



October 2023

## **Green Building Policy**

### **“Building Israel and protecting the environment”**

This document reviews Azrieli Group’s green building policy, and specifically the construction of properties according to LEED – Leadership in Energy and Environmental Design, with an emphasis on embodied carbon reduction, energy efficiency, water use efficiency, construction waste reduction, urban planning and protection of the health and wellbeing of visitors to the properties.

#### **Introduction:**

The real estate sector has contributed considerably to the accelerated climate changes in recent years. Consequently, Azrieli Group has set itself a target of spearheading the environmental revolution in compliance with the “Azrieli green building standard” – a strict standard which promotes aspects of green building beyond the requirements of Israeli and international standards. In every design process we are committed, at the outset and according to preliminary analyses, to setting targets in energy efficiency, water use efficiency, waste reduction, embodied carbon reduction and maximum production of renewable energy.

The Group’s property design process focuses on the expected users of the project – the customers, tenants or residents. We dedicate considerable efforts to designs that will allow comfort, wellbeing, health, safety, and maximum effectiveness and enjoyment for such persons. We believe that sustainable design, both individually per property and as a leading general narrative at the Group, has the power to contribute to the creation of sustainable cities with added value for both people and the environment. All of the Group’s departments – from senior management to the teams on the ground – are committed to green building processes and work procedures in 100% of the properties.

#### **Taking responsibility for all stages of construction:**

- We comply with the green building standard LEED – Leadership in Energy and Environmental Design, an international standard which determines different levels of green building and guides the design, building and operation processes.
- We strive to design each new project to be certified to the standard’s highest rating – LEED Platinum.
- For residential and senior housing projects, which are better suited to certification under the Israeli green building standard, we strive for a minimum of 3-star certification.
- As part of the process of designing the projects according to green building standards, we retain industry-specific consultants and give instructions to the designers and the builders to ensure compliance with the standard’s goals.



When designing buildings, we work consistently to achieve optimal **energy efficiency** by:

- Performing advanced analyses to assess the energy consumption in the building and for optimization in the design of the building's systems and façades to achieve maximum energy savings.
- Combining elements of shading according to the building's orientation, and maximizing the passage of natural daylight while reducing glare and heat transfer.
- Installing thermal insulation and choosing glazing with high thermal values.
- Designing efficient energy systems for air-conditioning, lighting, and water heating, and installing control and command systems.
- Exploring maximum production of renewable energy in new buildings.

We are committed to taking actions to **reduce embodied carbon** in the construction of our properties, from the stage of the choosing of the raw materials we use to the stage of decomposition of the waste materials:

- We require an EPD (Environmental Product Declaration) when choosing the raw materials in accordance with LEED requirements.
- Our contracts with building contractors include provisions regarding adequate management of the construction waste on the building sites, and all of the disposal, sorting and recycling sites to which the construction waste is removed are certified by the Ministry of Environmental Protection.
- We carry out an LCA (Life Cycle Assessment) for every building as part of the design process, to assess its overall carbon footprint and put together a strategy for reducing carbon emissions in the construction and operating process. This allows us to have a deep understanding of the impact of our buildings on the environment at all stages of construction and to continue to set targets and improve our performance accordingly.
- We check the concrete mixtures used for building the structure, preferring mixtures that contain a higher percentage of recycled material.
- We use building materials with a high content of recycled material.
- In new buildings, we use CFC-free refrigerants in the cooling and heating systems and environmentally-friendly cooling gases.
- In every new building, we set **water use efficiency** targets and strive to implement them by using a water leak detection system, assistance with turning off the flow where needed and management of the water system for consistent savings.
- We implement water-saving actions also in the ongoing operation of the properties, such as installing water-saving devices, saving on irrigation water for plants and garden areas, choosing low-water plants, collecting and reusing air conditioning condensation for irrigation or toilet flushing, implementation of solutions for management of runoff water, rainwater harvesting, and recycling of irrigation water.

Our design of every project includes advanced processes for the **management and reduction of construction waste**. We are committed to:



- Separating the construction waste into different waste streams at each building site, including iron, wood, plaster, aluminum, packaging and concrete.
- In every new building, a minimum of 75% of the construction waste is separated and sent for recycling, and around 100% of all of the non-recyclable waste is sent to landfill sites certified by the Ministry of Environmental Protection.
- Monitoring waste stats, including by weight confirmations for waste sent to recycling.
- All of the disposal, sorting and recycling sites to which the construction waste is removed are certified by the Ministry of Environmental Protection and approved by a green building consultant. These sites are guaranteed to have the capacity to receive the quantity of waste removed to them.
- The design of each project includes a waste separation system for up to 8 streams to reduce the quantity of landfill waste by at least 50%, all by setting up a separation and recycling infrastructure for all of the uses in the building.

In terms of **urban planning**, we focus on:

- **Responsible site selection** –
  - Building in city centers and refraining from building on open spaces, to protect biodiversity.
  - Building in areas with good public transportation, near major roads and bicycle paths, to encourage use of public transportation.
- Creating experiential urban spaces which facilitate pedestrian and bicycle traffic, and accessibility for persons with disabilities.
- Designing bicycle stands and electric vehicle charging stations in 10% of the parking spaces in the project including infrastructure for future expansion of the number of charging stations up to 80%.
- Mixed-use buildings for effective and compact urban design. All of our buildings are designed to accommodate changes and conversion to different uses in the future.
- Using pale external cladding with a low albedo and carrying out analyses for the building's façades to prevent glare and heat emission to the public space.
- Carrying out wind analyses in each project to prevent the creation of wind tunnels and create pleasant public spaces around the building.
- Designing green roofs that incorporate solar panels, dense planting and parks with seating areas for visitors.

To deliver the most comfortable and pleasant experience, to protect the **health and wellbeing of visitors** and to create a safe, first-rate space, every new building design takes into account the following parameters:

- Installation of advanced air filtration systems.
- Supervision of the finishing materials with which users come into contact and use of low-VOC (volatile organic compounds) materials that are air-quality friendly.
- Creation of shading that improves the thermal comfort in and around the building, does not affect the field of vision and allows the entry of natural daylight.



- Use of greenery and plants in buildings for the benefit of visitors and to help reduce the urban heat island effect.
- Use of natural materials and elements inspired by nature for an enhanced visitor experience.
- Ensuring full accessibility of the public areas in the properties to facilitate equal enjoyment for all.

We strive for efficiency and continue to take significant action to reduce the carbon footprint of every one of our new construction projects. The construction processes are coordinated by the Group's green building architect, and are overseen by a green building consultant, who also assists with implementation of greenhouse gas emission reduction, energy efficiency, water use efficiency, embodied carbon reduction, construction waste management, protection of biodiversity and management of various climate risks.

This policy document was approved on October 2023. This document is available to the general public on the Group's website and to the Group's employees on our intranet. Contact us with any request or claim by any one of the customer service channels [online](#) or by calling 03-6081300.