the winning project. → <i>El gran lookttery</i>: style contest in association with Unidad Solidaria, with 10 kg of children's clothing donated. → <i>Rompiendo mitos</i>: exhibition in support of World Autism Awareness Day.
<ul style="list-style-type: none"> → Ànecblau 	 <ul style="list-style-type: none"> → Hot chocolate party in support of La Torradeta, attracting 50 participants.
<ul style="list-style-type: none"> → As Termas 	 <ul style="list-style-type: none"> → Held the <i>As Termas Suma</i> competition, in which any local NGO can present their project and take part. Selected projects received prizes of €3,000 (in the social category) and €1,000 (in the sport category) to support their work.

→ El Rosal



- Collected 563 kg of food donations for the local Food Bank.



- Memory skills demonstration by Bierzo Alzheimer's Association. *Memoria* is a tool designed to support and stimulate cognitive function, improving quality of life for people living with Alzheimer's Disease.

→ Albacenter



- Free training space provided for the team at Orange, in the interests of strengthening tenant relationships.



- Celebrations to mark International Women's Day.



- Space made available free of charge to the *Dejando huella* campaign for a collection of donated pet food, with 1,352 kg received.



- Space made available to the Red Cross for its annual Gold Draw.

→ Megapark



- *Ponte en mi lugar* ("In My Place"): event to raise awareness of the challenges faced by people with disabilities, including an obstacle course formed of everyday objects familiar to wheelchair and cane users.

→ Parque Abadía



- *Talento 45+* event with information stand where visitors could submit their CVs and find out about new opportunities.



- Celebrating International Women's Day by highlighting gender inequalities.



- Free educational workshop on how to react to a choking child, delivered by local organisation BLOOMA.



- Collection of donated items for newborns in support of the NGO Red Madre, resulting in a haul of 263 kg.










- Collection of 45 kg of food donations for the NGO Socorro de los Pobres.

- Collection of food donations for the most vulnerable in the community in partnership with Fundación CaixaBank — part of CaixaBank Toledo's volunteering programme.



Encouraging cultural activities











At our centres, we offer space to celebrate festivals, traditions and a diversity of arts and crafts.

Property	Description of the initiative	
→ Gran Vía de Vigo		→ Fourth edition of <i>Mercado Mona</i> , an art and illustration marketplace showcasing local talent.
→ Ànecblau		→ A tourist information point was set up in the centre, free of charge, in collaboration with the town council.
→ El Rosal		→ <i>EscaparArte</i> : exhibition of works by local artists, hosted free of charge.
→ As Termas		→ Space made available for Arde Lucas exhibition, featuring 12 educational panels and photographs explaining the history and evolution of this local festival. Lar España was proud to sponsor the festival itself, which attracts visitors from all over Spain.
→ Albacenter		→ Free flamenco dance classes in partnership with the Escuela de danza española and Miguel de Luis.
		→ <i>Entrepuntejos</i> crochet club, with classes offered by the Albacete Knitters' Association.
		→ Free flamenco demonstration by students at the Escuela de danza española.
		→ Book launch for <i>Para córneas las mías</i> by Iris Torrente, a personal account of life with ulcerative colitis and psoriasis, with proceeds donated to charity.
→ Parque Abadía		→ Celebrating literary culture on World Book Day.
→ VidaNova Parc		→ Full day of events in honour of the Fallas Festival, welcoming the children's chapters of Fallas associations in Sagunto. A special show was put on for our youngest visitors and prizes awarded for the best-decorated street. 350 people took part.





Encouraging healthy, active lifestyles

We aim to support local communities by encouraging positive habits and sponsoring events that promote health and well-being.

Property	Description of the initiative
→ Gran Vía de Vigo	 <ul style="list-style-type: none"> → Sponsorship of the second <i>Andaina do Maúxo</i>, a walk for both families and seasoned athletes through the mountains around Vigo.
→ Portal de la Marina	 <ul style="list-style-type: none"> → Sponsorship of <i>I Volta a Peu Portal de la Marina</i>, a charity run following a route that skirts the centre — part of the Marina Alta race circuit. 900 people took part.
→ Ànecblau	  <ul style="list-style-type: none"> → Sponsorship of the <i>Mediterrani</i> marathon with presentation of prizes held at the centre. 3,000 people took part in the marathon. → Sponsorship of <i>Desconectar por el autismo</i>, a charity run in partnership with ISTEA to raise awareness of autism. 1,124 people took part.
→ El Rosal	  <ul style="list-style-type: none"> → To mark the anniversary of the gym chain Altafit, we ran fitness events all around the centre to promote the benefits of an active lifestyle. → Ninth 3x3 Basketball Tournament on the outdoor esplanade at the shopping centre, organised by the Ponferrada Basketball Club. 140 people took part.
→ As Termas	 <ul style="list-style-type: none"> → Sponsorship of <i>Corre con Nós</i>, a charity run organised by Lugo City Council.
→ Albacenter	   <ul style="list-style-type: none"> → Talks on health and well-being offered by Herbalife. → Presentations on skincare and beauty routines, courtesy of Farmasi. → Masterclass on image and style with Aipcalbasit.

→ **Megapark** → Yoga day: special well-being event in partnership with Puma.

→ **Parque Abadía**










→ Sponsorship of charity run/walk *Marsodeto*, with more than 600 participants.

→ Sponsorship of charity run organised by Bargas parish council, with more than 500 runners.



Championing environmental sustainability

We promote sustainability by consistently practising our values: respect for the environment, responsible consumption and sustainable transport.

Property	Description of the initiative	
→ Portal de la Marina		→ We took part in Earth Hour, sending the façades of participating centres into darkness for 60 minutes.
→ El Rosal		
→ Parque Abadía		
→ VidaNova Parc		
→ Lagoh		→ <i>Fashion Revolution</i> : A wardrobe-swapping event where visitors had the chance to exchange pre-loved clothes in good condition to raise funds for Caritas. A total of 83 kg of clothing found new homes among 237 attendees.
→ Gran Vía de Vigo		→ Donation of 18 real Christmas trees from the centre's festive displays to the Montes de Beade community.
		→ Participation in the CoRRRes initiative, which promotes recycling, reuse and reforestation in the Vigo mountains by collecting donations of plastic bottle tops. The initiative included a number of children's workshops, teaching youngsters to protect the planet through creative activities like CoRRRes Kids.
		→ Celebrating carnival season with a workshop encouraging visitors to get creative with recycled materials.
		→ <i>Charlie and the Recycling Factory</i> : a musical aimed at inspiring kids to protect the environment and adopt healthy eating habits, with 792 attendees.
	 	→ Marking World Tree Day with a children's gardening workshop in association with Brote Kids, attracting 54 participants.
		→ Marking World Water Day by turning off all decorative water features and sprinklers.

→ **Ànecblau**



→ *Dona tu ropa*: publicity campaign in partnership with Humana.

→ Ongoing campaigns to raise knowledge and awareness of environmental issues.

→ **As Termas**



→ To promote sustainable mobility, we invited Ponferrada City Council to install a bus pass recharging point at As Termas, free of charge.

→ Environmental drawing competition for schools, in association with Cope Lugo. 1,530 people took part.

→ **Albacenter**



→ Free soya candle and wax melt workshop with 27 participants, intended to foster responsible consumption.

→ **Megapark**



→ *Urban mobility days*: programme of events to encourage visitors to travel by bicycle or electric scooter, with test circuit, sustainable children's games and more. 232 people took part.

→ **Parque Abadía**



→ Promoting environmental education on Global Recycling Day.



3.3 Leaders in Governance

Once again, our [2023 Annual Corporate Governance Report \(ACGR\)](#) provides more detailed information on both the structure and operation of the governance bodies, as well as on the progress made in terms of corporate governance best practices and recommendations. Highlights for the year included:

- **Meeting almost 100%** of recommendations contained in the Spanish Securities Market Commission's Good Governance Code.
- Embarking on a systematic, phased rotation plan for the Board of Directors, **we achieved our target of a 60/40 split between male and female directors in 2024.**
- Making periodic revisions and updates to our Risk Map, in line with our Integrated Risk Management Plan (IRMP) and [Risk Control and Management Policy](#).
- Inclusion of the analysis of climate-related risks and opportunities, based on our first [Climate Risk Report](#).
- Approval of the new [Procurement and Outsourcing of Services Policy](#).
- Launch of our new Ethics and Whistleblowing Channel pursuant to Law 2 of 20 February 2023.
- Updates to our [Reporting and Communication Policy](#) to ensure that stakeholders continue to receive the highest quality of financial, corporate and sustainability reporting, in strict compliance with regulations on insider information.

We've been refining our governance structure for the last ten years, **building a solid foundation for decision-making, market confidence, value creation and sustainability in the short, medium and long-term.** Through continuous reflection and improvement, we ensure that everything we do is underpinned by the most rigorous standards of regulatory compliance, transparency and corporate ethics.



General Shareholders' Meeting

The Lar España General Shareholders' Meeting was held on 25 April and approved all agreements submitted for consideration. For this year's meeting, invitees were given the choice of attending in person or following online via the live stream.

For the tenth consecutive year, our two main proxy advisors (ISS, Glass Lewis) recommended that shareholders pass all motions tabled by the board.

All items on the agenda were voted through by near-unanimous agreement:

- Approval of consolidated and non-consolidated annual accounts and management reports.
- Approval of dividend issue of €0.79 per share.
- Appointment of Deloitte as financial auditor for the 2024–2026 period.
- Reappointment of Ms. Isabel Aguilera for a three-year term as an independent company director.
- Approval (99% in favour) of the new [Remuneration Policy](#), which follows logically from its predecessor and meets all applicable regulations.

Finally, shareholders were informed of Mr. Alec Emmot's resignation as an independent corporate director, **which brings the proportion of women on the board of directors to our 40% target.**

Fitch upholds Lar España's BBB rating

FitchRating | Rating **BBB** | Outlook **Stable**

Following its June 2023 review, the rating agency Fitch **notified us on 1 July that Lar España's 'BBB' rating and stable investment outlook would be renewed for 2024**, extending also to the two green bond issues launched in 2021. Fitch highlighted the Company's robust operating performance, following very positive growth in income, footfall and sales. Moreover, high occupancy rates across the portfolio are an indication of the level of interest generated by our properties as market leaders in their catchment areas.

The Company was also commended for its **advancements in ESG performance**, achieved through a variety of ongoing projects including the installation of photovoltaic systems, resource optimisation studies and improvements to waste management and accessibility.

Double Materiality assessment

As a prerequisite to achieving full compliance with the EU's Corporate Sustainability Reporting Directive (CSRD), we are working on an updated **Double Materiality assessment**. This will supersede the current version, completed in 2021.

The term "double materiality" refers to the consideration of both financial and non-financial impacts. It is a means of evaluating, not only a company's short, medium and long-term financial performance, but also how its activities affect society and the natural world.

Our analysis was based on the Global Reporting Initiative's standard "GRI 3: Material Topics". This exercise has enabled us to get ahead of future reporting regulations under the CSRD and the draft European Sustainability Reporting Standards (ESRS) with respect to corporate materiality assessments.

This information is very valuable for the Company, as it allows us to **identify which sustainability issues** are prioritized for management, based on their importance for our external and internal stakeholders. The ultimate goal is to:

- Direct our sustainability efforts towards **material topics**.
- **Rank material topics in order of importance**, based on stakeholder interests.

The first step was to examine **the context** in which the Company operates. In the interests of completeness, we based our analysis on a variety of sources:

- Analysis of the regulatory context in ESG.
- Current trends.
- Sector benchmarking.
- Opinions of leading international commentators.
- Internal meetings.

Subsequently, we are advancing in the phase of identifying **impacts, risks and opportunities** (IROS) to qualitatively and quantitatively assess the materiality of these, linked in turn to the potentially priority issues.

In parallel, we ran a **survey with key internal and external stakeholders** to find out what their views and expectations of Lar España are, which issues they see as fundamental to our corporate purpose and, consequently, where they believe we should focus the bulk of our efforts.

The **next steps** in this process will be to establish priorities among material topics, produce an integrated double materiality matrix and develop action plans and specific objectives within our global corporate and sustainability strategies.

ESG Committee

Established in 2020, our ESG Committee reports directly to Lar España's senior corporate and financial management team, along with the various heads of department involved in managing the business and our portfolio.

The committee **convened twice** in the first half of the year, addressing topics including:

- Action plans and measures to improve energy efficiency.
- Monitoring and follow-up of environmental indicators.
- Sustainable mobility projects.
- Circular economy and waste management.
- Oversight of our decarbonisation strategy.
- Technical certifications.
- Evaluating water consumption.

Green clauses

Throughout H1 2024, we continued to roll out green clauses in new lease agreements. At the time of writing, **close to 30% of all Lar España's lease agreements** contain stipulations on responsible resource use, energy efficiency, waste management and other aspects of sustainability.

MSCI ESG Ratings⁽¹⁾



Once again, Lar España participated in the IPD Spain Annual Property Index, an investment index produced by MSCI. **We were pleased to receive an 'A' rating for our achievements in ESG.**

GRESB



For the seventh consecutive year, **we took part in the Global Sustainability Real Estate Benchmark (GRESB)**, one of the world's leading frameworks for evaluating corporate ESG performance. This year, we have been moving forward with our latest action plan, which builds on the outcomes achieved in 2023. Our priorities are managing climate risk, expanding the scope of the global performance indicators used to evaluate our properties and finalising our decarbonisation/Net Zero objectives.

In 2023, **the score puts us in first place among 1,013 European companies in the Management component**, having achieved the highest possible scores for leadership, company policies, reporting, risk management and stakeholder engagement. In the Performance component, we were ranked among the top 50% of companies, scoring highly for our level of commitment to tenants and local communities.

CDP



Lar España will take part in the Carbon Disclosure Project (CDP) for the first time in 2024, as another way to promote transparency and open comparison between companies and their commitment to climate action. This process should help us identify the potential environmental risks and opportunities on our horizon, so we can adapt our strategy accordingly, prepare for future regulations on sustainability reporting and adapt to different reporting standards around the world.

Founded in 2000, CDP is a global non-profit organisation that challenges companies to be open about their environmental impacts, arguing that this information is critical for investors and other stakeholder groups. In 2023, data was received from a record 23,000 companies, including public companies with a total market cap of \$67 billion (more than 66% of the global total).

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FTSE4Good



FTSE4Good

In June 2024, FTSE Russell confirmed that Lar España had **retained its spot on the FTSE4Good Index**.

Launched in 2001, FTSE4Good is a series of indices based on transparent metrics for ESG performance, aimed at incentivising companies to step up their sustainability practices.

These metrics are developed through an exhaustive consultation process and approved by an independent expert committee. A wide variety of stakeholders are invited to give their input, including NGOs, government agencies, consultants, academics, the investment community and the business sector. To ensure close alignment with market expectations and the latest developments in ESG practice, the qualification criteria for the index are reviewed on a regular basis.

Other indexes in which Lar España takes part

S&P Global Ratings



Engaging with business organisations

To stay fully up to speed with the latest market trends, Lar España is active in a number of organisations within the real estate sector in Spain:



Global Compact Network Spain



Lar España became a signatory to the UN Global Compact in 2020, and **participates in various accelerator and training programmes** as a way to drive forward the 2030 Agenda and keep in touch with developments in corporate sustainability.

This year, we have joined 800 companies all over the world (60 of them based in Spain) for the second edition of the Business & Human Rights Accelerator. We are also continuing our participation in the Climate Ambition Accelerator, to help us stay in sync with emerging trends and regulations and steer our strategy towards a lighter environmental footprint.