



// Materiality Assessment Process for BIG Group

2024

BIG Group materiality assessment process aims to identify and prioritize the key ESG issues most relevant to BIG Shopping Centers, ensuring that our ESG strategy aligns with the expectations of our stakeholders and the specific challenges within our sector. This assessment is structured as follows:

Industry Benchmarking

We conducted a thorough industry review, benchmarking against leading companies in the commercial real estate sector. This analysis provided valuable insights into how top-performing companies approach ESG and what key issues are prevalent in our industry.

Assessment of Best Practices

We examined established practices in the real estate sector to identify ESG strategies and initiatives widely adopted and proven effective. This review included analyzing trends and standards within the local market and assessing guidelines and resources from internationally recognized organizations, such as the Global Reporting Initiative (GRI), United Nations Global Compact, and the Sustainability Accounting Standards Board (SASB). This approach enables us to align with both regional and global best practices and adopt high-impact initiatives that support our sustainability goals.

Sector-Specific Challenges and Opportunities

A focused analysis was carried out to identify the primary challenges in the retail and commercial real estate sector, as well as associated risks and opportunities. This analysis is vital to ensuring that our ESG strategy addresses both the current and emerging issues in our field.

Engagement with Rating Agencies and Analysts

We reviewed analyses from several prominent ESG rating agencies and organizations that assess and benchmark companies in the real estate sector. Specifically, we engaged with GRESB (Global Real Estate Sustainability Benchmark) and CDP (formerly known as the Carbon Disclosure Project) to understand the metrics and standards these agencies prioritize. By aligning our ESG activities with GRESB and CDP's rigorous assessment criteria, we aim to optimize our sustainability performance and reporting practices, ensuring transparency and accountability for our stakeholders.

Review of Reporting Standards and Methodologies

To guide our ESG disclosures, we assessed multiple reporting standards and methodologies, focusing on leading frameworks such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the Maala Index in Israel. By integrating the requirements of these standards, we ensure our ESG reporting is comprehensive and meets the expectations of both local and international stakeholders. GRI provides us with a globally recognized framework, SASB aligns our reporting with industry-specific financial materiality, and Maala enables us to address the unique priorities of the Israeli market.

Identification of Key Stakeholders

Recognizing the primary stakeholders who drive our commitment to ESG is essential. We identified key groups, including tenants, customers (visitors), the communities we serve, employees, investors, suppliers, and others whose needs and expectations shape our ESG focus areas.

Ranking and Prioritization

After identifying a comprehensive list of potential ESG topics, we filtered and prioritized them based on their impact on BIG's operations and their significance to stakeholders. This ranking process helps focus our resources on the issues that matter most to our business and stakeholders.

Throughout this process, we took into account other relevant factors and implemented additional actions where necessary to ensure a holistic assessment that captures BIG's unique positioning within the sector.

This streamlined approach allows BIG Group to maintain a focused ESG strategy, aligning with stakeholder expectations and advancing sustainable practices across our operations.