



# Sustainability-Linked Financing Framework

FY 2023-24



**Nexus Select  
Trust**



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# Overview of Nexus Select Trust

## Business Overview

Nexus Select Trust (NXST) is India's first publicly listed Retail Real Estate Investment Trust (REIT). Our portfolio includes 17 urban consumption centres, covering a Gross Leasable Area of 9.9 Mn sf across 14 cities in India. Additionally, we own two complementary hotel assets with 354 keys and three office assets with a Gross Leasable Area of around 1.3 mn sf. Our consumption centres host over 1,000 domestic and international brands, spread across approximately 3,000 stores. NXST is sponsored by Wynford Investments Limited, an affiliate of Blackstone Incorporation. We follow a comprehensive strategy – right from the identification and evaluation of properties to their acquisition, with a goal of transforming them into long-term, high-value investments.

## Driving Responsible Change

At NXST, we deliver positive experiences to our employees, tenants, and communities, supported by strong corporate governance that ensures compliance and ethical practices while fostering sustainable business growth. Our guiding ethos, 'Responsible Choices, Sustainable Outcomes,' shapes all of our Environmental, Social, and Governance (ESG) efforts, ensuring that every decision we make reflects our commitment to sustainability— not just for our business, but for the communities we support and the environment we live in. By taking responsible actions today, we are laying the groundwork for a more sustainable and equitable future for all. We seek partnerships with like-minded organizations to drive positive change and create value for all our stakeholders. We are committed to achieving net-zero emissions for our operational assets by 2030, in alignment with the Science-Based Target Initiative (SBTi) and the Taskforce on Climate-Related Financial Disclosure (TCFD). The green clauses in leases encourage our tenants to be actively involved in environmental restoration.

## Our Earth Our Commitment

NXST is committed to making a positive, lasting environmental impact through innovative strategies. We focus on climate action, energy efficiency, water stewardship, waste management, and resource conservation. By embedding these priorities into our operations, we reduce our environmental footprint, enhance resilience, and create sustainable value for all stakeholders.



# Policies

## › Climate Change Adaptation and Disaster Resiliency Policy

The objective of this policy is to provide guiding principles for effectively adapting and managing climate change-related issues along with enhancing resiliency towards catastrophe and/or disasters including heatwaves, increased precipitation, cyclones, and flooding.

## › Biodiversity and Habitat Policy

The objective of this policy is to provide guiding principles for the conservation of natural flora and fauna and biologically diverse ecosystems that may get affected during our project or daily operation.

## › Energy and Emissions Policy

The objective of this policy is to provide guiding principles for effectively managing and reducing the energy consumption and greenhouse gas emissions arising from our operations, along with effective utilization of renewable energy in the operations..

## › Net Zero Policy

Climate change is a global phenomenon that transcends national boundaries and actors across the global economic & political spectrum are taking action to address it. Businesses, also, must collectively work towards reducing GHG emissions and adapt for the changing climate. We at Nexus Select Trust are cognizant of this global phenomenon and have come up with a comprehensive ESG Strategy, backed by our robust corporate governance. As an integral element of our ESG Strategy, NXST has committed to undertake proactive actions to reduce GHG emissions and achieve net zero.

## › Safe and Healthy Environment Quality Policy

The objective of this policy is to provide guiding principles for ensuring safe and healthy environmental conditions inside the buildings.

## › Waste Management Policy

The objective of this policy is to provide guiding principles for effective waste management.

## › Water Management Policy

The objective of this policy is to provide guiding practices for sustainable and optimal utilization of water as a precious resource and explore new ideas to reduce water footprint.



## Social Highlights of 2024

**6%**

Reduction in combined Scope 1 and 2 GHG Emissions from FY23

**14%**

Reduction in GHG Emissions (Scope 1 and 2) Intensity (tCO<sub>2</sub>e per thousand footfall) from FY23

**99.6%**

Waste Diverted from Landfill

**38%**

Renewables in the Energy Mix

**38+**  
Mw Operational

Renewable Energy

**10.22** MT

E-waste Recycled

**15**

Malls with Zero Liquid Discharge (ZLD) status

**23%**

Recycled water in the total water consumed

**100%**

Malls with EV Charging Infrastructure

**100%**

Green Leases

**100%**

Malls are Green Building Certified

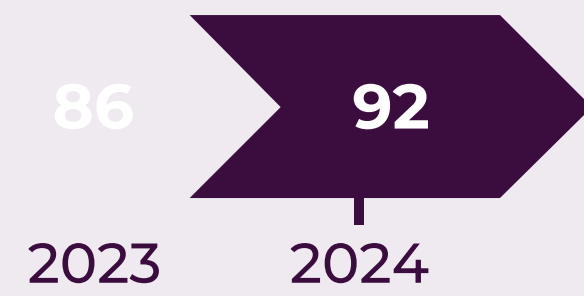
Achieved 25% reduction in combined Scope 1 and 2 GHG Emissions in FY24 from baseline FY 20.



## 2024 GRESB Standing Investments Benchmark Report

Nexus Select Trust | Nexus Select Mall Management Pvt. Ltd.

### Participation & Score



### GRESB Rating



### Sustainable Choices for a Healthier Planet

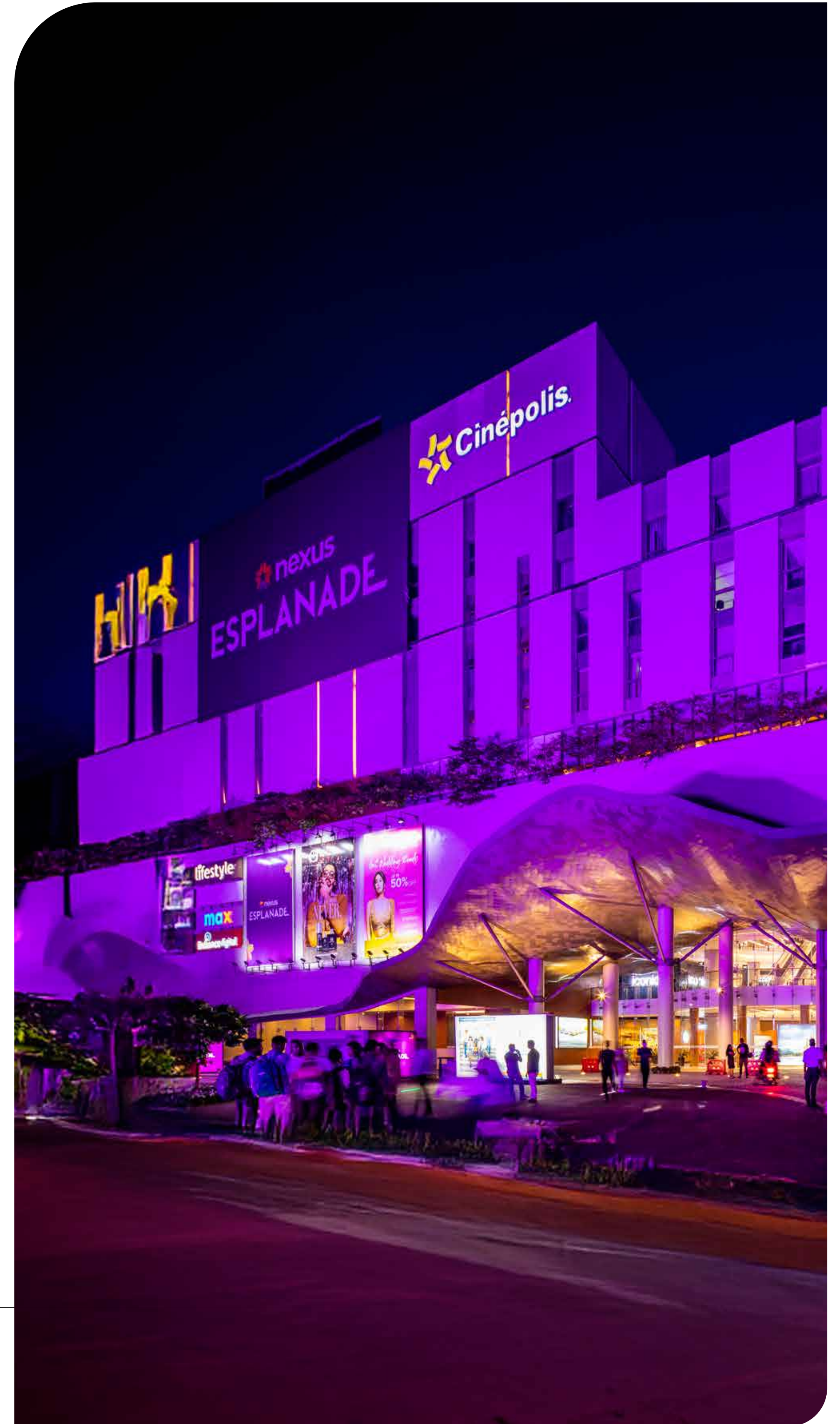


### Global Alliances



## Empowering Growth Together

We prioritize employee well-being and professional development through diverse training programs and inclusive initiatives. We engage with local communities to promote sustainability and development via NGO partnerships and outreach programs. Additionally, we provide exceptional services to our tenants and customers with inclusive policies, and regular feedback collection, demonstrating our commitment to growing together with our employees, communities, and stakeholders.



# Peer Group Ranking

## Predefined Peer Group Ranking



12 Entities

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Location	Property Type	Strategy
Asia	Reatil: Retail Centers: Shopping Center	Listed

## ESG Breakdown



**Environmental**

GRESB Average	Peer Group Average
40	45



**Social**

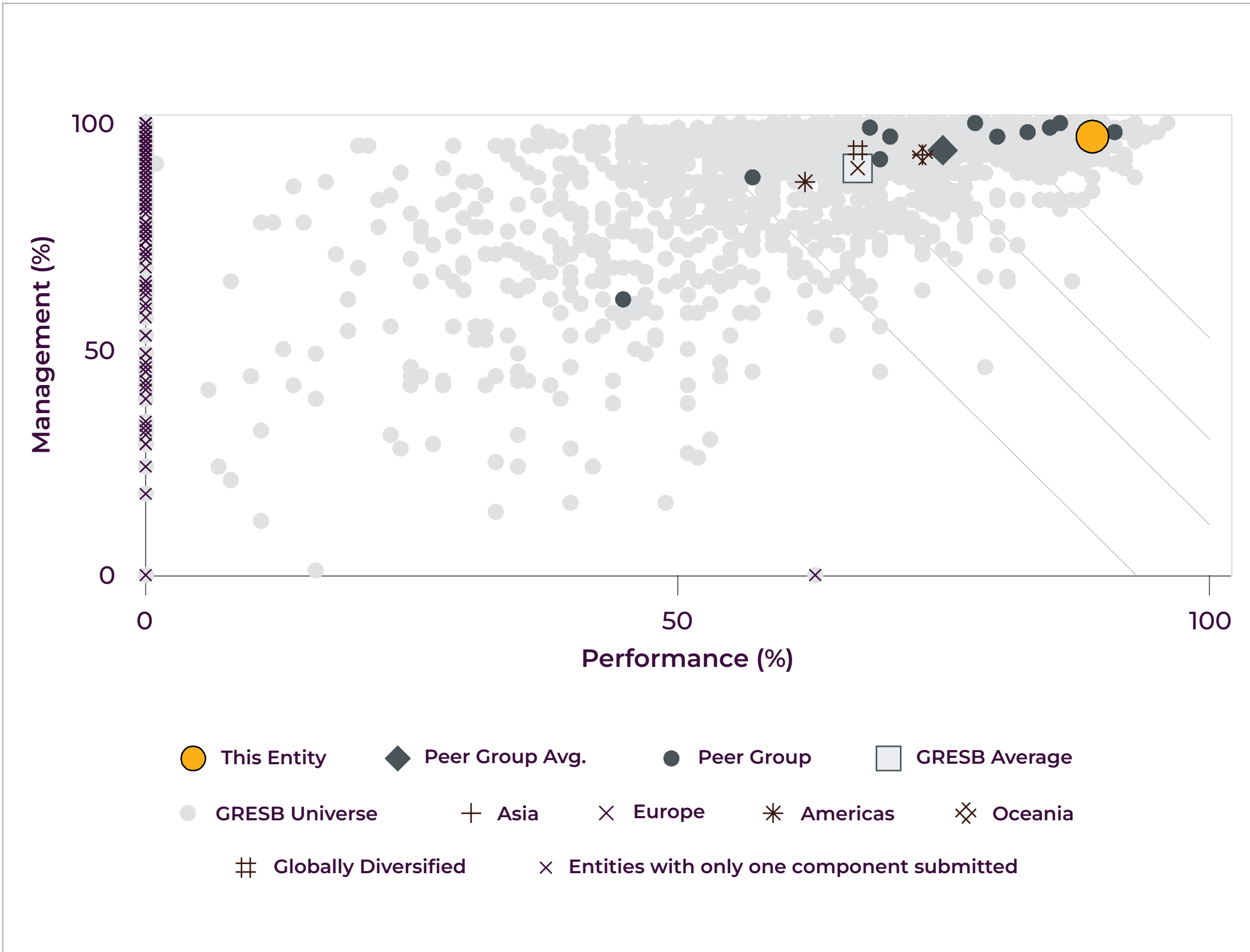
GRESB Average	Peer Group Average
16	17



**Governance**

GRESB Average	Peer Group Average
17	19

# GRESB Model



**GRESB Score** **Green Star**

GRESB Average	Peer Average
74	81



**Management Score**

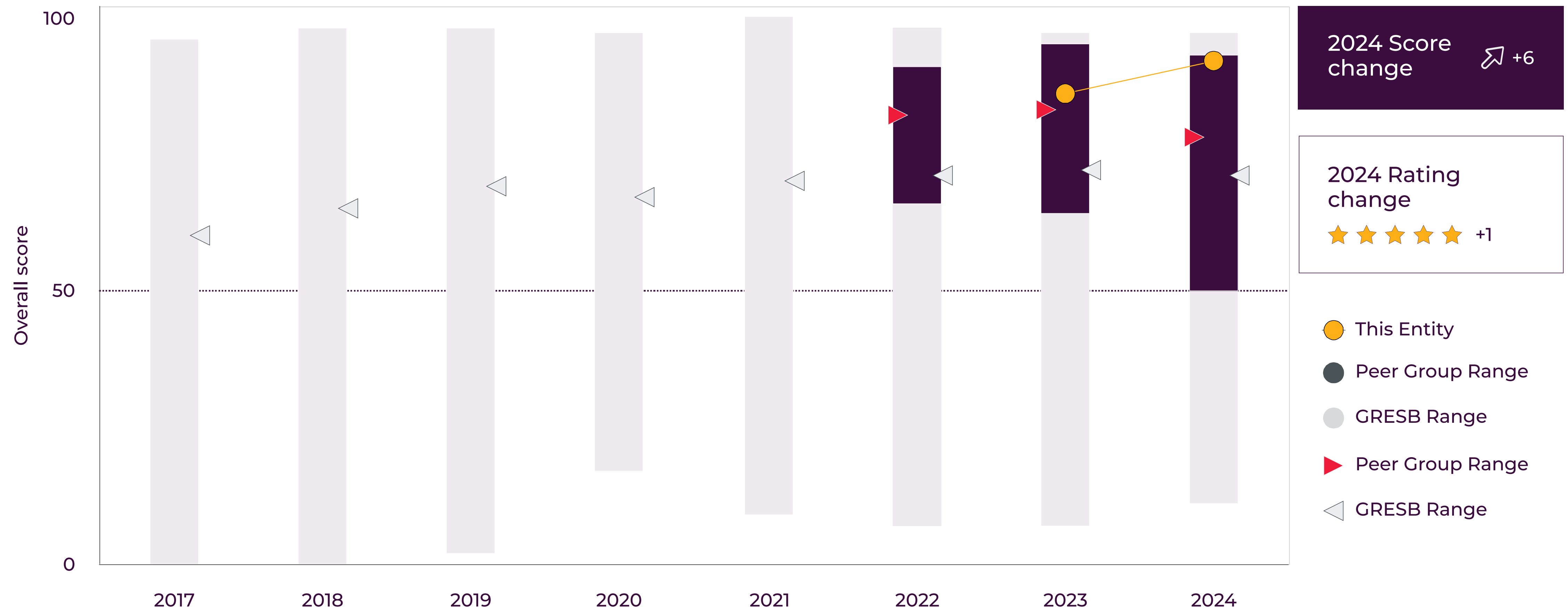
GRESB Average	Benchmark Average
28	28



**Performance Score**

GRESB Average	Benchmark Average
47	53

# Trend



**Note:** In 2020, the GRESB Assessment structure fundamentally changed, establishing a new baseline for measuring Performance. As a result, GRESB advises against a direct comparison between 2020 GRESB Scores and prior year results. For more information, see the 2020 Benchmark Reports.



## Policies

### › Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at Workplace

The Policy aims to provide a work environment free from all forms of sexual harassment and express zero tolerance for any sexual harassment at workplace through Prevention, Resolution, and Deterrence of acts of sexual harassment.

### › Community Development Policy

The objective of this policy is to provide guiding principles for community development. It focuses on education, health, sports, arts & culture, and the environment through our CSR efforts to contribute to the upliftment of our surrounding communities and play a role in overall economic development.

### › Diversity, Equity Inclusion Policy

Nexus Select Trust respects and values the diversity of its employees, customers and stakeholders and is committed to finding ways to actively support and encourage a diverse workforce and inclusive workplace now and in the future. This policy describes Nexus Select Trust's approach to diversity and inclusion and how these attributes are promoted and embedded in our workplaces.

### › Employee Wellbeing Development Policy

The objective of this policy is to provide guiding principles on health and wellbeing of the employees.

### › Human Rights Policy

The objective of this policy is to define guiding principles for respecting and protecting the Human Rights across The Entity's operations. The Policy includes areas, such as, Child Labour and Forced labour; Human Trafficking; Diversity, Equal Opportunity, and Non-Discrimination; Freedom of Association and Collective Bargaining; Environment, Health and Safety; Wages, Working Hours and Leave Benefits; Recruitment; Data Privacy; Community Engagement; Workplace Security; and Responsible Procurement.

### › Policy on Customer Satisfaction

The objective of this policy is to provide guiding principles to effectively improve and achieve customer satisfaction through customer service, customer engagement and customer needs determination.

### › Policy on Health & Safety

The objective of this policy is to provide guiding principles on the health and safety of the customers, employees, contractors, and the community.

### › Stakeholder Engagement Policy

The objective of this policy is to provide guiding principles for effectively engaging with the stakeholders along with understanding their needs and expectations from Nexus Select Trust

## Social Highlights of 2024

**96**

**HAPPYNESS  
INDEX SCORE**

**93**

**RETAIL  
SATISFACTION  
SCORE**

**96**

**CUSTOMER  
SATISFACTION  
SCORE**

**100**

**COMMUNITY  
SATISFACTION  
SCORE**

**96**

**EMPLOYEE  
SATISFACTION  
SCORE**

**₹ 44.96 Mn**

**SPENT  
ON CSR**

**25%**

**WOMEN IN  
WORKFORCE**

**2%**

People with  
**DISABILITIES**  
in the workforce

**1.5%**

Defence Personnel,  
their Kin and  
Sportspersons  
in the Workforce

**98,562**

**TOTAL  
TRAINING HOURS**  
(On-roll + frontline  
staff)

**46**

**AVERAGE  
TRAINING HOURS**  
per On-roll  
employee

**ZERO**

**WORK-RELATED  
ACCIDENTS**

# Building a Responsible Future

Robust corporate governance forms the foundation of our success and drives the integration of sustainable business practices. We ensure ethical business conduct, transparency, and accountability in all our operations. By future-proofing our practices, we create lasting value and positive impact for all stakeholders.

## Policies

### › Code of Conduct

The purpose of this Code is to enhance integrity, ethics & transparency in governance of the Company and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholders.

### › Board Diversity Policy

The board diversity policy is a set of guidelines and principles that the Company has adopted to foster diversity and inclusion within its Board of Directors. This policy aims to leverage the diverse skills and experiences of the Board for the benefit of the Company by tapping into the broad array of expertise, the Board can offer a range of relevant perspectives to address key business issues.

### › Supplier Code of Conduct Policy

Nexus Select Trust acknowledges the importance of ethical and responsible procurement practices and believes in cultivating transparent and trustworthy relationships with its suppliers. This includes respecting human rights, adhering to environmental stewardship and maintaining the highest standards of ethical conduct. By accepting and adhering to this Code, suppliers demonstrate their commitment to working with Nexus Select Trust and following the principles outlined in this policy. Nexus Select Trust shall evaluate its suppliers based on their capabilities and commercial expertise, as well as their compliance with this Code.

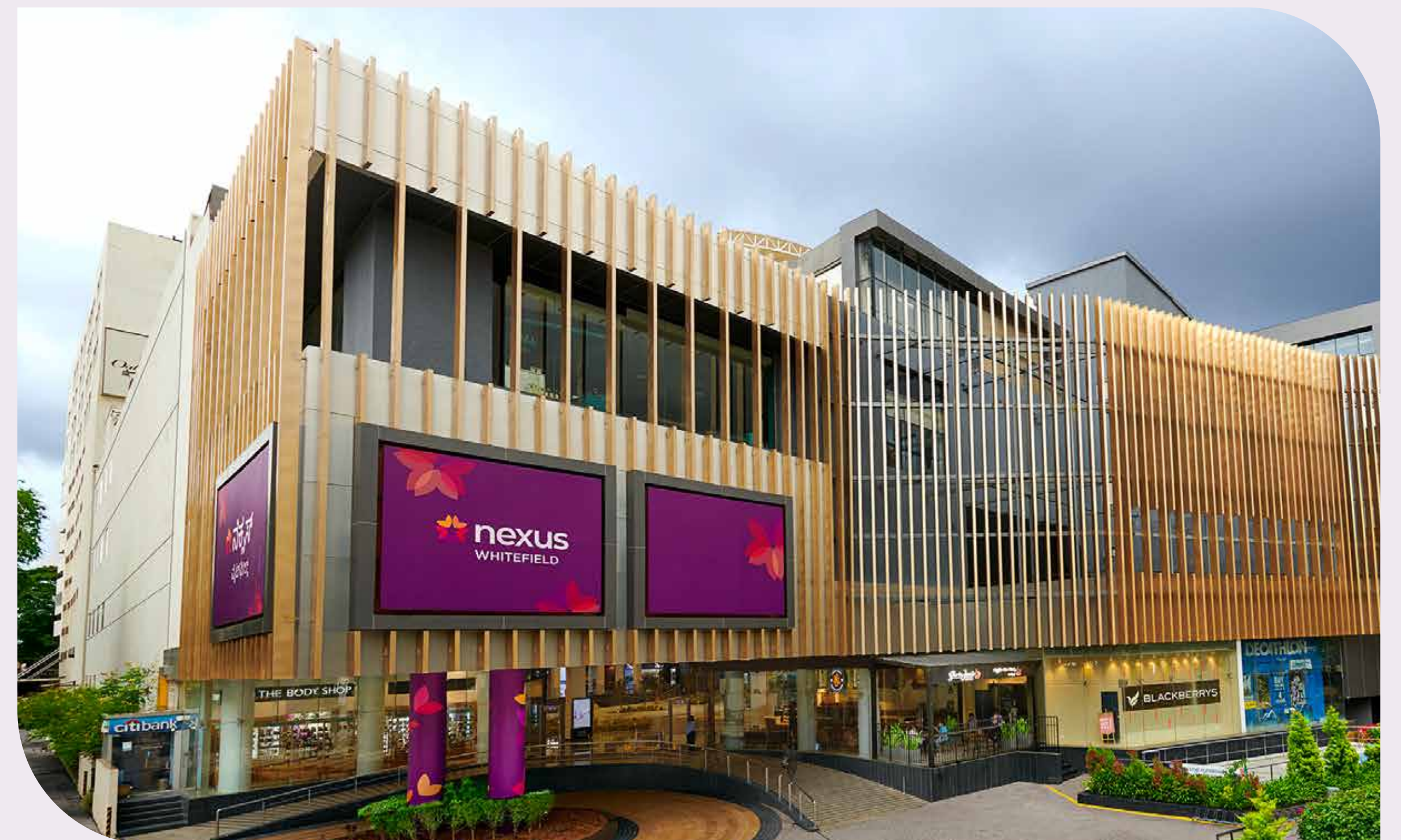
### › Anti-Money Laundering Policy (AML), Anti-Corruption Compliance (ACC) and Sanctions Policy

This AML Policy aims to establish the controls around prevention of money laundering in the Company and is in accordance with the Prevention of Money-Laundering Act, 2002.

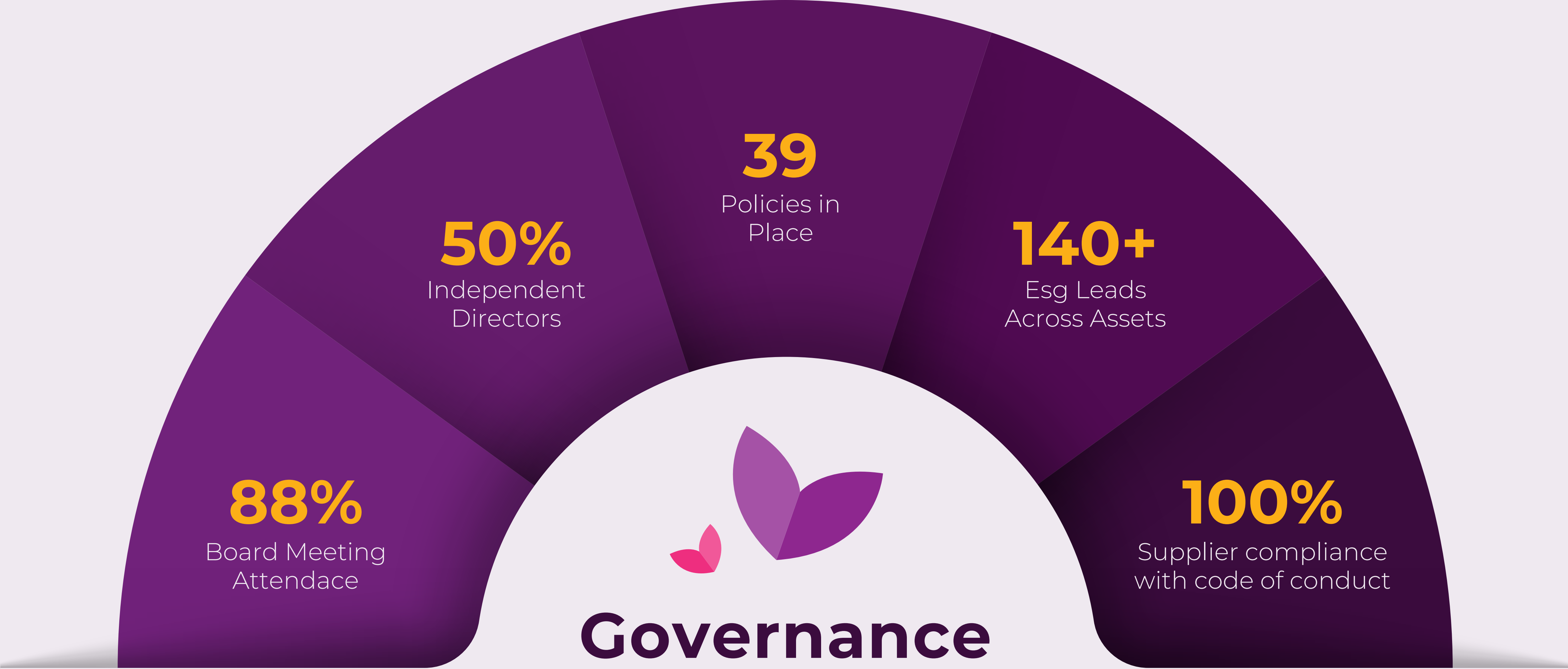
This ACC and Sanctions Policy and the internal controls herein have been designed to prevent bribery, corruption, and violations of sanctions law from occurring, avoid the appearance of wrongdoing, and enable the Company to respond promptly and effectively to any inquiries about its conduct.

### › Risk Management Policy

The purpose of the risk management policy is to provide guidance with regards to managing risks so as to support the achievement of corporate objectives and comply with applicable regulations. A risk management policy is a critical component of effective governance and strategic management, which helps our organization navigate uncertainties and make informed decisions to achieve our strategic objectives.



# Governance Highlights of 2024





# Sustainability at Nexus Select Trust



## Materiality Assessment

At Nexus Select, we have been cognizant of the potential impact our operations can have on various ESG aspects. We have undertaken a Materiality Assessment to identify the most pertinent ESG issues that remain significant to our stakeholders and critical in defining our approach towards sustainability, adoption of guiding policies, and the structure of our disclosures.

## Approach to Materiality

Our initial Materiality Assessment was conducted in FY 2021. In FY 2024, we have revisited our materiality assessment considering the portfolio expansion, the latest developments in the global scenarios, expectations of internal as well as external stakeholders, along with, evolving organizational priorities. We have aligned the assessment with the concept of double materiality to cover the financial implications of identified material topics. The aim was to understand the importance and the priority of each identified issue for our business and align ourselves.

We undertake extensive assessments to identify our ESG priorities based on factors such as potential financial, environmental, and social impacts, as well as their importance for business continuity. These assessments also help us understand the interconnection between economic viability and sustainability. Determining this interconnectedness is essential for us to identify relevant measures to support our endeavor of embedding sustainability at the core of our organization.



### Review existing global benchmarks and standards

Understanding the requirements from Global and National standards/frameworks, peer groups rating agencies, and the entity's business aspirations



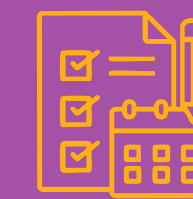
### Stakeholder Engagement

Seeking views from management, investors, suppliers, and customers, to gain insights on ESC imperatives and potential financial impacts on our operations



### Prioritisation

Categorization of identified topics based on potential impact on the operations in the near future



### Validation

Sign off from leadership and alignment of identified material topics with the entity's goals and targets

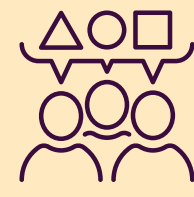


# List of Material Issues



## Environment

- ▶ Biodiversity and Land Use
- ▶ Circular Economy & Waste Management
- ▶ Climate Risks and Opportunities Management
- ▶ Energy and Emissions Management
- ▶ Water Stewardship



## Social

- ▶ Community Relations
- ▶ Diversity, Inclusion & Non-Discrimination
- ▶ Employee Health, Safety & Wellbeing
- ▶ Employee Development
- ▶ Human Rights & Labor Relations
- ▶ Tenant Relationships & Customer Satisfaction
- ▶ Talent Recruitment & Retention



## Governance

- ▶ Corporate Governance
- ▶ Data Privacy and Security
- ▶ Ethical Business Conduct
- ▶ Food Safety
- ▶ Green Portfolio
- ▶ Regulatory Compliance
- ▶ Sustainable Sourcing & Procurement Practices



# Our ESG Strategy

Our comprehensive ESG strategy anchored around six Strategic Pillars (SP) clearly defines our focus areas, KPIs, targets, progress, and action plans. These guiding principles are centred on creating long-term value for stakeholders, reducing our carbon footprint, and generating positive societal impacts. By upholding the highest standards of business ethics and implementing strong management practices, we are making tangible progress toward our vision. These principles are seamlessly integrated into our operations and business strategy, ensuring effective oversight and advancement of our ESG initiatives.

## Strategic Pillars

### Environment

#### SP1. Climate Resilience

Focus Area	Target: FY 2025	Progress: FY 2024
Transition to a Low-Carbon Economy	25.2% reduction in combined Scope 1 and Scope 2 GHG Emissions (compared to FY 2020 baseline)	31.5% reduction in combined Scope 1 and Scope 2 GHG Emissions (compared to FY 2020 baseline)
	50 MW Renewable Energy Capacity	38+ MW Renewable Energy capacity
Climate Risk and Opportunity	Conduct Climate Risk and Opportunity Assessment and develop a standalone report aligned with the Task Force on Climate-related Financial Disclosures (TCFD)	Initiated a Climate Risk and Opportunities Assessment

#### SP2. Sustainable Operations

Focus Area	Target: FY 2025	Progress: FY 2024
Resource Management	Zero Waste to Landfill	99.6% of waste diverted from landfill
Benchmark & Performance Targets	Incorporate Green Lease clause in tenant agreements/renewals	100% Green Leases
Certifications Labels and Ratings	<ol style="list-style-type: none"> <li>100% assets are Green Building Certified</li> <li>Assets with Energy Rating</li> </ol>	<ol style="list-style-type: none"> <li>100% malls and offices are Green Building Certified</li> <li>Two Malls with a 5-star BEE Energy Rating</li> </ol>

### Social

#### SP3. Diversity, Equity, and Inclusion (DE&I)

Focus Area	Target: FY 2025	Progress: FY 2024
Recruit Diverse Talent	30% female representation in the total workforce	25% female representation in the total workforce
	2% representation of Persons with Disabilities (PwDs) in the total workforce	2% representation of Persons with Disabilities (PwDs) in the total workforce
	2% representation of ex-servicemen & their kin and people with a sports background in the total workforce	1.5% representation of ex-servicemen & their kin and people with a sports background in the total workforce
Employee Engagement and Retention	2 hours of average volunteering per employee per year	2 hours of average volunteering per employee per year
	Maintain Zero Reportable Accidents at the workplace	Zero Reportable Accidents at the workplace
	Human Rights Assessments conducted at all malls	Human Rights Assessments conducted at all malls
Career Development	26 hours of average training per employee per year	46 hours of average training per on-roll employee per year
		23 hours of average training per employee (on-roll and outsourced) per year

#### SP4. Stakeholder Engagement

Focus Area	Target: FY 2025	Progress: FY 2024
Investors	Maintain 100% engagement with relevant stakeholders	Continuous engagement with all relevant stakeholders through the reporting year
Tenants & Consumers		
Employees		
Communities		

### Governance

#### SP5. Management & Compliance

Focus Area	Target: FY 2025	Progress: FY 2024
Board Performance	100% of Directors on the Board apprised of ESG performance	100% of Directors on the Board apprised of ESG performance

SP6. Transparency & Reporting		
Focus Area	Target: FY 2025	Progress: FY 2024
Transparent Reporting	Zero Data Breaches across Nexus Select	Zero Data Breaches across Nexus Select
Ownership, Accountability and Accuracy		
Data Management		

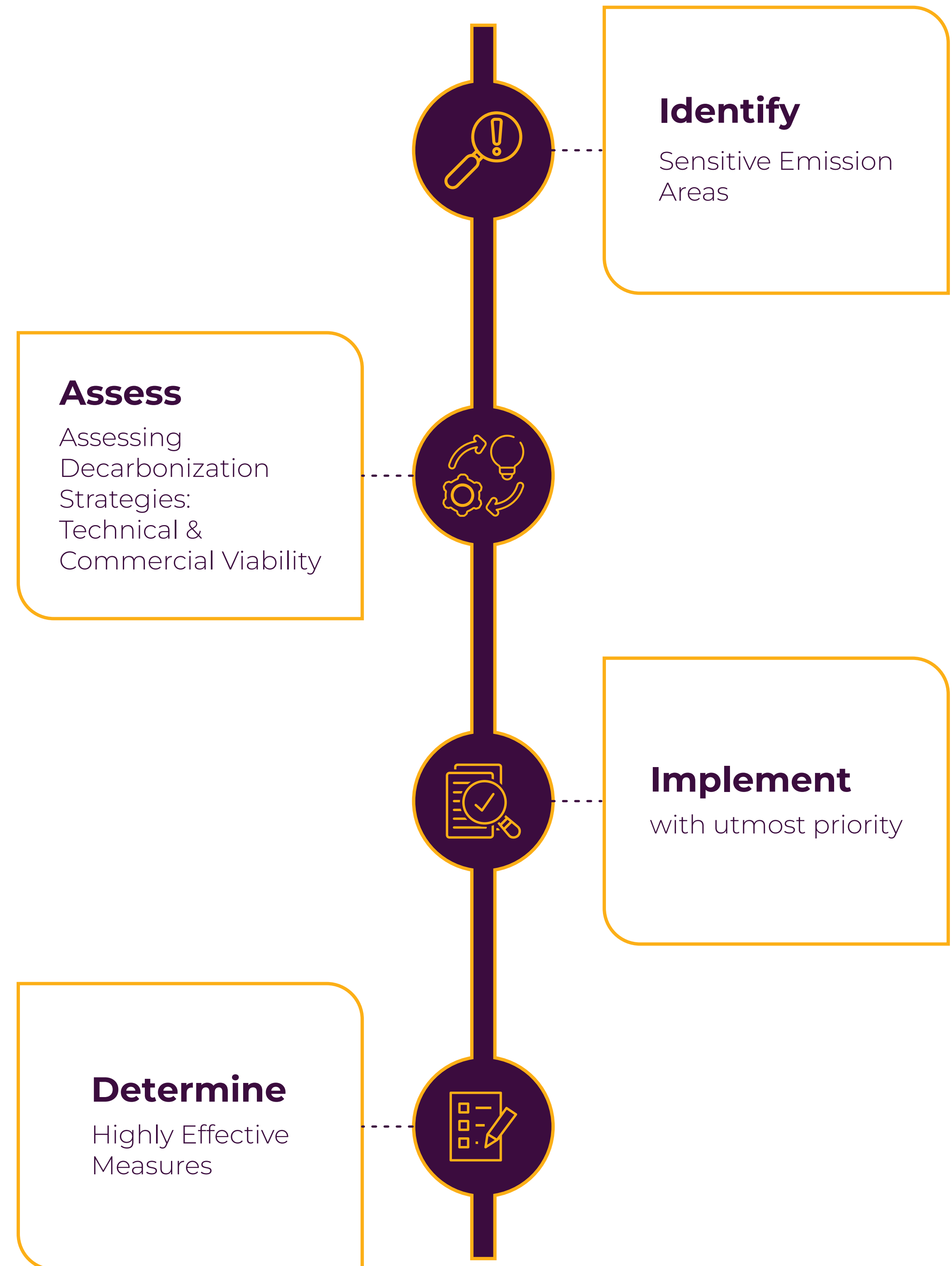
## SP1 Climate Resilience

### Transition to a Low Carbon Economy

We are committed to achieving a net-zero carbon portfolio by 2030. Our transition to a low-carbon future is driven by a three-pronged strategy: expanding renewable energy use, cutting energy consumption, and implementing green building practices. These initiatives boost energy efficiency while significantly reducing our carbon footprint, aligning with our sustainability goals and supporting national Net Zero targets.



### Approach to Decarbonization





## Initiatives Taken:

- ▶ Increased procurement of Renewable Energy
- ▶ Use of Energy efficient technology
  - Optimization of lighting using LED lights
  - Installation of high-efficiency equipment, including pumps, lifts, and HVAC systems
  - Insulation of walls and roofs
  - Utilization of automatic meter readings
- ▶ EV Charging Infrastructure (100% Malls)
- ▶ Continuous Monitoring & review of emission performance

## Climate Risk and Opportunity

As a market leader and responsible business, we recognize the importance of building resilience against the increasing risks and tapping opportunities posed by climate change. We have established processes to assess, mitigate, monitor, and manage climate-related risks and opportunities to safeguard stakeholder value and ensure business continuity and long-term viability. As a signatory of the Task Force on Climate-Related Disclosures (TCFD), we align our assessment of climate-related risks and opportunities with the TCFD framework. Guided by a robust ESG strategy and a roadmap for decarbonization, we have established an Enterprise Risk Management (ERM) system. We have also defined metrics and targets to monitor, track, and enhance our progress on our sustainability journey.

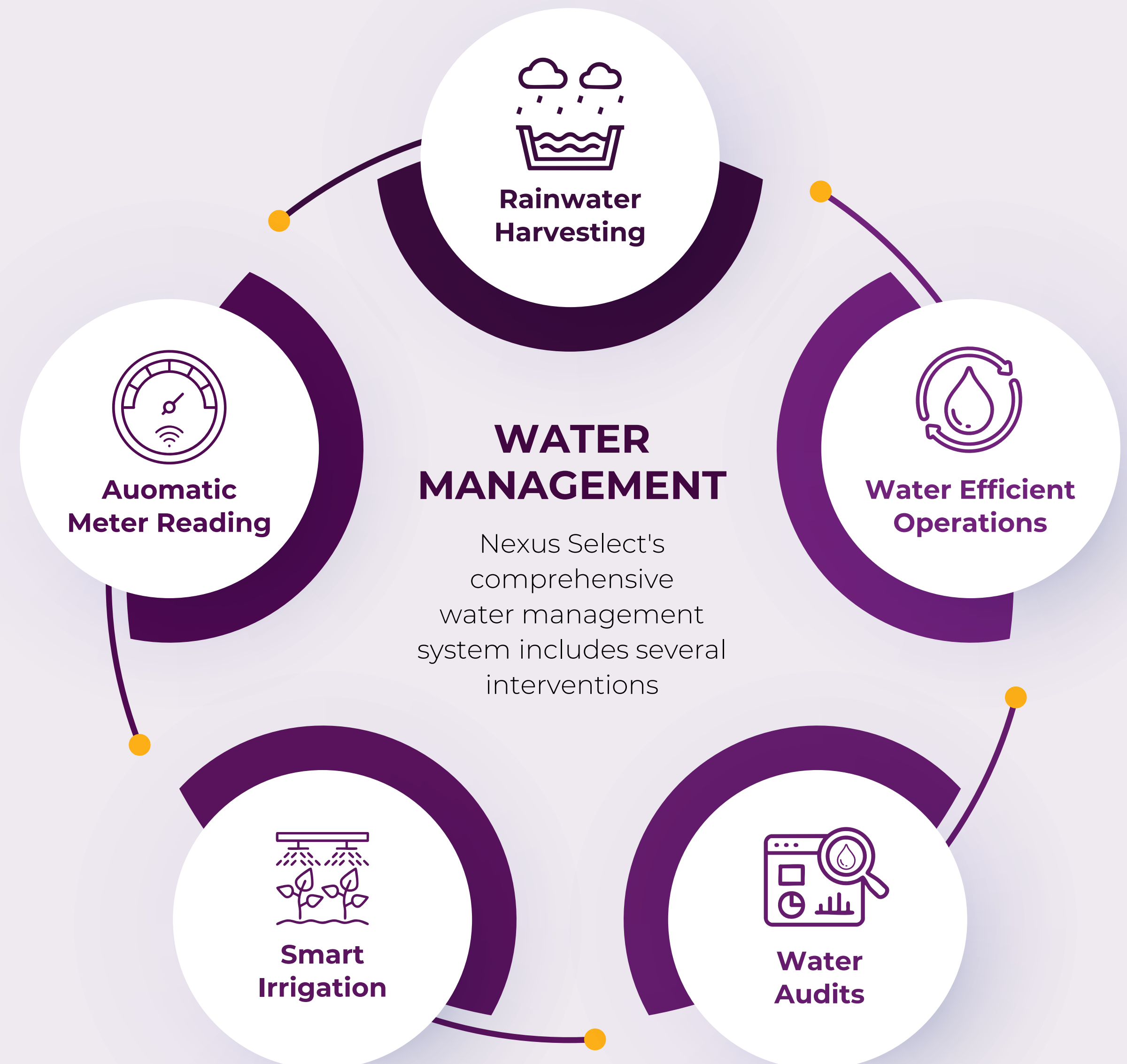
## Nexus Select measures to facilitate Climate Change Adaptation & Resilience towards catastrophes & natural disasters are as follows:

- ▶ Develop mechanisms to assess climate-related risks across all our assets and implement relevant measures to enhance resilience against identified climate-related risks.
- ▶ Implement adequate resiliency measures, including structural changes and upgrades, to mitigate the impact of climate change risks on our assets.
- ▶ Establish an environmental performance baseline at the initial stage of every project through due diligence assessments. Additionally, conduct environmental audits during pre-purchase, mergers/acquisitions, or investments.
- ▶ Prioritize assessments of factors such as resource use efficiency, energy optimisation, and emission reduction.
- ▶ Develop preparedness, management, and recovery plans for potential disasters for each of our assets, including effective disaster communication plans for relevant stakeholders.
- ▶ Conduct periodic assessments of all assets and evaluate the effectiveness of climate resilience measures and disaster mitigation plans.



## SP2 Sustainable Operations

The continued success of our business stems from our strategic goal of operating sustainably. We are committed to strengthening our environmental stewardship by conserving resources, creating long-lasting value for stakeholders, and delivering positive change through responsible actions.



Minimizing waste generated at the source and optimizing resource consumption in our business operations and processes

Actively engages with stakeholders to foster shared accountability in waste reduction and recover



## WASTE MANAGEMENT

Adoption of measures for processing the waste generated for recycling and reuse



Identification, segregation and provision of appropriate waste management procedures for hazardous and non-hazardous waste generated



Implementing effective waste management processes in accordance with all applicable regulatory requirements

Establishment of a robust system for monitoring waste generation and disposal

## Green Leasing

Green leasing clauses form a key part of our tenant agreements and helps foster collaboration to accelerate the identification and implementation of mitigation strategies to address environmental risks. The agreement includes the following clauses:

- ▶ Data Sharing
- ▶ Metering for utilities
- ▶ Sustainability monitoring and ESG data management

We utilize green leasing channels to enter into mutually beneficial long-term relationships and business partnerships with our tenants to improve the adoption and integration of renewable energy in our total energy mix, achieve our carbon neutrality goals and seamlessly run our sustainable retail centers.



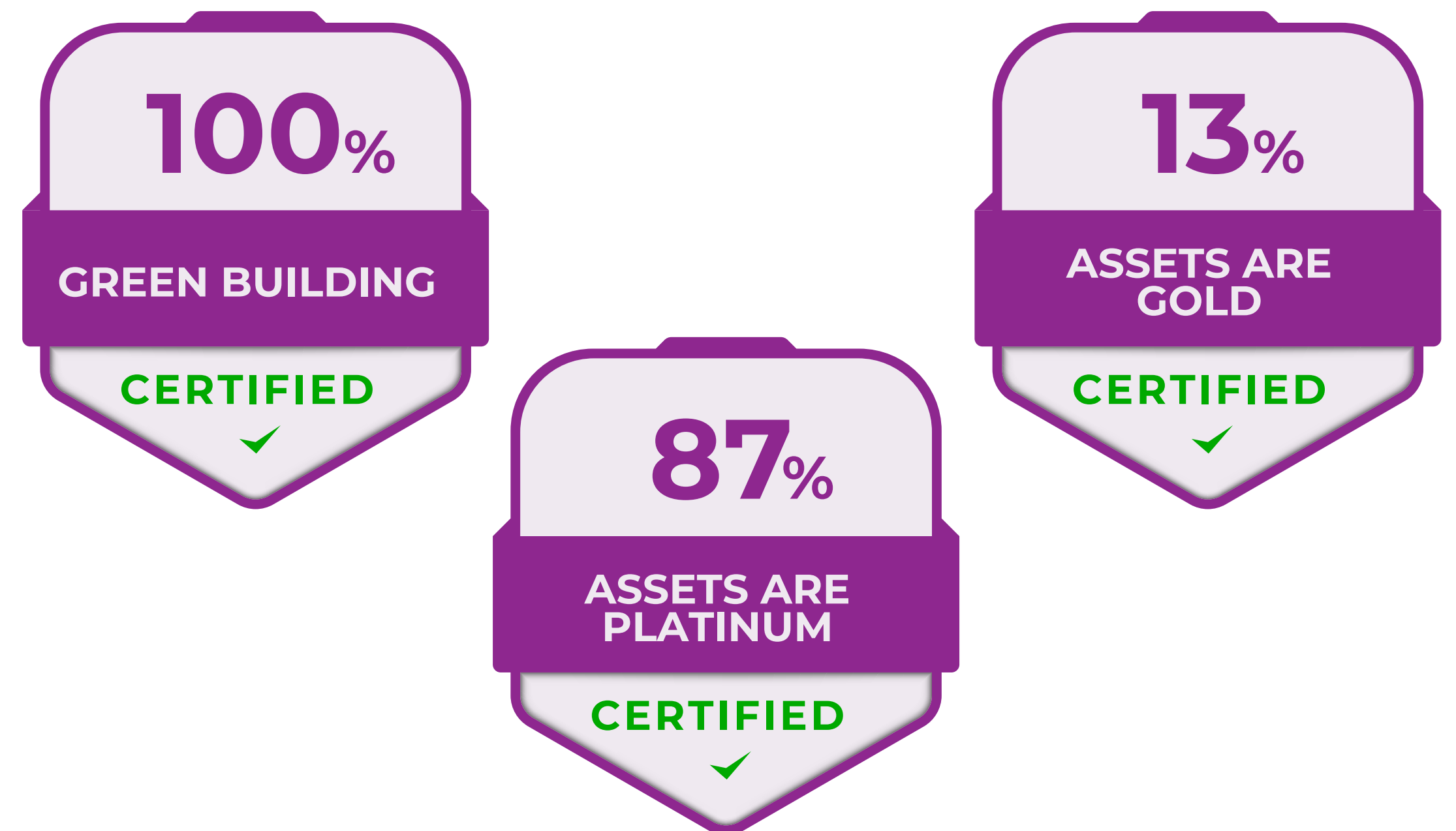
**100%**  
**Green Leases**

## Green Buildings

We are conscious of the environmental impact of our buildings and operations. Our commitment lies in incorporating Green Building principles into our acquisition strategy and asset maintenance, aligned with globally recognized green building standards and certifications. Through sustainable practices, we aim to mitigate these impacts, promoting operational efficiencies across emissions, energy, water, and waste management. By extending the lifespan of our structures and reducing resource consumption and carbon footprint, we strive to contribute to a greener environment.

In addition, we have integrated Immersive Gardens at some of our malls through elements like, indoor plants at our mall offices, vertical gardens maintained near office and ground floors, trees planted in the atrium and seating arrangements for customers to enjoy the greenery. These aspects transform plain and lifeless spaces into works of art, creating a pleasant ambiance and healthier environs. We proactively pursue green building certifications to demonstrate our strong commitment to enhancing the sustainability of our assets. This ensures that our investments align with our sustainability goals and meet evolving customer preferences, positioning them for optimal returns.

Our assets have received prestigious Green Building Certifications under the Indian Green Building Council (IGBC) and Green Rating for Integrated Habitat Assessment (GRIHA).



## SP3 Diversity, Equity, and Inclusion

Our people are fundamental to ensuring that we can successfully fulfill our commitment to conserve nature, generate long-term value for our stakeholders, and achieve positive outcomes. We prioritize the well-being of our employees by offering opportunities for them to build fulfilling careers with us, supported by industry-leading learning and development programs.

Our workforce forms the cornerstone of our ethos as the 'Nexus of Happyness.' Recognizing the importance of a diverse, equitable, and inclusive work environment, we strive to benefit all our stakeholders. Our objective is to nurture a workspace that prioritizes career growth and inclusivity, driving both our employees and business forward.

### Diversity, Equity, and Inclusion in the Workplace

Diversity, Equity, and Inclusion (DE&I) form a core part of our organizational culture and business ethics. We believe that every individual deserves a fair chance irrespective of their background, gender, age, disability, sexual orientation, etc. DE&I values are integrated across our organization at all levels, and we strongly advocate for equality in the workplace and beyond.

### Employee Engagement and Retention

Care for our people is a core value at Nexus Select. Our success is defined by the collective 'happyness' we generate for our employees, enabling them to thrive, deliver sustainable value to our stakeholders, and stay motivated to advance our mission of conserving and preserving the planet.



### Employee Development and Support

The learning and development of our employees are critical to ensure we have the depth and breadth of capabilities and competencies we need to achieve our business goals. We make strategic investments in ongoing training opportunities to foster their holistic professional growth.

## Occupational Health and Safety (OHS)

Protecting the health and safety of our employees is paramount to ensuring seamless operations at optimal productivity levels and without disruptions. We have a robust Occupational Health and Safety (OHS) policy that outlines processes of investigating work-related incidents, hazard identification, and risk assessment. These policies also guide the development of corrective action plans to create a secure workplace.



## Safety processes at Nexus Select



Inspection of the work area by the on-duty fire officer/marshal



Maintaining and monitoring of all processes, aided with a safety checklist on a daily basis. Weekly and monthly fire drills are also conducted



Regular audits to identify and avoid hazards. All elevators, fire pump room, electrical panels, logic tests, etc. are audited



Any observations made in the audit are promptly rectified



Hazard Identification and Risk Assessment (HIRA) process is followed every month



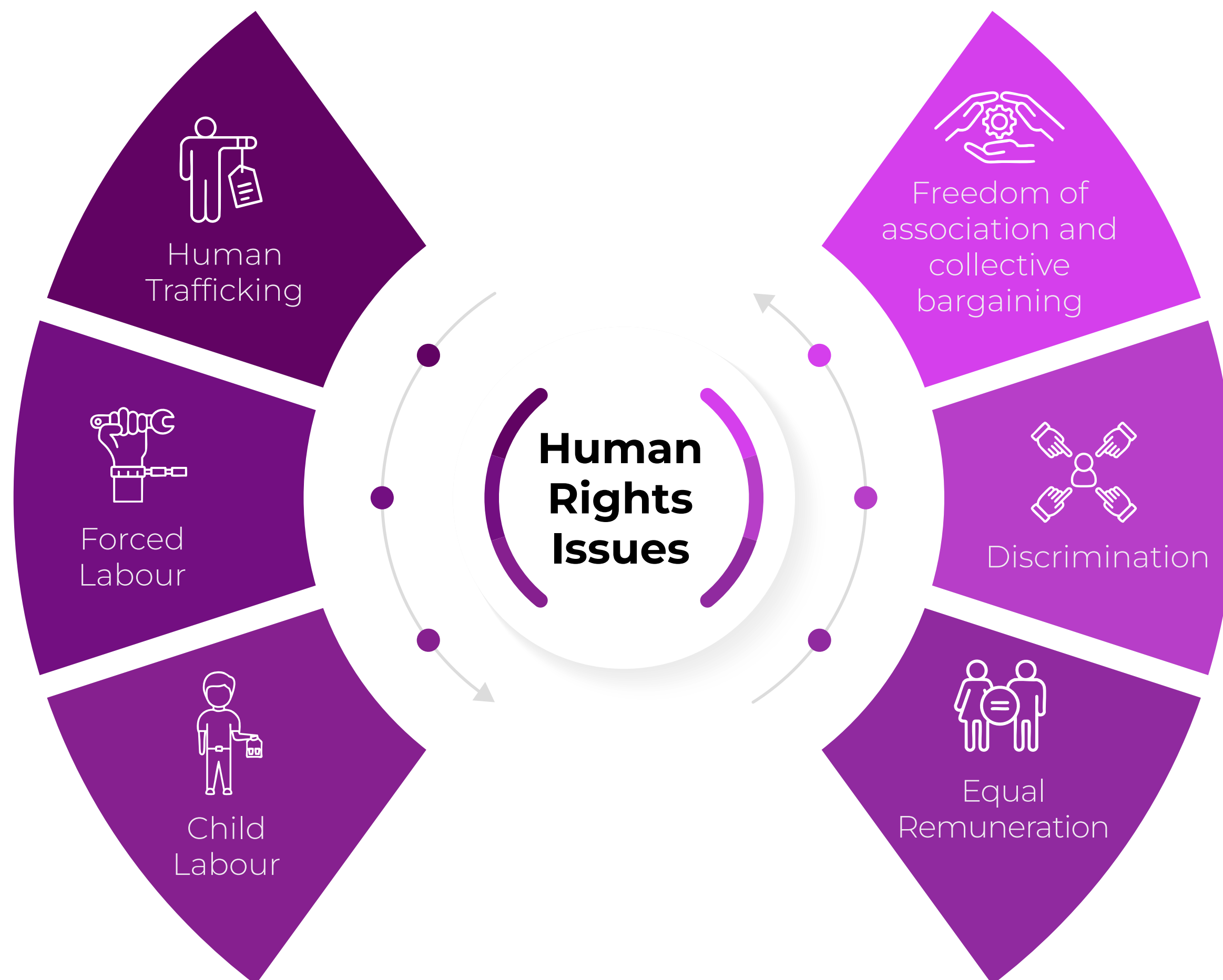
Ensuring that all safety precautions are followed by workers, such as the proper usage of PPE equipment



Conducting monthly electrical and FLS audits as a preventative measure

## Human Rights

As a signatory to the United Nations Global Compact (UNGC), we adhere to the ten pillars of human rights by UNGC, along with an internal code of conduct, to aim for the highest standards of human rights across our operations and supply chain. A comprehensive Human Rights Policy, developed in line with relevant global and national regulatory frameworks, guides our actions on this front. We have zero tolerance towards any violations of Human Rights and have instituted appropriate procedures for employees to report any violations which are addressed promptly. We empower and respect our employees' right to freedom of expression and the formation of unions. However, as of date, we do not have any labor unions within our organization.



## SP4. Stakeholder Engagement

Our stakeholders are vital to us, and engaging with them on a regular basis gives us the opportunity to understand their expectations and enhance value creation for them and our business. We ensure regular stakeholder engagement to identify their key concerns as well as emerging risks and opportunities for our entity.

### Tenant and Customer Engagement

At Nexus Select, we take pride in our mall, office, and hotel portfolio, where the heart of our operations lies in earning and retaining the satisfaction of our stakeholders. Our ethos, built around the principles of conserve, value, and deliver to generate 'Happyness for ALL' drives us to create exceptional experiences for tenants and consumers alike. We undertake proactive measures to foster vibrant communities of tenants and customers through well-designed spaces, inclusive policies, and engaging activities.

### Sustainable Supplier Engagement

Embedding sustainability throughout our operations requires that our entire value chain, including third-party vendors and suppliers, operate with a commitment to responsible business practices. Pursuing responsible sourcing and sustainable procurement gives our business a competitive edge. We provide equal opportunities to all our suppliers and partner with them on fair terms. They are required to adhere to our Code of Conduct and uphold the principles of ethics and transparency that are fundamental to our business operations.

## Community Development

Serving and caring for our communities is core to our value system. Guided by a robust Corporate Social Responsibility Policy, developed in accordance with Section 135 and Schedule VII of the Companies Act 2013, we are committed to promoting 'Happyness for All'.

Through this platform, we implement various CSR initiatives to empower communities around our malls. Our efforts range from knowledge-building interventions, education and raising awareness about health and hygiene to strengthening biodiversity and conservation. We encourage employee volunteerism, allowing them to embrace the spirit of giving back and contribute to societal upliftment. Employees can avail special leave to participate in our CSR initiatives.

## ESG Governance

ESG integration is fundamental to our entity. To ensure the integration of ESG goals across our operations and growth strategy, a robust governance structure is essential. Our ESG governance structure is the driving force behind the success of our environmental and social initiatives. We have a five-tier ESG Governance Framework wherein each level works on implementing, monitoring, and reviewing the entity's ESG strategy and performance, as well as climate-related risks and mitigation approaches. The structure includes a Board-level ESG Committee, Apex ESG Committee, ESG Steering Committee, Task Force and Mall Champions.

## SP5 Management and Compliance

At Nexus Select, we aim to keep innovation at the helm of all our operations. We recognize that a core aspect of innovation lies in digitization. With transparency and accountability at the core, we integrate advanced technologies into our processes to reduce and mitigate risks and leverage opportunities. Technological integration facilitates data-driven decision-making, improves operational and cost efficiencies and helps in increasing profit margins, eventually resulting in enhanced customer experience, resource management, and better value creation for all stakeholders.

## SP2 Transparency and Reporting

Transparency and Accountability underscore our goal of running sustainable operations that put conservation, value creation and delivering outcomes exceeding compliance at the core of our strategy and actions. We showcase our progress across various ESG Ratings and Non-Financial Disclosures aligned with global reporting standards and frameworks to reinforce our commitment to providing our stakeholders with transparent and accurate disclosures. These disclosures also serve as a guide to monitor our progress towards our ESG goals, reflecting our dedication to creating, sustaining, and enhancing long-term value.





# Sustainability-Linked Financing Framework



This Sustainability-Linked Financing Framework (the “Framework”) has been developed in alignment with internationally recognized principles and guidelines (collectively, the “Principles”) to ensure that sustainability-linked instruments issued under it conform to global market best practices:

- ▶ Sustainability-Linked Bond Principles (SLBP), as published by the International Capital Markets Association (ICMA) in June 2024.
- ▶ Sustainability-Linked Loan Principles (SLLP), as published by the Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA), and Asia Pacific Loan Market Association (APLMA) in February 2023.
- ▶ Framework for Environment, Social and Governance (ESG) Debt Securities (other than green debt securities) (the “SEBI ESG Bond Framework”), as issued by the Securities and Exchange Board of India (SEBI) pursuant to circular no. SEBI/HO/DDHS/DDHS-POD-1/P/CIR/2025/84 dated June 05, 2025.

Under this Framework, Nexus Select Trust may issue sustainability-linked instruments, including bonds, loans, or related instruments, where financial characteristics are linked to the achievement of predefined Sustainability Performance Targets (SPTs).

The Framework is structured in accordance with the five core components outlined in the SLBP and SLLP and includes provisions for obtaining a Second Party Opinion (SPO):

- ▶ Selection of Key Performance Indicators (KPIs)
- ▶ Calibration of Sustainability Performance Targets (SPTs)
- ▶ Bond/Loan Characteristics
- ▶ Reporting
- ▶ Verification

## 2.1 Selection of Key Performance Indicators

Nexus has selected the following three Key Performance Indicators (KPIs) for inclusion in Sustainability-Linked Instruments issued under this Framework, which are relevant, core and material to our overall business and embody two of our top sustainability commitments.



## KPI 1: Total Scope 1 and Scope 2 GHG Emissions Reductions for operational malls:

### Definition and Methodology

- ▶ **Units of the KPI:**
  - | Total tCO<sub>2</sub>e, which allows for benchmarking and external verification.
- ▶ **Definition of the KPI:**
  - | This KPI is defined as Scope 1 and Scope 2 GHG emissions within a boundary per annum.
- ▶ **Boundaries / Scope of Coverage where KPI is applied:**
  - | Scope 1 and Scope 2 GHG emissions for Existing Assets<sup>1</sup> (see Annexure 1) (total GFA of 1,16,46,502 Sq Ft) and future acquisitions<sup>2</sup>
- ▶ For future acquisitions that lead to a change of 5% or more (>3,059 tCO<sub>2</sub>e) in the GHG inventory of the base year, the base year emissions will be retrospectively adjusted to reflect the significant change. This adjustment will align with the GHG Protocol and SBTi guidance. Source and Calculation Method: As externally verified and reported from time to time.
- ▶ **Baseline:**
  - | 61,170 tCO<sub>2</sub>e Scope 1 and Scope 2 emissions for the year ending 31 March 2020 for the Existing Assets.

## Rationale and Materiality

Addressing Scope 1 and 2 GHG emissions is highly material for NXST due to their direct relevance to the energy-intensive nature of its operations. Retail properties rely heavily on energy for lighting, HVAC systems, and tenant needs, making operational emissions and electricity consumption significant contributors to its carbon footprint. Prioritizing reductions in these areas aligns with global standards and national commitments such as the Science-Based Targets initiative (SBTi), and NDCs made under Paris Agreement. This positions NXST as a leader in sustainable real estate practices.

Furthermore, the gradual decarbonization of Nexus's assets has been identified as key performance indicator for its business operation. To facilitate this process, the Company is embarking on this roadmap by seeking green building certification of certain upcoming assets. This KPI is also aligned with the Company's commitment to supporting SDGs, including SDG 11- Sustainable Cities and Communities and SDG 13- Climate Actions. By incorporating Scope 1 and 2 KPIs into its sustainability-linked financing framework, Nexus Select Trust underscores its commitment to transparent and measurable decarbonization, meeting stakeholder expectations while driving accountability in its climate action strategy.

## KPI 2: New Acquisitions – 15% emissions reduction within three years of acquisition.

### Definition and Methodology

- ▶ **Units of the KPI:** Total tCO<sub>2</sub>e, which allows for benchmarking and external verification.
- ▶ **Definition of the KPI:** This KPI is defined as Scope 1 and Scope 2 GHG emissions within a boundary per annum.

- ▶ **Boundaries / Scope of Coverage where KPI is applied:** Scope 1 and Scope 2 GHG emissions for New Acquisitions (acquired post December 2024 until 2027).
- ▶ **Source and Calculation Method:** As externally verified and reported from time to time.
- ▶ **Baseline:** Scope 1 and Scope 2 emissions of the new acquisitions for the year of acquisition of each asset.

<sup>1</sup> Existing Assets refer to all the operational malls owned by Nexus, which are covered under this framework.

<sup>2</sup> New Acquisition refers to all the assets (malls) that will be acquired by Nexus in future, i.e. post December 2024 until 2027.

## Rationale and Materiality

Addressing Scope 1 and 2 GHG emissions remains highly material for Nexus Select Trust (NXST) for its future asset acquisitions. The future acquisitions of new commercial and retail assets present both a challenge and an opportunity for NXST to expand its commitment to sustainable operations. These new assets are expected to require significant energy resources, underscoring the importance of integrating sustainable practices from the outset. By prioritizing energy efficiency and low-carbon technologies, Nexus can ensure its expanding portfolio aligns with its broader decarbonization objectives.

Management of GHG emissions is thus a critical material topic for Nexus, as its operations-including the new assets-contribute to environmental impact through electricity use, refrigerants, and other sources. The company remains committed to minimizing this impact by advancing decarbonization strategies.

## Other Capex investments:

- ▶ Conversion to LED lights
- ▶ Installation of VFD(Variable Frequency Drives) in
  - Cooling Towers,
  - STP Air blower
  - STP Exhaust
  - Common Area AHUs
- ▶ Discipline in Chiller Set Points
- ▶ Chiller Optimization during favourable conditions
- ▶ CO2 sensor based Treated Fresh Air operations
- ▶ Roof top Solar plant installations
- ▶ Renewable Energy Investments (Capex, PPA depending on the local government guidelines)

## KPI 3: EDGE Certification for new acquisitions

### Definition and Methodology

- ▶ **Units of the KPI:** Obtaining Green Building Certificates
- ▶ **Definition of the KPI:** A green building certificate provides recognition and endorses the greening efforts of the project. Green Building Certificate recognizes buildings that achieve savings across the environmental impact and resource use categories including energy use, water use, and embodied energy materials.
- ▶ **Boundaries where KPI is applied:** The scope of the certificate includes the new acquisitions (acquired post December 2024 until 2028).

▶ **Source and Calculation Method:** Final Certification based on the globally accepted methodology and after verification by third-party auditor. The design draft of the new construction/renovation will be subject to verification or review by external auditor / consultants.

▶ **Baseline:** All currently held asset have green buildings certifications (IGBC or LEED). Most newly acquired projects do not have green building certifications. The client will aim to have their projects upgraded and certified for green building.

### Rationale and Materiality

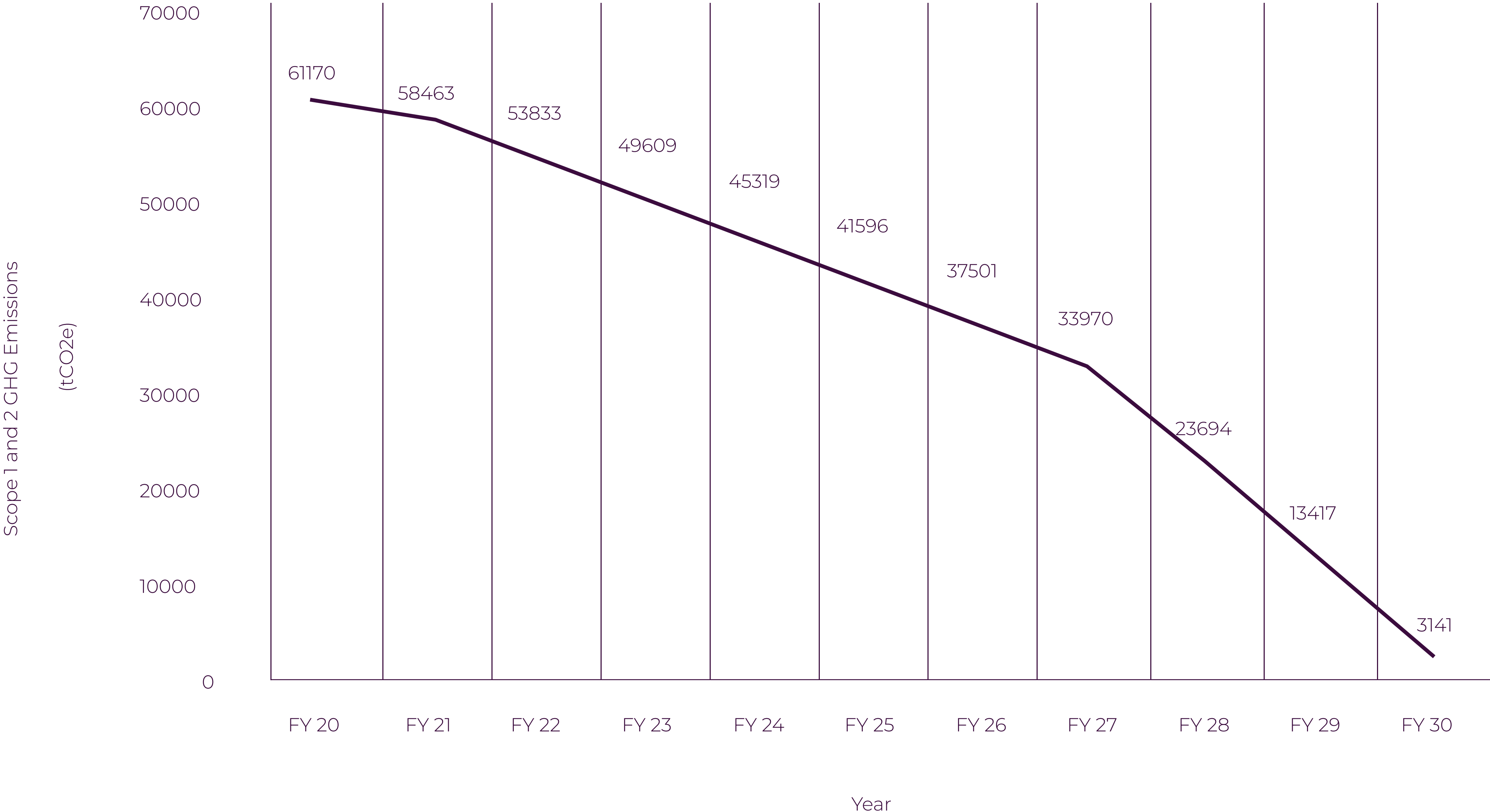
Adherence with the EDGE certification ensures that environmental footprint of the adverse operations of the asset are minimized. Third-party certifications endorse the claim, as they serve as an external validation. Green-rated properties are also more resource-efficient to operate, which aids in resource management. The EDGE certificate for new assets reflects NXST's strategy of reducing energy consumption and GHG emissions.

By choosing Green Building Certificate as the measurement tool, this KPI can provide a consistent methodology in line with global standards to evaluate Nexus's level of ambition, validate its achievements and track its progress towards fulfilling sustainability goals.

## 2.2 Calibration of Sustainability Performance Targets (SPTs)

The following section details the SPTs for future Sustainability-linked Bonds/Loans (SLBs/SLLs), as well as the trigger events that may lead to an adjustment of the loan characteristics. The SPTs for future SLBs/SLLs will be derived based on these long-term targets and calibrated to suit the tenor and the target observation date of each SLB/SLL.

### NetZero Trajectory



# SPT 1 (based on KPI 1) applicable to Current Assets in operations: Net Zero achievement in Scope 1 and 2 emissions by FY 2030

Baseline	SPT	Trigger Event	Strategy to Achieve the SPT
Scope 1 and 2 GHG emission of Nexus' full existing portfolio (areas under control of Nexus) with Baseline of 61,170 tCO2e in FY2020	<p><b>Based on the indicative trajectory (see table) below</b></p> <p><b>Overall target**:</b> 95% reduction** of emissions by FY30 as compared to baseyear emissions (Target observation date: March 31, 2030) for existing portfolio</p>	When a reduction of GHG emissions in relation to the baseline year is externally verified to be equal to lower than an interim or overall target	<ul style="list-style-type: none"> <li>▶ Conduct energy audit(s) to identify energy efficiency improvement opportunities</li> </ul>
	<p><b>Interim target:</b> 61% reduction of emissions as compared to base year emissions by FY28 (First Target Observation Date of [March 31, 2028]) for existing portfolio</p>		<ul style="list-style-type: none"> <li>▶ Implement corrective measures to improve energy efficiency</li> <li>▶ Fuel substitution in electricity generation from diesel to natural gas</li> <li>▶ Roof top solar</li> <li>▶ Procurement of Green Power</li> </ul>
	<p>The emission target figures have been updated in accordance with the recently released guidelines from SBTi for the buildings sector. By the end of FY 30, the remaining emissions will be 3,141 tCO2e (approximately 5% of the baseline), which can be neutralised through carbon removals.</p>		<ul style="list-style-type: none"> <li>▶ Offsite Renewable Energy (Group Captive RE)</li> <li>▶ HVAC Management to reduce fugitive emissions of refrigerants.</li> <li>▶ IEX Green Day Ahead Market for purchasing RE</li> </ul>

\* The plan to achieve the net-zero target across all asset locations considers the evolution of a conducive regulatory framework on renewable installations/renewable energy procurement and reduction of grid emission factor due to efforts planned by Gol to increase the share of renewables in its energy mix

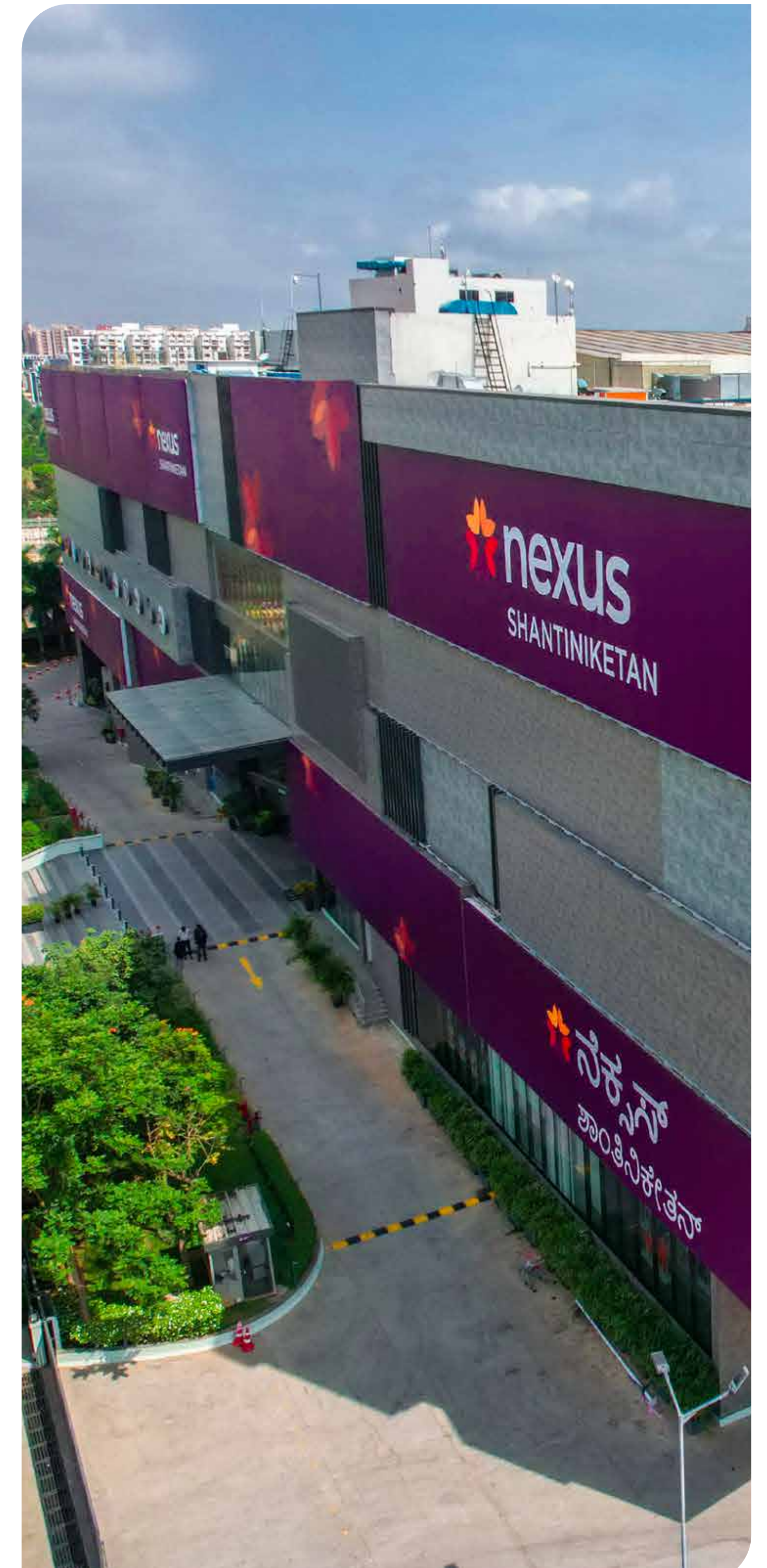
\*\*In line with Science Based Targets Initiative (SBTi), residual 5% emissions post the decarbonization efforts will be neutralised through carbon removals.

## Indicative GHG Reduction Trajectory

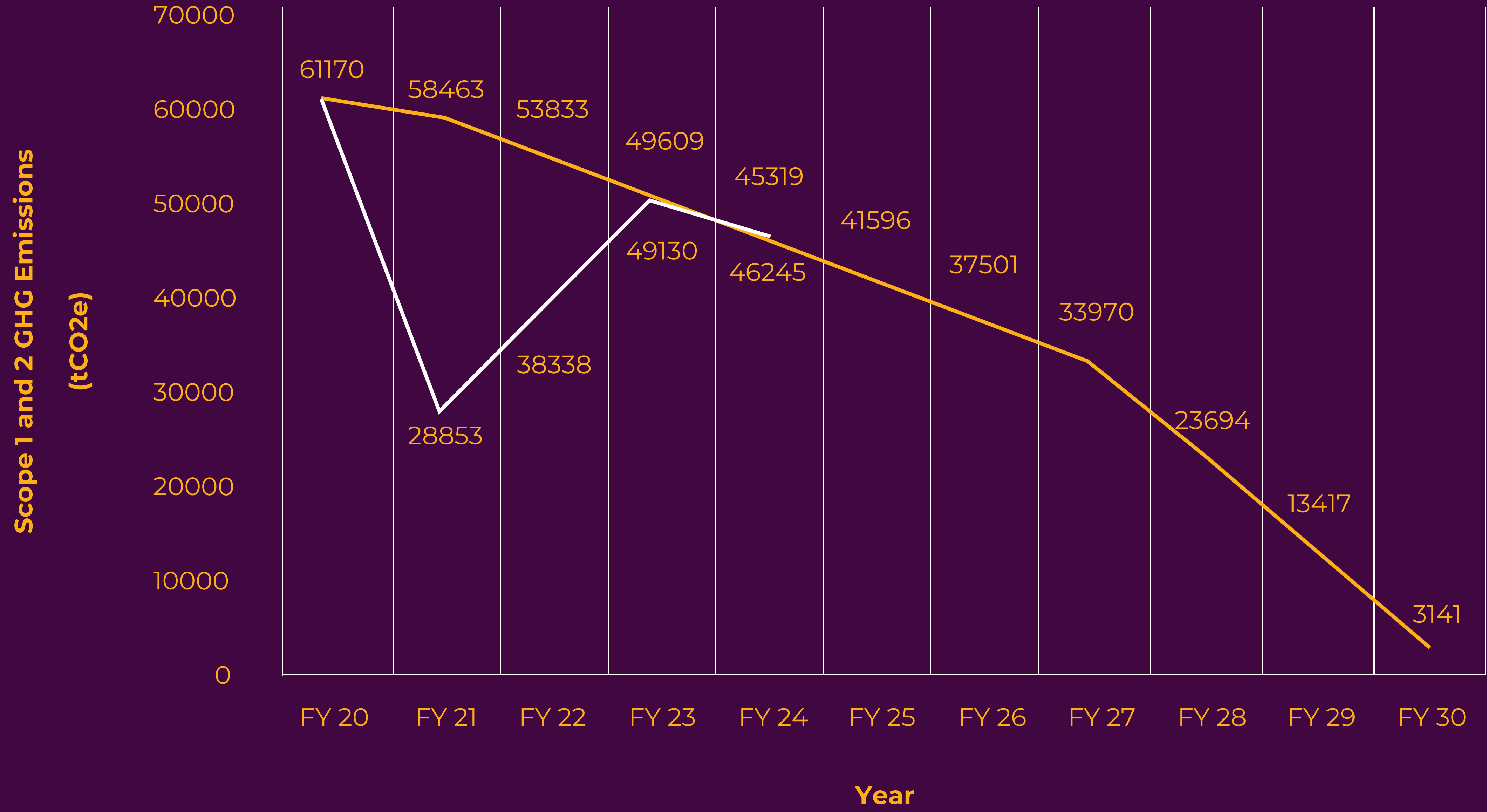
Financial Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Emission reduction target w.r.t. base year FY2020	0%	4%	12%	19%	26%	32%	39%	44%	61%	78%	95%
Actual measured emission reduction w.r.t. FY2020		53%	37%	20%	24.4%						

\*FY21 and FY22 achieved significant reductions exceeding the targets, primarily due to the impact of COVID-19 on mall operations

\*The emission trajectory has been quantified in alignment with the Science Based Targets initiative (SBTi) 1.5°C pathway.



# NetZero Trajectory



■ Emission targets (tCO2e) Actual      ■ Actual emissions (tCO2e)

# SPT 2 (based on KPI 2) applicable to New Acquisitions: ~15% Reduction in Scope 1 and 2 GHG within three years of acquisition using emissions of the acquisition year as the baseline year

Baseline	SPT	Trigger Event	Strategy to Achieve the SPT
<p>Scope 1 and 2 GHG emission of Nexus' New Acquisitions with Baseline of emissions in the year of acquisition</p>	<p><b>Overall target:</b> 15% reduction within 3 years of acquisition of new assets (Baseline – Year of acquisition)</p>	<p>When a reduction of GHG emissions in relation to the baseline year is externally verified to be equal to or lower than an interim or overall target</p>	<p>While acquiring a new asset in Nexus' portfolio, Nexus to evaluate the existing year on year emission portfolio of the asset as per SBTi's 'whole building' guidance</p>
	<p><b>Target Observation Date:</b> Mar 31, 2030, for all assets acquired by Nexus from the time of proposed investment, which have completed 3 years post-acquisition</p>		<p>Nexus to also evaluate emission data for FY19-20 since it would be required to arrive at a corrected base year post the acquisition</p> <ul style="list-style-type: none"> <li>▶ Conduct energy audit(s) to identify energy efficiency improvement opportunities</li> <li>▶ Implement corrective measures to improve energy efficiency</li> <li>▶ Fuel substitution in electricity generation from diesel to natural gas</li> <li>▶ Roof top solar</li> <li>▶ Procurement of Green Power</li> <li>▶ Offsite Renewable Energy (Group Captive RE)</li> <li>▶ HVAC Management to reduce fugitive emissions of refrigerants.</li> <li>▶ IEX Green Day Ahead Market for purchasing RE</li> </ul>



# SPT 3 (based on KPI3): EDGE Certification for New Acquisitions (i.e. post Dec2024)

Baseline	SPT	Trigger Event	Strategy to Achieve the SPT
<p>Acquisitions have not obtained green building certifications as of now.</p>	<p><b>Overall target:</b> All new acquisitions to be   EDGE Basic certified within 3 years of acquisition (of each asset)</p>	<p>Upon confirmation of achievement of the EDGE Green Building Certificate</p>	<p>While acquiring a new asset in Nexus' portfolio, Nexus to evaluate the existing year on year emission portfolio of the asset as per SBTi's 'whole building' guidance</p>
	<p><b>Target Observation Date:</b> Mar 31, 2030, for all assets acquired by Nexus from the time of proposed investment, which have completed 3 years post-acquisition</p>		<p>Nexus to also evaluate emission data for FY19-20 since it would be required to arrive at a corrected base year post the acquisition</p> <ul style="list-style-type: none"> <li>▶ Conduct energy audit(s) to identify energy efficiency improvement opportunities</li> <li>▶ Implement corrective measures to improve energy efficiency</li> <li>▶ Roof top solar</li> <li>▶ Procurement of Green Power</li> <li>▶ Offsite Renewable Energy</li> <li>▶ Conversion to LED lights</li> <li>▶ Installation of VFD(Variable Frequency Drives) in Cooling Towers, STP Air blower STP Exhaust Common Area AHUs</li> <li>▶ Discipline in Chiller Set Points</li> <li>▶ Chiller Optimization during favourable conditions</li> <li>▶ CO2 sensor based Treated Fresh Air operations</li> <li>▶ Roof top Solar plant installations</li> <li>▶ Renewable Energy Investments (Capex, PPA depending on the local government guidelines)</li> </ul>



## 1.3 Bond/Loan Characteristics

NXST will link the performance of the selected SPT(s) to the financial structure of the sustainability linked instruments. The proceeds will be used for general corporate purposes unless otherwise stated in the documentation of specific transactions. For each specific transaction under this Framework, NXST aims to satisfy the above SPTs. In the event NXST fails to satisfy the SPTs it has selected, this will trigger a coupon adjustment or premium payment event as the case may be. Details of the relevant KPI(s), SPT(s), calculation methodologies, performance observation dates, and details of any step-up margin or premium payment will be outlined in the relevant documentation of each specific transaction.

Other details including a fallback mechanism in case the SPT(s) cannot be calculated or observed in a satisfactory manner, and/or language that takes into consideration potential exceptional events or extreme events that could substantially impact the calculation of the SPT(s), will also be provided where applicable.



## 1.4 Reporting

NXST will communicate to lenders or investors on the audited performance of the relevant KPIs and SPTs for the relevant target observation period and related financial impact on an annual basis or as specified in the relevant documentation of the sustainability linked instruments. NXST will, on an annual basis, include the progress performance in the appropriate section in its Sustainability Report (or other reports. Such report will be easily accessible and publicly available on NXST's website, and the information will at least, but not limited to, include:

- ▶ Up-to-date information on the performance of the SPTs for each selected KPI;
- ▶ A verification assurance report outlining the performance of the KPIs against the SPTs;
- ▶ Description of main factors if there is a possibility that the SPT(s) might not be achieved by the respective Target Observation Date
- ▶ Any other relevant information which may enable investors to monitor the progress of the selected KPIs.

## 1.5 Verification

### Pre-Issuance Verification

Nexus Select Trust has engaged an independent sustainability advisory firm, DNV Business Assurance India Private Limited to assess the Framework's alignment with the relevant Principles and issue a Second Party Opinion (SPO) report. The SPO report will be publicly accessible on the Nexus Select Trust website.

### Post-Issuance Verification

Nexus Select Trust will engage an independent external verifier to evaluate the performance level against the SPT(s) for the selected KPI(s). A qualified third-party provider will conduct annual verification until the instrument's maturity, ensuring compliance with limited or reasonable assurance standards.



# Annexure 1

## List of Assets

Sr. No.	Malls
1	Nexus Ahmedabad One
2	Nexus Amritsar
3	Nexus Westend
4	Nexus Seawoods
5	Nexus Elante
6	Treasure Island
7	Nexus Indore Central
8	Nexus Esplanade
9	Nexus Hyderabad
10	Nexus Shantiniketan
11	Nexus Celebration
12	Nexus Koramangala
13	Fiza By Nexus
14	Nexus Centre City
15	Nexus Whitefield
16	Select Citywalk, Delhi
17	Nexus Vijaya Complex

